



2023

**Environmental
Sustainability
Report**

SIDLEY

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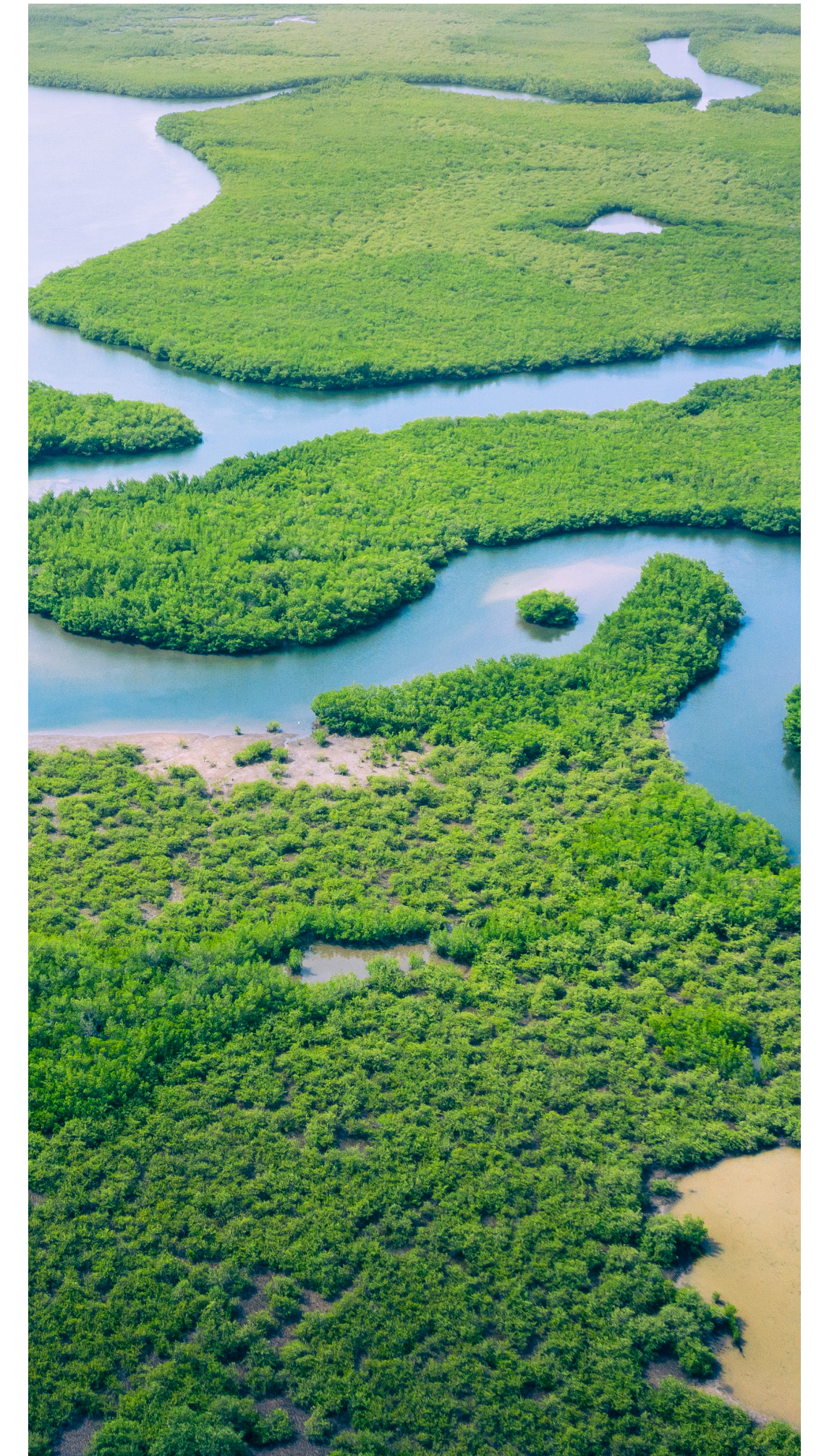
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Letter From the Management Committee

At Sidley, we are committed to minimizing our ecological impact in all areas of our operations, supporting our clients in their business and sustainability activities, and enhancing the quality of life for people in the communities where we live and work.

Sidley's 2023 Environmental Sustainability report covers key activities and achievements from the previous year, as well as how we continue to address climate change through our sustainability program and firmwide initiatives. We are particularly proud of the progress we have made to date against our long-term climate targets. Last year, we successfully achieved carbon neutrality in our direct operations — meeting the first of our climate commitments — and made positive strides toward our 2030 reduction and 2050 net-zero goals. We also completed our most comprehensive Scope 3 data collection to date, improving our ability to identify areas of impact and opportunities for emissions reductions.

Extending beyond our emissions data, this report includes descriptions of our client advisory services and sustainability-driven legal disciplines worldwide. Our experience covers environmental, social, and governance (ESG) matters, renewable energy projects, and pro bono work.

Our firm recognizes that the environmental challenges we face are complex and multifaceted. We believe that through innovation and continuous improvement, we can make a meaningful difference. We encourage you to delve into the report and discover the progress we have made toward sustainable growth.



Recent Sustainability Highlights



Carbon Footprint Reduced

25% total reduction (12,747 tCO₂e) compared to 2019

Carbon Neutrality Achievement

We fulfilled our near-term emissions reduction target by achieving carbon neutrality in our direct operations, leveraging Renewable Energy Credits (RECs) and offsets to supplement office-based efforts



Renewable Energy Expansion

Sidley's global data center and London office are 100% powered by renewable energy

Business Travel

Reduced air travel as a result of greater virtual collaboration compared to baseline year

Paper Usage

50% paper reduction compared to baseline year



Scope 3 Reporting

Expanded the scope of our data collection on Scope 3 emissions from purchased goods and services

Climate Risk Modeling

Firm leaders conducted a climate risk scenario analysis aligned with guidelines provided by the Financial Stability Board's Task Force on Climate-related Financial Disclosures

Sustainability at Sidley

We are committed to doing our part to ensure a sustainable future by conducting business in a responsible and mindful way that creates long-term value for our various internal and external stakeholders. We aim to minimize our impact on the environment by setting ambitious climate commitments to reduce our carbon emissions, as well as by creating a more sustainable workplace and culture across our global firm.

■ Approach to Sustainability

We apply a sustainability lens to both our internal operations and the legal work we do for clients. Where possible, we engage with select suppliers and other service partners in support of our sustainability objectives and supply chain management efforts. Across each of our office locations, we engage with landlords and property managers to implement sustainability improvements, ensuring that the best carbon reduction technologies and operating procedures are in place.

Our sustainability activities incorporate all levels and all areas of our firm, with ultimate oversight and involvement of the firm's leadership. From the operations team, to our leadership committees, to the actions of each employee, we encourage our professionals to consider how to integrate sustainability within their area of responsibility.

We partner with clients to help them achieve their sustainability goals and contribute to a net-zero economy. Our work for clients includes navigating complex ESG and sustainability issues and providing comprehensive advice on many of the most significant renewable energy projects around the globe. We also have a robust pro bono practice, with a dedicated program that provides legal services to socially and environmentally focused businesses across the developing world.

■ Sustainability Framework

To help facilitate our sustainability efforts, we organized the most salient environmental issues impacting our firm under a three-pillar framework: Legal Services, Global Business Operations, and Stakeholder Engagement. This framework allows us to focus on where we have the opportunity to make the greatest impact and communicate our progress in a structured and transparent way.

OUR FRAMEWORK



Sustainability at Sidley

Our Climate Targets

To reduce our carbon footprint, we have set short-, medium-, and long-term climate goals for our Scope 1, 2, and 3 greenhouse gas (GHG) emissions, in alignment with science-based targets. (For more information on types of emissions, see [here](#).)

2022: Achieved carbon neutrality in our direct operations through a combination of renewable energy initiatives and carbon credits

2030: Reduce Scope 1, 2, and 3 GHG emissions 55%, against a 2019 baseline year

2050: Reach net-zero GHG emissions

Responsible Citizenship

Preserving the environment is one of the many ways we demonstrate that we are responsible stewards of our people, our clients, and our communities. Maintaining our longstanding recognition as a leader in the legal profession, Sidley strives to reflect the world in which we live, while seeking to protect the fundamental principles of equality, inclusion, and justice. We are committed to action in support of these principles, in the work that we pursue, the causes we support, and in the time our people dedicate to pro bono representation and social projects.

Diversity, Equity, and Inclusion

We strongly support a workplace culture where every person is given the opportunity to thrive and be the most authentic version of themselves. We continually seek out ways to diversify our ranks, build an inclusive and welcoming culture, and foster inclusion and collegiality within the profession.

Pro Bono and Social Responsibility

Our lawyers offer pro bono support to those who are unable to afford legal representation, working on impact immigration litigation, political asylum matters, and cases involving political unrest and racial inequality issues. We also seek to build stronger communities through local partnerships that make a difference in the lives of people around the world.

Well-Being

We provide a workplace conducive to good mental health, encouraging a more widespread understanding of mental health issues and how to respond to them and providing substantial resources to address those issues when they arise.



Tracking Our Progress

A Measurable Difference

We are proud of the progress we have made toward our goal of reducing our carbon footprint by 55% by 2030 (against our 2019 baseline). At the end of 2022, we were almost halfway there, with a total reduction of 12,747 tCO₂e compared to our baseline year. The most impactful changes were:

- Transitioning to 100% renewable electricity for our buildings, leveraging RECs to supplement office-based efforts
- Improvements in energy efficiency across our office sites
- Reducing air travel through greater virtual collaboration
- Reducing commuting emissions due to hybrid work arrangements

Accurate and complete data are essential to understanding and learning from our environmental impact and supporting our clients in their own sustainability reporting. We have calculated our carbon footprint annually beginning with our 2019 data and report the results to CDP, one of the most commonly used platforms for measuring and understanding corporate environmental impacts.

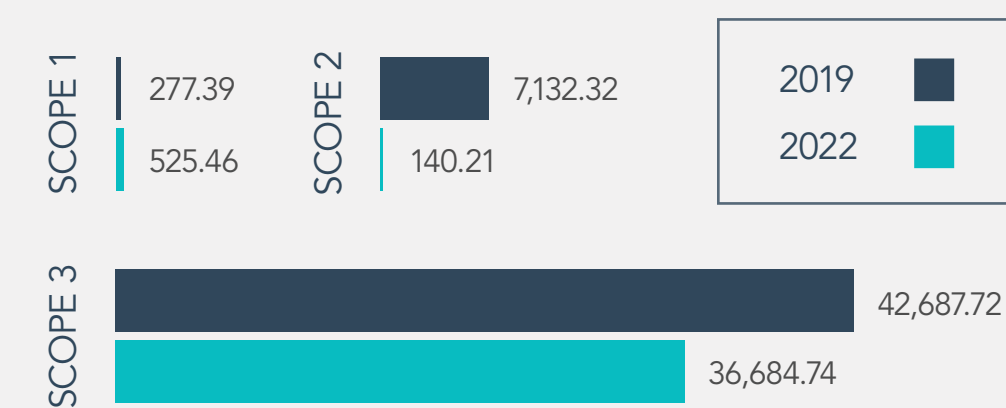
In 2022, we undertook our most comprehensive data collection effort to date, significantly widening the scope of our data collection on Scope 3 emissions, which make up the vast majority of

our carbon footprint. For Category 1 (Purchased Goods and Services), we moved from measuring only paper products, toner, and food to all relevant purchases. We also recalculated our 2019 baseline to provide a more accurate comparison of progress over the last four years.

The resulting analysis shows that Sidley reduced its carbon footprint by 25% since 2019, representing steady progress toward our goal of 55% reduction by 2030.

While the firm purchased high-quality, REDD+ carbon offsets equivalent to our Scope 1 emissions for the 2022 reporting cycle, we recognize that carbon offsets are a tool to be used “above and beyond” changes to business practices. As a result, we have reported our total Scope 1 emissions without including the carbon offsets.

Total Emissions Over Time (tCO₂e)



GHG Emissions Comparison 2019 & 2022

Scope 1 ■ Scope 2 ■ Scope 3 ■

Emissions Type	2019 tCO ₂ e	2022 tCO ₂ e	Change
Stationary (Natural Gas)	250.85	242.26	-8.59
Fugitive Emissions (Refrigerants)	26.54	283.19*	256.65
Purchased Electricity (Electricity)	7,096.47	0*	-7,096.47
Purchased Steam (Steam)	35.85	140.21	104.36
Purchased Goods and Services	22,904.65	20,990.04	-1,914.61
Capital Goods	6,146.68	5,163.91	-982.77
Upstream Transportation	831.2	721.42	-109.78
Waste Generated in Operations	240.37	241.15	0.78
Business Travel	6,433.38	4,910.39	-1,522.99
Employee Commuting	6,131.43	4,657.83	-1,473.60
Total	50,097.42	37,350.40	-12,747.02

*For further details, see the About the Report section on page 13.

Global Business Operations

Energy

A major focus of Sidley’s sustainability strategy has been to identify ways to reduce energy in our offices. Some of the energy-saving practices already underway include:




- ENERGY STAR and EPEAT-certified computers, IT peripherals, and kitchen appliances, with energy savings settings applied by default
- Upgraded LED lighting, occupancy sensors, daylight sensors, and zoned lighting areas
- Automated building systems that regulate heating, cooling, and ventilation based on occupancy
- Routine training and reminders to lawyers and staff to turn off unnecessary lights and use recycling and composting bins
- Periodic energy audits to identify further opportunities for efficiency
- EV charging stations at selected locations

Furthermore, Sidley is committed to transitioning to 100% renewable electricity across our real estate portfolio. As utility grids gradually increase their sourcing of renewable power and several of our property managers opt into green power purchasing agreements, we are supplementing those efforts by purchasing renewable energy credits (RECs) equivalent to our energy use from traditional energy sources. This investment enables us to reduce our carbon footprint and support the transition to a more sustainable energy system.

Renewable Energy Projects

In 2022, our investment in RECs have supported the development of a number of renewable energy projects on a global scale.

Types

-  Wind
-  Biomass
-  Hydro-Electric

Locations

-  China
-  Germany
-  Malaysia
-  United Kingdom
-  United States

Carbon Neutrality

Above and beyond our commitment to achieving net-zero emissions through changes to business practices and energy sources, we also support carbon mitigation efforts beyond our operations and services. As such, our approach also incorporates high-quality, jurisdictional REDD+ carbon credits equivalent to our Scope 1 emissions. Together with our commitment to 100% renewable energy, these steps effectively make Sidley’s direct operations carbon neutral.

Carbon Offsets Support Peru’s Tambopata Project

Through our carbon offsetting, Sidley supported Asociación para la Investigación y el Desarrollo Integral (AIDER), a nonprofit organization committed to environmental conservation and sustainable development, in support of the Tambopata Project. This REDD+ project seeks to reduce deforestation and degradation in the Tambopata National Reserve and Bahuaja-Sonene National Park located within the Madre de Dios region of Peru.

Global Business Operations

■ Green Buildings

Sidley has 21 locations in nine countries around the world. At each location, office managers coordinate environmental efforts, including engagement with landlords and property managers and communication with lawyers and staff. Below is a snapshot of what “green office” practices we have in place across our global platform:

- 95% of offices have practices to reduce waste and increase recycling
- 81% of offices have initiatives to reduce energy consumption
- 81% of offices engage with landlords and property managers to implement green building practices
- 67% of offices regularly purchase products and services with environmental certifications, third-party sustainability approvals, or other environmental attributes
- 51% of offices have active efforts to reduce paper use

13 Locations Are in LEED* and BREEAM** Certified Green Buildings



Chicago
Palo Alto
Washington, D.C.



Dallas Los Angeles
Hong Kong New York
Houston San Francisco



Boston
Century City



London
Brussels

*Leadership in Energy and Environmental Design (LEED) is a worldwide standard for sustainability in building design and construction.

**Building Research Establishment’s Environmental Assessment Method (BREEAM) is the environmental standard for buildings and interior spaces in the UK and Europe.

Note: Sidley’s Miami office opened its doors in 2022. The building is currently pending LEED certification.

London Office Enters CUBE Competition

In 2022, Sidley’s office in London took part in the CUBE competition — a UK-wide initiative that leverages gamification to help landlords, managers, and occupiers collaborate as one team in delivering significant energy savings. The year-long competition focuses on evaluating and improving the energy efficiency performance of buildings. By encouraging cooperation between all stakeholders involved in building management and occupation, CUBE seeks to drive sustainable practices and reduce carbon emissions.

Global Business Operations

■ Business Travelers

To better understand the environmental impact of our travel choices, we maintain a close working relationship with American Express GBT Lawyers Travel (Lawyers Travel™), a vendor dedicated to environmentally sound business practices that minimize waste and reduce carbon emissions and greenhouse gases. Our partnership involves exploring sustainability solutions, ensuring accurate data collection, and incorporating Lawyers Travel’s resources and eco initiatives into our managed travel programs.

Sidley has long relied on innovative virtual collaboration tools and videoconferencing to connect clients and colleagues effectively from afar. While in-person meetings remain necessary at times, we are committed to promoting virtual options wherever suitable, which reduces greenhouse gas emissions linked to travel. We engage with our clients regarding their sustainability initiatives and consider their policies and guidance on business travel. Additionally, we encourage our lawyers and professional staff to evaluate each travel opportunity, taking into account video and virtual alternatives before booking their flights or low-carbon transportation options.

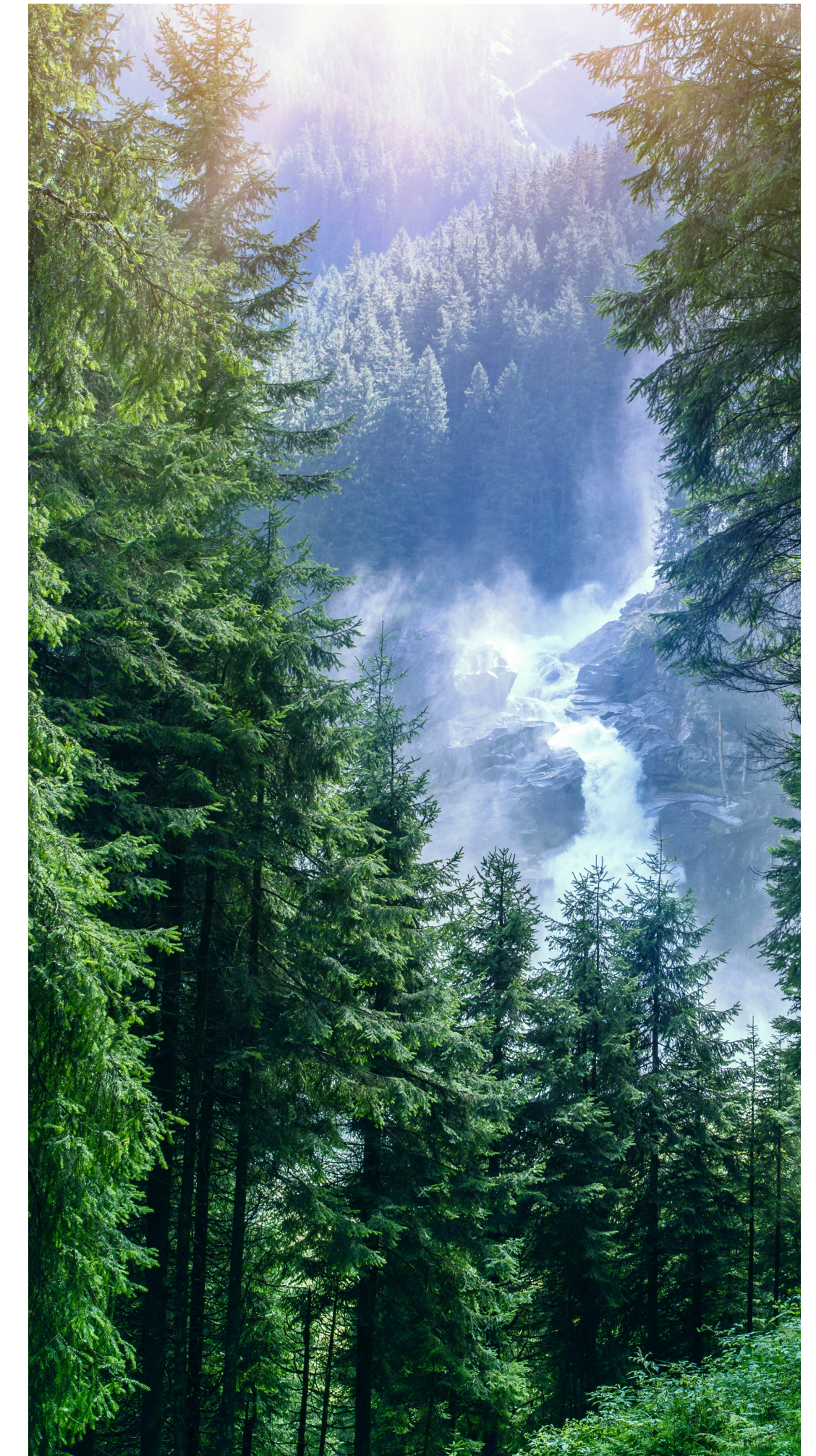
■ Paper Reduction

In such a paper-heavy profession, we are constantly looking for ways to reduce our paper use. Some of the most effective strategies across our global offices include:

- Using an electronic document management system to store and retrieve documents
- Setting printers to print double-sided by default
- Using e-sign software to eliminate the need for multiple copies of printed contracts and agreements
- Using electronic closing books and transcripts instead of paper versions
- Reusing shipping boxes, delivery boxes, and manila envelopes
- Switching to e-brochures and electronic circulation of meeting materials
- Investing in online journal subscriptions to remove the need for printed copies of books and articles

Carbon Impact of Paper Use

In 2022, Sidley reduced emissions associated with paper usage by 48% compared to the baseline year. This is equivalent to carbon sequestered by 1,154 acres of U.S. forests or removing 215 gasoline-powered passenger vehicles from the road for one year.



Stakeholder Engagement

To enhance the way we operate as a sustainable business, we frequently collaborate with key internal and external stakeholders worldwide. These collaborations allow us to share best practices and experiences, inspire participation, and work in tandem to solve complex environmental problems. Such collaborations help us with evaluating our policies and processes to operate more sustainably and better serve our clients and communities.

■ Climate Risk Assessment

In 2022, we conducted our first climate risk scenario analysis to better understand how climate change may present physical, legal, market, and technological risks to the firm. Guided by a sustainability consultancy that designed and facilitated a workshop in alignment with guidelines from the Task Force on Climate-Related Financial Disclosures, we engaged senior directors and leadership, along with key administrators and members of our sustainability department, in exploring plausible climate futures and how the firm's business strategy would fare under such scenarios.

The subsequent analysis helped us identify and assess the potential risks and opportunities associated with climate change, allowing us to develop effective strategies to manage and mitigate these risks. These included:

- Disruptions to business continuity
- Increasing complexity of legal requirements due to climate change
- Evolving office space needs
- Evolving workforce needs

■ Client Relations

Sidley is proud to be a trusted and reliable partner to global business. By actively listening to the needs of our clients, we support their efforts in measuring their environmental performance and partner with them to achieve their long-term sustainability objectives. Our participation in CDP and other reporting enables us to track and measure progress, identify risks and opportunities, and learn new tools that put sustainability into action for our clients and other stakeholders. Please refer to the Legal Services section to learn more about our client work.

■ Legal Profession

Sidley delivers innovative thought leadership at the leading edge of environmental law. Our lawyers are frequent speakers and authors and regularly participate in key industry conferences and initiatives. We keep clients and industry professionals abreast of emerging issues through news updates, blog posts, and various roundtables, webinars, and other event formats. The Sidley Podcast series has also featured topics related to sustainability, with episodes covering the Supreme Court's decision in *West Virginia v. EP*, the growth of green bonds, and climate action initiatives in the U.S. and the EU.

[Law Firm Sustainability Network](#)

To support and develop our efforts, Sidley is a member of the Law Firm Sustainability Network (LFSN), a nonprofit organization of law firms and legal departments committed to promoting the benefits of sustainability and corporate social responsibility within their firms and throughout the legal profession. Founded in 2011, LFSN has grown to include global partners such as the American Bar Association, the Legal Sustainability Alliance, and the Australian Legal Sector Alliance.

Stakeholder Engagement

■ Supply Chain Management

We believe that ethical and responsible sourcing is important throughout the supply chain. We continue to seek out suppliers and vendors who share our dedication to sustainability and environmental stewardship. Throughout 2022, we engaged with Lawyers Travel™ to improve our travel reporting, Iron Mountain to shred and recycle our paper waste, and property managers to prioritize sustainability in their buildings and operations. Fostering trusting relationships with these partners, we are working toward greater transparency in our supply chain and long-term climate commitments. Moreover, we encourage our suppliers to adopt similar sustainable business practices in their operations.

Our offices employ a variety of sustainable sourcing strategies, from day-to-day procurement of healthy snacks to choosing building renovation materials with air quality and human health in mind. A survey of office managers found green purchasing generally fell into the following four categories:

Kitchen

- Reusable glassware and coffee cups
- Permanent dishware and cutlery
- Recycled-content napkins and other paper products

Food

- Healthy snacks with a focus on minimally processed and whole foods
- Locally sourced food for catered meals
- Vegetarian options for catered meals

Cleaning

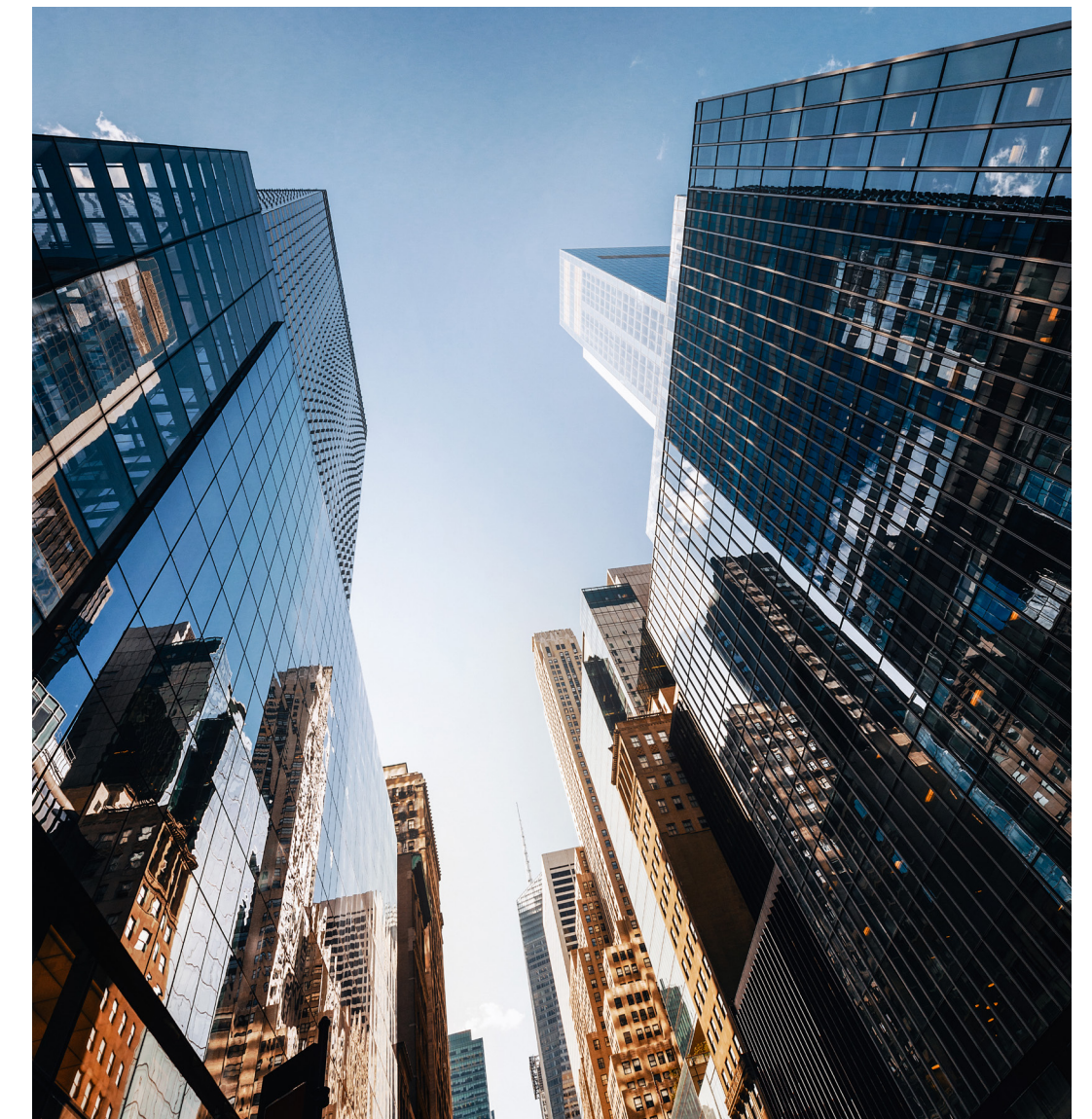
- Non-toxic and eco-friendly everyday cleaning supplies
- Low-odor and emissions carpet cleaning
- Recycled-content and/or sustainability certified paper towels

Building and Equipment

- Low VOC paint for renovation work
- Energy-efficient computers, IT peripherals, and appliances
- Office furniture with recycled materials

New York Office Uses Tracking Tool to Reduce Food Waste

In 2022, the food services team in Sidley's New York office began using Waste Not, a web-based tracking tool designed to help cut food waste in the kitchen and reduce the amount that is sent to landfills. This innovative program uses real-time tracking and dashboard reporting to control food waste and monitor environmental impact, as well as further identifying areas for improvement.



Legal Services

Sidley is regarded as a forerunner in a broad array of areas related to sustainability and environmental law. We regularly provide advocacy and thought leadership in matters pertaining to ESG, climate change, environmental justice, and renewable energy — with extensive experience spanning a number of industries, including aviation and airlines and transportation.

Our lawyers also understand the importance of using their skills and experience to assist underserved communities, individuals, and organizations who cannot afford legal representation. Through Sidley's [Emerging Enterprises Pro Bono Program](#), our lawyers support sustainable and economic growth across the developing world by offering high-quality international legal services to socially and environmentally focused business.

Recent engagements include representing:

■ Aviation and Airlines

[American Airlines](#) in its investment in ZeroAvia, a leader in hydrogen-electric, zero-emission aviation. In addition to the investment, a memorandum of understanding provides American Airlines the opportunity to order up to 100 engines from ZeroAvia's hydrogen-electric powertrain development program. This investment showcases another action on American Airlines' path to

achieve its aggressive climate goals, including achieving net-zero GHG emissions by 2050.

[United Airlines Ventures](#) in a strategic investment in NEXT Renewable Fuels, which is permitting a flagship biofuel refinery that, at full production, could produce up to 50,000 barrels per day of sustainable aviation fuel, renewable diesel, and other renewable fuels.

■ Environmental, Social, and Governance

The [investors](#) providing the construction equity for projects developed by the Advanced Clean Energy Storage Joint Venture, which will be the largest green hydrogen production and storage platform in the world upon completion – [Winner of UJGlobal's 2022 Deal of the Year](#).

■ Renewable Energy

[Distributed Solar Development, LLC \(DSD\)](#), a leader in large-scale, custom solar PV and energy storage solutions, in a US\$155 million private notes offering that securitized a portfolio of commercial and industrial (C&I) and community distributed generation (CDG) assets. The offering is the first ever 144A transaction to securitize a C&I portfolio with a significant concentration of CDG assets, and is the first term securitization sponsored by DSD. The deal sets an industry model for issuers seeking to bring community solar to debt capital markets.

[Invenergy](#) in a definitive agreement with Blackstone Infrastructure Partners and Caisse de dépôt et placement du Québec for an approximately US\$3 billion equity investment in Invenergy Renewables Holdings LLC, the largest private renewable energy company in North America, by funds managed by Blackstone Infrastructure Partners. This commitment is one of the largest renewable investments in North American history, and will provide significant capital to drive an accelerated build-out of Invenergy's clean energy platform.

[Brookfield Renewable](#), one of the world's largest publicly traded, pure-play renewable power platforms, in its purchase of Urban Grid, one of the largest greenfield solar and battery storage project developers in the United States.

[TC Energy Corporation](#) in a US\$29.3 million investment in a renewable natural gas (RNG) production facility near the Jack Daniel Distillery in Lynchburg, TN. Owned by Lynchburg Renewable Fuels LLC and sponsored by 3 Rivers Energy Partners, the facility will produce RNG with a carbon intensity score that is 50% lower than traditional natural gas, saving up to 16,000 tons of CO₂e/year.

Legal Services

■ Transportation

[Pilot Company](#) in an agreement with GM to build out a national DC fast charging network that will help accelerate the widespread adoption of EVs, increase access to charging, and help enable long-distance electric travel of people and vehicles across the U.S. This network of 2,000 charging stalls, co-branded “Pilot Flying J” and “Ultium Charge 360,” will be powered by EVgo eXtend and open to all EV brands at up to 500 Pilot and Flying J travel centers.

■ Pro Bono

[myAgro](#), an inspiring social enterprise, with the drafting of their third series of working capital facilities. myAgro helps to transform the lives of small-scale farmers in Mali, Senegal, and Tanzania by alleviating poverty. The enterprise provides business solutions for farmers living in remote places, including financing through layaway savings for farm inputs, distribution of seed and fertilizer, and providing training on sustainable agricultural practices.

[OnePower](#), an innovative social enterprise with deep roots in Lesotho, on its Electrification Financing Initiative and Renewable Energy Performance Platform’s LSL 150 million senior debt and equity investment.

Sidley Helps Pro Bono Client Link Clean Energy Access in India to the Carbon Market in Korea

A Sidley team, in connection with the firm’s Emerging Enterprises Pro Bono Program, helped our client MicroEnergy Credits (MEC) enter the emerging carbon market in South Korea. MEC, which has been a Sidley client since 2014, helps provide micro-entrepreneurs, primarily women, in developing countries with clean energy products that result in reductions in CO2 emissions that can be certified under the United Nations Framework Convention on Climate Change.

Sidley assisted MEC with their complex, multi-stage initiative to convert certified emission reduction credits generated by MEC through the sale of clean energy products in India into Korean Offset Credits (KOCs). The KOCs can then be sold to power companies in South Korea under legislation introduced in 2010 permitting the allocation and trading of greenhouse gas emission credits.

MEC’s clean energy products include solar lighting, efficient stoves, and water purifiers. The company partners with microfinance institutions (MFIs) to launch and scale clean energy lending programs by providing social impact carbon credits to net zero pioneers.



Each carbon credit comes from a household that has upgraded their home and/or lifestyle using clean energy. Since its founding in 2007, MEC has expanded throughout India and has also established a footprint in Kenya, Mongolia, and Uganda.

“Sidley’s support has been amazing, and they have truly gone above and beyond their role of mere legal counsel,” said April Allderdice, CEO and co-founder of MEC. “They have provided pertinent and strategic insights, understood our social mission, and have the right alignment to our cause. It has been a fantastic partnership, and Sidley has been with us at every stage of our growth.”

Sidley first represented MEC in connection with an equity investment by a social impact investment fund. The firm also advised on two successive bridge financings from an angel investor and a term loan facility from a socially oriented lender, as well as advising on various proposed changes to MEC’s capital structure.

About This Report

This is Sidley’s second annual sustainability report, covering calendar year 2022. It is inclusive of all Sidley sites and operations unless otherwise noted.

■ Boundary, Scope, and Methodology

We began calculating our carbon footprint in 2020 (for a 2019 baseline), and like many organizations, we began with emissions categories that were readily available. In 2023, in partnership with a sustainability consultancy, we expanded the breadth of those calculations to look comprehensively at emissions across our entire value chain and in alignment with the GHG Protocol and the Science Based Targets Initiative Corporate Net-Zero Standard.

As a result, our reported 2022 carbon footprint is significantly larger than what was reported in previous years. This increase, however, is almost entirely attributable to the expanded set of data points included, rather than significant changes in our business practices. When the 2019 baseline was restated to conform with this expanded methodology, it showed that Sidley had reduced its carbon footprint 25% over the last four years.

Scope 1 and 2 Emissions

Sidley offices and data centers were included in Scope 1 and 2 emissions calculations, excluding very small offices representing less than 5% of

our employees. Because Sidley leases its space, we relied on property managers and landlords to provide data on utility and refrigerant use. Where only data for the entire building was available, Sidley estimated its allocated use based on percentage of square foot occupancy. Where energy data were completely unavailable for a specific site, Sidley extrapolated for that site based on square footage intensity factors for Sidley’s “average” office or data center.

Scope 1

Fugitive Emissions: Fluctuations in Scope 1 emissions are largely attributable to refrigerant top-offs for HVAC equipment, which occur at irregular intervals.

While the firm purchased high-quality, REDD+ carbon offsets equivalent to our Scope 1 emissions for the 2022 reporting cycle, we recognize that carbon offsets are a tool to be used “above and beyond” changes to business practices. As a result, we have reported our total Scope 1 emissions without including the carbon offsets.

Scope 2

Purchased Electricity: We purchased and retired RECs equivalent to our Scope 2 emissions thereby resulting in zero 2022 purchased electricity emissions.

Scope 3 Emissions

Category 1

Purchased Goods and Services: Prior to 2022, we tracked the upstream emissions associated with food, paper products, and toner. This year, we significantly expanded the scope of these calculations to also include all other purchased goods and services (spend analysis) comprising 18 spend categories and excluding costs related to payroll/benefits, legal fees, charitable contributions, and bank-related charges.

Category 2

Capital Goods: This category covers upstream emissions associated with all depreciable purchases made in 2022 (spend analysis).

Category 3

Other Fuel and Energy: Immaterial

Category 4

Upstream Transportation and Distribution: This category covers emissions associated with courier/messenger/postal service (spend analysis).

Category 5

Waste Generated in Operations: This category includes emissions associated with municipal solid waste, mixed recycling, organics/composting, shredded paper, and e-waste. Where activity data for specific sites were unavailable, we extrapolated based on square foot intensity factors.

About This Report

Category 6

Business Travel: Sidley’s travel agency provided carbon emissions associated with air travel. In 2022, we added calculations for emissions associated with rail (distance), hotel stays (number of nights), and car rentals (distance) for trips booked through the travel agency.

Category 7

Employee Commuting: Commuting was calculated using an average distance (zip code to zip code) for each employee. Estimates for single-passenger vehicle commuting vs. public transportation were made on an office-by-office basis, and estimates for the number of days per week commuting were made based on job category. Incremental energy consumption from remote work was calculated using a guide published by the Anthesis Group, *Estimating Energy Consumption & GHG Emissions for Remote Workers* (2021) (no survey option).

Category 8

Upstream Leased Assets: Not relevant

Category 9

Downstream Transportation and Distribution: Downstream transportation (primarily courier/messaging/postal services) is combined and reported as part of Category 4: Upstream Transportation and Distribution.

Category 10

Processing of Sold Products: Not relevant

Category 11

Use of Sold Products: Not relevant

Category 12

End of Life Treatment of Sold Products: Not relevant

Category 13

Downstream Leased Assets: Not relevant

Category 14

Franchises: Not relevant

Category 15

Investments: Not relevant

Emissions Factors

The following emissions factor datasets were used in the 2022 carbon footprint calculations:

- EPA GHG Emissions Hub Datasets (April 2023) for natural gas, steam, heating oil, waste, business travel, employee commuting (via car/public transit), and location-based electricity (for U.S. sites only).
- EIA Electricity Emissions Factors (2021) for location-based electricity consumption at international sites.

- Utility-provided emissions factors (2022) for market-based electricity consumption.
- U.S. EEIO emissions factor datasets for spend-based analysis of 1) purchased goods and services, 2) capital goods, and 3) upstream transportation and distribution.
- Environmental impact estimates for office paper consumption were made using the Environmental Paper Network Paper Calculator Version 4.0. For more information, visit www.papercalculator.org.
- Remote work impacts were calculated using the guide *Estimating Energy Consumption & GHG Emissions for Remote Workers* (Anthesis Group, 2021) (no survey option).

Restatements

Carbon footprint information ([page 5](#)) for the 2019 baseline year has been restated in alignment with the explanation provided above.

For More Information

We welcome your feedback. For questions, concerns, or suggestions, please contact:

Sharon Light, Director of Sustainability,
sustainability@sidley.com.



About the Firm

Sidley is an elite global law firm. With 2,300 lawyers, annual revenue of US\$3 billion, and experience that spans 157 years, we have established a reputation using Built to WinSM legal strategies in successfully representing clients in more than 70 countries on complex transactional, investigation, regulatory, and litigation matters.

With 21 offices strategically situated in key commercial and financial hubs throughout the United States, Europe, and Asia Pacific, our perspective and our reach are truly global. Our lawyers and business professionals, fluent in more than 80 languages, possess the cultural awareness and cross-border legal acumen needed to bring clarity to a dynamic business landscape.