

**Conciliation Agreement**  
**Between the**  
**U.S. Department of Labor Office of Federal Contract Compliance Programs**  
**And**  
**Sidley Austin, LLP**  
**787 7<sup>th</sup> Avenue**  
**New York, NY 10019**

**555 W. 5<sup>th</sup> Street**  
**Los Angeles, CA**

**OFCCP Case No. R00185515**  
**OFCCP Case No. R00198598**

**I. Preliminary Statement**

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Sidley Austin LLP (Sidley) establishment located at 787 7<sup>th</sup> Avenue, New York, New York (New York Office), beginning on September 12, 2013 and the Sidley establishment located at 555 W. 5<sup>th</sup> Street, Los Angeles, California (Los Angeles Office), beginning on November 5, 2015. OFCCP alleges that Sidley failed to comply with Executive Order 11246, as amended (E.O. 11246), and its implementing regulations at 41 C.F.R. Chapter 60.

In the interest of resolving the alleged violations and closing the above-referenced compliance evaluations without engaging in further investigation or legal proceedings, and in exchange for sufficient and valuable consideration described in this document, OFCCP and Sidley enter into this Conciliation Agreement (Agreement), and the parties agree to all the terms therein.

**II. General Terms and Conditions**

1. In exchange for Sidley's fulfillment of all its obligations in this Agreement, OFCCP will not further investigate or institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and/or VEVRAA for any alleged violations for the establishments under review or otherwise. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Sidley violates any provision of this Agreement, as set forth in Paragraph 9, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations to the extent it has authority or jurisdiction to do so.
2. Although Sidley is not currently a federal contractor, nothing in this Agreement relieves Sidley of its obligation to fully comply with the requirements of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503), the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA), their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action that may apply to Sidley if it becomes a federal contractor subject to these laws in the future.
3. Sidley agrees that it will not retaliate against any beneficiary of this Agreement or against any person who has provided information or assistance, or who participated in any manner in any

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proceeding in this matter due to that person's receipt of a benefit under this Agreement or participation in this matter. OFCCP has not provided Sidley with any information regarding what any specific individual who participated in the above-referenced compliance evaluations said or otherwise provided to OFCCP.

4. The parties understand the terms of this Agreement and enter into it voluntarily.
5. This Agreement constitutes the entire agreement between the parties concerning its subject matter and represents the complete and final understanding of the parties. This Agreement contains all of the terms binding the parties and it supersedes all prior written and oral negotiations and agreements. If an administrative error is found, OFCCP will work in good faith with Sidley to make necessary corrections. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties.
6. This Agreement becomes effective on the day it is signed by the Northeast Regional Director (the Effective Date).
7. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
8. This Agreement will expire three (3) years from the Effective Date of this Agreement (the Term), unless OFCCP notifies Sidley in writing at least sixty (60) days before the expiration of this Agreement that it has determined, in good faith, that Sidley has not fulfilled all of its obligations under the Agreement, including a statement of the obligations it determined Sidley has not fulfilled and the good faith basis for the determination. In this instance, the Agreement shall be automatically extended until the date that OFCCP determines, in good faith, that Sidley has fulfilled the obligations under the Agreement identified in the OFCCP's notice, a determination which shall be made promptly upon Sidley's assertion that such obligations have been fulfilled.
9. If Sidley violates this Agreement:
  - a. The procedures at 41 C.F.R. § 60-1.34 will govern, except as modified below:
    - i. OFCCP will send Sidley a written notice stating the alleged violations and summarizing any supporting evidence.
    - ii. Sidley shall have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
    - iii. If Sidley is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated without issuing a show cause notice or proceeding through any other requirement; however, notwithstanding the foregoing, OFCCP shall jointly engage with Sidley in a mediation to resolve any disputes regarding compliance with the Agreement prior to commencing any enforcement proceeding.

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- b. Sidley may be subject to the sanctions set forth in Section 209 of E.O. 11246, and/or other appropriate relief for violating this Agreement.
10. This Agreement does not constitute an admission by Sidley of any violation or noncompliance with E.O. 11246, Section 503, VEVRAA, or any of their implementing regulations at 41 C.F.R. Chapter 60, nor has there been an adjudication on the merits regarding any such violation.
11. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying alleged violations resolved by this Agreement.
12. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor.
13. Each party shall bear its own fees and expenses with respect to this matter.
14. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to any OFCCP or Sidley policy, practice or position in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
15. All references to “days” in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

### III. Alleged Violations and Remedies

1. **Violation:** OFCCP alleges that Sidley failed to implement an accurate applicant tracking system in accordance with the requirements of 41 C.F.R. §§ 60-3.4 and 60-3.15, and that this precluded the agency from conducting a complete statistical analysis of Sidley’s hiring practices for the Summer Associate position. Specifically, OFCCP alleges that during the period of March 1, 2011 through May 2, 2012 for the New York Office and the period of January 1, 2014 through June 30, 2015 for the Los Angeles Office, Sidley failed to collect race, ethnicity and gender data on applicants for Summer Associate positions at the beginning of the application process.

Sidley denies it violated 41 C.F.R. §§ 60.34 or 60-3.15, and asserts that it appropriately collected race, ethnicity and gender data on applicants for Summer Associate positions.

**Remedy:** During the compliance evaluations, Sidley voluntarily implemented an updated and refined applicant tracking system for all On-Campus Interview (OCI) and non-OCI applicants for Summer Associate positions. Since 2015, Sidley has solicited self-identification information at the beginning of the application process.

Additionally, Sidley agrees to:

- i. Increase the number of Sidley Diversity & Inclusion Scholarships it had already intended to offer in 2021 and/or 2022 to summer associates by three in the New York Office and two in Los Angeles Office, with a total cost of \$125,000. This program,

which Sidley launched in 2010, is part of Sidley's commitment to promoting diversity and inclusion at the firm and in the legal profession generally.

- ii. Offer eight paid internships (divided between its New York and Los Angeles Offices) between the Spring of 2021 and Fall of 2022 to diverse first-year law students using criteria similar to that used for its Diversity & Inclusion Scholarships, providing them with the opportunity to work with Sidley attorneys and gain valuable experience and references, with an estimated total cost of \$24,000. Sidley agrees to explore partnering with various organizations with established internship programs, including the Hispanic Association of Colleges and Universities (HACU). At the end of the internships, summer or full-time employment may be possible, based on performance, academic record, budgetary resources and staff need.
  - iii. Expand its already robust outreach to diverse law students with efforts that will include soliciting applications from additional Historically Black Colleges and Universities (HBCUs) and Asian Pacific Islander American Association of Colleges and Universities (APIACUs), as well as providing job postings to HACU, HBCUs and APIACUs.
2. **Violation:** OFCCP alleges Sidley failed to preserve all personnel or employment records for a period of not less than two years from the date of making the record or personnel action involved, whichever occurred later, as required by 41 C.F.R. §§ 60-1.12 and 60-3. Specifically, OFCCP alleges Sidley did not consistently maintain accurate promotion records, precluding OFCCP from conducting a complete statistical analysis of Sidley's promotion practices in its Los Angeles Office during the review period from January 1, 2014 to June 30, 2015 with regard to its non-attorney staff.

Sidley denies that it violated 41 C.F.R. §§ 60.12 or 60-3 and asserts that it appropriately maintained all records.

**Remedy:** Sidley agrees to:

- i. Offer a package of programs to its Los Angeles Office-based staff providing opportunities to enhance their existing skills, develop new relevant skills, or further develop their careers. Sidley will seek to include programs offered by or in conjunction with organizations serving diverse populations. The total value of these programs will be \$25,000.
  - ii. Post its job openings with organizations serving diverse communities, and search for opportunities to expand its efforts, including by sending its job postings to HACU.
3. **Violation:** OFCCP alleges Sidley failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist, as required by 41 C.F.R. § 60-2.17(b). Specifically, OFCCP alleges Sidley failed to annually evaluate its compensation system to determine whether there were gender-, race-, or ethnicity-based disparities in its Associate bonus program in 2012 for Associates in its New York Office and in 2014 in its Los Angeles Office.

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Sidley denies that it violated 41 C.F.R. § 60.2.17(b) and asserts that it conducted such analyses which confirmed there were no gender-, race- or ethnicity-based disparities in its Associate bonus programs in 2012 at its New York Office or in 2014 at its Los Angeles Office.

**Remedy:** Sidley agrees to continue to evaluate its compensation system(s) annually to determine whether and where impediments to equal opportunity may exist, including analyzing all impediments that result in gender-, race-, or ethnicity-based disparities. To the extent any statistically significant gender-, race-, or ethnicity-based disparities are discovered, Sidley will continue to take action to investigate and, for disparities that can not be explained by legitimate factors, rectify such disparities.

#### IV. Reports Required

1. **Schedule and Instructions.** Sidley agrees to furnish OFCCP with one (1) progress report. The progress report is due on or before December 31, 2021.

Sidley will submit its report to Assistant District Director, Kevin Kollgaard at (b) (6), (b) (7)(C)@dol.gov.

Sidley and OFCCP have a shared interest in the information being provided in the report pursuant to this Agreement. To the extent the report Sidley provides in accordance with this Agreement, or the information contained therein, is customarily kept private or closely-held, and Sidley believes that the report and its contents should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Sidley will provide the report to OFCCP marked as "Confidential." In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents protected from disclosure to the maximum extent permitted by law.

2. Content of the report:
  - a. A certification that Sidley increased the number of Diversity & Inclusion Scholarships it intended to offer in 2021 and/or 2022 by three in its New York Office and two in its Los Angeles Office as set forth in Paragraph III.1.i., subject to Paragraph IV.2.d.
  - b. A certification that Sidley offered eight paid internships to diverse first-year law students (divided between its New York and Los Angeles Offices) in 2021 and/or 2022 as set forth in Paragraph III.1.ii, subject to Paragraph IV.2.d.
  - c. A certification that Sidley offered programs for its Los Angeles Office-based staff per the terms of Part III.2.i.
  - d. To the extent COVID-19-related issues impair Sidley's ability to fulfill its obligations under Paragraphs III.1.i-ii of this Agreement by December 31, 2021, by, for example, causing it to reduce its summer associate program or precluding its ability to host summer associates and paid internships physically in its offices, Sidley will so inform OFCCP in its December 31, 2021 report, and provide a supplemental report by December 31, 2022 regarding its compliance with Paragraphs III.1.i-ii.

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3. **Affirmative Action Programs and Analysis.** Sidley is currently not a federal contractor. Sidley will provide an annual affirmation to OFCCP that Sidley does not hold federal contracts subject to OFCCP jurisdiction to Assistant District Director, Kevin Kollgaard at (b) (6), (b) (7)(C)@dol.gov on or around the first, second, and third anniversaries of the Effective Date. If Sidley becomes a federal contractor within three years of the Effective Date, Sidley agrees to submit a certification from a third party analyst as well as its Affirmative Action Program for its New York and Los Angeles Offices to OFCCP within 120 days of entering into any new federal government contract that is subject to OFCCP regulations.

The third party analyst certification will confirm that the analyst conducted a review of Sidley's prior year compensation for Associates in its New York and Los Angeles Offices utilizing factors relevant to Sidley's pay practices and utilizing multiple linear regression techniques. The certification will also confirm that, to the extent any statistically significant race-, ethnicity- or gender-based disparities were found, and could not be explained by legitimate factors, that Sidley rectified them. The certification will also provide a description of the following features for each multiple regression model: the compensation measure being evaluated, the pay analysis group definition, the model control factors, and, for each of the protected group being analyzed, the estimated regression coefficients (and associated number of standard deviations).

#### V. SIGNATURES

The person signing this Agreement on behalf of Sidley personally warrants that he or she is fully authorized to do so, that Sidley has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Sidley. The persons signing this Agreement on behalf of OFCCP personally warrant that he or she is fully authorized to do so, that OFCCP has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on OFCCP.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Sidley Austin LLP.

(b) (6), (b) (7)(C)

Linton J. Childs  
Partner & General Counsel  
Sidley Austin LLP  
Chicago, IL 60603

Date: 9-3-2020

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(b) (6), (b) (7)(C)

Diana Sen  
Regional Director  
OFCCP - Northeast Region

Date: 9/3/20

(b) (6), (b) (7)(C)

Joanne Karayiannidis  
District Director  
New Jersey District Office  
OFCCP – Northeast Region

Date: 09/03/2020

(b) (6), (b) (7)(C)

Kevin Kollgaard  
Assistant District Director  
New Jersey District Office  
OFCCP – Northeast Region

Date: 09/03/2020