

PARAMOUNT SKYDANCE CORPORATION

AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Paramount Skydance Corporation (the “Company”) is established by the Board for the primary purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company. The Committee is responsible for assisting the Board’s oversight of (1) the quality and integrity of the Company’s financial statements and related disclosure, (2) the evaluation of the effectiveness of the Company’s internal control over financial reporting and risk management, (3) the Company’s compliance with legal and regulatory requirements, (4) the independent auditor’s qualifications and independence, and (5) the performance of the Company’s internal audit function and independent auditors.

Composition

1. Members. Subject to the terms of the Company’s Amended and Restated Certificate of Incorporation (the “COI”) and Amended and Restated Bylaws (the “Bylaws” and, together with the COI, the “Governing Documents”), the Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three members, subject to any available exception. The members of the Committee shall be appointed annually by the Board, taking into account the recommendation of the Nominating and Governance Committee of the Board and subject to the terms of the Governing Documents.
2. Qualifications. Each member of the Committee shall meet all applicable independence requirements of the Nasdaq Stock Market LLC (“Nasdaq”) listing rules and the more rigorous independence rules for members of the Committee issued by the Securities and Exchange Commission (the “SEC”), subject to any available exception, and shall have the experience, qualifications, attributes and/or skills deemed necessary by the Board to serve on the Committee. Each Committee member must not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years. Each Committee member must be able to read and understand fundamental financial statements, including a company’s balance sheet, income statement and cash flow statement. The Committee shall have at least one member who meets the requirements of an “audit committee financial expert” as defined by SEC rules.
3. Chair. The Chair of the Committee shall be designated by the Board, taking into account the recommendation of the Nominating and Governance Committee of the Board.
4. Removal and Replacement. The members of the Committee may be removed, with or without cause, and any vacancies on the Committee shall be filled, by the Board, taking into account the recommendation of the Nominating and Governance

Committee of the Board and subject to the terms of the Governing Documents.

Operations

1. Meetings. The Chair of the Committee, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least once during each fiscal quarter. In general, directors who are not Committee members may attend meetings of the Committee, except when the Chair of the Committee determines otherwise, but may not vote on actions taken by the Committee. The Committee shall periodically meet in executive session without management. The Committee shall meet separately, periodically, with management. The Committee shall also meet separately, periodically, with the independent auditor and the internal auditor (or other personnel responsible for the internal audit function).
2. Quorum; Voting. As provided in the Bylaws, each of (i) the number of the directors then serving on the Committee and holding a majority of the voting power of the Committee and (ii) a majority of the directors then serving on the Committee shall constitute a quorum for purposes of conducting business at a meeting of the Committee; provided that if two (2) consecutive meetings of the Committee called in accordance with the Bylaws fail to achieve a quorum, then a third meeting may be called in accordance with the Bylaws and at such meeting (x) the number of directors then serving on the Committee holding a majority of the voting power of the Committee and (y) one-third of the directors then serving on the Committee shall constitute a quorum. As provided in the Bylaws, the vote of the directors holding a majority of the voting power of directors present at any Committee meeting at which a quorum is present shall be the act of the Committee, except as may be otherwise specifically provided by law or the COI.
3. Agenda. The Chair of the Committee shall develop and approve the Committee's agenda, in consultation, as appropriate, with other members of the Committee. Each member of the Board and members of management are free to suggest the inclusion of items on the agenda by communicating directly with the Chair of the Committee. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be provided to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.
4. Report to the Board. The Committee shall report regularly to the entire Board and shall make available to the Board the minutes of its meetings.
5. Self-Evaluation; Review and Assessment of Charter. The Committee shall conduct a periodic performance self-evaluation based on the criteria established by the Nominating and Governance Committee and shall report to the entire Board the results of the self-evaluation. The Committee shall review and assess the adequacy of this Charter at least annually, or more frequently as the Committee may determine, and recommend any changes to the Board.

Authority and Duties

The Committee may, in its sole discretion, retain or obtain the advice of independent legal

counsel, auditors or other advisors (each, an “Advisor”), in addition to the Company’s independent auditor. The Committee shall be directly and solely responsible for the appointment, retention, direction, compensation and oversight of the work of any Advisor retained by the Committee, and shall have sole power and authority to terminate any such Advisor’s services. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to an Advisor retained by the Committee.

Independent Auditor’s Retention, Qualifications and Independence

1. The Committee shall be directly responsible and have sole power and authority for the appointment, retention, direction, termination, compensation and oversight of the work of the independent auditor and any other registered public accounting firm engaged by the Company (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Committee shall review with the independent auditor and management the proposed scope, planning and staffing of the annual audit of the Company’s financial statements by the independent auditor for the current year. The independent auditor and each other registered public accounting firm shall report directly to the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to the independent auditor and for the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
2. The Committee shall evaluate the performance of the independent auditor annually, or more frequently as the Committee considers appropriate, taking into account relevant factors such as independent auditor rotation practices and the opinions of members of management.
3. The Committee shall have the sole authority to preapprove all audit services, including services relating to internal control over financial reporting, and permitted non-audit services to be provided by the independent auditor, unless the engagement is entered into pursuant to appropriate preapproval policies established by the Committee or if such service falls within available exceptions under SEC rules. Other than with respect to the annual audit of the Company’s consolidated financial statements, the Chair of the Committee is authorized to pre-approve other audit services and non-audit services provided to the Company by the independent auditor on behalf of the Committee and each such pre-approval decision will be presented to the full Committee at its next scheduled meeting.
4. The Committee shall obtain and review with the lead audit partner and, if the Committee deems it appropriate, a more senior representative of the independent auditor, annually or more frequently as the Committee considers appropriate, a report by the independent auditor describing: the independent auditor’s internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor, or by any inquiry, review or investigation by governmental or professional or other regulatory authorities, within the preceding five years, respecting independent audits carried

out by the independent auditor, and any steps taken to deal with these issues; and the independent auditor's assessment of its independence and all relationships between the independent auditor and the Company, and shall actively engage in a dialogue with the independent auditor regarding any disclosed relationships or services that may impact the objectivity and independence of the independent auditor, and take, or recommend that the full Board take, appropriate action to oversee the independence of the independent auditor. The Committee shall review with the lead audit partner whether any of the senior audit team members receive any discretionary compensation from the audit firm with respect to non-audit services performed by the independent auditor.

5. The Committee shall review the experience, qualifications, rotation requirements and performance of the lead audit partner and the senior members of the independent auditor team. The Committee shall receive confirmation from the independent auditor that it has ensured that the rotation of its lead audit partner meets all applicable requirements of the Sarbanes-Oxley Act of 2002.
6. The Committee shall set clear hiring policies for employees or former employees of the Company's independent auditors.

Financial Statements and Related Disclosure

7. The Committee shall review and discuss the annual audited financial statements with management and the independent auditor, including reviewing the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K. The Committee shall review and discuss with management and the independent auditor the Company's Form 10-Qs, including reviewing the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."
8. The Committee shall discuss generally with management earnings press releases before they are issued, as well as financial information and earnings guidance provided to analysts and rating agencies.
9. The Committee shall discuss with management and the independent auditor: (a) all critical accounting policies and practices to be used by the Company in preparing its financial statements, including any significant changes in the Company's selection or application of accounting principles, (b) all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of these alternative disclosures and treatments, and the treatment preferred by the independent auditor, and (c) other material communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences. In addition, the Committee shall review with the independent auditor any audit problems or difficulties and management's response.
10. The Committee shall review with management, and any outside professionals as

the Committee considers appropriate, the effectiveness of the Company's disclosure controls and procedures.

11. The Committee shall review with management, and any outside professionals as the Committee considers appropriate, important trends and developments in financial reporting practices and requirements and their effect on the Company's financial statements.
12. The Committee shall review and approve the report of the Committee with respect to the audited financial statements in compliance with the requirements of Regulation S-K.

Performance of the Internal Audit Function and Independent Auditors

13. The Committee shall review with the Chief Audit Executive and the independent auditor the scope, planning and staffing of the proposed internal audit for the current year. The Committee shall receive regular reports from the Chief Audit Executive regarding the results of completed audits, any significant investigations undertaken by the Chief Audit Executive and progress on implementing the current year's internal audit plan. The Committee shall also review the internal audit function's organization, responsibilities, plans, results, budget and staffing. In addition, the Committee shall review and advise on the appointment, replacement, reassignment, dismissal and compensation of the Chief Audit Executive.
14. The Committee shall review with management and the independent auditor the quality, adequacy and effectiveness of the Company's internal control over financial reporting, including reports regarding (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting and (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting and discuss the appropriate corrective action.
15. The Committee shall review and discuss with management and the independent auditor (a) management's annual assessment of the effectiveness of the Company's internal control over financial reporting and (b) the independent auditor's report on the effectiveness of the Company's internal control over financial reporting.

Compliance with Legal and Regulatory Requirements; Other Matters

16. The Committee shall review with management, and any internal or external counsel as the Committee considers appropriate, any legal matters (including the status of pending litigation) that may have a material impact on the Company and any material reports or inquiries from regulatory or governmental agencies.
17. The Committee shall review with the General Counsel and the Chief Compliance Officer the adequacy and effectiveness of the Company's procedures to ensure compliance with legal and regulatory requirements.
18. The Committee shall establish procedures for the receipt, retention and treatment

of complaints received by the Company regarding accounting, internal accounting controls, fraud or auditing matters and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

19. The Committee shall obtain reports from management, the Chief Compliance Officer and the independent auditor regarding compliance with applicable legal and regulatory requirements, including the Foreign Corrupt Practices Act.
20. The Committee shall review and approve decisions by the Company and its subsidiaries to enter into swaps and security-based swaps (together referred to as “Swaps”) that are entered into in reliance upon the “end-user exceptions” to the mandatory execution and clearing requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and related regulations. The Committee may approve such decisions on a general basis rather than on a Swap-by-Swap basis.
21. At least annually, the Committee shall review and discuss with management the Company’s policies governing its use of Swaps subject to the “end-user exception” of the Commodity Exchange Act and/or the Securities Exchange Act of 1934.
22. The Committee shall review and discuss (and report to the Board on its review of) the Company’s processes and policies with respect to risk assessment and risk management, and oversee the management of financial risks, including with respect to information technology risks, including cybersecurity and data privacy risks. The Committee must discuss with management the steps management has taken to monitor and control these risks.
23. The Committee shall periodically review and approve the Company’s code of ethics.
24. The Committee shall review any matters reported to the Committee under the Company’s code of ethics and determine the appropriate action for the Company.
25. The Committee shall periodically review the Company’s policies and procedures for reviewing and approving “related person transactions” as defined by Item 404 of Regulation S-K and approve or recommend to the Board any changes to such policies and procedures. In accordance with the Company’s Policy on Related Person Transactions and Nasdaq rules, the Committee shall review and, if appropriate, approve related person transactions and oversee such transactions on an ongoing basis.

The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its oversight function. The Committee has the power to delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate and in accordance with applicable laws and regulations. In discharging its oversight role, the Committee shall have full access to the Company’s senior management, other employees and independent auditor, and to all Company books, records and facilities.

Audit Committee's Role

The Committee's responsibility is one of oversight. It is the responsibility of the Company's management to prepare the consolidated financial statements in accordance with applicable law and regulations and of the Company's independent auditor to audit those financial statements. Therefore, each member of the Committee shall be entitled to rely, to the fullest extent permitted by law, on the integrity of those persons and organizations within and outside the Company from whom he or she receives information, and the accuracy of the financial and other information provided to the Committee by such persons or organizations.