

## TERAWULF INC.

### ENVIRONMENTAL SOCIAL AND GOVERNANCE (“ESG”) POLICY

Effective August 8, 2023

At TeraWulf Inc. (the “*Company*”), we are committed to operating our bitcoin mining business with integrity, supporting environmental and social responsibility, and building a diverse and inclusive workplace where our employees can thrive. We are committed to ESG issues as a comprehensive set of environmental, social and governance matters that guide our Company’s operations and strategy. ESG considerations are at the core of our strategy to become the market leader for sustainable bitcoin mining. Our ESG-focused mining operations will aid the zero-carbon transition to a decentralized financial system.

#### I. What ESG Means for Our Company

At TeraWulf, we view ESG leadership as a business opportunity, a risk mitigant and an essential aspect of our core values. The Company is committed to assessing the environmental, social, and governance factors that impact our business, managing the risks associated with such factors, and striving to improve the way the Company operates its business in accordance with these factors. This includes identifying opportunities to reduce the Company’s environmental footprint, enhancing the diversity of the organization, deepening our employees’ engagement and development, and increasing transparency in our supply chain, resulting in a positive impact on the communities in which TeraWulf operates.

We seek to embody a strong culture of compliance while achieving our ESG goals, which are as follows:

1. ***Environment.*** Environmental stewardship is a core value of ours and drives our business strategy as indicated by our commitment to sustainable bitcoin mining. We are committed to using nuclear, hydro and solar energy sources, currently utilizing over 91% zero-carbon energy, with a target of 100% zero-carbon energy. See our Sustainability Policy.
2. ***Social.*** Our people are our most valuable resource, and our success depends on their health, safety, and growth. We strive to create and sustain a diverse work environment where our people can ethically maximize their potential and deliver superior results. See our Code of Ethics. Employee complaint investigations are managed fairly with oversight of the Audit Committee. See our Whistleblower Policy.
  - (a) ***Diversity, Equity and Inclusion.*** We aim to integrate diverse and inclusive practices across all areas of the business. We aim to ensure diversity across all levels of the organization and use inclusive hiring practices.
  - (b) ***Community Focused.*** Our Company is committed to the communities where our people live and work. Our goal is to produce tangible, quantifiable local

benefits through economic growth, STEM education, and employee development.

- (c) *Responsible Product and Manufacturing.* We believe zero-carbon power will aid the zero-carbon transition to a decentralized financial system that is inclusive to all people and supportive of a sustainable environment.
- (d) *Supply Chain.* We are working towards an ethical and environmentally resilient supply chain. See our Supplier Code of Conduct Policy.

### 3. **Governance.**

- (a) *Legal and Regulatory.* We aim to be aligned with the latest laws, regulations and compliance standards, with the oversight of these issues ensured by the Company's board of directors (the "**Board**"). Our Company is committed to providing timely, transparent, consistent and reliable information that complies with legal and regulatory requirements in its communications with the investment community. See our External Communications Policy.
- (b) *Governance.* We are committed to having appropriate governance structures as set forth in our Corporate Governance Guidelines. We monitor any conflicts of interest under our Related Persons Transactions Policy.
- (c) *Data Privacy and Security.* We are committed to instilling a strong culture of trust, responsibility and best practices around data management, security and privacy, as outlined in our Summary of Cybersecurity Policies and Controls.

## II. **How We Operationalize ESG at Our Company**

- 1. **ESG Responsibility.** While every member of our team is sensitive to the ESG impact when making decisions, we have assigned the overall responsibility for ESG to a cross-functional team of senior management (the "ESG Team") that operationalize the Company's ESG policies and strategy. The ESG Team is comprised of leaders from our corporate strategy, investor relations, corporate affairs, human resources, finance, risk management and compliance departments. The ESG Team is responsible for prioritizing initiatives, developing internal capabilities, and driving implementation. Accordingly, our approach to ESG is regularly discussed in our C-suite level meetings. Further, our Board of Directors has developed and maintains a Sustainability Committee to review and monitor our Company's practices related to sustainability and such committee reports directly to the Board as appropriate.
- 2. **Hiring and Working Environment.** We are committed to hiring a diverse team and providing an inclusive working environment. We have a specific Diversity Policy and a Human Rights Policy that governs how we treat our employees, contractors, suppliers, business partners and customers, as well as how we manage our operations.

3. ***Good Governance.*** We are committed to good governance principles throughout our organization when making decisions, whether such decisions are made by our Board, our management team, or our employees. We are guided by our Corporate Governance Guidelines when making such decisions. Our Nominating & Corporate Governance Committee oversees the implementation of our Corporate Governance Guidelines and periodically reports on corporate governance matters to the full Board.

Any employee who has questions about this policy or requires further information on ESG matters should contact the Chief Strategy Officer. We constantly monitor best practices on ESG issues and we reserve the right to assess the effectiveness of this policy, as well as amend, revise, supplement, modify, rescind, and/or dissolve this policy, at its sole discretion. Further, to the extent that this policy conflicts with applicable law, rule, or regulation, said law, rule, or regulation shall control and govern.

Approved and adopted:            August 8, 2023