

Baker Botts' Environmental Justice (EJ) Team helps clients understand the opportunities and mitigate the risks presented by the current increased focus on Environmental Justice (EJ). Our holistic approach addresses the myriad issues associated with increased enforcement attention on industrial activities in this area and leverages on our extensive work around Environment, Social, and Governance (ESG).

Purpose-built EJ solutions. We have helped clients address the intersection of legal, regulatory, and reputational challenges associated with EJ issues. We also advise clients on internal governance in order to help reach their community engagement and sustainability goals. Our practitioners are skilled in defending companies in sensitive and difficult settings, where community desires and needs may seem in conflict with facility operations. We are able to craft careful, solutions that are durable and satisfying for all parties.

Deep experience. Our team includes attorneys who have decades of experience working on EJ issues at all levels of government as well as business, non-governmental organizations, and community groups on EJ. Our practitioners are strategic litigators whose approach to EJ is informed by experience in civil and criminal enforcement, education publishing and teaching, media relations, community engagement, and science. We are particularly suited to address the intersection of business, operations, EJ and ESG. Our lawyers are experienced in advising clients on aligning their business strategies with EJ policy developments and their stakeholders' interests.

History matters. Environmental Justice is not new. Our attorneys understand EJ's roots in the Civil Rights movement, and how federal and state agencies over time have become more committed to, and focused on, EJ in permitting and enforcement. Baker Botts lawyers from the Environmental, Energy Regulatory, Corporate, Safety & Incident Response, and Litigation practices work together to advance our clients' EJ objectives. Our team takes a forward-looking approach, helping clients adapt to the quickly evolving EJ environment to find new opportunities within, while managing the risks and compliance requirements that arise. We have particular experience with the unique EJ challenges facing the energy, manufacturing, and chemicals sectors.

ACELAS. For clients seeking an organizational framework for evaluating the risks associated with environmental justice, Baker Botts developed our **ACELAS toolkit**. Not every company, and not every facility, will encounter environmental justice issues. As such, ACELAS focuses on understanding community specifics such as geographic location, historic facility operation and performance, and the reputation and perception of a company in a community. These efforts can help a company be prepared to respond to environmental justice claims that could arise in future litigation, permitting, or enforcement. The ACELAS pillars can help a company evaluate the legal, regulatory, and policy issues raised by increased consideration of environmental justice in permitting, enforcement, and litigation proceedings. The six steps of ACELAS are described in more detail below.

Austin Brussels Dallas Dubai Hong Kong Houston London Moscow New York Palo Alto Riyadh San Francisco Washington



Representative Experience

EJ Strategy Development and Implementation

- Client-customized EJ strategies
- Assist companies in forming internal and external EJ task forces
- Assess functionality and composition of community advisory panels (CAPs)
- Develop EJ elevation protocols and EJ corporate goals
- Identify corporate, operational and project-level opportunities for EJ incorporation goals
- Prepare internal EJ reporting and implementation structures, including training and coaching corporate EJ teams
- Goal setting: Internal and competitive EJ benchmarking
- · Board and Investor EJ engagement
- Track EJ trends
- Strategy for EJ-focused employee programs
- Permitting
- Cumulative impacts
- · Civil and criminal enforcement
- Litigation
- Supplemental environmental projects
- Media relations
- Standard operating procedures
- Auditing
- Sampling
- Risk assessment
- Issue tracking

Select Matters

Global energy company in providing training to global law department of over 300 attorneys on environmental justice issues

Natural gas company on counseling related to state and federal environmental justice issues associated with a potential property acquisition

Chemical company in evaluating its U.S. facilities on their environmental justice profile and status of their Community Advisory Panels (CAPs), with a goal to develop a corporate environmental justice goal to be deployed company wide

Petroleum company in developing a corporate approach to addressing environmental justice developments

Midstream company in evaluating community opposition to possible lateral pipeline expansion in several U.S. states

Chemical company in assessing effectiveness of current Community Advisory Panels, developing issue elevation protocol, and developing and socializing corporate EJ goal

Chemical company on offset penalties through community investment

Freight railroad company in connection with challenges under Title VI of the Civil Rights Act and related claims under CEQA in connection with the development of an intermodal railyard facility near the Ports of Los Angeles and Long Beach.

Manufacturing company in a tort suit related to groundwater contamination through engagement with EJ community and development of meaningful community project.

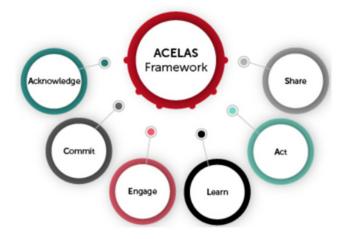
Energy company in a Civil Rights Act Title VI claim from administrative challenge to air permit.

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The ACELAS Approach

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Acknowledge that EJ is a key policy initiative of the federal government and many state and local regulatory bodies. Companies operating in EJ communities may need to acknowledge that their permits, operations, releases, and reporting are under



greater scrutiny. It is important to apply a legal lens to evaluate EJ requests from regulators, particularly whether the request authority is derived from policy, executive orders, statute, or regulation. A legally oriented approach will help a company determine whether environmental justice driven actions are required or discretionary.

Commit to goals that prepare the company to mitigate legal, regulatory, and operational risks posed when local, state, and federal regulators increase their focus and resources to scrutinize a company's environmental impacts on a community. Environmental justice goals will be most helpful when they are measurable and when employees at all levels in the organization are cognizant of both their adoption and importance.

Engage is about communicating with a company's employees and recognizing the rich learning opportunities that such engagement affords. Engagement also can involve sharing the company's environmental justice goals internally and externally, seeking feedback on the goals, and providing ways for internal staff and external stakeholders to be part of the company's goal accountability system. Engagement is also about cultivating relationships with neighboring community leaders and organizations and understanding the challenges they confront.

Learn focuses on increasing your company's understanding of its unique operations, the communities in which it operates or may impact, past environmental justice company experiences, and local, state, and federal enforcement and inspection attention to facilities in distressed communities that can expose a company to greater legal and enforcement risk. Learn is most effective as a legal risk reduction component when a company institutes a system for sharing learning throughout a company's leadership team. The greater the knowledge base within a company regarding environmental justice, the better employees can identify, address, or mitigate issues to help the company proactively reduce regulatory and enforcement risks.

Act can include a variety of actions that, when taken together, reduce a company's environmental justice legal and regulatory risk profile. These can include benchmarking environmental justice policies and procedures to ensure they are responsive and relevant; making accessible information on facility developments that can impact the community, such as planned growth, hiring, or manufacturing changes; or strengthening community relationships by engaging community-based contractors, employing community members at the facility, and actively participating in the community through job fairs, charitable organizations, or economic development councils.

Share involves communicating with a range of audiences about a company's environmental justice goals, vision, commitments, and outcomes. Sharing should be undertaken with keen awareness of legal and regulatory trends such as ensuring all statements about community investment and engagement are supported by facts and data to avoid any perception of greenwashing and to assure consistency with public environmental justice and community-oriented statements in shareholder and sustainability reports.

Learn more about Baker Botts' extensive Environmental Justice and ACELAS resources.

For information about our ESG capabilities, click here.

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