



February 2, 2017

Re: Section 1504 of the Dodd–Frank Wall Street Reform and Consumer Protection Act

In the light of the recent debates on transparency, Kosmos would like to refer all interested parties to our long held position on this important issue.

Kosmos believes resource revenues are more likely to be managed in the best interests of a country if payments and receipts are made transparently, and if accountability measures are in place for the use of these revenues. Ideally, this process is underpinned by a national dialogue in which industry plays its part as a partner with government and civil society. Kosmos is committed to advocating for transparency in our dealings with host governments.

Kosmos is a Supporting Company of the Extractive Industries Transparency Initiative (EITI), a leading global standard that strengthens governance by promoting transparency and accountability in the oil, gas, and mining industries. We are committed to exceeding EITI requirements and have resolved to report and publish annually material payments to governments.

In 2014, we made a policy decision to disclose payments to governments at a project level, as laid out in the European Union Accounting Directive, an initiative that aims to improve corporate accounting practices and transparency. We believe that this type of disclosure is beneficial to investors, civil society, and local communities, and reflects evolving international expectations.

In October 2015, Kosmos submitted a comment letter to the United States Securities and Exchange Commission (SEC) as part of the SEC rulemaking process for Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which proposed requiring US-listed companies to disclose payments to US and foreign governments as a standard part of their reporting to the SEC. In our comment letter to the SEC, we highlighted our commitment to transparency, including our project level disclosure in accordance with the EU Accounting Directive. A copy of this letter is available at: <http://www.sec.gov/comments/df-title-xv/resource-extraction-issuers/resourceextractionissuers-95.pdf>

We believe that our approach to transparency helps us manage social and political issues, establishing Kosmos as a partner of choice and mitigating barriers to growth.

For more information, please refer to page 9 of our [2015 Corporate Responsibility Report](#) that addresses Kosmos' position regarding transparency, specifically our policy to publish payments to governments in accordance with the EU Accounting Directive. This disclosure can also be found on our website using this link: <http://www.kosmosenergy.com/responsibility/transparency.php>.