





Kosmos Energy was founded in 2003 with the goal of creating value for all our stakeholders including: investors, employees and the governments and the citizens of our host countries. As Kosmos has transformed into a public company, this goal has become our mission. While the company exists primarily to provide returns to investors, this is most likely to be achieved, over the longer term, through advancing the societies in which we work.

These Principles reflect the values that have guided us through our first decade. They are also informed by what we have learned over those early years and by what our stakeholders have told us about their expectations of a responsible oil and gas company. We thank them for their insights.

#### Kosmos Energy Business Principles Summary

We believe that creating value for all our stakeholders – employees, investors, governments, communities and business partners – is the best foundation for a sustainable business. Our Business Principles reflect our values and practices across six key areas:



If you believe that any practice by Kosmos employees or contractors raises questions as to compliance with our policies or applicable laws, you can report it through the following website or number: https://kosmosenergy.alertline.com or 1.888.419.0569 (toll free if called from within the United States).

## **1** Responsibilities to Stakeholders

Strong and supportive relationships with our stakeholders underpin our business and create value.

**Shareholders:** We aim to create attractive returns for our investors in a manner which builds long-term value; and to manage the full range of business risks in such a way as to build wide support in the countries where we operate and, thereby, to protect our investments.

**Employees:** We aim to recruit the most appropriately skilled individuals and to provide stimulating and rewarding careers. We will not tolerate unfair discrimination and are committed to recruiting and promoting people on the basis of their potential and performance. We aim to create a culture that combines an entrepreneurial and team-based approach with ethical behavior. **Governments:** Our host nations are the owners of the resources which we explore for and develop. We, therefore, seek to establish a collaborative approach with our host governments. Through acting in an open and accountable manner and seeking to contribute to development, we aim to be, and to remain, a welcome investor.

**Communities:** We are committed to respecting human rights and to broadlybased consultation and engagement with the communities directly associated with our operations. Through doing business responsibly we aim to improve lives, create opportunities and minimize harm.

#### Business partners and suppliers: We

seek to work with companies who share our values and standards. We aim to build sustainable economic opportunities through seeking to source goods and services from the countries where we work.

**Civil society organizations:** We recognize the important role that NGOs and other civil society groups play in a free society, including in holding governments and companies to account. Engagement with civil society groups increases our understanding of the societies in which we work and helps us to make better decisions. NGOs may be valued partners in helping to deliver impactful social investment programs.

# 2 Ethical Conduct

We aim to foster a culture based on integrity, professionalism, respect, fairness and legal and ethical compliance. We will take responsibility, and be accountable, for our actions.

We are committed to compliance with applicable laws and aim to align our conduct with international standards of good practice.

Corruption in many resource-rich countries has prevented their citizens from benefiting fully from the fruits of their country's natural resources. We have zero tolerance of corruption and have, and will maintain, a robust compliance program. We are politically neutral and will not provide funding for candidates or party political entities. We will be advocates for transparency in our dealings with host governments, including through our support for the Extractive Industries Transparency Initiative (EITI). We will annually publish our material payments to governments. Where this is acceptable to our host governments, we prefer to make the material terms of our exploration and production agreements with them publicly available.

It is the responsibility of every employee to uphold the company's stated values and standards through their conduct and to report any concerns they may have that the conduct of others has fallen short of these standards. No one will be penalized for making such reports in good faith either through their linemanager or the Kosmos whistle blower system which allows for information to be reported anonymously.

# **3** Our Workplaces

We expect our managers to show leadership and to provide clear direction to their teams, including in ensuring adherence to the standards set out in this document.

We have a fundamental commitment to the health and safety of our employees and of those who work with us. We aim to eliminate accidents. No one will be required to work in unsafe conditions.

Recruitment and advancement in Kosmos are based on merit. We will not tolerate unfair discrimination, including on grounds of age, gender, race, religion or sexual orientation. We will seek to promote diversity in our workforce both because it is the right thing to do and because it gives us access to the widest range of talents. We are committed to investing in the development of our employees. Where openings exist, we will seek to employ suitably qualified individuals from the countries in which we operate.

Our operations are places in which people are expected to work co-operatively in an entrepreneurial environment and where everyone should feel respected and free to contribute their ideas. We will not tolerate harassment or intimidation.

We recognize the fundamental labor rights including the right to freedom of association. We will not permit child, forced or bonded labor at our operations or amongst our suppliers. We require our contractors to adhere to core international labor standards and local laws and pay their employees sufficiently at least, to meet their basic needs, in the context of their local labor market.





# **4** Kosmos and the Environment

We respect the environment and will seek to prevent or minimize adverse impacts by conforming with best practices in our industry.

We plan for an effective and timely response to emergencies that have the potential to impact personnel, the environment, local communities, or our assets. Training, exercises, and drills will be conducted with both internal and external stakeholders to continuously improve our readiness to respond. We endeavor to use resources efficiently and responsibly, including through the application of appropriate technical solutions and regular monitoring. We are committed to reducing emissions and waste. We recognize the importance of protecting and conserving biodiversity and maintaining ecosystem services and will aim to promote the sustainable management of living natural resources through the adoption of practices that integrate conservation needs with development priorities.



#### 5 Kosmos in Society

We will only proceed with material activities once we have assessed and, where necessary and practicable, sought to put in place measures to avoid or mitigate adverse environmental or social impacts.

We will seek to prevent or minimize adverse risks to community health, safety and security.

We respect human rights and seek to avoid causing or contributing to adverse impacts upon them through our operations or business relationships. We will exercise due diligence in identifying and, where matters are within our control, mitigating any infringements of human rights.

Where it is practicable to do so, we will use our influence with host governments to raise issues relating to the human rights of our employees and communities associated with our operations either directly or in collaboration with others.

We will implement the Voluntary Principles on Security and Human Rights and seek to apply relevant aspects of the United Nations Guiding Principles on Business and Human Rights.

We understand the fundamental importance of respecting human dignity and of proceeding with respect for the cultures of our host countries and communities. We will engage regularly with the communities associated with our operations in order to understand their priorities and any concerns. We wish to create a relationship based on respect and equality. We will seek to earn the broadlybased support of the communities where we work. We will develop and maintain mechanisms for addressing grievances related to our activities. It is important that citizens are able to achieve redress if they suffer harm as a result of our operations.

We aim to build human capacity and create economic opportunities including, where practicable, through our commitment to local content and skills development and social investment.

We recognize both the opportunities and the challenges which resource development can create for host countries. We are committed to working with governments and civil society groups to maximize the chances of our activities contributing to sustainable development.

### 6 Commercial Relationships

We expect our business partners, agents, suppliers and contractors to behave ethically. Their willingness to observe standards comparable to those set out in these Principles and our supporting policies will be a key consideration in any decision on whether to work with them. We will exercise due diligence in the selection of partners and suppliers and will allocate contracts through transparent and fair processes. We commonly work with co-venturers, who may have day to day control of operations: we will seek to influence such joint ventures so that they operate in a manner consistent with these Principles.

We require our employees to deal honestly and fairly with governments, regulators, investors, customers, suppliers, the public and each other. Employees must not seek to obtain unfair advantages for themselves or the company through manipulation, misrepresentation or concealment of material information. Employees must avoid conflicts of interest or the appearance of any such conflicts.

Our employees and contractors are prohibited from misusing privileged information to indulge in, or assist others to participate in, insider dealing. We expect our employees and contractors to respect confidential and proprietary information and we similarly undertake to protect the intellectual property of others.

Anti-trust laws prohibit collusion between competitors on matters such as prices, terms of sale and allocating markets or customers. We prohibit employees from indulging in such anticompetitive activities. We recognize the role which the taxes, royalties and fees we pay should play in the economic development of our host countries. We will be honest in our declarations and pay the required sums. We will not allow any form of abusive transfer pricing.

We aim to ensure that our public disclosures are timely, honest, consistent and not misleading. We will report publicly on material aspects of our performance, including on the implementation of these Principles. Directors, officers and employees are required to comply with all aspects of these Principles in their work activities and in representing the company. Any failure to do so may result in disciplinary action. Appropriate mechanisms will be maintained to monitor and report on compliance with these Principles.

These Principles will be at the core of the way in which we manage the company and of our business relationships. We will communicate them widely to employees and external stakeholders. We will support these Principles, as necessary, with more detailed policies and management systems to ensure compliance and will review the terms of this document from time to time in the light of experience and of input from our stakeholders.



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