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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended October 31, 2022
or

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

For the transition period from _____ to _____
Commission File Number: 0-14338

AUTODESK, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
One Market Street, Ste. 400
San Francisco,
(Address of principal executive offices)

California

94-2819853
(I.R.S. employer
Identification No.)

94105
(Zip Code)

(415) 507-5000
(Registrant's telephone number, including area code)

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--|-------------------|---|
| Common Stock, par value \$0.01 per share | ADSK | The Nasdaq Global Select Market |

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

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

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

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

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

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

As of November 30, 2022, registrant had outstanding 215,767,494 shares of common stock.

AUTODESK, INC. FORM 10-Q
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

AUTODESK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)
(Unaudited)

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|--|--------------------------------|----------|-------------------------------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| Net revenue: | | | | |
| Subscription | \$ 1,188 | \$ 1,043 | \$ 3,437 | \$ 2,967 |
| Maintenance | 16 | 18 | 51 | 54 |
| Total subscription and maintenance revenue | 1,204 | 1,061 | 3,488 | 3,021 |
| Other | 76 | 65 | 199 | 154 |
| Total net revenue | 1,280 | 1,126 | 3,687 | 3,175 |
| Cost of revenue: | | | | |
| Cost of subscription and maintenance revenue | 86 | 75 | 253 | 219 |
| Cost of other revenue | 19 | 18 | 59 | 48 |
| Amortization of developed technologies | 15 | 15 | 44 | 39 |
| Total cost of revenue | 120 | 108 | 356 | 306 |
| Gross profit | 1,160 | 1,018 | 3,331 | 2,869 |
| Operating expenses: | | | | |
| Marketing and sales | 454 | 419 | 1,306 | 1,195 |
| Research and development | 311 | 282 | 906 | 825 |
| General and administrative | 129 | 113 | 377 | 344 |
| Amortization of purchased intangibles | 10 | 11 | 30 | 30 |
| Total operating expenses | 904 | 825 | 2,619 | 2,394 |
| Income from operations | 256 | 193 | 712 | 475 |
| Interest and other expense, net | (14) | (5) | (43) | (17) |
| Income before income taxes | 242 | 188 | 669 | 458 |
| Provision for income taxes | (44) | (51) | (139) | (50) |
| Net income | \$ 198 | \$ 137 | \$ 530 | \$ 408 |
| Basic net income per share | \$ 0.92 | \$ 0.62 | \$ 2.44 | \$ 1.85 |
| Diluted net income per share | \$ 0.91 | \$ 0.62 | \$ 2.43 | \$ 1.84 |
| Weighted average shares used in computing basic net income per share | 216 | 220 | 217 | 220 |
| Weighted average shares used in computing diluted net income per share | 217 | 222 | 218 | 222 |

See accompanying Notes to Condensed Consolidated Financial Statements.

AUTODESK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|--|--------------------------------|---------------|-------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Net income | \$ 198 | \$ 137 | \$ 530 | \$ 408 |
| Other comprehensive (loss) income, net of reclassifications: | | | | |
| Net gain on derivative instruments (net of tax effect of \$(5), \$(3), \$(17), and \$(7), respectively) | 26 | 19 | 99 | 39 |
| Change in net unrealized (loss) gain on available-for-sale debt securities (net of tax effect of zero for all periods presented) | — | (1) | 3 | 7 |
| Net change in cumulative foreign currency translation loss (net of tax effect of zero, zero, \$1, and \$(1) respectively) | (64) | (7) | (185) | (22) |
| Total other comprehensive (loss) income | (38) | 11 | (83) | 24 |
| Total comprehensive income | <u>\$ 160</u> | <u>\$ 148</u> | <u>\$ 447</u> | <u>\$ 432</u> |

See accompanying Notes to Condensed Consolidated Financial Statements.

AUTODESK, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)
(Unaudited)

| | October 31, 2022 | January 31, 2022 |
|---|------------------|------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 1,665 | \$ 1,528 |
| Marketable securities | 139 | 236 |
| Accounts receivable, net | 642 | 716 |
| Prepaid expenses and other current assets | 342 | 284 |
| Total current assets | <u>2,788</u> | <u>2,764</u> |
| Long-term marketable securities | 37 | 45 |
| Computer equipment, software, furniture and leasehold improvements, net | 149 | 162 |
| Operating lease right-of-use assets | 271 | 305 |
| Intangible assets, net | 423 | 494 |
| Goodwill | 3,577 | 3,604 |
| Deferred income taxes, net | 836 | 741 |
| Long-term other assets | 554 | 492 |
| Total assets | <u>\$ 8,635</u> | <u>\$ 8,607</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 134 | \$ 121 |
| Accrued compensation | 293 | 341 |
| Accrued income taxes | 40 | 30 |
| Deferred revenue | 2,731 | 2,863 |
| Operating lease liabilities | 82 | 87 |
| Current portion of long-term notes payable, net | 350 | 350 |
| Other accrued liabilities | 181 | 217 |
| Total current liabilities | <u>3,811</u> | <u>4,009</u> |
| Long-term deferred revenue | 1,052 | 927 |
| Long-term operating lease liabilities | 323 | 346 |
| Long-term income taxes payable | 85 | 20 |
| Long-term deferred income taxes | 44 | 29 |
| Long-term notes payable, net | 2,280 | 2,278 |
| Long-term other liabilities | 134 | 149 |
| Stockholders' equity: | | |
| Common stock and additional paid-in capital | 3,213 | 2,923 |
| Accumulated other comprehensive loss | (207) | (124) |
| Accumulated deficit | (2,100) | (1,950) |
| Total stockholders' equity | <u>906</u> | <u>849</u> |
| Total liabilities and stockholders' equity | <u>\$ 8,635</u> | <u>\$ 8,607</u> |

See accompanying Notes to Condensed Consolidated Financial Statements.

AUTODESK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

| | Nine Months Ended October 31, | |
|--|-------------------------------|-----------------|
| | 2022 | 2021 |
| Operating activities: | | |
| Net income | \$ 530 | \$ 408 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation, amortization and accretion | 113 | 114 |
| Stock-based compensation expense | 493 | 410 |
| Deferred income taxes | (98) | 15 |
| Lease-related asset impairments | 21 | — |
| Other | 13 | 13 |
| Changes in operating assets and liabilities, net of business combinations: | | |
| Accounts receivable | 70 | 70 |
| Prepaid expenses and other assets | 1 | (139) |
| Accounts payable and other liabilities | (76) | (67) |
| Deferred revenue | 14 | (28) |
| Accrued income taxes | 79 | 13 |
| Net cash provided by operating activities | <u>1,160</u> | <u>809</u> |
| Investing activities: | | |
| Purchases of marketable securities | (199) | (56) |
| Sales and maturities of marketable securities | 302 | 4 |
| Capital expenditures | (32) | (50) |
| Purchases of developed technologies | (6) | (10) |
| Business combinations, net of cash acquired | (96) | (1,185) |
| Other investing activities | (53) | (2) |
| Net cash used in investing activities | <u>(84)</u> | <u>(1,299)</u> |
| Financing activities: | | |
| Proceeds from issuance of common stock, net of issuance costs | 124 | 113 |
| Taxes paid related to net share settlement of equity awards | (127) | (148) |
| Repurchases of common stock | (894) | (483) |
| Proceeds from debt, net of discount | — | 997 |
| Other financing activities | — | (6) |
| Net cash (used in) provided by financing activities | <u>(897)</u> | <u>473</u> |
| Effect of exchange rate changes on cash and cash equivalents | (42) | (6) |
| Net increase (decrease) in cash and cash equivalents | 137 | (23) |
| Cash and cash equivalents at beginning of period | 1,528 | 1,772 |
| Cash and cash equivalents at end of period | <u>\$ 1,665</u> | <u>\$ 1,749</u> |
| Supplemental cash flow disclosure: | | |
| Non-cash financing activities: | | |
| Fair value of common stock issued to settle liability-classified restricted common stock | \$ 8 | \$ 3 |
| Fair value of common stock issued related to business combinations | \$ 10 | \$ 3 |

See accompanying Notes to Condensed Consolidated Financial Statements.

AUTODESK, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(In millions, except share and per share data, or as otherwise noted)

1. Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements of Autodesk, Inc. (“Autodesk,” “we,” “us,” “our,” or the “Company”) as of October 31, 2022, and for the three and nine months ended October 31, 2022 and 2021, have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information along with the instructions to Form 10-Q and Article 10 of Securities and Exchange Commission (“SEC”) Regulation S-X. Accordingly, they do not include all of the information and notes required by GAAP for annual financial statements. In management’s opinion, Autodesk made all adjustments (consisting of normal, recurring and non-recurring adjustments) during the quarter that were considered necessary for the fair statement of the financial position and operating results of the Company. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates. In addition, the results of operations for the three and nine months ended October 31, 2022, are not necessarily indicative of the results for the entire fiscal year ending January 31, 2023, or for any other period. Further, the balance sheet as of January 31, 2022, has been derived from the audited Consolidated Balance Sheet as of this date. There have been no material changes, other than what is discussed herein, to Autodesk’s significant accounting policies as compared to the significant accounting policies disclosed in the Annual Report on Form 10-K for the fiscal year ended January 31, 2022. These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and related notes, together with management’s discussion and analysis of financial position and results of operations, contained in Autodesk’s Annual Report on Form 10-K for the fiscal year ended January 31, 2022, filed on March 14, 2022.

Change in presentation

In the current fiscal year, the Company changed its presentation of certain subscription plan offerings in our Condensed Consolidated Statements of Operations. Revenue from subscription plan offerings in which the customer does not utilize the cloud functionality or that do not incorporate substantial cloud functionality, previously recorded in “Subscription” have been reclassified to “Other” and “Maintenance,” as applicable. Accordingly, prior period amounts have been reclassified to conform to the current period presentation, in all material respects. These reclassifications did not impact total net revenue.

The effect of the change on the Condensed Consolidated Statements of Operations for the three and nine months ended October 31, 2021, was as follows:

| | Three Months Ended October 31, 2021 | | | Nine Months Ended October 31, 2021 | | |
|-------------------|-------------------------------------|----------------------------------|-------------|------------------------------------|----------------------------------|-------------|
| | As Reported | Effect of Change in Presentation | As Adjusted | As Reported | Effect of Change in Presentation | As Adjusted |
| Net revenue: | | | | | | |
| Subscription | \$ 1,070 | \$ (27) | \$ 1,043 | \$ 3,035 | \$ (68) | \$ 2,967 |
| Other | 38 | 27 | 65 | 86 | 68 | 154 |
| Total net revenue | 1,126 | — | 1,126 | 3,175 | — | 3,175 |

In the current fiscal year, the Company changed its rounding presentation to the nearest whole number in millions of reported amounts, except per share data or as otherwise noted. The current year rounding presentation has been applied to all prior year amounts presented and, in certain circumstances, this change may adjust previously reported balances.

2. Recently Issued Accounting Standards

With the exception of those discussed below, there have been no recent changes in accounting pronouncements issued by the Financial Accounting Standards Board (“FASB”) or adopted by the Company during the nine months ended October 31, 2022, that are applicable to the Company.

Accounting Standards Adopted

In March 2020, the FASB issued Accounting Standards Update (“ASU”) No. 2020-04, “Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting” (“ASU No. 2020-04”), which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts, hedging relationships, and other transactions that reference London Inter-Bank Offered Rate (“LIBOR”) or another reference rate expected to be discontinued because of reference rate reform. The amendments are effective for all entities as of March 12, 2020, through December 31, 2022. The expedients and exceptions provided by the amendments do not apply to contract modifications made and hedging relationships entered into or evaluated after December 31, 2022, except for hedging relationships existing as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship. Autodesk will apply the expedients in ASU No. 2020-04 through December 31, 2022. Autodesk does not believe ASU No. 2020-04 will have a material impact on its consolidated financial statements.

Recently issued accounting standards not yet adopted

In June 2022, the FASB issued ASU No. 2022-03, “Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions” (“ASU 2022-03”), which applies to all equity securities measured at fair value that are subject to contractual sale restrictions. ASU 2022-03 prohibits entities from taking into account contractual restrictions on the sale of equity securities when estimating fair value and introduces required disclosures for such transactions. ASU 2022-03 is effective for Autodesk’s fiscal year beginning February 1, 2024 and interim periods within that fiscal year, with early adoption permitted. Autodesk does not believe ASU No. 2022-03 will have a material impact on its consolidated financial statements.

3. Revenue Recognition

Revenue Disaggregation

Autodesk recognizes revenue from the sale of (1) product subscriptions, cloud service offerings, and enterprise business agreements (“EBAs”), (2) renewal fees for existing maintenance plan agreements that were initially purchased with a perpetual software license, and (3) consulting, training, and other goods and services. The three categories are presented as line items on Autodesk’s Condensed Consolidated Statements of Operations.

Information regarding the components of Autodesk's net revenue from contracts with customers by product family, geographic location, sales channel, and product type is as follows:

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|--|--------------------------------|-----------------|-------------------------------|-----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Net revenue by product family: | | | | |
| Architecture, Engineering and Construction (1) | \$ 575 | \$ 507 | \$ 1,676 | \$ 1,429 |
| AutoCAD and AutoCAD LT (1) | 354 | 323 | 1,025 | 912 |
| Manufacturing | 254 | 225 | 721 | 630 |
| Media and Entertainment | 78 | 63 | 217 | 177 |
| Other | 19 | 8 | 48 | 27 |
| Total net revenue | \$ 1,280 | \$ 1,126 | \$ 3,687 | \$ 3,175 |
| Net revenue by geographic area: | | | | |
| Americas | | | | |
| U.S. | \$ 447 | \$ 383 | \$ 1,269 | \$ 1,055 |
| Other Americas | 94 | 79 | 271 | 221 |
| Total Americas | 541 | 462 | 1,540 | 1,276 |
| Europe, Middle East and Africa | 476 | 433 | 1,398 | 1,226 |
| Asia Pacific | 263 | 231 | 749 | 673 |
| Total net revenue | \$ 1,280 | \$ 1,126 | \$ 3,687 | \$ 3,175 |
| Net revenue by sales channel: | | | | |
| Indirect | \$ 827 | \$ 730 | \$ 2,412 | \$ 2,093 |
| Direct | 453 | 396 | 1,275 | 1,082 |
| Total net revenue | \$ 1,280 | \$ 1,126 | \$ 3,687 | \$ 3,175 |
| Net revenue by product type (2): | | | | |
| Design | \$ 1,087 | \$ 967 | \$ 3,155 | \$ 2,756 |
| Make | 117 | 94 | 333 | 265 |
| Other | 76 | 65 | 199 | 154 |
| Total net revenue | \$ 1,280 | \$ 1,126 | \$ 3,687 | \$ 3,175 |

- (1) During the nine months ended October 31, 2022, the Company corrected an immaterial classification error and reclassified certain revenue amounts between Architecture, Engineering and Construction and AutoCAD and AutoCAD LT. The three months ended April 30, 2022, included within the nine months ended October 31, 2022, and both the three and nine months ended October 31, 2021, have been adjusted to conform to the current period presentation. These reclassifications did not impact total net revenue.
- (2) The prior period amount has been adjusted to conform to the current period presentation for a change in presentation of certain subscription plan offerings. See Note 1, "Basis of Presentation" for further detail.

Payments for product subscriptions, industry collections, cloud subscriptions, and maintenance subscriptions are typically due up front with payment terms of 30 to 45 days. Payments on EBAs are typically due in annual installments over the contract term, with payment terms of 30 to 60 days. Autodesk does not have any material variable consideration, such as obligations for returns, refunds, warranties, or amounts due to customers for which significant estimation or judgment is required as of the reporting date.

Remaining performance obligations consist of total short-term, long-term, and unbilled deferred revenue. As of October 31, 2022, Autodesk had remaining performance obligations of \$4.68 billion, which represents the total contract price allocated to remaining performance obligations, which are generally recognized over the next three years. We expect to recognize \$3.14 billion or 67% of our remaining performance obligations as revenue during the next 12 months. We expect to recognize the remaining \$1.54 billion or 33% of our remaining performance obligations as revenue thereafter.

The amount of remaining performance obligations may be impacted by the specific timing, duration, and size of customer subscription and support agreements, the specific timing of customer renewals, and foreign currency fluctuations.

Contract Balances

We receive payments from customers based on a billing schedule as established in our contracts. Contract assets relate to performance completed in advance of scheduled billings. Contract assets were not material as of October 31, 2022. Deferred revenue relates to billings in advance of performance under the contract. The primary changes in our contract assets and deferred revenues are due to our performance under the contracts and billings.

Revenue recognized during the three months ended October 31, 2022 and 2021, that was included in the deferred revenue balances at January 31, 2022 and 2021, was \$642 million and \$569 million, respectively. Revenue recognized during the nine months ended October 31, 2022 and 2021, that was included in the deferred revenue balances at January 31, 2022 and 2021, was \$2.46 billion and \$2.13 billion, respectively. The satisfaction of performance obligations typically lags behind payments received under revenue contracts from customers.

4. Concentration of Credit Risk

Autodesk places its cash, cash equivalents, and marketable securities in highly liquid instruments with, and in the custody of, multiple diversified financial institutions globally with high credit ratings, and limits the amounts invested with any one institution, type of security, and issuer. Autodesk's primary commercial banking relationship is with Citigroup Inc. and its global affiliates. Citibank, N.A., an affiliate of Citigroup, is one of the lead lenders and an agent in the syndicate of Autodesk's \$1.5 billion revolving credit facility. See Note 14, "Borrowing Arrangements," in the Notes to Condensed Consolidated Financial Statements for further discussion.

Total sales to the Company's largest distributor Tech Data Corporation and its global affiliates ("Tech Data") accounted for 37% of Autodesk's total net revenue during both the three and nine months ended October 31, 2022. Total sales to Tech Data accounted for 37% and 36% of Autodesk's total net revenue for the three and nine months ended October 31, 2021. The majority of the net revenue from sales to Tech Data is for sales outside of the United States. In addition, Tech Data accounted for 24% of trade accounts receivable at both October 31, 2022, and January 31, 2022. Ingram Micro Inc. ("Ingram Micro") accounted for 9% of Autodesk's total net revenue during both the three and nine months ended October 31, 2022. Total sales to Ingram Micro accounted for 9% of Autodesk's total net revenue during both the three and nine months ended October 31, 2021. No other customer accounted for more than 10% of Autodesk's total net revenue or trade accounts receivable for each of the respective periods.

5. Financial Instruments

The following tables summarize the Company's financial instruments by significant investment category as of October 31, 2022, and January 31, 2022:

| | October 31, 2022 | | | |
|---------------------------------|------------------|------------------------|-------------------------|-----------------|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value |
| Cash equivalents (1): | | | | |
| Money market funds | \$ 515 | \$ — | \$ — | \$ 515 |
| Commercial paper | 299 | — | — | 299 |
| Certificates of deposit | 21 | — | — | 21 |
| Agency discount notes | 7 | — | — | 7 |
| Other (2) | 5 | — | — | 5 |
| Marketable securities: | | | | |
| Short-term | | | | |
| Commercial paper | 87 | — | — | 87 |
| Corporate debt securities | 35 | — | — | 35 |
| Asset-backed securities | 7 | — | — | 7 |
| Other (3) | 8 | 2 | — | 10 |
| Long-term | | | | |
| Corporate debt securities | 27 | — | (1) | 26 |
| Asset-backed securities | 6 | — | — | 6 |
| Other (4) | 5 | — | — | 5 |
| Mutual funds (5) (6) | 81 | 4 | (3) | 82 |
| Convertible debt securities (6) | 3 | — | — | 3 |
| Total | \$ 1,106 | \$ 6 | \$ (4) | \$ 1,108 |

(1) Included in "Cash and cash equivalents" in the accompanying Condensed Consolidated Balance Sheets. These investments are classified as debt securities.

(2) Consists of municipal bonds and custody cash deposits.

(3) Consists of U.S. government securities, common stock, certificates of deposit, agency mortgage-backed securities, mortgage-backed securities, and agency collateralized mortgage obligations.

(4) Consists of U.S. government securities, agency mortgage-backed securities, mortgage-backed securities, and collateralized mortgage obligations.

(5) See Note 12, "Deferred Compensation" for more information.

(6) Included in "Prepaid expenses and other current assets" or "Long-term other assets" in the accompanying Condensed Consolidated Balance Sheets.

| | January 31, 2022 | | | |
|-------------------------------|------------------|------------------------|-------------------------|---------------|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value |
| Cash equivalents (1): | | | | |
| Money market funds | \$ 302 | \$ — | \$ — | \$ 302 |
| Commercial paper | 55 | — | — | 55 |
| U.S government securities | 25 | — | — | 25 |
| Custody cash deposit | 18 | — | — | 18 |
| Corporate debt securities | 18 | — | — | 18 |
| Certificates of deposit | 6 | — | — | 6 |
| Other (2) | 4 | — | — | 4 |
| Marketable securities: | | | | |
| Short-term | | | | |
| Commercial paper | 103 | — | — | 103 |
| Corporate debt securities | 61 | — | — | 61 |
| Asset-backed securities | 26 | — | — | 26 |
| Certificate of deposit | 14 | — | — | 14 |
| U.S. government securities | 13 | — | — | 13 |
| Municipal bonds | 11 | — | — | 11 |
| Common Stock | — | 4 | — | 4 |
| Other (3) | 4 | — | — | 4 |
| Long-term | | | | |
| Corporate debt securities | 44 | — | — | 44 |
| Other (4) | 1 | — | — | 1 |
| Mutual funds (5) (6) | 74 | 16 | (1) | 89 |
| Total | \$ 779 | \$ 20 | \$ (1) | \$ 798 |

- (1) Included in “Cash and cash equivalents” in the accompanying Condensed Consolidated Balance Sheets. These investments are classified as debt securities.
(2) Consists of sovereign bonds and municipal bonds.
(3) Consists of sovereign bonds and supranational bonds.
(4) Consists of asset-backed securities.
(5) See Note 12, “Deferred Compensation” for more information.
(6) Included in “Prepaid expenses and other current assets,” or “Long-term other assets,” in the accompanying Condensed Consolidated Balance Sheets.

The following table summarizes the fair values of investments classified as marketable debt securities by contractual maturity date as of October 31, 2022:

| | Fair Value |
|---------------------------------|---------------|
| Due within 1 year | \$ 113 |
| Due in 1 year through 5 years | 55 |
| Due in 5 years through 10 years | 2 |
| Due after 10 years | 4 |
| Total | \$ 174 |

As of both October 31, 2022, and January 31, 2022, Autodesk had no material unrealized losses, individually and in the aggregate, for marketable debt securities that are in a continuous unrealized loss position for greater than 12 months. Total unrealized gains for securities with net gains in accumulated other comprehensive income were not material for the nine months ended October 31, 2022.

Autodesk monitors all marketable debt securities for potential credit losses by reviewing indicators such as, but not limited to, current credit rating, change in credit rating, credit outlook, and default risk. There were no allowances for credit losses as of both October 31, 2022, and January 31, 2022. There were no write offs of accrued interest receivables for both the nine months ended October 31, 2022 and 2021.

There was no material realized gain or loss for the sales or redemptions of marketable debt securities during both the nine months ended October 31, 2022 and 2021. Realized gains and losses from the sales or redemptions of marketable debt securities are recorded in "Interest and other expense, net" on the Company's Condensed Consolidated Statements of Operations.

Proceeds from the sale and maturity of marketable debt securities were as follows:

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|----------------------------|--------------------------------|------|-------------------------------|------|
| | 2022 | 2021 | 2022 | 2021 |
| Marketable debt securities | \$ 57 | \$ — | \$ 302 | \$ 4 |

Strategic investments in equity securities

As of October 31, 2022, and January 31, 2022, Autodesk had \$181 million and \$134 million, respectively, in direct investments in privately held companies. These strategic investments in equity securities do not have readily determined fair values, and Autodesk uses the measurement alternative to account for the adjustment to these investments in a given quarter. If Autodesk determines that an impairment has occurred, Autodesk writes down the investment to its fair value.

Adjustments to the carrying value of our strategic investment equity securities with no readily determined fair values measured using the measurement alternative are included in "Interest and other expense, net" on the Company's Condensed Consolidated Statements of Operations. These adjustments were as follows:

| | Nine Months Ended October 31, | | Cumulative Amount as of October 31, 2022 |
|---|-------------------------------|--------|---|
| | 2022 | 2021 | |
| Upward adjustments | \$ 6 | \$ 7 | \$ 29 |
| Negative adjustments, including impairments | (5) | (10) | (82) |
| Net unrealized adjustments | \$ 1 | \$ (3) | \$ (53) |

Autodesk recognized realized gains of zero and \$1 million for the three and nine months ended October 31, 2022, respectively, on the disposition of strategic investment equity securities. During the three and nine months ended October 31, 2021, Autodesk recognized gains of zero and \$8 million on the disposition of strategic investment equity securities, respectively.

Fair Value

Autodesk applies fair value accounting for certain financial assets and liabilities, which consist of cash equivalents, marketable securities, and other financial instruments, on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following tables summarize the Company's financial instruments measured at fair value on a recurring basis by significant investment category as of October 31, 2022, and January 31, 2022:

| | October 31, 2022 | | | |
|---|------------------|---------------|-------------|-----------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Assets: | | | | |
| Cash equivalents (1): | | | | |
| Money market funds | \$ 515 | \$ — | \$ — | \$ 515 |
| Commercial paper | — | 299 | — | 299 |
| Certificates of deposit | — | 21 | — | 21 |
| Agency discount notes | — | 7 | — | 7 |
| Other (2) | 2 | 3 | — | 5 |
| Marketable securities: | | | | |
| Short-term | | | | |
| Commercial paper | — | 87 | — | 87 |
| Corporate debt securities | — | 35 | — | 35 |
| Asset-backed securities | — | 7 | — | 7 |
| Other (3) | 2 | 8 | — | 10 |
| Long-term | | | | |
| Corporate debt securities | — | 26 | — | 26 |
| Asset-backed securities | — | 6 | — | 6 |
| Other (4) | — | 5 | — | 5 |
| Long-term other assets: | | | | |
| Mutual funds (5)(6) | 82 | — | — | 82 |
| Convertible debt securities (6) | — | — | 3 | 3 |
| Derivative assets: | | | | |
| Derivative contract assets (6) | — | 72 | — | 72 |
| Strategic investments derivative assets (6) | — | — | 2 | 2 |
| Derivative liabilities: | | | | |
| Derivative contract liabilities (7) | — | (15) | — | (15) |
| Total | \$ 601 | \$ 561 | \$ 5 | \$ 1,167 |

- (1) Included in “Cash and cash equivalents” in the accompanying Condensed Consolidated Balance Sheets. These investments are classified as debt securities.
- (2) Consists of municipal bonds and custody cash deposits.
- (3) Consists of U.S. government securities, common stock, certificates of deposit, agency mortgage-backed securities, mortgage-backed securities, and agency collateralized mortgage obligations.
- (4) Consists of U.S. government securities, agency mortgage-backed securities, mortgage-backed securities, and collateralized mortgage obligations.
- (5) See Note 12, “Deferred Compensation” for more information.
- (6) Included in “Prepaid expenses and other current assets” or “Long-term other assets” in the accompanying Condensed Consolidated Balance Sheets.
- (7) Included in “Other accrued liabilities” in the accompanying Condensed Consolidated Balance Sheets.

| | January 31, 2022 | | | |
|-------------------------------------|------------------|---------------|-------------|---------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Assets: | | | | |
| Cash equivalents (1): | | | | |
| Money market funds | \$ 302 | \$ — | \$ — | \$ 302 |
| Commercial paper | — | 55 | — | 55 |
| U.S government securities | — | 25 | — | 25 |
| Custody cash deposit | 18 | — | — | 18 |
| Corporate debt securities | — | 18 | — | 18 |
| Certificates of deposit | — | 6 | — | 6 |
| Other (2) | — | 4 | — | 4 |
| Marketable securities: | | | | |
| Short-term | | | | |
| Commercial paper | — | 103 | — | 103 |
| Corporate debt securities | — | 61 | — | 61 |
| Asset backed securities | — | 26 | — | 26 |
| Certificate of deposit | — | 14 | — | 14 |
| U.S. government securities | — | 13 | — | 13 |
| Municipal bonds | — | 11 | — | 11 |
| Common Stock | 4 | — | — | 4 |
| Other (3) | — | 4 | — | 4 |
| Long-term | | | | |
| Corporate debt securities | — | 44 | — | 44 |
| Other (4) | — | 1 | — | 1 |
| Long-term other assets: | | | | |
| Mutual funds (5) (6) | 89 | — | — | 89 |
| Derivative assets: | | | | |
| Derivative contract assets (6) | — | 18 | — | 18 |
| Derivative liabilities: | | | | |
| Derivative contract liabilities (7) | — | (11) | — | (11) |
| Total | \$ 413 | \$ 392 | \$ — | \$ 805 |

- (1) Included in “Cash and cash equivalents” in the accompanying Condensed Consolidated Balance Sheets. These investments are classified as debt securities.
- (2) Consists of sovereign bonds and municipal bonds.
- (3) Consists of sovereign bonds and supranational bonds.
- (4) Consists of asset backed securities.
- (5) See Note 12, “Deferred Compensation” for more information.
- (6) Included in “Prepaid expenses and other current assets,” or “Long-term other assets,” in the accompanying Condensed Consolidated Balance Sheets.
- (7) Included in “Other accrued liabilities” in the accompanying Condensed Consolidated Balance Sheets.

A reconciliation of the change in Autodesk’s Level 3 items for the nine months ended October 31, 2022, is as follows:

| | Fair Value Measurements Using Significant Unobservable Inputs (Level 3) | | | Total |
|----------------------------|---|-----------------------------|------|-------|
| | Derivative Contract | Convertible Debt Securities | | |
| Balances, January 31, 2022 | \$ — | \$ — | \$ — | \$ — |
| Purchases | 2 | 3 | | 5 |
| Balances, October 31, 2022 | \$ 2 | \$ 3 | \$ — | \$ 5 |

6. Equity Compensation

Stock Plans

The 2022 Equity Incentive Plan (the “2022 Plan”) was approved by Autodesk’s stockholders and became effective on June 16, 2022. The 2022 Plan replaced the 2012 Employee Stock Plan, as amended, and the 2012 Outside Directors’ Stock Plan, as amended (collectively, the “Prior Plans”), and no further equity awards may be granted under the Prior Plans. The 2022 Plan reserves up to 23 million shares. The 2022 Plan permits the grant of stock options, restricted stock units, and restricted stock awards. Each restricted stock unit or restricted stock award granted will be counted against the shares authorized for issuance under the 2022 Plan as 2.08 shares. If a granted option, restricted stock unit, or restricted stock award expires or becomes unexercisable for any reason, the unpurchased or forfeited shares that were granted may be returned to the 2022 Plan and may become available for future grant under the 2022 Plan. As of October 31, 2022, 893 thousand shares subject to restricted stock units and restricted stock awards have been granted under the 2022 Plan. Restricted stock units that were granted under the 2022 Plan vest over one to three years from the date of grant. The 2022 Plan will expire on March 17, 2032. At October 31, 2022, approximately 22 million shares were available for future issuance under the 2022 Plan.

Restricted Stock Units

A summary of restricted stock activity for the nine months ended October 31, 2022, is as follows:

| | Unvested restricted stock units | | Weighted average grant date fair value per share |
|---|---------------------------------------|----|---|
| | (in thousands) | | |
| Unvested restricted stock units at January 31, 2022 | 4,033 | \$ | 251.17 |
| Granted | 3,431 | | 198.18 |
| Vested | (1,933) | | 237.73 |
| Canceled/Forfeited | (472) | | 233.32 |
| Performance Adjustment (1) | (2) | | 299.07 |
| Unvested restricted stock units at October 31, 2022 | <u>5,057</u> | \$ | 222.02 |

(1) Based on Autodesk’s financial results and relative total stockholder return for the fiscal 2022 performance period. The performance stock units were attained at rates ranging from 87% to 113% of the target award.

The fair value of the shares vested during the nine months ended October 31, 2022 and 2021, was \$402 million and \$517 million, respectively.

During the nine months ended October 31, 2022, Autodesk granted 3,077 thousand restricted stock units. Restricted stock units are not considered outstanding stock at the time of grant, as the holders of these units are not entitled to any of the rights of a stockholder, including voting rights.

Autodesk recorded stock-based compensation expense related to restricted stock units of \$130 million and \$110 million during the three months ended October 31, 2022 and 2021, respectively. Autodesk recorded stock-based compensation expense related to restricted stock units of \$383 million and \$315 million during the nine months ended October 31, 2022 and 2021, respectively.

During the nine months ended October 31, 2022 and 2021, Autodesk settled liability-classified awards in the amount of \$8 million and \$3 million, respectively. The ultimate number of shares earned was based on the Autodesk closing stock price on the vesting date. As these awards were settled in a fixed dollar amount of shares, the awards were accounted for as a liability-classified award and were expensed using the straight-line method over the vesting period.

During the nine months ended October 31, 2022, Autodesk granted 239 thousand performance stock units for which the ultimate number of shares earned is determined based on the achievement of performance criteria at the end of the stated service and performance period. The performance criteria for the performance stock units are primarily based on revenue and free cash flow goals adopted by the Compensation and Human Resource Committee and total stockholder return compared against companies in the S&P North American Technology Software Index with a market capitalization over \$2.0 billion

("Relative TSR"). The fair value of the performance stock units is expensed using the accelerated attribution method over the three-year vesting period and have the following vesting schedule:

- Up to one third of the performance stock units may vest following year one, depending upon the achievement of the performance criteria for fiscal 2023 as well as 1-year Relative TSR (covering year one).
- Up to one third of the performance stock units may vest following year two, depending upon the achievement of the performance criteria for year two as well as 2-year Relative TSR (covering years one and two).
- Up to one third of the performance stock units may vest following year three, depending upon the achievement of the performance criteria for year three as well as 3-year Relative TSR (covering years one, two and three).

The performance criteria for the performance stock units vested during the nine months ended October 31, 2022, was based on revenue and free cash flow goals adopted by the Compensation and Human Resource Committee.

Additionally, during the nine months ended October 31, 2022, Autodesk granted 115 thousand performance stock units, as part of a program offering certain employees the option to receive equity in lieu of the opportunity to receive an annual cash incentive award. The ultimate number of shares earned is determined based on the achievement of performance criteria at the end of the stated service and performance period. The performance criteria for the performance stock units are based on revenue and Non-GAAP income from operations targets adopted by the Compensation and Human Resource Committee. The fair value of these performance stock units is expensed using the accelerated attribution method over the one-year vesting period.

Performance stock units are not considered outstanding stock at the time of grant, as the holders of these units are not entitled to any of the rights of a stockholder, including voting rights.

Autodesk recorded stock-based compensation expense related to performance stock units of \$13 million and \$18 million for the three months ended October 31, 2022 and 2021, respectively. Autodesk recorded stock-based compensation expense related to performance stock units of \$42 million and \$50 million during the nine months ended October 31, 2022 and 2021, respectively.

On May 20, 2022, the Compensation and Human Resource Committee of the Board of Directors approved an immaterial modification to certain elements of the fiscal year 2023 performance criteria for the performance stock units granted in fiscal years 2023, 2022, and 2021. Autodesk accounted for the change as a modification and revalued the awards as of the modification date resulting in no material incremental stock-based compensation expense.

Common Stock

Autodesk agreed to issue a fixed amount of \$5 million in common stock at a future date to certain employees in connection with a fiscal 2021 acquisition. Issuance of the common stock was dependent on the respective employees' continued employment through the vesting period. During fiscal 2022, Autodesk issued 8,300 shares at an aggregate fair value of \$3 million. During fiscal 2023, Autodesk issued the remaining 12,644 shares at an aggregate fair value of \$3 million. The awards were accounted for as liability-classified awards and were recognized as compensation expense using the straight-line method over the vesting period.

Autodesk issued 73,632 shares of restricted common stock to certain employees in connection with a fiscal 2021 acquisition. These shares of restricted common stock are subject to forfeiture by the employee if employment terminates prior to the three-year employment period. The fair value of the restricted common stock is recorded as compensation for post-acquisition services and recognized as expense using the straight-line method over the three-year repurchase period.

Autodesk issued 9,277 shares of restricted common stock to certain employees in connection with a fiscal 2022 acquisition. These shares of restricted common stock were recorded as "Prepaid expenses and other current assets" and "Long-term other assets" on our Condensed Consolidated Balance Sheets and will be amortized to stock-based compensation expense for post-acquisition services using the straight-line method over the two-year vesting period.

Autodesk agreed to issue a fixed amount of \$13 million in shares of common stock to certain employees in connection with a fiscal 2022 acquisition. Issuance of the common stock is dependent on the respective employees' continued employment through the vesting period. The number of shares to be issued will be determined based on the volume weighted average closing price ("VWAP") of Autodesk's common stock for the ninety consecutive trading day period ending on the release date. During the nine months ended October 31, 2022, Autodesk issued 24 thousand shares at an aggregate fair value of \$5 million.

As of October 31, 2022, the remaining shares to be issued are estimated to be 39 thousand. The awards are accrued as liability-classified awards and are recognized as compensation expense using the straight-line method over the vesting period.

Autodesk agreed to issue a fixed amount of \$11 million in common stock at a future date to certain employees in connection with other fiscal 2022 acquisitions. Issuance of the common stock is dependent on the respective employees' continued employment through the vesting period. The number of shares to be issued will be determined based on the VWAP of Autodesk's common stock at the issuance date. As of October 31, 2022, shares to be issued are estimated to be 53 thousand. The awards are accounted for as liability-classified awards and are recognized as compensation expense using the straight-line method over the vesting period. Additionally, Autodesk issued 12,782 shares of restricted common stock to certain employees in connection with these fiscal 2022 acquisitions. These shares of restricted common stock were recorded as "Prepaid expenses and other current assets" and "Long-term other assets" on our Condensed Consolidated Balance Sheets and will be amortized to stock-based compensation expense for post-acquisition services using the straight-line method over the vesting period.

Autodesk issued 40,289 shares of restricted common stock to certain employees in connection with a fiscal 2023 acquisition. These shares of restricted common stock were recorded as "Prepaid expenses and other current assets" and "Long-term other assets" on our Condensed Consolidated Balance Sheets and will be amortized to stock-based compensation expense for post-acquisition services using the straight-line method over the two-year vesting period. Additionally, Autodesk agreed to issue a fixed amount of \$5 million in common stock at a future date to certain employees in connection with a fiscal 2023 acquisition. Issuance of the common stock is dependent on the respective employees' continued employment through the vesting period. The number of shares to be issued will be determined based on the VWAP of Autodesk's common stock at the issuance date. As of October 31, 2022, shares to be issued are estimated to be 23 thousand. The awards are accounted for as liability-classified awards and are recognized as compensation expense using the straight-line method over the vesting period. See Note 8, "Acquisitions," for further information.

Autodesk recorded stock-based compensation expense related to common stock shares of \$10 million and \$5 million for the three months ended October 31, 2022 and 2021, respectively. Autodesk recorded stock-based compensation expense related to common stock shares of \$27 million and \$12 million for the nine months ended October 31, 2022 and 2021, respectively.

1998 Employee Qualified Stock Purchase Plan ("ESPP")

Under Autodesk's ESPP, which was approved by stockholders in 1998, eligible employees may purchase shares of Autodesk's common stock at their discretion using up to 15% of their eligible compensation, subject to certain limitations, at 85% of the lower of Autodesk's closing price (fair market value) on the offering date or the exercise date. The offering period for ESPP awards consists of four, six-month exercise periods within a 24-month offering period.

A summary of the ESPP activity for the nine months ended October 31, 2022 and 2021, is as follows:

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|---|--------------------------------|-----------|-------------------------------|-----------|
| | 2022 | 2021 | 2022 | 2021 |
| Issued shares (in thousands) | 363 | 361 | 740 | 851 |
| Average price of issued shares | \$ 158.78 | \$ 133.00 | \$ 166.44 | \$ 130.13 |
| Weighted average grant date fair value of shares granted under the ESPP (1) | \$ 66.43 | \$ 83.75 | \$ 67.77 | \$ 84.21 |

(1) Calculated as of the award grant date using the Black-Scholes Merton ("BSM") option pricing model.

During the nine months ended October 31, 2022, Autodesk reset the price for certain offering dates in connection with Autodesk's ESPP as Autodesk's closing stock price for the respective offering dates was above the closing stock price on March 31, 2022 and on September 30, 2022, which triggered new 24-month offering periods through March 31, 2024 and September 30, 2024, respectively, resulting in aggregate modification expense of approximately \$21 million to be recognized over the new offering periods.

Stock-based Compensation Expense

The following table summarizes stock-based compensation expense for the three and nine months ended October 31, 2022 and 2021, as follows:

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|---|--------------------------------|--------|-------------------------------|--------|
| | 2022 | 2021 | 2022 | 2021 |
| Cost of subscription and maintenance revenue | \$ 9 | \$ 5 | \$ 26 | \$ 18 |
| Cost of other revenue | 3 | 3 | 9 | 7 |
| Marketing and sales | 68 | 60 | 199 | 173 |
| Research and development | 71 | 56 | 199 | 163 |
| General and administrative | 21 | 20 | 63 | 52 |
| Stock-based compensation expense related to stock awards and ESPP purchases | 172 | 144 | 496 | 413 |
| Tax (benefit) expense | (2) | (26) | 7 | (46) |
| Stock-based compensation expense related to stock awards and ESPP purchases, net of tax | \$ 170 | \$ 118 | \$ 503 | \$ 367 |

Stock-based Compensation Expense Assumptions

Autodesk determines the grant date fair value of its share-based payment awards using a BSM option pricing model or the quoted stock price on the date of grant, unless the awards are subject to market conditions, in which case Autodesk uses the Monte Carlo simulation model. The Monte Carlo simulation model uses multiple input variables to estimate the probability that market conditions will be achieved. Autodesk uses the following assumptions to estimate the fair value of stock-based awards:

| | Three Months Ended October 31, 2022 | | Three Months Ended October 31, 2021 | |
|------------------------------------|-------------------------------------|--------------|-------------------------------------|--------------|
| | Performance Stock Units | ESPP | Performance Stock Units | ESPP |
| Range of expected volatilities | N/A | 40.7 - 44.9% | N/A | 29.5 - 36.6% |
| Range of expected lives (in years) | N/A | 0.5 - 2.0 | N/A | 0.5 - 2.0 |
| Expected dividends | N/A | —% | N/A | —% |
| Range of risk-free interest rates | N/A | 3.7 - 3.9% | N/A | 0.1 - 0.2% |

| | Nine Months Ended October 31, 2022 | | Nine Months Ended October 31, 2021 | |
|------------------------------------|------------------------------------|--------------|------------------------------------|--------------|
| | Performance Stock Units | ESPP | Performance Stock Units | ESPP |
| Range of expected volatilities | 39.4 - 40.7% | 38.3 - 44.9% | 36.9% | 29.5 - 41.8% |
| Range of expected lives (in years) | N/A | 0.5 - 2.0 | N/A | 0.5 - 2.0 |
| Expected dividends | —% | —% | —% | —% |
| Range of risk-free interest rates | 1.2 - 1.6% | 0.9 - 3.9% | 0.1% | 0.1 - 0.2% |

Autodesk estimates expected volatility for stock-based awards based on the average of the following two measures: (1) a measure of historical volatility in the trading market for the Company's common stock, and (2) the implied volatility of traded forward call options to purchase shares of the Company's common stock. The expected volatility for performance stock units subject to market conditions includes the expected volatility of Autodesk's peer companies within the S&P North American Technology Software Index with a market capitalization over \$2.0 billion, depending on the award type.

The range of expected lives of ESPP awards are based upon the four six-month exercise periods within a 24-month offering period.

Autodesk does not currently pay, and does not anticipate paying in the foreseeable future, any cash dividends. Consequently, an expected dividend yield of zero is used in the BSM option pricing model and the Monte Carlo simulation model.

The risk-free interest rate used in the BSM option pricing model and the Monte Carlo simulation model for stock-based awards is the historical yield on U.S. Treasury securities with equivalent remaining lives.

Autodesk recognizes expense only for the stock-based awards that ultimately vest. Autodesk accounts for forfeitures of our stock-based awards as those forfeitures occur.

7. Income Tax

Autodesk had income tax expense of \$44 million, relative to pre-tax income of \$242 million for the three months ended October 31, 2022, and income tax expense of \$51 million, relative to pre-tax income of \$188 million for the three months ended October 31, 2021. Income tax expense for the three months ended October 31, 2022, reflects a decrease in tax expense relating to a U.S. foreign derived intangible income benefit driven by the capitalization of research and development expenditures starting in fiscal 2023 as required by the U.S. Tax Cuts and Jobs Act ("Tax Act"), offset by an increase in tax expense relating to stock-based compensation and final U.S. foreign tax credit regulations enacted in fiscal 2023.

Autodesk had income tax expense of \$139 million, relative to pre-tax income of \$669 million for the nine months ended October 31, 2022, and income tax expense of \$50 million, relative to pre-tax income of \$458 million for the nine months ended October 31, 2021. Income tax expense for the nine months ended October 31, 2022, reflects an increase in tax expense relating to stock-based compensation and final U.S. foreign tax credit regulations enacted in fiscal 2023, offset by a U.S. foreign derived intangible income benefit driven by the capitalization of research and development expenditures starting in fiscal 2023 as required by the Tax Act. In addition, the nine months ended October 31, 2021 included a non-recurring discrete tax benefit relating to the Supreme Court decision in India on the taxability of software license payments to nonresidents.

Autodesk regularly assesses the need for a valuation allowance against its deferred tax assets. In making that assessment, Autodesk considers both positive and negative evidence related to the likelihood of realization of the deferred tax assets to determine, based on the weight of available evidence, whether it is more likely than not that some or all of the deferred tax assets will not be realized. We have maintained a valuation allowance on all or part of our Netherlands, Canada, Australia, California, Michigan deferred tax assets, as well as our U.S. capital loss deferred tax assets as it is more likely than not that some or all of the deferred tax assets will not be realized.

As of October 31, 2022, the Company had \$213 million of gross unrecognized tax benefits, of which \$35 million would reduce our valuation allowance, if recognized. The remaining \$178 million would impact the effective tax rate, if recognized. The company's unrecognized tax benefits decreased by \$8 million in the nine months ended October 31, 2022, due to the settlement of a German tax audit for tax years 2014-2016.

On August 16, 2022, the Inflation Reduction Act was signed into law. The Inflation Reduction Act contains a number of revisions to the Internal Revenue Code effective in taxable years beginning after December 31, 2022, including a 15% corporate minimum income tax and a 1% excise tax on corporate stock repurchases by publicly traded U.S. corporations. Autodesk is currently assessing the impact the Inflation Reduction Act will have on its consolidated financial statements.

8. Acquisitions

The results of operations for the following acquisitions are included in the accompanying Condensed Consolidated Statements of Operations since the acquisition date. Pro forma results of operations have not been presented because the effects of the acquisition are not material to Autodesk's Condensed Consolidated Financial Statements.

During the nine months ended October 31, 2022, Autodesk completed two business combinations. The acquisition-date fair value of the consideration transferred totaled \$114 million, which consisted of \$96 million of cash, 40,289 shares of Autodesk's restricted common stock at an aggregate fair value of \$10 million, and Autodesk will issue a fixed amount of \$5 million in common stock at future dates to certain employees. Of the total consideration transferred, \$97 million is considered purchase consideration. Of the remaining amount, \$10 million was recorded in "Prepaid expenses and other current assets" and "Long-term other assets" on our Condensed Consolidated Balance Sheets and will be amortized to stock-based compensation expense using the straight-line method over the vesting period, \$5 million was accounted for as liability-classified awards and will be recognized as compensation expense using the straight-line method over the vesting period and \$2 million was recorded as stock-based compensation expense on the date of acquisition. The 40,289 shares of restricted common stock are subject to forfeiture until the second anniversary of the acquisition closing date. The shares are released on the first and second anniversaries, 40% and 60%, respectively, subject to continued employment. Issuance of the \$5 million fixed value in common stock is dependent on the respective employees' continued employment and vests 40% and 60% on the first and second anniversaries of the closing date, respectively. The number of shares will be determined based on the VWAP of Autodesk's common stock for the ninety consecutive trading day period ending on the release date. The number of shares is estimated to be 23,000 based on the VWAP of Autodesk's common stock for the ninety consecutive trading day period ending October 31, 2022, the last trading day of the fiscal quarter. See also Note 6, "Equity Compensation".

Purchase Price Allocation

The acquisitions were accounted for as business combinations, and Autodesk recorded the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the date of each respective acquisition. The fair values assigned to the identifiable intangible assets acquired were based on estimates and assumptions determined by management. Autodesk recorded the excess of consideration transferred over the aggregate fair values as goodwill. The goodwill recorded was primarily attributable to synergies expected to arise after the respective acquisition. No goodwill is deductible for U.S. income tax purposes. The transaction costs related to the acquisitions were not material.

The following table summarizes the fair value of the assets acquired and liabilities assumed by major class for the business combinations that were completed during the nine months ended October 31, 2022:

| | Aggregated Total (1) |
|---|----------------------|
| Developed technologies | \$ 8 |
| Customer relationships | 4 |
| Goodwill | 85 |
| Deferred revenue and long-term deferred revenue | (2) |
| Long-term deferred income taxes | 1 |
| Net tangible assets | 1 |
| Total | \$ 97 |

(1) There were no acquisitions during the three months ended October 31, 2022.

For the business combinations, the allocation of purchase price consideration to certain assets and liabilities as well as the final amount of purchase consideration is not yet finalized. For the items not yet finalized, Autodesk's estimates and assumptions are subject to change within the measurement period (up to one year from the acquisition date). The primary areas of the preliminary purchase price allocation that are not yet finalized are amounts for intangible assets, tax assets and liabilities, deferred revenue, and residual goodwill.

9. Intangible Assets, Net

The following tables summarize the Company's intangible assets, net, as of October 31, 2022, and January 31, 2022:

| | October 31, 2022 | | |
|-------------------------|---------------------------|--------------------------|--------|
| | Gross Carrying Amount (1) | Accumulated Amortization | Net |
| Customer relationships | \$ 649 | \$ (389) | \$ 260 |
| Developed technologies | 854 | (702) | 152 |
| Trade names and patents | 115 | (104) | 11 |
| Total intangible assets | \$ 1,618 | \$ (1,195) | \$ 423 |

(1) Includes the effects of foreign currency translation.

| | January 31, 2022 | | |
|-------------------------|---------------------------|--------------------------|--------|
| | Gross Carrying Amount (1) | Accumulated Amortization | Net |
| Customer relationships | \$ 667 | \$ (375) | \$ 292 |
| Developed technologies | 847 | (661) | 186 |
| Trade names and patents | 116 | (100) | 16 |
| Total intangible assets | \$ 1,630 | \$ (1,136) | \$ 494 |

(1) Includes the effects of foreign currency translation.

10. Cloud Computing Arrangements

Autodesk enters into certain cloud-based software hosting arrangements that are accounted for as service contracts. Costs incurred for these arrangements are capitalized for application development activities, if material, and immediately expensed for preliminary project activities and post-implementation activities. Autodesk amortizes the capitalized development costs straight-line over the fixed, non-cancellable term of the associated hosting arrangement plus any reasonably certain renewal periods. The capitalized costs are included in "Prepaid expenses and other current assets" and "Long-term other assets" on our Condensed Consolidated Balance Sheets. Capitalized costs were \$178 million and \$128 million at October 31, 2022, and January 31, 2022, respectively. Accumulated amortization was \$33 million and \$17 million at October 31, 2022, and January 31, 2022, respectively. Amortization expense for the three and nine months ended October 31, 2022, was \$7 million and \$16 million, respectively. Amortization expense for the three and nine months October 31, 2021, was \$4 million and \$7 million, respectively.

11. Goodwill

Goodwill consists of the excess of the consideration transferred over the fair value of net assets acquired in business combinations. The following table summarizes the changes in the carrying amount of goodwill for the nine months ended October 31, 2022, (in millions):

| | | |
|---|----|-------|
| Balance as of January 31, 2022 | \$ | 3,753 |
| Less: accumulated impairment losses as of January 31, 2022 | | (149) |
| Net balance as of January 31, 2022 | | 3,604 |
| Additions arising from acquisitions during the period | | 85 |
| Effect of foreign currency translation and measurement period adjustments (1) | | (112) |
| Balance as of October 31, 2022 | \$ | 3,577 |

(1) Measurement period adjustments reflect revisions made to the Company's preliminary determination of estimated fair value of assets and liabilities assumed.

12. Deferred Compensation

At October 31, 2022, Autodesk had investments in debt and equity securities that are held in a rabbi trust under non-qualified deferred compensation plans and a corresponding deferred compensation liability totaling \$82 million. Of this amount, \$7 million was classified as current and \$75 million was classified as non-current in the Condensed Consolidated Balance Sheets. Of the \$89 million related to the investments in a rabbi trust as of January 31, 2022, \$7 million was classified as current and \$82 million was classified as non-current. The current and non-current asset portions of the investments in debt and equity securities that are held in a rabbi trust under non-qualified deferred compensation plans are recorded in the Condensed Consolidated Balance Sheets under "Prepaid expenses and other current assets" and "Long-term other assets," respectively. The current and non-current portions of the liability are recorded in the Condensed Consolidated Balance Sheets under "Accrued compensation" and "Long-term other liabilities," respectively.

Costs to obtain a contract with a customer

Sales commissions earned by our internal sales personnel and our reseller partners are considered incremental and recoverable costs of obtaining a contract with a customer. The ending balance of assets recognized from costs to obtain a contract with a customer was \$105 million as of October 31, 2022, and \$139 million as of January 31, 2022. These assets are recorded in "Prepaid expenses and other current assets" and "Long-term other assets" in the Condensed Consolidated Balance Sheets. Amortization expense related to assets recognized from costs to obtain a contract with a customer was \$35 million and \$102 million during the three and nine months ended October 31, 2022, respectively. Amortization expense related to assets recognized from costs to obtain a contract with a customer was \$30 million and \$84 million during the three and nine months ended October 31, 2021, respectively. Autodesk did not recognize any contract cost impairment losses during the three and nine months ended October 31, 2022 and 2021.

13. Computer Equipment, Software, Leasehold Improvements, and Furniture, Net

Computer equipment, software, leasehold improvements, and furniture and equipment and the related accumulated depreciation were as follows:

| | October 31, 2022 | January 31, 2022 |
|---|------------------|------------------|
| Computer hardware, at cost | \$ 124 | \$ 137 |
| Computer software, at cost | 49 | 55 |
| Leasehold improvements, land and buildings, at cost | 356 | 351 |
| Furniture and equipment, at cost | 92 | 93 |
| | 621 | 636 |
| Less: Accumulated depreciation | (472) | (474) |
| Computer hardware, software, leasehold improvements, and furniture and equipment, net | \$ 149 | \$ 162 |

14. Borrowing Arrangements

In October 2021, Autodesk issued \$1.0 billion aggregate principal amount of 2.4% notes due December 15, 2031 ("2021 Notes"). Net of a discount of \$3 million and issuance costs of \$9 million, Autodesk received net proceeds of \$988 million from issuance of the 2021 Notes. Both the discount and issuance costs are being amortized to interest expense over the term of the 2021 Notes using the effective interest method. The 2021 Notes were designated as sustainability bonds, the net proceeds of which are used to fund environmentally and socially responsible projects in the following areas: eco-efficient products, production technologies, and processes, sustainable water and wastewater management, renewable energy & energy efficiency, green buildings, pollution prevention and control, and socioeconomic advancement and empowerment.

In September 2021, the Company entered into an Amended and Restated Credit Agreement (the "Credit Agreement") by and among the Company, the lenders party thereto and Citibank, N.A. ("Citibank"), as administrative agent, which provides for an unsecured revolving loan facility in the aggregate principal amount of \$1.5 billion, with an option to be increased up to \$2.0 billion. The revolving credit facility is available for working capital or other business needs. The Credit Agreement contains customary covenants that could, among other things, restrict the imposition of liens on Autodesk's assets, and restrict Autodesk's ability to incur additional indebtedness or make dispositions of assets if Autodesk fails to maintain compliance with the financial covenants. The Credit Agreement requires the Company to maintain a maximum leverage ratio of Consolidated Covenant Debt to Consolidated EBITDA (each as defined in the Credit Agreement) no greater than 3.50:1.00 during the term of the credit facility, subject to adjustment following the consummation of certain acquisitions up to 4.00:1.00 for up to four consecutive fiscal quarters. At October 31, 2022, Autodesk was in compliance with the Credit Agreement covenants. Revolving loans under the Credit Agreement will bear interest, at the Company's option, at either (i) a per annum rate equal to the Base Rate (as defined in the Credit Agreement) plus a margin of between 0.000% and 0.375%, depending on the Company's Public Debt Rating (as defined in the Credit Agreement), or (ii) a per annum rate equal to the rate at which dollar deposits are offered in the London interbank market, plus a margin of between 0.785% and 1.375%, depending on Company's Public Debt Rating. The Credit Agreement includes customary provisions to provide for the eventual replacement of LIBOR as a benchmark interest rate. In November 2022, the Company entered into an amendment to the Credit Agreement to replace LIBOR with Secured Overnight Financing Rate as the benchmark interest rate. The interest rates for the revolving credit facility are subject to upward or downward adjustments, on an annual basis, if the Company achieves, or fails to achieve, certain sustainability-linked targets based on two key performance indicator metrics: (i) the amount of scope 1 and 2 greenhouse gas emissions from the global operations of the Company and its subsidiaries during a fiscal year less qualified emissions reduction instruments and (ii) the percentage of employees of the Company and its subsidiaries identifying as female working in technical roles. The maturity date on the Credit Agreement is September 30, 2026. At October 31, 2022, Autodesk had no outstanding borrowings under the Credit Agreement.

In January 2020, Autodesk issued \$500 million aggregate principal amount of 2.85% notes due January 15, 2030 ("2020 Notes"). Net of a discount of \$1 million and issuance costs of \$5 million, Autodesk received net proceeds of \$494 million from issuance of the 2020 Notes. Both the discount and issuance costs are being amortized to interest expense over the term of the 2020 Notes using the effective interest method. The proceeds of the 2020 Notes were used for the repayment of \$450 million of debt due June 15, 2020, and the remainder is available for general corporate purposes.

In June 2017, Autodesk issued \$500 million aggregate principal amount of 3.5% notes due June 15, 2027 (the “2017 Notes”). Net of a discount of \$3 million and issuance costs of \$5 million, Autodesk received net proceeds of \$492 million from issuance of the 2017 Notes. Both the discount and issuance costs are being amortized to interest expense over the term of the 2017 Notes using the effective interest method. The proceeds of the 2017 Notes have been used for the repayment of \$400 million of debt due December 15, 2017, and the remainder is available for general corporate purposes.

In June 2015, Autodesk issued \$300 million aggregate principal amount of 4.375% notes due June 15, 2025 (“2015 Notes”). Net of a discount of \$1 million, and issuance costs of \$3 million, Autodesk received net proceeds of \$296 million from issuance of the 2015 Notes. Both the discount and issuance costs are being amortized to interest expense over the respective term of the 2015 Notes using the effective interest method. The proceeds of the 2015 Notes are available for general corporate purposes.

In December 2012, Autodesk issued \$350 million aggregate principal amount of 3.6% notes due December 15, 2022 (“2012 Notes”). Autodesk received net proceeds of \$347 million from issuance of the 2012 Notes, net of aggregate total discount and issuance costs of \$3 million. Both the discount and issuance costs are being amortized to interest expense over the respective terms of the 2012 Notes using the effective interest method. The proceeds of the 2012 Notes are available for general corporate purposes.

The 2021 Notes, 2020 Notes, 2017 Notes, 2015 Notes and the 2012 Notes may all be redeemed at any time, subject to a make whole premium. In addition, upon the occurrence of certain change of control triggering events, Autodesk may be required to repurchase all the aforementioned notes, at a price equal to 101% of their principal amount, plus accrued and unpaid interest to the date of repurchase. All notes contain restrictive covenants that limit Autodesk’s ability to create certain liens, to enter into certain sale and leaseback transactions and to consolidate or merge with, or convey, transfer, or lease all or substantially all of its assets, subject to important qualifications and exceptions.

Based on the quoted market prices, the approximate fair value of the notes as of October 31, 2022, were as follows:

| | Aggregate Principal Amount | Fair value |
|------------|----------------------------|------------|
| 2012 Notes | \$ 350 | \$ 350 |
| 2015 Notes | 300 | 295 |
| 2017 Notes | 500 | 460 |
| 2020 Notes | 500 | 418 |
| 2021 Notes | 1,000 | 778 |

The expected future principal payments for all borrowings as of October 31, 2022, were as follows (in millions):

| | | |
|-----------------------------|----|-------|
| Fiscal year ending | | |
| 2023 (remainder) | \$ | 350 |
| 2024 | | — |
| 2025 | | — |
| 2026 | | 300 |
| 2027 | | — |
| Thereafter | | 2,000 |
| Total principal outstanding | \$ | 2,650 |

15. Leases

Autodesk has operating leases for real estate, vehicles, and certain equipment. Leases have remaining lease terms of less than 1 year to 67 years, some of which include options to extend the lease with renewal terms from 1 year to 10 years and some of which include options to terminate the leases from less than 1 year to 7 years. Options to extend or terminate the lease are considered in determining the lease term when it is reasonably certain that the option will be exercised. Payments under our lease arrangements are primarily fixed; however, certain lease agreements contain variable payments, which are expensed as incurred and not included in the operating lease assets and liabilities. These amounts include payments affected by the Consumer Price Index, payments for common area maintenance that are subject to annual reconciliation, and payments for

maintenance and utilities. The Company's leases do not contain residual value guarantees or material restrictive covenants. Short-term leases are recognized in the Condensed Consolidated Statements of Operations on a straight-line basis over the lease term. Short-term lease expense was not material for the periods presented. Changes in operating lease right-of-use assets and operating lease liabilities are presented net in the "Accounts payable and other liabilities" line in the Condensed Consolidated Statements of Cash Flows with the exception of "Lease-related asset impairments" which is presented in "Adjustments to reconcile net income to net cash provided by operating activities".

During the three and nine months ended October 31, 2022, Autodesk recorded total operating lease right-of-use assets impairment charges of \$10 million and \$17 million, respectively. Autodesk did not recognize any charges during both the three and nine months ended October 31, 2021. Autodesk assessed the asset groupings for disaggregation based on the proposed changes in use of the facilities. For asset groups where impairment was triggered, Autodesk utilized an income approach to value the asset groups by developing discounted cash flow models. The significant assumptions used in the discounted cash flow models for each of the asset groups included projected sublease income over the remaining lease terms, expected downtime prior to the commencement of future subleases, expected lease incentives offered to future tenants, and discount rates that reflected the level of risk associated with these future cash flows. These significant assumptions are considered Level 1 and Level 2 inputs in accordance with the fair value hierarchy described in Note 1, "Business and Summary of Significant Accounting Policies" in the Notes to Consolidated Financial Statements in our Form 10-K for the fiscal year ended January 31, 2022. The operating lease right-of-use asset charges are included in "general and administrative" in the Company's Condensed Consolidated Statements of Operations.

The components of lease cost were as follows:

| | Three Months Ended October 31, 2022 | | | | | |
|----------------------|--|-----------------------|---------------------|--------------------------|----------------------------|-------|
| | Cost of subscription and maintenance revenue | Cost of other revenue | Marketing and sales | Research and development | General and administrative | Total |
| Operating lease cost | \$ 2 | \$ 1 | \$ 9 | \$ 7 | \$ 2 | \$ 21 |
| Variable lease cost | — | — | 2 | 1 | 1 | 4 |

| | Nine Months Ended October 31, 2022 | | | | | |
|----------------------|--|-----------------------|---------------------|--------------------------|----------------------------|-------|
| | Cost of subscription and maintenance revenue | Cost of other revenue | Marketing and sales | Research and development | General and administrative | Total |
| Operating lease cost | \$ 6 | \$ 3 | \$ 28 | \$ 21 | \$ 8 | \$ 66 |
| Variable lease cost | 1 | — | 5 | 4 | 2 | 12 |

| | Three Months Ended October 31, 2021 | | | | | |
|----------------------|--|-----------------------|---------------------|--------------------------|----------------------------|-------|
| | Cost of subscription and maintenance revenue | Cost of other revenue | Marketing and sales | Research and development | General and administrative | Total |
| Operating lease cost | \$ 2 | \$ 1 | \$ 11 | \$ 7 | \$ 4 | \$ 25 |
| Variable lease cost | 1 | — | 3 | 2 | 1 | 7 |

| | Nine Months Ended October 31, 2021 | | | | | |
|----------------------|--|-----------------------|---------------------|--------------------------|----------------------------|-------|
| | Cost of subscription and maintenance revenue | Cost of other revenue | Marketing and sales | Research and development | General and administrative | Total |
| Operating lease cost | \$ 6 | \$ 2 | \$ 33 | \$ 23 | \$ 11 | \$ 75 |
| Variable lease cost | 2 | — | 7 | 5 | 3 | 17 |

Supplemental operating cash flow information related to leases is as follows:

| | Nine Months Ended October 31, | |
|---|-------------------------------|-------|
| | 2022 | 2021 |
| Cash paid for operating leases included in operating cash flows (1) | \$ 84 | \$ 84 |
| Non-cash operating lease liabilities arising from obtaining operating lease right-of-use assets | 49 | 12 |

(1) Includes \$12 million and \$17 million in variable lease payments for the nine months ended October 31, 2022 and 2021, respectively, not included in "Operating lease liabilities" and "Long-term operating lease liabilities" on the Condensed Consolidated Balance Sheets.

The weighted average remaining lease term for operating leases is 6.5 and 6.9 years at October 31, 2022, and January 31, 2022, respectively. The weighted average discount rate was 2.59% and 2.46% at October 31, 2022, and January 31, 2022, respectively.

Maturities of operating lease liabilities were as follows:

| | | |
|--|----|-----|
| Fiscal year ending | | |
| 2023 (remainder) | \$ | 24 |
| 2024 | | 96 |
| 2025 | | 78 |
| 2026 | | 63 |
| 2027 | | 43 |
| Thereafter | | 135 |
| | | 439 |
| Less imputed interest | | 34 |
| Present value of operating lease liabilities | \$ | 405 |

Autodesk has subleased certain office space to a third party and has classified the sublease as an operating lease. The sublease has a remaining lease term of 9.5 years. Sublease income was \$2 million and \$3 million for the three and nine months ended October 31, 2022, respectively. Sublease income is recorded as a reduction of lease expense in the Company's Condensed Consolidated Statements of Operations.

Operating lease amounts in the table above do not include sublease income payments of \$79 million. Autodesk expects to receive sublease income payments of approximately \$32 million for remaining fiscal 2023 through fiscal 2027 and \$47 million thereafter.

16. Derivative Instruments

The fair values of derivative instruments in Autodesk's Condensed Consolidated Balance Sheets were as follows as of October 31, 2022, and January 31, 2022:

| | Balance Sheet Location | Fair Value at | |
|---|--|------------------|------------------|
| | | October 31, 2022 | January 31, 2022 |
| Derivative Assets | | | |
| Foreign currency contracts designated as cash flow hedges | Prepaid expenses and other current assets | \$ 66 | \$ 12 |
| Derivatives not designated as hedging instruments | Prepaid expenses and other current assets and long-term other assets | 8 | 6 |
| Total derivative assets | | \$ 74 | \$ 18 |
| Derivative Liabilities | | | |
| Foreign currency contracts designated as cash flow hedges | Other accrued liabilities | \$ 11 | \$ 7 |
| Derivatives not designated as hedging instruments | Other accrued liabilities | 4 | 4 |
| Total derivative liabilities | | \$ 15 | \$ 11 |

The effects of derivatives designated as hedging instruments on Autodesk's Condensed Consolidated Statements of Operations were as follows for the three and nine months ended October 31, 2022 and 2021 (amounts presented include any income tax effects):

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|---|--------------------------------|--------|-------------------------------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Amount of gain (loss) recognized in accumulated other comprehensive income, net of tax, (effective portion) | \$ 26 | \$ 14 | \$ 99 | \$ 24 |
| Amount and location of gain (loss) reclassified from accumulated other comprehensive loss into income (effective portion) | | | | |
| Net revenue | \$ 19 | \$ (3) | \$ 36 | \$ (13) |
| Cost of revenue | (1) | — | (3) | — |
| Operating expenses | (8) | (2) | (18) | (2) |
| Total | \$ 10 | \$ (5) | \$ 15 | \$ (15) |

The amount and location of gain recognized in net income of derivatives not designated as hedging instruments on Autodesk's Condensed Consolidated Statements of Operations were as follows for the three and nine months ended October 31, 2022 and 2021, (amounts presented include any income tax effects):

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|---------------------------------|--------------------------------|------|-------------------------------|-------|
| | 2022 | 2021 | 2022 | 2021 |
| Interest and other expense, net | \$ 4 | \$ 6 | \$ 34 | \$ 11 |

Foreign currency contracts designated as cash flow hedges

Autodesk uses foreign currency contracts to reduce the exchange rate impact on a portion of the net revenue or operating expense of certain anticipated transactions. These currency collars and forward contracts are designated and documented as cash flow hedges. The notional amounts of these contracts are presented net settled and were \$1.00 billion at October 31, 2022, and \$1.08 billion at January 31, 2022. Outstanding contracts are recognized as either assets or liabilities on the Company's Condensed Consolidated Balance Sheet at fair value. The majority of the net gain of \$123 million remaining in "Accumulated other comprehensive loss" as of October 31, 2022, is expected to be recognized into earnings within the next 24 months.

The location and amount of gain or loss recognized in income on cash flow hedges together with the total amount of income or expense presented in the Company's Condensed Consolidated Statements of Operations where the effects of the hedge are recorded were as follows for the three and nine months ended October 31, 2022 and 2021:

| | Three Months Ended October 31, 2022 | | | | | |
|---|-------------------------------------|---------------------|--|---------------------|--------------------------|----------------------------|
| | Net revenue | | Cost of revenue | Operating expenses | | |
| | Subscription revenue | Maintenance revenue | Cost of subscription and maintenance revenue | Marketing and sales | Research and development | General and administrative |
| Total amounts of income and expense line items presented in the condensed consolidated statements of operations | \$ 1,188 | \$ 16 | \$ 86 | \$ 454 | \$ 311 | \$ 129 |
| <i>Gain (loss) on cash flow hedging relationships in Subtopic ASC 815-20</i> | | | | | | |
| <i>Foreign exchange contracts</i> | | | | | | |
| Amount of gain (loss) reclassified from accumulated other comprehensive income into income | \$ 19 | \$ — | \$ (1) | \$ (4) | \$ (2) | \$ (2) |
| | Nine Months Ended October 31, 2022 | | | | | |
| | Net revenue | | Cost of revenue | Operating expenses | | |
| | Subscription revenue | Maintenance Revenue | Cost of subscription and maintenance revenue | Marketing and sales | Research and development | General and administrative |
| Total amounts of income and expense line items presented in the condensed consolidated statements of operations in which the effects of cash flow hedges are recorded | \$ 3,437 | \$ 51 | \$ 253 | \$ 1,306 | \$ 906 | \$ 377 |
| <i>Gain (loss) on cash flow hedging relationships in Subtopic ASC 815-20</i> | | | | | | |
| <i>Foreign exchange contracts</i> | | | | | | |
| Amount of gain (loss) reclassified from accumulated other comprehensive income into income | \$ 36 | \$ — | \$ (3) | \$ (9) | \$ (4) | \$ (5) |

| | Three Months Ended October 31, 2021 | | | | | |
|---|-------------------------------------|---------------------|---|---------------------|-----------------------------|-------------------------------|
| | Net Revenue | | Cost of revenue | | Operating expenses | |
| | Subscription Revenue (1) | Maintenance Revenue | Cost of subscription and maintenance revenue | Marketing and sales | Research and development | General and administrative |
| Total amounts of income and expense line items presented in the condensed consolidated statements of operations | \$ 1,043 | \$ 18 | \$ 75 | \$ 419 | \$ 282 | \$ 113 |
| <i>Loss on cash flow hedging relationships in Subtopic ASC 815-20</i> | | | | | | |
| <i>Foreign exchange contracts</i> | | | | | | |
| Amount of loss reclassified from accumulated other comprehensive income into income | \$ (3) | \$ — | \$ — | \$ (1) | \$ — | \$ (1) |
| | Nine Months Ended October 31, 2021 | | | | | |
| | Net revenue | | Cost of revenue | | Operating expenses | |
| | Subscription revenue (1) | Maintenance Revenue | Cost of subscription and maintenance revenue | Marketing and sales | Research and development | General and administrative |
| Total amounts of income and expense line items presented in the condensed consolidated statements of operations in which the effects of cash flow hedges are recorded | \$ 2,967 | \$ 54 | \$ 219 | \$ 1,195 | \$ 825 | \$ 344 |
| <i>(Loss) gain on cash flow hedging relationships in Subtopic ASC 815-20</i> | | | | | | |
| <i>Foreign exchange contracts</i> | | | | | | |
| Amount of (loss) gain reclassified from accumulated other comprehensive income into income | \$ (12) | \$ (1) | \$ — | \$ — | \$ (1) | \$ (1) |

(1) In the current fiscal year, the Company changed its presentation of certain subscription plan offerings in our Condensed Consolidated Statement of Operations. Accordingly, prior period amounts have been reclassified to conform to the current period presentation in all material respects. See Note 1, "Basis of Presentation," for further detail.

Derivatives not designated as hedging instruments

Autodesk uses foreign currency contracts that are not designated as hedging instruments to reduce the exchange rate risk associated primarily with foreign currency denominated receivables, payables, and cash. The notional amounts of these foreign currency contracts are presented net settled and were \$102 million at October 31, 2022, and \$542 million at January 31, 2022.

17. Commitments and Contingencies

Guarantees and Indemnifications

In the normal course of business, Autodesk provides indemnifications of varying scopes, including limited product warranties and indemnification of customers against claims of intellectual property infringement made by third parties arising from the use of its products or services. Autodesk accrues for known indemnification issues if a loss is probable and can be reasonably estimated. Historically, costs related to these indemnifications have not been significant, and because potential future costs are highly variable, Autodesk is unable to estimate the maximum potential impact of these indemnifications on its future results of operations.

In connection with the purchase, sale, or license of assets or businesses with third parties, Autodesk has entered into or assumed customary indemnification agreements related to the assets or businesses purchased, sold, or licensed. Historically, costs related to these indemnifications have not been significant, and because potential future costs are highly variable, Autodesk is unable to estimate the maximum potential impact of these indemnifications on its future results of operations.

As permitted under Delaware law, Autodesk has agreements whereby it indemnifies its officers and directors for certain events or occurrences while the officer or director is, or was, serving at Autodesk's request in such capacity. The maximum potential amount of future payments Autodesk could be required to make under these indemnification agreements is unlimited; however, Autodesk has directors' and officers' liability insurance coverage that is intended to reduce its financial exposure and may enable Autodesk to recover a portion of any future amounts paid. Autodesk believes the estimated fair value of these indemnification agreements in excess of applicable insurance coverage is minimal.

Legal Proceedings

Autodesk is involved in a variety of claims, suits, investigations, inquiries, and proceedings in the normal course of business including claims of alleged infringement of intellectual property rights, commercial, employment, tax, prosecution of unauthorized use, business practices, and other matters. Autodesk routinely reviews the status of each significant matter and assesses its potential financial exposure. If the potential loss from any matter is considered probable and the amount can be reasonably estimated, Autodesk records a liability for the estimated loss. Because of inherent uncertainties related to these legal matters, Autodesk bases its loss accruals on the best information available at the time. As additional information becomes available, Autodesk reassesses its potential liability and may revise its estimates. In the Company's opinion, resolution of pending matters is not expected to have a material adverse impact on its consolidated results of operations, cash flows, or its financial position. Given the unpredictable nature of legal proceedings, there is a reasonable possibility that an unfavorable resolution of one or more such proceedings could in the future materially affect the Company's results of operations, cash flows, or financial position in a particular period, however, based on the information known by the Company as of the date of this filing and the rules and regulations applicable to the preparation of the Company's financial statements, any such amount is either immaterial or it is not possible to provide an estimated amount of any such potential loss.

18. Stockholders' Equity

Changes in stockholders' equity by component, net of tax, as of October 31, 2022, are as follows:

| | Common stock and additional paid-in capital | | Accumulated other comprehensive loss | Accumulated deficit | Total stockholders' equity |
|---|---|----------|--------------------------------------|---------------------|----------------------------|
| | Shares | Amount | | | |
| Balances, January 31, 2022 | 218 | \$ 2,923 | \$ (124) | \$ (1,950) | \$ 849 |
| Common shares issued under stock plans | 1 | (10) | | | (10) |
| Stock-based compensation expense | | 146 | | | 146 |
| Shares issued related to business combination | | 10 | | | 10 |
| Net income | | | | 146 | 146 |
| Other comprehensive loss | | | (24) | | (24) |
| Repurchase and retirement of common shares (1) | (2) | (97) | | (339) | (436) |
| Balances, April 30, 2022 | 217 | 2,972 | (148) | (2,143) | 681 |
| Common shares issued under stock plans | | (17) | | | (17) |
| Stock-based compensation expense | | 163 | | | 163 |
| Settlement of liability-classified restricted common shares | | 5 | | | 5 |
| Net income | | | | 186 | 186 |
| Other comprehensive loss | | | (21) | | (21) |
| Repurchase and retirement of common shares (1) | (1) | (34) | | (223) | (257) |
| Balances, July 31, 2022 | 216 | 3,089 | (169) | (2,180) | 740 |
| Common shares issued under stock plans | 1 | 18 | | | 18 |
| Stock-based compensation expense | | 165 | | | 165 |
| Settlement of liability-classified restricted common shares | | 3 | | | 3 |
| Net income | | | | 198 | 198 |
| Other comprehensive loss | | | (38) | | (38) |
| Repurchase and retirement of common shares (1) | (1) | (62) | | (118) | (180) |
| Balances, October 31, 2022 | 216 | \$ 3,213 | \$ (207) | \$ (2,100) | \$ 906 |

- (1) During the three and nine months ended October 31, 2022, Autodesk repurchased 893 thousand and 4,368 thousand shares at an average repurchase price of \$201.33 and \$199.83 per share, respectively. At October 31, 2022, 4 million shares remained available for repurchase under the September 2016 repurchase program approved by the Board of Directors. In November 2022, the Board of Directors authorized the repurchase of \$5 billion of the Company's common stock, in addition to the shares remaining under previously announced share repurchase programs.

Changes in stockholders' equity by component, net of tax, as of October 31, 2021, are as follows:

| | Common stock and additional paid-in capital | | Accumulated other comprehensive loss | Accumulated deficit | Total stockholders' equity |
|---|---|----------|--------------------------------------|---------------------|----------------------------|
| | Shares | Amount | | | |
| Balances, January 31, 2021 | 220 | \$ 2,579 | \$ (126) | \$ (1,488) | \$ 965 |
| Common shares issued under stock plans | 1 | 9 | | | 9 |
| Stock-based compensation expense | | 114 | | | 114 |
| Shares issued related to business combination | | 3 | | | 3 |
| Net income | | | | 156 | 156 |
| Other comprehensive income | | | 24 | | 24 |
| Repurchase and retirement of common shares (1) | (1) | (66) | | (77) | (143) |
| Balances, April 30, 2021 | 220 | 2,639 | (102) | (1,409) | 1,128 |
| Common shares issued under stock plans | | (6) | | | (6) |
| Stock-based compensation expense | | 148 | | | 148 |
| Net income | | | | 115 | 115 |
| Other comprehensive loss | | | (11) | | (11) |
| Repurchase and retirement of common shares (1) | | (1) | | (45) | (46) |
| Balances, July 31, 2021 | 220 | 2,780 | (113) | (1,339) | 1,328 |
| Common shares issued under stock plans | 1 | (51) | | | (51) |
| Stock-based compensation expense | | 140 | | | 140 |
| Settlement of liability-classified restricted common shares | | 3 | | | 3 |
| Net income | | | | 137 | 137 |
| Other comprehensive income | | | 11 | | 11 |
| Repurchase and retirement of common shares (1) | (1) | (51) | | (237) | (288) |
| Balances, October 31, 2021 | 220 | \$ 2,821 | \$ (102) | \$ (1,439) | \$ 1,280 |

(1) During the three and nine months ended October 31, 2021, Autodesk repurchased 980 thousand and 1,659 thousand shares at an average repurchase price of \$292.91 and \$286.95 per share, respectively. At October 31, 2021, 10 million shares remained available for repurchase under the repurchase program approved by the Board of Directors.

19. Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss, net of taxes, consisted of the following at October 31, 2022:

| | Net Unrealized Gains (Losses) on Derivative Instruments | Net Unrealized Gains (Losses) on Available- for-Sale Debt Securities | Defined Benefit Pension Components | Foreign Currency Translation Adjustments | Total |
|---|---|---|---------------------------------------|--|----------|
| Balances, January 31, 2022 | \$ 24 | \$ 18 | \$ (16) | \$ (150) | \$ (124) |
| Other comprehensive income (loss) before reclassifications | 131 | 3 | (1) | (186) | (53) |
| Pre-tax (gains) losses reclassified from accumulated other comprehensive loss | (15) | — | 1 | — | (14) |
| Tax effects | (17) | — | — | 1 | (16) |
| Net current period other comprehensive income (loss) | 99 | 3 | — | (185) | (83) |
| Balances, October 31, 2022 | \$ 123 | \$ 21 | \$ (16) | \$ (335) | \$ (207) |

Accumulated other comprehensive loss, net of taxes, consisted of the following at October 31, 2021:

| | Net Unrealized Gains (Losses) on Derivative Instruments | Net Unrealized Gains on Available-for-Sale Debt Securities | Defined Benefit Pension Components | Foreign Currency Translation Adjustments | Total |
|---|---|--|---------------------------------------|--|----------|
| Balances, January 31, 2021 | \$ (24) | \$ 6 | \$ (21) | \$ (87) | \$ (126) |
| Other comprehensive income (loss) before reclassifications | 31 | 7 | — | (21) | 17 |
| Pre-tax losses reclassified from accumulated other comprehensive loss | 15 | — | — | — | 15 |
| Tax effects | (7) | — | — | (1) | (8) |
| Net current period other comprehensive income (loss) | 39 | 7 | — | (22) | 24 |
| Balances, October 31, 2021 | \$ 15 | \$ 13 | \$ (21) | \$ (109) | \$ (102) |

Reclassifications related to gains and losses on available-for-sale debt securities are included in "Interest and other expense, net." Refer to Note 5, "Financial Instruments," for the amount and location of reclassifications related to derivative instruments. Reclassifications of the defined benefit pension components of net periodic benefit cost are included in "Interest and other expense, net."

20. Net Income Per Share

Basic net income per share is computed using the weighted average number of shares of common stock outstanding for the period. Diluted net income per share is computed using the weighted average number of shares of common stock outstanding for the period and potentially dilutive common shares, including the effect of restricted stock units, performance share awards, and stock options using the treasury stock method. The following table sets forth the computation of the numerators and denominators used in the basic and diluted net income per share amounts:

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|--|--------------------------------|---------|-------------------------------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Numerator: | | | | |
| Net income | \$ 198 | \$ 137 | \$ 530 | \$ 408 |
| Denominator: | | | | |
| Denominator for basic net income per share—weighted average shares | 216 | 220 | 217 | 220 |
| Effect of dilutive securities | 1 | 2 | 1 | 2 |
| Denominator for dilutive net income per share | 217 | 222 | 218 | 222 |
| Basic net income per share | \$ 0.92 | \$ 0.62 | \$ 2.44 | \$ 1.85 |
| Diluted net income per share | \$ 0.91 | \$ 0.62 | \$ 2.43 | \$ 1.84 |

The computation of diluted net income per share does not include shares that are anti-dilutive under the treasury stock method because their exercise prices are higher than the average market value of Autodesk's stock during the periods. For the three and nine months ended October 31, 2022, there were 921 thousand and 1,052 thousand anti-dilutive shares excluded from the computation of diluted net income per share, respectively. For the three and nine months ended October 31, 2021, there were 27 thousand and 148 thousand anti-dilutive shares excluded from the computation of diluted net income per share, respectively.

21. Segments

Autodesk operates in one operating segment and accordingly, all required financial segment information is included in the condensed consolidated financial statements. Operating segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the chief operating decision makers ("CODM") in deciding how to allocate resources and assess performance. Autodesk reports segment information based on the "management" approach. The management approach designates the internal reporting used by management for making decisions, allocating resources, and assessing performance as the source of the Company's reportable segments. The Company's CODM allocates resources and assesses the operating performance of the Company as a whole.

Information regarding Autodesk's long-lived assets by geographic area is as follows:

| | October 31, 2022 | January 31, 2022 |
|---------------------------------|------------------|------------------|
| Long-lived assets (1): | | |
| Americas | | |
| U.S. | \$ 283 | \$ 323 |
| Other Americas | 14 | 20 |
| Total Americas | 297 | 343 |
| Europe, Middle East, and Africa | 73 | 92 |
| Asia Pacific | 50 | 32 |
| Total long-lived assets | \$ 420 | \$ 467 |

(1) Long-lived assets exclude deferred tax assets, marketable securities, goodwill, and intangible assets.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion in our MD&A and elsewhere in this Form 10-Q contains trend analyses and other forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are any statements that look to future events and consist of, among other things, our business strategies, including those discussed in "Strategy," "Overview of the Three and Nine Months Ended October 31, 2022," and in "Results of Operations-Overview." Examples of such forward-looking statements may relate to items such as future net revenue, operating expenses, recurring revenue, net revenue retention rate, cash flow, remaining performance obligations, and other future financial results (by product type and geography), the effectiveness of our efforts to successfully manage transitions to new markets; our ability to increase our subscription base; expected market trends, including the growth of cloud and mobile computing; the availability of credit; the effect of unemployment; the effects of global economic conditions, including from an economic downturn or recession in the United States or in other countries around the world; the effects of revenue recognition; the effects of recently issued accounting standards; expected trends in certain financial metrics, including expenses; expectations regarding our cash needs; the effects of fluctuations in exchange rates and our hedging activities on our financial results; our ability to successfully expand adoption of our products; our ability to gain market acceptance of new business and sales initiatives; the impact of past acquisitions, including our integration efforts and expected synergies; the impact of economic volatility and geopolitical activities in certain countries, particularly emerging economy countries; the timing and amount of purchases under our stock buy-back plan; and the effects of potential non-cash charges on our financial results and the resulting effect on our financial results. In addition, forward-looking statements also consist of statements involving expectations regarding product capability and acceptance, statements regarding our liquidity and short-term and long-term cash requirements, as well as statements involving trend analyses and statements including such words as "may," "believe," "could," "anticipate," "would," "might," "plan," "expect," and similar expressions or the negative of these terms or other comparable terminology. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q and are subject to business and economic risks. As such, our actual results could differ materially from those set forth in the forward-looking statements as a result of a number of factors, including those set forth below in Part II, Item 1A, "Risk Factors," and in our other reports filed with the U.S. Securities and Exchange Commission. We assume no obligation to update the forward-looking statements to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.

Note: A glossary of terms used in this Form 10-Q appears at the end of this Item 2.

Strategy

Autodesk is changing how the world is designed and made. Our technology spans architecture, engineering, construction, product design, manufacturing, media and entertainment, empowering innovators everywhere to solve challenges big and small. From greener buildings to smarter products to more mesmerizing blockbusters, Autodesk technology helps our customers to design and make a better world for all.

Our strategy is to build enduring relationships with customers, delivering innovative technology that provides valuable automation and insight into their design and make processes. To drive execution of our strategy, we are focused on three strategic priorities: deliver a world-class customer experience, catalyze our customers' digital transformation, and establish an industry-leading platform for Design and Make.

We equip and inspire our users with the tailored tools, services, and access they need for success today and tomorrow. At every step, we help users harness the power of data to build upon their ideas and explore new ways of imagining, collaborating, and creating to achieve better outcomes for their customers, for society, and for the world. And because creativity can't flourish in silos, we connect what matters - from steps in a project to collaborators on a unified platform.

Autodesk was founded during the platform transition from mainframe computers and engineering workstations to personal computers. We have developed and sustained a compelling value proposition based upon software for the personal computer. Just as the transition from mainframes to personal computers transformed the hardware industry, the software industry has undergone a transition from developing and selling perpetual licenses and on-premises products to subscriptions and cloud-enabled technologies.

Product Evolution

We offer subscriptions for individual products and Industry Collections, enterprise business arrangements (“EBAs”), and cloud service offerings (collectively referred to as “subscription plans”). Subscription plans are designed to give our customers more flexibility with how they use our offerings and to attract a broader range of customers, such as project-based users and small businesses.

Our subscription plans represent a hybrid of desktop software and cloud functionality, which provides a device-independent, collaborative design workflow for designers and their stakeholders. Our cloud offerings, for example, Autodesk Construction Cloud, Fusion 360, ShotGrid, AutoCAD web app, and AutoCAD mobile app, provide tools, including mobile and collaboration capabilities, to streamline design, collaboration, building and manufacturing, and data management processes. We believe that customer adoption of these latest offerings will continue to grow as customers across a range of industries begin to take advantage of the scalable computing power and flexibility provided through these services.

Industry Collections provide our customers with access to a broader selection of Autodesk solutions and services, simplifying the customers’ ability to benefit from a complete set of tools for their industry.

To support our strategic priority of digital transformation in Architecture, Engineering, and Construction (“AEC”), we are strengthening the foundation of our AEC solutions with both organic and inorganic investments. In fiscal 2023, we acquired a cloud-connected, extended reality (XR) platform which enables AEC professionals to present, collaborate and review projects together in immersive and interactive experiences, from anywhere and at any time. This acquisition enables Autodesk to meet increasing needs for augmented reality (AR) and virtual reality (VR) technology advancements within the AEC industry and further support AEC customers throughout the project delivery lifecycle. In fiscal 2022, we acquired Storm UK Holdco Limited, the parent of Innovyze, Inc. (“Innovyze”), which provides water infrastructure software. Combining Innovyze’s hydraulic modeling, simulation, asset performance management and operational analytics solutions with Autodesk’s design and analysis solutions (including Autodesk Civil 3D, Autodesk InfraWorks, and the Autodesk Construction Cloud) enables us to deliver end-to-end, cloud-based solutions for our water infrastructure customers that drive efficiency and sustainability. Other acquisitions in fiscal 2022 include a cloud-based estimating solution that enables construction teams to create estimates, perform digital takeoffs, generate detailed reports and proposals and manage bid-day processes. Additionally, in fiscal 2022, we launched Autodesk Tandem, a cloud-based digital twin technology platform that extends digital project delivery by providing owner/operators with an easy to use, accurate, digital as-built model of a newly built or renovated facility. For owner/operators this accelerates operational readiness and extends the value of BIM downstream into the owner/operator segment.

In manufacturing, our strategy is to combine organic and acquired software in existing and adjacent verticals to create end-to-end, cloud-based solutions for our customers that drive efficiency and sustainability. We continue to attract both global manufacturing leaders and disruptive startups with our generative design and cloud-based Fusion 360 that converges the process of design with manufacturing. In the first fiscal quarter of 2023, we acquired a maker of software for optimizing manufacturing processes with automation and digitization from the shop floor upward that provides a real-time system of record for data collection, management, and analysis. In fiscal 2022, we acquired Upchain, an instant-on, cloud-based data management technology that allows product design and manufacturing customers to collaborate in the cloud across their value chains and bring products to market faster.

Our strategy includes improving our product functionality and expanding our product offerings through internal development as well as through the acquisition of products, technology, and businesses. Acquisitions often increase the speed at which we can deliver product functionality to our customers; however, they entail cost and integration challenges and may, in certain instances, negatively impact our operating margins. We continually review these factors in making decisions regarding acquisitions. We currently anticipate that we will continue to acquire products, technology, and businesses as compelling opportunities become available.

Global Reach

We sell our products and services globally, through a combination of indirect and direct channels. Our indirect channels include value added resellers, direct market resellers, distributors, and other software developers. During October and November 2022, we entered into transition agreements with our distributor Tech Data to provide transition distribution activities for a one-to-two-year period, with potential extensions. In connection with the transition agreements, Autodesk intends to increase our selling efforts with value-added resellers and agents. Our direct channels include internal sales resources focused on selling in our largest accounts, our highly specialized solutions, and business transacted through our online Autodesk branded store. See Part I, Item 1, “Financial Statements,” Note 3, “Revenue Recognition” in the Notes to the Condensed Consolidated Financial Statements for further detail on the results of our indirect and direct channel sales for the three and nine months ended October 31, 2022 and 2021.

We anticipate that our channel mix will continue to change as we scale our online Autodesk branded store business and our largest accounts shift towards direct-only business models. Additionally, as part of the continued growth of our online Autodesk branded store and the transition to annual billings for multi-year contracts and our new token-based Flex model, we are planning to expand our transactions with value-added resellers and transact directly with more end customers without substantial disruption to our revenue. We expect our indirect channel will continue to transact and support a considerable portion of our customers. We also expect our transition to annual billings for multi-year contracts to impact the timing of our billings and cash collections. We employ a variety of incentive programs and promotions to align our direct and indirect channels with our business strategies.

One of our key strategies is to maintain an Application Programming Interface (API) based architecture of our software products to facilitate third-party development of complementary products and industry-specific software solutions. This approach enables customers and third parties to customize solutions for a wide variety of highly specific uses. We offer several programs that provide strategic investment funding, technological platforms, user communities, technical support, forums, and events to developers who develop add-on applications for our products. For example, we have established the Autodesk Platform Services to support innovators that build solutions to facilitate the development of a single connected ecosystem for the future of how things are designed, made, and used.

In addition to the competitive advantages afforded by our technology, our large global network of distributors, resellers, third-party developers, customers, educators, educational institutions, learning partners, and students is a key competitive advantage which has been cultivated over an extensive period. This network of partners and relationships provides us with a broad and deep reach into volume markets around the world. Our distributor and reseller network is extensive and provides our customers with the resources to purchase, deploy, learn, and support our solutions quickly and easily. We have a significant number of registered third-party developers who create products that work well with our solutions and extend them for a variety of specialized applications.

Impact at Autodesk

Autodesk is committed to advancing a more sustainable, resilient, and equitable world. We don’t believe in waiting for progress, we believe in making it. We take action as a business and to support our employees, customers, and communities in our collective opportunity to design and make a better world for all.

We focus our efforts to advance positive outcomes across three primary areas: energy and materials, health and resilience, and work and prosperity. These impact opportunity areas are derived from the UN Sustainable Development Goals (“SDGs”) and have been focused through a multi-pronged process to align the top needs of our stakeholders, the important issues of our business, and the areas we are best placed to accelerate positive impact at scale.

These opportunities manifest as outcomes through how our customers leverage our technology to design and make net-zero carbon buildings, resilient infrastructure, more sustainable products, and a thriving workforce. We realize these opportunities through powering our business with 100% renewable energy, neutralizing greenhouse gas emissions and developing an inclusive culture. We advance these opportunities with industry innovators through collaboration, philanthropic capital, software donations, and training.

The Autodesk Foundation (the “Foundation”), a privately funded 501(c)(3) charity organization established and solely funded by us, leads our philanthropic efforts. The purpose of the Foundation is twofold: to support employees to make a better world by matching employees’ volunteer time and/or donations to nonprofit organizations; and to support organizations using

design to drive positive social and environmental impact. On our behalf, the Foundation also administers a discounted software donation program to nonprofit organizations, social and environmental entrepreneurs, and others who are developing design solutions that will shape a more sustainable future.

Additional information about our environmental, social, and governance program is available in our annual impact report on our website at www.autodesk.com. Information contained on or accessible through our website is not part of or incorporated by reference into this report.

Assumptions Behind Our Strategy

Our strategy depends upon a number of assumptions, including: making our technology available to mainstream markets; leveraging our large global network of distributors, resellers, agents, third-party developers, customers, educators, educational institutions, learning partners, and students; improving the performance and functionality of our products and platform; and adequately protecting our intellectual property. If the outcome of any of these assumptions differs from our expectations, we may not be able to implement our strategy, which could potentially adversely affect our business. For further discussion regarding these and related risks see Part II, Item 1A, "Risk Factors."

Critical Accounting Policies and Estimates

Our Condensed Consolidated Financial Statements are prepared in conformity with U.S. generally accepted accounting principles ("GAAP"). In preparing our Condensed Consolidated Financial Statements, we make assumptions, judgments, and estimates that can have a significant impact on amounts reported in our Condensed Consolidated Financial Statements. We evaluate our estimates and assumptions on an ongoing basis. We base our assumptions, judgments, and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. Our significant accounting policies are described in Item 8, "Financial Statements and Supplementary Data," Note 1, "Business and Summary of Significant Accounting Policies," in the Notes to Consolidated Financial Statements in our Form 10-K for the fiscal year ended January 31, 2022.

An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, if different estimates reasonably could have been used, or if changes in the estimate that are reasonably possible could materially impact the financial statements. We highlighted those policies that involve a higher degree of judgment and complexity with further discussion in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our Form 10-K. There have been no material changes to our critical accounting policies and estimates during the three and nine months ended October 31, 2022, as compared to those disclosed in our Form 10-K for the fiscal year ended January 31, 2022. We believe these policies are the most critical to aid in fully understanding and evaluating our financial condition and results of operations.

Overview of the Three and Nine Months Ended October 31, 2022

- Total net revenue increased 14% and 16% to \$1,280 million and \$3,687 million, for the three and nine months ended October 31, 2022, respectively, compared to the same period in the prior fiscal year.
- Recurring revenue as a percentage of net revenue was 98% for both the three and nine months ended October 31, 2022, and remained flat as compared to both periods in the prior fiscal year.
- Net revenue retention rate ("NR3") was within the range of 100% and 110% as of both October 31, 2022 and 2021.
- Deferred revenue was \$3.78 billion, flat compared to the fourth quarter in the prior fiscal year.
- Remaining performance obligations (short-term and long-term deferred revenue plus unbilled deferred revenue) ("RPO") was \$4.68 billion, a decrease of 1% compared to the fourth quarter in the prior fiscal year.
- Current remaining performance obligations was \$3.14 billion, flat compared to the fourth quarter in the prior fiscal year.

Revenue Analysis

Net revenue increased during the three and nine months ended October 31, 2022, as compared to the same period in the prior fiscal year, primarily due to a 14% and 16% increase in subscription revenue, respectively, partially offset by an 11% and 6% decrease in maintenance revenue, respectively.

For further discussion of the drivers of these results, see below under the heading "Results of Operations."

We rely significantly upon major distributors and resellers in both the U.S. and international regions, including Tech Data Corporation and its global affiliates (collectively, “Tech Data”) and Ingram Micro Inc. (“Ingram Micro”). Total sales to Tech Data accounted for 37% of our total net revenue for both the three and nine months ended October 31, 2022. Total sales to Tech Data accounted for 37% and 36% of our total net revenue for the three and nine months ended October 31, 2021. Ingram Micro accounted for 9% of Autodesk’s total net revenue for both the three and nine months ended October 31, 2022. During both the three and nine months ended October 31, 2021, total sales to Ingram Micro accounted for 9% of Autodesk’s total net revenue. Our customers through Tech Data and Ingram Micro are the resellers and end users who purchase our software subscriptions and services. During October and November 2022, we entered into transition agreements with our distributor Tech Data to provide transition distribution activities for a one-to-two-year period, with potential extensions. In connection with the transition agreements, Autodesk intends to increase our selling efforts with value-added resellers and agents. Should our agreement with Ingram Micro be terminated, we believe the resellers and end users who currently purchase our products through Ingram Micro would similarly be able to continue to do so under substantially the same terms from one of our many other distributors without substantial disruption to our revenue. Consequently, we believe our business is not substantially dependent on Tech Data or Ingram Micro.

Recurring Revenue and Net Revenue Retention Rate

In order to help better understand our financial performance, we use several key performance metrics including recurring revenue and NR3. These metrics are key performance metrics and should be viewed independently of revenue and deferred revenue as these metrics are not intended to be combined with those items. We use these metrics to monitor the strength of our recurring business. We believe these metrics are useful to investors because they can help in monitoring the long-term health of our business. Our determination and presentation of these metrics may differ from that of other companies. The presentation of these metrics is meant to be considered in addition to, not as a substitute for or in isolation from, our financial measures prepared in accordance with GAAP. Please refer to the Glossary of Terms for the definitions of these metrics.

The following table outlines our recurring revenue metric for the three and nine months ended October 31, 2022 and 2021:

| <i>(In millions, except percentage data)</i> | Three Months Ended October 31, 2022 | | Change compared to prior fiscal year | | Three Months Ended October 31, 2021 | |
|--|--|--|---|------|--|--|
| | \$ | | \$ | % | \$ | |
| Recurring revenue (1) (2) | \$ 1,255 | | \$ 154 | 14 % | \$ 1,101 | |
| As a percentage of net revenue | 98 % | | N/A | N/A | 98 % | |

| | Nine Months Ended October 31, 2022 | | Change compared to prior fiscal year | | Nine Months Ended October 31, 2021 | |
|--------------------------------|---------------------------------------|--|---|------|---------------------------------------|--|
| | \$ | | \$ | % | \$ | |
| Recurring Revenue (1) (2) | \$ 3,616 | | \$ 503 | 16 % | \$ 3,113 | |
| As a percentage of net revenue | 98 % | | N/A | N/A | 98 % | |

- (1) The acquisition of a business may cause variability in the comparison of recurring revenue in this table above and recurring revenue derived from the revenue reported in the Condensed Consolidated Statements of Operations.
- (2) The prior period amount has been adjusted to conform to the current period presentation for a change in presentation of certain subscription plan offerings. See Part I, Item 1 “Financial Statements,” Note 1, “Basis of Presentation” for further detail.

NR3 was within the range of 100% and 110% as of both October 31, 2022 and 2021.

Foreign Currency Analysis

We generate a significant amount of our revenue in the United States, Japan, Germany, the United Kingdom and Finland.

The following table shows the impact of foreign exchange rate changes on our net revenue and total spend:

| | Three Months Ended October 31, 2022 | | | Nine Months Ended October 31, 2022 | | |
|-------------|--|--|---|--|--|---|
| | Percent change compared to prior fiscal year | Constant Currency percent change compared to prior fiscal year (1) | Positive/Negative/Neutral impact from foreign exchange rate changes | Percent change compared to prior fiscal year | Constant Currency percent change compared to prior fiscal year (1) | Positive/Negative/Neutral impact from foreign exchange rate changes |
| Net revenue | 14 % | 15 % | Negative | 16 % | 17 % | Negative |
| Total spend | 10 % | 11 % | Positive | 10 % | 11 % | Positive |

(1) Please refer to the Glossary of Terms for the definitions of our constant currency growth rates.

Changes in the value of the U.S. dollar may have a significant effect on net revenue, total spend, and income from operations in future periods. We use foreign currency contracts to reduce the exchange rate effect on a portion of the net revenue of certain anticipated transactions but do not attempt to completely mitigate the impact of fluctuations of such foreign currency against the U.S. dollar.

Remaining Performance Obligations

RPO represents deferred revenue and contractually stated or committed orders under early renewal and multi-year billing plans for subscription, services, license, and maintenance for which the associated deferred revenue has not yet been recognized. Unbilled deferred revenue is not included as a receivable or deferred revenue on our Condensed Consolidated Balance Sheets. See Part I, Item 1, "Financial Statements," Note 3, "Revenue Recognition," for more details on Autodesk's performance obligations.

(in millions)

| | October 31, 2022 | January 31, 2022 |
|---------------------------|------------------|------------------|
| Deferred revenue | \$ 3,783 | \$ 3,790 |
| Unbilled deferred revenue | 896 | 949 |
| RPO | \$ 4,679 | \$ 4,739 |

RPO consisted of the following:

(in millions)

| | October 31, 2022 | January 31, 2022 |
|-----------------|------------------|------------------|
| Current RPO | \$ 3,136 | \$ 3,141 |
| Non-current RPO | 1,543 | 1,598 |
| RPO | \$ 4,679 | \$ 4,739 |

We expect that the amount of RPO will change from quarter to quarter for several reasons, including the specific timing, duration, and size of customer subscription and support agreements, the specific timing of customer renewals, and foreign currency fluctuations. Historically, we have had increased EBA sales activity in our fourth fiscal quarter and this seasonality may affect the relative value of our billings, RPO, and collections in the fourth and first fiscal quarters.

Balance Sheet and Cash Flow Items

At October 31, 2022, we had \$1.84 billion in cash, cash equivalents, and marketable securities. Our cash flow from operations increased to \$1,160 million for the nine months ended October 31, 2022, compared to \$809 million for the nine months ended October 31, 2021. We repurchased 4,368 thousand shares of our common stock for \$873 million during the nine months ended October 31, 2022. Comparatively, we repurchased 1,659 thousand shares of our common stock for \$477 million during the nine months ended October 31, 2021. See further discussion regarding the balance sheet and cash flow activities under the heading "Liquidity and Capital Resources."

Results of Operations

Overview

We believe our investment in cloud products and a subscription business model, backed by a strong balance sheet, give us a robust foundation to successfully navigate complex geopolitical and global macro-economic challenges. However, supply chain disruption and resulting inflationary pressures, a global labor shortage, the ebb and flow of COVID-19, including in specific geographies, the war in Ukraine, and foreign exchange rate fluctuations, may impact our outlook. The extent of the impact of these risks on our business in the remainder of fiscal 2023 and beyond will depend on several factors, some of which are out of our control, and which are discussed in Part II, Item 1A, "Risk Factors."

The COVID-19 pandemic has spurred changes in the way we work and we moved to a more hybrid workforce resulting in an evaluation of our office space needs. Accordingly, we are reducing our facilities portfolio worldwide and incurred charges associated with our operating leases for real estate during the nine months ended October 31, 2022. See Part I, Item 1, "Financial Statements," Note 15, "Leases" in the Notes to Condensed Consolidated Financial Statements for more information. Optimizing our facilities costs will allow us to better deploy capital to further our strategy and drive growth. However, there is no guarantee that we will realize any anticipated benefits to our business, including any cost savings or operational efficiencies.

Net Revenue

Net Revenue by Income Statement Presentation

Subscription revenue consists of our term-based product subscriptions, cloud service offerings, and flexible EBAs. Revenue from these arrangements is predominately recognized ratably over the contract term commencing with the date our service is made available to customers and when all other revenue recognition criteria have been satisfied.

Maintenance revenue consists of renewal fees for existing maintenance plan agreements that were initially purchased with a perpetual software license. Under our maintenance plan, customers are eligible to receive unspecified upgrades, when and if available, and technical support. We recognize maintenance revenue ratably over the term of the agreements, which is generally one year.

Other revenue consists of revenue from consulting, training, and other products and services, and is recognized as the products are delivered and services are performed.

| | Three Months Ended | Change Compared to Prior Fiscal Year | | Three Months Ended | Management comments |
|--|--------------------|--------------------------------------|-------|--------------------|---|
| | October 31, 2022 | \$ | % | October 31, 2021 | |
| <i>(In millions, except percentages)</i> | | | | | |
| Net Revenue (1): | | | | | |
| Subscription | \$ 1,188 | \$ 145 | 14 % | \$ 1,043 | Increase due to growth in the subscriber base across subscription types with current-year subscription renewals reflecting prior year renewal subscriptions. Also contributing to the growth was an increase in revenue from new subscriptions and EBA offerings. |
| Maintenance | 16 | (2) | (11)% | 18 | |
| Total subscription and maintenance revenue | 1,204 | 143 | 13 % | 1,061 | |
| Other | 76 | 11 | 17 % | 65 | |
| | <u>\$ 1,280</u> | <u>\$ 154</u> | 14 % | <u>\$ 1,126</u> | |

| | Nine Months Ended | Change compared to prior fiscal year | | Nine Months Ended | Management Comments |
|--|-------------------|--------------------------------------|------|-------------------|---|
| | October 31, 2022 | \$ | % | October 31, 2021 | |
| Net Revenue (1): | | | | | |
| Subscription | \$ 3,437 | \$ 470 | 16 % | \$ 2,967 | Increase due to growth in the subscriber base across subscription types with current-year subscription renewals reflecting prior year renewal subscriptions. Also contributing to the growth was an increase in revenue from new subscriptions and EBA offerings. |
| Maintenance | 51 | (3) | (6)% | 54 | |
| Total subscription and maintenance revenue | 3,488 | 467 | 15 % | 3,021 | |
| Other | 199 | 45 | 29 % | 154 | |
| | <u>\$ 3,687</u> | <u>\$ 512</u> | 16 % | <u>\$ 3,175</u> | |

(1) Prior periods amounts have been reclassified to conform to the current period presentation in all material respects. See Part I, Item 1, "Financial Statements," Note 1, "Basis of Presentation" in the Notes to the Condensed Consolidated Financial Statements for the change in presentation of certain subscription plan offerings in our Condensed Consolidated Statement of Operations.

Net Revenue by Product Family

Our product offerings are focused in four primary product families: Architecture, Engineering and Construction (“AEC”), AutoCAD and AutoCAD LT, Manufacturing (“MFG”), and Media and Entertainment (“M&E”).

(In millions, except percentages)

| | Three Months Ended | Change compared to prior fiscal year | | Three Months Ended | Management comments |
|---------------------------------------|--------------------|--------------------------------------|-------------|--------------------|--|
| | October 31, 2022 | \$ | % | October 31, 2021 | |
| Net Revenue by Product Family: | | | | | |
| AEC (1) | \$ 575 | \$ 68 | 13 % | \$ 507 | Increase due to growth in revenue from AEC Collections, EBAs, Revit, Autodesk Build. |
| AutoCAD and AutoCAD LT (1) | 354 | 31 | 10 % | 323 | Increase due to growth in revenue from both AutoCAD and AutoCAD LT. |
| MFG | 254 | 29 | 13 % | 225 | Increase due to growth in revenue from MFG Collections, Fusion360, Vault, and Alias. |
| M&E | 78 | 15 | 24 % | 63 | Increase due to growth in revenue from EBAs, Maya, and 3DS Max. |
| Other | 19 | 11 | 138 % | 8 | |
| Total Net Revenue | \$ 1,280 | \$ 154 | 14 % | \$ 1,126 | |

| | Nine Months Ended | Change compared to prior fiscal year | | Nine Months Ended | Management comments |
|---------------------------------------|-------------------|--------------------------------------|-------------|-------------------|---|
| | October 31, 2022 | \$ | % | October 31, 2021 | |
| Net Revenue by Product Family: | | | | | |
| AEC (1) | \$ 1,676 | \$ 247 | 17 % | \$ 1,429 | Increase due to growth in revenue from AEC Collections, EBAs, Revit, BIM360. |
| AutoCAD and AutoCAD LT (1) | 1,025 | 113 | 12 % | 912 | Increase due to growth in revenue from both AutoCAD and AutoCAD LT. |
| MFG | 721 | 91 | 14 % | 630 | Increase due to growth in revenue from MFG Collections, Fusion360, Vault, and EBAs. |
| M&E | 217 | 40 | 23 % | 177 | Increase due to growth in revenue from Maya, EBAs, and 3DS Max. |
| Other | 48 | 21 | 78 % | 27 | |
| Total Net Revenue | \$ 3,687 | \$ 512 | 16 % | \$ 3,175 | |

(1) During the nine months ended October 31, 2022, we corrected an immaterial classification error and reclassified certain revenue amounts between Architecture, Engineering and Construction and AutoCAD and AutoCAD LT. The fiscal quarter ended April 30, 2022, included within the nine months ended October 31, 2022, and both the three and nine months ended October 31, 2021, have been adjusted to conform to the current period presentation. These reclassifications did not impact total net revenue.

Net Revenue by Geographic Area

| (In millions, except percentages) | Three Months Ended October 31, 2022 | Change compared to prior fiscal year | | Constant currency change compared to prior fiscal year | Three Months Ended October 31, 2021 |
|-----------------------------------|--|---|------|---|--|
| | | \$ | % | % | |
| Net Revenue: | | | | | |
| Americas | | | | | |
| U.S. | \$ 447 | \$ 64 | 17 % | * | \$ 383 |
| Other Americas | 94 | 15 | 19 % | * | 79 |
| Total Americas | 541 | 79 | 17 % | 17 % | 462 |
| EMEA | 476 | 43 | 10 % | 12 % | 433 |
| APAC | 263 | 32 | 14 % | 18 % | 231 |
| Total Net Revenue | \$ 1,280 | \$ 154 | 14 % | 15 % | \$ 1,126 |

| (In millions, except percentages) | Nine Months Ended October 31, 2022 | Change compared to prior fiscal year | | Constant currency change compared to prior fiscal year | Nine Months Ended October 31, 2021 |
|-----------------------------------|---------------------------------------|---|------|---|---------------------------------------|
| | | \$ | % | % | |
| Net Revenue: | | | | | |
| Americas | | | | | |
| U.S. | \$ 1,269 | \$ 214 | 20 % | * | \$ 1,055 |
| Other Americas | 271 | 50 | 23 % | * | 221 |
| Total Americas | 1,540 | 264 | 21 % | 20 % | 1,276 |
| EMEA | 1,398 | 172 | 14 % | 14 % | 1,226 |
| APAC | 749 | 76 | 11 % | 14 % | 673 |
| Total Net Revenue | \$ 3,687 | \$ 512 | 16 % | 17 % | \$ 3,175 |

* Constant currency data not provided at this level.

We believe that international revenue will continue to comprise a majority of our net revenue. Unfavorable economic conditions, including as a result of the COVID-19 pandemic or in connection with the significant military action against Ukraine launched by Russia (and any related political or economic responses and counter-responses or otherwise by various global actors or the general effect on the global economy), in the countries that contribute a significant portion of our net revenue, including in emerging economies such as Brazil, India, and China, may have an adverse effect on our business in those countries and our overall financial performance. Changes in the value of the U.S. dollar relative to other currencies have significantly affected, and could continue to significantly affect, our financial results for a given period even though we hedge a portion of our current and projected revenue. Increases to the levels of political and economic unpredictability or protectionism in the global market may impact our future financial results.

Net Revenue by Sales Channel

| (In millions, except percentages) | Three Months Ended | Change compared to prior fiscal year | | Three Months Ended | Management Comments |
|--------------------------------------|--------------------|--------------------------------------|-------------|--------------------|--|
| | October 31, 2022 | \$ | % | October 31, 2021 | |
| Net Revenue by Sales Channel: | | | | | |
| Indirect | \$ 827 | \$ 97 | 13 % | \$ 730 | Increase due to growth in subscription revenue, led by product subscription renewal revenue. |
| Direct | 453 | 57 | 14 % | 396 | Increase due to revenues from our online Autodesk branded store and EBAs. |
| Total Net Revenue | \$ 1,280 | \$ 154 | 14 % | \$ 1,126 | |

| (In millions, except percentages) | Nine Months Ended | Change compared to prior fiscal year | | Nine Months Ended | Management Comments |
|--------------------------------------|-------------------|--------------------------------------|-------------|-------------------|--|
| | October 31, 2022 | \$ | % | October 31, 2021 | |
| Net Revenue by Sales Channel: | | | | | |
| Indirect | \$ 2,412 | \$ 319 | 15 % | \$ 2,093 | Increase due to growth in subscription revenue, led by product subscription renewal revenue. |
| Direct | 1,275 | 193 | 18 % | 1,082 | Increase due to revenues from our online Autodesk branded store and EBAs. |
| Total Net Revenue | \$ 3,687 | \$ 512 | 16 % | \$ 3,175 | |

Net Revenue by Product Type

| (In millions, except percentages) | Three Months Ended October 31, 2022 | Change compared to prior fiscal year | | Three Months Ended October 31, 2021 | Management Comments |
|-----------------------------------|--|---|------|--|--|
| | | \$ | % | | |
| Net Revenue by Product Type (1): | | | | | |
| Design | \$ 1,087 | \$ 120 | 12 % | \$ 967 | Increase due to growth in collections, EBA offerings, AutoCAD Family and AutoCAD LT. |
| Make | 117 | 23 | 24 % | 94 | Increase primarily due to growth in revenue from BIM 360, Fusion 360 and other ACS products. |
| Other | 76 | 11 | 17 % | 65 | |
| Total Net Revenue | \$ 1,280 | \$ 154 | 14 % | \$ 1,126 | |

| (In millions, except percentages) | Nine Months Ended October 31, 2022 | Change compared to prior fiscal year | | Nine Months Ended October 31, 2021 | Management Comments |
|-----------------------------------|---------------------------------------|---|------|---------------------------------------|---|
| | | \$ | % | | |
| Net Revenue by Product Type (1): | | | | | |
| Design | \$ 3,155 | \$ 399 | 14 % | \$ 2,756 | Increase due to growth in collections, EBA offerings, AutoCAD Family and AutoCAD LT. |
| Make | 333 | 68 | 26 % | 265 | Increase primarily due to growth in revenue from ACS, Fusion 360, and BIM 360 products. |
| Other | 199 | 45 | 29 % | 154 | |
| Total Net Revenue | \$ 3,687 | \$ 512 | 16 % | \$ 3,175 | |

(1) The prior period amount has been adjusted to conform to the current period presentation for a change in presentation of certain subscription plan offerings. See Part I, Item 1, "Financial Statements," Note 1, "Basis of Presentation" for further detail.

Cost of Revenue and Operating Expenses

Cost of subscription and maintenance revenue includes the labor costs of providing product support to our subscription and maintenance customers, SaaS vendor costs and allocated IT costs, facilities costs, professional services fees related to operating our network and cloud infrastructure, royalties, depreciation expense and operating lease payments associated with computer equipment, data center costs, salaries, related expenses of network operations, stock-based compensation expense, and gains and losses on our operating expense cash flow hedges.

Cost of other revenue includes labor costs associated with product setup, costs of consulting and training services contracts, and collaborative project management services contracts. Cost of other revenue also includes stock-based compensation expense, overhead charges, allocated IT and facilities costs, professional services fees, and gains and losses on our operating expense cash flow hedges.

Cost of revenue, at least over the near term, is affected by labor costs, hosting costs for our cloud offerings, the volume and mix of product sales, fluctuations in consulting costs, amortization of developed technology, new customer support offerings, royalty rates for licensed technology embedded in our products, stock-based compensation expense, and gains and losses on our operating expense cash flow hedges.

Marketing and sales expenses include salaries, bonuses, benefits, and stock-based compensation expense for our marketing and sales employees, the expense of travel, entertainment, and training for such personnel, sales and dealer commissions, and the costs of programs aimed at increasing revenue, such as advertising, trade shows and expositions, and various sales and promotional programs. Marketing and sales expenses also include SaaS vendor costs and allocated IT costs, payment processing fees, the cost of supplies and equipment, gains and losses on our operating expense cash flow hedges, facilities costs, and labor costs associated with sales and order management.

Research and development expenses, which are expensed as incurred, consist primarily of salaries, bonuses, benefits, and stock-based compensation expense for research and development employees, the expense of travel, entertainment, and training for such personnel, professional services such as fees paid to software development firms and independent contractors, SaaS vendor costs and allocated IT costs, gains and losses on our operating expense cash flow hedges, and facilities costs.

General and administrative expenses include salaries, bonuses, benefits, and stock-based compensation expense for our CEO, finance, human resources, and legal employees, as well as professional fees for legal and accounting services, SaaS vendor costs and net IT costs, certain foreign business taxes, gains and losses on our operating expense cash flow hedges, expense of travel, entertainment, and training, facilities costs, acquisition-related costs, and the cost of supplies and equipment.

| | Three Months Ended | Change compared to prior fiscal year | | Three Months Ended | Management comments |
|--|--------------------|--------------------------------------|-------------|--------------------|---|
| | October 31, 2022 | \$ | % | October 31, 2021 | |
| <i>(In millions, except percentages)</i> | | | | | |
| Cost of revenue: | | | | | |
| Subscription and maintenance | \$ 86 | \$ 11 | 15 % | \$ 75 | Increase primarily due to cloud hosting costs and stock-based compensation expense. |
| Other | 19 | 1 | 6 % | 18 | Increase primarily due to employee-related costs driven by higher headcount. |
| Amortization of developed technologies | 15 | — | — % | 15 | Remained flat compared to third quarter of fiscal 2022. |
| Total cost of revenue | \$ 120 | \$ 12 | 11 % | \$ 108 | |

| | | | | | |
|---------------------------------------|---------------|--------------|-------------|---------------|--|
| Operating expenses: | | | | | |
| Marketing and sales | \$ 454 | \$ 35 | 8 % | \$ 419 | Increase primarily due to employee-related costs driven by higher headcount and increase in travel and entertainment expense as well as an increase in advertisement and promotion costs, and stock-based compensation expense partially offset by increase in capitalized software costs. |
| Research and development | 311 | 29 | 10 % | 282 | Increase primarily due to stock-based compensation expense, cloud hosting costs, employee-related costs due to higher headcount, and travel and entertainment expense. |
| General and administrative | 129 | 16 | 14 % | 113 | Increase primarily due to lease-related asset impairment and other charges in fiscal 2023, an increase in employee-related costs, cloud hosting costs and advertisement and promotion costs partially offset by decrease in professional fees. |
| Amortization of purchased intangibles | 10 | (1) | (9)% | 11 | Decrease primarily due to full amortization of previously acquired intangible assets offset by amortization expense from acquired intangibles as a result of our acquisitions in the remainder of fiscal 2022 and first quarter of fiscal 2023. |
| Total operating expenses | \$ 904 | \$ 79 | 10 % | \$ 825 | |

| | Nine Months Ended | Change compared to prior fiscal year | | Nine Months Ended | Management comments |
|--|-------------------|--------------------------------------|-------------|-------------------|---|
| | October 31, 2022 | \$ | % | October 31, 2021 | |
| Cost of revenue: | | | | | |
| Subscription and maintenance | \$ 253 | \$ 34 | 16 % | \$ 219 | Increase primarily due to cloud hosting costs, stock-based compensation expense and employee-related costs driven by higher headcount and increase in travel and entertainment expense. |
| Other | 59 | 11 | 23 % | 48 | Increase primarily due to employee-related costs driven by higher headcount as well as an increase in stock-based compensation expense. |
| Amortization of developed technologies | 44 | 5 | 13 % | 39 | Increase due to growth in amortization expense from acquired developed technologies as a result of our acquisitions in the remainder of fiscal 2022 and the first quarter of fiscal 2023. |
| Total cost of revenue | \$ 356 | \$ 50 | 16 % | \$ 306 | |

Operating expenses:

| | | | | | | | | |
|---------------------------------------|----|--------------|----|------------|------|----|--------------|--|
| Marketing and sales | \$ | 1,306 | \$ | 111 | 9 % | \$ | 1,195 | Increase primarily due to employee-related costs driven by an increase in travel and entertainment expense, sales commission expense, and higher headcount as well as an increase in stock-based compensation expense and advertisement and promotion costs. |
| Research and development | | 906 | | 81 | 10 % | | 825 | Increase primarily due to stock-based compensation expense, cloud hosting costs, employee-related costs driven by higher headcount and increase in travel and entertainment costs, an increase in professional fees, and capitalized software costs. |
| General and administrative | | 377 | | 33 | 10 % | | 344 | Increase primarily due to lease-related asset impairment and other charges, an increase in stock-based compensation expense, cloud hosting costs, employee-related costs, and advertisement and promotion expense partially offset by acquisition-related costs. |
| Amortization of purchased intangibles | | 30 | | — | — % | | 30 | Remained flat compared to fiscal 2022. |
| Total operating expenses | \$ | <u>2,619</u> | \$ | <u>225</u> | 9 % | \$ | <u>2,394</u> | |

The following table highlights our expectation for the absolute dollar change and percent of revenue change between the fourth quarter of fiscal 2023, as compared to the fourth quarter of fiscal 2022:

| | Absolute dollar impact | Percent of net revenue impact |
|---------------------------------------|------------------------|-------------------------------|
| Cost of revenue | Increase | Flat |
| Marketing and sales | Increase | Flat |
| Research and development | Increase | Flat |
| General and administrative | Decrease | Decrease |
| Amortization of purchased intangibles | Flat | Flat |

Interest and Other Expense, Net

The following table sets forth the components of interest and other expense, net:

| (in millions) | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|--------------------------------------|--------------------------------|---------|-------------------------------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Interest and investment expense, net | \$ (20) | \$ (16) | \$ (69) | \$ (39) |
| (Loss) gain on foreign currency | (1) | 3 | 13 | 3 |
| Gain on strategic investments | 6 | 7 | 8 | 13 |
| Other income | 1 | 1 | 5 | 6 |
| Interest and other expense, net | \$ (14) | \$ (5) | \$ (43) | \$ (17) |

Interest and other expense, net, increased by \$9 million and \$26 million during the three and nine months ended October 31, 2022, respectively, as compared to the same period in the prior fiscal year. The increase in the three months ended October 31, 2022, as compared to the same period in the prior fiscal year was primarily due to an increase in interest expense as a result of the issuance of debt in fiscal year 2022 and losses in the current period as compared to gains in the prior year period for investments in debt and equity securities that are held in a rabbi trust under non-qualified deferred compensation plans partially offset by an increase in interest income. The increase in the nine months ended October 31, 2022, as compared to the same period in the prior fiscal year was primarily due to an increase in interest expense as a result of the issuance of debt in fiscal year 2022 and losses in the current period as compared to gains in the prior year period for investments in debt and equity securities that are held in a rabbi trust under non-qualified deferred compensation plans partially offset by an increase in gains on foreign currency in the current period compared to the same period in the prior fiscal year due to foreign currency exchange rate fluctuations and an increase in interest income.

Interest expense and investment income fluctuates based on average cash, marketable securities, debt balances, average maturities, and interest rates.

Gains and losses on foreign currency are primarily due to the impact of re-measuring foreign currency transactions and net monetary assets into the functional currency of the corresponding entity. The amount of the gain or loss on foreign currency is driven by the volume of foreign currency transactions and the foreign currency exchange rates for the period.

Provision for Income Taxes

We account for income taxes and the related accounts under the liability method. Deferred tax liabilities and assets are determined based on the difference between the financial statement and tax bases of assets and liabilities, using enacted rates expected to be in effect during the year in which the basis differences reverse.

We had an income tax expense of \$44 million, relative to pre-tax income of \$242 million for the three months ended October 31, 2022, and an income tax expense of \$51 million, relative to pre-tax income of \$188 million for the three months ended October 31, 2021. Income tax expense for the three months ended October 31, 2022, reflects a decrease in tax expense relating to a U.S. foreign derived intangible income benefit driven by the capitalization of research and development expenditures starting in fiscal 2023 as required by the Tax Act, offset by an increase in tax expense relating to stock-based compensation and final U.S. foreign tax credit regulations enacted in fiscal 2023.

We had an income tax expense of \$139 million, relative to pre-tax income of \$669 million for the nine months ended October 31, 2022, and an income tax expense of \$50 million, relative to pre-tax income of \$458 million for the nine months ended October 31, 2021. Income tax expense for the nine months ended October 31, 2022, reflects an increase in tax expense relating to stock-based compensation and final U.S. foreign tax credit regulations enacted in fiscal 2023, offset by a U.S. foreign derived intangible income benefit driven by the capitalization of research and development expenditures starting in fiscal 2023 as required by the Tax Act. In addition, the nine months ended October 31, 2021 included a non-recurring discrete tax benefit relating to the Supreme Court decision in India on the taxability of software license payments to nonresidents.

The Tax Act enacted on December 22, 2017 eliminates the option to deduct research and development expenditures and requires taxpayers to capitalize and amortize such expenditures over five or fifteen years beginning in fiscal 2023. Although Congress is considering legislation that would defer the capitalization and amortization requirement, there is no assurance that the provision will be repealed or otherwise modified. If the requirement is not modified, we may recognize an increase to cash taxes.

We regularly assess the need for a valuation allowance against our deferred tax assets. In making that assessment, we consider both positive and negative evidence related to the likelihood of realization of the deferred tax assets to determine, based on the weight of available evidence, whether it is more likely than not that some or all of the deferred tax assets will not be realized. We have maintained a valuation allowance on all or part of our Netherlands, Canada, Australia, California, Michigan deferred tax assets, as well as our U.S. capital loss deferred tax assets as it is more likely than not that some or all of the deferred tax assets will not be realized.

As we continually strive to optimize our overall business model, tax planning strategies may become feasible and prudent allowing us to realize many of the deferred tax assets that are offset by a valuation allowance; therefore, we will continue to evaluate the ability to utilize the deferred tax assets each quarter, both in the U.S. and in foreign jurisdictions, based on all available evidence, both positive and negative.

As of October 31, 2022, we had \$213 million of gross unrecognized tax benefits, of which \$35 million would reduce our valuation allowance, if recognized. The remaining \$178 million would impact the effective tax rate, if recognized. Autodesk's unrecognized tax benefits decreased by \$8 million in the nine months ended October 31, 2022, due to the settlement of a German tax audit for tax years 2014-2016.

We anticipate that the U.S. Department of Treasury will continue to interpret or issue guidance on how provisions of the Tax Act will be applied or otherwise administered. As future guidance is issued, we may make adjustments to the amounts that we have previously recorded that may materially impact our financial statements.

Our future effective annual tax rate may be materially impacted by the amount of benefits and charges from tax amounts associated with our foreign earnings that are taxed at rates different from the U.S. federal statutory rate, changes in valuation allowances, level of profit before tax, accounting for uncertain tax positions, business combinations, closure of statute of limitations or settlement of tax audits, and changes in tax laws including impacts of the Tax Act. A significant amount of our earnings is generated by our Europe and Asia Pacific subsidiaries. Our future effective tax rates may be adversely affected to the extent earnings are lower than anticipated in countries where we have lower statutory tax rates.

On June 29, 2020, California enacted Assembly Bill No. 85, suspending utilization of net operating losses and limiting R&D credits utilization against California taxable income in excess of \$5.0 million for the remaining 2 years. On February 9, 2022, California enacted Senate Bill No. 113 which reinstated the ability to utilize net operating loss and R&D credits against all income without limitation for fiscal 2023 and later years.

On August 16, 2022, the Inflation Reduction Act was signed into law. The Inflation Reduction Act contains a number of revisions to the Internal Revenue Code effective in taxable years beginning after December 31, 2022, including a 15% corporate minimum income tax and a 1% excise tax on corporate stock repurchases by publicly traded U.S. corporations. Autodesk is currently assessing the impact the Inflation Reduction Act will have on our consolidated financial statements.

Other Financial Information

In addition to our results determined under GAAP discussed above, we believe the following non-GAAP measures are useful to investors in evaluating our operating performance. For the three and nine months ended October 31, 2022 and 2021, our gross profit, income from operations, operating margin, net income, and diluted net income per share on a GAAP and non-GAAP basis were as follows (in millions except for operating margin and per share data):

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|---------------------------------------|--------------------------------|----------|-------------------------------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| | (Unaudited) | | | |
| Gross profit | \$ 1,160 | \$ 1,018 | \$ 3,331 | \$ 2,869 |
| Non-GAAP gross profit | \$ 1,186 | \$ 1,040 | \$ 3,407 | \$ 2,932 |
| Income from operations | \$ 256 | \$ 193 | \$ 712 | \$ 475 |
| Non-GAAP income from operations | \$ 465 | \$ 365 | \$ 1,306 | \$ 976 |
| Operating margin | 20 % | 17 % | 19 % | 15 % |
| Non-GAAP operating margin | 36 % | 32 % | 35 % | 31 % |
| Net income | \$ 198 | \$ 137 | \$ 530 | \$ 408 |
| Non-GAAP net income | \$ 369 | \$ 297 | \$ 1,042 | \$ 795 |
| GAAP diluted net income per share | \$ 0.91 | \$ 0.62 | \$ 2.43 | \$ 1.84 |
| Non-GAAP diluted net income per share | \$ 1.70 | \$ 1.34 | \$ 4.78 | \$ 3.58 |

For our internal budgeting and resource allocation process and as a means to provide consistency in period-to-period comparisons, we use non-GAAP measures to supplement our condensed consolidated financial statements presented on a GAAP basis. These non-GAAP measures do not include certain items that may have a material impact upon our reported financial results. We also use non-GAAP measures in making operating decisions because we believe those measures provide meaningful supplemental information regarding our earning potential and performance for management by excluding certain benefits, credits, expenses, and charges that may not be indicative of our core business operating results. For the reasons set forth below, we believe these non-GAAP financial measures are useful to investors both because (1) they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making and (2) they are used by our institutional investors and the analyst community to help them analyze the health of our business. This allows investors and others to better understand and evaluate our operating results and future prospects in the same manner as management, compare financial results across accounting periods and to those of peer companies, and to better understand the long-term performance of our core business. We also use some of these measures for purposes of determining company-wide incentive compensation.

There are limitations in using non-GAAP financial measures because non-GAAP financial measures are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies. The non-GAAP financial measures included above are limited in value because they exclude certain items that may have a material impact upon our reported financial results. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which charges are excluded from the non-GAAP financial measures. We compensate for these limitations by analyzing current and future results on a GAAP basis as well as a non-GAAP basis and also by providing GAAP measures in our public disclosures. The presentation of non-GAAP financial information is meant to be considered in addition to, not as a substitute for or in isolation from, the directly comparable financial measures prepared in accordance with GAAP. We urge investors to review the reconciliation of our non-GAAP financial measures to the comparable GAAP financial measures included below, and not to rely on any single financial measure to evaluate our business.

Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures

(In millions except for operating margin and per share data):

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|---|--------------------------------|----------|-------------------------------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| | (Unaudited) | | | |
| Gross profit | \$ 1,160 | \$ 1,018 | \$ 3,331 | \$ 2,869 |
| Stock-based compensation expense | 12 | 8 | 35 | 25 |
| Amortization of developed technologies | 14 | 14 | 41 | 38 |
| Non-GAAP gross profit | \$ 1,186 | \$ 1,040 | \$ 3,407 | \$ 2,932 |
| Income from operations | \$ 256 | \$ 193 | \$ 712 | \$ 475 |
| Stock-based compensation expense | 172 | 144 | 496 | 413 |
| Amortization of developed technologies | 14 | 14 | 41 | 38 |
| Amortization of purchased intangibles | 10 | 11 | 30 | 30 |
| Acquisition-related costs | 1 | 3 | 7 | 20 |
| Lease-related asset impairments and other charges | 12 | — | 20 | — |
| Non-GAAP income from operations | \$ 465 | \$ 365 | \$ 1,306 | \$ 976 |
| Operating margin | 20 % | 17 % | 19 % | 15 % |
| Stock-based compensation expense | 13 % | 13 % | 13 % | 13 % |
| Amortization of developed technologies | 1 % | 1 % | 1 % | 1 % |
| Amortization of purchased intangibles | 1 % | 1 % | 1 % | 1 % |
| Acquisition-related costs | — % | — % | — % | 1 % |
| Lease-related asset impairments and other charges | 1 % | — % | 1 % | — % |
| Non-GAAP operating margin (1) | 36 % | 32 % | 35 % | 31 % |
| Net income | \$ 198 | \$ 137 | \$ 530 | \$ 408 |
| Stock-based compensation expense | 172 | 144 | 496 | 413 |
| Amortization of developed technologies | 14 | 14 | 41 | 38 |
| Amortization of purchased intangibles | 10 | 11 | 30 | 30 |
| Acquisition-related costs | 1 | 3 | 7 | 20 |
| Lease-related asset impairments and other charges | 12 | — | 20 | — |
| Gain on strategic investments and dispositions, net | (7) | (7) | (8) | (13) |
| Discrete tax provision items | 2 | (5) | (4) | (61) |
| Income tax effect of non-GAAP adjustments | (33) | — | (70) | (40) |
| Non-GAAP net income | \$ 369 | \$ 297 | \$ 1,042 | \$ 795 |

| | Three Months Ended October 31, | | Nine Months Ended October 31, | |
|---|--------------------------------|---------|-------------------------------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| | (Unaudited) | | | |
| Diluted net income per share | \$ 0.91 | \$ 0.62 | \$ 2.43 | \$ 1.84 |
| Stock-based compensation expense | 0.79 | 0.65 | 2.28 | 1.86 |
| Amortization of developed technologies | 0.06 | 0.06 | 0.19 | 0.17 |
| Amortization of purchased intangibles | 0.05 | 0.05 | 0.14 | 0.14 |
| Acquisition-related costs | — | 0.01 | 0.03 | 0.08 |
| Lease-related asset impairments and other charges | 0.06 | — | 0.09 | — |
| Gain on strategic investments and dispositions, net | (0.03) | (0.03) | (0.04) | (0.06) |
| Discrete tax provision items | 0.01 | (0.02) | (0.02) | (0.27) |
| Income tax effect of non-GAAP adjustments | (0.15) | — | (0.32) | (0.18) |
| Non-GAAP diluted net income per share | \$ 1.70 | \$ 1.34 | \$ 4.78 | \$ 3.58 |

(1) Totals may not sum due to rounding.

Our non-GAAP financial measures may exclude the following, as applicable:

Stock-based compensation expenses. We exclude stock-based compensation expenses from non-GAAP measures primarily because they are non-cash expenses and management finds it useful to exclude certain non-cash charges to assess the appropriate level of various operating expenses to assist in budgeting, planning, and forecasting future periods. Moreover, because of varying available valuation methodologies, subjective assumptions, and the variety of award types that companies can use under FASB ASC Topic 718, we believe excluding stock-based compensation expenses allows investors to make meaningful comparisons between our recurring core business operating results and those of other companies.

Amortization of developed technologies and purchased intangibles. We incur amortization of acquisition-related developed technologies and purchased intangibles in connection with acquisitions of certain businesses and technologies. Amortization of developed technologies and purchased intangibles is inconsistent in amount and frequency and is significantly affected by the timing and size of our acquisitions. Management finds it useful to exclude these variable charges from our cost of revenues to assist in budgeting, planning, and forecasting future periods. Investors should note that the use of intangible assets contributed to our revenues earned during the periods presented and will contribute to our future period revenues as well. Amortization of developed technologies and purchased intangible assets will recur in future periods.

CEO transition costs. We exclude amounts paid to our former CEOs upon departure under the terms of their transition agreements, including severance payments, acceleration of restricted stock units, and continued vesting of performance stock units, and legal fees incurred with the transition. Also excluded from our non-GAAP measures are recruiting costs related to the search for a new CEO. These costs represent non-recurring expenses and are not indicative of our ongoing operating expenses. We further believe that excluding the CEO transition costs from our non-GAAP results is useful to investors in that it allows for period-over-period comparability.

Goodwill impairment. This is a non-cash charge to write down goodwill to fair value when there was an indication that the asset was impaired. As explained above, management finds it useful to exclude certain non-cash charges to assess the appropriate level of various operating expenses to assist in budgeting, planning, and forecasting future periods.

Restructuring and other exit costs, net. These expenses are associated with realigning our business strategies based on current economic conditions. In connection with these restructuring actions or other exit actions, we recognize costs related to termination benefits for former employees whose positions were eliminated, the closure of facilities, and cancellation of certain contracts. We exclude these charges because these expenses are not reflective of ongoing business and operating results. We believe it is useful for investors to understand the effects of these items on our total operating expenses.

Lease-related asset impairments and other charges. These charges are associated with the optimization of our facilities costs related to leases for facilities that we have recently vacated as a result of our one-time move to a more hybrid remote workforce. In connection with these facility leases, we recognize costs related to the impairment or abandonment of operating lease right-of-use assets, computer equipment, furniture, and leasehold improvements, and other costs. We exclude these charges because these expenses are not reflective of ongoing business and operating results. We believe it is useful for investors to understand the effects of these items on our total operating expenses.

Acquisition-related costs. We exclude certain acquisition-related costs, including due diligence costs, professional fees in connection with an acquisition, certain financing costs, and certain integration-related expenses. These expenses are unpredictable, and dependent on factors that may be outside of our control and unrelated to the continuing operations of the acquired business or our Company. In addition, the size and complexity of an acquisition, which often drives the magnitude of acquisition-related costs, may not be indicative of such future costs. We believe excluding acquisition-related costs facilitates the comparison of our financial results to our historical operating results and to other companies in our industry.

Loss (gain) on strategic investments and dispositions. We exclude gains and losses related to our strategic investments and dispositions of strategic investments, purchased intangibles, and businesses from our non-GAAP measures primarily because management finds it useful to exclude these variable gains and losses on these investments and dispositions in assessing our financial results. Included in these amounts are non-cash unrealized gains and losses on the derivative components, dividends received, realized gains and losses on the sales or losses on the impairment of these investments, and gain and loss on dispositions. We believe excluding these items is useful to investors because these excluded items do not correlate to the underlying performance of our business and these losses or gains were incurred in connection with strategic investments and dispositions which do not occur regularly.

Discrete tax provision items. We exclude the GAAP tax provision, including discrete items, from the non-GAAP measure of net income (loss), and include a non-GAAP tax provision based upon the projected annual non-GAAP effective tax rate. Discrete tax items include income tax expenses or benefits that do not relate to ordinary income from continuing operations in the current fiscal year, unusual or infrequently occurring items, or the tax impact of certain stock-based compensation. Examples of discrete tax items include, but are not limited to, certain changes in judgment and changes in estimates of tax matters related to prior fiscal years, certain costs related to business combinations, certain changes in the realizability of deferred tax assets, or changes in tax law. Management believes this approach assists investors in understanding the tax provision and the effective tax rate related to ongoing operations. We believe the exclusion of these discrete tax items provides investors with useful supplemental information about our operational performance.

Establishment (release) of a valuation allowance on certain net deferred tax assets. This is a non-cash charge to record or to release a valuation allowance on certain deferred tax assets. As explained above, management finds it useful to exclude certain non-cash charges to assess the appropriate level of various cash expenses to assist in budgeting, planning, and forecasting future periods.

Income tax effects on the difference between GAAP and non-GAAP costs and expenses. The income tax effects that are excluded from the non-GAAP measures relate to the tax impact on the difference between GAAP and non-GAAP expenses, primarily due to stock-based compensation, amortization of purchased intangibles, and restructuring charges and other exit costs (benefits) for GAAP and non-GAAP measures.

Liquidity and Capital Resources

Our primary source of cash is from the sale of our software and related services. Our primary use of cash is payment of our operating costs, which consist primarily of employee-related expenses, such as compensation and benefits, as well as general operating expenses for marketing, facilities, and overhead costs. Long-term cash requirements for items other than normal operating expenses are anticipated for the following: the acquisition of businesses, software products, or technologies complementary to our business; repayment of debt; common stock repurchases; and capital expenditures, including the purchase and implementation of internal-use software applications.

At October 31, 2022, our principal sources of liquidity were cash, cash equivalents, and marketable securities totaling \$1.84 billion and net accounts receivable of \$642 million.

In September 2021, Autodesk entered into an amended and restated credit agreement (“Credit Agreement”) by and among Autodesk, the lenders party thereto, and Citibank, N.A., as agent, that provides for a revolving credit facility in the aggregate principal amount of \$1.5 billion with an option to be increased up to \$2.0 billion. The revolving credit facility is available for working capital or other business needs. The maturity date on the Credit Agreement is September 30, 2026. At October 31, 2022, Autodesk had no outstanding borrowings under the Credit Agreement. Additionally, as of December 6, 2022, we have no amounts outstanding under the Credit Agreement. See Part I, Item 1, “Financial Statements,” Note 14, “Borrowing Arrangements,” in the Notes to Condensed Consolidated Financial Statements for further discussion on our covenant requirements and recent amendments to the Credit Agreement. If we are unable to remain in compliance with the covenants under the Credit Agreement, we will not be able to draw on our revolving credit facility.

As of October 31, 2022, we have \$2.65 billion aggregate principal amount of notes outstanding. See Part I, Item 1, “Financial Statements,” Note 14, “Borrowing Arrangements,” in the Notes to Condensed Consolidated Financial Statements for further discussion. We expect to use cash to retire our 2012 Notes due on December 15, 2022.

Our cash and cash equivalents are held by diversified financial institutions globally. Our primary commercial banking relationship is with Citigroup and its global affiliates. In addition, Citibank N.A., an affiliate of Citigroup, is one of the lead lenders and agent in the syndicate of our \$1.5 billion revolving credit facility.

Our cash and cash equivalents balances are concentrated in a few locations around the world, with substantial amounts held outside of the United States. As of October 31, 2022, approximately 66% of our total cash or cash equivalents are located in foreign jurisdictions and that percentage will fluctuate subject to business needs. There are several factors that can impact our ability to utilize foreign cash balances, such as foreign exchange restrictions, foreign regulatory restrictions, or adverse tax costs. The Tax Act included a mandatory one-time tax on accumulated earnings of foreign subsidiaries and generally eliminated U.S. taxes on foreign subsidiary distributions in future periods. As a result, earnings in foreign jurisdictions are generally available for distribution to the United States with little to no incremental U.S. taxes. We regularly review our capital structure and consider a variety of potential financing alternatives and planning strategies to ensure we have the proper liquidity available in the locations in which it is needed. We expect to meet our liquidity needs through or in combination of current cash balances, ongoing cash flows, and external borrowings.

Cash from operations could also be affected by various risks and uncertainties, including, but not limited to, the risks detailed in Part II, Item 1A titled “Risk Factors.” Based on our current business plan and revenue prospects, we believe that our existing cash and cash equivalents, our anticipated cash flows from operations, and our available revolving credit facility will be sufficient to meet our working capital and operating resource expenditure requirements for at least the next 12 months.

Our revenue, earnings, cash flows, receivables, and payables are subject to fluctuations due to changes in foreign currency exchange rates, for which we have put in place foreign currency contracts as part of our risk management strategy. See Part I, Item 3, “Quantitative and Qualitative Disclosures About Market Risk” for further discussion.

| <i>(in millions)</i> | Nine Months Ended October 31, | | | |
|---|-------------------------------|-------|------|---------|
| | 2022 | | 2021 | |
| Net cash provided by operating activities | \$ | 1,160 | \$ | 809 |
| Net cash used in investing activities | | (84) | | (1,299) |
| Net cash (used in) provided by financing activities | | (897) | | 473 |

Net cash provided by operating activities of \$1,160 million for the nine months ended October 31, 2022, primarily consisted of \$530 million of our net income adjusted for \$542 million non-cash items such as stock-based compensation expense, and depreciation, amortization, and accretion expense, lease-related impairment charges, and deferred income tax. Cash provided by working capital increased due to the change in accounts receivable of \$70 million due to the seasonality of our billings in the fourth fiscal quarter and timing of cash collections from customers and the change in accrued income taxes of \$79 million offset in part by the change in accounts payable and other liabilities of \$76 million primarily due to the timing of payments related to employee compensation and related costs.

Net cash provided by operating activities of \$809 million for the nine months ended October 31, 2021, primarily consisted of \$408 million of our net income adjusted for \$552 million non-cash items such as stock-based compensation expense, and depreciation, amortization, and accretion expense. The decrease in cash provided by working capital was primarily due to an increase in prepaid expenses and other assets of \$139 million, due to timing of prepaid operating expenses, and a decrease in accounts payable and other liabilities of \$67 million, due to the timing of payments related to employee compensation and related costs, offset by a decrease in accounts receivable of \$70 million, due to the seasonality of our billings in the fourth fiscal quarter and timing of cash collections from customers.

Net cash used in investing activities was \$84 million for the nine months ended October 31, 2022, primarily due to purchases of marketable securities, business combinations, net of cash acquired, and purchases of strategic investments partially offset by the sales and maturities of marketable securities. Net cash used in investing activities was \$1,299 million for the nine months ended October 31, 2021, and was primarily due to a business combination, net of cash acquired.

Net cash used in financing activities was \$897 million for the nine months ended October 31, 2022, primarily due to repurchases of common stock. Net cash used in financing activities was \$473 million for the nine months ended October 31,

2021, primary due to the proceeds from debt issuance, net of discount. These cash inflows were offset in part by repurchases of common stock.

Issuer Purchases of Equity Securities

Autodesk's stock repurchase programs provide Autodesk with the ability to offset the dilution from the issuance of stock under our employee stock plans and reduce shares outstanding over time, and has the effect of returning excess cash generated from our business to stockholders. Under the share repurchase programs, Autodesk may repurchase shares from time to time in open market transactions, privately negotiated transactions, accelerated share repurchase programs, tender offers, or by other means. The share repurchase programs do not have an expiration date and the pace and timing of repurchases will depend on factors such as cash generation from operations, available surplus, the volume of employee stock plan activity, remaining shares or dollar amount available in the authorized pool, cash requirements for acquisitions, cash requirements to retire outstanding debt, economic and market conditions, stock price, and legal and regulatory requirements.

The following table provides information about the repurchase of common stock in open-market transactions during the three months ended October 31, 2022:

| <i>(Shares in thousands)</i> | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1) | Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (2) |
|------------------------------|--|---------------------------------|--|--|
| August 1 - August 31 | 289 | \$ 217.05 | 289 | 4,359 |
| September 1 - September 30 | 527 | 193.98 | 527 | 3,832 |
| October 1 - October 31 | 77 | 192.64 | 77 | 3,755 |
| Total | <u>893</u> | <u>\$ 201.33</u> | <u>893</u> | |

(1) This represents shares purchased in open-market transactions under the stock repurchase plans approved by the Board of Directors.

(2) These amounts correspond to the plan publicly announced and approved by the Board of Directors in September 2016 that authorized the repurchase of 30 million shares. At October 31, 2022, 3,755 thousand shares remained available for repurchase under the September 2016 repurchase program approved by the Board of Directors. The plans do not have a fixed expiration date. See Part I, Item 1, "Financial Statements," Note 18, "Stockholders' Equity," in the Notes to the Condensed Consolidated Financial Statements for further discussion.

In November 2022, the Board of Directors authorized the repurchase of \$5 billion of the Company's common stock, in addition to the approximately 3,755 thousand shares remaining under previously announced share repurchase programs.

Glossary of Terms

Billings: Total revenue plus the net change in deferred revenue from the beginning to the end of the period.

Cloud Service Offerings: Represents individual term-based offerings deployed through web browser technologies or in a hybrid software and cloud configuration. Cloud service offerings that are bundled with other product offerings are not captured as a separate cloud service offering.

Constant Currency (CC) Growth Rates: We attempt to represent the changes in the underlying business operations by eliminating fluctuations caused by changes in foreign currency exchange rates as well as eliminating hedge gains or losses recorded within the current and comparative periods. We calculate constant currency growth rates by (i) applying the applicable prior period exchange rates to current period results and (ii) excluding any gains or losses from foreign currency hedge contracts that are reported in the current and comparative periods.

Design Business: Represents the combination of maintenance, product subscriptions, and all EBAs. Main products include, but are not limited to, AutoCAD, AutoCAD LT, Industry Collections, Revit, Inventor, Maya and 3ds Max. Certain products, such as our computer aided manufacturing solutions, incorporate both Design and Make functionality and are classified as Design.

Enterprise Business Agreements (EBAs): Represents programs providing enterprise customers with token-based access to a broad pool of Autodesk products over a defined contract term.

Free Cash Flow: Cash flow from operating activities minus capital expenditures.

Industry Collections: Autodesk Industry Collections are a combination of products and services that target a specific user objective and support a set of workflows for that objective. Our Industry Collections consist of: Autodesk Architecture, Engineering and Construction Collection, Autodesk Product Design and Manufacturing Collection, and Autodesk Media and Entertainment Collection.

Maintenance Plan: Our maintenance plans provide our customers with a cost effective and predictable budgetary option to obtain the productivity benefits of our new releases and enhancements when and if released during the term of their contracts. Under our maintenance plans, customers are eligible to receive unspecified upgrades when and if available, and technical support. We recognize maintenance revenue over the term of the agreements, generally one year.

Make Business: Represents certain cloud-based product subscriptions. Main products include, but are not limited to, Assemble, Autodesk Build, BuildingConnected, Fusion 360 and ShotGrid. Certain products, such as Fusion 360, incorporate both Design and Make functionality and are classified as Make.

Net Revenue Retention Rate (NR3): Measures the year-over-year change in Recurring Revenue for the population of customers that existed one year ago ("base customers"). Net revenue retention rate is calculated by dividing the current quarter Recurring Revenue related to base customers by the total corresponding quarter Recurring Revenue from one year ago. Recurring Revenue is based on USD reported revenue, and fluctuations caused by changes in foreign currency exchange rates and hedge gains or losses have not been eliminated. Recurring Revenue related to acquired companies, one year after acquisition, has been captured as existing customers until such data conforms to the calculation methodology. This may cause variability in the comparison.

Other Revenue: Consists of revenue from consulting, training, and other products and services, and is recognized as the products are delivered and services are performed.

Product Subscription: Provides customers a flexible, cost-effective way to access and manage 3D design, engineering, and entertainment software tools. Our product subscriptions currently represent a hybrid of desktop and cloud functionality, which provides a device-independent, collaborative design workflow for designers and their stakeholders.

Recurring Revenue: Consists of the revenue for the period from our traditional maintenance plans, our subscription plan offerings, and certain Other revenue. It excludes subscription revenue related to third-party products. Recurring revenue acquired with the acquisition of a business is captured when total subscriptions are captured in our systems and may cause variability in the comparison of this calculation.

Remaining Performance Obligations (RPO): The sum of total short-term, long-term, and unbilled deferred revenue. Current remaining performance obligations is the amount of revenue we expect to recognize in the next twelve months.

Spend: The sum of cost of revenue and operating expenses.

Subscription Plan: Comprises our term-based product subscriptions, cloud service offerings, and EBAs. Subscriptions represent a combined hybrid offering of desktop software and cloud functionality which provides a device-independent, collaborative design workflow for designers and their stakeholders. With subscription, customers can use our software anytime, anywhere, and get access to the latest updates to previous versions.

Subscription Revenue: Includes our cloud-enabled term-based product subscriptions, cloud service offerings, and flexible EBAs.

Unbilled Deferred Revenue: Unbilled deferred revenue represents contractually stated or committed orders under early renewal and multi-year billing plans for subscription, services, and maintenance for which the associated deferred revenue has not been recognized. Under FASB Accounting Standards Codification ("ASC") Topic 606, unbilled deferred revenue is not included as a receivable or deferred revenue on our Condensed Consolidated Balance Sheet.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**Foreign Currency Exchange Risk**

Our revenue, earnings, cash flows, receivables, and payables are subject to fluctuations due to changes in foreign currency exchange rates. Our risk management strategy utilizes foreign currency contracts to manage our exposure to foreign currency volatility that exists as part of our ongoing business operations. We utilize cash flow hedge contracts to reduce the exchange rate impact on a portion of the net revenue or operating expense of certain anticipated transactions. In addition, we use balance sheet hedge contracts to reduce the exchange rate risk associated primarily with foreign currency denominated receivables and payables. As of October 31, 2022, and January 31, 2022, we had open cash flow and balance sheet hedge contracts with future settlements generally within one to 12 months. Contracts were primarily denominated in euros, Japanese yen, British pounds, Indian rupees, Canadian dollars, Australian dollars, Singapore dollars, Swiss francs, Swedish krona, and Czech koruna. We do not enter into foreign exchange derivative instruments for trading or speculative purposes.

Our option and foreign exchange forward contracts outstanding as of the respective period-ends are summarized in U.S. dollar equivalents as follows (in millions):

| | October 31, 2022 | | January 31, 2022 | |
|---------------------------|------------------|------------|------------------|------------|
| | Notional Amount | Fair Value | Notional Amount | Fair Value |
| Forward Contracts: | | | | |
| Purchased | \$ 671 | \$ (10) | \$ 852 | \$ (10) |
| Sold | 1,366 | 7 | 1,612 | 7 |
| Option Contracts: | | | | |
| Purchased | 1,107 | 65 | 1,273 | 18 |
| Sold | 1,170 | (4) | 1,322 | (8) |

We use foreign currency contracts to reduce the exchange rate impact on the net revenue and operating expenses of certain anticipated transactions. A sensitivity analysis performed on our hedging portfolio as of October 31, 2022, indicated that a hypothetical 10% appreciation of the U.S. dollar from its value at October 31, 2022, and January 31, 2022, would increase the fair value of our foreign currency contracts by \$228 million and \$218 million, respectively. A hypothetical 10% depreciation of the dollar from its value at October 31, 2022, and January 31, 2022, would decrease the fair value of our foreign currency contracts by \$91 million and \$138 million, respectively.

Interest Rate Risk

Interest rate movements affect both the interest income we earn on our short-term investments and the market value of certain longer-term securities. At October 31, 2022, we had \$1,023 million of cash equivalents and marketable securities, including \$139 million classified as short-term marketable securities and \$37 million classified as long-term marketable securities. If interest rates were to move up or down by 50 or 100 basis points over a 12-month period, the market value change of these securities would not have a material impact on our results of operations.

Other Market Risk

From time to time, we make direct investments in privately held companies. Privately held company investments generally are considered inherently risky. The technologies and products these companies have under development are typically in the early stages and may never materialize, which could result in a loss of all or a substantial part of our initial investment in these companies. The evaluation of privately held companies is based on information that we request from these companies, which is not subject to the same disclosure regulations as U.S. publicly traded companies, and as such, the basis for these evaluations is subject to the timing and accuracy of the data received from these companies. See Part I, Item 1, "Financial Statements," Note 5, "Financial Instruments," in the Notes to Condensed Consolidated Financial Statements for further discussion regarding these strategic investments.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain “disclosure controls and procedures,” as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Our disclosure controls and procedures are designed to ensure that information required to be disclosed in our Exchange Act reports is (i) recorded, processed, summarized, and reported within the time periods specified in the rules of the Securities and Exchange Commission, and (ii) accumulated and communicated to Autodesk management, including our CEO and CFO, to allow timely decisions regarding required disclosure. We conducted an evaluation, under the supervision and with the participation of our CEO and CFO, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based upon this evaluation, our CEO and CFO have concluded that our disclosure controls and procedures were effective to meet the objective for which they were designed and operated at the reasonable assurance level.

Our disclosure controls and procedures include components of our internal control over financial reporting. Our management, including our CEO and CFO, does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Autodesk have been detected.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended October 31, 2022, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are involved in a variety of claims, suits, investigations, inquiries and proceedings in the normal course of business activities including claims of alleged infringement of intellectual property rights, commercial, employment, tax, prosecution of unauthorized use, business practices, and other matters. In our opinion, resolution of pending matters is not expected to have a material adverse impact on our consolidated results of operations, cash flows, or financial position. Given the unpredictable nature of legal proceedings, there is a reasonable possibility that an unfavorable resolution of one or more such proceedings could in the future materially affect our results of operations, cash flows, or financial position in a particular period; however, based on the information known by us as of the date of this filing and the rules and regulations applicable to the preparation of our financial statements, any such amount is either immaterial or it is not possible to provide an estimated amount of any such potential loss.

ITEM 1A. RISK FACTORS

We operate in a rapidly changing environment that involves significant risks, a number of which are beyond our control. In addition to the other information contained in this Form 10-Q, the following discussion highlights some of these risks and the possible impact of these factors on our business, financial condition, and future results of operations. If any of the following risks actually occur, our business, financial condition, or results of operations may be adversely impacted, causing the trading price of our common stock to decline. In addition, these risks and uncertainties may impact the forward-looking statements described elsewhere in this Form 10-Q and in the documents incorporated herein by reference. They could affect our actual results of operations, causing them to differ materially from those expressed in forward-looking statements.

Summary of Risk Factors

Our business is subject to numerous risks and uncertainties that you should consider before investing in our securities. These risks are described more fully below and include, but are not limited to, risks relating to the following:

- Our strategy to develop and introduce new products and services, exposing us to risks such as limited customer acceptance, costs related to product defects, and large expenditures.
- The effects of the COVID-19 pandemic and related public health measures.
- Global economic and political conditions.
- Costs and challenges associated with strategic acquisitions and investments.
- Dependency on international revenue and operations, exposing us to significant international regulatory, economic, intellectual property, collections, currency exchange rate, taxation, political, and other risks.
- Inability to predict subscription renewal rates and their impact on our future revenue and operating results.
- Existing and increased competition and rapidly evolving technological changes.
- Fluctuation of our financial results, key metrics and other operating metrics.
- Deriving a substantial portion of our net revenue from a small number of solutions, including our AutoCAD-based software products and collections.
- Any failure to successfully execute and manage initiatives to realign or introduce new business and sales initiatives.
- Net revenue, billings, earnings, cash flow, or subscriptions shortfalls or volatility of the market causing the market price of our stock to decline.
- Social and ethical issues relating to the use of artificial intelligence in our offerings.
- Security incidents compromising the integrity of our or our customers' offerings, services, data, or intellectual property.
- Reliance on third parties to provide us with a number of operational and technical services as well as software.
- Our highly complex software, which may contain undetected errors, defects, or vulnerabilities, and is subject to service disruptions, degradations, outages or other performance problems.
- Increasing regulatory focus on privacy issues and expanding laws.

- Governmental export and import controls that could impair our ability to compete in international markets or subject us to liability if we violate the controls.
- Protection of our intellectual property rights and intellectual property infringement claims from others.
- The government procurement process.
- Fluctuations in currency exchange rates.
- Our debt service obligations.
- Our investment portfolio consisting of a variety of investment vehicles that are subject to interest rate trends, market volatility, and other economic factors.

Risks Relating to Our Business and Strategy

Our strategy to develop and introduce new products and services exposes us to risks such as limited customer acceptance, costs related to product defects, and large expenditures, each of which may result in no additional net revenue or decreased net revenue.

The software industry is characterized by rapid technological changes as well as changes in customer requirements and preferences. In recent years, the industry has undergone a transition from developing and selling perpetual licenses and on-premises products to subscriptions and cloud-enabled technologies. Customers are also reconsidering how they purchase software products, which requires us to constantly evaluate our business model and strategy. In response, we are focused on providing solutions to enable our customers to be more agile and collaborative on their projects. We devote significant resources to the development of new technologies. In addition, we frequently introduce new business models or methods that require a considerable investment of technical and financial resources, such as our introduction of flexible subscription and service offerings and our transition of multi-subscription plans to named-user plans. It is uncertain whether these strategies, including our product and pricing changes, will accurately reflect customer demand or be successful, or whether we will be able to develop the necessary infrastructure and business models more quickly than our competitors. We make such investments through further development and enhancement of our existing products and services, as well as through acquisitions. Such investments may not result in sufficient revenue generation to justify their costs and could result in decreased net revenue or profitability. If we are not able to meet customer requirements, either with respect to our software or the manner in which we provide such products, or if we are not able to adapt our business model to meet our customers' requirements, our business, financial condition, or results of operations may be adversely impacted.

In particular, a critical component of our growth strategy is to have customers of our AutoCAD and AutoCAD LT products, as well as other individual Autodesk products, expand their portfolios to include our other offerings and cloud-based functionality, and we are taking steps to accelerate this migration. At times, sales of our AutoCAD and AutoCAD LT or individual Autodesk flagship products have decreased without a corresponding increase in Industry Collections or cloud-based functionality revenue, or without purchases of customer seats to our Industry Collections. Should this continue, our results of operations will be adversely affected.

Our executive management team must continuously act quickly and with vision, given the rapidly changing customer expectations and technology advancements inherent in the software industry, the extensive and complex efforts required to create useful and widely accepted products, and the rapid evolution of cloud computing, mobile devices, new computing platforms, and other technologies, such as consumer products. Although we have articulated a strategy that we believe will fulfill these challenges, if we fail to execute properly on that strategy or adapt the strategy as market conditions evolve, we may fail to meet our customers' expectations, be unable to compete with our competitors' products and technology, and lose the confidence of our channel partners and employees. This in turn could adversely affect our business and financial performance.

The effects of the COVID-19 pandemic and related public health measures have affected how we and our customers are operating our respective businesses, and the extent of the impact on our business and results of operations remains uncertain.

We are continuing to conduct business during the COVID-19 pandemic with substantial modifications to employee travel and work locations, as well as virtualization, postponement, or cancellation of certain sales and marketing events, among other changes. We have observed other companies as well as governments taking precautionary measures to address COVID-19. While government authorities in some geographies are removing COVID-19 related business operations restrictions, we continue to actively monitor the situation and may take further actions to alter our business operations as may be required by federal, state, or local authorities, or that we determine are in the best interests of our employees, customers, partners, suppliers, and stockholders, including in response to outbreaks and variants. The extent of the impact of any such

modifications on our business, including the effects on our customers and prospects, and on our financial results, remains uncertain.

We will continue to invest in critical areas such as research and development, construction, and digitizing the company to support our future success as we come out of the pandemic. If we are not able to successfully manage our spending and investment, it could have a material adverse effect on our cash balances, business, and results of operations.

Renewed waves and new variants pose risks to recovery and our outlook. In addition, global economic and political conditions described elsewhere in this Risk Factor section, including supply chain disruption and resulting inflationary pressures, a global labor shortage, and the ebb and flow of COVID-19, including in specific geographies, the war in Ukraine, and foreign exchange rate fluctuations may impact our outlook. Growth may slow if virus outbreaks (including from new variants) prove difficult to contain, infections and deaths mount rapidly before vaccines are widely available, and social distancing measures and/or lockdowns return (such as have recently occurred in China) and are more stringent than anticipated. Moreover, if economic policy support is insufficient or withdrawn before full economic recovery, bankruptcies of viable but illiquid companies could mount, leading to further or renewed employment and income losses and a more protracted recovery. Together, these uncertainties and risks could have a material adverse impact on our financial condition, business and results of operations.

Global economic and political conditions may further impact our industries, business, and financial results.

Our overall performance depends largely upon domestic and worldwide economic and political conditions. The United States and other countries' economies have experienced cyclical downturns, in which economic activity was impacted by falling demand for a variety of goods and services, restricted credit, poor liquidity, decreased government spending, reduced corporate profitability, volatility in credit, equity, and foreign exchange markets, inflationary pressures, bankruptcies, and overall uncertainty. These economic conditions can occur abruptly. For example, current geopolitical and global macro-economic challenges and the coronavirus (COVID-19) pandemic have caused uncertainty in the global economy, and an economic downturn or recession in the United States or in other countries may occur or has already occurred and may continue. The extent to which these challenges will impact our financial condition or results of operations is still uncertain and will continue to depend on developments such as the impact of these challenges on our customers, vendors, distributors, and resellers, such as the supply chain disruption and resulting inflationary pressures and global labor shortage that we have seen recently, as well as other factors; the ebb and flow of COVID-19, including in specific geographies and as a result of outbreaks and variants; actions taken by governments, businesses, and consumers in response to these challenges; speed and timing of economic recovery, including in specific geographies; speed of rollout of COVID-19 vaccines, lifting of restrictions on movement, and normalization of full-time return to work and social events; our billings and renewal rates, including new business close rates, rate of multi-year contracts, pace of closing larger transactions, and new unit volume growth; the war in Ukraine; foreign exchange rate fluctuations; and the effect of these challenges on margins and cash flow. All of these factors continue to evolve and remain uncertain at this time, and some of these factors are not within our control. Due to our subscription-based business model, the effect of COVID-19 may not be fully reflected in our results of operations until future periods, if at all. If economic growth in countries where we do business slows or if such countries experience further economic recessions, customers may delay or reduce technology purchases, which we have seen recently in certain countries including China. Our customers include government entities, including the U.S. federal government, and if spending cuts impede the ability of governments to purchase our products and services, our revenue could decline. In addition, a number of our customers rely, directly and indirectly, on government spending.

As described elsewhere in these risk factors, we are dependent on international revenue and operations and are subject to related risks of conducting business globally. Trends toward nationalism and protectionism and the weakening or dissolution of international trade pacts may increase the cost of, or otherwise interfere with, conducting business. These trends have increased political and economic unpredictability globally and may increase the volatility of global financial markets, and the impact of such developments on the global economy remains uncertain. Political instability or adverse political developments in any of the countries in which we do business could harm our business, results of operations, and financial condition. A financial sector credit crisis could impair credit availability and the financial stability of our customers, including our distribution partners and channels. A disruption in the financial markets may also have an effect on our derivative counter-parties and could also impair our banking partners, on which we rely for operating cash management. War, including the significant military action against Ukraine launched by Russia and any related political or economic responses and counter-responses or otherwise by various global actors or the general effect on the global economy, could also affect our business. Any of these events could harm our business, results of operations, and financial condition.

Our business could be adversely impacted by the costs and challenges associated with strategic acquisitions and investments.

We regularly acquire or invest in businesses, software solutions, and technologies that are complementary to our business through acquisitions, strategic alliances, or equity or debt investments, including several transactions in fiscal 2022 and the first fiscal quarter in fiscal 2023. The risks associated with such acquisitions include the difficulty of integrating solutions,

operations, and personnel; inheriting liabilities such as intellectual property infringement claims; failure to realize anticipated revenue and cost projections and expected synergies; the requirement to test and assimilate the internal control processes of the acquired business in accordance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002; and diversion of management's time and attention. In addition, such acquisitions and investments involve other risks such as:

- the inability to retain customers, key employees, vendors, distributors, business partners, and other entities associated with the acquired business;
- the potential that due diligence of the acquired business or solution does not identify significant problems;
- exposure to litigation or other claims in connection with, or inheritance of claims or litigation risk as a result of, an acquisition, including claims from terminated employees, customers, or other third parties;
- the potential for incompatible business cultures;
- significantly higher than anticipated transaction or integration-related costs;
- potential additional exposure to economic, tax, currency, political, legal, and regulatory risks associated with specific countries; and
- the potential impact on relationships with existing customers, vendors, and distributors as business partners as a result of acquiring another business.

We may not be successful in overcoming such risks, and such acquisitions and investments may negatively impact our business. In addition, if we do not complete an announced acquisition transaction or integrate an acquired business successfully and in a timely manner, we may not realize the benefits of the acquisition to the extent anticipated. Acquisitions and investments have in the past and may in the future contribute to fluctuations in our quarterly financial results. These fluctuations could arise from transaction-related costs and charges associated with eliminating redundant expenses or write-offs of impaired assets recorded in connection with acquisitions and investments, and could negatively impact our financial results.

We are dependent on international revenue and operations, exposing us to significant international regulatory, economic, intellectual property, collections, currency exchange rate, taxation, political, and other risks, which could adversely impact our financial results.

International net revenue represented 66% and 67% of our net revenue for the nine months ended October 31, 2022 and 2021, respectively. Our international revenue, some of which comes from emerging economies, is subject to economic and political conditions in foreign markets, including those resulting from economic and political conditions in the United States, as well as country-specific conditions related to COVID-19, such as varied speed of recovery in different geographies. For example, we have recently seen a deceleration in growth in certain geographies including China. Our total revenue is also impacted by the relative geographical and country mix of our revenue over time. Our dependency on international revenue makes us much more exposed to global economic and political trends, which can negatively impact our financial results even if our results in the United States are strong for a particular period.

We anticipate that our international operations will continue to account for a significant portion of our net revenue and, as we expand our international development, sales, and marketing expertise, will provide significant support to our overall efforts in countries outside of the United States. Risks inherent in our international operations include:

- economic volatility;
- tariffs, quotas, and other trade barriers and restrictions, including any political or economic responses and counter-responses or otherwise by various global actors to the significant military action against Ukraine launched by Russia;
- fluctuating currency exchange rates, including devaluations, currency controls, and inflation, and risks related to any hedging activities we undertake;
- changes in regulatory requirements and practices;
- delays resulting from difficulty in obtaining export licenses for certain technology;
- different purchase patterns as compared to the developed world;
- operating in locations with a higher incidence of corruption and fraudulent business practices, particularly in emerging economies;
- compliance with the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and other anti-corruption laws;
- difficulties in staffing and managing foreign sales and development operations;

- local competition;
- longer collection cycles for accounts receivable;
- U.S. and foreign tax law changes and the complexities of tax reporting;
- laws regarding the free flow of data across international borders and management of and access to data and public networks;
- possible future limitations upon foreign-owned businesses;
- increased financial accounting and reporting burdens and complexities;
- inadequate local infrastructure;
- greater difficulty in protecting intellectual property;
- software piracy; and
- other factors beyond our control, including popular uprisings, terrorism, war (including the significant military action against Ukraine launched by Russia and any related political or economic responses and counter-responses or otherwise by various global actors or the general effect on the global economy), natural disasters, and diseases and pandemics, such as COVID-19.

Some of our business partners also have international operations and are subject to the risks described above.

The application of the Trade and Cooperation Agreement between the European Union, the European Atomic Energy Community, and the United Kingdom signed in December 2020 (the “TCA”), which took effect January 1, 2021, could have adverse tax, tax treaty, banking, operational, legal, regulatory, or other impacts on our businesses in the region. The withdrawal could also, among other potential outcomes, create currency volatility; disrupt the free movement of goods, services, and people between the United Kingdom and the European Union; and significantly disrupt trade between the United Kingdom and the European Union and other parties. Uncertainty around these and related issues could lead to adverse effects on the United Kingdom economy, the European Union economies, and the other economies in which we operate.

In addition, in recent years, the United States has instituted or proposed changes to foreign trade policy, including the negotiation or termination of trade agreements, the imposition of tariffs on products imported from certain countries, economic sanctions on individuals, corporations, or countries, and other government regulations affecting trade between the United States and other countries in which we do business. More recently, the United States and other global actors have imposed sanctions as a result of the significant military action against Ukraine launched by Russia. New or increased tariffs and other changes in U.S. trade policy, including new sanctions, could trigger retaliatory actions by affected countries, including Russia. In addition, certain foreign governments, including the Chinese government, have instituted or considered imposing trade sanctions on certain U.S.-manufactured goods. The escalation of protectionist or retaliatory trade measures in either the United States or any other countries in which we do business, such as announcing sanctions, a change in tariff structures, export compliance, or other trade policies, may increase the cost of, or otherwise interfere with, the conduct of our business, and could have a material adverse effect on our operations and business outlook.

Even if we are able to successfully manage the risks of international operations, our business may be adversely affected if our business partners are not able to successfully manage these risks.

We may not be able to predict subscription renewal rates and their impact on our future revenue and operating results.

Our customers are not obligated to renew their subscriptions for our offerings, and they may elect not to renew, upgrade, or expand their subscriptions. We cannot assure renewal rates or the mix of subscriptions renewals. Customer renewal rates may decline or fluctuate due to a number of factors, including offering pricing; competitive offerings; customer satisfaction; and reductions in customer spending levels, customer activity, or number of users due to economic downturns, including as a result of the current COVID-19 pandemic, or financial markets uncertainty. If our customers do not renew their subscriptions or if they renew on less favorable terms, our revenues may decline.

Existing and increased competition and rapidly evolving technological changes may reduce our revenue and profits.

The software industry has limited barriers to entry, and the availability of computing devices with continually expanding performance at progressively lower prices contributes to the ease of market entry. The industry has undergone a transition from developing and selling perpetual licenses and on-premises products to subscriptions and cloud-enabled technologies. This shift further lowers barriers to entry and poses a disruptive challenge to established software companies. The markets in which we operate are characterized by vigorous competition, both by entrants with innovative technologies and by consolidation of

companies with complementary offerings and technologies. Some of our competitors have greater financial, technical, sales and marketing, and other resources. Furthermore, a reduction in the number and availability of compatible third-party applications or our inability to rapidly adapt to technological and customer preference changes, including those related to cloud computing, mobile devices, and new computing platforms, may adversely affect the sale of our solutions. Because of these and other factors, competitive conditions in the industry are likely to intensify in the future. Increased competition could result in price reductions, reduced net revenue and profit margins, and loss of market share, any of which would likely harm our business.

Our financial results, key metrics, and other operating metrics fluctuate within each quarter and from quarter to quarter, making our future revenue and financial results difficult to predict.

Our quarterly financial results, key metrics, and other operating metrics have fluctuated in the past and will continue to do so in the future. These fluctuations could cause our stock price to change significantly or experience declines. We also provide investors with quarterly and annual financial forward-looking guidance that could prove to be inaccurate as a result of these fluctuations. In addition to the other risks described in these risk factors, some of the factors that could cause our financial results, key metrics, and other operating metrics to fluctuate include:

- general market, economic, business, and political conditions in Europe, APAC, and emerging economies, including from an economic downturn or recession in the United States or other countries;
- failure to produce sufficient revenue, billings, subscription, profitability, and cash flow growth, including as a result of the COVID-19 pandemic;
- failure to accurately predict the impact of acquired businesses or to identify and realize the anticipated benefits of acquisitions, and successfully integrate such acquired businesses and technologies;
- potential goodwill impairment charges related to prior acquisitions;
- failure to manage spend;
- changes in billings linearity;
- changes in subscription mix, pricing pressure, or changes in subscription pricing;
- weak or negative growth in one or more of the industries we serve, including AEC, manufacturing, and digital media and entertainment markets;
- the success of new business or sales initiatives;
- security breaches, related reputational harm, and potential financial penalties to customers and government entities;
- restructuring or other accounting charges and unexpected costs or other operating expenses;
- timing of additional investments in our technologies or deployment of our services;
- changes in revenue recognition or other accounting guidelines employed by us and/or established by the Financial Accounting Standards Board, Securities and Exchange Commission, or other rulemaking bodies;
- fluctuations in foreign currency exchange rates and the effectiveness of our hedging activity;
- dependence on and timing of large transactions;
- adjustments arising from ongoing or future tax examinations;
- the ability of governments around the world to adopt fiscal policies, meet their financial and debt obligations, and finance infrastructure projects;
- failure to expand our AutoCAD and AutoCAD LT customer base to related design products and services;
- our ability to rapidly adapt to technological and customer preference changes, including those related to cloud computing, mobile devices, and new computing platforms;
- timing of the introduction of new products by us or our competitors;
- the financial and business condition of our reseller and distribution channels;
- perceived or actual technical or other problems with a product or combination of subscriptions;
- unexpected or negative outcomes of matters and expenses relating to litigation or regulatory inquiries;
- increases in cloud functionality-related expenses;
- timing of releases and retirements of offerings;

- changes in tax laws or tax or accounting rules and regulations, such as increased use of fair value measures;
- changes in sales compensation practices;
- failure to effectively implement and maintain our copyright legalization programs, especially in developing countries;
- renegotiation or termination of royalty or intellectual property arrangements;
- interruptions or terminations in the business of our consultants or third-party developers;
- timing and degree of expected investments in growth and efficiency opportunities;
- failure to achieve continued success in technology advancements;
- catastrophic events, natural disasters, or public health events, such as pandemics and epidemics, including COVID-19;
- regulatory compliance costs; and
- failure to appropriately estimate the scope of services under consulting arrangements.

We have also experienced fluctuations in financial results in interim periods in certain geographic regions due to seasonality or regional economic or political conditions. In particular, our financial results in Europe during our third quarter are usually affected by a slower summer period, and our APAC operations typically experience seasonal slowing in our third and fourth quarters. War, including the significant military action against Ukraine launched by Russia and any related political or economic responses and counter-responses or otherwise by various global actors or the general effect on the global economy, could also affect our business.

Our operating expenses are based in part on our expectations for future revenue and are relatively fixed in the short term. Accordingly, any revenue shortfall below expectations has had, and in the future could have, an immediate and significant adverse effect on our profitability. Greater than anticipated expenses or a failure to maintain rigorous cost controls would also negatively affect profitability.

We derive a substantial portion of our net revenue from a small number of solutions, including our AutoCAD-based software products and collections, and if these offerings are not successful, our revenue would be adversely affected.

We derive a substantial portion of our net revenue from sales of subscriptions of a limited number of our offerings, including AutoCAD software, solutions based on AutoCAD, which include our collections that serve specific markets, and products that are interoperable with AutoCAD. Any factor adversely affecting sales of these subscriptions, including the product release cycle, market acceptance, product competition, performance and reliability, reputation, price competition, economic and market conditions, and the availability of third-party applications, would likely harm our financial results. During the nine months ended October 31, 2022 and 2021, combined revenue from our AutoCAD and AutoCAD LT family products, not including collections having AutoCAD or AutoCAD LT as a component, represented 28% and 29% of our total net revenue, respectively.

From time to time we realign or introduce new business and sales initiatives; if we fail to successfully execute and manage these initiatives, our results of operations could be negatively impacted.

As part of our effort to accommodate our customers' needs and demands and the rapid evolution of technology, from time to time we evolve our business and sales initiatives, such as realigning our development and marketing organizations, offering software as a service, and realigning our internal resources in an effort to improve efficiency. We may take such actions without clear indications that they will prove successful and, at times, we have been met with short-term challenges in the execution of such initiatives. Market acceptance of any new business or sales initiative is dependent on our ability to match our customers' needs at the right time and price. Often, we have limited prior experience and operating history in these new areas of emphasis. If any of our assumptions about expenses, revenue, or revenue recognition principles from these initiatives proves incorrect, or our attempts to improve efficiency are not successful, our actual results may vary materially from those anticipated, and our financial results will be negatively impacted.

Net revenue, billings, earnings, cash flow, or subscriptions shortfalls or volatility of the market generally may cause the market price of our stock to decline.

The market price for our common stock has experienced significant fluctuations and may continue to fluctuate significantly. The market price for our common stock may be affected by a number of factors, including the other risks described in these risk factors and the following:

- shortfalls in our expected financial results, including net revenue, billings, earnings, and cash flow or key performance metrics, such as subscriptions, including as a result of the current COVID-19 pandemic, and how those results compare to securities analyst expectations, including whether those results fail to meet, exceed, or significantly exceed securities analyst expectations;
- quarterly variations in our or our competitors' results of operations;
- general socioeconomic, political, or market conditions, including from an economic downturn or recession in the United States or in other countries;
- changes in forward-looking estimates of future results, how those estimates compare to securities analyst expectations, or changes in recommendations or confusion on the part of analysts and investors about the short- and long-term impact to our business;
- uncertainty about certain governments' abilities to repay debt or effect fiscal policy;
- announcements of new offerings or enhancements by us or our competitors;
- unusual events such as significant acquisitions, divestitures, regulatory actions, and litigation;
- changes in laws, rules, or regulations applicable to our business;
- outstanding debt service obligations; and
- other factors, including factors unrelated to our operating performance, such as instability affecting the economy or the operating performance of our competitors.

Significant changes in the price of our common stock could expose us to costly and time-consuming litigation. Historically, after periods of volatility in the market price of a company's securities, a company becomes more susceptible to securities class action litigation. This type of litigation is often expensive and diverts management's attention and resources.

As a result of our strategy of partnering with other companies for product development, our product delivery schedules could be adversely affected if we experience difficulties with our product development partners.

We partner with certain independent firms and contractors to perform some of our product development activities. We believe our partnering strategy allows us to achieve efficiencies in developing new products and maintaining and enhancing existing product offerings. This strategy creates a dependency on independent developers. Independent developers, including those who currently develop solutions for us in the United States and throughout the world, may not be able or willing to provide development support to us in the future. In addition, use of development resources through consulting relationships, particularly in non-U.S. jurisdictions with developing legal systems, may be adversely impacted by, and expose us to risks relating to, evolving employment, export, and intellectual property laws. These risks could, among other things, expose our intellectual property to misappropriation and result in disruptions to product delivery schedules.

Social and ethical issues relating to the use of artificial intelligence in our offerings may result in reputational harm or liability.

Social and ethical issues relating to the use of new and evolving technologies such as artificial intelligence ("AI") in our offerings, may result in reputational harm and liability, and may cause us to incur additional research and development costs to resolve such issues. We are increasingly building AI into many of our offerings. As with many innovations, AI presents risks and challenges that could affect its adoption, and therefore our business. AI presents emerging ethical issues and if we enable or offer solutions that draw controversy due to their perceived or actual impact on society, we may experience brand or reputational harm, competitive harm, or legal liability. Potential government regulation in the space of AI ethics may also increase the burden and cost of research and development in this area, subjecting us to brand or reputational harm, competitive harm, or legal liability. Failure to address AI ethics issues by us or others in our industry could undermine public confidence in AI and slow adoption of AI in our products and services.

Risks Relating to Our Operations

Security incidents may compromise the integrity of our or our customers' systems, solutions, offerings, services, applications, data, or intellectual property, harm our reputation, damage our competitiveness, create additional liability, and adversely impact our financial results.

As we digitize Autodesk and use cloud- and web-based technologies to leverage customer data to deliver the total customer experience, we are exposed to increased security risks and the potential for unauthorized access to, or improper use of, our and our customers' information. Like other software offerings and systems, ours are vulnerable to security incidents,

including those from acquired companies. Also, our ability to mitigate the security incident risk may be impacted by our limited control over our customers or third-party technology providers and vendors, or the processing of data by third-party technology providers and vendors, which may not allow us to maintain the integrity or security of such transmissions or processing. We devote significant resources in an effort to maintain the security and integrity of our systems, offerings, services, and applications (online, mobile, and desktop), including by enhancing security features, conducting penetration tests, code hardening, releasing security vulnerability updates, and accelerating our incident response time. We also provide annual information security training to our employees. Despite these efforts, we may not prevent security incidents, and we may face delays or other difficulties in identifying, responding to, or remediating security incidents.

Hackers regularly have targeted our systems, offerings, services, and applications, and we expect them to do so in the future. To date, such identified security events have not been material or significant to us or our customers, including to our reputation or business operations, or had a material financial impact, but there can be no assurance that future cyberattacks will not be material or significant. Security incidents could disrupt the proper functioning of our systems, solutions, offerings, applications, or services; cause errors in the output of our customers' work; allow unauthorized access to or unauthorized use, disclosure, modification, loss, or destruction of, sensitive data or intellectual property, including proprietary or confidential information of ours or our customers; or cause other destructive outcomes. The risk of a security incident, particularly through cyber-attack or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has increased as the number, intensity, and sophistication of attempted attacks and intrusions from around the world have increased. These threats include identity theft, unauthorized access, DNS attacks, wireless network attacks, viruses and worms, malware, bugs, vulnerabilities, advanced persistent threats (APT), application-centric attacks, peer-to-peer attacks, social engineering, phishing, credential stuffing, malicious file uploads, backdoor trojans, supply chain attacks, ransomware attacks, and distributed denial of service (DDoS) attacks. In addition, third parties may attempt to fraudulently induce our employees, vendors, partners, customers, or users to disclose information to gain access to our data or our customers' or users' data and there is the risk of employee, contractor, or vendor error or malfeasance. These existing risks are compounded given the COVID-19 pandemic and the resulting shift to work-from-home arrangements for a large population of employees and contractors, as well as employees and contractors of our third-party technology providers and vendors, and the risks could also be elevated in connection with the Russian invasion of Ukraine as we and our third-party technology providers and vendors are vulnerable to a heightened risk of cyberattacks from or affiliated with nation-state actors, including retaliatory attacks from Russian actors against U.S.-based companies. Despite our significant efforts to create security barriers to such threats, we cannot entirely mitigate these risks, and there is no guarantee that inadvertent or unauthorized use or disclosure of such information will not occur or that third parties will not gain unauthorized access to such information.

Many governments have enacted laws requiring companies to provide notice of security incidents involving certain types of personal data and personal information. We are also contractually required to notify certain customers of certain security incidents. If any of the foregoing security incidents were to occur or to be perceived to have occurred, our reputation may suffer, our competitive position may be diminished, customers may stop paying for our solutions and services, we could be required to expend significant capital and other resources to evaluate and alleviate the security incident and to try to prevent further or additional incidents, and we could face regulatory inquiry, lawsuits, and potential liability. We could incur significant costs and liabilities, including due to litigation, indemnity obligations, damages for contract breach, penalties for violation of applicable laws or regulations, and costs for remediation and other incentives offered to customers or other business partners in an effort to maintain business relationships after a security incident, and our financial performance could be negatively impacted.

We cannot assure you that any limitations of liability provisions in our contracts would be enforceable or adequate or would otherwise protect us from any liabilities or damages with respect to any particular claim relating to a security incident. We also cannot be sure that our existing insurance coverage will continue to be available on acceptable terms or will be available in sufficient amounts to cover one or more large claims related to a security incident, or that the insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, including our financial condition, operating results, and reputation.

Our use of third-party open source software could negatively affect our ability to sell subscriptions to access our products and subject us to possible litigation and greater security risks.

We use third-party open source software. From time to time, companies that use third-party open source software have faced claims challenging the use of such open source software and compliance with the open source software license terms. Accordingly, we may be subject to suits by parties claiming ownership of what we believe to be open source software or

claiming non-compliance with the applicable open source licensing terms. Some open source software licenses require end-users, who distribute or make available across a network software and services that include open source software, to make publicly available or to license all or part of such software (which in some circumstances could include valuable proprietary code, such as modifications or derivative works created, based upon, incorporating, or using the open source software) under the terms of the particular open source license. While we employ practices designed to monitor our compliance with the licenses of third-party open source software and protect our valuable proprietary source code, we may inadvertently use third-party open source software in a manner that exposes us to claims of non-compliance with the terms of the applicable license, including claims of intellectual property rights infringement or for breach of contract. Furthermore, there exists today an increasing number of types of open source software licenses, almost none of which have been tested in courts of law to provide clarity on their proper legal interpretation. If we were to receive a claim of non-compliance with the terms of any of these open source licenses, we may be required to publicly release certain portions of our proprietary source code. We could also be required to expend substantial time and resources to re-engineer some or all of our software. Any of the foregoing could materially adversely affect our business, financial condition, results of operations, and prospects.

In addition, the use of third-party open source software typically exposes us to greater risks than the use of third-party commercial software because open source licensors generally do not provide warranties or controls on the functionality or origin of the software. Use of open source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to determine how to compromise our platform. Any of the foregoing could materially adversely affect our business, financial condition, results of operations, and prospects and could help our competitors develop products and services that are similar to or better than ours.

We rely on third parties to provide us with a number of operational and technical services; third-party security incidents could result in the loss of our or our customers' data, expose us to liability, harm our reputation, damage our competitiveness, and adversely impact our financial results.

We rely on third parties, such as Amazon Web Services, to provide us with operational and technical services. These third parties may have access to our systems, provide hosting services, or otherwise process data about us or our customers, employees, or partners. Our ability to monitor such third parties' security measures is limited. There have been and may continue to be significant supply chain attacks, and we cannot guarantee that our or our such third parties' systems have not been breached or that they do not contain exploitable defects, bugs, or vulnerabilities that could result in an incident, breach, or other disruption to, our or these third parties' systems. Any security incident involving such third parties could compromise the integrity or availability of, or result in the theft of, our and our customers' data. In addition, our operations or the operations of our customers or partners could be negatively affected in the event of a security incident and could be subject to the loss or theft of confidential or proprietary information, including source code. Unauthorized access to data and other confidential or proprietary information may be obtained through break-ins, network breaches by unauthorized parties, employee theft or misuse, or other misconduct. If any of the foregoing were to occur or to be perceived to occur, our reputation may suffer, our competitive position may be diminished, customers may buy fewer of our offerings and services, we could face lawsuits, regulatory investigation, fines, and potential liability, and our financial results could be negatively impacted.

Delays in service from third-party service providers could expose us to liability, harm our reputation, damage our competitiveness, and adversely impact our financial results.

From time to time, we may rely on a single or limited number of suppliers, or upon suppliers in a single country, for the provision of services and materials that we use in the operation of our business and production of our solutions. Inability of such third parties to satisfy our requirements could disrupt our operations or make it more difficult for us to implement our strategy. If any of these situations were to occur, our reputation could be harmed, we could be subject to third-party liability, including under data protection and privacy laws in certain jurisdictions, and our financial results could be negatively impacted.

We are investing in resources to update and improve our information technology systems to digitize Autodesk and support our customers. Should our investments not succeed, or if delays or other issues with new or existing information technology systems disrupt our operations, our business could be harmed.

We rely on our network and data center infrastructure, technology systems, and websites for our development, marketing, operational, support, sales, accounting, and financial reporting activities. We continually invest resources to update and improve these systems to meet the evolving requirements of our business and customers. In particular, our transition to cloud-based products and a subscription-only business model involves considerable investment in the development of technologies, as well as back-office systems for technical, financial, compliance, and sales resources. Such improvements are often complex, costly, and time consuming. In addition, such improvements can be challenging to integrate with our existing technology systems, or may uncover problems with those systems. Unsuccessful implementation of hardware or software updates and improvements

could result in disruption in our business operations, loss of customers, loss of revenue, errors in our accounting and financial reporting, or damage to our reputation, all of which could harm our business.

Our software solutions are highly complex and may contain undetected errors, defects, or vulnerabilities, and are subject to service disruptions, degradations, outages or other performance problems, each of which could harm our business and financial performance.

The software solutions that we offer are complex and, despite extensive testing and quality control, may contain errors, defects, or vulnerabilities. Some errors, defects, or vulnerabilities in our software solutions may only be discovered after they have been released. In addition, we have experienced, and may in the future experience, service disruptions, degradations, outages, and other performance problems in connection with our software solutions.

Any errors, defects, vulnerabilities, service disruptions, degradations, outages or other performance problems could result in the need for corrective releases to our software solutions, damage to our reputation, damage to our customers' businesses, loss of revenue, an increase in subscription cancellations, or lack of market acceptance of our offerings, any of which would likely harm our business and financial performance.

If we do not maintain good relationships with the members of our distribution channel, or if our distribution channel suffers financial losses, becomes financially unstable or insolvent, or is not provided the right mix of incentives to sell our subscriptions, our ability to generate revenue will be adversely affected.

We sell our software products both directly to end users and through a network of distributors and resellers. For the nine months ended October 31, 2022 and 2021, approximately 65% and 66%, respectively, of our revenue was derived from indirect channel sales through distributors and resellers, and we expect that the majority of our revenue will continue to be derived from indirect channel sales in the near future. Our ability to effectively distribute our solutions depends in part upon the financial and business condition of our distributor and reseller network. Computer software distributors and resellers typically are not highly capitalized, and have previously experienced difficulties during times of economic contraction as well as during the past several years. We have processes to ensure that we assess the creditworthiness of distributors and resellers prior to our sales to them. In the past we have taken steps to support them, and may take additional steps in the future, such as extending credit terms and adjusting our incentives. These steps, if taken, could harm our financial results. If our distributors and resellers were to become insolvent, they would not be able to maintain their business and sales or provide customer support services, which would negatively impact our business and revenue.

We rely significantly upon major distributors and resellers in both the U.S. and international regions. Of our distributors, Tech Data accounted for 37% and 36% of our total net revenue for the nine months ended October 31, 2022 and 2021, respectively, and Ingram Micro accounted for 9% of our total net revenue for both the nine months ended October 31, 2022 and 2021. During October and November 2022, we entered into transition agreements with Tech Data to provide transition distribution activities for a one-to-two-year period, with potential extensions. In connection with such transition agreements, we intend to increase our selling efforts with value-added resellers and agents. During the transition period, we believe the resellers and end users who currently purchase our products through Tech Data will be able to continue to do so, and following the transition period, we believe such resellers and end users will be able to continue to purchase our products from our value-added resellers, our agents or from one of our many other distributors or directly from Autodesk, in each case under substantially the same terms and without substantial disruption to our revenue. Should our agreement with Ingram Micro be terminated, we believe the resellers and end users who currently purchase our products through Ingram Micro would similarly be able to continue to do so under substantially the same terms from one of our many other distributors without substantial disruption to our revenue. However, if, Ingram Micro, or, during the transition period, Tech Data were to experience a significant business disruption or if our relationship with either were to significantly deteriorate, it is possible that our ability to sell to end users would, at least temporarily, be negatively impacted. Also, if any of our assumptions about our end users, value added resellers, distributors, or agents or our direct selling capabilities proves incorrect, these changes could harm our business. This could, in turn, negatively impact our financial results.

Over time, we have modified and especially during the transition process noted above, we will continue to modify aspects of our relationship with our distributors and resellers, such as their incentive programs, pricing to them, and our distribution model to motivate and reward them for aligning their businesses with our strategy and business objectives. Changes in these relationships and underlying programs could negatively impact their business and harm our business. Further, our distributors and resellers may lose confidence in our business, move to competitive products, or not have the skills or ability to support customers. The loss of or a significant reduction in business with those distributors or resellers could harm our business. In particular, if one or more of such distributors or resellers were unable to meet their obligations with respect to accounts payable

to us, we could be forced to write off such accounts and may be required to delay the recognition of revenue on future sales to these customers. These events could have a material adverse effect on our financial results.

We rely on software from third parties, and a failure to properly manage our use of third-party software could result in increased costs or loss of revenue.

Many of our products are designed to include software licensed from third parties. Such third-party software includes software licensed from commercial suppliers and under public open source licenses. While we have internal processes to manage our use of such third-party software, if such processes are inadequate, we may be subject to copyright infringement or other third-party claims. If we are non-compliant with a license for commercial software, we may be required to pay penalties or undergo costly audits pursuant to the license agreement. In the case of open-source software licensed under certain “copyleft” licenses, the license itself, or a court-imposed remedy for non-compliant use of the open source software, may require that proprietary portions of our own software be publicly disclosed or licensed. This could result in a loss of intellectual property rights, increased costs, re-engineering of our software, damage to our reputation, or loss of revenue.

In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties, support, indemnities, assurances of title or controls on origin of the software, or other contractual protections regarding infringement claims or the quality of the code. Likewise, some open source projects have known security and other vulnerabilities and architectural instabilities, or are otherwise subject to security attacks due to their wide availability, and are provided on an “as-is” basis.

Our business could be adversely affected if we are unable to attract and retain key personnel.

Our success and ability to invest and grow depend largely on our ability to attract and retain highly skilled technical, professional, managerial, sales, and marketing personnel. Historically, competition for these key personnel has been intense. The loss of services of any of our key personnel, including key personnel joining our company through acquisitions, inability to retain and attract qualified employees in the future, or delays in hiring required personnel, particularly engineering and sales personnel, could make it difficult to meet key objectives, such as timely and effective product introductions and financial goals.

We rely on third-party technologies and if we are unable to use or integrate these technologies, our solutions and service development may be delayed and our financial results negatively impacted.

We rely on certain software that we license from third parties, including software that is integrated with internally developed software and used in our offerings to perform key functions. These third-party software licenses may not continue to be available on commercially reasonable terms, and the software may not be appropriately supported, maintained, or enhanced by the licensors. The loss of licenses to, or inability to support, maintain, and enhance any such software could result in increased costs or delays until equivalent software can be developed, identified, licensed, and integrated, which would likely harm our business.

Disruptions in licensing relationships and with third-party developers could adversely impact our business.

We license certain key technologies from third parties. Licenses may be restricted in the term or the use of such technology in ways that negatively affect our business. Similarly, we may not be able to obtain or renew license agreements for key technology on favorable terms, if at all, and any failure to do so could harm our business. Our business strategy has historically depended in part on our relationships with third-party developers who provide products that expand the functionality of our design software. Some developers may elect to support other products or may experience disruption in product development and delivery cycles or financial pressure during periods of economic downturn. In particular markets, such disruptions have in the past, and would likely in the future, negatively impact these third-party developers and end users, which could harm our business.

Technology created by outsourced product development, whether outsourced to third parties or developed externally and transferred to us through business or technology acquisitions, involves additional risks such as effective integration into existing products, adequate transfer of technology know-how, and ownership and protection of transferred intellectual property.

Risks Relating to Laws and Regulations

Increasing regulatory focus on privacy, data protection, and information security issues and new and expanding laws may impact our business and expose us to increased liability.

Our strategy to digitize Autodesk involves increasing our use of cloud- and web-based technologies and applications to leverage customer data to improve our offerings for the benefit of our customers. To accomplish this strategy, we must collect and otherwise process customer data, which may include personal data and personal information of users from different jurisdictions globally. We also collect and otherwise process personal data and personal information of our employees and contractors. As a result, federal, state, and global laws relating to privacy, data protection, and information security apply to Autodesk's personal data and personal information processing activities. The scope of these laws and regulations is rapidly evolving, subject to differing interpretations, may be inconsistent among jurisdictions, or conflict with other rules and is likely to remain uncertain for the foreseeable future. We also expect that there will continue to be new laws, regulations, and industry standards concerning privacy, data protection, and information security proposed and enacted in various jurisdictions. Globally, laws such as the General Data Protection Regulation (EU) 2016/679 ("GDPR") in the European Union ("EU") and the Personal Information Protection Law ("PIPL") in China have been enacted. In addition, new and emerging state laws in the United States governing privacy, data protection, and information security, such as the California Consumer Privacy Act ("CCPA"), the California Privacy Rights Act ("CPRA"), the Virginia Consumer Data Protection Act ("VCDPA"), the Colorado Privacy Act ("CPA"), the Utah Consumer Privacy Act ("UCPA"), and Connecticut's Act Concerning Personal Data Privacy and Online Monitoring ("CTDPA") have been enacted. These laws and regulations, as well as industry self-regulatory codes, create new compliance obligations and substantially expand the scope of potential liability and provide greater penalties for non-compliance. For example, the GDPR provides for penalties of up to €20 million or 4% of a company's annual global revenue, whichever is greater, the PIPL provides for penalties of up to 50 million renminbi or 5% of a company's annual revenue and disgorgement of all illegal gains, whichever is greater, and the CCPA provides for penalties of up to \$7,500 per violation. These laws, regulations and codes may also impact our innovation and business drivers in developing new and emerging technologies (e.g., artificial intelligence and machine learning). These requirements, among others, may impact demand for our offerings and force us to bear the burden of expanded obligations in our contracts.

In addition, there is continued instability of international personal data transfer legal mechanisms that are complex, uncertain, and subject to active litigation and enforcement actions in a number of jurisdictions around the world. For example, on June 4, 2021, the European Commission published a new set of modular standard contractual clause ("SCCs"), providing for an 18-month implementation period, which became effective on June 29, 2021, and imposes on companies obligations relating to personal data transfers, including the obligation to conduct a transfer impact assessment and, depending on a party's role in the transfer, to implement additional security measures and to update internal privacy practices. We may, in addition to other impacts, be required to expend significant time and resources to update our contractual arrangements and to comply with new obligations, and we face exposure to regulatory actions, substantial fines and injunctions in connection with transfers of personal data from the EU.

In addition, the United Kingdom's ("UK") exit from the EU, and ongoing developments in the UK, have created uncertainty with regard to data protection regulation in the UK. Data processing in the UK is now governed by the UK General Data Protection Regulation and supplemented by other domestic data protection laws, such as the UK Data Protection Act 2018, which authorizes fines of up to £17.5 million or 4% of annual global revenue, whichever is higher. We are also exposed to potentially divergent enforcement actions for certain violations. Furthermore, the new SCCs apply only to the transfer of personal data outside the EU and not the UK. Although the European Commission adopted an adequacy decision for the UK on June 28, 2021, allowing the continued flow of personal data from the EU to the UK, this decision will be regularly reviewed going forward and may be revoked if the UK diverges from its current adequate data protection laws following its exit from the EU. On February 2, 2022, the UK's Information Commissioner's Office issued new standard contractual clauses to support personal data transfers out of the UK ("UK SCCs"), which became effective March 21, 2022. We may, in addition to other impacts, experience additional costs associated with increased compliance burdens and be required to engage in new contract negotiations with third parties that aid in processing personal data on our behalf or localize certain personal data.

Further, several European data protection authorities recently indicated that the use of Google Analytics by European website operators involves the unlawful transfer of personal data to the United States. As the enforcement landscape further develops, and depending on the impacts of these rulings and other developments with respect to cross-border data transfer, we could suffer additional costs, complaints and/or regulatory investigations or fines, have to stop using certain tools and vendors, and make other operational changes.

Several other countries, including China, Australia, New Zealand, Brazil, and Japan, have also established specific legal requirements for cross-border data transfers. There is also an increasing trend towards data localization policies. For example, in 2021, China introduced localization requirements for certain data. There are also other countries, such as India, that are considering data localization requirements. If this trend continues, and countries implement more restrictive regulations for

cross-border personal data transfers (or do not permit personal data to leave the country of origin), it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations, and our business, financial condition, and results of operations in those jurisdictions could be impacted.

In addition, the new state laws – the CPRA and the VCDPA – that become effective on January 1, 2023, the CPA and CTDPA that become effective on July 1, 2023, and the UCPA that becomes effective on December 31, 2023, introduce additional obligations such as data minimization and storage limitations, granting additional rights to consumers such as correction of personal information and additional opt-out rights. The CPRA also creates a new agency to implement and enforce the law. These new state laws will require us to modify our data processing practices and policies and may cause us to incur substantial costs and expenses in order to comply. Laws in all 50 states, and some of our contracts, require us to provide notice under certain circumstances to customers whose personal information has been disclosed as a result of a data breach. Also, if third parties we work with, such as suppliers, violate applicable data protection laws or regulations, such violations may also put our users' information at risk and could materially adversely affect our business, financial condition, results of operations, and prospects. Additionally, in addition to government activity, privacy advocacy groups and technology and other industries are considering various new, additional or different self-regulatory standards that may place additional burdens on us. Evolving legislation and the interplay of federal and state laws may be subject to varying interpretations by courts and government agencies, creating complex compliance issues and have and may cause variation in requirements, increase restrictions and potential legal risk and impact strategies and the availability of previously useful data, potentially exposing us to additional expense, adverse publicity, and liability.

In the EU and the UK, regulators are increasingly focusing on compliance with requirements in the online behavioral advertising ecosystem, and current national laws that implement the ePrivacy Directive are highly likely to be replaced by an EU regulation known as the ePrivacy Regulation, which is expected to significantly increase fines for non-compliance. While the text of the ePrivacy Regulation is under development, recent European case law and regulators' recent guidance are driving increased attention to cookies and tracking technologies. This could lead to substantial costs, require significant system changes, limit the effectiveness of our marketing activities, divert the attention of our technology personnel, adversely affect our margins, increase costs, and subject us to additional liabilities. Regulation of cookies and similar technologies, and any decline of cookies or similar online tracking technologies as a means to identify and potentially target users, may lead to broader restrictions and impairments on our marketing and personalization activities and may negatively impact our efforts to understand our customers.

Governments, regulators, plaintiffs' attorneys, privacy advocates have increased their focus on how companies collect, process, use, store, share, and transmit personal data and personal information. Any perception of our practices, products, offerings, or services as a violation of individual privacy or data protection rights may subject us to public criticism, lawsuits, reputational harm, or investigations or claims by regulators, industry groups or other third parties, all of which could disrupt or adversely impact our business and expose us to increased liability. Moreover, because the interpretation and application of many laws and regulations relating to privacy, data protection, and information security are uncertain, it is possible that these laws and regulations may be interpreted and applied in a manner that is inconsistent with our existing data management practices or the features of our products, offerings, and services. We could be required to fundamentally change our business activities and practices or modify our offerings and services, any of which could require significant additional expense and adversely affect our business, including impacting our ability to innovate, delaying our development roadmap and adversely affecting our relationships with customers and our ability to compete. If we are obligated to fundamentally change our business activities and practices or modify our products, offerings, or services, we may be unable to make such changes and modifications in a commercially reasonable manner, or at all, and our ability to develop new products, offerings, and services could be limited.

We are subject to governmental export and import controls that could impair our ability to compete in international markets or subject us to liability if we violate the controls.

Our offerings are subject to export controls and economic sanctions laws and regulations that prohibit the delivery of certain solutions and services without the required export authorizations or export to locations, governments, and persons targeted by applicable sanctions. While we have processes to prevent our offerings from being exported in violation of these laws, including obtaining authorizations as appropriate and screening against U.S. government and international lists of restricted and prohibited persons, we cannot guarantee that these processes will prevent all violations of export control and sanctions laws.

If our channel partners fail to obtain appropriate import, export, or re-export licenses or permits, we may also be adversely affected, through reputational harm as well as other negative consequences including government investigations and penalties. We presently incorporate export control and sanctions compliance requirements in our channel partner agreements. Complying

with export control and sanctions regulations for a particular sale may be time-consuming and may result in the delay or loss of sales opportunities. Violations of applicable sanctions or export control laws can result in fines or penalties.

For additional risks regarding sanctions and trade protectionism, please see the risk factor entitled “We are dependent on international revenue and operations . . .” earlier in this section.

If we are not able to adequately protect our proprietary rights, our business could be harmed.

We rely on a combination of patent, copyright, and trademark laws, trade secret protections, confidentiality procedures, and contractual provisions to protect our proprietary rights. However, the steps we take to protect our intellectual property rights may be inadequate. While we have patent applications pending in the United States and throughout the world, we may be unable to obtain patent protection for the technology covered in our patent applications. In addition, any patents issued to us in the future may not provide us with competitive advantages or may be successfully challenged by third parties. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain. Despite our efforts to protect our proprietary rights, unauthorized parties from time to time have copied or reverse engineered aspects of our software or have obtained and used information that we regard as proprietary. Policing unauthorized use of our software is time-consuming and costly. We are unable to measure the extent to which unauthorized use of our software exists and we expect that unauthorized use of software will remain a persistent problem, particularly in emerging economies.

Additionally, we actively protect the secrecy of our confidential information and trade secrets, including our source code. If unauthorized disclosure of our source code occurs, we could potentially lose future trade secret protection for that source code. Unauthorized disclosure of our source code could make it easier for third parties to compete with our offerings by copying functionality, which could adversely affect our financial performance and our reputation. We also seek to protect our confidential information and trade secrets through the use of non-disclosure agreements with our employees, customers, contractors, vendors, and partners. However, it is possible that our confidential information and trade secrets may be disclosed or published without our authorization. If this were to occur, it may be difficult and/or costly for us to enforce our rights, and our financial performance and reputation could be negatively impacted.

We may face intellectual property infringement claims that could be costly to defend and result in the loss of significant rights.

Our competitors, as well as a number of other entities and individuals, may own or claim to own intellectual property relating to our business. Third parties may claim that we are infringing upon or misappropriating their intellectual property rights, and we may be found to be infringing upon such rights, even if we are unaware of the intellectual property rights claimed against us. As more software patents are granted worldwide, the number of offerings and competitors in our industries grows, and the functionality of products in different industries overlaps, we expect that software developers will be increasingly subject to infringement claims. Additionally, certain patent assertion entities have become more aggressive in threatening and pursuing litigation in attempts to obtain fees for licensing the right to use patents.

Any claims or threats of infringement or misappropriation, whether with or without merit, have been and could in the future be time-consuming to defend, result in costly litigation and diversion of resources, cause product delays, require us to change our products or business practices, prevent us from offering our software and services, or require us to enter into royalty or licensing agreements. In addition, such royalty or license agreements, if required, may not be available on acceptable terms, if at all, which would likely harm our business. We may also be obligated to indemnify our customers or business partners or pay substantial settlement costs, including royalty payments, in connection with any such claim or litigation and to obtain licenses, modify applications, or refund fees, which could be costly. Furthermore, from time to time we may introduce or acquire new products, including in areas where we historically have not competed, which could increase our exposure to patent and other intellectual property claims.

Contracting with government entities exposes us to additional risks inherent in the government procurement process.

We provide products and services, directly and indirectly, to a variety of government entities. Risks associated with licensing and selling products and services to government entities include extended sales and collection cycles, varying governmental budgeting processes, and adherence to complex procurement regulations and other government-specific contractual requirements. We may be subject to audits and investigations relating to our government contracts and any violations could result in civil and criminal penalties and administrative sanctions, including termination of contracts, payment of fines, and suspension or debarment from future government business, as well as harm to our reputation and financial results.

Risks Relating to Financial Developments

We are exposed to fluctuations in currency exchange rates that could negatively impact our financial results and cash flows.

Because we conduct a substantial portion of our business outside the United States, we face exposure to adverse movements in foreign currency exchange rates, which could have a material adverse impact on our financial results and cash flows. These exposures may change over time as business practices evolve and economic conditions change. We use derivative instruments to manage a portion of our cash flow, revenue and expense exposure to fluctuations in foreign currency exchange rates. As part of our risk management strategy, we use foreign currency contracts to manage a portion of our exposures of underlying assets, liabilities, and other obligations, which exist as part of our ongoing business operations. These foreign currency instruments may have maturities that extend for one to 18 months in the future and provide us with some protection against currency exposures. However, our attempts to hedge against these risks may not be completely successful, resulting in an adverse impact on our financial results.

The fluctuations of currencies in which we conduct business can both increase and decrease our overall revenue and expenses for any given period. Although our foreign currency cash flow hedge program extends beyond the current quarter in order to reduce our exposure to foreign currency volatility, we do not attempt to completely mitigate this risk, and in any case, will incur transaction fees in adopting such hedging programs. Such volatility, even when it increases our revenues or decreases our expenses, impacts our ability to accurately predict our future results and earnings.

In addition, global events, including the sudden and unexpected effects of the COVID-19 pandemic as well as geopolitical developments, may contribute to volatility in foreign exchange markets, which we may not be able to effectively manage, and our financial results could be adversely impacted. Additionally, countries in which we operate may be classified as highly inflationary economies, requiring special accounting and financial reporting treatment for such operations, or such countries' currencies may be devalued, or both, which may adversely impact our business operations and financial results.

Our debt service obligations may adversely affect our financial condition and cash flows from operations.

We have \$2.65 billion of principal debt, consisting of notes due at various times from December 2022 to December 2031, as of October 31, 2022, as described in Part I, Item 1. We also entered into a credit agreement that provides for an unsecured revolving loan facility in the aggregate principal amount of \$1.5 billion, with an option to be increased up to \$2.0 billion, as described in Part I, Item 1. Maintenance of our indebtedness, contractual restrictions, and additional issuances of indebtedness could:

- cause us to dedicate a substantial portion of our cash flows from operations towards debt service obligations and principal repayments;
- increase our vulnerability to adverse changes in general economic, industry, and competitive conditions;
- limit our flexibility in planning for, or reacting to, changes in our business and our industry;
- impair our ability to obtain future financing for working capital, capital expenditures, acquisitions, general corporate, or other purposes; and
- due to limitations within the debt instruments, restrict our ability to grant liens on property, enter into certain mergers, dispose of all or substantially all of the assets of Autodesk and its subsidiaries, taken as a whole, materially change our business, and incur subsidiary indebtedness, subject to customary exceptions.

We are required to comply with the covenants set forth in our credit agreement. If we breach any of the covenants and do not obtain a waiver from the note holders or lenders, then, subject to applicable cure periods, we would not be able to incur additional indebtedness under the credit agreement described in Part I, Item 1, and any outstanding indebtedness under the credit agreement may be declared immediately due and payable. In addition, changes by any rating agency to our credit rating may negatively impact the value and liquidity of our securities. Under certain circumstances, if our credit ratings are downgraded or other negative action is taken, the interest rate payable by us under our credit agreement could increase. Downgrades in our credit ratings could also restrict our ability to obtain additional financing in the future and could affect the terms of any such financing.

Our investment portfolio consists of a variety of investment vehicles that are subject to interest rate trends, market volatility, and other economic factors. If general economic conditions decline, this could cause the credit ratings of our investments to deteriorate and illiquidity in the financial marketplace, and we may experience a decline in interest income and an inability to sell our investments, leading to impairment in the value of our investments.

It is our policy to invest our cash, cash equivalents, and marketable securities in highly liquid instruments with, and in the custody of, financial institutions with high credit ratings and to limit the amounts invested with any one institution, type of security, or issuer. However, we are subject to general economic conditions, interest rate trends, and volatility in the financial marketplace that can affect the income that we receive from our investments, the net realizable value of our investments (including our cash, cash equivalents, and marketable securities), and our ability to sell them. Any one of these factors could reduce our investment income or result in material charges, which in turn could impact our overall net income (loss) and earnings (loss) per share.

From time to time we make direct investments in privately held companies. Investments in privately held companies are considered inherently risky. The technologies and products these companies have under development are typically in the early stages and may never materialize, which could result in a loss of all or a substantial part of our initial investment in these companies. The evaluation of privately held companies is based on information that we request from these companies, which is not subject to the same disclosure regulations as U.S. publicly traded companies and, as such, the basis for these evaluations is subject to the timing and accuracy of the data received from these companies.

A loss on any of our investments may cause us to record an other-than-temporary impairment charge. The effect of this charge could impact our overall net income (loss) and earnings (loss) per share. In any of these scenarios, our liquidity may be negatively impacted, which in turn may prohibit us from making investments in our business, taking advantage of opportunities, and potentially meeting our financial obligations as they come due.

Changes in tax rules and regulations, and uncertainties in interpretation and application, could materially affect our tax obligations and effective tax rate.

We are a U.S.-based multinational company subject to tax in multiple U.S. and foreign tax jurisdictions. Our effective tax rate is primarily based on our geographic mix of earnings; statutory rates; stock-based compensation; intercompany arrangements, including the manner we develop, value, and license our intellectual property; and enacted tax rules. Significant judgment is required in determining our effective tax rate and in evaluating our tax positions on a worldwide basis. While we believe our tax positions, including intercompany transfer pricing policies, are consistent with the tax laws in the jurisdictions in which we conduct our business, it is possible that these positions may be challenged by tax authorities and may have a significant impact on our effective tax rate and cash taxes.

Tax laws in the United States and in foreign tax jurisdictions are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied. For example, the U.S. government enacted significant tax law changes in December 2017, the Tax Act, which impacted our tax obligations and effective tax rate beginning in our fiscal 2018 tax year, and significant tax legislation was included in the March 2020 CARES Act and subsequent Consolidated Appropriations Act in December 2020. Due to the complexity and varying interpretations of the Tax Act and the CARES Act, the U.S. Department of Treasury and other standard-setting bodies have been issuing and will continue to issue regulations and interpretative guidance that could significantly impact how we will apply the law and the ultimate effect on our results of operations from both the Tax Act and the CARES Act, including for our prior tax years. In addition, increases in corporate tax rates, could increase our effective tax rate, cash taxes and have an adverse effect on our results from operations.

The Inflation Reduction Act was enacted on August 16, 2022, and includes a number of provisions that may impact Autodesk, including the adjusted book minimum tax and excise tax on stock buybacks. We are assessing these impacts on our condensed consolidated financial statements.

Increasingly, tax authorities are reviewing existing corporate tax regulatory and legal regimes. Many countries in the European Union as well as other countries and organizations such as the Organization for Economic Cooperation and Development are actively considering new taxing regimes and changes to existing tax laws. If U.S. or foreign tax authorities change applicable tax laws or successfully challenge how or where our profits are currently recognized, our overall taxes could increase, and our business, financial condition, or results of operations may be adversely impacted.

If we were required to record an impairment charge related to the value of our long-lived assets or an additional valuation allowance against our deferred tax assets, our results of operations would be adversely affected.

Our long-lived assets are tested for impairment if indicators of impairment exist. If impairment testing shows that the carrying value of our long-lived assets exceeds their estimated fair values, we would be required to record a non-cash impairment charge, which would decrease the carrying value of our long-lived assets, adversely affecting our results of operations. Our deferred tax assets include net operating loss, amortizable tax assets, and tax credit carryforwards that can be used to offset taxable income and reduce income taxes payable in future periods. Each quarter, we assess the need for a valuation allowance, considering both positive and negative evidence to determine whether all or a portion of the deferred tax assets are more likely than not to be realized. We continue to have a full valuation allowance against certain U.S. and foreign deferred tax assets. Changes in the amount of the U.S. and foreign jurisdictions valuation allowance could also result in a material non-cash expense or benefit in the period in which the valuation allowance is adjusted, and our results of operations could be materially affected. We will continue to perform these tests on our worldwide deferred tax assets, and any future adjustments to the realizability of our deferred tax assets may have a material effect on our financial condition and results of operations.

General Risk Factors

Our business may be significantly disrupted upon the occurrence of a catastrophic event.

Our business is highly automated and relies extensively on the availability of our network and data center infrastructure, our internal technology systems, and our websites. We also rely on hosted computer services from third parties for services that we provide to our customers and computer operations for our internal use. The failure of our systems or hosted computer services due to a catastrophic event, such as an earthquake, fire, flood, tsunami, weather event, telecommunications failure, power failure, cyber attack, terrorism or war (including the significant military action against Ukraine launched by Russia and any related political or economic responses and counter-responses or otherwise by various global actors or the general effect on the global economy), or business interruption from epidemics or pandemics, or the fear of such events, could adversely impact our business, financial results, and financial condition. For example, our corporate headquarters and executive offices are located near major seismic faults in the San Francisco Bay Area and face annual periods of wildfire danger, which increase the probability of power outages and may impact employees' abilities to commute to work or to work from home. We have developed disaster recovery plans and maintain backup systems in order to reduce the potential impact of a catastrophic event; however, there can be no assurance that these plans and systems would enable us to return to normal business operations. In addition, any such event could negatively impact a country or region in which we sell our products. This could in turn decrease that country's or region's demand for our products, negatively impacting our financial results.

We are subject to legal proceedings and regulatory inquiries, and we may be named in additional legal proceedings or become involved in regulatory inquiries in the future, all of which are costly, distracting to our core business, and could result in an unfavorable outcome or a material adverse effect on our business, financial condition, results of operations, cash flows, or the trading prices for our securities.

We are involved in legal proceedings and receive inquiries from regulatory agencies. As the global economy has changed and our business has evolved, we have seen an increase in litigation activity and regulatory inquiries. Like many other technology companies, the number and frequency of inquiries from U.S. and foreign regulatory agencies we have received regarding our business and our business practices, as well as the business practices of others in our industry, have increased in recent years. In the event we are involved in significant disputes or are the subject of a formal action by a regulatory agency, we could be exposed to costly and time-consuming legal proceedings that could result in any number of outcomes. Any claims or regulatory actions initiated by or against us, whether successful or not, could result in high defense costs, damage awards, injunctive relief, increased costs of business, fines or orders to change certain business practices, significant dedication of management time, diversion of operational resources, or otherwise harm our business. In any such event, our financial results, results of operations, cash flows, or trading prices for our securities could be negatively impacted.

Changes in existing financial accounting standards or practices, or taxation rules or practices may adversely affect our results of operations.

Changes in existing accounting or taxation rules or practices, new accounting pronouncements or taxation rules, or varying interpretations of current accounting pronouncements or taxation practices could have a significant adverse effect on our results of operations or the way we conduct our business. Further, such changes could potentially affect our reporting of transactions completed before such changes are effective.

We are required to evaluate our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002 and any adverse results from such evaluation could result in a loss of investor confidence in our financial reports and have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, we are required to furnish a report by our management on our internal control over financial reporting, including an assessment of the effectiveness of our internal control over financial reporting as of the end of our fiscal year. This assessment must include a statement as to whether or not our internal control over financial reporting is effective and disclosure of any material weaknesses in our internal control over financial reporting identified by management. If our management or independent registered public accounting firm identifies one or more material weaknesses in our internal control over financial reporting, we are unable to assert that our internal control over financial reporting is effective, or our independent registered public accounting firm is unable to express an opinion that our internal controls are effective, investors could lose confidence in the accuracy and completeness of our financial reports, which could have an adverse effect on our business and stock price.

In preparing our financial statements we make certain assumptions, judgments, and estimates that affect amounts reported in our consolidated financial statements which, if not accurate, may significantly impact our financial results.

We make assumptions, judgments, and estimates for a number of items, including revenue recognition for product subscriptions and enterprise business arrangements (“EBAs”), the determination of the fair value of acquired assets and liabilities, goodwill, financial instruments including strategic investments, long-lived assets, and intangible assets, the realizability of deferred tax assets, and the fair value of stock awards. We also make assumptions, judgments, and estimates in determining the accruals for uncertain tax positions, variable compensation, partner incentive programs, product returns reserves, allowances for credit losses, asset retirement obligations, legal contingencies, and operating lease liabilities. These assumptions, judgments, and estimates are drawn from historical experience and various other factors that we believe are reasonable under the circumstances as of the date of the consolidated financial statements. Actual results could differ materially from our estimates, and such differences could significantly impact our financial results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no sales of unregistered securities during the three months ended October 31, 2022.

The information concerning issuer purchases of equity securities required by this Item is incorporated by reference herein to the section of this Report entitled "Issuer Purchases of Equity Securities" in Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," above.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

The Exhibits listed below are filed or incorporated by reference as part of this Form 10-Q.

| <u>Exhibit No.</u> | Description |
|--------------------|---|
| 10.1 | Amendment No. 1 to the Credit Agreement, dated November 21, 2022, by and among the Registrant, the lenders party thereto and Citibank, N.A., as administrative agent |
| 31.1 | Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 |
| 31.2 | Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 |
| 32.1 † | Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101.INS †† | Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document |
| 101.SCH †† | Inline XBRL Taxonomy Extension Schema |
| 101.CAL †† | Inline XBRL Taxonomy Extension Calculation Linkbase |
| 101.DEF †† | Inline XBRL Taxonomy Definition Linkbase |
| 101.LAB †† | Inline XBRL Taxonomy Extension Label Linkbase |
| 101.PRE †† | Inline XBRL Taxonomy Extension Presentation Linkbase |
| 104 †† | Cover Page Interactive Data File - the cover page interactive data is embedded within the Inline XBRL document or included within the Exhibit 101 attachments |

* Denotes a management contract or compensatory plan or arrangement.

† The certifications attached as Exhibit 32 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Autodesk, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Form 10-Q, irrespective of any general incorporation language contained in such filing.

†† The financial information contained in these XBRL documents is unaudited.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: December 6, 2022

AUTODESK, INC.
(Registrant)

/s/ STEPHEN W. HOPE

Stephen W. Hope
Vice President and Chief Accounting Officer
(Principal Accounting Officer)

AMENDMENT NO. 1 TO THE
CREDIT AGREEMENT

Dated as of November 21, 2022

AMENDMENT NO. 1 TO THE CREDIT AGREEMENT (this "Amendment") among Autodesk Inc., a Delaware corporation (the "Borrower"), each financial institution whose name is set forth on the signature pages hereof as a Lender and Citibank, N.A. ("Citibank"), as administrative agent (in such capacity, the "Agent").

PRELIMINARY STATEMENTS:

(1) The Borrower, the Lenders and the Agent have entered into that certain Amended and Restated Credit Agreement, dated as of September 30, 2021 (the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) The Borrower has requested certain amendments to the Credit Agreement and Exhibit B thereto, and the parties hereto agree to such amendments as set forth in, and in accordance with the terms and conditions of, this Amendment (the Credit Agreement as so amended, the "Amended Credit Agreement").

SECTION 1. Amendments to Credit Agreement. As of the Amendment Effective Date (as defined below), subject to the satisfaction of the conditions precedent set forth in Section 2 below, the Lenders and the Borrower hereby agree to amend the Credit Agreement and Exhibit B thereto to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Amended Credit Agreement attached as Annex A hereto.

SECTION 2. Conditions of Effectiveness. This Amendment shall become effective on and as of the date (the "Amendment Effective Date") on which each of the following conditions precedent shall have been satisfied or waived:

(a) The Agent shall have received counterparts of this Amendment executed by the Borrower, the Agent and all of the Lenders; and

(b) On the Amendment Effective Date, the following statements shall be true and correct and the Agent shall have received a certificate signed by a duly authorized officer of the Borrower, dated the Amendment Effective Date, stating that:

(i) the representations and warranties contained in Section 4.01 of the Amended Credit Agreement (except the representations and warranties set forth in subsections (e)(ii) and (f)(i) thereof) are correct in all material respects on and as of such date, immediately before and immediately after giving effect to this Amendment, as though made on and as of the date hereof (except (x) to the extent such representations and warranties specifically relate to an earlier date, in which

case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date and (y) such representations and warranties that are qualified by materiality or Material Adverse Effect in the text thereof shall be true and correct in all respects), and

(ii) no event has occurred and is continuing that constitutes a Default.

SECTION 3. Reference to and Effect on the Loan Documents. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof” or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to “the Credit Agreement”, “thereunder”, “thereof” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Amended Credit Agreement.

(b) The Credit Agreement, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement or any other Loan Document, nor constitute a waiver of any provision of the Credit Agreement or any other Loan Document.

(d) This Amendment is subject to the provisions of Section 8.01 of the Amended Credit Agreement.

SECTION 4. Costs and Expenses. The Borrower agrees to pay on demand, and upon presentation of a statement of account therefor, all reasonable and documented out-of-pocket costs and expenses of the Agent in connection with the preparation, execution and delivery of this Amendment (including, without limitation, the reasonable fees and expenses of Shearman & Sterling LLP) in accordance with the terms of Section 8.04(a) of the Amended Credit Agreement.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by telecopier or other electronic transmission (including a .pdf e-mail transmission) shall be effective as delivery of a manually executed counterpart of this Amendment.


SECTION 6. Governing Law. This amendment shall be governed by, and shall be construed in accordance with, the laws of the State of New York.

[REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE BORROWER:

AUTODESK, INC.

By: 
Name: _____
Title:

CITIBANK, N.A., as Administrative Agent

By: _____
Name:
Title:

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

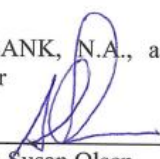
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE BORROWER:

AUTODESK, INC.

By: _____
Name:
Title:

CITIBANK, N.A., as Administrative Agent and Lender

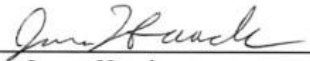
By:  _____
Name: Susan Olsen
Title: Vice President

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

SIGNATURE PAGE

Consent to amend the Credit Agreement as provided in the forgoing Amendment:

BANK OF AMERICA, N.A.

By: 

Name: James Haack

Title: Director

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

SIGNATURE PAGE


Consent to amend the Credit Agreement as provided in the forgoing Amendment:

BNP PARIBAS:

By:  _____

Name: George Ko

Title: Director

By:  _____

Name: My-Linh Yoshiike

Title: Vice President

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

Classification : Internal

SIGNATURE PAGE

Consent to amend the Credit Agreement as provided in the forgoing Amendment:

MORGAN STANLEY BANK N.A.:

DocuSigned by:
By: Fru Ngwa
Name: Fru Ngwa
Title: Authorized Signatory

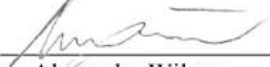
By: _____
Name:
Title:

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

SIGNATURE PAGE

Consent to amend the Credit Agreement as provided in the forgoing Amendment:

U.S. BANK NATIONAL ASSOCIATION

By:  _____

Name: Alexander Wilson

Title: Assistant Vice President

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

SIGNATURE PAGE

Consent to amend the Credit Agreement as provided in the forgoing Amendment:

JPMORGAN CHASE BANK, N.A.:

By:  _____
Name: Zachary Quan
Title: Vice President

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

SIGNATURE PAGE

Consent to amend the Credit Agreement as provided in the forgoing Amendment:

MUFG Bank, Ltd.:

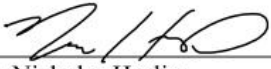
By: *Lillian Kim*
Name: Lillian Kim
Title: Director

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

SIGNATURE PAGE

Consent to amend the Credit Agreement as provided in the forgoing Amendment:

Royal Bank of Canada:

By: 
Name: Nicholas Heslip
Title: Authorized Signatory

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

SIGNATURE PAGE

Consent to amend the Credit Agreement as provided in the forgoing Amendment:

WELLS FARGO BANK, NATIONAL ASSOCIATION:

By: Spencer Ferry
Name: Spencer Ferry
Title: Director

[Signature Page to Amendment No. 1 to Autodesk Credit Agreement]

–
U.S. \$1,500,000,000

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of September 30, 2021

Among

AUTODESK, INC.

as Borrower

and

THE LENDERS PARTY HERETO

as Lenders

and

CITIBANK, N.A.

as Administrative Agent

and

BNP ~~BARIBAS~~PARIBAS

as Sustainability Structuring Agent

–
**CITIBANK, N.A.,
BOFA SECURITIES, INC.,
BNP PARIBAS SECURITIES CORP.,
MORGAN STANLEY SENIOR FUNDING, INC., and
U.S. BANK, NATIONAL ASSOCIATION**

as Joint Lead Arrangers and Joint Bookrunners

and

**CITIBANK, N.A.,
BANK OF AMERICA, N.A.,
BNP PARIBAS,
MORGAN STANLEY SENIOR FUNDING, INC., and
U.S. BANK, NATIONAL ASSOCIATION**

as Syndication Agents

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AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of September 30, 2021

AUTODESK, INC., a Delaware corporation (the “Borrower”), the lenders from time to time party hereto, and CITIBANK, N.A. (“Citibank”), as administrative agent (the “Agent”) for the Lenders (as hereinafter defined), agree as follows:

PRELIMINARY STATEMENT. The Borrower, the lenders parties thereto and Citibank, as administrative agent, are parties to an Amended and Restated Credit Agreement dated as of December 17, 2018 (as amended or otherwise modified from time to time prior to the date hereof, the “Existing Credit Agreement”). Subject to the satisfaction of the conditions set forth in Section 3.01, the Borrower, the parties hereto and Citibank, as Agent, desire to further amend and restate the Existing Credit Agreement as herein set forth.

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01 Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“Adjusted Term SOFR” means, for the purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that, if Adjusted Term SOFR as so determined would be less than the Floor, such rate will be deemed to be the Floor for the purposes of this Agreement.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Agent.

“Advance” means an advance by a Lender to the Borrower as part of a Borrowing and refers to a Base Rate Advance or a Eurodollar-RateSOFR Advance (each of which shall be a “Type” of Advance).

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person. For purposes of this definition, the term “control” (including the terms “controlling”, “controlled by” and “under common control with”) of a Person means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

“Agent’s Account” means the account of the Agent maintained by the Agent at Citibank at its office at One Penns Way, OPS 2/2, New Castle, Delaware 19720, Account No. 36852248, Attention: Bank Loan Syndications.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery, money laundering or corruption.

“Applicable Lending Office” means, with respect to ~~each Lender, such Lender’s Domestic Lending Office in the case of a Base Rate Advance and such Lender’s Eurodollar Lending Office in the case of a Eurodollar Rate Advance~~, any Lender, the office of such Lender specified as its “Lending Office” in its Administrative Questionnaire delivered to the Agent, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Agent.

“Applicable Margin” means, as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

| Public Debt Rating S&P/Moody’s/Fitch | Applicable Margin for Eurodollar Rate SOFR Advances | Applicable Margin for Base Rate Advances |
|---|--|---|
| Level 1 A- / A3 / A- or above | 0.785% | 0.000% |
| Level 2 BBB+ / Baa1 / BBB+ | 0.900 0.900% | 0.000% |
| Level 3 BBB / Baa2 / BBB | 1.000% | 0.000% |
| Level 4 BBB- / Baa3 / BBB- | 1.075% | 0.075% |
| Level 5 Lower than Level 4 | 1.375% | 0.375% |

It is hereby understood and agreed that the Applicable Margin with respect to any Advances payable hereunder shall be adjusted from time to time based upon the Sustainability Margin Adjustment (to be calculated and applied as set forth in Section 2.21).

“Applicable Percentage” means, as of any date, a percentage per annum determined by reference to the Public Debt Rating in effect on such date as set forth below:

| Public Debt Rating S&P/Moody’s/Fitch | Applicable Percentage |
|---|--------------------------|
| Level 1 A- / A3 / A- or above | 0.090% |
| Level 2 BBB+ / Baa1 / BBB+ | 0.100% |
| Level 3 BBB / Baa2 / BBB | 0.125% |
| Level 4 BBB- / Baa3 / BBB- | 0.175% |
| Level 5 Lower than Level 4 | 0.250% |

It is hereby understood and agreed that the Applicable Percentage with respect to any Facility Fee payable hereunder shall be adjusted from time to time based upon the Sustainability Fee Adjustment (to be calculated and applied as set forth in Section 2.21).

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means Citibank, BofA Securities, Inc., BNP Paribas Securities Corp., Morgan Stanley Senior Funding, Inc. and U.S. Bank, National Association.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 8.07(b)(iii)), and accepted by the Agent, in substantially the form of Exhibit C hereto.

“Assuming Lender” has the meaning specified in Section 2.17(c).

“Assumption Agreement” has the meaning specified in Section 2.17(c)(ii).

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if ~~the then-current~~ such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an ~~Interest Period~~ interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, ~~as applicable, (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark~~ pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.22(d).

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Base Rate” means a fluctuating interest rate per annum in effect from time to time, which rate per annum shall at all times be equal to the highest of:

- (a) the rate of interest announced publicly by Citibank in New York, New York, from time to time, as Citibank’s base rate;
- (b) ½ of one percent per annum above the Federal Funds Rate; and

(c) ~~LIBOR for a period of one month (“One Month LIBOR”) plus 1.00% (for the avoidance of doubt, One Month LIBOR for any day shall be based on the Screen Rate at approximately 11:00 a.m. London time on such day); provided, that if One Month LIBOR shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.~~ Adjusted Term SOFR for a one-month tenor in effect on such day plus 1.00%.

“Base Rate Advance” means an Advance that bears interest as provided in Section 2.06(a)(i).

“Benchmark” means, initially, ~~LIBOR~~the Term SOFR Reference Rate; provided that if a ~~replacement of the Benchmark~~ Transition Event has occurred ~~pursuant to Section 2.22 with respect to the Term SOFR Reference Rate or the then-current Benchmark~~, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. ~~Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof pursuant to Section 2.22(a).~~

“Benchmark Replacement” means, for any Available Tenor:

(a) ~~for purposes of clause (a) of Section 2.22, the first alternative set forth below that can be determined by the Agent:~~

(1) ~~the sum of: (i) Term SOFR and (ii) 0.11448% (11.448 basis points) for an Available Tenor of one month’s duration, 0.26161% (26.161 basis points) for an Available Tenor of three months’ duration, 0.42826% (42.826 basis points) for an Available Tenor of six months’ duration and 0.71513% (71.513 basis points) for an Available Tenor of twelve months’ duration; provided, that if any Available Tenor of LIBOR does not correspond to an Available Tenor of Term SOFR, the Benchmark Replacement for such Available Tenor of LIBOR shall be the closest corresponding Available Tenor (based on tenor) for Term SOFR and if such Available Tenor of LIBOR corresponds equally to two Available Tenors of Term SOFR, the corresponding tenor of Term SOFR with the shorter duration shall be applied, or~~

(2) ~~the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of LIBOR with a SOFR based rate having approximately the same length as the interest payment period specified in clause (a) of Section 2.22 (which spread adjustment, for the avoidance of doubt, shall be 0.11448% (11.448 basis points); and~~

(b) ~~for purposes of clause (b) of Section 2.22~~“Benchmark Replacement” means, with respect to any Benchmark Transition Event, the sum of: (a) the alternate benchmark rate and (b) ~~an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Agent and the Borrower as the replacement for such Available Tenor of such Benchmark~~ giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for determining a benchmark rate as a replacement to

the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, if the such Benchmark Replacement as so determined pursuant to clause (a) or (b) above would be less than the Floor, the such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement ~~Conforming Changes~~ Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of “Benchmark Replacement”, the formula, methodology or convention for applying the successor Floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Agent decides in its reasonable discretion and in consultation with the Borrower may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent reasonably determines that adoption of any portion of such market practice is not administratively feasible or if the Agent reasonably determines, in consultation with the Borrower, that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Agent determines, in its reasonable discretion and in consultation with the Borrower, is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents); the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which all Available Tenors of such Benchmark (or the published component used in the calculation thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such

clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

~~“Benchmark Transition Event” means, with respect to any then-current Benchmark other than LIBOR, the occurrence of (b) a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored; (or such component thereof); or~~

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Start Date” means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of

information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“Benchmark Unavailability Period” means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.22 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.22.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Borrower Information” has the meaning specified in Section 8.08.

“Borrowing” means a borrowing consisting of simultaneous Advances of the same Type made by the Lenders pursuant to Section 2.01.

“Business Day” means a day of the year on which banks are not required or authorized by law to close in New York City ~~and, if the applicable Business Day relates to any Eurodollar Rate Advances, on which dealings are carried on in the London interbank market.~~

“Commitment” means as to any Lender (a) the U.S. dollar amount set forth opposite such Lender’s name on Schedule I hereto as such Lender’s “Commitment”, (b) if such Lender has become a Lender hereunder pursuant to an Assumption Agreement, the amount set forth in such Assumption Agreement or (c) if such Lender has entered into an Assignment and Assumption, the amount set forth for such Lender in the Register maintained by the Agent pursuant to Section 8.07(c), in each case as such amount may be reduced pursuant to Section 2.04, or increased pursuant to Section 2.17 or increased or decreased pursuant to an Assignment and Assumption.

“Commitment Date” has the meaning specified in Section 2.17(b).

“Commitment Increase” has the meaning specified in Section 2.17(a).

“Conforming Changes” means, with respect to either the use or administration of Adjusted Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “U.S. Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Agent, in consultation with the Borrower, reasonably decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent, in consultation with the Borrower, reasonably decides that adoption of any portion of such market practice is not administratively feasible or if the Agent, in consultation with the Borrower, reasonably determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Agent, in consultation with the Borrower, decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Consolidated” refers to the consolidation of accounts in accordance with GAAP.

“Consolidated Covenant Debt” means Debt of the types described in clauses (a), (c) and (e) of the definition thereof.

“Consolidated EBITDA” means, for any period, net income (or net loss) plus, to the extent deducted in determining such net income (or net loss), the sum (without duplication) of (a) interest expense, (b) income tax expense, (c) depreciation expense, (d) amortization expense, (e) any increases in deferred or unearned revenue or substantially equivalent items (net of any increases in deferred costs (which deferred costs, for avoidance of doubt, do not include deferred commissions, capitalized costs to acquire revenue contracts or substantially equivalent items), (f) all unusual and non-recurring expenses, (g) in connection with any acquisition, all non-recurring restructuring costs, facilities relocation costs, acquisition integration costs and fees, including cash severance payments, and non-recurring fees and expenses, in each case paid during such period in connection with such acquisition and within twelve (12) months of the completion of such acquisition; provided that the amount added back to net income (or net loss) pursuant to this clause (g) in respect of any such costs, fees, payments and expenses paid in cash in connection with all such acquisitions shall not exceed 10% of Consolidated EBITDA (calculated before giving effect to this clause (g) in the aggregate for any period of four fiscal quarters of the Borrower) and (h) non-cash expenses, charges and losses including, without limitation, restructuring expenses, goodwill, fixed asset and other intangibles impairment, acquisition integration costs, facilities relocation costs and charges and expenses related to the issuance of options and other equity based compensation to directors, employees and consultants, and minus, to the extent included in determining such net income (or net loss), the sum of (x) unusual and non-recurring gains and (y) any decreases in deferred or unearned revenue or substantially equivalent items (net of any decreases in deferred costs (which deferred costs, for avoidance of doubt, do not include deferred commissions, capitalized costs to acquire revenue contracts or substantially equivalent items); in each case determined on a Consolidated basis for the Borrower and its Subsidiaries in accordance with GAAP.

“Consolidated Tangible Assets” means, as of any date of determination, for the Borrower and its Subsidiaries (determined in each case on a Consolidated basis):

(a) the book value of total assets of the Borrower and its Subsidiaries, minus

(b) the book value of all property that should be classified as intangibles (without duplication of deductions in respect of items already deducted in arriving at total assets), including goodwill, minority interests, research and development costs, trademarks, trade names, copyrights, patents and franchises.

“Convert”, “Conversion” and “Converted” each refers to a conversion of Advances of one Type into Advances of the other Type pursuant to Section 2.07 or 2.08.

~~“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Agent decides that any such convention is not administratively feasible for the Agent, then the Agent may establish another convention in its reasonable discretion.~~

“Debt” of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or

services (other than accounts payable incurred in the ordinary course of such Person's business, and earn-outs and contractual indemnity obligations in connection with acquisitions), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all obligations of such Person as lessee under leases that have been or should be, in accordance with GAAP as in effect on December 17, 2018, recorded as capital leases, (f) all obligations, contingent or otherwise, of such Person in respect of bankers acceptances, letters of credit or similar extensions of credit, (g) all net obligations of such Person in respect of Hedge Agreements (determined as of any date as the amount such Person would be required to pay to its counterparty in accordance with the terms thereof as if terminated on such date of determination, after giving effect to any netting arrangement relating to such Hedge Agreement), (h) all Debt of others referred to in clauses (a) through (g) above or clause (i) below (collectively, "Guaranteed Debt") guaranteed directly or indirectly in any manner by such Person, or in effect guaranteed directly or indirectly by such Person through an agreement (1) to pay or purchase such Guaranteed Debt or to advance or supply funds for the payment or purchase of such Guaranteed Debt, (2) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Guaranteed Debt or to assure the holder of such Guaranteed Debt against loss, (3) to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether such property is received or such services are rendered) or (4) otherwise to assure a creditor against loss, and (i) all Debt of others referred to in clauses (a) through (h) above (including Guaranteed Debt) secured by any Lien on property (including, without limitation, accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt.

The amount of Debt of any Person for purposes of clause (i) above shall (unless such Debt has been assumed by such Person) be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Debt and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith. The amount of any Guaranteed Debt shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

"Default" means any Event of Default or any event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

"Defaulting Lender" means at any time, subject to Section 2.18(c), (i) any Lender that has failed for three or more Business Days to comply with its obligations under this Agreement to make an Advance or make any other payment due hereunder (each, a "funding obligation"), unless such Lender has notified the Agent and the Borrower in writing that such failure is the result of such Lender's good faith determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing), (ii) any Lender that has notified the Agent or the Borrower in writing, or has stated publicly, that it does not intend to comply with its funding obligations hereunder, unless such writing or statement states that such position is based on such Lender's good faith determination that one or more conditions precedent to funding cannot be satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing or public statement), (iii) any Lender that has defaulted on its funding obligations under other loan agreements or credit agreements generally under which it

has commitments to extend credit or that has notified, or whose Parent Company has notified, the Agent or the Borrower in writing, or has stated publicly, that it does not intend to comply with its funding obligations under loan agreements or credit agreements generally, (iv) any Lender that has, for three or more Business Days after written request of the Agent or the Borrower, failed to confirm in writing to the Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender will cease to be a Defaulting Lender pursuant to this clause (iv) upon the Agent's and the Borrower's receipt of such written confirmation), or (v) any Lender with respect to which, or with respect to the Parent Company of which, a Lender Insolvency Event has occurred and is continuing; provided that a Lender Insolvency Event shall not be deemed to occur with respect to a Lender or its Parent Company solely as a result of the acquisition or maintenance of an ownership interest in such Lender or Parent Company by a governmental authority or instrumentality thereof where such action does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such governmental authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any of clauses (i) through (v) above will be conclusive and binding absent manifest error, and such Lender will be deemed to be a Defaulting Lender (subject to Section 2.18(c)) upon notification of such determination by the Agent to the Borrower and the Lenders.

~~“Domestic Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Domestic Lending Office” in its Administrative Questionnaire delivered to the Agent, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Agent.~~

~~“Early Opt-in Effective Date” means, with respect to any Early Opt-in Election or Other Rate Early Opt-in, the sixth (6th) Business Day after the date notice of such Early Opt-in Election or Other Rate Early Opt-in is provided to the Lenders, so long as the Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election or Other Rate Early Opt-in is provided to the Lenders, written notice of objection to such Early Opt-in Election or Other Rate Early Opt-in from Lenders comprising the Required Lenders.~~

~~“Early Opt-in Election” means the occurrence of the following:~~

~~(a) a notification by the Agent to (or the request by the Borrower to the Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and~~

~~(b) the joint election by the Agent and the Borrower to trigger a fallback from LIBOR and the provision by the Agent of written notice of such election to the Lenders.~~

~~“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of a Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in~~

an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“Effective Date” has the meaning specified in Section 3.01.

“Eligible Assignee” means (i) a Lender; (ii) an Affiliate of a Lender; (iii) an Approved Fund and (iv) any other Person approved by the Agent and, unless an Event of Default under Section 6.01(a) or Section 6.01(e) has occurred and is continuing at the time any assignment is effected in accordance with Section 8.07, the Borrower, such approval not to be unreasonably withheld or delayed; provided, however, that neither the Borrower nor an Affiliate of the Borrower shall qualify as an Eligible Assignee.

“Environmental Action” means any action, suit, demand, demand letter, claim, notice of non-compliance or violation, notice of liability or potential liability, investigation, proceeding, consent order or consent agreement arising out of any Environmental Law, Environmental Permit or Hazardous Materials, including as arising from alleged injury or threat of injury to any Person or the environment, including, without limitation, (a) by any governmental or regulatory authority for enforcement, cleanup, removal, response, remedial or other actions or damages and (b) by any governmental or regulatory authority or any third party for damages, contribution, indemnification, cost recovery, compensation or injunctive relief.

“Environmental Law” means any federal, state, local or foreign statute, law, ordinance, rule, regulation, code, order, judgment, decree or judicial or agency interpretation, policy or guidance relating to pollution or protection of the environment, exposure to Hazardous Materials, worker safety or natural resources, including, without limitation, those relating to the use, handling, transportation, treatment, storage, disposal, release or discharge of Hazardous Materials.

“Environmental Permit” means any permit, approval, identification number, license or other authorization required under any Environmental Law.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

“ERISA Affiliate” means any Person that for purposes of Title IV of ERISA is a member of the Borrower’s controlled group, or under common control with the Borrower, within the meaning of Section 414 of the Internal Revenue Code.

“ERISA Event” means (a) (i) the occurrence of a reportable event, within the meaning of Section 4043(a) of ERISA, with respect to any Plan unless the 30-day notice requirement with respect to such event has been waived by the PBGC, or (ii) the requirements of Section 4043(b) of ERISA are met with respect to the Borrower or an ERISA Affiliate that is a contributing sponsor, as defined in Section 4001(a)(13) of ERISA, of a Plan, and such event is described in paragraph (9), (10), (11), (12) or (13) of Section 4043(c) of ERISA is reasonably expected to occur with respect to such Plan within the following 30 days; (b) the application for a minimum funding waiver with respect to a Plan; (c) the provision by the administrator of any Plan of a notice of intent to terminate such Plan pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (d) the cessation of operations at a facility of the Borrower or any ERISA Affiliate in the circumstances

described in Section 4062(e) of ERISA; (e) the withdrawal by the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (f) the conditions for the imposition of a lien under Section 303(k) of ERISA shall have been met with respect to any Plan; (g) the adoption of an amendment to a Plan requiring the provision of security to such Plan pursuant to Section 206(g) of ERISA; or (h) the institution by the PBGC of proceedings to terminate a Plan pursuant to Section 4042 of ERISA, or the occurrence of any event or condition described in Section 4042 of ERISA that constitutes grounds for the termination of, or the appointment of a trustee to administer, a Plan.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Eurocurrency Liabilities” has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

“Eurodollar Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Eurodollar Lending Office” in its Administrative Questionnaire delivered to the Agent, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Agent.

“Eurodollar Rate” means, subject to Section 2.22, for any Interest Period for each Eurodollar Rate Advance comprising part of the same Borrowing, an interest rate per annum equal to the rate per annum obtained by dividing (a) the London interbank offered rate as administered by the ICE Benchmark Administration (or any other Person that takes over the administration of such rate) (“LIBOR”) for U.S. dollars for a period equal in length to such Interest Period as displayed on the applicable Bloomberg screen page (or, in the event such rate does not appear on a Bloomberg page or screen, on the appropriate page of such other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion; in each case, the “Screen Rate”) at approximately 11:00 A.M. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period or, if for any reason such rate is not available for the applicable Interest Period but is available for periods that are shorter than and longer than such Interest Period, the rate per annum that results from interpolating on a linear basis between the rate for the longest available period that is shorter than such Interest Period and the shortest available period that is longer than such Interest Period with respect to such Eurodollar Rate Advance, then the Eurodollar Rate shall be such interpolated screen rate (the “Interpolated Rate”), by (b) a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage for such Interest Period; provided that if any of the Screen Rate or the Interpolated Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Eurodollar Rate Advance” means an Advance that bears interest as provided in Section 2.06(a)(ii).

“Eurodollar Rate Reserve Percentage” for any Interest Period for all Eurodollar Rate Advances comprising part of the same Borrowing means the reserve percentage applicable two Business Days before the first day of such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York City with respect to liabilities or assets consisting of or including Eurocurrency Liabilities (or with respect to any other category of liabilities that includes deposits by reference to which

~~the interest rate on Eurodollar Rate Advances is determined) having a term equal to such Interest Period.~~

“Events of Default” has the meaning specified in Section 6.01.

“Facility Fee” has the meaning specified in Section 2.03(a).

“FATCA” means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code, any published intergovernmental agreement entered into in connection with the implementation of such Sections of the Internal Revenue Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such published intergovernmental agreements.

“Federal Funds Rate” means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by the Agent from three Federal funds brokers of recognized standing selected by it.

“Fee Letter” means the letter agreement dated September 14, 2021, addressed to the Borrower from the Agent and Citigroup Global Markets Inc.

“Fitch” means Fitch, Inc. and any successor thereto.

“Floor” means ~~the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to LIBOR~~ a rate of interest equal to 0.0%.

“Fund” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“GAAP” has the meaning specified in Section 1.03.

“GHG Baseline” means the Borrower’s and its Subsidiaries’ absolute GHG Emissions for the 2020 fiscal year; provided that if the Borrower or any of its Subsidiaries consummates any GHG Impacting Transaction or Adjustment, then promptly after the consummation of such GHG Impacting Transaction, and in any event prior to the commencement of the next fiscal year thereafter, the GHG Baseline shall be recalculated by the Borrower in accordance with the guidance set forth in the GHG Protocol and the resulting amount of absolute GHG Emissions from such recalculation shall be applied as the GHG Baseline for each subsequent fiscal year thereafter.

“GHG Emissions” means, with respect to any fiscal year of the Borrower, (a) the Scope 1 (direct) and Scope 2 (energy indirect, market-based) greenhouse gas emissions from the global operations of the Borrower and its Subsidiaries during such fiscal year, reported in metric tons of carbon dioxide equivalent (tCO₂e) (determined and calculated according to the GHG Protocol), minus (without duplication to the extent already subtracted in calculating the foregoing clause

(a) (b) qualified emissions reduction instruments (such as energy attribute certificates, renewable energy certificates (RECs) and renewable natural gas certificates) of the Borrower and its Subsidiaries during such fiscal year (determined and calculated according to the GHG Protocol).

“GHG Emissions Facility Fee Adjustment Amount” means, with respect to any fiscal year, (i) positive 0.5 bps if the GHG Emissions Reduction for such fiscal year as set forth in the applicable KPI Metrics Report is less than the GHG Emissions Reduction Threshold for such fiscal year, (ii) 0.0 bps if the GHG Emissions Reduction for such fiscal year as set forth in the applicable KPI Metrics Report is greater than or equal to the GHG Emissions Reduction Threshold for such fiscal year but less than the GHG Emissions Reduction Target for such fiscal year, or (iii) negative 0.5 bps if the GHG Emissions Reduction for such fiscal year as set forth in the applicable KPI Metrics Report is greater than or equal to the GHG Emissions Reduction Target for such fiscal year.

“GHG Emissions Margin Adjustment Amount” means, with respect to any fiscal year, (i) positive 2.0 bps if the GHG Emissions Reduction for such fiscal year as set forth in the applicable KPI Metrics Report is less than the GHG Emissions Reduction Threshold for such fiscal year, (ii) 0.0 bps if the GHG Emissions Reduction for such fiscal year as set forth in the applicable KPI Metrics Report is greater than or equal to the GHG Emissions Reduction Threshold for such fiscal year but less than the GHG Emissions Reduction Target for such fiscal year or (iii) negative 2.0 bps if the GHG Emissions Reduction for such fiscal year as set forth in the applicable KPI Metrics Report is greater than or equal to the GHG Emissions Reduction Target for such fiscal year.

“GHG Emissions Reduction” means, with respect to any fiscal year, beginning with the fiscal year ending January 31, 2022, the percentage reduction of the absolute GHG Emissions, as compared to the GHG Baseline.

“GHG Emissions Reduction Target” means, with respect to any fiscal year, the GHG Emissions Reduction Target measured in percentage reduction from the GHG Baseline for such fiscal year as set forth in the Sustainability Table.

“GHG Emissions Reduction Threshold” means, with respect to any fiscal year, the GHG Emissions Reduction Threshold in percentage reduction from the GHG Baseline for such fiscal year as set forth in the Sustainability Table.

“GHG Impacting Transaction or Adjustment” means, in accordance with “Base year emissions recalculation” guidance from the GHG Protocol, any acquisition, disposition, merger or similar transaction consummated by the Borrower or any of its Subsidiaries, or a GHG Emissions adjustment caused by calculation methodology changes, improvement in emission factors or data, or error corrections, whereby, as of the result of the consummation of any such transaction or GHG Emissions adjustment, the absolute GHG Emissions are increased or decreased by 5% or more as compared to the absolute GHG Emissions immediately prior to the consummation of such transaction.

“GHG Protocol” means the World Business Council for Sustainable Development and World Resources Institute’s (WRI) Greenhouse Gas Protocol a Corporate Accounting and Reporting Standard, Revised Edition, as published March 2004, together with such updates thereto that are adopted by the Borrower or its Subsidiaries from time to time.

“Hazardous Materials” means (a) petroleum and petroleum products, byproducts or breakdown products, radioactive materials, asbestos-containing materials, polychlorinated

biphenyls and radon gas and (b) any other chemicals, materials or substances designated, classified or regulated as hazardous or toxic or as a pollutant or contaminant under any Environmental Law.

“Hedge Agreements” means interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements.

“Immaterial Subsidiary” means any Subsidiary of the Borrower having assets with a book value of \$150,000,000 or less.

“Increase Date” has the meaning specified in Section 2.17(a).

“Increasing Lender” has the meaning specified in Section 2.17(b).

“Initial Lenders” means the lenders listed on the signature pages hereof.

“Interest Period” means, for each ~~Eurodollar Rate~~SOFR Advance comprising part of the same Borrowing, the period commencing on the date of such ~~Eurodollar Rate~~SOFR Advance or the date of the Conversion of any Base Rate Advance into such ~~Eurodollar Rate~~SOFR Advance and ending on the last day of the period selected by the Borrower pursuant to the provisions below and, thereafter, with respect to ~~Eurodollar Rate~~SOFR Advances, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one, three or six months ~~or one week~~ as the Borrower may, upon notice received by the Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the first day of such Interest Period, select; provided, however, that:

(a) the Borrower may not select any Interest Period that ends after the Termination Date;

(b) Interest Periods commencing on the same date for ~~Eurodollar Rate~~SOFR Advances comprising part of the same Borrowing shall be of the same duration;

(c) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided, however, that, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day; and

(d) whenever the first day of any Interest Period occurs on a day of an initial calendar month for which there is no numerically corresponding day in the calendar month that succeeds such initial calendar month by the number of months equal to the number of months in such Interest Period, such Interest Period shall end on the last Business Day of such succeeding calendar month.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended from time to time.

~~“Interpolated Rate” has the meaning specified in the definition of “Eurodollar Rate”.~~

“KPI Metrics” means, collectively, the GHG Emissions and the Women in Tech, and each a “KPI Metric”.

“KPI Metrics Auditor” means any of (i) Apex Companies LLC, (ii) an internationally recognized “big four” auditing firm, (iii) a reputable sustainability assurance provider such as DNV GL or ERM CVS, or (iv) any other firm designated by the Borrower and reasonably acceptable to the Sustainability Structuring Agent.

“KPI Metrics Report” means an annual report of the Borrower (it being understood that this annual report may take the form of the annual non-financial disclosure form for sustainability reporting prepared by the Borrower from time to time) that sets forth each KPI Metric for a specific fiscal year.

“Lender Insolvency Event” means that (i) a Lender or its Parent Company is insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors, or (ii) such Lender or its Parent Company is the subject of a Bail-In Action (as defined in Section 8.15) or the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, intervenor or sequestrator or the like has been appointed for such Lender or its Parent Company, or such Lender or its Parent Company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment.

“Lenders” means the Initial Lenders, each Assuming Lender that shall become a party hereto pursuant to Section 2.17 or Section 2.20 and each Person that shall become a party hereto pursuant to Section 8.07.

“LIBOR” has the meaning specified in the definition of “Eurodollar Rate.”

“Lien” means any lien, security interest or other charge in the nature of a security interest or encumbrance of any kind, including, without limitation, the lien or retained security title of a conditional vendor and any easement, right of way or other encumbrance on title to real property.

“Loan Documents” means, collectively, (a) this Agreement, (b) the Notes (if any) and (c) the Fee Letter.

“Loan Market Association” means the London trade association, which is the self-described authoritative voice of the syndicated loan markets in Europe, the Middle East and Africa.

“Material Acquisition” means any acquisition with an aggregate consideration greater than or equal to \$500,000,000.

“Material Adverse Change” means any material adverse change in the business, financial condition or operations of the Borrower and its Subsidiaries taken as a whole.

“Material Adverse Effect” means a material adverse effect on (a) the business, financial condition or operations of the Borrower and its Subsidiaries taken as a whole, (b) the rights and remedies of the Agent or any Lender under this Agreement or any Note or (c) the ability of the Borrower to perform its payment obligations under this Agreement or any Note.

“Moody’s” means Moody’s Investors Service, Inc.

“Multiemployer Plan” means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

“Multiple Employer Plan” means a Single Employer Plan that (a) is maintained for employees of the Borrower or any ERISA Affiliate and at least one Person other than the Borrower and the ERISA Affiliates or (b) was so maintained and in respect of which the Borrower or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

“Non-Defaulting Lender” means, at any time, a Lender that is not a Defaulting Lender.

“Non-Extending Lender” has the meaning specified in Section 2.20(b).

“Note” means a promissory note of the Borrower payable to any Lender, delivered pursuant to a request made under Section 2.15 in substantially the form of Exhibit A hereto, evidencing the aggregate indebtedness of the Borrower to such Lender that may arise from the Advances made by such Lender.

“Notice of Borrowing” has the meaning specified in Section 2.02(a).

~~“Other Rate Early Opt-in” means the occurrence of:~~

~~(a) a request by the Borrower to the Agent to notify each of the other parties hereto that, at the determination of the Borrower, at least five currently outstanding U.S. dollar-denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed), a new benchmark interest rate other than a SOFR-based rate to replace LIBOR, and~~

~~(b) the joint election by the Agent and the Borrower to trigger a fallback from LIBOR with a Benchmark Replacement other than a SOFR-based rate pursuant to Section 2.22(b) and clause (b) of the definition of “Benchmark Replacement” and the provision by the Agent of written notice of such election to the Lenders.~~

“Parent Company” means, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, or if such Lender does not have a bank holding company, then any corporation, association, partnership or other business entity owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

“Participant” has the meaning assigned to such term in Section 8.07(d).

“Participant Register” has the meaning specified in Section 8.07(d).

“Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56, signed into law October 26, 2001.

“PBGC” means the Pension Benefit Guaranty Corporation (or any successor).

“Permitted Liens” means such of the following as to which no enforcement, collection, execution, levy or foreclosure proceeding shall have been commenced: (a) Liens for taxes, assessments and governmental charges or levies to the extent not required to be paid under Section 5.01(b) hereof; (b) Liens imposed by law, such as materialmen’s, mechanics’, carriers’, workmen’s and repairmen’s Liens and other similar Liens, arising in the ordinary course of business securing obligations that are not overdue for a period of more than 60 days or for amounts that are overdue and that are being contested in good faith by appropriate proceedings so long as such reserves or other appropriate provisions, if any, as shall be required by generally accepted accounting principles shall have been made for any such contested amounts; (c) pledges, deposits and other security to secure obligations under workers’ compensation laws or similar legislation or unemployment insurance or to secure public or statutory obligations; (d) easements, rights of way and other encumbrances on title to real property that do not materially adversely affect the use of such property for its present purposes; and (e) any Liens pursuant to any Loan Document.

“Person” means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

“Plan” means a Single Employer Plan or a Multiple Employer Plan.

“Pricing Certificate” means a certificate signed by a financial officer (including any of the chief financial officer, treasurer or controller) of the Borrower (substantially in the form of Exhibit E) attaching (a) a true and correct copy of the KPI Metrics Report for the immediately preceding fiscal year and setting forth the Sustainability Margin Adjustment and the Sustainability Fee Adjustment for the period covered thereby and computations in reasonable detail in respect thereof and (b) a limited assurance (or equivalent) report of the KPI Metrics Auditor confirming that with respect to such KPI Metrics Report, the KPI Metrics Auditor finds no evidence that the KPI Metrics Report is not a fair representation of the KPI Metrics data and information (or substantially similar confirmation).

“Pricing Certificate Inaccuracy” has the meaning set forth in Section 2.21(d).

“Public Debt Rating” means, as of any date, the rating that has been most recently announced by S&P, Moody’s or Fitch, as the case may be, for any class of non-credit enhanced long-term senior unsecured debt issued by the Borrower or, if any such rating agency shall have issued more than one such rating, the lowest such rating issued by such rating agency. For purposes of the foregoing, (a) if only one of S&P, Moody’s and Fitch shall have in effect a Public Debt Rating, the Applicable Margin and the Applicable Percentage shall be determined by reference to the available rating; (b) if none of S&P, Moody’s or Fitch shall have in effect a Public Debt Rating, the Applicable Margin and the Applicable Percentage will be set in accordance with Level 5 under the definition of “Applicable Margin” or “Applicable Percentage”, as the case may be; (c) (i) if only two of S&P, Moody’s and Fitch shall have in effect a Public Debt Rating, and such ratings shall fall within different levels, the Applicable Margin and the Applicable Percentage shall be based upon the higher rating unless such ratings differ by two or more levels, in which case the applicable level will be deemed to be one level below the higher of such levels and (ii) if the Public Debt Ratings established by S&P, Moody’s and Fitch shall fall within different levels, the Applicable Margin and the Applicable Percentage shall be based upon the ratings of two of the agencies falling within the same level, unless each agency’s ratings is at a separate level, in which case the applicable level will be deemed to be the middle level; (d) if any rating established by S&P, Moody’s or Fitch shall be changed, such change shall be effective as of the date on which such change is first announced publicly by the rating agency making such

change; and (e) if S&P, Moody's or Fitch shall change the basis on which ratings are established, each reference to the Public Debt Rating announced by S&P, Moody's or Fitch, as the case may be, shall refer to the then equivalent rating by S&P, Moody's or Fitch, as the case may be.

"Register" has the meaning specified in Section 8.07(c).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"Required Lenders" means at any time Lenders owed at least a majority in interest of the then aggregate unpaid principal amount of the Advances owing to Lenders, or, if no such principal amount is then outstanding, Lenders having at least a majority in interest of the Commitments; provided that if any Lender shall be a Defaulting Lender at such time, there shall be excluded from the determination of Required Lenders at such time the Commitments of such Lender at such time.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"S&P" means S&P Global Ratings.

"Sanctioned Country" means, at any time, a region, country or territory which is, or whose government is, the subject or target of any Sanctions.

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or by the United Nations Security Council, Her Majesty's Treasury of the United Kingdom, the European Union or any European Union member state, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

"Sanctions" means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state or Her Majesty's Treasury of the United Kingdom.

"Screen Rate" has the meaning specified in the definition of "Eurodollar Rate".

"Single Employer Plan" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Borrower or any ERISA Affiliate and no Person other than the Borrower and the ERISA Affiliates or (b) was so maintained and in respect of which the Borrower or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

~~“SOFR” means a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured overnight financing rate from time to time).~~

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Advance” means an Advance that bears interest as provided in Section 2.06(a)(ii).

“Subsidiary” of any Person means any corporation, partnership, joint venture, limited liability company, trust or estate of which (or in which) more than 50% of (a) the issued and outstanding capital stock having ordinary voting power to elect a majority of the Board of Directors of such corporation (irrespective of whether at the time capital stock of any other class or classes of such corporation shall or might have voting power upon the occurrence of any contingency), (b) the interest in the capital or profits of such limited liability company, partnership or joint venture or (c) the beneficial interest in such trust or estate is at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries or by one or more of such Person’s other Subsidiaries.

“Sustainability Fee Adjustment” means, with respect to any KPI Metrics Report for any fiscal year, the number of basis points (whether positive, negative or zero) resulting from the sum of (i) the GHG Emissions Facility Fee Adjustment Amount, plus (ii) the Women in Tech Facility Fee Adjustment Amount, in each case for such fiscal year.

“Sustainability Margin Adjustment” means, with respect to any KPI Metrics Report for any fiscal year, the number of basis points (whether positive, negative or zero) resulting from the sum of (i) the GHG Emissions Margin Adjustment Amount, plus (ii) the Women in Tech Margin Adjustment Amount, in each case for such fiscal year.

“Sustainability Pricing Adjustment Date” has the meaning set forth in Section 2.21(a).

“Sustainability Structuring Agent” means BNP Paribas in its capacity as Sustainability Structuring Agent under this Agreement.

“Sustainability Table” means the table set forth in Schedule 1.01.

“Term SOFR” means,

(a) for any calculation with respect to a SOFR Advance, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR

Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to a Base Rate Advance on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “Base Rate Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate Term SOFR Determination Day.

“Term SOFR Adjustment” means a percentage equal to 0.10% per annum.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Agent in its reasonable discretion).

~~“Term SOFR” means, for the applicable corresponding tenor, Reference Rate” means the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.~~

“Termination Date” means the earlier of (a) September 30, 2026, subject to the extension thereof pursuant to Section 2.20 and (b) the date of termination in whole of the aggregate Commitments pursuant to Section 2.04 or 6.01; provided, however, that the Termination Date of any Lender that is a Non-Extending Lender to any requested extension pursuant to Section 2.20 shall be the Termination Date in effect immediately prior to the applicable extension date for all purposes of this Agreement.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any Person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“Voting Stock” means capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of such a contingency.

“Women in Tech” means, with respect to any fiscal year, beginning with the fiscal year ending January 31, 2022, the percentage of employees of the Borrower and its Subsidiaries identifying as female working in technical roles (“Tech Workforce”) as defined by the Radford categorization. The calculation of Women in Tech will exclude any employee of the Borrower or any Subsidiary of the Borrower who became an employee of the Borrower or any Subsidiary of the Borrower pursuant to a merger into or acquisition by the Borrower or any Subsidiary of the Borrower consummated after the Effective Date.

“Women in Tech Target” means, with respect to any applicable fiscal year, the Women in Tech Target measured in percentage of the Tech Workforce for such fiscal year as set forth in the Sustainability Table.

“Women in Tech Threshold” means, with respect to any applicable fiscal year, the Women in Tech Threshold in percentage of the Tech Workforce for such fiscal year as set forth in the Sustainability Table.

“Women in Tech Facility Fee Adjustment Amount” means, with respect to any applicable fiscal year, (i) positive 0.5 bps if the Women in Tech for such fiscal year as set forth in the applicable KPI Metrics Report is less than the Women in Tech Threshold for such fiscal year, (ii) 0.0 bps if the Women in Tech for such fiscal year as set forth in the applicable KPI Metrics Report is greater than or equal to the Women in Tech Threshold for such fiscal year but less than the Women in Tech Target for such fiscal year, or (iii) negative 0.5 bps if the Women in Tech for such fiscal year as set forth in the applicable KPI Metrics Report is greater than or equal to the Women in Tech Target for such fiscal year.

“Women in Tech Margin Adjustment Amount” means, with respect to any fiscal year, (i) positive 2.0 bps if the Women in Tech for such fiscal year as set forth in the applicable KPI Metrics Report is less than the Women in Tech Threshold for such fiscal year, (ii) 0.0 bps if the Women in Tech for such fiscal year as set forth in the applicable KPI Metrics Report is greater than or equal to the Women in Tech Threshold for such fiscal year but less than the Women in Tech Target for such fiscal year or (iii) negative 2.00 bps if the Women in Tech for such fiscal year as set forth in the applicable KPI Metrics Report is greater than or equal to the Women in Tech Target for such fiscal year.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In

Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02 Computation of Time Periods. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding”.

SECTION 1.03 Accounting Terms. Except as otherwise provided herein, all accounting terms not specifically defined herein shall be construed in accordance with United States of America generally accepted accounting principles as in effect in the United States of America from time to time (“GAAP”); provided that (i) if the Borrower notifies the Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in GAAP or in the application thereof on the operation of such provision (or if the Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith and (ii) for purposes of calculating and determining compliance with Section 5.02 and Section 5.03, the accounting for any lease (and whether the obligations thereunder constitute “Debt”) shall be based on GAAP as in effect prior to the adoption of Accounting Standards Codification 842 (or any similar accounting principle) such that “Debt” and “capital leases” shall specifically exclude liabilities that were considered operating lease liabilities under GAAP prior to such adoption and without giving effect to any subsequent changes in GAAP (or the required implementation of any previously promulgated changes in GAAP) relating to the treatment of a lease as an operating lease or capitalized lease.

SECTION 1.04 Terms Generally. (a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (i) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the

subsequent Person, and (ii) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

SECTION 1.05 Rates. The Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Agent may select information sources or services in its reasonable discretion to ascertain the Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II

AMOUNTS AND TERMS OF THE ADVANCES

SECTION 2.01 The Advances. Each Lender severally agrees, on the terms and conditions hereinafter set forth, to make Advances to the Borrower in U.S. dollars from time to time on any Business Day during the period from the Effective Date until the Termination Date applicable to such Lender in an aggregate principal amount not to exceed at any time outstanding such Lender's Commitment. Each Borrowing shall be in an aggregate amount of \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof and shall consist of Advances of the same Type made on the same day by the Lenders ratably according to their respective Commitments. Within the limits of each Lender's Commitment, the Borrower may borrow under this Section 2.01, prepay pursuant to Section 2.09 and reborrow under this Section 2.01.

SECTION 2.02 Making the Advances. i) Each Borrowing shall be made on notice, given not later than (x) 1:00 p.m. (New York City time) on the third U.S. Government Securities Business Day prior to the date of the proposed Borrowing in the case of a Borrowing consisting of Eurodollar RateSOFR Advances or (y) 1:00 p.m. (New York City time) on the day of the proposed Borrowing in the case of a Borrowing consisting of Base Rate Advances, by the Borrower to the Agent, which shall give to each Lender prompt notice thereof by telecopier or e-mail. Each such notice of a Borrowing (a "Notice of Borrowing") shall be in writing, sent via telecopier or e-mail in substantially the form of Exhibit B hereto, specifying therein the requested (i) date of such Borrowing, (ii) Type of Advances comprising such Borrowing, (iii) aggregate amount of such Borrowing, and (iv) in the case of a Borrowing consisting of Eurodollar RateSOFR Advances, initial Interest Period for each such Advance. Each Lender shall, before 3:00 P.M. (New York City time) on the date of such Borrowing make available for the account of its Applicable Lending Office to the Agent at the Agent's Account, in same day funds, such Lender's ratable portion of such Borrowing. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Agent will make such funds available to the Borrower either by (i)

crediting the account of the Borrower at the Agent's address referred to in Section 8.02 or (ii) wire transfer of such funds, in each case as designated by the Borrower.

(a) Anything in subsection (a) above to the contrary notwithstanding, (i) the Borrower may not select ~~Eurodollar-Rate~~SOFR Advances for any Borrowing if the aggregate amount of such Borrowing is less than \$10,000,000 or if the obligation of the Lenders to make ~~Eurodollar-Rate~~SOFR Advances shall then be suspended pursuant to Section 2.07 or 2.11 and (ii) the ~~Eurodollar-Rate~~SOFR Advances may not be outstanding as part of more than ten separate Borrowings.

(b) Each Notice of Borrowing shall be irrevocable and binding on the Borrower. In the case of any Borrowing that the related Notice of Borrowing specifies is to be comprised of ~~Eurodollar-Rate~~SOFR Advances, the Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in such Notice of Borrowing for such Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Advance to be made by such Lender as part of such Borrowing when such Advance, as a result of such failure, is not made on such date.

(c) Unless the Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Borrowing in accordance with subsection (a) of this Section 2.02 and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Advances comprising such Borrowing and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's Advance as part of such Borrowing for purposes of this Agreement and the Borrower shall not also be required to repay such amount to the Agent.

(d) The failure of any Lender to make the Advance to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Advance on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on the date of any Borrowing.

SECTION 2.03 Fees. ii) Facility Fee. The Borrower agrees to pay to the Agent for the account of each Lender a facility fee (the "Facility Fee") on the aggregate amount of such Lender's Commitment (whether used or unused) from the Effective Date in the case of each Initial Lender and from the effective date specified in the Assumption Agreement or in the Assignment and Assumption pursuant to which it became a Lender in the case of each other Lender until the Termination Date applicable to such Lender at a rate per annum equal to the Applicable Percentage in effect from time to time, payable in arrears quarterly on the last day of each March, June, September and December, commencing December 31, 2021, and on the Termination Date applicable to such Lender, provided that no Defaulting Lender shall be entitled to receive any Facility Fee except in respect of its outstanding Advances for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay such Facility Fee that otherwise would have been required to have been paid to that Defaulting Lender).

(a) Agent's Fees. The Borrower shall pay to the Agent for its own account such fees as may from time to time be agreed between the Borrower and the Agent.

SECTION 2.04 Optional Termination or Reduction of the Commitments. The Borrower shall have the right, upon at least three Business Days' notice to the Agent, to terminate in whole or permanently reduce ratably in part the unused portion of the respective Commitments of the Lenders without premium or penalty, provided that each partial reduction shall be in the aggregate amount of \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof. Any such notice may state that such notice is conditioned upon the occurrence of one or more events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Agent on or prior to the specified date of termination or reduction) if such condition is not satisfied.

SECTION 2.05 Repayment of Advances. The Borrower shall repay to the Agent for the ratable account of each Lender on the Termination Date applicable to such Lender the aggregate principal amount of the Advances then outstanding.

SECTION 2.06 Interest on Advances. iii) Scheduled Interest. The Borrower shall pay interest on the unpaid principal amount of each Advance owing to each Lender from the date of such Advance until such principal amount shall be paid in full, at the following rates per annum:

(i) Base Rate Advances. During such periods as such Advance is a Base Rate Advance, a rate per annum equal at all times to the sum of (x) the Base Rate in effect from time to time plus (y) the Applicable Margin in effect from time to time, payable in arrears quarterly on the last day of each March, June, September and December during such periods and on the date such Base Rate Advance shall be Converted or paid in full.

(ii) Eurodollar RateSOFR Advances. During such periods as such Advance is a Eurodollar RateSOFR Advance, a rate per annum equal at all times during each Interest Period for such Advance to the sum of (x) ~~the Eurodollar Rate~~ Adjusted Term SOFR for such Interest Period for such Advance plus (y) the Applicable Margin in effect from time to time, payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period and on the date such Eurodollar RateSOFR Advance shall be Converted or paid in full.

(b) Default Interest. Upon the occurrence and during the continuance of an Event of Default under Section 6.01(a) or Section 6.01(e), the Agent may, and upon the request of the Required Lenders shall, require the Borrower to pay interest ("Default Interest") on (i) the unpaid principal amount of each Advance owing to each Lender, payable in arrears on the dates referred to in clause (a)(i) or (a)(ii) above or, after acceleration, upon demand, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on such Advance pursuant to clause (a)(i) or (a)(ii) above and (ii) to the fullest extent permitted by law, the amount of any interest, fee or other amount payable hereunder that is not paid when due, from the date such amount shall be due until such amount shall be paid in full, payable in arrears on the date such amount shall be paid in full and on demand, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on Base Rate Advances pursuant to clause (a)(i) above, provided, however, that following acceleration of the Advances pursuant to Section 6.01, Default Interest shall accrue and be payable hereunder whether or not previously required by the Agent.

SECTION 2.07 Interest Rate Determination. iv) The Agent shall give prompt notice to the Borrower and the Lenders of the applicable interest rate determined by the Agent for purposes of Section 2.06(a)(i) or (ii).

~~(a) If, with respect to any Eurodollar Rate Advances, the Required Lenders notify the Agent that the Eurodollar Rate for any Interest Period for such Advances will not adequately reflect the cost to such Required Lenders of making, funding or maintaining their respective Eurodollar Rate Advances for such Interest Period, the Agent shall forthwith so notify the Borrower and the Lenders, whereupon (i) each Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance, and (ii) the obligation of the Lenders to make, or to Convert Advances into, Eurodollar Rate Advances shall be suspended until the Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist.~~

(a) [Reserved].

(b) If the Borrower shall fail to provide notice of a Conversion or continuation pursuant to Section 2.08 for any ~~Eurodollar Rate~~SOFR Advance, then the Agent will forthwith so notify the Borrower and the Lenders and the Borrower will be deemed to have selected an Interest Period of one month for such ~~Eurodollar Rate~~SOFR Advance.

(c) On the date on which the aggregate unpaid principal amount of ~~Eurodollar Rate~~SOFR Advances comprising any Borrowing shall be reduced, by payment or prepayment or otherwise, to less than \$1,000,000, such Advances shall automatically Convert into Base Rate Advances.

(d) Upon the occurrence and during the continuance of any Event of Default under Section 6.01(a), (i) each ~~Eurodollar Rate~~SOFR Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance and (ii) the obligation of the Lenders to make, or to Convert Advances into, ~~Eurodollar Rate~~SOFR Advances shall be suspended.

~~(f) If the Screen Rate and the Interpolated Rate are unavailable and the Agent reasonably expects that such situation will be temporary;~~

(c) Subject to Section 2.22, if, on or prior to the first day of any Interest Period for any SOFR Advance:

(i) ~~the Agent shall forthwith notify the Borrower and the Lenders that the interest rate determines (which determination shall be conclusive and binding absent manifest error) that "Adjusted Term SOFR" cannot be determined for such Eurodollar Rate Advances pursuant to the definition thereof, or~~

~~(ii) each such Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance, and~~

~~(iii) the obligation of the Lenders to make Eurodollar Rate Advances or to Convert Advances into Eurodollar Rate Advances shall be suspended until the Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist.~~

(ii) the Required Lenders notify the Agent that Adjusted Term SOFR for such Interest Period for such Advances will not adequately and fairly reflect the cost to

such Lenders of making, funding or maintaining their respective SOFR Advances for such Interest Period,

then, in each case, the Agent shall promptly so notify the Borrower and each Lender.

Upon notice of the foregoing by the Agent to the Borrower, any obligation of the Lenders to make SOFR Advances, and any right of the Borrower to continue SOFR Advances or to convert Base Rate Advances to SOFR Advances, shall be suspended (to the extent of the affected SOFR Advances or affected Interest Periods) until the Agent (with respect to clause (b), at the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Advances (to the extent of the affected SOFR Advances or affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Advances in the amount specified therein and (ii) any outstanding affected SOFR Advances will be deemed to have been converted into Base Rate Advances at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted. Subject to Section 2.22, if the Agent determines (which determination shall be conclusive and binding absent manifest error) that "Adjusted Term SOFR" cannot be determined pursuant to the definition thereof on any given day, the interest rate on Base Rate Advances shall be determined by the Agent without reference to clause (c) of the definition of "Base Rate" until the Agent revokes such determination.

SECTION 2.08 Optional Conversion and Continuation of Advances. The Borrower may on any Business Day, upon notice given to the Agent not later than 12:00 noon (New York City time) on the third U.S. Government Securities Business Day prior to the date of the proposed Conversion or continuation and subject to the provisions of Sections 2.07 and 2.11, Convert all Advances of one Type comprising the same Borrowing into Advances of the other Type or continue all or any part of any ~~Eurodollar Rate~~SOFR Advance constituting the same Borrowing as a ~~Eurodollar Rate~~SOFR Advance; provided, however, that any Conversion of ~~Eurodollar Rate~~SOFR Advances into Base Rate Advances shall be made only on the last day of an Interest Period for such ~~Eurodollar Rate~~SOFR Advances, any Conversion of Base Rate Advances into ~~Eurodollar Rate~~SOFR Advances shall be in an amount not less than the minimum amount specified in Section 2.02(b) and no Conversion of any Advances shall result in more separate Borrowings than permitted under Section 2.02(b). Each such notice of a Conversion or continuation shall, within the restrictions specified above, specify (i) the date of such Conversion or continuation, (ii) the Advances to be Converted or continued, and (iii) if such Conversion or continuation is into ~~Eurodollar Rate~~SOFR Advances, the duration of the initial Interest Period for each such Advance. Each notice of Conversion shall be irrevocable and binding on the Borrower.

SECTION 2.09 Prepayments of Advances. The Borrower may, at any time and from time to time without premium or penalty (but subject to Section 8.04(c)), upon notice at least two U.S. Government Securities Business Days' prior to the date of such prepayment, in the case of ~~Eurodollar Rate~~SOFR Advances, and not later than 1:00 p.m. (New York City time) on the date of such prepayment, in the case of Base Rate Advances, to the Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amount of the Advances comprising part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (x) each partial prepayment shall be in an aggregate principal amount of \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof and (y) in the event of any such prepayment of a ~~Eurodollar Rate~~SOFR Advance, the Borrower shall be obligated to reimburse the Lenders in respect thereof pursuant to Section 8.04(c). Notwithstanding the foregoing, any such notice may state that such notice is conditioned upon the occurrence of one or more events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Agent on or prior to the specified date of termination or

reduction) if such condition is not satisfied, provided that any revocation of a notice of prepayment shall not relieve the Borrower of its obligations in respect thereof, if any, under Section 8.04(c).

SECTION 2.10 Increased Costs. v) If, due to either (i) the introduction of or any change in or in the interpretation of any law or regulation or (ii) the compliance with any guideline or request from any central bank or other governmental authority (whether or not having the force of law), in each case announced after the date hereof or the date a Lender becomes a party hereto pursuant to an Assumption Agreement or an Assignment and Assumption, as applicable (provided that any such Lender assignee shall be entitled to compensation under this Section to the same extent that the Lender assigning such interest was entitled to claim as of the date of such assignment), there shall be any increase in the cost to any Lender of agreeing to make or making, funding or maintaining ~~Eurodollar Rate~~SOFR Advances (excluding for purposes of this Section 2.10 any such increased costs resulting from taxes, including Taxes or Other Taxes (as to which Section 2.13 shall govern)), then the Borrower shall from time to time, upon demand by such Lender (with a copy of such demand to the Agent), pay to the Agent for the account of such Lender additional amounts sufficient to compensate such Lender for such increased cost. A certificate setting forth in reasonable detail the reasons for and amount (including the calculation) of such increased cost, submitted to the Borrower and the Agent by such Lender, shall be conclusive and binding for all purposes, absent manifest error; provided, however, that before making any such demand, each Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate a different Applicable Lending Office if the making of such a designation would avoid the need for, or reduce the amount of, such increased cost and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

(a) If any Lender determines that compliance with any law or regulation or any guideline or request from any central bank or other governmental authority (whether or not having the force of law) announced after the date hereof or the date a Lender becomes a party hereto pursuant to an Assumption Agreement or an Assignment and Assumption, as applicable (provided that any such Lender assignee shall be entitled to compensation under this Section to the same extent that the Lender assigning such interest was entitled to claim as of the date of such assignment), affects the amount of capital or liquidity required or expected to be maintained by such Lender or any corporation controlling such Lender and that the amount of such capital or liquidity is increased by or based upon the existence of such Lender's commitment to lend hereunder, then, upon demand by such Lender (with a copy of such demand to the Agent), the Borrower shall pay to the Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender or such corporation in the light of such circumstances, to the extent that such Lender reasonably determines such increase in capital or liquidity to be allocable to the existence of such Lender's commitment to lend hereunder.

(b) For the avoidance of doubt, this Section 2.10 shall apply to all requests, rules, guidelines or directives (x) issued in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act or (y) promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, regardless of the date enacted, adopted or issued. A certificate setting forth in reasonable detail the reasons for and such amounts (including a calculation thereof) submitted to the Borrower and the Agent by such Lender shall be conclusive and binding for all purposes, absent manifest error.

(c) Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred more than 180 days prior to the date that such Lender notifies the Borrower of the circumstances giving rise to such increased costs and of such Lender's intention to claim compensation

therefor; provided further that, if the circumstance giving rise to such increased costs is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.11 Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other governmental authority asserts that it is unlawful, for any Lender or its EurodollarApplicable Lending Office to perform its obligations hereunder to make Eurodollar-RateSOFR Advances or to fund or maintain Eurodollar-RateSOFR Advances hereunder, (a) each Eurodollar-RateSOFR Advance of such Lender will automatically, upon such demand, Convert into a Base Rate Advance and (b) the obligation of such Lender to make Eurodollar-RateSOFR Advances or to Convert Advances into Eurodollar-RateSOFR Advances shall be suspended until the Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist; provided, however, that before making any such demand, each Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate a different EurodollarApplicable Lending Office if the making of such a designation would allow such Lender or its EurodollarApplicable Lending Office to continue to perform its obligations to make Eurodollar-RateSOFR Advances or to continue to fund or maintain Eurodollar-RateSOFR Advances and would not, in the judgment of such Lender, be otherwise disadvantageous to such Lender.

SECTION 2.12 Payments and Computations. vi) The Borrower shall make each payment hereunder, irrespective of any right of counterclaim or set-off, not later than 1:00 p.m. (New York City time) on the day when due in U.S. dollars to the Agent at the Agent's Account in same day funds. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or Facility Fees ratably (other than amounts payable pursuant to Section 2.03, 2.10, 2.13 or 8.04(c)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon any Assuming Lender becoming a Lender hereunder as a result of a Commitment Increase pursuant to Section 2.17, and upon the Agent's receipt of such Lender's Assumption Agreement and recording of the information contained therein in the Register, from and after the applicable Increase Date the Agent shall make all payments hereunder and under any Notes issued in connection therewith in respect of the interest assumed thereby to the Assuming Lender. Upon its acceptance of an Assignment and Assumption and recording of the information contained therein in the Register pursuant to Section 8.07(c), from and after the effective date specified in such Assignment and Assumption, the Agent shall make all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Assumption shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(a) All computations of interest based on the Base Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on ~~the~~ Eurodollar-RateTerm SOFR, or the Federal Funds Rate and of Facility Fees shall be made by the Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or Facility Fees are payable. Each determination by the Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) Whenever any payment hereunder or under the Notes shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or Facility Fee, as the case may be; provided, however, that, if such extension would cause payment of interest on or

principal of ~~Eurodollar Rate~~SOFR Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(c) Unless the Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Lenders hereunder that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Agent, each Lender shall repay to the Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Agent, at the Federal Funds Rate (without prejudice to any claim such Lender may have against the Borrower for failure to make any payment in full when due).

SECTION 2.13 Taxes. vii) Any and all payments by the Borrower to or for the account of any Lender or the Agent hereunder or under the Notes or any other documents to be delivered hereunder shall be made, in accordance with Section 2.12 or the applicable provisions of such other documents, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender and the Agent, (i) taxes imposed on its overall net income, franchise taxes imposed on it in lieu of net income taxes, branch profits taxes, in each case imposed on it by the jurisdiction under the laws of which such Lender or the Agent (as the case may be) is organized or in which its principal office is located (or, in the case of each Lender, in which its Applicable Lending Office is located) or any political subdivision thereof or by any jurisdiction or political subdivision thereof with which such Lender or Agent has a present or former connection (other than any connection arising solely from having executed, delivered, performed its obligations or received payment under, or enforced this Agreement), (ii) U.S. federal withholding taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Note or Commitment pursuant to a law in effect on the date on which (A) such Lender acquires such interest in the Note or Commitment or (B) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.13, amounts with respect to such taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (iii) Taxes attributable to such Lender's or Agent's failure to comply with Section 2.13(e), and (iv) any taxes imposed pursuant to FATCA (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities in respect of payments hereunder or under the Notes being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to deduct any amount from or in respect of any sum payable hereunder or under any Note or any other documents to be delivered hereunder to any Lender or the Agent, (i) if such deduction or withholding is in respect of Taxes, then the sum payable shall be increased as may be necessary so that after making all required deductions for Taxes (including deductions for Taxes applicable to additional sums payable under this Section 2.13) such Lender or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions for Taxes been made, (ii) the Borrower shall make all required deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(a) In addition, the Borrower shall pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or under the Notes or any other documents to be delivered hereunder or from the execution, delivery or registration of, performing under, or otherwise with respect to, this Agreement or the Notes or any other documents to be delivered hereunder, except any such taxes imposed with respect to an assignment (hereinafter referred to as "Other Taxes").

(b) The Borrower shall indemnify each Lender and the Agent for and hold it harmless against the full amount of Taxes or Other Taxes (including, without limitation, Taxes or Other Taxes of any kind imposed or asserted by any jurisdiction on amounts payable under this Section 2.13) imposed on or paid by such Lender or the Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto. This indemnification shall be made within 30 days from the date such Lender or the Agent (as the case may be) makes written demand therefor.

(c) Within 30 days after the date of any payment of Taxes, the Borrower shall furnish to the Agent, at its address referred to in Section 8.02, the original or a certified copy of a receipt evidencing such payment to the extent such a receipt is issued therefor, or other written proof of payment thereof that is reasonably satisfactory to the Agent.

(d) (i) Any Lender that is entitled to an exemption from or reduction of withholding tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.13(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Lender that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable:

(1) in the case of a Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit D-1 to the effect that such Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Internal Revenue Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN or W-8BEN-E; or

(4) to the extent a Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-2 or Exhibit D-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Lender is a partnership and one or more direct or indirect partners of such Lender are claiming the portfolio interest exemption, such Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-4 on behalf of each such direct and indirect partner;

(C) any Lender that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Agent to determine the withholding or deduction required to be made; and

(D) If a payment made to a Lender would be subject to United States federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower, at the time or times prescribed by law and at such time or times reasonably requested in writing by the Borrower, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested in writing by the Borrower as may be necessary for the Borrower to comply with its obligations under FATCA, to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (ii), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Agent in writing of its legal inability to do so.

For purposes of this Section 2.13(e), “U.S. Person” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Internal Revenue Code.

(e) Any Lender claiming any additional amounts payable pursuant to this Section 2.13 agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its Applicable Lending Office if the making of such a change would avoid the

need for, or reduce the amount of, any such additional amounts that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

(f) If any Lender determines that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.13, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.13 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Lender, and without interest (other than any interest paid by the relevant governmental authority with respect to such refund), provided that the Borrower, upon the request of such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant governmental authority) to the Lender in the event the Lender is required to repay such refund to such governmental authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Lender be required to pay any amount to the Borrower pursuant to this subsection the payment of which would place the Lender in a less favorable net after-tax position than such Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person.

SECTION 2.14 Sharing of Payments, Etc. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set off, or otherwise) on account of the Advances owing to it (other than (x) in respect of Defaulting Lenders or (y) pursuant to Section 2.10, 2.13 or 8.04(c) or as otherwise expressly provided herein) in excess of its ratable share of payments on account of the Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Advances owing to them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.14 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

SECTION 2.15 Evidence of Debt. viii) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Advance owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder in respect of Advances. The Borrower agrees that upon notice by any Lender to the Borrower (with a copy of such notice to the Agent) to the effect that a Note is required or appropriate in order for such Lender to evidence (whether for purposes of pledge, enforcement or otherwise) the Advances owing to, or to be made by, such Lender, the Borrower shall promptly execute and deliver to such Lender a Note payable to such Lender in a principal amount up to the Commitment of such Lender.

(a) The Register maintained by the Agent pursuant to Section 8.07(c) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and amount of each Borrowing made hereunder, the Type of Advances comprising such Borrowing and, if appropriate, the Interest Period applicable thereto, (ii) the terms of each

Assumption Agreement and each Assignment and Assumption delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iv) the amount of any sum received by the Agent from the Borrower hereunder and each Lender's share thereof.

(b) Entries made in good faith by the Agent in the Register pursuant to subsection (b) above, and by each Lender in its account or accounts pursuant to subsection (a) above, shall be prima facie evidence of the amount of principal and interest due and payable or to become due and payable from the Borrower to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement, absent manifest error; provided, however, that the failure of the Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit or otherwise affect the obligations of the Borrower under this Agreement.

SECTION 2.16 Use of Proceeds. The proceeds of the Advances shall be available (and the Borrower agrees that it shall use such proceeds) solely for working capital and general corporate purposes of the Borrower and its Subsidiaries.

SECTION 2.17 Increase in the Aggregate Commitments. ix) The Borrower may, at any time (including, for avoidance of doubt, after any reduction in the Commitments) but in any event not more than twice in any calendar year prior to the Termination Date, by notice to the Agent, request that the aggregate amount of the Commitments be increased by an amount of \$25,000,000 or an integral multiple thereof (each a "Commitment Increase") to be effective as of a date that is at least 90 days prior to the Termination Date (the "Increase Date") as specified in the related notice to the Agent; provided, however that (i) in no event shall the aggregate amount of the Commitments at any time exceed \$2,000,000,000 and (ii) on the date of any request by the Borrower for a Commitment Increase and on the related Increase Date, as a condition to such Commitment Increase, the following conditions precedent shall be satisfied: (A) the representations and warranties contained in Section 4.01 are true and correct in all material respects on and as of such date, immediately before and immediately after giving effect to such Commitment Increase, as though made on and as of such date (except (x) to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date and (y) such representations and warranties that are qualified by materiality or Material Adverse Effect in the text thereof shall be true and correct in all respects, provided that the date referred to in Section 4.01(e)(ii) shall be deemed to be the date of the most recent audited financial statements referred to in Section 4.01(e)(1) or delivered in accordance with Section 5.01(i)(2)) and (B) no event has occurred and is continuing, or would result from such Commitment Increase, that constitutes a Default.

(b) The Agent shall promptly notify the Lenders or such Eligible Assignees identified by the Borrower and approved by the Agent of a request by the Borrower for a Commitment Increase, which notice shall include (i) the proposed amount of such requested Commitment Increase, (ii) the proposed Increase Date and (iii) the date by which the Lenders or such Eligible Assignees wishing to participate in the Commitment Increase must respond (the "Commitment Date"). Each Lender that is willing to participate in such requested Commitment Increase (each an "Increasing Lender") shall, in its sole discretion, give written notice to the Agent on or prior to the Commitment Date of the amount by which it is willing to increase its Commitment. Any Lender that fails to respond to a request for Commitment Increase by the Commitment Date shall be deemed to have declined such request. The Commitment of each Eligible Assignee that agrees to participate in the requested Commitment Increase shall be in an amount of not less than \$10,000,000. If Lenders and Eligible Assignees notify the Agent that they are willing to increase the amount of their respective Commitments by an aggregate amount that

exceeds the amount of the requested Commitment Increase, the requested Commitment Increase shall be allocated among such Persons in such amounts as are agreed between the Borrower and the Agent.

(c) On each Increase Date, each Eligible Assignee that accepts an offer to participate in a requested Commitment Increase in accordance with Section 2.17(b) (each such Eligible Assignee, and any Eligible Assignee that becomes a Lender in accordance with Section 2.20(d), an “Assuming Lender”) shall become a Lender party to this Agreement as of such Increase Date and the Commitment of each Increasing Lender for such requested Commitment Increase shall be so increased by such amount (or by the amount allocated to such Lender pursuant to the last sentence of Section 2.17(b)) as of such Increase Date; provided, however, that the Agent shall have received on or before such Increase Date the following:

(i) (A) certified copies of resolutions of the Board of Directors of the Borrower or any committee of such Board authorizing the Commitment Increase and the corresponding modifications to this Agreement and (B) a customary opinion of counsel for the Borrower dated such date (which may be in-house counsel), covering customary matters relating thereto;

(ii) an assumption agreement from each Assuming Lender, if any, in form and substance satisfactory to the Borrower and the Agent (each an “Assumption Agreement”), duly executed by such Assuming Lender, the Agent and the Borrower; and

(iii) confirmation from each Increasing Lender of the increase in the amount of its Commitment in a writing satisfactory to the Borrower and the Agent.

On each Increase Date, upon fulfillment of the conditions set forth in the immediately preceding sentence of this Section 2.17(c), the Agent shall notify the Lenders (including, without limitation, each Assuming Lender) and the Borrower, on or before 1:00 P.M. (New York City time), by telecopier or other electronic means, of the occurrence of the Commitment Increase to be effected on such Increase Date and shall record in the Register the relevant information with respect to each Increasing Lender and each Assuming Lender on such date. Each Increasing Lender and each Assuming Lender shall, to the extent applicable, before 2:00 P.M. (New York City time) on the applicable Increase Date, purchase at par that portion of outstanding Advances of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Advances to be funded pro rata by the Lenders in accordance with the Commitments. In connection with any Commitment Increase, the Borrower, the Agent, each Assuming Lender and each Increasing Lender may make such amendments to this Agreement as the Agent determines to be reasonably necessary to evidence the Commitment Increase. This Section shall supersede Sections 2.14 and 8.01.

SECTION 2.18 Defaulting Lenders. (a) If a Lender becomes, and during the period it remains, a Defaulting Lender, any amount paid by the Borrower or otherwise received by the Agent for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will not be paid or distributed to such Defaulting Lender, but will instead be retained by the Agent in a segregated non-interest bearing account until (subject to Section 2.18(c)) the termination of the Commitments and payment in full of all obligations of the Borrower hereunder and will be applied by the Agent, to the fullest extent permitted by law, to the making of payments from time to time in the following order of priority: first to the payment of any amounts owing by such Defaulting Lender to the Agent under this Agreement, second to the payment of post-default interest and then current interest due and payable to the Non-Defaulting Lenders hereunder, ratably among them in accordance with the amounts of such interest then due and payable to them, third to the payment of fees then due and payable to the Non-Defaulting Lenders hereunder, ratably among them in accordance with the amounts of such fees then due and payable to them, fourth to pay principal then due and payable to the Non-Defaulting Lenders hereunder ratably in accordance with the amounts thereof

then due and payable to them, fifth to the ratable payment of other amounts then due and payable to the Non-Defaulting Lenders, and sixth after the termination of the Commitments and payment in full of all obligations of the Borrower hereunder, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.18 shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(b) No Commitment of any Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in this Section 2.18, performance by the Borrower of its obligations shall not be excused or otherwise modified as a result of the operation of this Section 2.18. The rights and remedies against a Defaulting Lender under this Section 2.18 are in addition to any other rights and remedies which the Borrower, the Agent or any Lender may have against such Defaulting Lender.

(c) If the Borrower and the Agent agree in writing in their reasonable determination that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Advances of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Advances to be funded and held on a pro rata basis by the Lenders in accordance with their pro rata share, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

SECTION 2.19 Replacement of Lenders. If (a) any Lender requests compensation under Section 2.10, (b) the Borrower is required to pay additional amounts to any Lender or any governmental authority for the account of any Lender pursuant to Section 2.13, (c) any Lender is a Defaulting Lender, (d) any Lender cannot make ~~Eurodollar-Rate~~SOFR Advances as contemplated by Section 2.11, (e) any Lender is a Non-Extending Lender or (f) any Lender does not approve any consent, waiver or amendment that (i) requires the approval of all affected Lenders in accordance with the terms of Section 8.01 and (ii) has been approved by the Required Lenders (a "Non-Approving Lender"), then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 8.07), all of its interests, rights and obligations under this Agreement to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

(1) the Borrower or the applicable Eligible Assignee shall have paid to the Agent the assignment fee (if any) specified in Section 8.07;

(2) such Lender shall have received payment of an amount equal to the outstanding principal of its Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder (including any amounts under Section 8.04(c)) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(3) in the case of any such assignment resulting from a claim for compensation under Section 2.10 or payments required to be made pursuant to Section 2.13, such assignment will result in a reduction in such compensation or payments thereafter;

(4) such assignment does not conflict with applicable law; and

(5) in the case of any assignment resulting from a Lender becoming a Non-Approving Lender, the applicable assignee shall have consented, or agreed to provide its consent upon becoming a Lender, to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

SECTION 2.20 Extension of Termination Date. (a) Requests for Extension. The Borrower may, by notice to the Agent (who shall promptly notify the Lenders) not earlier than 90 days and not later than 30 days prior to any anniversary of the Effective Date, request that the Termination Date then in effect hereunder (the "Existing Termination Date") be extended for an additional one year from the Existing Termination Date; provided however, that, the Borrower may only request up to two one-year extensions of the Existing Termination Date.

(b) Lender Elections to Extend. Each Lender, acting in its sole and individual discretion, shall, by notice to the Agent given not earlier than 30 days prior to the applicable anniversary of the Effective Date and not later than the date (the "Notice Date") that is 20 days prior to the applicable anniversary of the Effective Date, advise the Agent whether or not such Lender agrees to such extension (and each Lender that determines not to so extend its Termination Date, a "Non-Extending Lender") shall notify the Agent of such fact promptly after such determination (but in any event no later than the Notice Date) and any Lender that does not so advise the Agent on or before the Notice Date shall be deemed to be a Non-Extending Lender. The election of any Lender to agree to such extension shall not obligate any other Lender to so agree.

(c) Notification by Agent. The Agent shall notify the Borrower in writing of each Lender's determination under this Section no later than 15 days prior to the applicable anniversary of the Effective Date (or, if such date is not a Business Day, on the immediately preceding Business Day).

(d) Replacement of Non-Extending Lenders. The Borrower shall have the right to replace each Non-Extending Lender with, and add as "Lenders" under this Agreement in place thereof, one or more Eligible Assignees (each as an Assuming Lender) as provided in Section 8.07; provided that, each Assuming Lender shall enter into an Assignment and Assumption pursuant to which each such Assuming Lender shall take an assignment from a Non-Extending Lender.

(e) Minimum Extension Requirement. If (and only if) the total of the Commitments of the Lenders that have agreed to extend their Termination Date (each, an "Extending Lender") and the Commitments of the Assuming Lenders shall be more than 50% of the aggregate amount of the Commitments in effect immediately prior to the Notice Date, then, effective as of the applicable anniversary of the Effective Date, the Termination Date of each Extending Lender and of each Assuming Lender shall be extended to the date falling one year after the Existing Termination Date (except that, if such date is not a Business Day, such Termination Date as so extended shall be the next preceding Business Day).

(f) Conditions to Effectiveness of Extensions. Notwithstanding the foregoing, the extension of the Termination Date pursuant to this Section shall not be effective with respect to any Lender unless:

(i) no Default shall have occurred and be continuing on the date of such extension and after giving effect thereto; and

(ii) each of the representations and warranties contained in Section 4.01 of this Agreement are true and correct in all material respects on and as of the date of such extension and after giving effect thereto, as though made on and as of such date (except that (x) representations and warranties that are qualified by materiality or Material Adverse Effect in the text thereof shall be true and correct in all respects and (y) to the extent such representations and warranties specifically relate to an earlier date, such representations and warranties shall have been true and correct in all material respects on and as of such earlier date (other than representations and warranties qualified by materiality or Material Adverse Effect in the text thereof, which shall be true and correct in all respects on and as of such earlier date and provided that the date referred to in Section 4.01(e)(ii) shall be deemed to be the date of the most recent audited financial statements delivered in accordance with Section 5.01(i)(ii)).

(g) Amendment; Sharing of Payments. In connection with any extension of the Existing Termination Date, the Borrower, the Agent and each Extending Lender may make such amendments to this Agreement as the Agent determines to be reasonably necessary to evidence the extension. This Section shall supersede Sections 2.14 and 8.01.

SECTION 2.21 Sustainability Adjustments

(a) On each Sustainability Pricing Adjustment Date (as defined below) following the date on which the Borrower provides a Pricing Certificate to the Agent in respect of the most recently ended fiscal year (beginning with the fiscal year ending January 31, 2022), (i) the Applicable Margin shall be increased or decreased (or neither increased nor decreased), as applicable, pursuant to the Sustainability Margin Adjustment as set forth in such Pricing Certificate and (ii) the Applicable Percentage shall be increased or decreased (or neither increased nor decreased), as applicable, pursuant to the Sustainability Fee Adjustment as set forth in such Pricing Certificate. For purposes of the foregoing, (A) each of the Sustainability Margin Adjustment and the Sustainability Fee Adjustment shall be determined and effective as of the first Business Day following receipt by the Agent of a Pricing Certificate delivered pursuant to Section 5.01(i)(vii) based upon the KPI Metrics set forth in such Pricing Certificate and the calculations of the Sustainability Margin Adjustment and the Sustainability Fee Adjustment, as applicable, set forth therein (each such day, a "Sustainability Pricing Adjustment Date") and (B) each change in the Applicable Margin and the Applicable Percentage resulting from a Pricing Certificate shall be effective during the period commencing on and including the applicable Sustainability Pricing Adjustment Date and ending on the date immediately preceding the next such Sustainability Pricing Adjustment Date (or, in the case of non-delivery of a Pricing Certificate, the last day such Pricing Certificate could have been delivered pursuant to the terms of Section 5.01(i)(vii)).

(b) For the avoidance of doubt, only one Pricing Certificate may be delivered in respect of any fiscal year. It is further understood and agreed that the Applicable Margin will never be reduced or increased by more than 0.04%, and the Applicable Percentage will never be reduced or increased by more than 0.01%, in each case pursuant to the Sustainability Margin Adjustment or the Sustainability Fee Adjustment, as applicable, during any 12-month period. For the avoidance of doubt, any adjustment to the Applicable Margin by reason of meeting one or more KPI Metrics in any fiscal year shall not be

cumulative year-over-year. Each applicable adjustment shall only apply until the date on which the next adjustment is due to take place.

(c) It is hereby understood and agreed that if no such Pricing Certificate is delivered by the Borrower within the period set forth in Section 5.01(i)(vii), the Sustainability Margin Adjustment will be positive 0.04% and the Sustainability Fee Adjustment will be a positive 0.01%, in each case commencing on the applicable Sustainability Pricing Adjustment Date and continuing until the Borrower delivers a Pricing Certificate to the Agent.

(d) If (i)(A) the Borrower or any Lender become aware of any material inaccuracy in the Sustainability Margin Adjustment, the Sustainability Fee Adjustment or the KPI Metrics as reported in a Pricing Certificate (any such material inaccuracy, a “Pricing Certificate Inaccuracy”) and, in the case of any Lender, such Lender delivers, not later than 10 Business Days after obtaining knowledge thereof, a written notice to the Agent describing such Pricing Certificate Inaccuracy in reasonable detail (which description shall be shared with each Lender and the Borrower), or (B) the Borrower and the Lenders agree that there was a Pricing Certificate Inaccuracy at the time of delivery of a Pricing Certificate, and (ii) a proper calculation of the Sustainability Margin Adjustment, the Sustainability Fee Adjustment or the KPI Metrics would have resulted in an increase in the Applicable Margin or the Applicable Percentage for any period, then the Borrower shall be obligated to pay to the Agent for the account of the applicable Lenders, as the case may be, promptly on demand by the Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to any Borrower under the Bankruptcy Code (or any comparable event under non-U.S. Debtor Relief Laws), automatically and without further action by the Agent or any Lender), but in any event within five Business Days after the Borrower has received written notice of, or has agreed in writing that there was, a Pricing Certificate Inaccuracy, an amount equal to the excess of (1) the amount of interest and Facility Fees that should have been paid for such period over (2) the amount of interest and Facility Fees actually paid for such period. If the Borrower becomes aware of any Pricing Certificate Inaccuracy and, in connection therewith, if a proper calculation of the Sustainability Margin Adjustment, the Sustainability Fee Adjustment or the KPI Metrics would have resulted in a decrease in the Applicable Margin or the Applicable Percentage for any period, then, upon receipt by the Agent of notice from the Borrower of such Pricing Certificate Inaccuracy (which notice shall include corrections to the calculations of the Sustainability Margin Adjustment, the Sustainability Fee Adjustment or the KPI Metrics, as applicable), commencing on the Business Day following receipt by the Agent of such notice, the Applicable Margin and the Applicable Percentage shall be adjusted to reflect the corrected calculations of the Sustainability Margin Adjustment, the Sustainability Fee Adjustment or the KPI Metrics, as applicable.

It is understood and agreed that any Pricing Certificate Inaccuracy (and any consequences thereof) shall not constitute a Default or Event of Default; provided that the Borrower complies with the terms of this Section 2.21(d) with respect to such Pricing Certificate Inaccuracy. Notwithstanding anything to the contrary herein, unless such amounts shall be due upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code (or any comparable event under non-U.S. Debtor Relief Laws), (i) any additional amounts required to be paid pursuant the immediate preceding paragraph shall not be due and payable until ten Business Days after a written demand is made for such payment by the Agent in accordance with such paragraph, (ii) any nonpayment of such additional amounts prior to or upon such date that is ten Business Days after such written demand for payment by Agent shall not constitute a Default (whether retroactively or otherwise) and (iii) none of such additional amounts shall be deemed overdue prior to such date that is ten Business Days after such written demand or accrue Default Interest prior to such date that is ten Business Days after such written demand.

(e) Each party hereto hereby acknowledges and agrees that neither the Agent nor the Sustainability Structuring Agent make assurances as to (i) whether this Agreement meets any Borrower or

Lender criteria or expectations with regard to environmental impact and sustainability performance, or (ii) whether the characteristics of the relevant KPI Metrics included in the Agreement, including any environmental and sustainability criteria or any computation methodology with respect thereto, meet any industry standards for sustainability-linked credit facilities. Each party hereto hereby further acknowledges and agrees that neither the Agent nor the Sustainability Structuring Agent shall have any responsibility for (or liability in respect of) reviewing, auditing or otherwise evaluating any calculation by the Borrower of (x) the relevant KPI Metrics or (y) any Sustainability Margin Adjustment or any Sustainability Fee Adjustment (or any of the data or computations that are part of or related to any such calculation) set forth in any Pricing Certificate (and the Agent and the Sustainability Structuring Agent may rely conclusively on any such certificate, without further inquiry, when implementing any such pricing adjustment).

(f) To the extent the Sustainability Structuring Agent ceases to be a Lender, the Borrower shall use commercially reasonable efforts to seek to appoint another Person that is a Lender to fulfill the role of Sustainability Structuring Agent.

SECTION 2.22 Benchmark Replacement

. Notwithstanding anything to the contrary herein or in any other Loan Document:

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, the Agent and the Borrower may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the Agent has posted such proposed amendment to all affected Lenders and the Borrower so long as the Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.22(a) will occur prior to the applicable Benchmark Transition Start Date.

~~(a) Replacing LIBOR. On March 5, 2021 the Financial Conduct Authority (“FCA”), the regulatory supervisor of LIBOR’s administrator (“IBA”), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-month, 3-month, 6-month and 12-month LIBOR tenor settings. On the earlier of (i) the date that all Available Tenors of LIBOR have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (ii) the Early Opt-in Effective Date, if the then-current Benchmark is LIBOR, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis.~~

~~(b) Replacing Benchmarks.~~

~~(i) Upon the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.~~

~~(ii) On the Early Opt in Effective Date in respect of an Other Rate Early Opt in, the Benchmark Replacement will replace LIBOR for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document.~~

~~(iii) At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Advances to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Advances. During the period referenced in the foregoing sentence, the component of Base Rate based upon the Benchmark will not be used in any determination of Base Rate.~~

~~(eb) Benchmark Replacement Conforming Changes. In connection with the implementation and use, administration, adoption or implementation of a Benchmark Replacement, the Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.~~

~~(ec) Notices; Standards for Decisions and Determinations. The Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement Conforming Changes. For the avoidance of doubt, any notice required to be delivered by the Agent as set forth in this Section may be provided, at the option of the Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Benchmark Replacement Conforming Changes. The Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.22(d) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent pursuant to this Section 2.22(d) or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.22, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 2.22(d).~~

~~(ed) Unavailability of Tenor of Benchmark. At Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR or LIBOR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Agent may remove any tenor of such Benchmark that is modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative for Benchmark (including~~

~~Benchmark Replacement) settings and (ii) the Agent may~~tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to ~~reinstate any~~ such previously removed tenor for Benchmark (including Benchmark Replacement) settings.

~~(f) Disclaimer. The Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (i) the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of “Eurodollar Rate” or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation any Benchmark Replacement implemented hereunder), (ii) the composition or characteristics of any Benchmark Replacement, including whether it is similar to, or produces the same value or economic equivalence to LIBOR (or any other Benchmark) or have the same volume or liquidity as did LIBOR (or any other Benchmark), (iii) any actions or use of its discretion or other decisions or determinations made with respect to any matters covered by this Section including, without limitation, whether or not a Benchmark Transition Event has occurred, the removal or lack thereof of unavailable or non-representative tenors, the implementation or lack thereof of any Benchmark Replacement Conforming Changes, the delivery or non-delivery of any notices required by clause (d) above or otherwise in accordance herewith, and (iv) the effect of any of the foregoing provisions of this Section.~~

(c) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of SOFR Advances to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Advances. During a Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

ARTICLE III

CONDITIONS TO EFFECTIVENESS AND LENDING

SECTION 3.01 Conditions Precedent to Effectiveness of Amendment and Restatement.

This amendment and restatement of the Existing Credit Agreement shall become effective on and as of the first date (the “Effective Date”) on which the following conditions precedent have been satisfied:

(a) There shall have occurred no Material Adverse Change since January 31, 2021.

(b) There shall exist no action, suit, investigation, litigation or proceeding against the Borrower or any of its Subsidiaries pending or, to Borrower’s knowledge, threatened in writing before any court, governmental agency or arbitrator that (i) could be reasonably likely to have a Material Adverse Effect or (ii) could reasonably be expected to adversely affect the legality, validity or enforceability of the Loan Documents.

(c) All material governmental and third party consents and approvals necessary in connection with the transactions contemplated hereby shall have been obtained (without the imposition of any conditions that are not acceptable to the Lenders) and shall remain in effect, and no law or regulation

shall be applicable in the reasonable judgment of the Agent that restrains, prevents or imposes materially adverse conditions upon the transactions contemplated hereby.

(d) The Borrower shall have paid all accrued fees and expenses of the Agent and the Lenders required to be paid or reimbursed by the Borrower (including the accrued reasonable and documented fees and expenses of counsel to the Agent) that have been invoiced to the Borrower prior to the Effective Date.

(e) On the Effective Date, the following statements shall be true and the Agent shall have received a certificate signed by a duly authorized officer of the Borrower, dated the Effective Date, stating that:

(i) The representations and warranties contained in Section 4.01 are correct on and as of the Effective Date, and

(ii) No event has occurred and is continuing that constitutes a Default.

(f) The Agent shall have received on or before the Effective Date the following, each in form and substance reasonably satisfactory to the Agent:

(i) The Notes, each dated the Effective Date, to the extent requested by any Lender prior to the Effective Date pursuant to Section 2.15.

(ii) Certified copies of the resolutions of the Board of Directors of the Borrower approving this Agreement and the Notes (if any), and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement and the Notes (if any).

(iii) A certificate of the Secretary or an Assistant Secretary of the Borrower, dated as of the Effective Date, certifying the names and true signatures of officers of the Borrower authorized to sign this Agreement and the Notes (if any) and the other documents to be delivered hereunder.

(iv) A favorable opinion of Skadden, Arps, Slate, Meagher & Flom LLP, special counsel for the Borrower, dated the Effective Date and in customary form and substance.

(v) A favorable opinion of Shearman & Sterling LLP, counsel for the Agent, dated the Effective Date and in form and substance satisfactory to the Agent.

(g) The Lenders shall have received all documentation and other information relating to the Borrower and requested in writing at least five Business Days prior to the Effective Date required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation (if applicable).

(h) The Borrower shall have paid in full all principal, interest, fees and other amounts outstanding under the Existing Credit Agreement.

(i) Any fees required to be paid pursuant to the Fee Letter on or before the Effective Date shall have been paid.

SECTION 3.02 Conditions Precedent to Each Borrowing. The obligation of each Lender to make an Advance on the occasion of each Borrowing shall be subject to the conditions precedent that the Effective Date shall have occurred and on the date of such Borrowing:

(a) the following statements shall be true (and each of the giving of the applicable Notice of Borrowing and the acceptance by the Borrower of the proceeds of such Borrowing shall constitute a representation and warranty by the Borrower that on the date of such Borrowing such statements are true):

(i) the representations and warranties contained in Section 4.01 (except the representations and warranties set forth in subsections (e)(ii) and (f)(i) thereof) are correct in all material respects on and as of such date, immediately before and immediately after giving effect to such Borrowing and to the application of the proceeds therefrom, as though made on and as of such date (except (x) to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date and (y) such representations and warranties that are qualified by materiality or Material Adverse Effect in the text thereof shall be true and correct in all respects), and

(ii) no event has occurred and is continuing, or would result from such Borrowing or from the application of the proceeds therefrom, that constitutes a Default; and

(b) the Agent shall have received a Notice of Borrowing with respect to such Borrowing in accordance with the terms and requirements hereof.

SECTION 3.03 Determinations Under Section 3.01. For purposes of determining compliance with the conditions specified in Section 3.01, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Agent responsible for the transactions contemplated by this Agreement shall have received notice from such Lender prior to the date that the Borrower, by notice to the Lenders, designates as the proposed Effective Date, specifying its objection thereto. The Agent shall promptly notify the Borrower and the Lenders of the occurrence of the Effective Date.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01 Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

(a) The Borrower is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of organization.

(b) The execution, delivery and performance by the Borrower of this Agreement and the Notes to be delivered by it (if any), and the consummation of the transactions contemplated hereby, are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action on the part of the Borrower, and do not contravene (i) the Borrower's charter or bylaws or (ii) law or any material contractual restriction binding on the Borrower, except, in the case of this clause (ii), where such violations or contraventions would not reasonably be expected to have a Material Adverse Effect.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Agreement or the Notes to be delivered by it (if any) except (i) those that have been obtained, filed or made or (ii) where the Borrower's failure to receive, take or make such authorizations, approvals, actions, notices or filings would not reasonably be expected to have a Material Adverse Effect.

(d) This Agreement has been, and each of the Notes to be delivered by it (if any) when delivered hereunder will have been, duly executed and delivered by the Borrower. This Agreement is, and each of the Notes (if any) when delivered hereunder will be, the legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with their respective terms except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, moratorium and other laws affecting creditors' rights generally and by equitable principles (regardless of whether enforcement is sought in equity or at law).

(e) (i) The Consolidated balance sheet of the Borrower and its Subsidiaries as at January 31, ~~2021~~2022, and the related Consolidated statements of operations and cash flows of the Borrower and its Subsidiaries for the fiscal year then ended, accompanied by an opinion of Ernst & Young LLP, independent public accountants, copies of which have been made available to each Lender, fairly present in all material respects the Consolidated financial condition of the Borrower and its Subsidiaries as at such date and the Consolidated results of the operations of the Borrower and its Subsidiaries for the periods ended on such date, all in accordance with generally accepted accounting principles consistently applied.

(ii) Since January 31, ~~2021~~2022, there has been no Material Adverse Change.

(f) There is no pending or, to the Borrower's knowledge, threatened in writing, action, suit, investigation, litigation or proceeding, including, without limitation, any Environmental Action, against the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator that (i) could reasonably be expected to have a Material Adverse Effect or (ii) could reasonably be expected to adversely affect the legality, validity or enforceability of the Loan Documents.

(g) The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no proceeds of any Advance will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(h) The Borrower is not an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

(i) No written information, exhibit or report furnished by or on behalf of the Borrower to the Agent or any Lender in connection with the negotiation of this Agreement (other than Projections (as defined below), budgets, estimates and other forward-looking information or information of a general economic or industry nature), when taken together with the Borrower's filings with the Securities and Exchange Commission, contained when furnished any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made therein not materially misleading. Any projections or pro forma financial information contained in such information, exhibits or reports (the "Projections") are based upon good faith estimates and assumptions believed by the Borrower to be reasonable at the time made, it being recognized by the Agent and the Lenders that such projections and pro forma information are not to be viewed as facts and that actual results during the period or periods

covered thereby may differ from the projected or pro forma results (it being understood that forecasts and projections by their nature involve approximations and uncertainties).

(j) The Borrower has implemented and maintains in effect policies and procedures designed to promote compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and any agent of the Borrower or any Subsidiary that acts in any capacity in connection with, or benefits from, the credit facility established hereby with Anti-Corruption Laws and applicable Sanctions, and the Borrower and its Subsidiaries, and to the knowledge of the Borrower, its officers, employees, directors and any agent of the Borrower or any Subsidiary that acts in any capacity in connection with, or benefits from, the credit facility established hereby, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower, any Subsidiary or any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing, use of proceeds or other transaction contemplated by this Agreement will violate Anti-Corruption Laws or applicable Sanctions.

(k) The Borrower is not an Affected Financial Institution.

ARTICLE V

COVENANTS OF THE BORROWER

SECTION 5.01 Affirmative Covenants. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will:

(a) Compliance with Laws, Etc. Comply, and cause each of its Subsidiaries to comply, with all applicable laws, rules, regulations and orders, such compliance to include, without limitation, compliance with ERISA, Environmental Laws and the Patriot Act, except in each case where failure so to comply would not reasonably be expected to have a Material Adverse Effect; and maintain in effect and enforce policies and procedures designed to promote compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and any agent of the Borrower or any Subsidiary that acts in any capacity in connection with, or benefits from, the credit facility established hereby with Anti-Corruption Laws and applicable Sanctions.

(b) Payment of Taxes, Etc. Pay and discharge, and cause each of its Subsidiaries to pay and discharge, before the same shall become delinquent, all taxes, assessments and governmental charges or levies imposed upon it or upon its property; provided, however, that neither the Borrower nor any of its Subsidiaries shall be required to pay or discharge any such tax, assessment, charge or levy (i) that is being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained to the extent required by generally accepted accounting principles or (ii) if the failure to make such any such payment or discharge any of the foregoing would not reasonably be expected to have a Material Adverse Effect.

(c) Maintenance of Insurance. Maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower or such Subsidiary operates; provided, however, that the Borrower and its Subsidiaries may self-insure to the same extent as other companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower or such Subsidiary operates and to the extent consistent with prudent business practice.

(d) Preservation of Corporate Existence, Etc. Preserve and maintain, and cause each of its Subsidiaries to preserve and maintain, its corporate or other organizational existence and the rights (charter and statutory) and franchises material to its business; provided, however, that the Borrower and its Subsidiaries may consummate any transaction permitted under Section 5.02(b) and any Subsidiary of the Borrower may be merged with any other Subsidiary of the Borrower or may be liquidated, wound up or dissolved; and provided further that, neither the Borrower nor any of its Subsidiaries shall be required to preserve any such right or franchise if the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(e) Visitation Rights. At any reasonable time and from time to time, upon reasonable notice, permit the Agent or any of the Lenders or any agents or representatives thereof, to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Borrower and any of its Subsidiaries, and to discuss the affairs, finances and accounts of the Borrower and any of its Subsidiaries with any of their officers or directors and with their independent certified public accountants provided that (x) unless an Event of Default has occurred and is continuing, no Lender may conduct more than one visit, examination or inspection per year and (y) an officer of the Borrower shall be present during any discussions with any independent public accountants. Notwithstanding anything to the contrary in this Section 5.01(e), neither the Borrower nor any of its Subsidiaries will be required to disclose, permit the inspection, examination or making of extracts, or discussion of, any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to Agent or any Lender (or its respective designated representative) is then prohibited by applicable law or any agreement binding on the Borrower or any of its Subsidiaries or (iii) is subject to attorney-client or similar privilege or constitutes attorney work product.

(f) Keeping of Books. Keep, and cause each of its Subsidiaries to keep, proper books of record and account, in which entries correct and accurate in all material respects and sufficient to prepare financial statements in accordance with generally accepted accounting principles in effect from time to time shall be made.

(g) Maintenance of Properties, Etc. Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, all of its properties that are used or useful in the conduct of its business in good working order and condition, ordinary wear and tear excepted, in each case except where the failure to do so would not have a Material Adverse Effect.

(h) [Reserved].

(i) Reporting Requirements. Furnish to the Agent (for distribution to the Lenders):

(i) within 45 days after the end of each of the first three quarters of each fiscal year of the Borrower, the Consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such quarter and Consolidated statements of operations and cash flows of the Borrower and its Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, duly certified (subject to year-end audit adjustments and absence of footnotes) by the chief financial officer of the Borrower as having been prepared in accordance with generally accepted accounting principles (it being agreed that delivery of the Borrower's Quarterly Report on Form 10-Q will satisfy this requirement, which such report shall be deemed to have been delivered hereunder on the date on which the Borrower files such report with the Securities and Exchange Commission) and a certificate of the chief financial officer or other financial officer of the Borrower certifying whether a Default exists and setting forth in reasonable detail the calculations of the financial covenant set forth in Section

5.03 applicable for such period, provided that in the event of any change in generally accepted accounting principles used in the preparation of such financial statements, the Borrower shall also provide, if necessary for the determination of compliance with Section 5.03, a statement of reconciliation conforming such financial statements to GAAP;

(ii) within 90 days after the end of each fiscal year of the Borrower, a copy of the annual audit report for such year for the Borrower and its Subsidiaries, containing the Consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such fiscal year and Consolidated statements of operations and cash flows of the Borrower and its Subsidiaries for such fiscal year, in each case accompanied by an opinion of Ernst & Young LLP or other independent public accountants of national standing (without a “going concern” or like qualification or exception and without any qualification or exception as to the scope of such audit other than any qualification or exception related to (i) an upcoming maturity date in respect of any Debt or (ii) any potential inability to satisfy any financial maintenance covenant on a future date in a future period) to the effect that such Consolidated financial statements fairly present in all material respects its financial condition and results of operations on a Consolidated basis in accordance with generally accepted accounting principles consistently applied (it being agreed that delivery of the Borrower’s Annual Report on Form 10-K will satisfy this requirement, which such report shall be deemed to have been delivered hereunder on the date on which Borrower files such report with the Securities and Exchange Commission) and a certificate of the chief financial officer or other financial officer of the Borrower as to whether a Default exists and setting forth in reasonable detail the calculations of the financial covenant set forth in Section 5.03 applicable for such period, provided that in the event of any change in generally accepted accounting principles used in the preparation of such financial statements, the Borrower shall also provide, if necessary for the determination of compliance with Section 5.03, a statement of reconciliation conforming such financial statements to GAAP;

(iii) promptly and in any event within five days after the occurrence of each Default continuing on the date of such statement, a statement of the chief financial officer or other executive officer of the Borrower setting forth details of such Default and the action that the Borrower has taken and proposes to take with respect thereto;

(iv) promptly after the filing thereof, copies of all reports and registration statements that the Borrower or any Subsidiary files with the Securities and Exchange Commission or any national securities exchange and not otherwise required to be delivered to the Agent pursuant hereto;

(v) promptly after the commencement thereof, notice of all actions and proceedings before any court, governmental agency or arbitrator against the Borrower or any of its Subsidiaries of the type described in Section 4.01(f)(ii);

(vi) promptly following any request in writing therefor, information and documentation reasonably requested by the Agent or any Lender for purposes of compliance with applicable “know your customer” and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act and the Beneficial Ownership Regulation (if applicable);

(vii) within 180 days following the end of each fiscal year of the Borrower (commencing with the fiscal year ending January 31, 2022), a Pricing Certificate;

provided, however, that for any fiscal year, if a Pricing Certificate is not delivered within such 180-day period, such failure to deliver shall not constitute a Default or Event of Default under this Agreement (but such failure to so deliver a Pricing Certificate by the end of such 180-day period, shall result in the Sustainability Margin Adjustment of positive 4 bps and positive 1 bp Sustainability Fee Adjustment being applied until a Pricing Certificate is delivered); and

(viii) such other information respecting the Borrower or any of its Subsidiaries as any Lender through the Agent may from time to time reasonably request.

Documents required to be delivered pursuant to clauses (i), (ii), (iv) and (v) of this Section 5.01(i) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which such documents are filed for public availability on the Securities and Exchange Commission's Electronic Data Gathering and Retrieval System; provided that the Borrower shall upon request provide to the Agent by electronic mail electronic versions (i.e., soft copies or links to access such documents) of such documents.

SECTION 5.02 Negative Covenants. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will not:

(a) Liens, Etc. Create or suffer to exist, or permit any of its Subsidiaries to create or suffer to exist, any Lien on or with respect to any of its properties, whether now owned or hereafter acquired, other than:

(i) Permitted Liens,

(ii) purchase money Liens upon or in any real property or equipment (including any accessions, additions, parts, replacements, fixtures, improvements and attachments thereto and the proceeds thereof, and customary cash security deposits) acquired or held by the Borrower or any Subsidiary to secure the purchase price of such property or equipment or to secure obligations incurred solely for the purpose of financing the acquisition of such property or equipment, or Liens existing on such property or equipment at the time of its acquisition (other than any such Liens created in contemplation of such acquisition that were not incurred to finance the acquisition of such property) or extensions, renewals or replacements of any of the foregoing for the same or a lesser amount, provided, however, that no such Lien shall extend to or cover any properties of any character other than the real property or equipment being acquired or held (and any accessions, addition, parts, replacements, fixtures, improvements and attachments thereto and the proceeds thereof, and customary cash security deposits), and no such extension, renewal or replacement shall extend to or cover any properties not theretofore subject to the Lien being extended, renewed or replaced (and any accessions, additions, parts, replacements, fixtures, improvements and attachments thereto and the proceeds thereof, and customary cash security deposits),

(iii) the Liens existing on the Effective Date,

(iv) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Borrower or any Subsidiary of the Borrower or becomes a Subsidiary of the Borrower; provided that such Liens were not created in contemplation of such merger, consolidation or acquisition and do not extend to any assets other than

those of the Person (and its Subsidiaries) so merged into or consolidated with the Borrower or such Subsidiary or acquired by the Borrower or such Subsidiary,

(v) other Liens securing obligations; provided that the aggregate outstanding principal amount of the obligations secured by Liens permitted in reliance on this clause (v), together with the aggregate principal amount of Debt incurred and then outstanding under Section 5.02(e)(iv), does not exceed the greater of (x) 15% of Consolidated Tangible Assets as of the end of the fiscal quarter ended immediately prior to the date such obligations are incurred or secured for which financial statements of the Borrower are available and (y) \$500,000,000 at any time outstanding,

(vi) statutory, common law or customary contractual liens of depository institutions or institutions holding securities accounts (including rights of set-off or similar rights or remedies),

(vii) Liens to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, contracts for the purchase of property, performance and return-of-money bonds, and other similar obligations,

(viii) any interest or title of a lessor or sublessor under any lease of real estate,

(ix) Liens on cash earnest money deposits or escrow deposits made by the Borrower or any of its Subsidiaries in connection with any letter of intent or purchase agreement,

(x) purported Liens evidenced by the filing of precautionary UCC financing statements relating solely to operating leases of personal property entered into in the ordinary course of business,

(xi) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods,

(xii) licenses and sublicenses of patents, trademarks, copyrights and other intellectual property rights granted by the Borrower or any of its Subsidiaries in the ordinary course of business,

(xiii) Liens securing judgments or orders not constituting an Event of Default under Section 6.01(f) or securing appeal or other surety bonds or similar instruments with respect to such judgments,

(xiv) Liens on property (and the proceeds thereof) at the time acquired by the Borrower or any of its Subsidiaries; provided that such Lien does not extend to any other property of the Borrower or any of its Subsidiaries; provided further that the Lien shall not have been created in anticipation of or in connection with such transaction or series of transactions pursuant to which such property was acquired by the Borrower or any of its Subsidiaries,

(xv) leases or subleases granted to others in the ordinary course of business which do not interfere in any material respect with the business operations of the Borrower and its Subsidiaries, taken as a whole,

(xvi) customary Liens granted in favor of a trustee to secure fees and other amounts owing to such trustee under an indenture or other agreement,

(xvii) Liens, if any, arising under leases that have been or should be, in accordance with GAAP, recorded as finance leases,

(xviii) deposits as security for contested taxes or contested import or customs duties,

(xix) the replacement, extension or renewal of any Lien permitted by clause (iii) or (iv) above upon or in the same property theretofore subject thereto or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor) of the Debt secured thereby,

(xx) Liens securing obligations under Hedge Agreements entered into in the ordinary course of business and not for speculative purposes, and Liens arising under repurchase agreements, reverse repurchase agreements, securities lending and borrowing arrangements and similar arrangements, in each case, in the ordinary course of business, and

(xxi) Liens to secure intercompany obligations among the Borrower and its Subsidiaries and between Subsidiaries.

(b) Mergers, Etc. Merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of the assets (whether now owned or hereafter acquired) of the Borrower and its Subsidiaries taken as a whole to, any Person, except that (i) any Subsidiary of the Borrower may merge or consolidate with or into the Borrower so long as the Borrower is the surviving entity in such merger or consolidation and (ii) the Borrower may merge or consolidate with or into any other Person so long as the Borrower is the surviving Person and remains organized under the laws of any state or political subdivision of the United States, provided, that no Default shall have occurred and be continuing at the time of such transaction or would result therefrom.

(c) [Reserved].

(d) Material Change in Nature of Business. Make, or permit any of its Subsidiaries to, taken as a whole, make, any material change in the nature of their businesses as carried on at the date hereof, it being understood that the foregoing shall not restrict the Borrower and its Subsidiaries from carrying on any business that is related, ancillary or complementary thereto or a reasonable extension thereof.

(e) Subsidiary Debt. Permit any of its Subsidiaries to create or suffer to exist any Debt other than:

(i) Debt owed to the Borrower or to a Subsidiary of the Borrower,

(ii) [reserved],

(iii) Debt secured by Liens permitted by Section 5.02(a)(ii) or (xiv),

(iv) other Debt of the Borrower's Subsidiaries; provided that the aggregate outstanding principal amount of Debt permitted in reliance on this clause (iv), together

with the aggregate principal outstanding amount of obligations secured by Liens permitted under Section 5.02(a)(v), does not exceed the greater of (x) 15% of Consolidated Tangible Assets as of the end of the fiscal quarter ended immediately prior to the date such Debt was incurred for which financial statements of the Borrower are available and (y) \$500,000,000 at any time outstanding,

(v) indorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business,

(vi) guaranties of any Debt otherwise permitted under this Section 5.02(e),

(vii) Debt arising under Hedge Agreements entered into in the normal course of business and not for speculative purposes;

(viii) Debt of a Person that becomes a Subsidiary after the date of this Agreement; provided that such Debt exists at the time such Person becomes a Subsidiary and is not created in contemplation of or in connection with such Person becoming a Subsidiary,

(ix) Debt arising in connection with customary cash management services and from the honoring by a bank or financial institution of a check, draft or similar instrument drawn against insufficient funds, in each case in the ordinary course of business; provided that such Debt is extinguished within five Business Days after its incurrence,

(x) Debt with respect to surety, appeal, indemnity, performance or other similar bonds in the ordinary course of business or with respect to agreements providing for indemnification or adjustment of purchase price,

(xi) Debt as an account party in respect of trade or standby letters of credit, bank guarantees or bankers' acceptances in an aggregate amount not to exceed the greater of (x) 5.0% of Consolidated Tangible Assets as of the end of the fiscal quarter ended immediately prior to the date such Debt was incurred for which financial statements of the Borrower are available and (y) \$100,000,000 at any time outstanding,

(xii) any bankers' acceptance, bank guarantees, letter of credit, warehouse receipt or similar facilities entered into in the ordinary course of business (including in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other obligations with respect to reimbursement type obligations regarding workers compensation claims), but not in respect of Debt, and

(xiii) Debt in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements incurred in the ordinary course of business.

(f) Use of Proceeds. Request any Borrowing, or use, or permit its Subsidiaries or its or their respective directors, officers, employees and any agent of the Borrower or any Subsidiary that acts in any capacity in connection with, or benefits from, the credit facility established hereby to use, the proceeds of any Borrowing (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating

any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country to the extent such activities, businesses or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States, the United Kingdom or in a European Union member state, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

SECTION 5.03 Financial Covenant. So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will not permit, as of the last day of any fiscal quarter of the Borrower, commencing with the fiscal quarter ending October 31, 2021, the ratio of (i) Consolidated Covenant Debt as of such day to (ii) Consolidated EBITDA for the four consecutive fiscal quarters of the Borrower ending on such day (such ratio, the "Leverage Ratio"), to exceed 3.50:1.00; provided that, upon written notice (such notice, an "Increase Leverage Notice") to the Agent from the Borrower that a Material Acquisition has been consummated, the maximum Leverage Ratio permitted pursuant to this Section 5.03 shall be increased to 4.00:1.00 for the last day of each of the four consecutive fiscal quarters following the consummation of such Material Acquisition; provided, further, that following such four consecutive fiscal quarters for which the maximum Leverage Ratio is increased, the maximum Leverage Ratio permitted pursuant to this Section 5.03 shall revert to 3.50:1.00 for not fewer than two consecutive fiscal quarters before a subsequent Increase Leverage Notice is delivered to the Agent.

ARTICLE VI

EVENTS OF DEFAULT

SECTION 6.01 Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

(a) The Borrower shall fail to pay any principal of any Advance when the same becomes due and payable; or the Borrower shall fail to pay any interest on any Advance or make any other payment of fees or other amounts payable under this Agreement or any Note (if any) within five Business Days after the same becomes due and payable; or

(b) Any representation or warranty made by the Borrower herein or in connection with this Agreement shall prove to have been incorrect in any material respect when made (other than, for the avoidance of doubt, any Pricing Certificate Inaccuracy; provided that the Borrower complies with the terms of Section 2.21(d) with respect to such Pricing Certificate Inaccuracy); or

(c) (3) The Borrower shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(d) (as to the existence of the Borrower) or (i)(iii), 5.02 or 5.03, or (ii) the Borrower shall fail to perform or observe any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for 30 days after written notice thereof shall have been given to the Borrower by the Agent or the Required Lenders; or

(d) (i) The Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Debt that is outstanding in a principal amount or, in the case of Hedge Agreements, net obligations (determined as of any date as the amount such Person would be required to pay to its counterparty in accordance with the terms thereof as if terminated on such date of determination after giving effect to any netting arrangement relating to such Hedge Agreement) of at least \$150,000,000 in the aggregate (but excluding Debt outstanding hereunder) of the Borrower or such Subsidiary (as the case may be) ("Material Debt"), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after

the applicable grace period, if any, specified in the agreement or instrument relating to such Material Debt; or (ii) the Borrower or any of its Subsidiaries breaches or defaults in the observance or performance of any other agreement or condition relating to any such Material Debt or any “change of control” (or equivalent term) with respect to the Borrower shall occur with respect to such Material Debt, the effect of which is to (x) cause, or to permit the holder or holders of such Material Debt (or a trustee or agent on behalf of such holder or holders) to cause (after the expiration of any grace period), with the giving of notice (if required), such Material Debt to become due prior to its scheduled maturity or (y) cause (after the expiration of any grace period), with the giving of notice if required, the Borrower or any of its Subsidiaries to purchase or redeem or make an offer to purchase or redeem such Material Debt prior to its scheduled maturity; provided that this clause (d)(ii) shall not apply to secured Debt that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Debt; or

(e) The Borrower or any of its Subsidiaries (other than an Immaterial Subsidiary) shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower or any of its Subsidiaries (other than an Immaterial Subsidiary) seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Borrower or any of its Subsidiaries (other than an Immaterial Subsidiary) shall take any corporate action to authorize any of the actions set forth above in this subsection (e); or

(f) Final judgments or orders for the payment of money in excess of \$150,000,000 in the aggregate shall be rendered against the Borrower or any of its Subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order (and such execution shall not be paid, bonded or effectively stayed) or (ii) there shall be any period of 60 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, is not in effect; provided, however, that any such judgment or order shall not be an Event of Default under this Section 6.01(f) to the extent that the amount of such judgment or order (or portion thereof) is paid or is covered by a valid and binding policy of insurance as to which the insurer does not dispute coverage; or

(g) (4) Any Person or two or more Persons acting in concert shall have acquired beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of Voting Stock of the Borrower representing 40% or more of the combined voting power of all Voting Stock of the Borrower; or (ii) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were neither (i) (x) directors of the Borrower on the date of this Agreement, (y) nominated or appointed by the board of directors of the Borrower or (z) approved by the board of directors of the Borrower for consideration by the stockholders for election nor (ii) appointed by directors so nominated, appointed or approved; or

(h) The Borrower or any of its ERISA Affiliates shall incur, or shall be reasonably likely to incur liability in excess of \$150,000,000 in the aggregate as a result of one or more of the following: (i) the occurrence of any ERISA Event; (ii) the partial or complete withdrawal of the Borrower or any of its ERISA Affiliates from a Multiemployer Plan; or (iii) the reorganization, insolvency or termination of a Multiemployer Plan within the meaning of Title IV of ERISA or a determination that a Multiemployer

Plan is in “endangered” or “critical” status within the meaning of Section 432 of the Internal Revenue Code or Section 305 of ERISA;

then, and in any such event, the Agent (i) shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the obligation of each Lender to make Advances to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the Advances, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided, however, that in the event of an actual or deemed entry of an order for relief with respect to the Borrower under the United States Federal Bankruptcy Code, (A) the obligation of each Lender to make Advances shall automatically be terminated and (B) the Advances, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VII

THE AGENT

SECTION 7.01 Appointment and Authority. Each of the Lenders hereby irrevocably appoints Citibank to act on its behalf as the Agent hereunder and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article (other than Section 7.07) are solely for the benefit of the Agent and the Lenders, and the Borrower shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

SECTION 7.02 Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent, and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 7.03 Exculpatory Provisions. (a) The Agent and the Sustainability Structuring Agent shall each not have any duties or obligations except those expressly set forth herein, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent and the Sustainability Structuring Agent each:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein); provided that the

Agent and the Sustainability Structuring Agent shall each not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent and the Sustainability Structuring Agent to liability or that is contrary to this Agreement or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any debtor relief law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any debtor relief law; and

(iii) shall not, except as expressly set forth herein, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Agent or the Sustainability Structuring Agent, or any of their Affiliates in any capacity.

(b) The Agent and the Sustainability Structuring Agent shall each not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 8.01 and 6.01), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Agent and the Sustainability Structuring Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Agent or the Sustainability Structuring Agent in writing by the Borrower or a Lender.

(c) The Agent and the Sustainability Structuring Agent shall each not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article III or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent or the Sustainability Structuring Agent.

SECTION 7.04 Reliance by Agent. The Agent and the Sustainability Structuring Agent shall each be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent and the Sustainability Structuring Agent also may each rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of an Advance that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Advance. The Agent and the Sustainability Structuring Agent may each consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 7.05 Indemnification. The Lenders agree to indemnify the Agent and the Sustainability Structuring Agent (for the purposes of this Section 7.05, the "Indemnified Agents") (to the extent not reimbursed by the Borrower following demand therefor), ratably according to the respective principal amounts of the Advances then owed to each of them (or if no Advances are at the time outstanding, ratably according to the respective amounts of their Commitments at the time demand is made), from and against any and all claims, damages, losses, liabilities and expenses (including, without

limitation, reasonable fees and expenses of counsel but subject to any limitations otherwise set forth in this Agreement) incurred by or asserted or awarded against such Indemnified Agent in any way relating to or arising out of this Agreement or any action taken or omitted by such Indemnified Agent under this Agreement except to the extent such claim, damage, loss, liability or expense is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from (x) such Indemnified Agent's gross negligence, bad faith or willful misconduct or (y) the material breach in bad faith by such Indemnified Agent of its express obligations under this Agreement (collectively, the "Indemnified Costs"). Without limitation of the foregoing, each Lender agrees to reimburse each Indemnified Agent promptly upon demand for its ratable share of any out of pocket expenses (including reasonable counsel fees) incurred by any Indemnified Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that such Indemnified Agent is not reimbursed for such expenses by the Borrower. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Costs, this Section 7.05 applies whether any such investigation, litigation or proceeding is brought by an Indemnified Agent, any Lender or a third party. This Section 7.05 shall not apply with respect to taxes other than any taxes that represent losses or damages arising from any non-tax claim.

SECTION 7.06 Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder by or through any one or more sub-agents appointed by the Agent. The Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Commitments as well as activities as Agent. The Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 7.07 Resignation of Agent. (a) The Agent and the Sustainability Structuring Agent may at any time give notice of its resignation to the Lenders and the Borrower, which resignation shall be effective on the Resignation Effective Date. Upon receipt of any such notice of resignation, the Required Lenders shall have the right to appoint a successor which is, so long as no Event of Default under Section 6.01(a) or Section 6.01(e) is continuing, reasonably acceptable to the Borrower, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent or Sustainability Structuring Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Agent or Sustainability Structuring Agent may (but shall not be obligated to), on behalf of the Lenders, appoint a successor Agent or Sustainability Structuring Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If a Person serving as Agent or Sustainability Structuring Agent is a Defaulting Lender pursuant to clause (v) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Agent or Sustainability Structuring Agent and appoint a successor which is, so long as no Event of Default under Section 6.01(a) or Section 6.01(e) is continuing, reasonably acceptable to the Borrower. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the

“Removal Effective Date”), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Agent or Sustainability Structuring Agent shall be discharged from its duties and obligations hereunder and (2) all payments, communications and determinations provided to be made by, to or through the Agent or the Sustainability Structuring Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Agent or Sustainability Structuring Agent as provided for above. Upon the acceptance of a successor’s appointment as Agent or Sustainability Structuring Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent or Sustainability Structuring Agent, and the retiring or removed Agent or Sustainability Structuring Agent shall be discharged from all of its duties and obligations hereunder. The fees payable by the Borrower to a successor Agent or Sustainability Structuring Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Agent or Sustainability Structuring Agent’s resignation or removal hereunder, the provisions of this Article and Section 8.04 (with respect to a retiring or removed Sustainability Structuring Agent, Section 8.04(b) only) shall continue in effect for the benefit of such retiring or removed Agent or Sustainability Structuring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent or Sustainability Structuring Agent was acting as Agent or Sustainability Structuring Agent, respectively.

SECTION 7.08 Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement or any related agreement or any document furnished hereunder or thereunder.

SECTION 7.09 No Other Duties, etc. Anything herein to the contrary notwithstanding, none of the Bookrunners, Arrangers or syndication agents, if any, listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement, except in its capacity, as applicable, as the Agent or a Lender hereunder.

SECTION 7.10 Certain Lender ERISA Matters. (a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Advances the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class

exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Advances, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Lender.

(h) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Agent under this Agreement, any other Loan Document or any documents related hereto or thereto).

As used in this Section, the following terms shall have the following meanings:

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Internal Revenue Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Internal Revenue Code) the assets of any such "employee benefit plan" or "plan".

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

SECTION 7.11 Recovery of Erroneous Payments

(a) If the Agent (x) notifies a Lender, or any Person who has received funds on behalf of a Lender (any such Lender or other recipient (and each of their respective successors and assigns), a "Payment Recipient") that the Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds (as set forth in such notice from the Agent) received by such Payment Recipient from the Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees,

distribution or otherwise, individually and collectively, an “Erroneous Payment”) and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Agent pending its return or repayment as contemplated below in this Section 7.11 and held in trust for the benefit of the Agent, and such Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter (or such later date as the Agent may, in its sole discretion, specify in writing), return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender or any Person who has received funds on behalf of a Lender (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates), or (z) that such Lender, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

(i) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from the Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender shall (and shall use commercially reasonable efforts to cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 7.11(b).

For the avoidance of doubt, the failure to deliver a notice to the Agent pursuant to this Section 7.11(b) shall not have any effect on a Payment Recipient’s obligations pursuant to Section 7.11(a) or on whether or not an Erroneous Payment has been made.

(c) Each Lender hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Lender under any Loan Document, or otherwise payable or distributable by the Agent to such Lender under any Loan Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Agent has demanded to be returned under immediately preceding clause (a).

(d)

(i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “Erroneous Payment Return Deficiency”), upon the Agent’s notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Advances (but not its Commitments) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment of the Advances (but not Commitments), the “Erroneous Payment Deficiency Assignment”) (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance)), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an electronic platform as to which the Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Advances to the Borrower or the Agent (but the failure of such Person to deliver any such Notes shall not affect the effectiveness of the foregoing assignment), (B) the Agent as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, (D) the Agent and the Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Agent will reflect in the Register its ownership interest in the Advances subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement.

(ii) Subject to Section 8.07 (but excluding, in all events, any assignment consent or approval requirements (whether from the Borrower or otherwise)), the Agent may, in its discretion, sell any Advances acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Advance (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Agent on or with respect to any such Advances acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Advances are then owned by the Agent) and (y) may, in the sole discretion of the Agent, be reduced by any amount specified by the Agent in writing to the applicable Lender from time to time.

(e) The parties hereto agree that (x) irrespective of whether the Agent may be equitably subrogated, in the event that an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Agent shall be subrogated to all the rights and interests of such Payment Recipient (and, in the case of any Payment Recipient who has received funds on behalf of a Lender, to the rights and interests of such Lender) under the Loan Documents with respect to such amount (the “Erroneous Payment Subrogation Rights”) (provided that the Borrower’s obligations under the Loan Documents in respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such obligations in respect of Advances that have been assigned to the Agent under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any obligations owed by the Borrower; provided that this Section 7.11 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the obligations of the Borrower relative to the amount (and/or timing for payment) of the obligations that would have been payable had such Erroneous Payment not been made by the Agent; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Agent from the Borrower for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on “discharge for value” or any similar doctrine.

(g) Each party’s obligations, agreements and waivers under this Section 7.11 shall survive the resignation or replacement of the Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all obligations (or any portion thereof) of the Borrower hereunder.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.01 Amendments, Etc. Except as provided in Sections 2.17, 2.20 and 2.22, no amendment or waiver of any provision of this Agreement, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders (or the Agent with the consent of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing and signed by (a) all the Lenders, do any of the following: (i) waive any of the conditions specified in Section 3.01, (ii) change the definition of “Required Lenders” or the percentage of the Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder or (iii) amend this Section 8.01 or (b) each Lender affected thereby, do any of the following: (i) increase, or extend the date for termination of, the Commitment of such Lender, (ii) reduce the principal of, or rate of interest on, the Advances or any fees or other amounts payable hereunder to such Lender or (iii) postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder to such Lender; and provided further that no amendment, waiver or consent shall, unless in writing and signed by the Agent in addition to the Lenders required above to take such action, affect the rights or duties of the Agent under this Agreement or any Note. Notwithstanding anything herein to the contrary, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent that by its terms requires the consent of all the Lenders or each affected

Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders, except that (x) the Commitment of any Defaulting Lender may not be increased or extended, or the maturity of any of its Advances may not be extended, the rate of interest on any of its Advances may not be reduced and the principal amount of any of its Advances may not be forgiven, in each case without the consent of such Defaulting Lender and (y) any amendment, waiver or consent requiring the consent of all the Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than the other affected Lenders shall require the consent of such Defaulting Lender.

SECTION 8.02 Notices; Effectiveness; Electronic Communication. x) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below) or as otherwise provided in Section 5.01(1), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile (other than to the Borrower) or email as follows:

(i) if to the Borrower, to it at 111 McInnis Parkway, San Rafael, California 94903, Attention of Treasurer (E-mail: treasops@autodesk.com), with a copy to Attention of General Counsel (E-mail: general.counsel@autodesk.com);

(ii) if to the Agent, to it at One Penns Way, OPS 2/2, New Castle, Delaware 19720, Attention of Bank Loan Syndications (Facsimile No. 212 994-0961; E-mail: GLAgentOfficeOps@citi.com); and

(iii) if to a Lender, to it at its address (or facsimile number or e-mail) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Agent that it is incapable of receiving notices under such Article by electronic communication. The Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or

communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) Change of Address, etc. The Borrower may change its address or email address for notices and other communications hereunder by notice to the Agent. Any other party hereto may change its address, e-mail address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d) Platform.

(i) The Borrower agrees that the Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the "Platform").

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Agent or any of its Related Parties (each an "Agent Party" and collectively, the "Agent Parties") have any liability to the Borrower, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's or the Agent's transmission of communications through the Platform except to the extent caused by Agent's or any Agent Party's gross negligence or willful misconduct. "Communications" means, collectively, any notice, demand, communication, information, document or other material that the Borrower provides to the Agent pursuant to this Agreement or the transactions contemplated therein which is distributed to the Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

SECTION 8.03 No Waiver; Remedies. No failure on the part of any Lender or the Agent to exercise, and no delay in exercising, any right hereunder or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8.04 Costs and Expenses; Indemnification. xi) The Borrower agrees to pay on demand, and upon presentation of a statement of account therefor, all reasonable and documented out-of-pocket costs and expenses of the Agent in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, the reasonable and documented out-of-pocket fees and expenses of one counsel for the Agent (which, as of the date hereof, is Shearman & Sterling LLP) with respect thereto and with respect to advising the Agent as to its rights and responsibilities under this Agreement. The Borrower further agrees to pay on demand all costs and expenses of the Agent and the Lenders, if any (including, without limitation, reasonable counsel fees and expenses), in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, reasonable fees

and expenses of counsel for the Agent and each Lender in connection with the enforcement of rights under this Section 8.04(a).

(a) The Borrower agrees to indemnify and hold harmless the Agent, each Arranger, the Sustainability Structuring Agent and each Lender and each of their Related Parties (each, an “Indemnified Party”) from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees and expenses of counsel but subject to any limitations otherwise set forth in this Agreement) incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (including, without limitation, in connection with any investigation, litigation or proceeding or preparation of a defense in connection therewith) (i) the Notes, this Agreement, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Advances or (ii) the actual or alleged presence of Hazardous Materials on any property of the Borrower or any of its Subsidiaries or any Environmental Action relating in any way to the Borrower or any of its Subsidiaries, except to the extent such claim, damage, loss, liability or expense is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from (x) such Indemnified Party’s gross negligence, bad faith or willful misconduct, (y) the material breach in bad faith by such Indemnified Party of its express obligations under this Agreement pursuant to a claim initiated by the Borrower or (z) any dispute solely among Indemnified Parties (not arising as a result of an act or omission by the Borrower or any of its Subsidiaries) other than claims against the Agent or any of its Affiliates in its capacity, or in fulfilling its role, as the Agent under this Agreement. In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 8.04(b) applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by the Borrower, its directors, equityholders or creditors or an Indemnified Party or any other Person, whether or not any Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated.

The Borrower agrees not to assert any claim for special, indirect, consequential or punitive damages against the Agent, any Lender, the Sustainability Agent (“Lender-Related Parties”), any of their Affiliates, or any of their respective directors, officers, employees, attorneys and agents, on any theory of liability, arising out of or otherwise relating to the Notes, this Agreement, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Advances. No Lender-Related Party shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the transactions contemplated hereby or thereby except to the extent such damages are found in a final, non-appealable judgment by a court of competent jurisdiction to have been caused by the gross negligence or willful misconduct of such Lender-Related Party. This Section 8.04(b) shall not apply with respect to taxes other than any taxes that represent losses or damages arising from any non-tax claim.

(b) If any payment of principal of, or Conversion of, any ~~Eurodollar Rate~~SOFR Advance is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Advance, as a result of a payment or Conversion pursuant to Section 2.07(d) or (e), 2.09 or 2.11, acceleration of the maturity of the Notes pursuant to Section 6.01 or for any other reason, or by an Eligible Assignee to a Lender other than on the last day of the Interest Period for such Advance upon an assignment of rights and obligations under this Agreement pursuant to Section 8.07 as a result of a demand by the Borrower pursuant to Section 2.19, the Borrower shall, upon demand by such Lender (with a copy of such demand to the Agent and setting forth in reasonable detail the calculation of the amounts demanded), pay to the Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that it may reasonably incur as a result of such payment or Conversion, including, without limitation, any loss (excluding loss of

anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance.

(c) Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in Sections 2.10, 2.13 and 8.04 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the Notes and the termination of this Agreement.

SECTION 8.05 Right of Set-off. Upon either (a) the occurrence and during the continuance of any Event of Default under Section 6.01(a) or 6.01(e) involving the Borrower or (b) (i) the occurrence and during the continuance of any other Event of Default and (ii) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Agent to declare the Notes due and payable pursuant to the provisions of Section 6.01, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, but excluding deposits in (i) trust or other fiduciary accounts (to the extent of amounts held therein in trust in the ordinary course of business on behalf of third parties), (ii) payroll accounts, (iii) health-savings accounts and worker's compensation accounts, (iv) withholding tax accounts and (v) zero balance accounts used in the ordinary course of business) at any time held and other indebtedness at any time owing by such Lender or such Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement and the Note held by such Lender, whether or not such Lender shall have made any demand under this Agreement or such Note and although such obligations may be unmatured. Each Lender agrees promptly to notify the Borrower after any such set off and application, provided that the failure to give such notice shall not affect the validity of such set off and application; provided further, that in the event that any Defaulting Lender exercises any such right of setoff, (x) all amounts so set off will be paid over immediately to the Agent for further application in accordance with the provisions of Section 2.18(a) and, pending such payment, will be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Agent and the Lenders and (y) such Defaulting Lender will provide promptly to the Agent a statement describing in reasonable detail the obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and its Affiliates under this Section are in addition to other rights and remedies (including, without limitation, other rights of set off) that such Lender and its Affiliates may have.

SECTION 8.06 Binding Effect. This Agreement shall become effective (other than Section 2.01, which shall only become effective upon satisfaction of the conditions precedent set forth in Section 3.01) when it shall have been executed by the Borrower, the Agent and each Initial Lender and thereafter shall be binding upon and inure to the benefit of the Borrower, the Agent and each Lender and their respective permitted successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of each Lender (and any other attempted assignment or transfer by any party hereto shall be null and void).

SECTION 8.07 Assignments and Participations. xii) Successors and Assigns Generally. No Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this

Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Advances at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Advances at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Advances outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Advances of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$10,000,000, or an integral multiple of \$1,000,000 in excess thereof, unless each of the Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Advance or the Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default under Section 6.01(a) or 6.01(e) has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender or an Affiliate of a Lender; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Agent within ten Business Days after having received written notice thereof; and

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments to a Person that is not a Lender or an Affiliate of such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; provided that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's Affiliates or Subsidiaries or (B) to any Defaulting Lender, its Parent Company or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person).

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable pro rata share of Advances previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Advances in accordance with its ratable share of the Commitments. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.10, 2.13 and 8.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section.

(c) Register. The Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at one of its offices in the United States a copy of each Assumption Agreement and each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Advances owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, as to its Commitment, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Agent, sell participations to any Person (other than a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person) or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Advances owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Agent and other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 7.05 with respect to any payments made by such Lender to its Participant(s).

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in first proviso of Section 8.01 that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.10 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant agrees to be subject to the provisions of Section 2.19 as if it were an assignee under paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 8.05 as though it were a Lender; provided that such Participant agrees to be subject to 2.14 as though it were a Lender.

Each Lender that sells a participation, acting solely for this purpose as a nonfiduciary agent of the Borrower, shall maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Advances or other obligations under this Agreement (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any participant or any information relating to a participant's interest in any commitments, loans or its other obligations hereunder) except to the extent that such disclosure is necessary to establish that such commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Sections 2.10 and 2.13 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant organized under the laws of a jurisdiction outside the United States shall not be entitled to the benefits of Section 2.13 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.13(e) as though it were a Lender.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 8.08 Confidentiality. Each of the Agent, the Sustainability Structuring Agent and the Lenders agrees to maintain the confidentiality of the Borrower Information (as defined below), and agrees that it shall only use such Borrower Information in connection with the transactions contemplated by this Agreement and not disclose such information other than (a) to its Affiliates and to its and its Affiliates' Related Parties on a need to know basis that are expected to be involved in the evaluation of such information in connection with the transactions contemplated by this Agreement (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Borrower Information and instructed to keep such Borrower Information confidential in accordance with the terms hereof), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process (in which case the Agent and the Lenders agree to the extent not prohibited by applicable law, rule, regulation or order, to inform the Borrower promptly of the disclosure thereof and to the extent practicable, prior thereto; provided that the Agent and the Lenders shall bear no liability for failure to provide such notice), (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or any action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement for the benefit of the Borrower containing provisions substantially the same as those of this Section, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective party (or its managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives) to any swap or derivative or similar transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder or to any credit insurance provider relating to the Borrower and its obligations, (iii) any rating agency, or (iv) the CUSIP Service Bureau or any similar organization, (g) with the written consent of the Borrower or (h) to the extent such Borrower Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower (unless such disclosure is known to the Agent or such Lender to have violated a confidentiality obligation). In addition, the Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Agent or any Lender in connection with the administration of this Agreement, the other Loan Documents, and the Commitments.

For purposes of this Section, "Borrower Information" means all information received from the Borrower or any of its Subsidiaries relating to the Borrower or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Agent or any Lender on a nonconfidential basis prior to disclosure by the Borrower or any of its Subsidiaries (unless such disclosure is known to the Agent or such Lender to have violated a confidentiality obligation). Any Person required to maintain the confidentiality of Borrower Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Borrower Information as such Person would accord to its own confidential information.

SECTION 8.09 Governing Law. This Agreement and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 8.10 Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by telecopier

or other electronic transmission (including a .pdf e-mail transmission) shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 8.11 Jurisdiction, Etc. xiii) Each party hereto irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against any other party hereto or any Related Party of the foregoing in any way relating to this Agreement or any Note or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court for the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. The Borrower hereby irrevocably consents to the service of process in any action or proceeding in such courts by the mailing thereof by any parties hereto by registered or certified mail, postage prepaid, to the Borrower at its address specified pursuant to Section 8.02. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(a) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the Notes in any New York State or federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

SECTION 8.12 Patriot Act Notice; Beneficial Ownership Regulation. Each Lender and the Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the Patriot Act and the Beneficial Ownership Regulation (if applicable), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Agent, as applicable, to identify the Borrower in accordance with the Patriot Act and the Beneficial Ownership Regulation (if applicable). The Borrower shall provide, to the extent commercially reasonable, such information and take such actions as are reasonably requested by the Agent or any Lenders in order to assist the Agent and the Lenders in maintaining compliance with the Patriot Act and the Beneficial Ownership Regulation (if applicable).

SECTION 8.13 No Fiduciary Duty; Other Relationships. The Borrower acknowledges that the Lenders have no fiduciary relationship with, or fiduciary duty to, the Borrower arising out of or in connection with this Agreement, and the relationship between each Lender and the Borrower is solely that of creditor and debtor. This Agreement does not create a joint venture among the parties hereto. No relationship created hereunder shall in any way affect the ability of the Agent and each Lender to enter into or maintain business relationships with the Borrower or any Affiliate thereof beyond the relationships specifically contemplated by this Agreement.

SECTION 8.14 Electronic Execution of Assignments and Certain Other Documents. The words "execute," "execution," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, any Notice of Borrowing, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect,

validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Agent pursuant to procedures approved by it.

SECTION 8.15 Acknowledgement and Consent to Bail-In of Certain Affected Financial Institutions. Notwithstanding anything to the contrary in this Agreement or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under this Agreement, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 8.16 **WAIVER OF JURY TRIAL. EACH OF THE BORROWER, THE AGENT AND THE LENDERS HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE NOTES OR THE ACTIONS OF THE AGENT OR ANY LENDER IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT THEREOF.**

| [\[SIGNATURE PAGES INTENTIONALLY OMITTED\]](#)

~~IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.~~

~~AUTODESK, INC.~~

~~By _____
Name:
Title:~~

CITIBANK, N.A.,
as Agent

By _____
Name:
Title:

BNP PARIBAS
as Sustainability Structuring Agent

By _____
Name:
Title:

Initial Lenders:

CITIBANK, N.A.

By _____
Name:
Title:

BANK OF AMERICA, N.A.

By _____
Name:
Title:

BNP-PARIBAS

By _____
Name:
Title:

MORGAN STANLEY BANK, N.A.

By _____
Name:
Title:

U.S. BANK, NATIONAL ASSOCIATION

By _____
Name:
Title:

JPMORGAN CHASE BANK, N.A.

By _____
Name:
Title:

MUFG BANK, LTD.

By _____
Name:
Title:

ROYAL BANK OF CANADA

By _____
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By _____
Name:
Title:

CERTIFICATIONS

I, Andrew Anagnost, certify that:

1. I have reviewed this report on Form 10-Q of Autodesk, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 6, 2022

/s/ ANDREW ANAGNOST

Andrew Anagnost
President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, Deborah L. Clifford, certify that:

1. I have reviewed this report on Form 10-Q of Autodesk, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 6, 2022

/s/ DEBORAH L. CLIFFORD

Deborah L. Clifford
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Based on my knowledge, I, Andrew Anagnost, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Autodesk, Inc. on Form 10-Q for the quarterly period ended October 31, 2022, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-Q fairly presents in all material respects the financial condition and results of operations of Autodesk, Inc.

Dated: December 6, 2022

/s/ ANDREW ANAGNOST

Andrew Anagnost
President and Chief Executive Officer
(Principal Executive Officer)

Based on my knowledge, I, Deborah L. Clifford, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Autodesk, Inc. on Form 10-Q for the quarterly period ended October 31, 2022, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-Q fairly presents in all material respects the financial condition and results of operations of Autodesk, Inc.

Dated: December 6, 2022

/s/ DEBORAH L. CLIFFORD

Deborah L. Clifford
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)