



California Resources Corporation Releases 2022 Sustainability Update Detailing Progress on Sustainability Initiatives and ESG Performance

August 17, 2023

LONG BEACH, Calif.--(BUSINESS WIRE)-- California Resources Corporation (NYSE: CRC) today announced the publication of its [2022 Sustainability Update](#). The Update details the progress CRC made last year as it continues to work toward meeting a high standard for environmental, social and governance (ESG) performance and its 2045 Full-Scope Net Zero Goal.

"At CRC, we are dedicated to becoming an even more sustainable energy company while prioritizing health, safety, and the environment in all we do," said Francisco Leon, CRC President and Chief Executive Officer. "We are proud to share our accomplishments in 2022 as we continued to expand our sustainability leadership by providing some of the lowest carbon intensity production in the US, impactful community engagement activities, and key carbon management opportunities, such as our Carbon TerraVault (CTV) carbon capture and storage (CCS) projects."

"2022 was an important year in CRC's sustainability journey," said Chris Gould, CRC Executive Vice President and Chief Sustainability Officer. "We announced updated and expanded ESG goals that support California's ambitious climate goals, a first-of-its-kind joint venture with Brookfield Renewable focused on CCS development opportunities, and a Carbon Dioxide Management Agreement (CDMA) for CTV's first permanent carbon storage project. These achievements will help advance the energy transition in California, strengthen the communities where we live and work, and build a more sustainable future."

Building off its 2021 Sustainability Report and 2022 Leadership Level Ranking of A- by CDP, CRC's 2022 Sustainability Update references Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI) and International Petroleum Industry Environmental Conservation Association (IPIECA) standards.

Highlights and achievements from CRC's 2022 Sustainability Update include:

- Announced updated and expanded ESG goals on methane emissions, freshwater usage, community giving and diversity in leadership, and linked ESG performance to executive pay.
- Progressed toward meeting our 2045 Full-Scope Net Zero Goal for Scope 1, 2, and 3 emissions.
- Entered into a joint venture with Brookfield Renewable to focus on CCS development opportunities.
- Announced our first CDMA outlining the material economics and terms of a blue hydrogen plant at CRC's proposed Net Zero Industrial Park located at Elk Hills in Kern County, California. The CDMA provides a path for the parties to reach final definitive documents and final investment decision.
- Assembled a consortium of more than 40 diverse organizations across industry, technology, academia, national labs, community, government, to lay the groundwork for the California Direct Air Capture (DAC) Hub, the first full-scale DAC plus storage (DAC+S) network of regional DAC+S hubs in the state.
- Supported our communities through charitable and community sponsorships across the state, including a pledge of \$2.5 million to fund several Kern County initiatives with Kern Community College District and California State University, Bakersfield, to help advance the energy transition and create opportunities for local students.
- Received awards and recognition from the National Safety Council, CDP, Newsweek, and the Wildlife Habitat Council.

For more information about CRC's sustainability efforts and to download the 2022 Sustainability Update, please visit crc.com/esg.

About California Resources Corporation

California Resources Corporation (CRC) is an independent energy and carbon management company committed to energy transition. CRC produces some of the lowest carbon intensity oil in the US and is focused on maximizing the value of its land, mineral and technical resources for decarbonization efforts. For more information about CRC, please visit crc.com.

Forward Looking Statements

The information included herein contains forward looking statements within the meaning of federal securities laws and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, such statements. For a discussion of these risks and uncertainties, please refer to the "Risk Factors" and "Forward-Looking Statements" described in our Annual Report on Form 10-K for the year ended December 31, 2022 ("Form 10-K") and any subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. With respect to our ability to achieve our 2045 Full-Scope Net Zero goal and other ESG goals, please refer to the risk factor in our Form 10-K: "Our ability to achieve our 2045 Full-Scope Net Zero target and other goals related to our carbon management activities is subject to risks and uncertainties."

All statements, other than statements of historical facts, included in this document that address activities, events or developments that we expect, believes or anticipates will or may occur in the future, are forward-looking statements. Words such as "anticipate,"

“believe,” “budget,” “continue,” “could,” “estimate,” “expect,” “goal,” “forecast,” “intend,” “likely,” “may,” “might,” “plan,” “potential,” “project,” “seek,” “should,” “target,” “will” or “would” and similar words that reflect the prospective nature of events or outcomes typically identify forward looking statements. In particular, forward-looking statements include, but are not limited to, the following: our strategic plans, priorities, outlook and expected performance; ESG and sustainability-related goals, strategies, priorities and initiatives, including, among others, those related to greenhouse gas emissions reduction (including our Full-Scope Net-Zero Goal for Scope 1, 2, and 3 GHG emissions by 2045), energy efficiency improvement, investment in renewable energy, water management, carbon management opportunities (including carbon capture and storage projects), biodiversity, diversity, equity and inclusion, supply chain sustainability, health and safety, human capital management, community engagement and cybersecurity; our plans to achieve our ESG and sustainability-related goals and to monitor and report our progress thereon; our ability to finalize definitive documents and reach a final investment decision with respect to the projects contemplated by a CDMA; stakeholder engagement, commitments and disclosure; and other related items.

CRC cautions you not to place undue reliance on forward-looking statements contained in this document, which speak only as of the filing date, and CRC undertakes no obligation to update this information. This document may also contain information from third party sources. This data may involve a number of assumptions and limitations, and CRC has not independently verified them and do not warrant the accuracy or completeness of such third-party information.

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