



2024 Environmental Sustainability Report

Our Pathway to Progress

SIDLEY

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Letter From the Management Committee

At Sidley, we recognize the growing importance of environmental issues and sustainable practices to the businesses we serve and the communities in which we operate. Now, more than ever, we remain steadfast in our mission to do our part — both within our operations and in our client work — in minimizing our impact on the environment and achieving long-term climate goals.

We are proud to present the 2024 edition of our annual Sustainability Report, which showcases our ongoing commitment to environmental stewardship and serves as a guide as we continue on our pathway towards sustainable progress. Specifically, this report covers our activities from the previous year, providing a transparent look at our comprehensive energy and emissions data across our global operations and how we are assisting clients with sustainability-related matters and pro bono projects.

Among the year’s highlights, we became the first law firm to join United Airlines’ Eco-Skies Alliance, a first-of-its-kind program aimed at helping leading businesses worldwide fly more sustainably. To further enhance our reporting accuracy, we enlisted an environmental consulting firm to conduct an independent verification of our greenhouse gas (GHG) emissions inventory. Additionally, our office in Chicago reduced GHG emissions from energy consumption by transitioning to electricity sourced from renewable energy.

Looking back, we are encouraged by the progress we have made so far. As we continue to navigate the challenges of sustainability, we will embrace continuous improvement and explore new ways to make a positive impact on the world. We are incredibly grateful for the support of our various stakeholders, the dedication of our lawyers and business professionals, and the trust of our local communities.

We invite you to explore the report and join us in our efforts to create a more sustainable future.



Recent Sustainability Highlights

■ United Airlines Partnership

Became the first law firm to join the Eco-Skies Alliance, allowing Sidley to purchase the environmental attributes associated with 15,500 gallons of sustainable aviation fuel to reduce carbon emissions from travel

■ GHG Emissions Verification

Achieved independent assurance on our Scope 1 and 2 emissions, providing an extra level of confidence in our carbon footprint calculations

■ More Renewable Energy Expansion

Sidley’s Chicago office now sources its energy from renewable sources, becoming our 6th location to be powered by renewables.

■ Business Travel

Introduced carbon emissions data on all flight itineraries, allowing all Sidley travelers to easily view and assess the environmental impact of their business travel

■ Supply Chain Analysis

Worked closely with key suppliers to evaluate their environmental mitigation initiatives — and shared our environmental expectations with them through formal and informal channels

■ Further Transparency

Provided a California AB 1305 disclosure to communicate the measures we are taking to reduce our carbon footprint

■ A Responsible Business Leader

Recognized among the top 5 U.S. law firms for responsible sustainability activities, according to a 2024 report published by Lamp House Strategy, now part of Chambers and Partners



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 environmental, social, and governance (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:

- 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. 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.

Inclusion at Sidley

At Sidley, we believe that a welcoming and inclusive culture is the bedrock of our success. We recognize that bringing together individuals from various backgrounds, experiences, and perspectives strengthens the quality of our legal work and continues to position us as a trusted leader in the legal profession. Our commitment to inclusion not only enriches our workplace but also enhances our ability to fulfill our mission in providing the highest quality legal services for our clients.

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 provide substantial resources to address those issues when they arise.

Sidley Named Among Top U.S. Law Firms for Environmental Sustainability Efforts

Sidley has been recognized as one of the top 5 U.S. law firms for responsible environmental sustainability activities, according to a report published by Lamp House Strategy, now part of Chambers and Partners. The 2024 report evaluated the external communications of 215 law firms, ranking them across three key pillars: Governance, People, and Planet. Sidley excelled in the Planet category, which assesses law firms based on actions such as emissions measurement, carbon reduction targets, energy and waste reduction strategies, and internal engagement.



Tracking Our Progress

A Measurable Difference

We continue to make steady progress toward our goal of reducing our carbon footprint by 55% by 2030 (against our 2019 baseline). By the end of 2023, we have made significant strides towards our 2030 target, achieving a total reduction of 13,588 tCO₂e compared to our baseline year. The most impactful changes were:

- Transitioning our offices to renewable energy where possible and leveraging RECs to supplement office-based efforts
- Improvements in energy efficiency across our office sites
- Reducing air travel through greater virtual collaboration, a shift driven by the changes in business practices since the onset of COVID-19
- Reducing commuting emissions due to hybrid work arrangements

Accurate and comprehensive data are crucial for understanding and learning from our environmental impact. This data further supports our clients in their own sustainability reporting efforts. Since 2019, we have been calculating our carbon footprint annually and reporting the results to CDP, a widely recognized platform for measuring and understanding corporate environmental impacts.

In 2023, we undertook our most comprehensive data collection effort to date, significantly widening the scope of data collection for our 2022 Scope 3

emissions, which make up the vast majority of our carbon footprint.

In 2024, we partnered with KERAMIDA, an environmental consulting firm, to conduct an independent assurance of our 2023 carbon footprint, covering Scope 1 and 2 emissions, as well as an assurance readiness assessment of our Scope 3 emissions. This initiative aimed to ensure a transparent and accurate assessment of our environmental data. The verification process included interviews with key personnel, data review, and various recalculation procedures.

Progress Towards Our Goal

Analysis of our 2023 data reveals that we have reduced our carbon footprint by 38% since 2019. This signifies a consistent advancement toward our goal of achieving a 55% reduction by 2030. In addition, as our business travel and employee commuting numbers continue to rebound after the COVID-19 pandemic, we will continue to evaluate opportunities to minimize related emissions.

While the firm purchased high-quality, REDD+ carbon offsets equivalent to our Scope 1 emissions and Scope 2 purchased steam emissions for the 2023 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 and Scope 2 purchased steam emissions without factoring in the carbon offsets.

GHG Emissions Comparison

Scope 1 ■ Scope 2 ■ Scope 3 ■

Emissions Type	2019 tCO ₂ e	2022 tCO ₂ e	2023 tCO ₂ e	Change (Since 2019)
Stationary (Natural Gas)	262	242	246	-4
Fugitive Emissions (Refrigerants)	28	283	23	-5
Motor Gasoline (Auto gas)	14	N/A	12	-2
Diesel (Generators)	N/A	N/A	1	N/A
Purchased Electricity (Electricity)	10,892	0	0*	-10,892
Purchased Steam (Steam)	857	140	1,011	+154
Purchased Goods and Services	22,497	20,990	19,570	-2,927
Capital Goods	6,037	5,164	1,525	-4,512
Upstream Transportation	816	721	387	-429
Waste Generated in Operations	251	241	309	+58
Business Travel	6,708	4,910	6,270	-438
Employee Commuting	6,393	4,658	4,760	-1,633
Total	54,755	37,349	34,114	-20,641

Not all numbers total to 100 due to rounding.
Sidley purchased REDD+ carbon offsets equivalent to our Scope 1 emissions and Scope 2 purchased steam emissions, effectively making our direct operations carbon neutral. However, in alignment with best practices, we do not count offsets towards our net-zero goals and have included them in the table for transparency.
See page 14 for more information about our carbon footprint methodology.

Global Business Operations

Energy

A key element 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 settings for energy savings 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 business professionals to turn off unnecessary lights and use recycling and composting bins
- Periodic energy audits to identify further opportunities for efficiency
- EV charging stations across more office locations

Furthermore, Sidley is dedicated to transitioning to 100% renewable electricity across our global real estate portfolio. As utility grids progressively increase their renewable power sourcing and several of our property managers engage in green power purchasing agreements, we are enhancing these efforts by purchasing renewable energy credits (RECs) equivalent to our energy consumption from traditional sources. This investment allows us to reduce our carbon footprint and support the transition to a more sustainable energy system.

Renewable Energy Projects

In 2023, our investment in RECs have supported the development of numerous renewable energy projects on a global scale:

Types

-  Wind
-  Biomass
-  Hydro-Electric

Locations

-  Australia
-  China
-  Denmark
-  Singapore
-  United States

Carbon Neutrality

We actively support carbon mitigation initiatives that extend beyond just modifying our own business operations and energy sources. For example, we purchase high-quality, jurisdictional REDD+ carbon credits to offset our Scope 1 emissions and Scope 2 purchased steam emissions (after using 100% renewable electricity).

Carbon Offsets Support Vietnam’s Cat Hiep Solar Power Plant

Sidley’s carbon offset purchases in 2024 (for our 2023 carbon footprint) supports the installation and operation of the Cat Hiep solar power facility located in the Binh Dinh province of Vietnam. Commissioned in 2019, the facility generates an estimated electricity output of 74,000 MWh, supplying enough clean energy to the national grid to power 37,000 households.



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
Hong Kong
Houston

Los Angeles
New York
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.

San Francisco Office Excels in Tenant Energy Challenge

In 2023, Sidley’s San Francisco office took part in a tenant energy challenge organized by Vornado Realty Trust. The challenge aimed to engage tenants in energy efficiency practices and share tips from ENERGY STAR on reducing energy consumption. When the results were tallied, our office achieved a 24% reduction during the challenge period, placing third out of numerous tenants across the building’s 52 floors. This significant decrease was primarily due to our initiative of turning off motion sensor lights in the perimeter offices. We are now exploring ways to make these actions permanent.



Global Business Operations

■ Business Travelers

We frequently collaborate with American Express GBT Lawyers Travel (Lawyers Travel™) to gain a deeper understanding of the environmental impact of our travel choices. Our partnership focuses on exploring sustainability solutions, ensuring accurate data collection, and integrating innovative resources and eco initiatives into the firm’s managed travel programs. In 2023, Lawyers Travel™ introduced a new itinerary feature that displays the estimated carbon emissions for individual flights. This initiative aims to help our lawyers become more mindful of their travel decisions and actively seek out eco-friendly alternatives.

UA 1374	Los Angeles (LAX)		Denver (DEN)
Departure	Sat, Jan 20, 2024, 1:15 PM	Arrival	Sat, Jan 20, 2024, 4:30 PM
Departure Terminal	7	Arrival Terminal	
Class	ECONOMY	Airline Check in ID	NMEEBX
Meal	Meal at Cost	Status	Confirmed
Duration	02:15	Ticket Number	
Seat		Frequent Flyer	
Equipment	Boeing 737	Air Miles	849
Carbon Emissions – 111 KG CO2 Per Person			

Our firm leverages a unified communication platform designed to enhance connectivity among clients and colleagues, regardless of location. While in-person meetings are sometimes essential, we endeavor to use video conferencing wherever appropriate, which helps to reduce greenhouse gas emissions associated with business travel.

We actively engage with our clients regarding their sustainability initiatives, taking their policies and guidance on business travel into consideration. Furthermore, we encourage our lawyers and business professionals to carefully assess each travel opportunity. We urge them to consider video and virtual alternatives before booking flights. If travel is unavoidable, Lawyers Travel™ offers 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

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 understand the potential physical, legal, market, and technological risks posed by climate change. Guided by a sustainability consultancy that designed and facilitated a workshop in alignment with guidelines from the Task Force on Climate-Related Financial Disclosures (TCFD), 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 analysis enabled us to identify and evaluate the potential risks and opportunities associated with climate change, leading to the development of effective risk management and mitigation strategies. 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 provides cutting-edge thought leadership in a broad array of areas related to sustainability and environmental law. Our lawyers are often featured as speakers and authors, actively engaging in significant industry conferences and initiatives. We ensure that clients and industry professionals stay informed about emerging issues by offering news updates, blog posts, and a variety of event formats such as roundtables and webinars.

In 2023, the firm launched [Accelerating Energy](#), a podcast dedicated to energy transition topics from all corners of industry. The episodes have explored the challenges and opportunities associated with modernizing the electric transmission grid, provided insights on what businesses need to understand about adopting clean energy, and discussed the efforts of commercial vehicle manufacturers to advance electric-charging infrastructure.

Legal Sustainability Network

To support and develop our efforts, Sidley is a member of the Legal Sustainability Network (LSN), a collaborative network of law firms and legal departments focused on advancing the benefits of environmental sustainability within the legal profession. The mission of the LSN is to promote the exchange of knowledge, establish best practice guidelines, and acknowledge innovative efforts related to eco-friendly initiatives.

Environmental Law Institute

Sidley maintains strong connections with the Environmental Law Institute (ELI), a nonpartisan organization focused on advancing environmental law and policy. The ELI brings together a diverse group of environmental leaders to address urgent climate challenges through seminars, workshops, training sessions, and events. The global co-leader of Sidley’s Environmental practice regularly participates in ELI’s *People Places Planet* podcast series, which features guests who offer their insights into the complex environmental issues facing corporations today.

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 2023, 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
- Reusable 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

Spotlight on Chicago

In 2023, Sidley’s Chicago office, one of the largest among our 21 global locations, transitioned to sourcing energy from renewable sources. This milestone made it the sixth office in our network to be powered by renewable energy. The office has a longstanding commitment to sustainability, with numerous eco-friendly initiatives taking place, particularly in the café and business lounges. These initiatives include the use of biodegradable cups/straw-less lids, reclaimed kitchen equipment, the collection of fryer oil for biodiesel production, and the elimination of single-use plastic products. Over the past year, the office has refurbished 100 desk chairs instead of discarding them, doubled the number of electric vehicle charging stations in the parking garage, provided compost bins in tenant common areas, and collaborated with a local metal scrapper to responsibly dispose of metal materials.



Legal Services

Sidley is regarded as a leader in various aspects of sustainability and environmental law. We consistently offer advocacy and thought leadership on issues related to climate change, green finance, and renewable energy. Our extensive experience covers a wide range of industries, including energy, transportation, aviation and airlines, and automotive and mobility.

Our lawyers also recognize the importance of leveraging their skills and experience to assist underserved communities, individuals, and organizations that cannot afford legal representation. Through our pro bono initiatives, our lawyers contribute to sustainable and economic growth in the developing world by providing high-quality international legal services to socially and environmentally focused business.

Recent engagements include representing industries and businesses:

■ Automotive

[Accelera by Cummins](#) in its joint venture with Daimler Truck, PACCAR, and Eve Energy Co., Ltd. to manufacture battery cells for electric commercial vehicles. This joint venture enables its owners to create the necessary scale for access to cost effective and differentiated battery-cell technology, ultimately creating value for commercial vehicle customers in North America.

[Anthelion Capital Holdings](#) (formerly known as Cowen Sustainable Investments) through the acquisition of the Energy business unit, a provider of turnkey, fleet-scale, high-power charging solutions and software for commercial-grade electric vehicle fleets, of integrated

electric bus and commercial vehicle power train manufacturer, Proterra Inc.

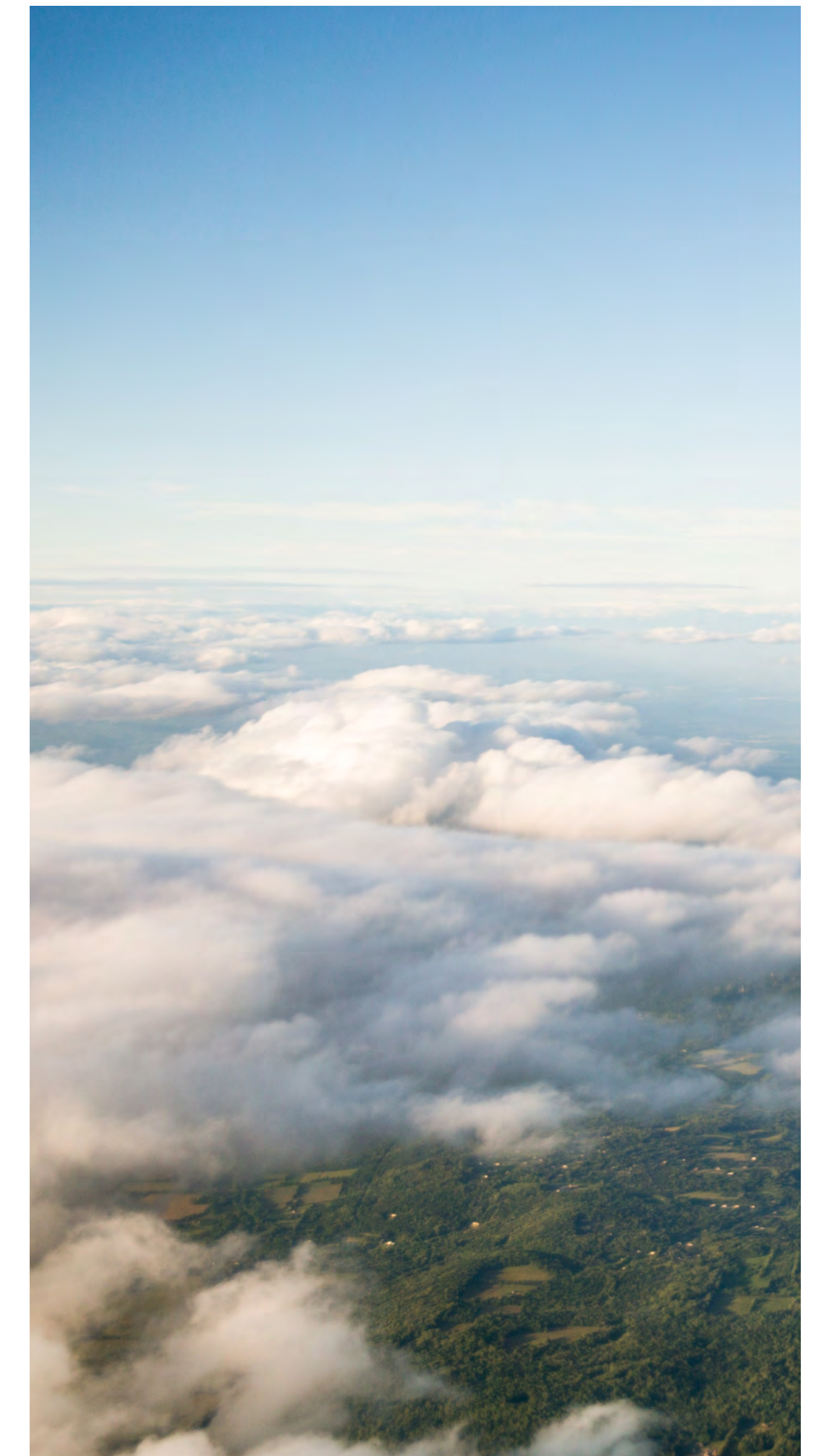
■ Aviation and Airlines

[United Airlines Ventures](#) in connection with the closing of United Airlines Ventures Sustainable Flight FundSM (SFF) with over US\$200 million in capital commitments. SFF is a first-of-its-kind investment vehicle designed to support start-ups focused on decarbonizing air travel by accelerating the research, production, and technologies associated with sustainable aviation fuel.

[American Airlines](#) in its conditional purchase agreement with ZeroAvia, a leader in hydrogen-electric, zero-emission aviation, for 100 hydrogen-electric engines intended to power regional jet aircraft with zero inflight emissions, save for water vapor and its additional investment by way of ZeroAvia's Series C financing round in 2023.

Sidley Becomes First Law Firm to Join United's Eco-Skies Alliance

Sidley is proud to be the first law firm to join United Airlines' Eco-Skies Alliance, a first-of-its-kind program dedicated to helping leading businesses across the world fly more sustainably. As a partner, we will acquire Scope 3 attributes to reduce carbon emissions related to business travel. Our involvement in the Eco-Skies Alliance aligns with our broader efforts to minimize our environmental impact.



Legal Services

■ Climate Change

[noco-noco Pte. Ltd.](#) (noco-noco), an early-stage decarbonization solutions provider focused on technologies to accelerate the global transformation to a carbon-neutral economy, in its business combination with Prime Number Acquisition I Corp. With X-SEPA™, a battery separator technology designed for long-lasting and high-heat-resistant performance, and its carbon-neutral leasing platform, noco-noco expects to address the need for clean, affordable, and sustainable energy solutions.

The Government of Antigua and Barbuda in proceedings before the International Court of Justice, concerning a request for an advisory opinion on the obligations of States in respect of climate change, submitted by the United Nations General Assembly.

■ Environmental

[Potomac Riverkeeper Network](#) (PRKN) in its federal settlement with the City of Alexandria, Virginia, to remediate coal tar contamination at the site of the former Alexandria Town Gas company, a city-owned manufactured gas plant on the waterfront near Founders Park, and to halt decades of discharges of coal tar, creosote, and other contaminants through a storm sewer into the Potomac River. This case is the seventh pro bono litigation matter Sidley has successfully handled for PRKN in the last 14 years.

Vineyard Wind, the developer of the country's first multibillion-dollar, utility-scale offshore wind project, in four lawsuits challenging federal authorizations of the project. Sidley prevailed on summary judgment in all four cases and successfully defended against

a motion for injunctive relief in another, allowing project construction to continue. These First Circuit decisions mark the first appellate decisions affirming the federal government's issuance of environmental and construction permits to Vineyard Wind. The precedent set in the First Circuit will shape the future of litigation against other offshore wind projects. We also prepared the first legal opinion letter addressing federal environmental permitting for the Vineyard Wind Project to obtain \$1.2 billion tax equity financing — the largest single-asset tax equity financing and the first for a commercial-scale offshore wind project.

■ Green Finance

[Blue Earth Capital AG \(BlueEarth\)](#) in connection with a direct-credit investment into Q Collection Pte. Ltd. (Q Collection). Headquartered in Singapore, Q Collection is a leading vertically integrated apparel manufacturer with manufacturing operations in Bangladesh. This collaboration marks BlueEarth's first sustainability-linked loan, allowing the parties to align environmental and social impact outcomes with financial objectives. The capital from BlueEarth will help Q Collection develop a new sustainable manufacturing site and create additional jobs for underserved communities.

China Oil and Gas Group Limited on two sustainability-linked term loan facilities totaling more than US\$650,000,000, secured by existing share security, securing its existing bonds on a pari passu basis, further integrating sustainability performance targets and KPIs for greenhouse gas emissions and initiating employee training programs.

■ Renewable Energy

[AES Puerto Rico](#) in a series of comprehensive restructuring transactions that de-levered AES-PR's capital structure, substantially raised its future revenues with the Commonwealth of Puerto Rico, and ensured the continued supply of up to 25% of the island's power for the safety of Puerto Rico's millions of residents. Sidley is also working with the Commonwealth to implement a "fossils to green" long-term initiative to support the restructure and transition of energy sources to renewables, particularly with the replacement of coal power to renewables of solar and battery power.

Harrison Street in its negotiation and closing of a 50-year P3 utility services agreement with Appalachian State University to support the development, construction, operation, and maintenance of a district utility system for the University's new "Innovation District" campus.

Legal Services

Sustainable Investments

[Pictet Alternative Advisors \(Pictet\)](#), the alternative investment business of Pictet Group, on its first investment through its new direct private equity team, acquiring a controlling interest in facilities manager Pareto FM (Pareto). Pareto is an award-winning and ESG-driven provider of technical and facilities services to the built environment, offering operational, maintenance, and management services in buildings across the UK and globally.

[Stonepeak](#), a leading alternative investment firm specializing in infrastructure and real assets, on its strategic, preferred investment into AGP Sustainable Real Assets (AGP). Headquartered in Singapore, AGP invests in, develops, and operates sustainable real assets across three key investment themes: renewable energy, infrastructure and communities, and natural capital.

Sidley Represents the African Union in Watershed Legal Proceedings on Climate Change and the Oceans

Sidley is representing the African Union pro bono in advisory proceedings before the International Tribunal for the Law of the Sea (ITLOS). The ITLOS has been called upon to clarify the obligations of States, under the United Nations Convention on the Law of the Sea (UNCLOS), in relation to the impact of climate change on the marine environment.

In December 2022, the ITLOS was asked by the Commission of Small Island States on Climate

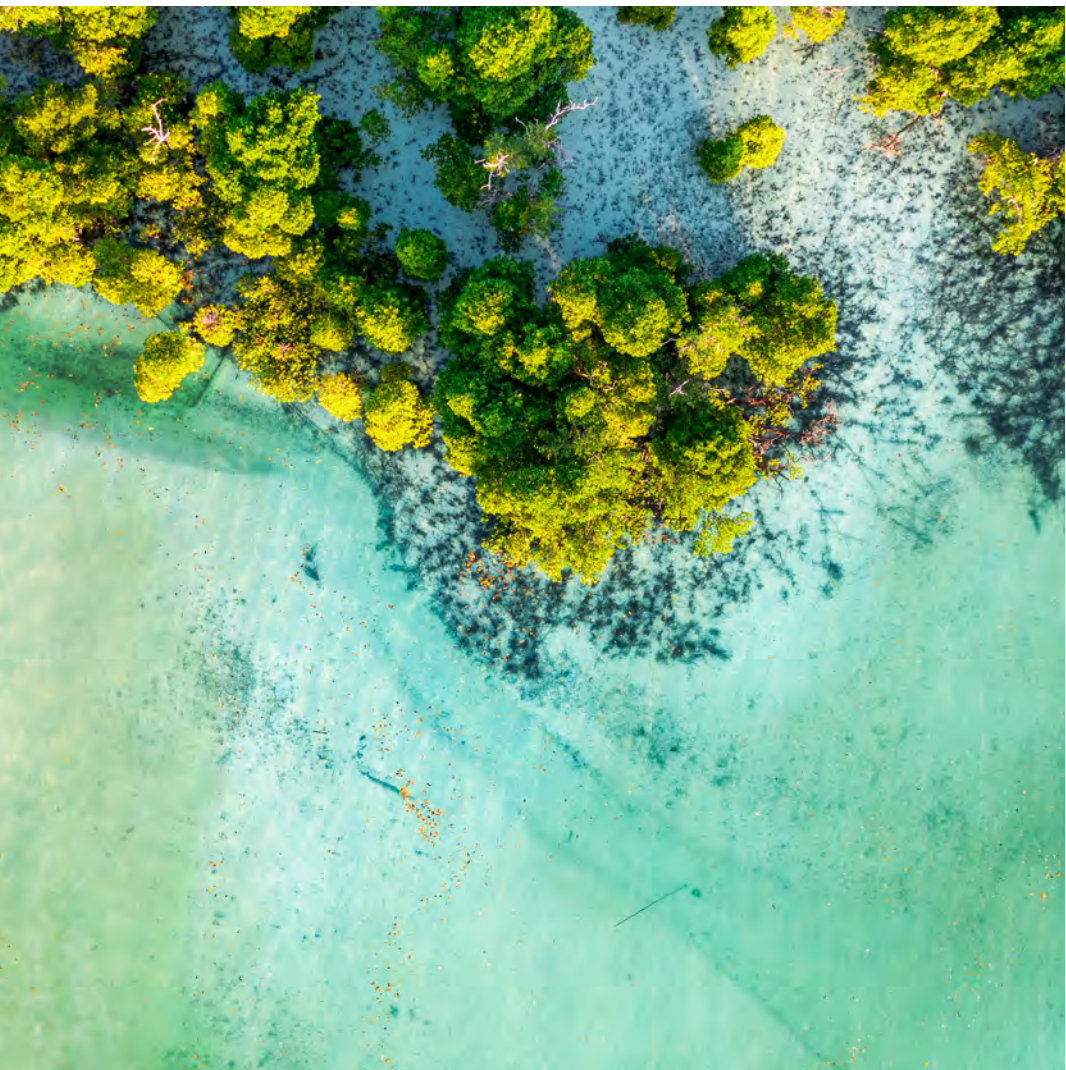
Change and International Law (COSIS) to provide an advisory opinion on the obligations of States regarding the impact of climate change on the world’s oceans. ITLOS’s advisory opinions provide important guidance to shape the conduct of States.

“The African Union represents 55 African States and approximately 15% of the world’s population, including some of the countries most affected by climate change. We in Africa did not cause the climate crisis; yet we suffer disproportionately from it. The African Union would like the Tribunal to issue an advisory opinion that will help secure a just and equitable climate transition protecting the oceans and the world’s most vulnerable people. The African voice is important, and we are happy to have the able assistance of an excellent legal team in articulating our voice. The African Union will have the opportunity to file a written statement to the ITLOS and to make oral statements at a hearing,” said Dr. Guy-Fleury Ntwari, the Legal Counsel of the African Union.

Iain Sandford, a partner in Sidley’s Geneva office, said, “We are honored to represent the African Union. This engagement continues our track record of representing sovereigns in complex international proceedings and our deep commitment to pro bono legal services. We are also pleased to underscore our strong commitment to the sustainable development of the African continent and its people and to the world’s oceans.” Last year, Sidley lawyers spent

over 154,000 hours on pro bono work, including through programs focusing on development on the African continent.

“For the first time, an international adjudicator will have the opportunity to clarify the rules of international law on one of the defining issues of our time — climate change and its impact on the oceans. States will look to the Tribunal for guidance as they tackle climate change, whether that’s through international cooperation or national action,” said Nicolas Lockhart, a Sidley partner in Geneva, who focuses on environmental, social, and governance matters.



About This Report

This is Sidley’s third annual sustainability report, covering calendar year 2023. It is inclusive of all Sidley sites and operations unless otherwise noted. Where helpful, prior year data has also been provided to aid in trend analysis.

■ 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. Since then, each year we have 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. Carbon footprint calculations in this report cover all of Sidley’s global facilities with the exception of two small offices in the United States (representing less than 0.4% of our employee base). We use an operational control approach. We have restated our 2019 calculations accordingly, to provide an accurate comparison of performance since our baseline year.

■ Scope 1 and 2 Emissions

All Sidley offices and data centers were included in Scope 1 and 2 emissions calculations. 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

Stationary Emissions: Several Sidley offices use natural gas for heating purposes. A small amount of diesel is also used for back-up generators.

Mobile Emissions: Sidley has a small number of leased vehicles, and their fuel is included here.

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

Note: While the firm purchased high-quality, REDD+ carbon offsets equivalent to our Scope 1 emissions for the 2023 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 and Scope 2 purchased steam 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. We used our verified calculations to determine the number of RECs needed to bring Sidley to 100% renewable electricity. See more about our emissions reduction journey beginning on page 5.

Steam: Four of our offices purchase steam.

■ Scope 3 Emissions

Category 1

Purchased Goods and Services: We use spend analysis to determine the emissions associated with the full range of our purchased goods and services, comprising 18 Environmentally-Extended Input-Output

(EEIO) models. Spend not associated with purchased goods and services has been excluded, as have categories (business travel, rent, etc.) that significantly overlap with other carbon accounting categories.

Category 2

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

Category 3

Other Fuel and Energy: Not significant

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.

Category 6

Business Travel: Sidley’s travel agency provided carbon emissions associated with air travel, rail (distance), hotel stays (number of nights), and car rentals (distance) for trips booked through the travel agency. Carbon accounting methods are still being developed to account for sustainable aviation fuel within a carbon footprint. As a result, we have reported our business travel emissions without including our purchase of SAF through the United Eco-Skies program.

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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: Sidley subleases a small portion of its office spaces. Energy-related emissions (electricity, natural gas, etc.) in these spaces have been included in our Scope 1 and 2 calculations.

Category 14

Franchises: Not relevant

Category 15

Investments: Not relevant

Emissions Factors

The following emissions factor datasets were used in the 2023 carbon footprint calculations:

- EPA GHG Emissions Hub Datasets (June 2024) for natural gas, steam, heating oil, auto gas, waste, business travel, employee commuting (via car/public transit), and location-based electricity (for U.S. sites only).
- EIA Electricity Emissions Factors (2022) for location-based electricity consumption at international sites.
- Utility-provided emissions factors (2023) for market-based electricity consumption.
- U.S. EEIO emissions factor datasets (2022) 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.

Letter of Assurance

We partnered with KERAMIDA, an environmental consulting firm, to conduct an independent assurance of our 2023 carbon footprint, covering Scope 1 and 2 emissions (view letter [here](#)), as well as an assurance readiness assessment of our Scope 3 emissions.

For More Information

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

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About the Firm

Sidley is an elite global law firm. With 2,300 lawyers and experience that spans 158 years, we provide industry-leading counsel to clients in more than 70 countries. Our lawyers apply a Built to Win™ client service model to their legal strategies, offering a multidisciplinary approach and practical solutions to the most complex transactional, investigation, restructuring, regulatory, and litigation challenges.

With 21 offices strategically situated in key commercial and financial hubs across four continents, our perspective and our reach are truly global. Our 2,300 lawyers, fluent in more than 80 languages, possess the cultural awareness and cross-border legal acumen needed to bring clarity to a dynamic business landscape.