

CLEARY GOTTlieb

Environmental Metrics Statement – Basis of Reporting



2025



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This document outlines the principles and methodologies that Cleary Gottlieb Steen & Hamilton LLP (hereafter “Cleary Gottlieb” or “Firm”) used for its 2024 greenhouse gas assessment, covering Scopes 1, 2 and 3.

In accordance with these principles and methodologies, the Firm aims to ensure:

- Transparent reporting, so readers can have confidence in the accuracy and integrity of the data;
- Relevant data reflects the Firm’s operations and performance; and
- Clear explanations of any assumptions, estimations, or exclusions.

I. Methodology

Cleary Gottlieb followed this process for its Greenhouse Gas (hereafter “GHG”) assessment:

- **Assessment period.** The annual GHG inventory covers January 1 to December 31 of the reporting year.
- **Alignment with GHG Protocol.** The GHG analysis adheres to the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*. Calculations and analysis structures for emissions use the proprietary carbon calculator called *Climate Metrix*, from Parametrix. The calculator uses relevant emissions factors and approved assumptions for analysis. The calculations depend on the underlying data collected and provided by the Firm’s data entry users.
- **Organisational boundary.** The GHG inventory includes emissions from activities over which the Firm has operational control. Operational control was chosen because it provides the most clear and actionable boundary for the Firm to implement strategies and policies to mitigate GHG emissions. There are no exclusions from the inventory, and the selected approach also aligns with the Firm’s financial accounting. Unless stated otherwise, the following are included in the boundary:
 - All Cleary Gottlieb’s offices and workspaces are leased, reported and captured in the GHG inventory accounting: New York, Palo Alto, São Paulo, San Francisco, Washington DC, Abu Dhabi, Brussels, Cologne, Frankfurt, London, Madrid, Milan, Paris, Rome, Beijing, Hong Kong, Seoul.
 - Cleary Gottlieb’s offices and workspaces disposed of or acquired during the assessment period are accounted for up until the point of disposal or from the date they became operational.
 - All Cleary Gottlieb’s company cars, whether owned or leased.
- **Data sources.** As a professional services firm, the Firm identifies all relevant emissions sources according to the GHG protocol, using either primary data or approved estimation strategies. For the assessment period, the analysis team accessed primary data for Scope 1 emissions and Scope 2 emissions to develop emissions profiles for both location-based and market-based reporting, where relevant. The GHG inventory accounts for all seven GHGs (CO₂, CH₄, N₂O, HFC, PFC, HF₆, NF₃), when applicable. Scope 3 data is accessed through business travel agency vendors, procurement spending, waste audits and building management responses, direct invoices, and through calculations. More details are below.
- **Emissions factors.**

Scope	Emissions Source	Emissions Factor Sources
Scope 1	Natural Gas	The Climate Registry, EPA, AR5
	Refrigerants	IPCC – AR5
	Fleet Fuels	U.S. DOT, The Climate Registry, OR DEQ, CARB, AR5
Scope 2	Electricity	Location-based – eGRID, Ember, IGES, EU Joint Research Centre

Scope	Emissions Source	Emissions Factor Sources
		Market-based – Utilities + RECS, Ember
	Steam	Location-based – ClimateIQ, U.S. EPA Market-based – Utilities + H&C RECS
Scope 3	Commute	Commute survey
	Business Travel	Primary distance, DEFRA (aviation and well to wheel), OR DEQ, U.S. EIA, US DOT
	Purchased Goods & Services	US EPA EEIO v1.3 with AR6 values, Greenhouse Gas protocol
	Capital Goods	US EPA EEIO v1.3 with AR6 values
	Upstream Energy	US eGRID averages, IEA, AR5
	Solid Waste	US EPA
	Leased Facilities	EGRID, Ember, Utilities, IGES

— **Scope Definitions.**

- **Scope 1.** Direct GHG emissions that the Firm generates while performing its business activities. This includes owned fleet fuels, onsite combustion of natural gas for heating and appliances, and through fugitive emissions from refrigeration leakage.
- **Scope 2.** Indirect GHG emissions generated by the production of energy purchased by the Firm for the benefit of its office function, including district steam heat and electricity.
- **Scope 3.** All indirect GHG emissions that occur in the value chain of the Firm and are not already included within Scope 1 and 2. Categories 1, 2, 3, 5, 6, 7 and 8 (see below) are relevant to Cleary Gottlieb and therefore comprise Scope 3. These emissions are a consequence of the Firm's business activities but occur from sources the Firm does not own or control. This includes, for example, staff commute, leased facilities (data centre electricity), waste generation, business travel and transportation and the Firm's supply chain.

— **Methodology and Approach.** All emissions are calculated using *Climate Metrix*. The respective Operations Managers for each facility submit annual office and workspace data for utilities and waste generation, which is reviewed against previous years for anomalies and opportunities. Parametrix's data sets in *Climate Metrix* are reviewed and assured annually. Further details on specific GHG emissions categories, definitions and methodology are detailed in the table below:

Reported Metric	Definition	Methodology	Units
Scope 1 Emissions			
Natural Gas	Emissions associated with direct onsite combustion and use of natural gas for heating and appliances.	Invoices are used to track and report consumption.	Metric Tons CO ₂ e
Fleet Fuels	Emissions associated with direct fuel combustion.	The total fuel consumption of company cars is calculated using reports from the leasing agent.	Metric Tons CO ₂ e
Refrigerants	Emissions associated with leaks from heating and cooling equipment.	Data is shared by building management using a service log for HVAC. Where no data are provided,	Metric Tons CO ₂ e

Reported Metric	Definition	Methodology	Units
		see Refrigerants methodology below for estimation.	
Scope 2 Emissions (Location-Based and Market-Based)			
Electricity	Emissions associated with electricity consumed by the Firm's offices and workspaces. Emissions are calculated via the location-based or market-based method.	Electricity consumption is obtained via invoices from utility providers. Contracted renewable electricity is assigned an emission factor of 0, while grid electricity is analysed using location-based and market-based factors.	Metric Tons CO ₂ e
District Steam	Emissions associated with steam consumed by the Firm's offices and workspaces. Emissions are calculated via the location-based or market-based method.	Steam consumption is obtained via invoices from utility providers. Renewable steam is assigned an emission factor of 0, while non-renewable steam uses a residual factor based on the grid mix.	Metric Tons CO ₂ e
Scope 3 Emissions – All scope 3 calculations reference and follow the Greenhouse Gas Protocol Technical Guidance for Calculating Scope 3 Emissions (version 1.0) and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
Category 1: Purchased goods and services Category 2: Capital goods	All emissions associated with relevant supply chain spending by the Firm.	All scope 3 calculations reference and follow the Greenhouse Gas Protocol Technical Guidance for Calculating Scope 3 Emissions (version 1.0) and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Spending is categorised by general ledger (hereafter "GL") code, adjusted for inflation, and assigned a spend-based emissions factor. Where specific vendor emissions/emissions factors are known and/or are calculated elsewhere, substitutions are made in the relevant GL line according to the known emissions/emissions factor and the spend amount associated with the known value. Additional well-to-wheel multipliers are included to account for upstream emissions for couriers in the supply chain.	Metric Tons CO ₂ e

Reported Metric	Definition	Methodology	Units
Category 3: Fuel- and energy-related activities (not included in Scope 1 or 2)	Upstream energy. A standard multiplier for annual energy production and transportation (called “T&D”) losses, covering electricity, natural gas, fuels, and steam. Emissions are calculated via the market-based method.	Multiplier based on energy consumption and carbon intensity using eGRID, EIA, and average data for T&D and fuel production per unit. Following the market-based method, upstream emissions are calculated with consideration of qualifying renewable energy certificates and Guarantees of Origin.	Metric Tons CO ₂ e
Category 5: Waste generated in operations	Solid waste by volume and disposal method for each office. Developed through waste audits to generate an average kg/person/day in the office.	See the Waste methodology below.	Metric Tons CO ₂ e
Category 6: Business travel	All emissions associated with Firm-paid travel.	See Aviation methodology below. Business travel emissions include the well-to-wheel upstream emissions for fuels.	Metric Tons CO ₂ e
Category 7: Employee commuting	Emissions associated with staff movement from home to Cleary offices on a regular basis.	Bi-annual survey registers staff commute regularity, distance, and up to two common modes. Analysis is extrapolated by office. Off-year updates adjust for office staffing changes.	Metric Tons CO ₂ e
Category 8: Upstream leased assets	Emissions associated with the electricity used in leased data centre facilities. Emissions are calculated via the market-based method.	Direct invoices for contracted spaces accessed through IT SME staff. In alignment with the asset-specific calculation method, a site-specific emissions factor is used where complete data is available. Where site-specific data is unavailable, a regional grid emissions factor is used.	Metric Tons CO ₂ e

II. 2024 Results

Scope 1	Metric Tons CO ₂ e
Natural Gas	202
Fleet Fuels	23
Fugitive Refrigerants	247
Total	472

Scope 2	Metric Tons CO ₂ e
District Steam	Market-based: 268
	Location-based: 414
Electricity	Market-based: 0
	Location-based: 2,319
Total	Market-based: 268
	Location-based: 2,733

Scope 3	Metric Tons CO ₂ e
Category 1: Purchased goods and services and Category 2: Capital goods	21,304
Category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)	114
Category 5: Waste generated in operations	44
Category 6: Business Travel	8,260
Category 7: Employee commuting	1,276
Category 8: Upstream leased assets	350
Total	31,348

III. Renewable Energy Purchases

Cleary Gottlieb purchased internationally accredited certificates for renewable energy to 2024 electricity, heating, and cooling for which utility contracts were not already in place. Following analysis in 2025, the Firm purchased additional “true-up” instruments in the appropriate market to ensure complete coverage. The Firm purchased instruments to mitigate all electricity and steam for which instruments were available, avoiding over 2,250 MT CO₂e from energy use.

IV. Methodology for Specific Analyses

— Aviation

- Gather flight detail reports from service providers/offices (Reed & Mackay, Lawyers Travel, Belgium, Beijing, and Hong Kong).
- Assess data for completeness and up-to-date emissions factors
 - Determine emissions factors in use for each flight based on origin-destination/haul, and ticket class. Assess against most recent Defra factors.
- Combine data sets into a single annual flight data sheet. Using haul and ticket class, reference appropriate flight and WTT emissions factors using lookup formulas. If data is missing that is required to reference a specific emission factor, substitute using ‘Average passenger’ factors.
- If an office provides precalculated emissions using a method that indicates the appropriate emissions factors were used.
- Apply emissions factors to flight distance and aggregate results by office. This process is inexact due to the complexity of travel patterns and booking agents. Proportional allocation to

offices based on headcount is acceptable for the inventory and is globally accurate, though further analysis of the drivers of flight emissions may be desired.

- Deduct known flight spend as indicated in data from service providers/officers from the appropriate spend category in the GL analysis using the spend replacement worksheets. Because emissions are calculated and accounted for separately, enter 0 as the replacement emissions factor for known flight spend. All remaining spend under the air travel GL code will automatically be calculated using a generic spend-based emissions factor (currently USEEIO 2022).

— Refrigerants

- Use provided leakage.
- Report zero leakage if property management confirms that no refrigerant was charged in the previous year.
- If there is no response to requests for information on leaked refrigerants, follow the proxy estimation strategy below:
 - Data required: Square footage.
 - Refrigerant type. If none provided, use R410A as a very common proxy.
 - Assume equipment sizing at 1 ton HVAC per 600 square feet.
 - Assume charge volume at 3 pounds of refrigerant per 1 ton HVAC size.
 - Report 5% annual leakage based on full charge estimate using AR6 GWP values.

— Solid Waste

- Using all available primary data, waste is assessed to create a kgs/person/office day estimate. All available estimates are then averaged and applied to the remaining, non-reporting offices using their days in the office from the commute survey data. Disposal method and methane capture technology is estimated based on the region if unknown.

