

## **WESTWATER RESOURCES, INC.**

### **Policy Statement Addressing the Justice 40 Initiative (August 2022)**

#### 1.0 Justice 40 Initiative

The Justice 40 Initiative is a goal of the Biden Administration to flow 40 percent of the overall benefits of certain federal investments to disadvantaged communities (“DACs”) that are marginalized, underserved, and overburdened by pollution. The Justice 40 Initiative applies to the following seven categories of federal investments: (i) climate change; (ii) clean energy and energy efficiency; (iii) clean transit; (iv) affordable and sustainable housing; (v) training and workforce development; (vi) remediation and reduction of legacy pollution; and (vii) the development of critical clean water and wastewater infrastructure. To meet the goal of the Justice 40 Initiative, the Biden Administration is transforming hundreds of programs across the federal government to ensure that DACs receive the benefits of new and existing federal investments in these seven categories of federal investments.

The Justice 40 Initiative includes any federal grant or procurement spending, financing, staffing costs, or direct spending or benefits to individuals within a “covered program” in a Justice 40 category. A “covered program” is a federal government program that falls in the scope of the Justice 40 Initiative because it includes investments that can benefit DACs across one or more of the above-identified seven categories. Existing and new programs created by President Biden’s Bipartisan Infrastructure Law (“BIL”) that make investments in any of these seven categories also are considered Justice 40 covered programs. All Justice 40 Initiative covered programs are required to engage in stakeholder consultation and ensure that community stakeholders are meaningfully involved in determining program benefits. Covered programs are also required to report data on the benefits directed to DACs.

The Department of Energy (“DOE”) will be implementing the Justice 40 Initiative when it makes decisions on federal loans. In addition, DOE will be implementing the Justice 40 Initiative when it makes decisions on federal grants under the BIL. Since the Kellyton Graphite Plant is located in the Town of Kellyton that lies within Coosa County, Alabama, both of which have been deemed DACs, DOE’s decisions on grants or loans applied for or to be applied for by Westwater Resources will include implementation of the Justice 40 Initiative. Therefore, the Board of Directors is issuing this Policy Statement to set forth its expectations for how the Justice 40 Initiative will be addressed by Westwater Resources, Inc. and Alabama Graphite Products, LLC (collectively “our organization”).

## 2.0 Benefits for DACs

The Town of Kellyton (pop. 175 in 2020 census) lies within Coosa County, Alabama (pop. 10,387 in 2020 census), and both have been deemed DACs by the federal government. As a result, and to illustrative how the Justice 40 Initiative could be addressed if DOE were to fund the construction of the Kellyton Graphite Plant, our organization will address the following.

### 2.1 Specific DACs

Our organization will attempt to identify specific DACs in the Town of Kellyton and/or Coosa County that will receive benefits from the construction and operation of the Kellyton Graphite Plant. Such DACs could include specifically identified individuals, groups of individuals, communities, public or private businesses, governmental or quasi-governmental agencies or departments, social or charitable institutions, colleges or institutions of higher or specialized learning, or other entities. Our organization will attempt to identify minority-owned businesses that could be engaged to provide services in support of the construction or operation of the Kellyton Graphite Plant. Our organization will attempt to identify the amount of taxes, payments, fees, and other monetary payments made to local governmental entities that in turn could fund new or expanded programs for DACs. Our organization will attempt to identify a partnership that could be arranged with a local group or non-profit organization that facilitates training for DACs, or that supports scholarships for DACs to attend higher education facilities, or that channels funds into local DAC organizations for the advancement of mutually valuable objectives.

As part of the foregoing efforts, our organization will also address whether the City of Alexander City, Coosa County, Lake Martin Area Economic Development Alliance, and/or Lake Martin Area Industrial Development Authority are already working with or intend to work with individuals in DACs. In the event they are, our organization will provide specific details regarding those DACs including any specific benefits (see below) that are being or will be provided to those DACs. Further, our organization will also address specific details associated with its continuing engagements with the Lake Martin Area Economic Development Alliance, Coosa County, and local communities, and will address any specific efforts to solicit feedback, identify concerns, and specify the distribution of community benefits (see below) associated with those engagements.

### 2.2 Specific Benefits

Our organization will attempt to identify the specific benefits that will flow to specific DACs in the Town of Kellyton and/or Coosa County due to the construction and operation of the Kellyton Graphite Plant. The following are generalized examples of benefits that will be investigated:

- Decrease in energy burden, e.g., through the construction of the new pipeline to the water treatment facility
- Decrease in environmental exposure/burden, e.g., any impacts that are minimized during the construction or operation of the Kellyton Graphite Plant.
- Increase in job creation and job training, e.g., training programs for the Kellyton Graphite Plant that utilize the AIDT to advantage DACs
- Increase in access to low-cost capital
- Increase in minority-owned/diverse business enterprises in clean energy
- Increases in energy democracy, including community ownership
- Increase in parity in clean energy technology access and adoption
- Increase in energy resilience

### 2.3 Specific Metrics

Our organization will attempt to identify, for each specific DAC receiving a specific benefit, metrics associated with either or both the DAC and/or the benefit that are quantifiable, measurable, and trackable.

### 2.4 Mitigating Negative Impacts

Our organization will review the planned construction and operation of the Kellyton Graphite Plant and will attempt to identify any negative impacts associated with that construction and/or operation as well as any mitigation plans for those impacts.

### 3.0 Reporting

Our organization's management team, led by the Director of Environmental and Government Affairs, is responsible for addressing the expectations set forth in this Policy Statement. A report on the efforts requested by this Policy Statement, including conclusions and recommendations if any, will be made to the Board of Directors by no later than the end of October 2022. If DOE approves for Westwater Resources a grant or a loan, and following the report to the Board of Directors, any necessary commitments will be memorialized in an appropriate legal binding, written document.