

California Resources Corporation – Climate Related Disclosure: TCFD Framework

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About This Report

This report represents California Resources Corporation's (CRC or the company) disclosure in conformance with the Final Report of Recommendations published by the Task Force on Climate-related Financial Disclosures (TCFD) and is designed to address California's climate reporting law SB 261—the Climate-Related Financial Risk Act. As part of our commitment to transparency and responsible governance, we aim to provide stakeholders with a structured overview of our approach to climate-related risks and opportunities.

By adopting the TCFD framework, we outline our governance processes, risk management strategies, and the key metrics guiding our climate strategy. This report reflects our ongoing efforts to integrate climate considerations into business decision-making, enhancing resilience and accountability in a shifting global landscape. This report covers the period from January 1, 2025, through December 31, 2025, and reflects CRC's operations during the reporting year unless otherwise expressly noted. This report excludes sustainability metrics related to Berry Corporation, a company which merged with CRC on December 18, 2025, unless otherwise expressly noted.

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURES	2025 RESPONSES
GOVERNANCE		
Disclose the organization's governance around climate-related risks and opportunities	a) Describe the board's oversight of climate-related risks and opportunities	CRC's full Board, in addition to its committees, is responsible for overseeing our sustainability strategy, risk management and goals, including those related to carbon management, environmental stewardship and worker safety in our oil and gas operations as well as our carbon management business. The Sustainability Committee assists the Board in fulfilling its oversight responsibilities relating to sustainability and climate-related matters pertaining to the Company's business, strategy, operations, performance or reputation and is responsible for reviewing and discussing the status of sustainability goals, risks, and regulations with management. The Audit Committee assists the Board with matters related to internal controls over sustainability reporting. The Board has delegated primary responsibility for sustainability and climate-related matters to its Sustainability Committee, which is responsible for the direction and oversight of the company's environmental, social, and governance relating to sustainability (ESG topics); and health, safety, and other environmental items (HSE topics) that may affect CRC's business, strategy, operations, or reputation. The Sustainability Committee, composed of entirely independent directors, meets on a periodic basis throughout the year to review sustainability management and progress. In 2025, the Committee held eight formal meetings, with sustainability and climate-related issues addressed either as dedicated agenda items or as part of broader strategic and operational discussions. The Sustainability Committee is responsible for reviewing and discussing the status of CRC's sustainability goals, risks, and regulations with management. To support ongoing oversight between formal meetings, the Committee Chair and Chief Sustainability Officer (CSO) meet on a bi-weekly basis to discuss emerging sustainability matters, with the Chief Executive Officer (CEO) participating as needed. In addition, senior management, including the CEO, CSO and Chief Operations Officer (COO), also meet with the Sustainability Committee quarterly to review progress on sustainability initiatives and discuss short- and long-term climate-related risks, opportunities, and strategic priorities. The Sustainability Committee provides oversight of CRC's climate-related strategy, performance, and sustainability goals, including the company's 2045 Responsible Net Zero (RNZ) strategy on greenhouse gas (GHG) emissions and other sustainability goals related to methane emissions reduction, freshwater use reduction, community giving, and executive compensation related to sustainability metrics. As part of its oversight responsibilities, the Committee reviews progress toward climate-related targets. Climate-related issues are factored into CRC's broader corporate strategy, including major capital allocation decisions, consistent with the Board's overall responsibility for reviewing significant capital expenditures and strategic transactions. References: ▪ 2025 Sustainability Update – Governance, Risk, & Oversight ▪ Sustainability Committee Charter ▪ 2026 Proxy Statement ▪ CDP Climate Change Response – 4.1.2

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GOVERNANCE		
Disclose the organization's governance around climate-related risks and opportunities	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Management is responsible for assessing and managing CRC's climate-related risks and opportunities through a cross-functional governance structure led by the CSO, who reports directly to the CEO. The CSO leads a cross-functional team responsible for identifying, evaluating, and integrating climate-related risks and opportunities into CRC's strategic planning and operations. Functional teams support the CSO and operations by providing technical expertise on emissions reduction initiatives, mandatory and voluntary reporting, and other climate-related topics. Climate-related issues are managed through ongoing collaboration among executive leadership and functional teams. The CEO, COO, and CSO work together to align corporate strategy with climate-related objectives and regularly review progress toward climate-related goals, emerging risks, and regulatory developments through standing executive management discussions, informed by ongoing review of key metrics and progress toward RNZ targets (see Metrics and Targets section). The CEO, COO, and CSO also meet quarterly with the Sustainability Committee to discuss strategies for managing short- and long-term climate-related risks and opportunities, providing management updates and supporting the Committee's oversight responsibilities. Management accountability for sustainability performance is further reinforced through CRC's annual incentive program. In 2025, 30% of incentive opportunities for executive leadership, including the CEO, COO, and CSO, were linked to sustainability and climate-related performance objectives. Management's assessment of climate-related risks and opportunities is supported by multiple business functions, including legal, government affairs, communications, regulatory, engineering, enterprise risk, carbon management, and sustainability personnel. These teams monitor evolving climate-related regulations, policies, operational issues, and other emerging developments that could affect CRC's business. Staff regularly gather input from internal and external stakeholders, while significant emerging issues are elevated to senior management for evaluation and response. CRC engages with external stakeholders, including trade associations, regulatory workgroups, public hearings, and government officials, to better understand evolving policy developments and provide technical input. References: ▪ 2026 Proxy Statement – 2025 Compensation Program pages 29-30 ▪ 2025 Sustainability Update - Governance, Risk, & Oversight ▪ CDP Climate Change Response – 4.3.1, 4.5, 4.5.1 ▪ Sustainability Committee Charter

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURES	2025 RESPONSES
STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	a) Describe the climate-related risks and opportunities the organization has identified over short, medium and long-term	CRC evaluates climate-related risks and opportunities across short- (0-3 years), medium- (4-10 years), and long-term (11-50 years) time horizons as part of its strategic planning. Because its operations are concentrated in California, management reviewed regional climate projections from California's Fourth Assessment as a qualitative assessment of climate trends that may affect CRC's operating areas over time. CRC has identified several physical climate-related risks that may affect its operations, including extreme heat, drought, reduced snowpack, water availability, wildfire, flooding, sea level rise affecting certain coastal assets, and increasing pressure on energy and transportation infrastructure. These physical risks are most relevant over the medium- and long-term (4-50 years), consistent with the regional climate projections described below, though certain risks such as wildfire and extreme heat may also present near term (0-3 years) operational impacts. The company has also identified transition risks associated with evolving climate regulation, carbon pricing, permitting requirements, changing energy markets, stakeholder expectations, and the continued transition toward a lower-carbon economy. These transition risks are most pronounced over the short- to medium-term (0-10 years), reflecting the pace of evolving regulation and market conditions. At the same time, CRC has identified opportunities associated with carbon management, carbon capture and storage (CCS), renewable energy development, methane emissions reduction, operational efficiency improvements, and providing lower-carbon energy and carbon management services to industrial customers. These risks and opportunities help inform CRC's RNZ strategy and long-term business planning. References: ▪ 2025 Sustainability Update – Our Sustainability Strategy: RNZ & the SDGs ▪ 2025 Annual Report – Risk Factors, page 38 – 58 ▪ CDP Climate Change Disclosure – 3.1.1, 3.6.1 ▪ California's Fourth Climate Change Assessment

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STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Climate-related risks and opportunities influence CRC's business strategy, operational planning, capital allocations, and long-term investment priorities. In response, CRC has focused its strategy on reducing operational emissions, expanding its carbon management business, and improving the resilience of its operations. These strategic priorities affect CRC's financial performance and position in several ways. Business expenses are influenced by compliance with California's climate-related regulatory programs, including Cap-and-Invest compliance costs and methane reduction goals. Our carbon management segment is expected to contribute new revenue streams as Carbon TerraVault (CTV) projects reach commercial operation. Capital allocation reflects continued investment in decarbonization initiatives, including CCS, electrification, and methane monitoring, evaluated in part using CRC's internal carbon price. CTV is a key component of CRC's long-term strategy to address both transition and emerging market opportunities. In 2025, CRC broke ground on Carbon TerraVault I, California's first CCS project. First CO₂ injection occurred in May of 2026. CRC continues to pursue additional carbon storage projects to support ongoing decarbonization efforts and create new carbon management revenue opportunities. CRC also implements adaptation measures intended to reduce exposure to physical climate risks. These include asset integrity monitoring, wildfire preparedness, operational planning for extreme weather and changing electricity demand, water management and recycling practices, reservoir management, and emergency response planning. Climate-related considerations are also incorporated into capital project planning and infrastructure development to support long-term operational resilience. CRC also supports operational and ecosystem resilience through biodiversity and land stewardship practices, including biological pre-activity surveys, habitat monitoring, conservation planning, and efforts to minimize new surface disturbances where feasible. References: ▪ 2025 Sustainability Update – Our Sustainability Strategy: RNZ & the SDGs ▪ 2025 Sustainability Update – Carbon Management & Low Carbon Technology ▪ 2025 Annual Report – Carbon Management Segment, CCS Permitting, CCS Projects, Carbon TerraVault JV pages 24-26 ▪ CDP Climate Change Response – 3.1.1, 3.6.1, 5.3.1, 5.3.2

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STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	c) Describe the potential impact of different scenarios, including a 2°C scenario, on the organization's businesses, strategy, and financial planning.	CRC has not conducted a standalone, company-specific climate scenario analysis. Instead, because its operations are located almost entirely within California, management reviewed regional climate projections from California's Fourth Assessment as a qualitative assessment of physical climate hazards that may affect the company's operations over the medium- and long-term. The California Fourth Climate Change Assessment incorporates multiple climate scenarios and emissions pathways developed for California to project future regional climate conditions. CRC used the assessment as a qualitative source of regional climate projections relevant to California operations rather than performing a standalone company-specific scenario analysis. The review considered projected changes through approximately 2050 and 2100, including temperature, drought, snowpack, precipitation, sea level rise, wildfire conditions, and electricity demand, and indicates that CRC's California operations may experience increasing exposure to physical climate hazards over time. These projections have informed management's understanding of potential operational challenges related to water availability, infrastructure resilience, workforce safety, coastal operations, and energy reliability. CRC's resilience strategy includes both mitigation and adaptation measures. To support transition resilience, CRC has established its RNZ strategy, invested in CTV and other carbon capture and storage opportunities, advanced methane reduction and leak detection programs, expanded electrification and renewable energy projects, and continued to evaluate opportunities to reduce the carbon intensity of its operations. To support physical resilience, CRC maintains operational risk management systems, asset integrity monitoring, emergency preparedness and spill response capabilities, produced water recycling and broader water management programs, and biodiversity and land stewardship activities intended to support ecosystem resilience and minimize operational disturbance. While these initiatives are intended to strengthen CRC's ability to respond to climate-related risks and opportunities, successful execution depends on factors including permitting, financing, technology performance, customer demand, regulatory support, and evolving market conditions. CRC expects to continue refining its assessment of climate-related risks and opportunities as climate science, regulatory requirements, and business conditions evolve. References: ▪ CDP Climate Change Response – 5.1.1, 5.1.2 ▪ California's Fourth Climate Change Assessment ▪ 2025 Annual Report – Carbon Management Segment, CCS Permitting, CCS Projects, Carbon TerraVault JV, Responsible Net Zero, pages 24–26 ▪ 2025 Sustainability Update

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURES	2025 RESPONSES
RISK MANAGEMENT		
Disclose how the organization identifies, assesses and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks	CRC identifies and assesses climate-related risks through its Enterprise Risk Management (ERM) framework and its multidisciplinary Health, Safety, and Environment (HSE) and Process Risk Management programs and other operational risk management processes. Climate-related risks are evaluated alongside other strategic, operational, regulatory, financial, and compliance risks to support consistent risk identification and assessment across the organization. Climate-related risks and opportunities are identified at both the asset and enterprise levels across short-term (0-3 years), medium-term (4-10 years), and long-term (11-50 years) time horizons. Operational climate-related risks are identified through established HSE processes, including Process Hazard Analyses (PHAs), Process Hazard Reviews (PHRs), inspections, audits, surveys, and capital project reviews. These processes identify potential impacts to personnel, the environment, property, reputation, and business operations arising from operational activities, infrastructure changes, or external developments. Existing and emerging climate-related regulatory requirements are also considered through ongoing monitoring by legal, regulatory, government affairs, and technical personnel. Identified risks are assessed using CRC's HSE Risk Matrix or Supply Risk Matrix, as appropriate. Risks are evaluated based on factors including likelihood, potential consequences, impacts on the business, and opportunities for mitigation to support consistent prioritization and decision-making. Significant risks are escalated through CRC's governance processes and are periodically reviewed by senior management and the Board's Sustainability and Audit Committees. References: ▪ HSE Management System Summary ▪ CDP Climate Change Response – 2.2.2 ▪ 2025 Sustainability Update – Governance, Risk, & Oversight ▪ 2025 Annual Report – Risk Factors, page 38 – 58 ▪ Audit Committee Charter ▪ Sustainability Committee Charter ▪ 2024 Sustainability Report – Climate Strategy & Enterprise-Wide Climate Risk Management

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURES	2025 RESPONSES
RISK MANAGEMENT		
Disclose how the organization identifies, assesses and manages climate-related risks.	b) Describe the organization's processes for managing climate-related risks.	CRC manages climate-related risks through its ERM framework, HSE systems, and Risk Management programs using a combination of engineering controls, operational improvements, administrative controls, regulatory engagement, ongoing monitoring, and periodic reassessment. Risk response strategies are selected based on the nature and significance of identified risks and are designed to reduce potential impacts while supporting operational resilience and regulatory compliance. Within the HSE systems and Risk Management programs, identified risks are prioritized for mitigation using CRC's Risk Matrix and are reassessed periodically as business conditions, operations, and regulatory requirements evolve. Capital projects are reviewed by multidisciplinary teams to evaluate climate-related regulatory requirements, operational risks, and appropriate engineering and administrative mitigation measures. CRC's Risk Management Community of Practice further supports continuous improvement by bringing together engineers, scientists, and other subject matter experts to share technical expertise and lessons learned across the organization. Climate-related regulatory risks are managed through ongoing monitoring of federal, state, and local regulatory developments by CRC's legal, government affairs, communications, and regulatory teams. These functions collaborate with operations, engineering, carbon management, supply chain, and other technical personnel to evaluate potential impacts and identify appropriate response strategies. Emerging issues that may significantly affect the company are elevated to senior management for review, and, where appropriate, CRC engages with regulators, trade associations, and other stakeholders to support effective implementation of evolving regulatory requirements. Supply chain climate-related risks are managed using CRC's Supply Risk Matrix, which evaluates inherent risk based on impact and likelihood together with management actions and control effectiveness. Risks are categorized into response priorities (Operate, Tolerate, Monitor, or Improve) to guide mitigation strategies and support supply chain resilience. References: ▪ HSE Management System Summary ▪ CDP Climate Change Response – 2.2.2 ▪ 2025 Sustainability Update – Governance, Risk, & Oversight ▪ 2025 Annual Report – Risk Factors, page 38 – 58 ▪ 2024 Sustainability Report – Climate Strategy & Enterprise-Wide Climate Risk Management

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURES	2025 RESPONSES
RISK MANAGEMENT		
Disclose how the organization identifies, assesses and manages climate-related risks.	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Climate-related risks are integrated into CRC's overall ERM framework and are supported by the company's HSE systems and Risk Management programs and other operational risk management processes. Rather than managing climate-related risks through a standalone framework, CRC incorporates climate-related considerations into existing enterprise and operational risk management activities to promote consistent governance, evaluation, and decision-making across the organization. Climate-related risks are considered through routine business processes, including operational hazard reviews, capital project development, regulatory compliance activities, supply chain risk management, and strategic planning. Cross-functional teams from operations, engineering, carbon management, sustainability, legal, regulatory, government affairs, and other business functions collaborate to identify, assess, manage, and monitor climate-related risks using established company procedures and risk evaluation tools. The integration of climate-related risks into CRC's broader ERM frameworks and HSE systems enables climate-related considerations to inform operational decision-making, capital planning, regulatory compliance, and long-term business strategy. Significant risks are escalated through established management and Board governance processes, helping ensure climate-related risks receive appropriate oversight alongside other enterprise risks. References: ▪ HSE Management System Summary ▪ CDP Climate Change Response – 2.2.2 ▪ 2025 Sustainability Update – Governance, Risk, & Oversight ▪ 2025 Annual Report – Risk Factors, page 38 – 58 ▪ Audit Committee Charter ▪ Sustainability Committee Charter ▪ 2024 Sustainability Report – Climate Strategy & Enterprise-Wide Climate Risk Management

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METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	CRC reports climate-related metrics in its annual sustainability report's Performance Data Tables, which include current and historical metrics used to assess climate-related risks and opportunities and monitor progress to support its RNZ strategy. The Performance Data Tables include greenhouse gas emissions, methane emissions, carbon intensity, energy, water, environmental stewardship, and other climate-related performance indicators, together with applicable methodologies and reporting boundaries. These multi-year Performance Data Tables allow CRC to analyze trends in its historical climate-related performance over time, including emissions, carbon intensity, and other key indicators. Climate-related metrics support CRC's strategic planning, enterprise risk management, capital allocation, and performance monitoring. Climate-related performance is also incorporated into the company's Annual Incentive Program (AIP), under which ESG-related performance measures, including carbon management, worker safety, and environmental stewardship, represented 30% of the 2025 Named Executive Officer incentive weighting. CRC also applies an internal carbon price aligned with the California Carbon Allowance (CCA) futures pricing to evaluate projects, assess climate-related financial impacts, and prioritize emissions reduction opportunities. In 2025, CRC applied an internal carbon price ranging from \$25.87 to \$29.27 per metric ton of CO₂e, reflecting CCA pricing and projected regulatory cost escalation. References: ▪ 2025 Sustainability Update – Performance Data Tables ▪ 2026 Proxy Statement – 2025 Compensation Program pages 29-30 ▪ CDP Climate Change Response – 5.10.1 ▪ SASB Table

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METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	• Scope 1: 4,632,000 mtCO₂e • Scope 2: 280,000 mtCO₂e • Scope 3: 25,346,000 mtCO₂e CRC reports its annual Scope 1, Scope 2, and relevant Scope 3 greenhouse gas (GHG) emissions in its annual sustainability report's Performance Data Tables, together with historical emissions data to support year-over-year trend analysis. The company's GHG inventory is prepared in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), the U.S. Environmental Protection Agency Mandatory Greenhouse Gas Reporting Rule, and California's Mandatory Greenhouse Gas Reporting Regulation (MRR). Historical Scope 1, Scope 2, and Scope 3 GHG emissions data for prior reporting years are included in the Performance Data Tables referenced above, consistent with CRC's approach to trend analysis described in Metrics and Targets (a). To support the accuracy and credibility of its emissions disclosures, CRC's reported performance data are subject to internal review and certification. Operational Scope 1 and Scope 2 GHG emissions are independently verified in accordance with California's Mandatory Reporting Regulations. In addition, Scope 3 Category 10 (Processing of Sold Products) and Category 11 (Use of Sold Products) emissions, which represent more than 90% of CRC's reported Scope 3 emissions, undergo third-party reasonable assurance. CRC recognizes that estimating certain Scope 3 emissions involves inherent uncertainty due to availability and quality of third-party data. Where primary data is unavailable, emissions are estimated using the best available supplier information and industry emission factors. References: ▪ 2025 Sustainability Update – Performance Data Tables ▪ CDP Climate Change Response – 7.6, 7.7, 7.8, 7.9, 7.9.1, 7.9.2, 7.9.3 ▪ SASB Table ▪ CARB MMR webpage

DISCLOSURE FOCUS AREA	RECOMMENDED DISCLOSURES	2025 RESPONSES
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	CRC has established long-term climate-related targets to support its RNZ strategy and manage climate-related risks and opportunities. Progress toward these targets is monitored using key performance indicators and reported annually in CRC's sustainability report. CRC's primary climate target is to reduce absolute Scope 1 and Scope 2 GHG emissions by at least 80% by 2045 relative to a 2020 baseline and to neutralize remaining emissions to achieve Responsible Net Zero by 2045. Supporting targets include reducing methane emissions by 30% by 2030 relative to a 2020 baseline, increasing renewable energy generation to at least 10 megawatts above 2013 levels by 2030, and reducing the average carbon intensity of oil and gas production by at least 20% by 2035 relative to a 2020 baseline. CRC also continues to advance carbon capture and storage projects that support its long-term objective of enabling the avoidance or storage of up to 352 million metric tons of CO₂e. Performance against these targets is reported annually in CRC's sustainability report, including progress toward interim milestones and long-term objectives. References: ▪ 2025 Sustainability Update – Our Sustainability Strategy ▪ 2025 Sustainability Update – Performance Data Tables ▪ 2025 Annual Report – Responsible Net Zero, pages 25-26 ▪ CDP Climate Change Response – 7.53.1, 7.53.2, 7.54.2, 7.54.3



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