

2023 Environmental Sustainability Report

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Message From Our Leaders

Environmental sustainability is central to Latham’s mission and culture. From our commitment to sustainable operations, to helping our clients and communities address complex environmental challenges, we are focused on solutions that will foster a more sustainable future for all.

Our 2023 Environmental Sustainability Report highlights our firm’s accomplishments and progress over the past year, as well as our areas of focus for the years ahead. To further advance operational sustainability, we continue to make substantial progress towards our ambitious Scope 1, 2, and 3 emissions reduction targets and our goal of achieving 100% renewable energy by 2030.

Lawyers in our Environmental, Social & Governance (ESG) and Environment, Land & Resources (ELR) Practices remain focused on supporting clients across industries as they navigate a rapidly changing landscape and strive for a lower-carbon future. Through our pro bono program, we continue to advance the missions of an array of individuals and organizations dedicated to protecting the environment.

We are incredibly proud of our firm’s steadfast commitment to environmental stewardship and are pleased to share this year’s report with you.



Richard M. Trobman
Chair and Managing Partner



LeeAnn Black
Chief Operating Officer

About This Report

This report provides a snapshot of our environmental sustainability activities across our offices in 2022, including our sustainable operations and greenhouse gas inventory reporting.

The emissions data underlying this report was prepared in accordance with the internationally recognized Greenhouse Gas (GHG) Protocol framework — a widely adopted methodology that enables organizations to accurately measure, manage, and report their carbon emissions — and serves as a transparent and comprehensive account of our commitment to environmental stewardship.

We are committed to transparent disclosure of our Scope 1, 2, and 3 emissions, including disclosures of our direct emissions, our purchased electricity, and the indirect emissions along our value chain.



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Message From Our Director of Sustainability

Over the last year, we have continued to act on our commitment to reducing our emissions and implementing sustainability best practices firmwide, all while continuing to help clients and communities transition to a sustainable future. We are also committed to transparency in our sustainability reporting, as highlighted in the detailed disclosures that follow.

At Latham, we are proud of the coordinated, collaborative, and creative ways in which we have reduced the environmental footprint of our offices — from understanding the carbon sequestration of trees on our leaseholding properties and recycling water for native plant gardens to utilizing solar panels and optimizing energy efficiencies in our buildings. These efforts contribute to our goal of achieving 100% renewable energy by 2030. As of Q3 2023, we are 27% of the way there.

In addition to enhancing the operational sustainability of our offices, we improved our ability to capture and analyze operational emissions data by leveraging technology. Understanding and using this data enables us to set science-based targets for our Scopes 1, 2, and 3 GHG emissions. These targets align with the Paris Agreement and will be verified by the Science Based Targets initiative (SBTi) which aims to limit the rise in global mean temperature to well below 2°C above pre-industrial levels.

In this report, we outline how our lawyers and staff are collaborating across the firm to incorporate sustainability principles in firm operations and commercial practices to achieve greater reductions in our carbon footprint. From our Global Real Estate team to our Environment, Land, & Resources (ELR) and Environment, Social & Governance (ESG) Practices, our environmental sustainability program is a robust firmwide effort.

Today’s challenges can, at times, feel overwhelming. We find hope by taking action, and we are confident in our ability to achieve our goals. Through the commitment that informs our thoughtful, sound blueprint, we aim to advance the firm’s sustainability goals and achieve our targets.



Joyce Wang
Director of Sustainability



Our Operational Footprint

Our operational footprint includes energy and water use, as well as our purchased goods and services, capital projects, and business travel. By implementing responsible consumption practices, such as powering our offices with renewable energy, we are increasing our resource efficiency.

Scope 3 emissions represent 91.84% of our total emissions. As we work to reduce our operational footprint and our Scope 3 emissions, we are also improving our data collection to reflect evolving standards and best practices.



Our Science Based Targets initiative (SBTi) Commitment

In keeping with our commitment to operating the firm in an environmentally conscious manner, we have set ambitious targets in line with the SBTi, and have committed to reducing Scope 1, 2, and 3 GHG emissions. We have submitted our targets to the SBTi for review, and we expect validation of these proposed targets by early 2024.



Accountability and Industry Engagement

We are proud to participate in a variety of leading environmental sustainability and accountability programs.

CDP

CDP is the gold standard of environmental accountability that focuses investors, companies, cities, and governments on building a sustainable economy by measuring and acting on their environmental impact.

We have actively participated with CDP since 2019, and in the 2022 CDP Climate Change Questionnaire our firm received a B score (the global industry average for the legal sector is a C).

The SBTi is a partnership between CDP, the World Resources Institute, the World Wide Fund for Nature, and the United Nations Global Compact. Latham committed to SBTi in 2019, setting emissions reduction targets that are in line with the Paris Agreement. These targets are currently undergoing validation by SBTi.

Green Building Certifications

Twenty Latham offices have achieved LEED certification, the most widely used green building rating system; BREEAM certification; or equivalent green building certification. Our Sustainability and Global Real Estate teams collaborate closely on the selection, construction, and build-out of new office spaces to achieve these certifications and adhere to green building standards.

Legal Sustainability Alliance (LSA)

The LSA is a leading nonprofit and collaborative network for law firms that aims to provide advice, information, and resources as firms work to transition to net zero. Latham became an executive member of LSA in 2022, and has actively engaged in this forum to drive environmental progress in the legal sector.

GreenBiz Executive Network

The GreenBiz Executive Network is a peer-to-peer learning forum made up of sustainability executives from companies around the world, with the goal of sharing the most up-to-date thinking and insights on sustainability across business sectors. As members of the GreenBiz Executive Network, we contribute to knowledge sharing among other sustainability and ESG professionals across the public and private sector.

World Business Council for Sustainable Development (WBCSD)

In February 2020, we became a member of the WBCSD, a global, CEO-led organization of more than 200 leading businesses working together to accelerate the transition to a sustainable world.

As a member, we participated in a project focused on the use of ESG risk screening in the context of enterprise risk management, launched the *Book of Jargon® – Environmental, Social & Governance*, and co-published a guide titled Business Recovery and Return to Normal: ESG, Enterprise Risk Management, and Risk Screening. We also serve on several working groups, including the Climate Accounting & Standards group and Avoided Emissions group

Overview of Current Operational Sustainability Initiatives

Supply Chain

Purchased goods and services are the largest source of emissions at Latham, comprising 40% of our Scope 3 emissions in 2022. We are in the process of developing a supplier engagement program in collaboration with our Global Procurement team to streamline our vendors’ ability to share their sustainability efforts and emissions data with us.

Vendor Code of Conduct

We strive to ensure that all suppliers adhere to our Vendor Code of Conduct and demonstrate proper compliance with all applicable laws and regulations, including those related to environmental compliance and ethical sourcing.

Office Supplies

We have worked closely with our office suppliers to implement a global program to increase the use of sustainable office supplies, such as tree-free paper in our US offices. Our suppliers’ customer portals label sustainable products, prioritize sustainable items in searches, and produce reports to track the volume of sustainable versus standard products.

Procurement RFI/RFPs

Our request for information (RFI) and request for proposal (RFP) criteria include a section on sustainability, and we weigh prospective vendors’ environmental performance and sustainability as part of our evaluation process.

Catering

We routinely work with food service providers to reduce waste, source food locally, minimize unnecessary packaging, and offer healthy options to our personnel and guests.



We consistently analyze our program through audits, resulting in the tactics and improvements outlined below.

Real Estate

Our real estate assets comprised 17.8% of our Scope 3 emissions in 2022, the second largest source in this category.

Our Global Real Estate team incorporates energy efficiency design factors in evaluating new office space and designing office build-outs and retrofits. These factors include energy-efficient lighting, heating and air conditioning systems, smart sensor technologies to account for occupancy and ambient light, efficient space management, optimizing natural light, reducing solar heat gain through exterior windows, and other measures.

Building Design

We have achieved LEED, BREEAM, or a similar green certification in 20 of our offices, and we continue to look for opportunities to pursue additional certifications where possible.

We were designated as a Green Lease Leader by the Institute for Market Transformation and the US Department of Energy’s Better Buildings Alliance. Launched in 2014, the Green Lease Leaders program sets standards for what constitutes a green lease in the United States, while recognizing landlords and tenants who modernize their leases to spur collaborative action on energy efficiency, cost-savings, air quality, and sustainability in buildings. The firm received gold-level recognition, the highest possible designation.

Our New York office has been a part of the [NYC Carbon Challenge](#) since 2021, an initiative launched by New York City to reduce GHG emissions from buildings.



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Green Facilities

We have implemented numerous projects to reduce our waste production, diverting recyclable waste to proper recycling streams and composting where possible. Our offices use plates and utensils that are made from sustainable materials and/or can be reused, composted, or recycled. We also use data from our global asset management system to encourage the reuse of office equipment and its proper disposal to minimize the volume of material going to landfills.

Composting

Composting and recycling opportunities vary greatly in each region where we operate. In 2022, 17 of our offices offered composting.

Reusable Utensils and Drinkware

During the COVID-19 pandemic, our offices temporarily returned to using single-use items for health and safety reasons. We have since restarted our efforts to phase these out. In 2022, nine offices eliminated single-use cutlery, and seven utilized compostable utensils. In addition, 20 offices eliminated single-use water bottles.

Recycling

Following an audit of waste streams in some of our largest offices — including Washington, D.C., New York, and London — we developed uniform recycling signage for all our offices and provided related guidance on how to improve recycling rates.

Technology Disposal

We are continuously working to ensure the responsible disposal of outdated office products. Our asset disposal vendors are certified by ISO 14001, ISO 9001, and e-Stewards for the disposal/recycling of all technology assets to ensure that they are resold or recycled for raw materials. We also partner with landlords on personal e-waste recycling opportunities in several of our offices.

Paper Reduction

In collaboration with the firm’s Technology Department, we launched a firmwide paper reduction campaign. As a result, we have seen a 73% decrease in office printing per person since 2019.

We also use paper made from recycled sugarcane waste fiber in our US and UK offices and continue to explore environmentally friendly options for our offices in Europe, Asia, and the Middle East.

Renewable Energy

Scope 1 and Scope 2 emissions comprised 8.16% of our overall emissions portfolio in 2022. Transitioning to renewable energy is a key element in meeting our reduction targets. Currently, 11 of our offices are fully powered by renewable energy, 27% of our total energy consumption is renewable, and 49% of our electricity use comes from renewables. In addition, 95% of our physical servers are powered by renewable energy.

We also purchase applicable Energy Attribute Certificates (EACs) as part of our work toward our commitment to a 100% renewable energy use target. EACs enable us to attribute a specific quantity of renewable energy to our operations.

The table on the right summarizes our renewable energy use obtained through on-site generation or by contract.

Renewable Energy Use 2019 – 2022

Renewable Power	2019	2020	2021	2022
Power use from renewable sources (production and contractual instruments*) (MWh)	8,758	7,439	8,911	11,903
Progress towards 100% long-term renewable target	17%	17%	20%	27%

*These include on-site solar production, applicable EACs, RECs from PPAs, UK renewable energy guarantees of origin, and renewable supply contracts



Latham & Watkins San Diego office / © Phuoc Le

Select Office Highlights

From green building certifications to composting services and biodiversity initiatives, we strive to operate in a sustainable way, in keeping with our firmwide goals as well as local initiatives. Below are just some of the ways our offices are incorporating our sustainability goals.

Austin



In April 2023, our Austin office moved to a new location that provided the opportunity to incorporate sustainability into the office’s design. The design uses natural and recyclable materials where possible and incorporates energy-efficient lighting and appliances. The building is Austin Energy Green Building rated and LEED certified and has submetering capabilities that allow us to track and manage our energy use in the space.

New York



Our New York office incorporates several cutting-edge sustainability-focused features in its design, most notably the building’s curtain wall. In the curtain wall, glass windows have been replaced with energy-reducing vision panels that provide natural light while reducing our need for electricity. The interior uses reclaimed or recycled building materials where possible. We also utilize a sensor system for occupancy and time-of-day controls for more energy-efficient lighting and HVAC systems.

Paris



Our Paris office is in the process of renovating its facilities for more effective and efficient energy consumption. The office has achieved the Bâtiment Basse Consommation low-consumption certification, a designation given to buildings in France whose annual energy use falls below a specified amount. A team of lawyers and staff maintains two on-site gardens, featuring pollinator-friendly flowers, fruit trees, and vegetable plants. Each season’s harvest — including tomatoes, peaches, aromatic herbs, and zucchini — is made available to all at the cafeteria.

San Diego



Our San Diego office underwent a solar panel installation project and now runs on 100% renewable energy. The office uses recycled water for all exterior landscaping and is in the process of transitioning to an all-electric fleet of landscaping equipment. We participate in a program that protects bee populations and improves the environment through the safe and humane removal of migratory bee swarms that enter the property boundaries. The office also has the ability to measure the carbon sequestration of the trees on-site, with 6,412 lb CO2 sequestered in 2022.

Singapore



Our Singapore office participates in an innovative graywater program that reuses reclaimed water in the office’s cooling and sprinkler systems. The office also received the Green Mark Award from the Singapore government’s Building and Construction Authority, recognizing our commitment to sustainability as well as our efforts in the areas of energy efficiency, water efficiency, indoor environmental quality, and more.

Reporting on Sustainability



Overview of Our Emissions and Inventory

The emissions data that follows highlights our efforts to operate in a sustainable way as we measure our environmental impact and implement best practices firmwide. We aim to source 100% renewable energy by 2030 for our offices around the globe. Additionally, our Scopes 1, 2, and 3 emissions reduction targets are currently being validated by the SBTi in alignment with the Paris Agreement on Climate Change, and will be benchmarked against a 2019 baseline year.

Our Emissions and Inventory

The following charts show Scope 1, 2, and 3 emissions in metric tons of carbon dioxide equivalent (MTCO₂e). Scope 1 emissions are direct emissions created by a company’s activities, Scope 2 emissions are indirect emissions from a company’s activities, and Scope 3 emissions are indirect emissions from all other activities across the value chain.

Our 2019, 2021, and 2022, Scope 1, Scope 2 (market-based), and total Scope 3 GHG emissions data has been assured by a third party, ERM CVS. The 2022 data presented here has been prepared in accordance with the GHG Protocol. The GHG Protocol Quantis Scope 3 Evaluator Tool has since been discontinued. As a result, we have transitioned to Corporate Emission Disclosure Accounting (CEDA) for Scope 3 emission factors.

2022 Total Percentage of Greenhouse Gas Emissions by Scope

Scope 1	0.54%			
	Refrigerant loss			
Scope 2 (Market-Based)	3.1%	2.9%	1.1%	0.5%
	Natural gas	Electricity	Chilled water	Energy use
	0.4%	<0.1%	<0.1%	
	Steam heat	Diesel fuel	District heat	
Scope 3	40%	28%	14%	5.1%
	Purchased goods and services	Business travel	Capital goods	Employee commuting
	3.4%	1.5%	0.3%	<0.1%
	Fuel and energy-related activities	Upstream transportation and distribution	Waste generated in operations	Upstream leased assets

GHG Emissions

The charts that follow show the breakdown of Scope 1, 2, and 3 emissions in metric tons of carbon dioxide equivalent (MTCO2e).

Reducing Scope 1 and 2 Emissions

As part of our efforts to reduce our Scope 1 and 2 emissions, we aim to improve our tracking and reduction of refrigerant leakages, work with our Global Real Estate team on efficient HVAC systems, and focus on optional energy performance during building lease negotiations. We are also in the process of increasing our renewable electricity procurement and electricity usage efficiency measures.

Scope 1 Emissions and Scope 2 Emissions (Market-Based) Over Time (MTCO2e)

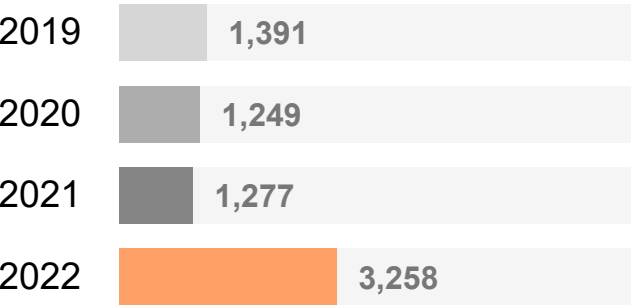
Scope 1

Refrigerant Loss

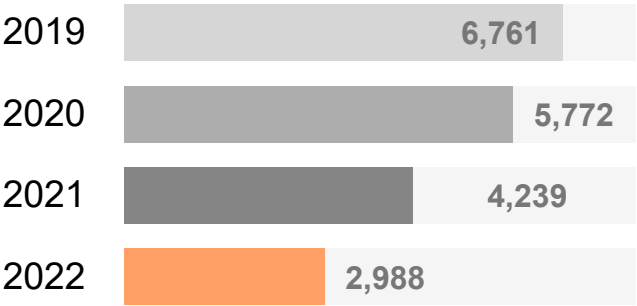


Scope 2 (Market-Based)

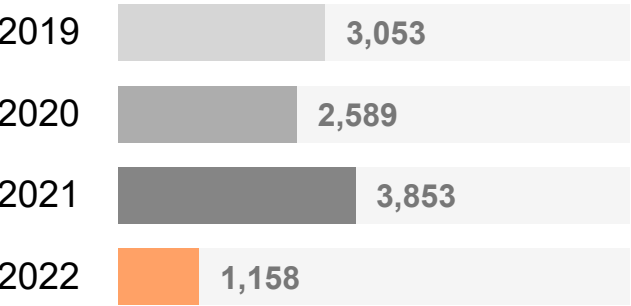
Natural Gas



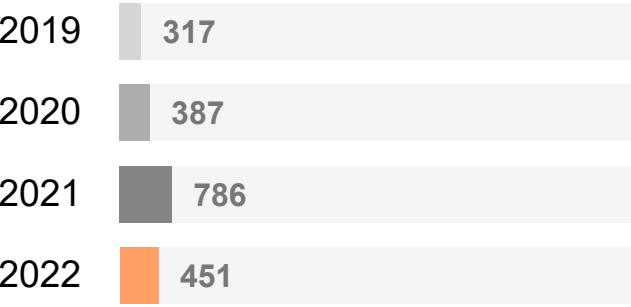
Electricity



Chilled Water



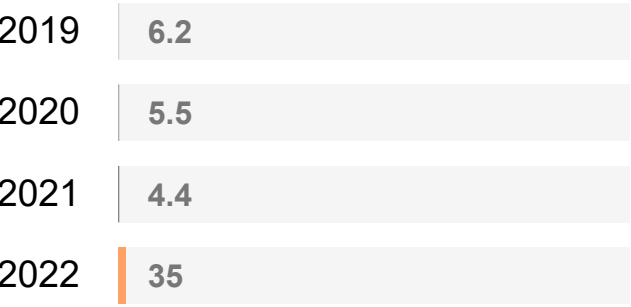
Steam Heat



District Heat



Diesel Fuel



Energy Use



GHG Emissions

Addressing Scope 3 Emissions

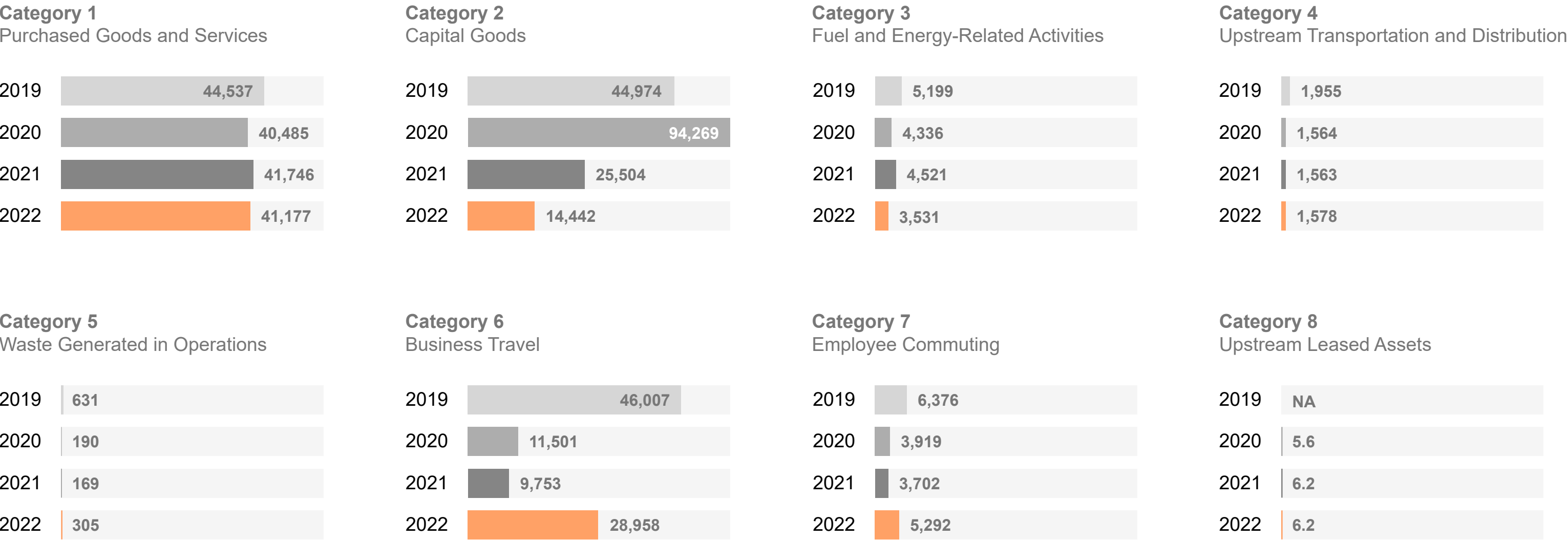
To address our Scope 3 emissions, we are measuring our three largest categories of emissions: Categories 1, 2, and 6.

For Category 1, we are actively collaborating with our Global Procurement team to develop a supplier engagement and diligence process that also includes visibility into our supply chain emissions.

For Category 2, we are working closely with our Global Real Estate team to ensure that each new office or office fit-out integrates sustainability features. As we do not own any of the spaces we occupy, we have developed a landlord outreach program by which we engage our landlords to collectively reduce emissions in our built environment.

For Category 6, we are working with travel partners to obtain more accurate emissions data for the firm's air, rail, and ground transportation.

Scope 3 Emissions Over Time (MTCO2e)



1. Capital goods represent and highlight our investments in renewable energy generation, buildings, and technological equipment. Latham's investments in our capital goods are aligned with our strategic goals and contribute to the long-term sustainability of our operations.

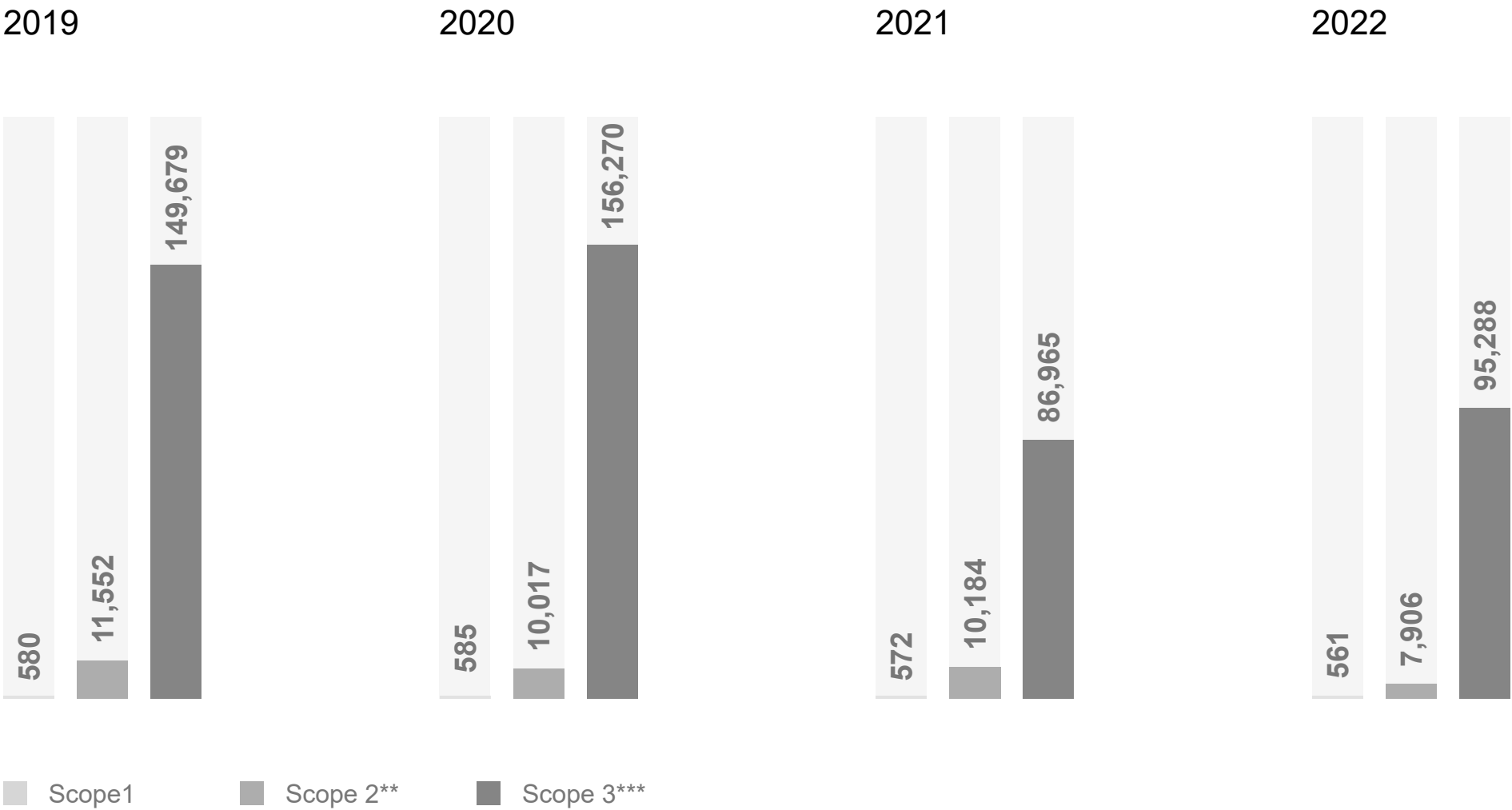
2. The disclosed Scope 3 emissions categories encompass the following aspects applicable to our business operations. Categories 1-8 have undergone assessments to be specifically selected Scope 3 emissions categories relevant to our business. Categories 9-15 were not relevant or applicable currently for our operations. Latham continues to implement targeted strategies to reduce carbon emissions and foster sustainability throughout our operations.

Category 1: Purchased Goods and Services; Category 2: Capital Goods; Category 3: Fuel and Energy-Related Activities; Category 4: Upstream Transportation and Distribution; Category 5: Waste Generated in Operations; Category 6: Business Travel; Category 7: Employee Commuting; Category 8: Upstream Leased Assets

Additional GHG Emissions Data

Since we began measuring our GHG emissions in 2019, the carbon intensity of our business per US\$1 million in revenue has declined from 43 tcO2e to 19 tcO2e.

Total Emissions Over Time (MTCO2e)*



*Our 2019, 2021, and 2022 Scope 1, Scope 2 (market-based), and total Scope 3 GHG emissions data has been assured by a third party, ERM CVS.

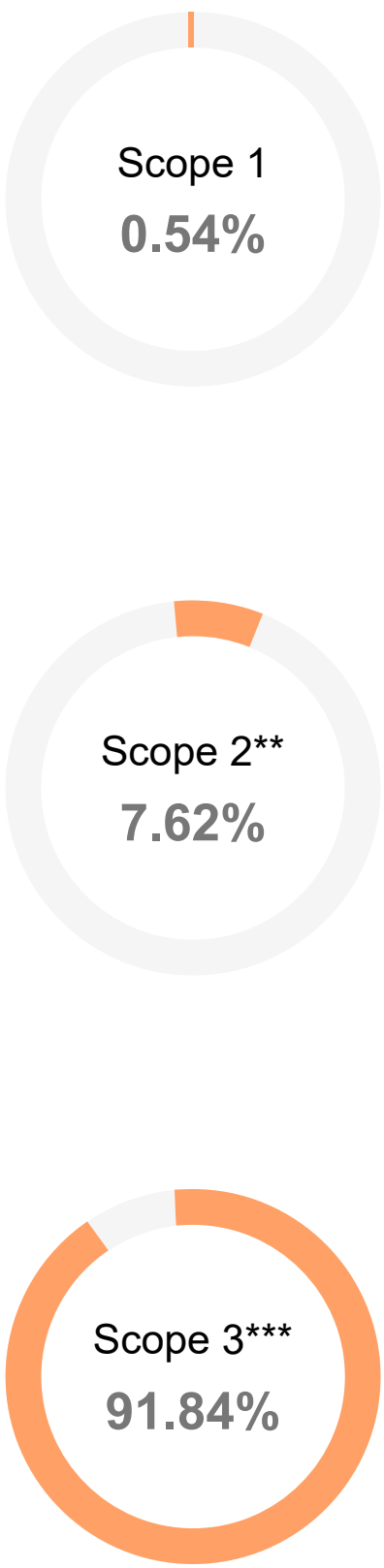
**The reported Scope 2 emissions are market-based. Our location-based Scope 2 emissions in MTCO2e was: 12,720 in 2019; 11,016 in 2020; 12,012 in 2021; and 10,086 in 2022.

***The disclosed Scope 3 emissions categories encompass the following aspects relevant to our business operations. These categories have undergone assessments to be specifically selected Scope 3 emissions categories relevant to our business.

Category 1: Purchased Goods and Services; Category 2: Capital Goods; Category 3: Fuel- and Energy-Related Activities; Category 4: Upstream Transportation and Distribution; Category 5: Waste Generated in Operations; Category 6: Business Travel; Category 7: Employee Commuting; Category 8: Upstream Leased Assets

Under the GHG Protocol emissions reporting standards, we apply operational control as the authority to introduce and implement operational policies. This has resulted in all our leased assets that we exclusively occupy being categorized under our direct control in Scopes 1 and 2.

2022 Emissions: Breakdown by Scope



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Our Global Citizenship Group

“Global Citizenship reflects who we are, who we strive to be, and the power of collaboration as we work to address critical needs and important issues in our communities.”



Wendy Atrokhov
Senior Director – Global Citizenship & Community Engagement

Latham’s Environmental Sustainability program is part of the firm’s Global Citizenship Group, a consortium that also includes:

- Pro Bono**
providing free legal services to low-income individuals and charities
- Diversity, Equity & Inclusion (DEI)**
strengthening DEI as a distinguishing feature of our culture and throughout the legal industry
- Community Engagement**
volunteering and making a positive impact in our communities



Pro Bono

We are proud to be one of the world’s largest providers of pro bono services. Since 2000, our lawyers and professional staff have donated more than 4.3 million hours of free legal services — including 239,268 hours in 2022 — to those who would otherwise be denied representation, equality, or justice.

We also provide pro bono support to an array of mission-driven organizations around the world, including those acting to protect the environment. Recent engagements include advising:

- [Ridges to Riffles Indigenous Conservation Group](#), a nonprofit helping indigenous peoples protect, preserve, and restore the natural and cultural resources they rely on, and currently advocating for the regulatory approvals necessary to remove dams on the Klamath River.

- [Standard Microgrid](#), a social enterprise specializing in providing clean, modern, and affordable energy services to poor, rural communities in Africa. Its usage model allows people to access low-cost, renewable energy for the operation of essential appliances.
- [Eden Reforestation Projects](#), a nonprofit that has developed a pioneering way to disrupt the cycle of poverty that contributes to deforestation by paying impacted communities a fair wage for planting and protecting native trees.

- [The Ocean Cleanup](#), a nonprofit that strives to rid the world’s oceans of floating debris through large-scale, energy-efficient, and environmentally sound processes.

We are proud to be a founding member of [Lawyers for a Sustainable Economy](#) (LSE), a first-of-its-kind initiative established in 2018 to advance sustainability goals through pro bono efforts. To date, we have donated over [24,000 hours](#) in free legal services to organizations promoting sustainability.



Klamath River

Advancing Racial Justice and Sustainable Practices Through Pro Bono

Green Era Campus seeks to transform a 9-acre vacant brownfield site in an impoverished Chicago neighborhood into a renewable energy and urban farming campus. This project will create green energy and jobs, provide fresh produce, offer small business incubation and educational programming on its campus, and bring community green space to Chicago’s South Side.

Drawing on our understanding of low-carbon energy matters, our lawyers [advised Green Era Campus](#) as it prepared a renewable natural gas (RNG) offtake and pipeline interconnection agreements that allowed the project to optimize the creation of its anaerobic digester.

The project uses a closed-loop approach to drive economic development and sustainability initiatives, including tackling the problems of food waste. Through the anaerobic digester, inedible food waste will be recycled to produce RNG and nutrient-rich compost. The compost created by the digester will be provided at low cost to farmers throughout Chicago and used on Green Era’s urban farm.

Diversity, Equity & Inclusion (DEI)

Latham's Diversity Leadership Committee (DLC) and Staff Diversity and Inclusion team spearhead our DEI strategy and work to strengthen and promote the firm as a workplace where the best and brightest professionals — including those underrepresented in the legal industry — excel and find support to become firm and industry leaders.

We have a distinct responsibility as legal advocates to combat ingrained, institutional racism and other inequities. This includes looking inward and strengthening our inclusive culture through concrete actions, allyship, and collective learning. It also includes using our skills and knowledge as one of the world's largest providers of pro bono legal services to work on matters aimed at advancing racial equality, promoting equal opportunity, and supporting those most affected by systemic inequities.

Our award-winning efforts encompass initiatives for our personnel as well as recruiting and pipeline programs, including:

- Yale Law School Launchpad Scholars Program, powered by Latham & Watkins, which helps members of underrepresented or underserved communities navigate the law school application and admission process.

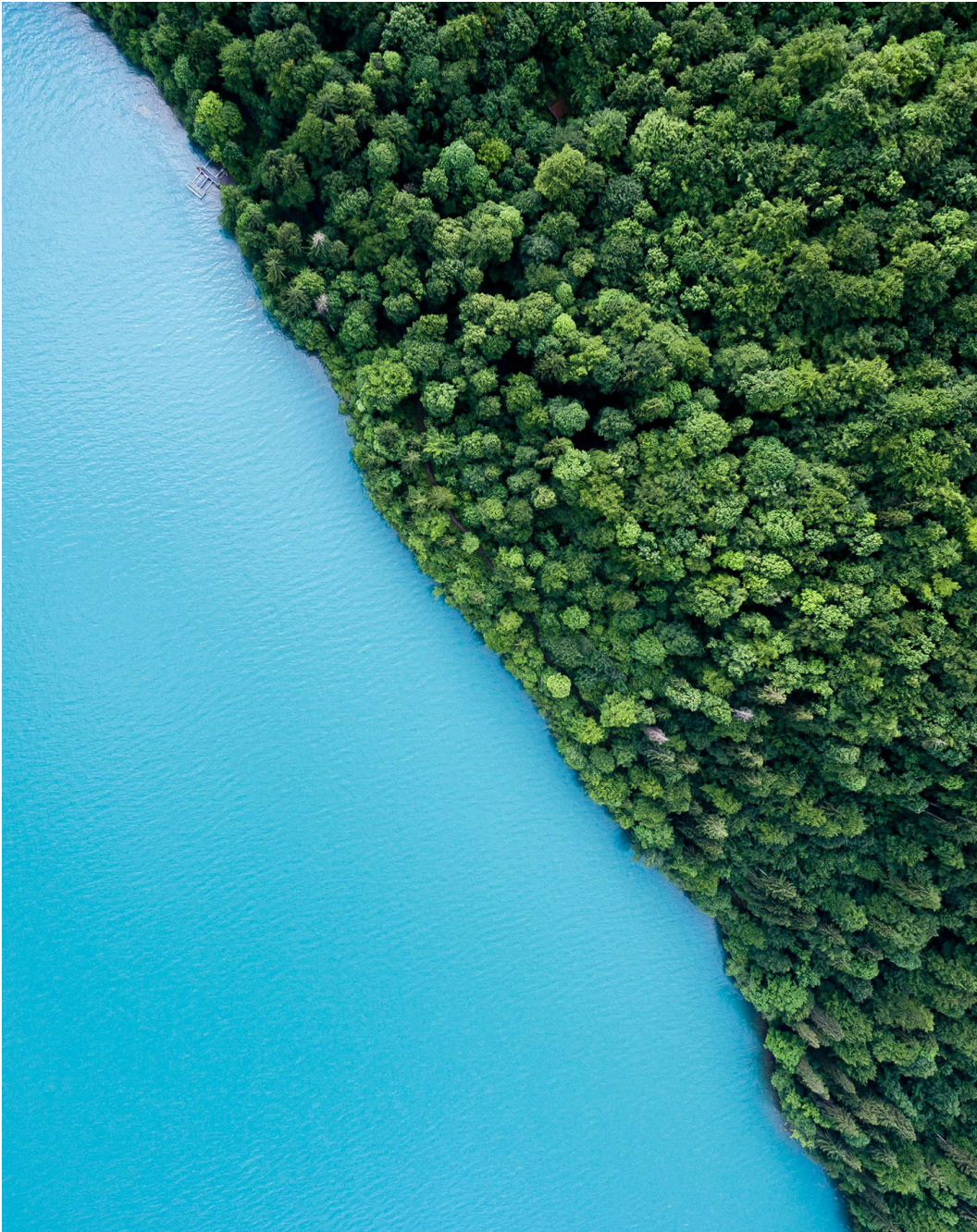
- Diversity Leadership Academies, which are open to all US law students and Latham associates, providing tailored professional development and invaluable opportunities for mentorship and community building.
- More Than Words Racial Justice Training Series, which offers a deeper understanding of the history of systemic racism and inequality around the world, tying it to present-day events and highlighting actionable opportunities to challenge and change the system.

In addition, our affinity groups and networks for lawyers and staff and our Multicultural Promotion & Attainment Coalition are critical to our culture of inclusion and belonging. These groups boast more than 3,700 members collectively — nearly 60% of the firm — across our offices, and are composed of individuals who self-identify as members of the community, as well as allies and active supporters. Each group provides a firmwide platform to share experiences and advice, participate in tailored professional development and mentoring programs, and build networks with clients, recruits, and others in the legal community who are committed to DEI.



Client Service

In addition to our firmwide operational sustainability efforts, our lawyers are playing an active role in helping clients navigate the energy transition and move toward a lower-carbon future.



Environmental, Social & Governance (ESG) Practice

Our [ESG Practice](#) — ranked Band 1 for Global ESG Risk in the [Chambers Crisis & Risk Management Guide](#) — takes a cross-disciplinary approach to helping our clients navigate a rapidly changing ESG landscape. We advise our clients across industries around the globe on a range of ESG matters, including conducting risk assessments, assisting clients with their ESG strategy and policies, and designing and implementing programs across a broad range of initiatives. Recent matters include:

- [Energy Capital Partners](#): We advised Energy Capital Partners — a leading investor across energy transition, electrification, and decarbonization infrastructure assets — on its UK Takeover Code governed offer for Biffa plc, a leading UK nationwide integrated waste management business providing collection, treatment, recycling, and technologically-driven energy-generation services.
- [Antin Infrastructure Partners](#): We advised Antin on the acquisition of a majority stake in Blue Elephant Energy, a Germany-based developer and operator of solar parks and wind farms. Antin’s Flagship Fund V will become the renewable energy company’s new majority shareholder to support its growth strategy.

- [The Carlyle Group](#): A cross-border team represented The Carlyle Group — a leading multi-national private equity firm and asset manager — in securing a €2.3 billion ESG-linked credit facility for its European private equity and real estate platform to address climate change and achieve better ESG outcomes through training.

Environment, Land & Resources (ELR) Practice

Our [ELR Practice](#) advises on projects, transactions, and regulatory matters leading the way toward a lower-carbon future, including: carbon capture & storage; low carbon fuel projects; offshore wind; carbon credit markets; clean technology and climate technology; project siting and permitting; and sustainable finance. Recent matters include:

- [Blue Source Sustainable Forests Co. \(BSFC\)](#): We advised a consortium investor in connection with US\$1 billion-plus preferred equity financing for BSFC and its acquisition of 1.7 million acres of timberland, representing one of the largest private conservation-focused forest investments in US history.
- [Terra-Gen Power](#): We advised Terra-Gen Power — a leading renewable energy developer and operator — on the project financing and tax equity financing of the Edwards Sanborn Solar Power Generation and Storage facility in Kern County, California. This is one of the largest single solar and battery energy storage projects to reach this milestone to date.

- [Microsoft](#): We advised Microsoft on potential investments by its Climate Innovation Fund, which will invest US\$1 billion over four years in new technologies and innovative sustainability solutions. Our diligence on these investments focused on the potential to generate carbon offsets from these companies’ operations, risks associated with the investment, and related climate change and regulatory issues.
- [SoCalGas](#): We advised SoCalGas on the environmental, regulatory, and permitting considerations in relation to its Angeles Link project, a groundbreaking and transformative green hydrogen energy infrastructure system positioned to be the largest of its kind in the United States.

Angeles Link will deliver green, reliable energy to the Los Angeles region using hydrogen converted from renewable energy resources such as solar and wind. The project will significantly reduce GHG emissions from electric generation, industrial processes, heavy-duty trucks, and other sectors in the Southern California economy that are difficult to electrify.



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Methodology

This report serves as a transparent and comprehensive account of our commitment to environmental stewardship and provides insights into our GHG emissions and sustainability initiatives.

We have prepared our 2023 Environmental Sustainability Report in accordance with, and within the operational boundary of, the internationally recognized [GHG Protocol](#) framework — a widely adopted methodology that enables organizations to accurately measure, manage, and report their carbon emissions.

In response to evolving sustainability requirements, the GHG Protocol announced that its GHG Protocol Quantis Scope 3 Evaluator Tool was [discontinued as of August 30, 2023](#).

To align with this shift, we adopted the Comprehensive Environmental Data Archive (CEDA) system. CEDA provides a standardized and granular database that facilitates efficient and consistent data collection, which enhances the accuracy of our emissions calculations. In addition, the international focus of CEDA’s datasets provides the most relevant set of emissions factors for our multinational and multijurisdictional business. By utilizing CEDA, we ensure transparency and comparability in our emissions data, which enables us to measure and assess changes in our current and past emissions.

Gathering accurate and reliable data for Scope 3 emissions in our supply chain continues to be a complex endeavor. Factors such as inconsistent reporting practices, limited data availability, and the need to develop robust methodologies for estimating emissions in the absence of data present both challenges and opportunities for our Scope 3 reporting.

To improve our data collection and risk management, we have implemented a [Vendor Code of Conduct](#) that sets forth Latham’s commitment to ethical business practices — stating our expectation that vendors comply with all applicable laws and regulations and adopt policies and programs to address the environmental and social impact of their operations.

The environmental standards outlined in our Vendor Code of Conduct include resource efficiency, energy consumption, GHG emissions, water consumption, waste management, impacts on biodiversity, and product standards.

All reported values represent the best data available at time of publication of this report. Where actual data isn’t available, we may use estimates and methodologies based on historical data, available information, and other assumptions that we believe to be reasonable.

Carbon Offset Methodology

We conduct diligence and carefully select each carbon offset project that we support, applying the following methodology to ensure that each carbon offset we purchase is of high quality. Our firm only purchases high-quality carbon offsets, and our purchasing decisions are guided by the following core principles:

1. We only procure carbon offsets that meet globally recognized core criteria, which entails them being additional, verified, representing real and permanent carbon reduction or removal, not double-counted, and issued by a trusted third-party registry, such as Verra, the Climate Action Reserve, the American Carbon Registry, and other registries that have demonstrated an equivalent level of rigor and environmental integrity.
2. We focus on the co-benefits generated from carbon offset projects and prioritize projects that protect vulnerable and disadvantaged communities, promote gender equality, assure safe access to clean water and food, and provide climate resilience.
3. Leveraging our leading Climate Change Practice, which is recognized globally, we conduct independent desktop diligence on each carbon offset project. This includes researching the project, the project proponent, relevant stakeholders, and the engagement with the local community.

4. We aim to diversify the types of projects we support, such as energy efficiency, carbon capture and sequestration, and forestry projects, to ensure a well-rounded approach to carbon offsetting that matches several of our clients’ purchasing strategies.
5. We strive to diversify the geographic locations of the carbon offset projects we support to cover our firm’s office locations and global practices. We believe that supporting projects in the communities in which we operate and work is beneficial not only for the environment, but also our business and the communities we serve.
6. We purchase offset credits directly from project developers and highly reputable intermediaries with whom we have preexisting relationship.

Carbon Offset Project Information

Project Name	Phlogiston Phase I	Blue Source – Francis Beidler Improved Forest Management Project	Heqing Solar Cooker Project I	Installation of High Efficiency Wood Burning Cookstoves in Kenya
Carbon Offset Seller	ClimeCo LLC	ClimeCo LLC	Clean Air Trade, Inc.	C-Quest Capital SGS Stoves Private Limited
Carbon Registry	Climate Action Reserve	Climate Action Reserve	Verra	Verra
Project ID	CAR1480	CAR683	VCS1860	VCS2349
Project Type*	GHG emission reductions from the enhancement of an existing control technology at an adipic acid plant that destroys N2O emissions above the baseline N2O destruction rate	GHG emission reductions and removals from the conservation of private and commercial forestland that were previously harvested for timber production	GHG emission reductions from installation of parabolic type solar cookers to villagers in the rural areas of Ganzhou District of Zhangye in Gansu Province of China	GHG emission reductions from distribution and deployment of fuel-efficient cookstoves to replace the baseline cookstoves in Kenyan households
Project Location	Cantonment, Florida, USA	South Carolina, USA	Gansu, China	Kenya
Protocol/Methodology	Adipic Acid Production Project Protocol Version 1.0	Forest Project Verification Protocol Version 3.0	AMS-I.C.: Thermal energy production with or without electricity --- Version 18.0	Methodology for Installation of High Efficiency Firewood Cookstoves Version 1
Third-Party Verifier for the Carbon Credit Issuance	Ruby Canyon Environmental, Inc.	S&A Carbon, LLC	Shenzhen CTI International Certification Co., Ltd	Carbon Check (India) Private Ltd.

*Project type information based on specifications provided by respective carbon registries

Assurance Letter

Our 2022 Scope 1, 2 (market-based), and total Scope 3 emissions data has been assured by a third party, ERM CVS. View the assurance letter [here](#).

Acronyms and Terms

For more information on the terms below, please visit [The Book of Jargon® – Environmental, Social & Governance](#).

Direct Emissions: In the context of GHG emissions reporting, these are CO2 emissions from sources owned by the reporting entity (e.g., emissions produced by a building owned by a law firm). Direct emissions are also known as Scope 1 emissions.

Greenhouse Gas (GHG): Greenhouse gas is gas that traps heat from the sun on the surface of the earth by absorbing infrared radiation, such as carbon dioxide or methane. There are natural GHGs (water vapor, carbon dioxide, methane, and nitrous oxide), and human-made GHGs (synthetic fluorinated gases).

Greenhouse Gas (GHG) Protocol: An international accounting and management tool for government and business leaders to quantify, manage, and better understand GHG emissions.

Indirect Emissions: Emissions that are a consequence of the activities of a company, but occur at sources owned or controlled by another entity — including both upstream and downstream of companies along the value chain.

Paris Agreement: The Paris Agreement is an international agreement on climate change. According to the World Resources Institute, “the central aim of the Paris Agreement is to strengthen the global response to the threat of Climate Change by keeping global temperature rise well below 2°C above pre-industrial levels” (with a further aspirational goal to limit the temperature increase to 1.5°C).

Science Based Targets initiative: An initiative that promotes best practices and guidelines to reduce emissions and provide target-setting methods based on climate science. The initiative helps businesses set carbon reduction goals compliant with the Paris Agreement targets.

Scope 1 Emissions: Direct GHG emissions that occur from sources owned or controlled by a company or organization (e.g., an on-site natural gas-fired boiler).

Scope 2 Emissions: Indirect GHG emissions that occur from sources not owned or controlled by a company or organization (e.g., an off-site power plant that serves company facilities).

Scope 3 Emissions: Indirect GHG emissions that occur from the activities of a company or organization (e.g., purchased goods and services).

Value Chain Emissions: A type of Scope 3 emission that typically accounts for the most significant part of an organization’s total corporate carbon footprint — the total amount of GHG emissions that are directly or indirectly caused by a company’s activities.

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