

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF LSB INDUSTRIES, INC.**

Amended and Approved May 13, 2021

Purpose

The Audit Committee is appointed by the Board of Directors (the “Board”) of LSB Industries, Inc. (the “Company”) for the following purposes:

1. Assisting the Board in discharging its oversight responsibility relating to:
 - a. the accounting, reporting, and financial practices of the Company and its subsidiaries, including the integrity of the Company’s financial statements;
 - b. the stewardship of administration and financial controls and the Company’s compliance with legal and regulatory requirements;
 - c. the independent auditor’s qualifications and independence;
 - d. the performance of the Company’s internal audit function and the Company’s independent auditor;
 - e. the Company’s risk management system and processes.
2. Preparing the report required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual proxy statement.

In fulfilling its purposes, the Audit Committee will endeavor to maintain free and open means of communication among the members of the Audit Committee, other members of the Board, the independent auditor, the Company’s internal audit function, the senior and financial management of the Company, and any employees of the Company or other individuals who desire to bring accounting, internal accounting controls, auditing, or other matters to the Audit Committee’s attention.

In the exercise of its oversight responsibilities, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company’s financial statements fairly present the Company’s financial position and results of operation and are in accordance with generally accepted accounting principles (“GAAP”). Instead, such duties remain the responsibility of management, the internal audit function and the independent auditor. The Company’s management is also responsible for assessing and managing the Company’s exposure to risk.

Committee Membership

The Board shall appoint an Audit Committee of at least three members, all of whom are members of the Board, and shall designate one member as chairperson. Each member of the Audit

Committee must meet the independence and experience requirements of relevant law, including rules and regulations of the SEC and the listing standards of the New York Stock Exchange (“NYSE”). Accordingly, the Board shall determine annually whether each member is free from any relationship that may interfere with his or her independence from management and the Company.

The members of the Audit Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee or a majority of the independent directors and may be removed and replaced by an affirmative vote of the majority of the Board at any meeting at which there is a quorum present, in the Board’s discretion. If a chairperson is not designated by the Board or present at a meeting, the Audit Committee may designate a chairperson by majority vote of the Audit Committee members then in office.

Each member of the Audit Committee shall be (or shall become within a reasonable time after appointment) financially literate, as such qualification is interpreted by the Board in its business judgment. In addition, at least one member of the Audit Committee must be an “audit committee financial expert” (as defined by applicable rules of the SEC).

Audit Committee members may not serve on the audit committees of more than two other public companies unless approved by the Board and such approval is disclosed in the Company’s proxy statement. No member of the Audit Committee may receive, directly or indirectly, any consulting, advisory or other compensatory fee from the Company other than (i) director’s fees, which may be received in cash, restricted stock, stock appreciation rights, stock options or other in-kind consideration ordinarily available to directors; (ii) a pension or other deferred compensation for prior services that is not contingent on future service; and (iii) any other regular benefits that other directors receive.

Notwithstanding the foregoing membership requirements, no action of the Audit Committee will be invalid by reason of such requirements not being met at the time such action is taken.

Authorities and Responsibilities

The Audit Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Audit Committee. Among its specific duties and responsibilities, the Audit Committee shall, consistent with and subject to applicable law and rules and regulations promulgated by the SEC and the NYSE listing standards, undertake the common recurring activities described below. To carry out this responsibility, the Audit Committee may diverge from this list as appropriate under the circumstances.

1. Oversight of the Independent Auditors. The independent auditors shall report directly to the Audit Committee and ultimately shall be accountable to the Board and the Audit Committee. The Audit Committee shall:
 - a. Be directly responsible, in its capacity as a committee of the Board, for the appointment, compensation, retention and oversight of the independent auditors engaged for the purpose of preparing or issuing an audit report or performing other

audit, review or attest services for the Company. In this regard, the Audit Committee shall have the sole authority to:

- i. Annually appoint and retain the Company's independent auditors (subject, if applicable, to ratification by the Company's stockholders); and
 - ii. When appropriate, terminate the independent auditor.
- b. Oversee the work of the independent auditors, including resolution of disagreements between management and the independent auditors regarding financial reporting.
- c. Approve in advance all audit services to be provided by the independent auditor, including any written engagement letters related thereto, to the extent required under this Charter, the Audit Committee Policy on Approval of Audit and Non-Audit Services or applicable legal, regulatory or NYSE requirements.
- d. Establish pre-approval policies and procedures for the engagement of the independent auditor to provide permissible non-audit services and, at the discretion of the Audit Committee, delegate such pre-approval of services to the chairperson of the Audit Committee (provided that the chairperson shall comply with any pre-approval policies, including the Audit Committee Policy on Approval of Audit and Non-Audit Services, and provide subsequent notification to the Audit Committee of any such pre-approval at scheduled meetings of the Audit Committee).
- e. Consider, at least annually, the independence, qualifications and performance of the independent auditor and the lead partner assigned to the Company, including whether the independent auditor's performance of permissible non-audit services is compatible with the auditor's independence.
- f. Annually obtain and review a report by the independent auditor describing any relationships between the independent auditor and the Company or any other relationships that may adversely affect the independence of the auditor, consistent with applicable requirements of the Public Company Accounting Oversight Board ("PCAOB") regarding the independent auditor's communications with the Audit Committee concerning independence.
- g. Discuss at least annually with the independent auditor any disclosed relationships or services that may affect the objectivity and independence of the auditor.
- h. Annually seek assurances that partners of the independent auditor who are directly involved in the Company's audit are rotated as frequently as required by regulations or stock exchange rules and that no partner earns or receives compensation based on the performance of any services for the Company other than audit, review or attest services.

- i. Consider whether, in order to assure continuing auditor independence, the Company should rotate its independent auditor on a regular basis.
- j. Present to the Board the Audit Committee's conclusions with respect to the independence of the independent auditor.
- k. Meet with management, the independent auditor and the internal audit function in connection with each annual audit to discuss the scope of audit, the procedures to be followed and the staffing of the audit.
- l. Review and discuss with the independent auditor the results of the annual audit examination by the auditor and any problems or difficulties the auditor encountered in the course of their audit work, including (i) any restrictions on the scope of the independent auditor's activities or on access to requested information, (ii) any significant disagreements with management and management's responses to such matters, (iii) any accounting adjustments that were noted or proposed by the independent auditor but were "passed" (as immaterial or otherwise), (iv) any management or internal control letters issued or proposed to be issued by the independent auditor, and (v) communications between the audit team and the independent auditor's national office respecting auditing or accounting issues presented by the engagement. This review should also include discussion of the responsibilities, budget and staffing of the Company's internal audit function.
- m. Review and discuss with the independent auditor any of its reports with respect to interim periods.
- n. Annually receive and review a report from the independent auditor describing the firm's internal quality-control procedures and 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, within the preceding five years, involving one or more independent audits carried out by the firm, and any steps taken to address or respond to such issues.
- o. Receive reports from the independent auditor on the matters required to be discussed by the PCAOB and the SEC as then in effect, including (i) all critical accounting policies and practices used, (ii) all other treatments of financial information within GAAP that have been discussed with management, their ramifications and the preferences of the independent auditors, and (iii) other material written communications between the independent auditors and management.
- p. Obtain from the independent auditors annually a formal written statement of the fees billed in each of the last two fiscal years for each of the following categories of services rendered by the independent auditors to the Company and each of its subsidiaries: (i) the audit of their annual financial statements and the reviews of their quarterly financial statements or services that are normally provided by the

independent auditors in connection with statutory and regulatory filings or engagements; (ii) assurance and related services not included in clause (i) that are reasonably related to the performance of the audit or review of financial statements, in the aggregate and by each service; (iii) tax compliance, tax advice and tax planning services, in the aggregate and by each service; and (iv) all other products and services rendered by the independent auditors, in the aggregate and by each service.

- q. Obtain from the independent auditors assurance that each audit is conducted in a manner consistent with Section 10A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which sets forth certain procedures to be followed in any audit of financial statements required under the Exchange Act.

2. Oversight of Financial Reporting and Controls. The Audit Committee shall:

- a. Review and discuss with management and independent auditor the annual audited and quarterly unaudited financial statements of the Company, including:
 - i. an analysis of the independent auditor’s judgment as to the quality of the Company’s accounting principles, setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on financial statements;
 - ii. the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” including the development, selection and reporting of accounting policies that may be regarded as critical;
 - iii. significant issues regarding the Company’s accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles and financial statement presentations;
 - iv. the adequacy of the Company’s internal controls over financial reporting, any significant deficiencies in internal controls, and any significant changes in such controls;
 - v. the adequacy and effectiveness of the Company’s disclosure controls and procedures and management reports thereon;
 - vi. any material financial or non-financial arrangements of the Company that do not appear on the financial statements of the Company;

- vii. the effect of regulatory and accounting initiatives, as well as off-balance sheet structures and significant unusual transactions, on the financial statements; and
 - viii. any reports or communications (and management's and/or the internal audit function's responses thereto) submitted to the Audit Committee by the independent auditors required by or referred to in Auditing Standard No. 16, *Communications with Audit Committees*, and any other applicable accounting and auditing standards regarding matters to be communicated to the Audit Committee.
- b. Periodically review and discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP financial measures, as well as financial information and earnings guidance provided to analysts and rating agencies.
 - c. Recommend to the Board, based on the review and discussions described in paragraph 3(a) above and on the disclosures received from and discussions with the independent auditor regarding its independence, whether the financial statements should be included in the Company's Annual Report on Form 10-K for the fiscal year subject to the audit, and prepare annually the report that the SEC rules require be included in the proxy statement relating to the Company's annual meeting of stockholders.
 - d. Review and discuss with the Company's Chief Executive Officer and/or Chief Financial Officer the existence of any significant deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data, any material weakness in internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
 - e. Establish procedures in compliance with relevant law, including rules and regulations adopted by the SEC or NYSE, for receiving, retaining, and handling complaints regarding accounting, internal accounting controls and auditing matters, including procedures for confidential, anonymous submission of concerns by employees regarding accounting and auditing matters.
 - f. Risk Assessment and Risk Management. The Committee shall review and discuss policies with respect to risk assessment and risk management, including the Company's major financial risk exposures as well as reputational, legal, operational, environmental, and business risks to which the Company is or may be subject, and the steps management has taken to monitor and control such exposures.
 - g. Establish policies for the Company's hiring of employees of the independent auditor and former employees of the independent auditor (the Audit Committee maintains the Audit Committee Policy on Hiring Employees or Former Employees of the Independent Auditor).

- h. Evaluate annually the performance of the Audit Committee and submit to a review and evaluation by the Board.
 - i. Review annually the adequacy of this Charter and recommend any proposed changes to the Board for approval.
 - j. Regularly report to and review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements, and the performance of the independent auditor and the internal audit function.
3. Oversight of the Internal Audit Function. The Internal Audit Manager shall have dual reporting responsibility to both the Audit Committee and the Senior Vice President and Treasurer of the Company. The Audit Committee, as required by applicable law, rules or regulations and otherwise to the extent it deems necessary or appropriate, shall:
- a. Review and approve annually the Internal Audit Department Charter, internal audit plan, budget and resource plan of the Internal Audit Department.
 - b. Review annually with management and the Internal Audit Manager the scope and results, activities, staffing and organizational structure of the internal audit function, and receive confirmation annually from the Internal Audit Manager of the organizational independence of the Internal Audit Department.
 - c. Review the effectiveness of the internal audit function.
 - d. On a regular basis, meet separately with the Internal Audit Manager to discuss any matters, including the responsibilities, budget and staffing of the Company's internal audit function, that the Audit Committee and the Internal Audit Manager believe should be discussed privately.
 - e. Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal by management of the Internal Audit Manager and review the performance of and assist in determining the compensation of the Internal Audit Manager.
 - f. Review any reports regarding any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
 - g. Periodically discuss separately with management, the internal audit function and the independent auditor, as appropriate, the scope and adequacy of the internal accounting controls implemented to comply with the laws, rules and regulations of the SEC, the completeness and accuracy of the Company's financial disclosures

and the extent to which major recommendations made by the independent auditor or internal audit function have been implemented or resolved.

- h. Review any significant reports to management prepared by or on behalf of the Internal Audit Manager and management's responses.

4. Compliance with Legal and Regulatory Requirements. The Audit Committee shall:

- a. Review with the General Counsel any legal matter that could have a significant effect on the Company's financial statements, including any material pending legal proceedings involving the Company and other contingent liabilities.
- b. Establish procedures for the receipt, retention and treatment of complaints or reports received by the Company regarding potential violations of applicable laws, rules and regulations or that raise material issues regarding accounting and auditing matters, financial statements, the internal audit function and violations of the Company's Code of Ethics for CEO and Senior Financial Officers of LSB Industries, Inc. and Subsidiaries ("Code of Ethics") and the Statement of Policy Concerning Business Conduct of LSB Industries, Inc. and Subsidiaries (including Pre-clearance and Blackout Procedures Addendum) ("Business Conduct Policy") or other policies and procedures.
- c. Discuss, as appropriate, with management and the independent auditor any correspondence from or with regulators or governmental agencies or any published reports that raise material issues about the Company's financial statements, financial reporting process, accounting policies or internal audit function.
- d. Request assurances from management, the independent auditors and the internal audit function that any foreign subsidiaries and foreign affiliated entities, if any, operate in conformity with applicable legal requirements, including disclosure of affiliated party transactions.
- e. Review management's monitoring of the Company's compliance programs and other systems in place designed to ensure that the Company's financial statements, reports and other financial information disseminated to governmental organizations and the public satisfy applicable legal, regulatory or NYSE requirements.
- f. Review from time to time, as appropriate, with the General Counsel the Company's policies relating to ethics, business conduct and legal compliance, including but not limited to the Code of Ethics and the Business Conduct Policy, and the enforcement of those policies.
- g. To the extent requested by the Company's Compensation Committee, assist the Compensation Committee in applying any clawback policy adopted by the Board to comply with applicable rules and regulations, including the rules and regulations of the SEC and the NYSE listing standards.

5. Related Party Transactions. The Company's Management Executive Committee will initially review for approval all potential related party transactions in accordance with its Related Party Transaction Approval and Reporting Policy, and will submit all proposed "Interested Transactions" with "Related Persons" (as such terms are defined in the Company's Related Persons Transactions Policy) to the Audit Committee for final approval. The Audit Committee will review and determine whether to approve or ratify any Interested Transactions with Related Persons as set forth in the Company's Related Persons Transactions Policy. The Audit Committee will also review other policies on handling of potential conflicts of interest.

Meetings

The Audit Committee shall meet as often as may be deemed necessary or appropriate in its judgment, but not less than quarterly, either in person or telephonically. In any event, the Committee shall meet at least four times annually. The Audit Committee will meet at the call of its chairperson or two or more members of the Audit Committee, in each case on at least 24 hours personal, written, telegraphic, cable, wireless or electronic notice to each member.

At least annually, the Audit Committee shall meet in executive session with each of management, the Internal Audit Manager of the Company, and the independent auditor. The Audit Committee shall also meet periodically in executive sessions without Company management present. The Audit Committee may request any other director, employee or officer of the Company, independent advisors, counsel and consultants, and/or representatives of the Company's independent auditor to attend a meeting or to meet with the Audit Committee or its advisors. Those in attendance who are not members of the Audit Committee may observe, but may not participate in, any discussion or deliberation unless invited to do so by the Audit Committee, and in any event are not entitled to vote at the meeting. The Audit Committee may also exclude from its meetings any person it deems appropriate, other than members of the Audit Committee.

The Audit Committee may fix its own rules of procedure, subject to the requirements of this Charter, the Company's Certificate of Incorporation and Bylaws, NYSE rules and applicable laws and regulations. The Audit Committee will maintain minutes of its meetings and shall report to the full Board with respect to its meetings.

The Audit Committee may 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. Each subcommittee will keep minutes and regularly report to the Audit Committee.

At every meeting of the Audit Committee, the majority of the members of the Audit Committee shall constitute a quorum, and the affirmative vote of a majority of members present shall be necessary for the adoption by it of any resolutions. The Audit Committee may also act by unanimous written consent in lieu of a meeting.

Each director serving as a member of Audit Committee shall be indemnified with respect to such director's service on the Audit Committee pursuant to the Company's Certificate of Incorporation, Bylaws and any contractual arrangements between such director and the Company that provide for director indemnification.

Additional Powers of the Committee

The Audit Committee shall have:

1. authority to retain such outside counsel, experts, and other advisors as it determines appropriate to assist in the full performance of its functions;
2. appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board, for payment of (a) compensation to the independent auditor employed by the Company for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Company, (b) compensation to any advisors employed by the Audit Committee, and (c) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties;
3. authority to conduct or authorize investigations into any matters within its scope of responsibilities and to retain outside advisors to assist it in the conduct of any investigation; and
4. authority to perform any other activities consistent with this Charter, the Company's Certificate of Incorporation and Bylaws, the listing standards of the NYSE, and governing law as the Audit Committee or the Board deems necessary or appropriate.

Website Posting

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

Nothing contained in this Charter is intended to alter or impair the operation of the "business judgment rule" as interpreted by the courts under the Delaware General Corporation Law. Further, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Audit Committee members, except to the extent otherwise provided under federal or state law, or to alter or impair the right of the members of the Audit Committee under the Delaware General Corporation Law to rely, in discharging their responsibilities, on the records of the Company and on other information presented to the Audit Committee, the Board, or the Company by officers or employees or by outside experts such as the independent auditor.