

**CALIFORNIA RESOURCES CORPORATION  
AUDIT COMMITTEE CHARTER**

As amended through February 23, 2024

The Board of Directors (the “**Board**”) of California Resources Corporation (the “**Corporation**”) has established the Audit Committee of the Board (the “**Committee**”) with authority, responsibility and specific duties as described in this Audit Committee Charter (this “**Charter**”).

**I. Purposes**

The purposes of the Committee are to:

- A. Assist the Board in fulfilling its oversight responsibilities regarding the:
  - o Integrity of the Corporation’s financial statements;
  - o Corporation’s system of disclosure controls and procedures, internal control structure over financial reporting and compliance with ethical standards;
  - o Corporation’s compliance with legal and regulatory requirements;
  - o Qualifications, independence and performance of the independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation (the “**independent registered public accounting firm**”); and
  - o Effectiveness and performance of the Corporation’s internal audit function;
- B. Annually, prepare an Audit Committee Report and publish the report in the Corporation’s proxy statement for its annual meetings of stockholders, in accordance with applicable rules and regulations; and
- C. Perform such other functions as the Board may assign to the Committee from time to time.

**II. Membership**

Subject to applicable transition periods, the Committee must consist of not less than three members of the Board. All members of the Committee must be “**independent**” as defined by the rules of the Securities and Exchange Commission (“**SEC**”) and the listing requirements of the New York Stock Exchange (“**NYSE**”); provided, however, that this requirement is subject to applicable transition periods. Each member of the Committee must meet the experience requirements of the NYSE, and at least one member of the Committee must be an “**audit committee financial expert**” as defined by applicable rules of the SEC and determined by the Board. To help meet these requirements, the Committee will provide its members with opportunities for relevant continuing education. Without the affirmative vote of a majority of the members of the Board, committee members may not simultaneously serve on the Audit Committees of more than two other public companies. Notwithstanding the foregoing membership

requirements, no action of the Committee will be invalid by reason of any such requirement not being met at the time such action is taken.

The members of the Committee and its Chairperson will be selected annually by the Board and will serve at the pleasure of the Board. Any vacancy on the Committee will be filled by, and any member of the Committee may be removed by, an affirmative vote of a majority of the Board. If a Chairperson is not designated by the Board or present at a meeting, the Committee may designate a Chairperson by majority vote of the Committee members then in office.

### **III. Authority and Responsibilities**

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. Without limiting the generality of the preceding statements, the Committee has the authority, and is entrusted with the responsibility, to take the following actions:

#### **A. Authority**

The Committee has the authority to:

1. Conduct or authorize investigations into any matter, including, but not limited to, complaints relating to accounting, internal accounting controls or auditing matters, within the scope of the responsibilities delegated to the Committee as it deems appropriate, including the authority to request any officer, employee or advisor of the Corporation to meet with the Committee or any advisors engaged by the Committee.
2. Retain and determine funding for legal counsel, accounting experts and other advisors, including the sole authority to appoint or replace the independent registered public accounting firm (subject, if applicable, to stockholder ratification), as it deems necessary or appropriate to fulfill its responsibilities. The Committee may also utilize the services of the Corporation's regular outside legal counsel or other advisors to the Corporation. The Corporation must provide appropriate funding, as determined by the Committee, to (a) compensate any independent registered public accounting firm engaged for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Corporation; (b) compensate any advisors engaged by the Committee; and (c) pay ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
3. Delegate to its Chairperson, any one of its members or any subcommittee it may form, the responsibility and authority for any particular matter, as it deems appropriate from time to time under the circumstances.

#### **B. Responsibilities**

The Committee has oversight responsibilities with respect to the matters listed as part of its purposes. Although the Committee has the responsibilities set forth in this Charter, it is not the responsibility of the Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles ("**GAAP**") and applicable laws, rules and regulations.

These are the responsibilities of management, the internal auditor and the independent registered public accounting firm.

In fulfilling their responsibilities, it is recognized that members of the Committee are not employees of the Corporation. It is not the duty or responsibility of the Committee or its members to conduct “field work” or other types of auditing, legal, or accounting reviews or procedures. Unless he or she believes to the contrary (in which case, he or she will advise the Committee of such belief), each member of the Committee shall be entitled to assume and rely on (1) the integrity of those persons and organizations within and outside the Corporation which it receives information from; and (2) the accuracy of the financial, legal, reserve and other information provided to the Committee by such persons or organizations.

*Interaction with the Independent Registered Public Accounting Firm*

1. Appointment and Oversight. The Committee is directly responsible for the appointment, compensation, retention and oversight of the work of the independent registered public accounting firm hired for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation. The Committee and the independent registered accounting firm will discuss the firm’s responsibilities and the responsibilities of management in the audit process. The independent registered public accounting firm will report directly to the Committee and the Committee will routinely review such firm’s performance. In addition, the Committee will oversee the resolution of any disagreements between the Corporation’s management and the independent registered public accounting firm regarding financial reporting.
2. Pre-Approval of Services. Before the independent registered public accounting firm is engaged by the Corporation or its subsidiaries to render audit or non-audit services, the Committee must pre-approve the engagement. Committee pre-approval of audit and non-audit services is not required if the engagement for the services is entered into pursuant to pre-approval policies and procedures established by the Committee. The Chairperson of the Committee, or any designated Committee member, has the authority to grant pre-approvals, provided the Committee is informed of the action at a subsequent meeting.
3. Independence of Registered Public Accounting Firm. The Committee will, at least annually, review the independence and quality control procedures of the independent registered public accounting firm and the experience and qualifications of the independent registered public accounting firm’s senior personnel that are providing audit services to the Corporation.

In conducting its review, the Committee will:

- a. Obtain and review a report prepared by the independent registered public accounting firm describing (i) the firm’s internal quality-control procedures and (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, including the Public Company Accounting Oversight Board (“**PCAOB**”), within the preceding five years, involving one or more independent audits carried out by the firm, and any steps taken to address and respond to any such issues.

- b. Discuss with representatives of the independent registered public accounting firm its independence from the Corporation, and obtain and review a written statement prepared by the independent registered public accounting firm describing all relationships between the independent registered public accounting firm and the Corporation, consistent with applicable requirements of the PCAOB, and consider the impact that any relationships or services may have on the objectivity and independence of the independent registered public accounting firm.
- c. If applicable, consider whether the provision by the independent registered public accounting firm of any permitted information technology services or other non-audit services to the Corporation is compatible with maintaining the independence of the independent registered public accounting firm.
- d. Confirm with the independent registered public accounting firm that the firm is in compliance with the partner rotation requirements established by the SEC.

In addition, the Committee should:

- e. Consider whether, in order to assure continuing independence of the independent registered public accounting firm, it is appropriate to adopt a policy of rotating the independent registered public accounting firm on a regular basis.
- f. Review and evaluate the performance of the independent registered public accounting firm, including its lead partner. In connection with that review, the Committee will review the experience, independence and qualifications of the independent registered public accounting firm and its senior personnel that are providing audit service.

Annual Financial Statements and Annual Audit

1. Meetings with Management, the Independent Registered Public Accounting Firm, the Independent Reserve Engineer and the Internal Auditor.

The Committee will:

- a. Meet with management, the independent registered public accounting firm and the internal auditor in connection with each annual audit to discuss the scope of the audit, the procedures to be followed and the staffing of the audit.
- b. Review and discuss with management and the independent registered public accounting firm: (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles, and major issues as to the adequacy of the Corporation's internal controls and any special audit steps adopted in light of material control deficiencies, or necessary Chief Executive Officer and Chief Financial Officer disclosures made in connection with the certification of the company's quarterly and annual reports filed with the

Securities Exchange Commission; (ii) any analyses prepared by management or the independent registered public accounting firm setting forth significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including analyses of alternative accounting treatments which are in conformity with GAAP on the Corporation's financial statements; and (iii) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Corporation's financial statements.

In addition, the Committee should:

- c. Review and discuss with management and the independent registered public accounting firm: (i) any accounting adjustments that were noted or proposed by the independent registered public accounting firm but were "passed" (as immaterial or otherwise), (ii) accounting policies and practices to be used that the independent registered public accounting firm identifies as critical, (iii) alternative treatments of financial information within GAAP for policies and practices related to material items that have been discussed among management and the independent registered public accounting firm, including the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent registered public accounting firm, (iv) any issues regarding the audit of the Corporation on which the independent registered public accounting firm consulted with the national office of the independent auditor, (v) the responsibilities, budget and staffing of the Corporation's internal audit function and (vi) any "related party transactions" as defined by, and required to be disclosed under, the rules of the Securities Exchange Commission or the New York Stock Exchange.
  - d. Review and discuss the annual audited financial statements with management and the independent registered public accounting firm, including the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."
  - e. Meet at least annually with the Corporation's internal reserve experts and its independent engineers to discuss the oil and gas reserve determination process and related public company disclosures.
2. Separate Meetings with the Independent Registered Public Accounting Firm.

At least annually the Committee will:

- a. Review with the independent registered public accounting firm any problems or difficulties the independent registered public accounting firm may have encountered during the course of the audit work, including, without limitation, any restrictions on the scope of activities or access to requested information or any significant disagreements with management and management's responses to such matters. The Committee will also obtain from the independent registered public accounting firm assurances that Section 10A(b) of the Exchange Act has not been implicated.

- b. Discuss with the independent registered public accounting firm any report that such firm is required to make to the Committee regarding material written communications between the independent registered public accounting firm and management of the Corporation, and any “management” or “internal control” letter issued, or proposed to be issued, by the independent registered public accounting firm to the Company.
    - c. Discuss with the independent registered public accounting firm the matters required to be discussed by applicable auditing standards.
    - d. Discuss with management and the independent registered public accounting firm, as appropriate, culture, tone at the top, and talent in the finance organization.
3. Approval of and Recommendation to Include Annual Financial Statements in Form 10-K. The Committee will, based on the review and discussions in paragraphs 1(d) and 2(c) of this “Annual Financial Statements and Annual Audit” Section, and based on the disclosures received from the independent registered public accounting firm regarding its independence and discussions with representatives of the firm regarding such independence pursuant to subparagraph 3(b) of the “Interaction with the Independent Registered Public Accounting Firm” Section, determine whether to approve inclusion of the audited financial statements in the Corporation’s Form 10-K for the fiscal year subject to the audit (which approval shall be considered its recommendation to the Board for such inclusion, and the Board’s acceptance of such recommendation).

#### Quarterly Financial Statements

1. Meetings with Management and the Independent Registered Public Accounting Firm. The Committee will review and discuss the quarterly financial statements with management and the independent registered public accounting firm, including the Corporation’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and determine whether to approve inclusion of the unaudited financial statements in, and filing of, the Corporation’s Quarterly Report on Form 10-Q for the fiscal quarter under review (which approval shall be considered its recommendation to the Board for such inclusion and filing, and the Board’s acceptance of such recommendation).

#### Internal Audit

1. Appointment and Removal. The Committee will approve the selection or removal of the head of internal audit. The head of internal audit will report functionally to the Audit Committee and administratively to the Chief Financial Officer.
2. Performance. Each year, the Committee will review the activities and structure of the internal audit function.
3. Meetings with the Internal Auditor. The Committee will meet at least quarterly with the Corporation’s internal auditor to discuss the responsibilities, budget and staffing of the Corporation’s internal audit function and any issues that the internal auditor believes

warrant the Committee's attention. In addition, the Committee will discuss with the internal auditor any significant reports to management prepared by the internal auditor and any responses from management.

4. Internal Audit Plan. At least annually, the Committee will discuss the internal audit plan with the Corporation's internal auditor to ensure that the internal audit function is focused on the Corporation's key risks and that internal audit activities are aligned with the expectations of the Committee.

#### Other Powers and Responsibilities

1. The Committee will review with management the Corporation's earnings release(s). Such discussions may be in general terms (i.e., discussion of the types of information to be disclosed and the types of presentations to be made).
2. The Committee will discuss with management and the independent registered public accounting firm any correspondence from or with regulators or governmental agencies, any employee complaints or any published reports that raise material issues regarding the Corporation's financial statements, financial reporting process, accounting policies or internal audit function.
3. The Committee will discuss with the Corporation's General Counsel or outside counsel any legal matters brought to the Committee's attention that could reasonably be expected to have a material impact on the Corporation's financial statements.
4. The Committee will discuss matters related to the Corporation's internal control over financial reporting, Environmental, Social, and Governance (ESG) reporting, and other matters related to the Corporation's internal audit function with management on a periodic basis.
5. The Committee will review and discuss with management and the independent registered public accounting firm the Corporation's report on internal control over financial reporting prior to filing the Corporation's Annual Report on Form 10-K.
6. In consultation with the other committees of the Board and management and with the assistance of external resources as the Committee deems appropriate: (a) oversee the Corporation's guidelines and policies with respect to risk assessment and risk management, (b) in connection with such oversight, assess reports and other information provided by management and such external resources and (c) periodically review and discuss the Corporation's guidelines and policies with respect to risk assessment and risk management, including discussions with management regarding:
  - i. major financial and other potential risk exposures, including market-based risks and risks associated with financial reporting, cybersecurity, data privacy and other new and emerging risks;
  - ii. the effectiveness of compliance programs; and

- iii. the actions management has taken to ensure appropriate processes are in place to identify, manage, monitor and control such exposures.
7. The Committee will set any hiring policies of this Corporation for employees or former employees of the Corporation's independent registered public accounting firm.
8. The Committee will establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding (i) accounting, internal accounting controls or auditing matters and (ii) potential violations of applicable laws, rules and regulations or of the Corporation's codes, policies and procedures. The Committee will also establish procedures for the confidential and anonymous submission by employees of the Corporation of concerns regarding questionable accounting, auditing or compliance matters.
9. The Committee will review and approve for inclusion in the Corporation's proxy statement for its annual meeting of stockholders the Audit Committee Report required by the rules of the Securities and Exchange Commission.
10. The Committee will oversee, review and update, as necessary, the Corporation's business conduct and ethics policies and the Corporation's system to monitor compliance with and enforce the policies.
11. Pursuant to the Corporation's Incentive-Based Compensation Recoupment Policy (the "Recoupment Policy"), the Committee will consult with the Compensation Committee of the Board as needed in order for the Compensation Committee to administer and interpret any provision of the Recoupment Policy.

#### **IV. Procedures**

- A. Meetings. The Committee will meet at the call of its Chairperson, two or more members of the Committee or the Chairperson of the Board. The Committee will meet on at least a quarterly basis (prior to the filing of the Corporation's Quarterly Reports on Form 10-Q and Annual Report on Form 10-K with the SEC) and may meet more frequently as circumstances dictate. Meetings of the Committee may be in person, by conference call or by unanimous written consent, in accordance with the Corporation's Bylaws. Meetings of the Committee will be held at such time and place, and upon such notice, as its Chairperson may from time to time determine. Briefing materials will be provided to the Committee as far in advance of the meeting as practicable. The Committee will keep such records of its meetings as it deems appropriate.

Meetings may, at the discretion of the Committee, include other directors, members of the Corporation's management, independent advisors and consultants, representatives of the Corporation's independent registered public accounting firm, the Corporation's internal auditor, any other financial personnel employed or retained by the Corporation or any other persons whose presence the Committee believes to be necessary or appropriate. Those in attendance may observe meetings of the Committee but may not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event are not entitled to vote. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including, but not limited to, any director that is not a member of the Committee.



- B. Quorum and Approval. A majority of the Committee's members will constitute a quorum. The Committee will act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of a meeting.
- C. Rules. The Committee may determine additional rules and procedures, including designation of a Chair pro tempore in the absence of its Chairperson and designation of a secretary of the Committee at any meeting thereof.
- D. Reports. The Committee will maintain minutes of its meetings and make regular oral or written reports to the Board, directly or through its Chairperson, of its actions and any recommendations to the Board. These reports should include a discussion of any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the Corporation's independent registered public accounting firm, the performance of the Corporation's internal audit function or any other matter the Committee determines is necessary or advisable to report to the Board.
- E. Review of Charter. Each year, the Committee will review the need for changes in this Charter and recommend any proposed changes to the Board for approval.
- F. Performance Review. Each year, the Committee will review and evaluate its own performance and will submit itself to a review and evaluation by the Board.
- G. Reimbursement of Expenses. Subject to the Corporation's Corporate Governance Guidelines and other policies, Committee members, including the Chairperson, will be reimbursed by the Corporation for all reasonable expenses incurred in connection with their duties as Committee members or as Chairperson.

#### **V. Posting Requirement**

The Corporation will make this Charter available on or through the Corporation's website as required by applicable rules and regulations. In addition, the Corporation will disclose in its proxy statement for its annual meeting of stockholders or in its Annual Report on Form 10-K, as applicable, that a copy of this Charter is available on the Corporation's website and provide the website address.

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*While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable federal or state law. Further, nothing in this Charter is intended to preclude or impair the protection provided in Section 141(e) of the Delaware General Corporation Law for good faith reliance by Committee members on reports or other information provided by others.*