



Making the Business Case for Sustainability

A Better City Forum

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An Introduction to Sustainability



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Definition of Sustainability

General Definition of Sustainable Development *UN Brundtland Commission* (1987)

“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”



Triple Bottom Line

Economic, social and environmental performance.



Defining “sustainability” for your system is a critical first step to leveraging it as part of business strategy.



Sustainability Creates Business Opportunities

- Build brand, reputation
- Effectively respond to stakeholder pressure
- Comply with regulatory requirements
- Manage risk
- Reduce costs and improve operational efficiency
- Reduce emissions, reduce waste
- Respond to new markets for innovative products and services
- Improve employee morale, encourage innovation, and attract new employees



Building Brand/Reputation

- 2010 McKinsey survey
 - › 72% of respondents say considering sustainability is “extremely” or “very important” for managing reputation and brands
 - › 55% agree investment in sustainability helps their companies build reputation
 - › 36% see building reputation as a top reason for addressing sustainability
- Companies have successfully used sustainability to enhance the brand
- 2010 Newsweek Green Rankings (Top 100)
 - › Dell (1)
 - › McDonalds (79)
 - › Starwood Hotels and Resorts (90)



Effectively Respond to External Stakeholder Pressure

- Institutional investors/shareholders
 - › 2010: Unprecedented number of shareholder resolutions re: sustainability and climate change
- Regulators
 - › Climate change driving new, more stringent environmental regulations
- Consumers
 - › What's in the products I'm buying? How safe are they?
- Business-to-business customers
 - › Strategic customers (e.g., Walmart) demanding suppliers reveal how they make their products and what's in them



Effectively Respond to External Stakeholder Pressure (cont'd)

- Lenders and insurance companies
 - › Factor environmental variables into their loan and underwriting decisions
- Competition
 - › Increasing focus on sustainable practices in all sectors
- NGOs
 - › Greenpeace deforestation report “Slaughtering the Amazon” led to new Nike policy regarding use of leather from cattle raised in the Amazon



Regulatory Compliance

- Major Developments
 - › National “cap and trade” legislation
 - › State and federal mandatory GHG reporting requirements
 - › Tightening environmental and emissions regulations
- Effective systems for collecting and analyzing information enable you to evaluate the impact of legislation or regulation on your system
 - › Conduct benchmarking within or outside your industry
 - › Implement systems for collecting information (e.g., GHG emissions)
 - › Conduct third-party review of GHG data
- You can’t manage what you don’t measure



Manage Risk

- Apply “risk management” techniques to identify areas of potential liability or weakness and craft strategies to avoid disruption
- Potential Risks
 - › Physical (e.g., coastal erosion; facility shutdown due to water scarcity; water quality)
 - › Regulatory (e.g., permitting requirements, emissions standards)
 - › Litigation (e.g., claims pursuing damages for climate change based on tort theories)
 - › Consumer trends (e.g., decreased demand for goods and services that produce significant GHG emissions)
- Companies can reduce future risks by integrating sustainability practices into global business strategy. For example:
 - Collect historical data for wind, flood, drought, earthquakes etc.
 - Evaluate the data under a climate change scenario
 - Identify risks
 - Relocate a facility, redesign existing facilities, or divest or acquire assets



**ENERGY
USE**

24%* -50%**

**CO₂
EMISSIONS**

33%* -39%****

**WATER
USE**

40%**

**SOLID
WASTE**

70%**

Green Buildings Can Reduce...

* Turner, C. & Frankel, M. (2008). Energy performance of LEED for New Construction buildings: Final report.

** Kats, G. (2003). The Costs and Financial Benefits of Green Building: A Report to California's Sustainable Building Task Force.

*** CCA Public Buildings Service (2008). Assessing green building performance: A cost effectiveness evaluation of 12 CCA buildings.

Reduce Emissions, Reduce Waste: Green Building Rating Systems

- Many green building rating systems (e.g., LEED, Green Globes, ENERGY STAR)
- U.S. Green Building Council
 - › Leadership in Energy and Environmental Design (LEED)
 - › Provides third party verification that a project meets green building and performance standards
 - › Considers factors such as water efficiency, energy and atmosphere, materials and resources, indoor air quality, awareness and education, innovations in design



Reduce Costs and Improve Operational Efficiency

- Cost reduction - major corporations have saved millions...if not billions of dollars on sustainability initiatives
 - › Water supply
 - › Energy efficiency
 - › Health and safety
 - › Operational efficiency
 - › Pollution prevention
 - › Waste disposal
- Creative sources of financing are available to pay for sustainability initiatives
 - › Government incentives (federal, state, local)
 - Grants and tax credits (e.g., renewable energy)
 - Rebates (e.g., appliances)



Respond to New Markets for Innovative Products, Services, and Technologies

- Sustainability the “key driver of innovation” (*Harvard Business Review*)
- Organizations that have incorporated sustainability into their culture and processes may be more effective at developing sustainable products, processes, technologies, solutions
 - › Consider a broader lifecycle
 - Use alternative inputs (e.g., non-toxic, healthy ingredients)
 - Design for post-consumption (e.g., disposal by consumer)
 - › Form alliances with scientific community and other non-traditional business partners
 - Nike’s GreenXChange -- web-based marketplace where companies can collaborate and share intellectual property for green product design, packaging, manufacturing
 - Darden Restaurants’ collaboration with the New England Aquarium on a sustainable seafood program
 - E.g., joint effort to develop “sustainable coffee cup” (Dunkin’ Donuts, Tim Horton’s, Starbucks)



Improve employee morale, encourage innovation, and attract new talent

- Employee morale
 - › Sustainability program can create unity among employees
 - › Sustainability can be effective for employee engagement (“green teams”)
 - › Improve morale...improve productivity
- Encourage innovation
 - › Employees are a primary source of innovative ideas
 - › Corporate culture and processes can motivate free-thinking
- Attract new talent
 - › Employees are attracted to organizations that share their values





Sustainability at Nixon Peabody



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More than 700 attorneys
Approximately 1,500 personnel
17 offices



Sustainability Is Fluid...it Evolves

“Our firm culture is one in which we value our colleagues, put our clients first, invest in our communities, and strive for excellence in everything we do. It was a natural transition to add an initiative that focuses on environmental responsibility to complement our existing diversity and pro bono programs and to further our efforts to create a sustainable workplace.”

– *Karen B. Greenbaum, Nixon Peabody's Chief Operating Officer*



Why did Nixon Peabody “go green?”

- **Environment:** We are taking responsibility for our impact on the environment
- **Retention:** In keeping with our “Best Place to Work” philosophy
- **Recruiting:** Law school grads and laterals want to work in a workplace that embraces sustainable policies and practices
- **Business:** We and our clients share similar values and concerns
- **Cost Reduction:** One-firm approach promotes efficiency, consistency among offices



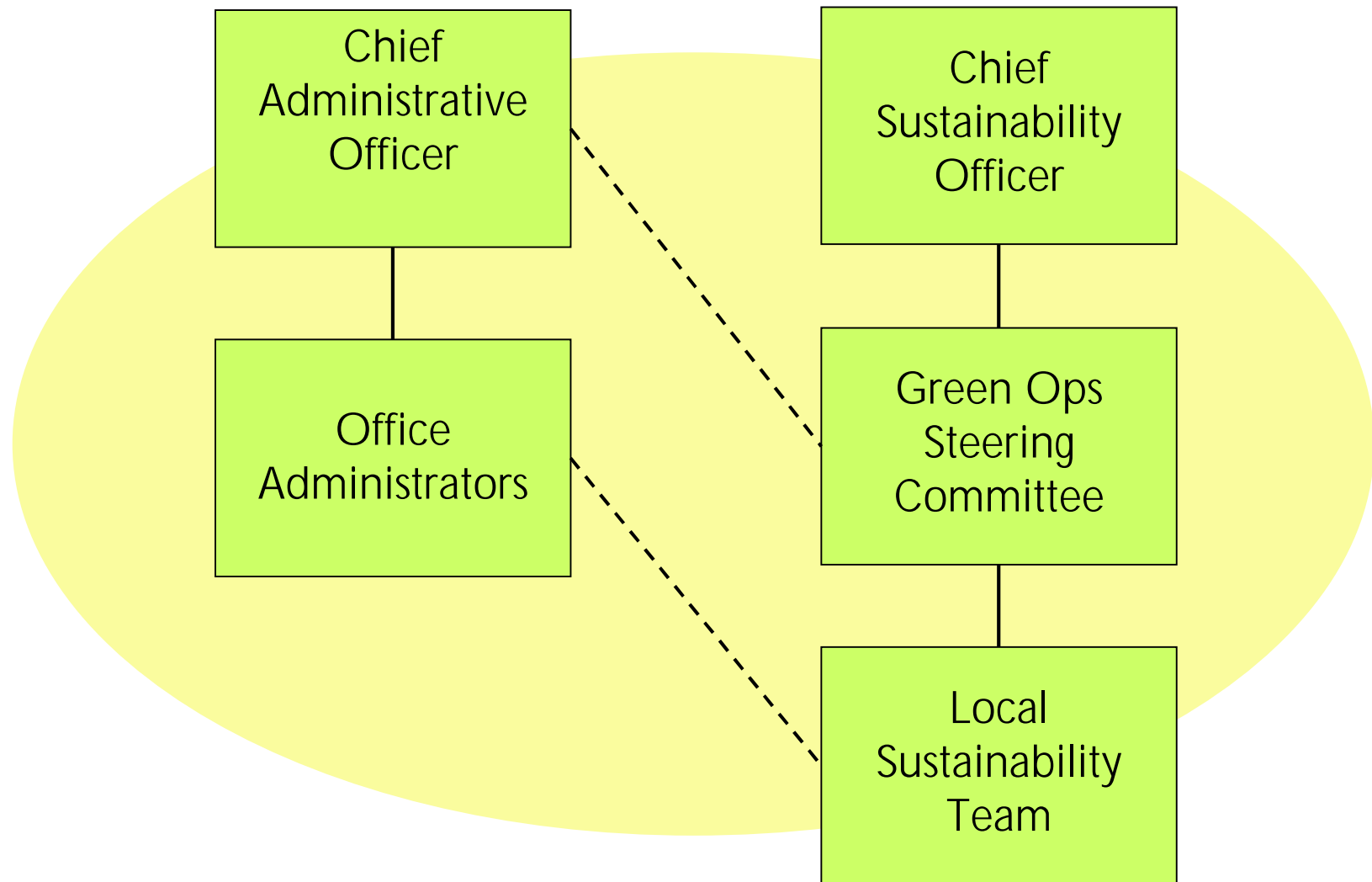
Legally Green®

Legally Green demonstrates our leadership in three interrelated areas:

- **Internal Responsibility**—Through the efforts of the Green Operations Steering Committee and Local Sustainability Teams, the firm has identified priority areas and goals, and implemented sustainable, cost-effective practices firmwide.
- **Thought Leadership**—Nixon Peabody shares its experiences and best practices, actively participates in organizations with a sustainability mission, and partners with clients and others on joint sustainability initiatives.
- **Client Service**—The firm provides integrated services to clients focused on sustainable technologies, products, and solutions, providing advice in areas such as green building, tax credits, cleantech, climate change, and renewable energy siting and finance. The firm also provides green pro bono services.



Legally Green – Internal Responsibility



Green Building

- Where feasible, apply for LEED® certification for major construction projects
 - › LEED - 1st law firm office in U.S. (San Francisco)
 - › LEED Gold (Chicago)
 - › LEED Silver (New York City, Albany)
- Use sustainable building practices for other projects (e.g, re-use furniture, low-VOC paints, upgrade lighting)
- Nixon Peabody is a member of the US Green Building Council (USGBC) and local chapters
- Washington, DC Managing Partner is a LEED AP and participates in USGBC Legal Working Group



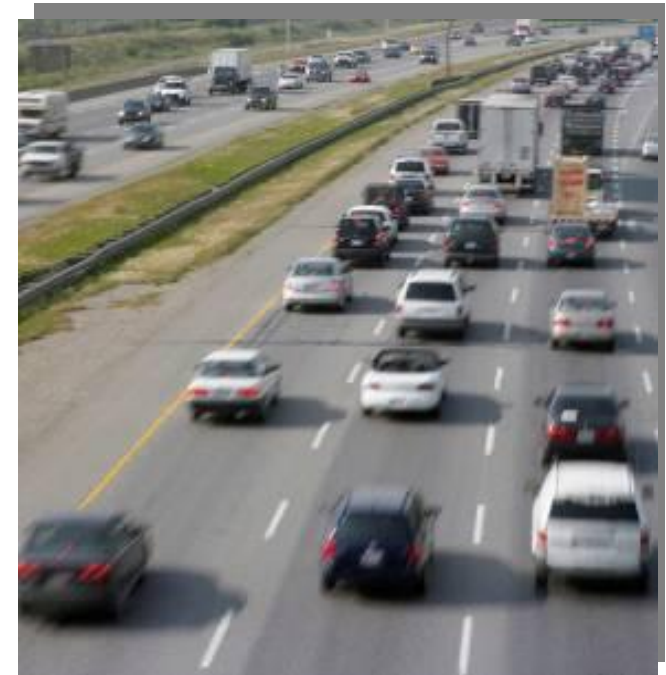
Energy Conservation

- Install motion-detector lighting; use light-harvesting
- Establish policy requiring computers to be turned off at the end of each day, followed by auto-shutdown
- Computer virtualization
- Turn copy machines and printers off or to standby mode at end of each day
- Purchase renewable energy credits to offset energy use in offices and/or at large functions
- Replace light bulbs with compact fluorescent light bulbs
- Purchase ENERGY STAR-certified equipment and appliances



Travel & Commuting

- Incorporate sustainability into travel policy
- Require rental of fuel efficient vehicles; encourage hybrid when cost is reasonable
- Track carbon travel footprint of personnel
- Favor use of hotels with sustainable practices
- Reduce the need for business travel through flex-place policies, teleconferencing
- Provide benefit for using public transit (e.g., pre-tax; green-jean Fridays)
- Encourage use of public transportation, ride-sharing and sustainable car services
- Bike-share program (purchase bicycles that can be used by all personnel)



Paper Reduction

- ABA-EPA Law Office Climate Challenge: Adopt best practices for office paper management
- Set copiers to default double-sided
- Lease components that enable duplex copying
- Encourage use of both sides of paper for drafts and lengthy documents
- Convert documents to PDF and send electronically
- Eliminate banner pages
- Save e-mails to system rather than printing



Purchasing

- Paper (including copy/printer paper, legal pads, letterhead, envelopes) with a minimum of 30% post-consumer recycled content
- Non-toxic, biodegradable cleaning supplies
- Preference to vendors that use sustainable practices
- Revising procurement policy to formally incorporate sustainability
- Remanufactured cartridges for laser printers



Waste Reduction & Recycling

- Pilot user of the Xerox [ColorQube™](#) solid ink technology -- 90% less waste than a typical color laser product
- Minimize use of bottles and cans
- Provide ceramic dishes and silverware instead of paper goods
- Provide recycling bins in work stations, conference rooms and common areas
- Reuse old office equipment and furniture
- Recycle PCs, batteries, cell phones
- Collect and reuse old binders, file folders, binder clips, labels, etc.
- Use labels and signage to encourage sustainable practices



Education and Outreach



Green Initiative News

CSO Update - Earth Day '09
 CSO Update - 6/08
 CSO Update - 4/08
 CSO Update - 3/08
 CSO Update - 11/07
 Message from Chairman Harry
 Trueheart - 11/07

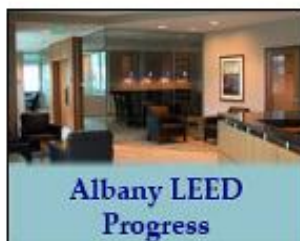


Photo Tours



Welcome to the Legally Green MySite page!

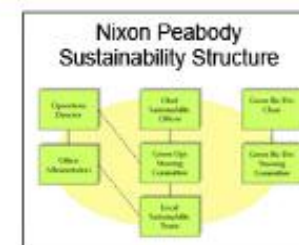
We are pleased to provide this site as a "one stop shopping" location for news and information about the firm's internal sustainability efforts. This is where you can learn about new policies and procedures intended to reflect our emphasis on sustainability; hear about efforts to promote our sustainability efforts externally; pick up tips on how to reduce your energy consumption at the office and at home; and learn about efforts to partner with clients who share our goals to advance sustainable principles.

Although the "Legally Green" program is separate from our external efforts to develop business from clients in the areas of renewable and alternative energy solutions, clean technologies, and those involved with financing and regulating those industries and operations, the internal and external efforts are complimentary to each other. With that in mind, you will also find information on this site about events we are sponsoring or speaking at to develop external thought-leadership, Alerts we send to clients, and relevant brochures and fact sheets to promote our practices.

In November 2007, Nixon Peabody launched the Legally Green initiative by appointing Carolyn Kaplan as the first Chief Sustainability Officer in a U.S. law firm. The purpose of our initiative is to establish and implement sustainable office practices consistent with the firm's overall commitment to provide excellent legal services to clients. We recognize that all human activity, including the operation of a law office, has an impact on the environment and the natural world. Within the firm we make daily choices that can either reduce or increase that impact. By modifying our daily activities and practices, working with clients in green industries such as renewable energy, green building, and Cleantech, and sharing our experiences through our "thought

Marketing Materials

- Alerts
- Hot Topics



Biz Dev Materials

Fact Sheet: Cleantech
 Fact Sheet: Wind Power
 Green, Cleantech and Renewables
 Practice: PPT
 Legally Green: Brochure
 Legally Green: PPT

Companies Go Green

Bill Kelly (BOS) and Richard Neely (SFO) recently closed a Series C venture financing for Nixon Peabody client



Thought Leadership

Alerts



Legal Trades



Industry Publications



Conferences and Speaking



Organizations, Board Memberships, Affiliations

- National Organizations

- › American Council on Renewable Energy (ACORE)
- › American Wind Energy Association (AWEA)
- › Cleantech Venture Network
- › Conservation International
- › Design Standards Drafting Committee (LEED)
- › Global Green USA
- › Solar Energy Industries Association (SEIA)
- › U.S. Green Building Council (USGBC)

- State/Local/Regional Organizations



Green Client Service

- Examples of Relevant Legal Disciplines
 - › Cleantech
 - › Renewable Energy
 - › Green Building
 - › Sustainable Development
 - › Environmental & Land Use
 - › Public and Project Finance
 - › Tax Credits
 - › Governance/Disclosure



Legally Green Pro Bono



Pro Bono
Legally Green®

Legally Green – Pro Bono

Nixon Peabody's Legally Green® and Pro Bono initiatives invite you to provide pro bono legal assistance to organizations that are involved in environmental or sustainability matters.* The firm has challenged every Nixon Peabody lawyer to contribute a minimum of 60 hours of pro bono annually. Assisting a qualified organization on a "green" pro bono matter is one of the best ways to help you meet this goal and be "Legally Green!"

Please indicate your interest in learning about specific "green" pro bono opportunities over the coming year by using the voting buttons above or contact Carolyn Kaplan or Stacey Slater with your questions and ideas.

Sincerely yours,
Stacey and Carolyn

P.S. Nixon Peabody helps corporate clients to meet their own pro bono and sustainability goals by partnering on projects with corporate counsel. If you think your client would be interested in this opportunity let us know!

Over the years, Nixon Peabody has provided pro bono services to a wide variety of national and local organizations with environmentally-friendly missions. A few examples of our most recent work include:

Richard Stein assisted the [Cathwath Institute](#) to develop a standard partnership agreement for use with their corporate partners.

Andrew Potts worked with the [National Trust for Historic Preservation](#) to develop federal public policy in support of energy efficient retrofits.

Joan McCreary assisted the [Bald Head Island Conservancy](#) to develop a legal strategy for the preservation of critical habitat.

Jeff Lesk is advising the [Hanna Forest Foundation](#) on matters relating to green affordable housing and helping them select best-in-class examples of high-impact green affordable housing projects.

Jim Duffy and **Forrest Milder** are helping the [Homes Valley Habitat for Humanity](#) to structure a syndication of the tax benefits of adding solar to their new houses.

Anita Pelletier and **Carolyn Ellis** helped [Green Pro Bono](#) launch as a start-up non-profit that connects green entrepreneurs and non-profits addressing climate change with attorneys.

Lloyd Spencer, Jay Calhoun and **Dan McAvoy** are preparing documentation for the private placement of convertible debt for a social enterprise that links microfinance lenders to the carbon markets when micro-entrepreneurs take loans for clean energy.

Two NYC associates helped [Business Outreach Center/Natasha](#) raise a \$250,000 venture capital investment in a green job company.

An associate's rock climbing hobby led to pro bono work with [1% For The Planet](#), a non-profit dedicated to encouraging businesses to donate 1% of sales to grassroots environmental organizations around the world.

*The Pro Bono Initiative categories work relating to environmental sustainability or environmental degradation as addressing "civil rights, civil liberties, public rights" under the FBI definition of pro bono. Of course, all new matters must clear the firm's conflict and other roadblocks prior to any engagement.



Our Green Marketing Materials





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