

C0. Introduction

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C0.1

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**(C0.1) Give a general description and introduction to your organization.**

Kosmos is a full-cycle deepwater exploration and production company with a diversified production base, a world-class gas development, and value creation opportunities from exploration in the proven basins where we operate.

As a responsible company, we are working hard to:

- Supply the energy the world needs today
- Find and develop cleaner energy to advance the energy transition, and
- Be a force for good in our host countries by creating economic opportunity and driving social development.

Our long-standing Business Principles work to enable our purpose and are at the core of the way we do business. Directors, officers and employees are required to comply with all aspects of these Principles in their work activities. Additionally, we use the UN Sustainable Development Goals as a template to guide our activities and contribute to the communities and societies in which we operate.

Kosmos recognizes that the world faces a serious challenge from climate change and the role played by humanity.

We welcome the Paris Agreement reached within the United Nations Framework Convention on Climate Change in 2015 and see it as a key step in global efforts to address climate change. We understand that achieving the internationally accepted target of limiting mean global temperature rises to below 2°C above pre-industrial levels will require significant and sustained reductions in greenhouse gas emissions.

In addition, around 1 billion people still lack access to electricity, and global energy needs are expected to increase by 25% by 2040 (International Energy Agency, World Energy Outlook, 2019). This will be driven, in particular, by emerging economies such as those in which Kosmos focuses much of its investment. The International Energy Agency (IEA) estimates that \$2.7 trillion of investment in new energy supply per year will be required to meet these needs (International Energy Agency, World Energy Outlook, 2019).

This presents a dual challenge: reducing greenhouse gas emissions while promoting prosperity which brings growing energy demand. It will require action from all parts of society: governments, civil society and the private sector.

It will also have major implications for the industry in which Kosmos operates. We must integrate the challenges and opportunities that climate change and the global energy transition present to our business into our core strategy if we are to continue to contribute to global sustainable development over the long term.

C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2019	December 31 2019	Yes	1 year

C0.3

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**(C0.3) Select the countries/areas for which you will be supplying data.**

- Côte d'Ivoire
- Equatorial Guinea
- Ghana
- Mauritania
- Namibia
- Sao Tome and Principe
- Senegal
- South Africa
- Suriname
- United Kingdom of Great Britain and Northern Ireland
- United States of America

**C0.4**

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

- USD

**C0.5**

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

- Operational control

**C-OG0.7**

**(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?**

**Row 1**

**Oil and gas value chain**

- Upstream

**Other divisions**

- Please select

**C1. Governance**

**C1.1**

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

- Yes

**C1.1a**

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board-level committee	The Kosmos Energy Board of Directors (BOD) is responsible for oversight of the company's strategy including our response to climate change. Board Committees have a subset of responsibilities related to their specific function (e.g. Audit, Compensation, etc.) The Health, Safety and Environment (HSE) Committee is specifically responsible for setting the climate policy and strategy together with targets. It makes recommendations to the Board and oversees the company's processes for identifying, managing, and mitigating climate-related risks. The committee additionally monitors medium and long-term performance as well as the plans for managing climate change. Climate change is a standing agenda item for each meeting of the HSE Board Committee. The Committee played an integral role in establishing Kosmos' Climate Change Policy and strategy, published in February 2020. The Committee monitors external and internal developments on climate change and reports regularly to the full Board on the actions Kosmos is taking to mitigate climate-related risks and to pursue opportunities. For example, in February 2019, the HSE Board Committee assessed actions Kosmos had taken to date to address climate-related risks and opportunities and outlined an action plan which included: a commitment to greater external reporting and submission of the CDP climate change questionnaire ; strengthening emissions measurement methodologies; seeking more emissions reduction opportunities; educating and engaging the wider Kosmos organization on climate change; and developing a more thorough external engagement strategy to understand stakeholder perspectives on the matter. In May 2019, the Committee followed up on this action plan and requested two additional workstreams: benchmarking Kosmos' climate position against that of peer companies and drafting a climate change policy. This led to the development of Kosmos' formal Climate Change Policy, which was discussed at the August 2019 HSE Board committee meeting, approved at the full Board meeting in September 2019 and first published in February 2020. Climate change remains a standing agenda item for the HSE Board Committee. The Committee has mandated and approved additional workstreams, such as integration of climate-related risk into our supply chain, reporting and disclosure recommendations and nature-based carbon capture solutions.

**C1.1b**

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> <li>Reviewing and guiding strategy</li> <li>Reviewing and guiding major plans of action</li> <li>Reviewing and guiding risk management policies</li> <li>Reviewing and guiding annual budgets</li> <li>Reviewing and guiding business plans</li> <li>Setting performance objectives</li> <li>Monitoring implementation and performance of objectives</li> <li>Overseeing major capital expenditures, acquisitions and divestitures</li> <li>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</li> </ul>	<Not Applicable>	<p>The Kosmos Energy Board of Directors (BOD) is responsible for oversight of the company’s strategy including our response to climate change. Board Committees have a subset of responsibilities related to their specific function (e.g. Audit, Compensation, etc.). The Compensation Committee reviews and approves the climate goals and objectives relevant to employee and executive compensation. The Compensation Committee is also responsible for evaluating performance relative to climate goals and objectives when determining year-end incentive payouts. The HSE Committee is responsible for setting the climate policy and strategy together with targets. It makes recommendations to the Board and oversees the company’s processes for identifying, managing, and mitigating climate-related risks. The Committee additionally monitors medium and long-term performance as well as the plans for managing climate change. Climate change is a standing agenda item for each meeting of the HSE Board Committee. The Committee played an integral role in establishing Kosmos’ Climate Change Policy and strategy, published in February 2020. The Committee monitors external and internal developments on climate change and reports regularly to the full Board on the actions Kosmos is taking to mitigate climate-related risks and to pursue opportunities. The Nominating and Corporate Governance Committee oversees the size, composition, function and duties of the Board. The Committee helps ensure that both the Board and the executive team have the right skill set for adequately understanding and overseeing climate-related risks. The Audit Committee reviews the Company’s policies and practices with respect to risk assessment and risk management using the Enterprise Risk Management (ERM) model, which includes the management of climate-related risks on quarterly schedule by senior executives and Business Unit heads.</p>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Safety, Health, Environment and Quality committee <i>This committee is called the “Health, Safety, Environment and Security Board Committee” in Kosmos.</i>	<Not Applicable>	Both assessing and managing climate-related risks and opportunities <i>The HSE Committee is responsible for setting the climate policy and strategy together with targets. It makes recommendations to the Board and oversees the company’s processes for identifying, managing, and mitigating climate-related risks. The Committee additionally monitors medium- and long-term performance as well as the plans for managing climate change. Climate change is a standing agenda item for each quarterly meeting of the HSE Board Committee. The Committee played an integral role in establishing Kosmos’ Climate Change Policy and strategy, published in February 2020.</i>	<Not Applicable>	Quarterly
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

**C1.2a**

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

At Kosmos, strong governance begins at the highest level of the company with the Board of Directors and Health, Safety and Environment (HSE) Board Committee. To provide further accountability for climate change throughout the company, we established the CEO-led Climate Change Task Force, an interdisciplinary group responsible for implementing our climate change policy at the operational level. This Task Force reports to the HSE Board Committee quarterly and the HSE Board Committee in turn discusses climate-related risks and opportunities with the full Board.

The Kosmos Climate Change Task Force was formed to facilitate a cohesive, multi-disciplinary approach to managing climate change risks and opportunities at the operational level. It is composed of individuals across the business, including senior executives and employees from business units, risk management, corporate planning, social responsibility, HSE, exploration, oil and gas marketing, investor relations and communications. Task Force representatives gather relevant information from their respective business areas, elevate risks and opportunities to the HSE Board Committee, and implement our Climate Change Policy and goals across the organization. External, independent sustainability and climate experts join Task Force meetings periodically to provide further insights into future climate developments and emerging best practices.

**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

**C1.3a**

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Behavior change related indicator Company performance against a climate-related sustainability index	As part of our governance structure, we set performance targets linked to compensation that hold all employees, including senior executives, accountable for delivering on our climate-related goals. At the beginning of this year, we included climate-related goals at every level of the organization through the corporate scorecard, which influences the performance-based compensation of every individual in the company (along with other, non-climate related metrics). Additionally, climate-related targets are integrated into the performance contracts of key individual senior executives and employees. These performance contracts also influence individual pay for senior executives and their team members.
All employees	Monetary reward	Behavior change related indicator Company performance against a climate-related sustainability index	As part of our governance structure, we set performance targets linked to compensation that hold all employees, including senior executives, accountable for delivering on our climate-related goals. At the beginning of this year, we included climate-related goals at every level of the organization through the corporate scorecard, which influences the performance-based compensation of every individual in the company (along with other, non-climate related metrics). Additionally, climate-related targets are integrated into the performance contracts of key individual senior executives and employees. These performance contracts also influence individual pay for senior executives and their team members.

**C2. Risks and opportunities**

**C2.1**

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

**C2.1a**

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	5	
Medium-term	5	10	
Long-term	10	20	

## C2.1b

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### (C2.1b) How does your organization define substantive financial or strategic impact on your business?

At the corporate level, management annually defines risks to the business using a materiality matrix, which assesses risks against their likelihood of occurrence and their potential financial impacts. The key areas of risk and their associated mitigation plans are then elevated to the Board of Directors Audit Committee for evaluation.

The Energy Transition is included on the company-wide risk register based on the materiality factors of likelihood and potential costs to the business. Therefore, each business unit evaluates Energy Transition risks during Quarterly Performance Reviews (QPRs) and assigns ownership and risk management plans accordingly.

## C2.2

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### (C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

#### Value chain stage(s) covered

Direct operations  
Upstream  
Downstream

#### Risk management process

Integrated into multi-disciplinary company-wide risk management process

#### Frequency of assessment

More than once a year

#### Time horizon(s) covered

Short-term  
Medium-term  
Long-term

#### Description of process

Kosmos uses a robust ERM process at the corporate and business unit level to identify, manage, and mitigate risks to our business including climate-related risks. The process effectively embeds climate-related risk analysis into the decision-making processes of each business unit and aligns business unit risks with those of the company overall. Annually, this process requires corporate-level risks to be defined using a materiality matrix, and subsequently reviewed with the Board of Directors. Following this, corporate-level risks are assigned to specific owners within the Senior Leadership Team (SLT). Next, accountability for risks is distributed within business units. During Quarterly Performance Reviews (QPRs), each business unit uses the corporate-level risks as a framework for a more granular risk assessment, with mitigation actions assigned and addressed in each subsequent QPR. For example, in the 4Q 2019 Gulf of Mexico business unit QPR, the climate change risk of capturing timely, decision-useful emissions data and investing in tangible emissions reduction technology was discussed when the team evaluated its exposure to the corporate-level 'Energy Transition' risk. To address this potential risk, ownership was assigned to the Vice President of HSE, and a risk mitigation plan was created. The mitigation plan requires the business unit to capture timely, accurate emissions data from contractors and service providers, as well as the use of a digital Environmental Reporting Application that allows for real-time emissions data analysis. Kosmos manages physical risks to our business through a robust HSE Management System. This system requires crisis preparedness plans for our operations, with a particular focus on preparedness for operations located in areas prone to significant weather events. Our physical risk management plans also include frequently updated business continuity plans. Categorized by weather intensity, these business continuity plans outline actions in the case of a significant weather event near our facilities, including preparation activities for personnel, equipment, and facilities, as well as evacuation measures if necessary. These business continuity plans are reviewed at least annually by the HSE team and third-party experts to ensure they fully capture and adequately plan for potential physical interruptions. Kosmos also carries out regular drills to ensure full preparedness. As Kosmos does not operate any of the production platforms or vessels which process our production, we have limited control of the management of physical risks to the above-water infrastructure that our subsea tiebacks utilize. Still, we monitor these risks and maintain close contact with our infrastructure operators to ensure they have robust risk mitigation plans and sound emergency response mechanisms to protect our interests. In addition to these mechanisms, Kosmos also utilizes Loss of Production Income (LOPI) insurance to protect our assets.

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## C2.2a

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**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	At the corporate level, management annually defines risks to the business using a materiality matrix, which assesses risks against their likelihood of occurrence and their potential financial impacts. An example of risk type in this area would be Enhanced emissions reporting obligations in the short to medium term. Kosmos currently faces few mandatory emissions reporting obligations, and reports emissions and other climate-related metrics according to voluntary standards such as the CDP and TCFD. However, it is possible such standards will be incorporated into regulatory requirements in future. We believe that such a move would in any case fit our approach to transparency.
Emerging regulation	Relevant, always included	At the corporate level, management annually defines risks to the business using a materiality matrix, which assesses risks against their likelihood of occurrence and their potential financial impacts. An example of risk type in this area would be Carbon Pricing mechanisms in the medium term. Kosmos is not currently affected by regulatory emissions pricing, taxation or emissions trading schemes, and we expect that it is likely to be some time before global carbon pricing becomes a practical reality. Even if we are not directly impacted by carbon pricing mechanisms, we recognize that such costs could be passed down through the supply chain and result in increased operational costs over time.
Technology	Relevant, always included	At the corporate level, management annually defines risks to the business using a materiality matrix, which assesses risks against their likelihood of occurrence and their potential financial impacts. An example of risk type in this area would be Substitution of existing products and services with lower emissions options over the medium to long term. Technological advancements could produce new or improved hydrocarbon alternatives and in turn potentially reduce demand for our products over time.
Legal	Not relevant, included	
Market	Relevant, always included	At the corporate level, management annually defines risks to the business using a materiality matrix, which assesses risks against their likelihood of occurrence and their potential financial impacts. An example of risk type in this area would be Uncertainty in market signals over the short term. Significant uncertainty exists around the implementation of the Paris Agreement and the speed, depth and geographic distribution of the global energy transition, making it difficult to determine the timing and magnitude of climate-related risks and opportunities as they relate to our business.
Reputation	Relevant, always included	At the corporate level, management annually defines risks to the business using a materiality matrix, which assesses risks against their likelihood of occurrence and their potential financial impacts. An example of risk type in this area would be Increased stakeholder concern or negative stakeholder feedback over the short to medium term. Increasing concerns around the potential impacts of climate change mean that companies that do not address the issue risk being perceived negatively by investors, becoming divestment targets, or suffering increased cost of capital.
Acute physical	Relevant, always included	At the corporate level, management annually defines risks to the business using a materiality matrix, which assesses risks against their likelihood of occurrence and their potential financial impacts. An example of risk type in this area would be Changing weather patterns, potentially including increased severity and frequency of extreme weather events. Potential impacts of climate change could affect operations and production through increased downtime, transportation difficulties, supply chain interruptions, or impacts on our workforce and require adaptation measures resulting in increased operational costs.
Chronic physical	Relevant, always included	

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Kosmos is not currently affected by regulatory emissions pricing, taxation or emissions trading schemes, and we expect that it is likely to be some time before global carbon pricing becomes a practical reality. Even if we are not directly impacted by carbon pricing mechanisms, we recognize that such costs could be passed down through the supply chain and result in increased operational costs over time.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Accurate emissions accounting across our value chain using best-practice international methodologies; Efficient, low-cost, less-carbon-intensive operations; Investment in nature-based carbon capture solutions to mitigate emissions we cannot eliminate; Monitoring the US and international regulatory environment

**Comment**

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**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Enhanced emissions-reporting obligations
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Kosmos currently faces few mandatory emissions reporting obligations, and reports emissions and other climate-related metrics according to voluntary standards such as the CDP and TCFD. However, it is possible such standards will be incorporated into regulatory requirements in future. We believe that such a move would in any case fit our approach to transparency.

**Time horizon**

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Emissions accounting across our value chain using best-practice international methodologies

**Comment**

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**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Emerging regulation	Mandates on and regulation of existing products and services
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Increasing concern around the impact of climate change and efforts to meet the Paris Agreement could lead to more international agreements and regulatory measures seeking to curb global GHG emissions, which could in turn lead to new mandates on or regulation of Kosmos' business potentially increasing costs or affecting demand.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure****Cost of response to risk****Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Monitoring the international regulatory environment; Efficient, low-cost, less-carbon intensive operations; Target exploration opportunities, both infrastructure-led and through material play extensions, in proven basins which yield higher returns and faster paybacks; Refrain from pursuing new access to and reduce exposure to frontier basins

**Comment****Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Technology	Substitution of existing products and services with lower emissions options
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**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Technological advancements could produce new or improved hydrocarbon alternatives and in turn potentially reduce demand for our products over time.

**Time horizon**

Medium-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure****Cost of response to risk****Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Efficient, low-cost, less-carbon intensive operations; Integrating substitution as a value driver in our scenario analysis; Target exploration opportunities, both infrastructure-led and through material play extensions, in proven basins which yield higher returns and faster paybacks; refrain from pursuing new access to and reduce exposure to frontier basins

**Comment****Identifier**

Risk 5

**Where in the value chain does the risk driver occur?**

Direct operations



**Risk type & Primary climate-related risk driver**

Technology	Transitioning to lower emissions technology
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Partners or host countries may require use of new, lower-emissions technologies in our operations in order to do business with Kosmos, which could result in additional operational expenditures.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Efficient, low-cost, less-carbon intensive operations; Monitoring of external technological developments and introduction of cost-effective new technologies when applicable

**Comment**

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**Identifier**

Risk 6

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Market	Changing customer behavior
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**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Our response and mitigation efforts include: Consumption of our products may change due to possible stigmatization of hydrocarbon-based fuels, technological advancements, and/or regulatory impacts from the global implementation of the Paris Agreement, as well as societal preferences for lower-carbon alternatives.

**Time horizon**

Medium-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Efficient, low-cost, less-carbon intensive operations; Integrating behavioral shifts as a value driver into our scenario analysis

**Comment**

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**Identifier**

Risk 7

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Market	Uncertainty in market signals
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Significant uncertainty exists around the implementation of the Paris Agreement and the speed, depth and geographic distribution of the global energy transition, making it difficult to determine the timing and magnitude of climate-related risks and opportunities as they relate to our business.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Monitoring the international regulatory environment; Scenario analysis; Hedging program

**Comment**

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**Identifier**

Risk 8

**Where in the value chain does the risk driver occur?**

Upstream

**Risk type & Primary climate-related risk driver**

Market	Increased cost of raw materials
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Market shifts may make it difficult or more expensive to access talent, service providers, and raw materials for our operations.

**Time horizon**

Medium-term

**Likelihood**

Unlikely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Efficient, low-cost, less-carbon intensive operations; Reporting against TCFD recommendations and transparently engaging with investors and other stakeholders on our climate change approach

**Comment**

**Identifier**

Risk 9

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Reputation	Increased stakeholder concern or negative stakeholder feedback
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**Primary potential financial impact**

Decreased access to capital

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Increasing concerns around the potential impacts of climate change mean that companies that do not address the issue risk being perceived negatively by investors, becoming divestment targets, or suffering increased cost of capital.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Reporting against TCFD recommendations and transparently engaging with stakeholders on our climate change approach; Efficient, low-cost, less-carbon intensive operations; Inclusion of ESG metrics on corporate scorecard to incentivize action on climate change and facilitate the achievement of climate goals; Target exploration opportunities, both infrastructure-led and through material play extensions, in proven basins which yield higher returns and faster paybacks; refrain from pursuing new access to and reduce exposure to frontier basins

**Comment**

**Identifier**

Risk 10

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Market	Other, please specify (Geopolitical risks in countries reliant on extractive industry revenues (e.g. political, economic or social instability))
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**Primary potential financial impact**

Decreased revenues due to reduced production capacity

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Potential economic uncertainty caused by shifting demand and fluctuating oil and gas prices has the potential to cause instability in host countries and lead to increased geopolitical risk, which in turn could impact our operations.

**Time horizon**

Long-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure****Cost of response to risk****Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Monitoring political and social risks in host countries and engaging with host governments; Integrating these value drivers into our scenario analysis; Use of stabilization agreements where possible

**Comment****Identifier**

Risk 11

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Other, please specify (Changing weather patterns, potentially including increased severity and frequency of extreme weather events )
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**Primary potential financial impact**

Decreased revenues due to reduced production capacity

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Potential impacts of climate change could affect operations and production through increased downtime, transportation difficulties, supply chain interruptions, or impacts on our workforce and require adaptation measures resulting in increased operational costs.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure****Cost of response to risk****Description of response and explanation of cost calculation**

Our response and mitigation efforts include: Robust HSE management systems that build in responses to physical climate risk across our operations; Integration of potential costs into asset models and business strategy; adopting adaptation measures; Loss of Production Income (LOPI) insurance coverage for physical damage that occurs as a result of some weather events

**Comment**

## C2.4

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### (C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

## C2.4a

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### (C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Use of more efficient production and distribution processes

**Primary potential financial impact**

Reduced direct costs

**Company-specific description**

Investing in efficiency measures enables us to reduce operating costs while maintaining or potentially increasing production capacity.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure****Cost to realize opportunity****Strategy to realize opportunity and explanation of cost calculation**

Our response and mitigation efforts include: Research and investment in emissions reduction technologies and efficiency projects; Accurate emissions measurement using best-practice international methodologies

**Comment**

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**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

We believe our current portfolio of advantaged oil and gas assets and our strategic focus on exploration in proven basins present a significant opportunity for Kosmos to thrive during the energy transition, particularly as exploration around proven basins can be developed on an accelerated timeline and with lower overall carbon intensity.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

Target exploration opportunities, both infrastructure-led and through material play extensions, in proven basins which yield higher returns and faster paybacks; Refrain from pursuing new access to and reduce exposure to frontier basins; Continuing to invest in low-cost, lower-carbon resources

**Comment**

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**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Access to new markets

**Primary potential financial impact**

Increased access to capital

**Company-specific description**

We believe companies that demonstrate robust management of climate-related risks and opportunities will outperform peers, increase access to capital, and reap reputational benefits, including by positioning themselves as a partner of choice for host governments and joint-venture partners.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

Reporting against TCFD recommendations and transparently engaging with investors and other stakeholders on our climate change approach

**Comment**

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### C3. Business Strategy

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#### C3.1

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**(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes

#### C3.1a

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**(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?**

Yes, quantitative

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C3.1b

(C3.1b) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
IEA Sustainable development scenario IEA NPS IEA CPS	<p>Kosmos conducted detailed, asset-level climate change scenario analysis at the end of 2019 (the conclusions of which were published on our website in February of 2020) and again in August 2020 following the fall in oil prices due to the COVID-19 pandemic. By running the analysis a second time, we were able to consider any impact on our portfolio from the additional turbulence caused by the pandemic. The analysis helped us understand how best to assess the potential economic consequences of the global energy transition on our business and how our portfolio might be impacted under different energy transition scenarios. In turn, this enables us to plan for the risks and opportunities related to the energy transition, including what they might mean for our business strategy, portfolio management and capital allocation. There is no universal methodology for climate scenario analysis, and best practices continue to evolve. At Kosmos, we believe that we have developed a robust process supported by a leading independent sustainability firm and with guidance from climate experts across the industry, investment community, and civil society. First, we built our understanding by benchmarking peer scenario analysis and engaging stakeholders on possible approaches. We then developed a clear and straightforward approach for Kosmos, modelled on the industry-standard scenarios developed by the IEA, including the IEA’s New Policies and Sustainable Development Scenarios as outlined in their 2018 World Energy Outlook. As a base case for comparing the impacts of these scenarios, we used an industry-consensus view of expected demand and supply in order to produce likely future oil and LNG prices at breakeven cost, if climate considerations were not included. We then ran the analysis, testing the resilience of our portfolio against the scenarios at an asset (Business Unit) level. Our senior management team, HSE Board Committee and Board reviewed the findings of the scenario analysis and approved the resulting conclusions for Kosmos’ long-term business strategy. We will continue to update the scenario analysis exercise periodically to ensure our strategy remains robust. <b>METHODOLOGY</b> Our scenario analysis modelled the various ways in which a transition to a lower-carbon economy could impact the value of our portfolio through 2040. We used three scenarios in our analysis, including one sub-2°C scenario. These are: • A Baseline Scenario, which uses an industry-consensus view of how global energy markets would evolve if governments made no changes to existing policies and measures. • The IEA New Policies Scenario (renamed Stated Policies Scenario in 2019), which assumes the climate policies and targets announced by governments (prior to 2018) are enacted. This scenario estimates a median temperature rise of at least 2.7°C; and • The IEA Sustainable Development Scenario, which maps out an accelerated transition to a low-carbon economy. This scenario projects a median temperature rise in 2100 of approximately 1.7-1.8°C (based on the trajectory shown by its modelling period, which runs until 2040). Our independent expert advisors then modelled how the energy transition pathways outlined under the scenarios would impact the key value driver for the oil and gas industry: hydrocarbon prices. This model forecast the differences in hydrocarbon prices under the New Policies and Sustainable Development Scenarios against the Baseline Scenario for longer-term oil and gas price trajectories. While hydrocarbon prices have the biggest impact on valuations, we recognize that the energy transition is expected to have other effects and therefore incorporated two additional value drivers into our analysis: country risk and fiscal take in the countries where we operate.</p>

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Consumption of our products may change due to possible stigmatization of hydrocarbon-based fossil fuels, technological advancements, and/or regulatory impacts from the global implementation of the Paris Agreement, as well as societal preferences for lower-carbon alternatives. Kosmos is researching and investing in emissions reduction technologies and efficiency projects, as well as accurate emissions measurement using best-practice international methodologies. Additionally, we are not seeking new access to frontier oil basins, instead pursuing exploration in proven basins and continuing to invest in low-cost, lower-carbon resources.
Supply chain and/or value chain	Yes	Kosmos is not the operator for most of our operations. Our ability to reduce emissions therefore lies upon establishing relationships and influence with partners that share similar views on the necessity of reducing emissions and working with them to implement efficiency improvements and emissions reduction projects. We also utilize contractually binding language to drive supply-chain partners towards more efficient operations and work with host governments and partners to find low-cost, lower-carbon, mutually beneficial solutions. To incorporate efficiency into our supply chain, we have added specific parameters into our decision criteria for selecting vendors and suppliers. These parameters are then included in new or revised contracts with suppliers and business partners and obligate them to track emissions in line with our standards and work towards greenhouse gas emissions reductions in operations performed for Kosmos. Below is an excerpt from our Request for Proposals, which obligates suppliers to reduce emissions in their own operations: Carbon Emissions Reduction Company [Kosmos] is committed to reduce its carbon footprint and become carbon neutral. Contractor shall submit a carbon emissions reduction plan as part of its Proposal. The plan shall address (1) Contractor’s overall commitment to reducing carbon and other greenhouse gas (GHG) emissions at a corporate level such as its mission statement, governance, objectives, targets, organization and results; and (2) how Contractor will reduce GHG emissions related to the Work set forth in this Request for Proposals. Contractor will be required to report its fuel consumption and emissions statistics under the resultant contract. The methods and assumptions used to develop, calculate and verify emission reductions shall be transparent and auditable.
Investment in R&D	Yes	To enhance our ability to track emissions, Kosmos worked with a leading data analytics company to produce a real-time Environmental Reporting Application. The application digitizes environmental reporting on carbon emissions and waste generated in our operations and contains six modules that capture fuel data and associated emissions, mud recordings, solid waste, wastewater, drill cuttings, and E&P waste. The interactive app is accessible by desktop and mobile device, and allows users to view historical data, track real-time information, and predict future emissions trends based on activity level. By implementing the application, we increased data accuracy, eliminated manual data entry, and can now discern patterns that will inform ongoing emissions reduction initiatives. We have also committed to investing in nature-based solutions in regions where Kosmos has significant operations. Our first step is to identify and implement emissions reduction projects in our operations, but if there are emissions in our operations we cannot eliminate, we will mitigate the impact of these through investment in nature-based solutions. In addition to carbon and environmental benefits, these projects will bring economic and social co-benefits, contributing to a broad range of the UN Sustainable Development Goals. We have also committed to support Tierra Foundation, a non-profit that aims to improve quality of life and the environment by combining scientific and technical expertise with entrepreneurial innovation to develop market-based blue carbon solutions. Kosmos is supporting Tierra Foundation to disseminate lessons learned from this vital work, advance the science and research around wetlands and blue carbon, and scale solutions to bring this valuable method of carbon sequestration to market.
Operations	Yes	Kosmos is not the operator for most of our operations. Our ability to reduce emissions therefore relies upon establishing relationships and influence with partners that share similar views on the necessity of reducing emissions and working with them to implement efficiency improvements and emissions reduction projects. We also utilize contractually binding language to drive supply-chain partners towards more efficient operations and work with host governments and partners to find low-cost, lower-carbon, mutually beneficial solutions. In 2019, we engaged key suppliers and business partners in the U.S. Gulf of Mexico on how we might work together to reduce operational emissions. To date, we have integrated emissions performance into our supply decisions and implemented real-time emissions tracking to monitor our activity and emissions fluctuations. We plan to continue to engage our business partners and identify and invest in emissions-saving opportunities. Kosmos also manages physical risks to our business through a robust HSE Management System. This system requires crisis preparedness plans for our operations, with a particular focus on preparedness for operations located in areas prone to significant weather events. Our physical risk management plans also include frequently updated business continuity plans. Categorized by weather intensity, these business continuity plans outline actions in the case of a significant weather event near our facilities, including preparation activities for personnel, equipment, and facilities, as well as evacuation measures if necessary. These business continuity plans are reviewed at least annually by the HSE team and third-party experts to ensure they fully capture and adequately plan for potential physical interruptions. Kosmos also carries out regular drills to ensure full preparedness. As Kosmos does not operate any of the production platforms or vessels which process our production, we have limited control of the management of physical risks to the above-water infrastructure that our subsea tiebacks utilize. Still, we monitor these risks and maintain close contact with our infrastructure operators to ensure they have robust risk mitigation plans and sound emergency response mechanisms to protect our interests. In addition to these mechanisms, Kosmos also utilizes LOPI insurance to protect our assets.

C3.1e

**(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital	Through our climate change scenario analysis, we assessed the potential impacts that the scenarios could have on Kosmos' assets over time, and thereby test the resilience of our portfolio. The resulting key findings and portfolio decisions from the scenario analysis are below: We are planning capital allocations and making business decisions based on criteria which are at least as challenging as those posed by the Sustainable Development Scenario. The results of the scenario analysis confirm that our portfolio planning assumptions are more conservative than those flowing from the New Policies Scenario. Our planning and internal price assumptions also deliver broadly the same economic outturn as that produced by the Sustainable Development Scenario. We were therefore able to fully test the economics of our business against the various projected outcomes. Our current portfolio remains resilient under all the climate scenarios. All of our current projects and assets remain NPV positive under the various climate scenarios, including under the Sustainable Development Scenario. This reflects a climate-resilient portfolio that we expect will continue to help meet global energy demand through 2040. We will continue to make capital allocation decisions for our portfolio using rigorous planning assumptions flowing from the scenario analysis. Although our frontier oil exploration assets remain NPV positive under both the New Policies Scenario and the Sustainable Development Scenario they suffer the greatest value erosion in our current portfolio. As we reduce our exposure to these assets the portfolio will become even more resilient to climate-related economic impacts. Our oil assets see limited impact to their NPVs. Our Ghana assets are only marginally impacted under the New Policies and Sustainable Development Scenarios, with the Jubilee and TEN fields expected to produce until the mid-2030s. Due to their longer life nature, our Equatorial Guinea and Gulf of Mexico assets see some value erosion under the Sustainable Development Scenario. Our Mauritania-Senegal LNG asset provides a cleaner source of energy into the long term. The NPV of our Mauritania-Senegal asset also sees some impact under the Sustainable Development Scenario, mainly as a result of the asset's potential longevity to 2050 and beyond. However, natural gas is recognized in all scenarios as a key energy source for meeting global energy demand over the medium to long term. We are planning for our natural gas development projects to be at the lower end of both the cost and carbon curves. Kosmos will focus on exploration in proven basins, prioritizing low-cost and lower-carbon opportunities that produce higher returns and faster paybacks. We made the decision to reduce our exposure to frontier exploration because the potential economic returns from frontier exploration are not competitive with other opportunities in our portfolio. The scenario analysis results helped inform our decision to prioritize capital investment in optimizing production, development and exploration – both infrastructure-led and through material play extensions in the proven basins where we operate – which offer higher returns and faster paybacks. New discoveries in these areas can typically be tied back to existing assets on accelerated timelines, at low cost, and with lower overall carbon intensity due to the use of existing infrastructure. To be competitive and appropriately valued during the energy transition, new oil and gas discoveries must be as good or better than existing sources of supply in terms of production costs and carbon footprint.

**C3.1f**

**(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

**C4. Targets and performance**

**C4.1**

**(C4.1) Did you have an emissions target that was active in the reporting year?**

No target

**C4.1c**

**(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.**

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	Our emissions, which are already low, are not likely to increase significantly in the next 1-2 years due to a decrease in capital expenditure and operational activity. Emissions may increase in the following 3-4 years depending on the level of operational activity. Action will be taken to mitigate increases in emissions, with related targets set.	Kosmos developed an emissions target over the course of 2019. The target became active on January 1, 2020, and was announced publicly on February 24, 2020. Our aim is to achieve carbon neutrality in our Scope 1 and 2 emissions by 2030 or sooner.

**C4.2**

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

**C-OG4.2c**



**(C-OG4.2c) Indicate which targets reported in C4.1a/b incorporate methane emissions, or if you do not have a methane-specific emissions reduction target for your oil and gas activities, please explain why not and forecast how your methane emissions will change over the next five years.**

Kosmos did not have a specific methane emissions reduction target in 2019 because methane is not material to our operations. Since Kosmos does not operate any production platforms or facilities, our methane emissions were negligible in the context of our business in 2019, representing only 0.16% of our gross global Scope 1 emissions when accounted for on a CO2 equivalent basis.

In February 2020 we publicly announced our aim to achieve carbon neutrality for Scope 1 and 2 emissions by 2030 or sooner. This will include all Scope 1 and 2 methane emissions – even if these remain a small proportion of our total emissions.

We expect our methane emissions to decrease in the next 1-2 years – along with an expected decrease in our overall Scope 1 emissions – due to a decrease in capital expenditure and operational activity. Emissions may increase in the following 3-4 years depending on the level of operational activity. Action will be taken to mitigate increases in emissions, with related targets set – including, if the issue becomes more material to our business – targets related to methane emissions.

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	
To be implemented*	0	
Implementation commenced*	0	
Implemented*	2	0
Not to be implemented	0	

**C4.3b**

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Company policy or behavioral change	Change in procurement practices
-------------------------------------	---------------------------------

**Estimated annual CO2e savings (metric tonnes CO2e)**

0

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

No payback

**Estimated lifetime of the initiative**

Please select

**Comment**

To incorporate efficiency into our supply chain, we have added specific parameters into our decision criteria for selecting vendors and suppliers. These parameters are then included in new or revised contracts with suppliers and business partners and obligate them to track emissions in line with our standards and work towards greenhouse gas emissions reductions in operations performed for Kosmos.

**Initiative category & Initiative type**

Company policy or behavioral change	Other, please specify (Development of Climate Change Policy, long-term strategic emissions review and carbon neutrality target)
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**Estimated annual CO2e savings (metric tonnes CO2e)**

**Scope(s)**

Scope 1

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

No payback

**Estimated lifetime of the initiative**

Please select

**Comment**

In 2019, we developed a new Climate Change Policy and strategy, including setting a target for carbon neutrality in Scope 1 and Scope 2 emissions by 2030 or sooner, and integrated this into our Corporate Scorecard and remuneration policy.

**C4.3c**

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Dedicated budget for other emissions reduction activities	We have a dedicated budget for climate change risk mitigation initiatives, including emissions reduction activities.
Internal incentives/recognition programs	As part of our governance structure, we set performance targets linked to compensation that hold all employees, including senior executives, accountable for delivering on our climate-related goals. At the beginning of this year, we included climate-related goals at every level of the organization through the corporate scorecard, which influences the performance-based compensation of every individual in the company (along with other, non-climate related metrics). Additionally, climate-related targets are integrated into the performance contracts of key individual senior executives and employees. These performance contracts also influence individual pay for senior executives and their team members.
Employee engagement	In early summer 2019, we began engaging our employees on climate change to ensure alignment of our global workforce with the goals of the Climate Change Task Force. As part of this effort, we hosted the Global Engagement Manager at the International Association of Oil and Gas Producers (IOGP) for a discussion on the Paris agreement and low-emissions pathways of the oil and gas industry. We subsequently held two global town halls that addressed our thinking, set out Kosmos' strategy on the issue and encouraged employees to engage with the Chairman and CEO on our response to climate change. Key employees and senior leaders are also engaged through the CEO-led Climate Change Task Force.

**C4.5**

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**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

#### C4.5a

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**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

**Level of aggregation**

Company-wide

**Description of product/Group of products**

Natural gas

**Are these low-carbon product(s) or do they enable avoided emissions?**

Low-carbon product and avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Climate Bonds Taxonomy

**% revenue from low carbon product(s) in the reporting year**

0

**% of total portfolio value**

<Not Applicable>

**Asset classes/ product types**

<Not Applicable>

**Comment**

It is recognized that natural gas will play a key role in the energy transition particularly as a cleaner-burning alternative to coal for power generation. The Climate Bonds Taxonomy currently includes natural gas and states that "more work is required" to define the specific parameters for this product.

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#### C-OG4.6

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**(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.**

Methane emissions are not material to Kosmos' operations or our Scope 1 and 2 emissions. Methane emissions totalled 64 tonnes in 2019 and represented 0.16% of our gross global Scope 1 emissions when accounted for on a CO2 equivalent basis. This is because Kosmos' operational emissions derive from the combustion of fuel on drilling rigs, vessels and helicopters, which results in limited methane emissions. Kosmos did not operate any production platforms or vessels in 2019.

Nonetheless, efforts to reduce methane emissions from our activities are part of Kosmos' overall efforts to reduce total Scope 1 and 2 emissions, including our target to achieve neutrality in these emissions by 2030 or sooner.

#### C-OG4.7

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**(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?**

No, this is not relevant to our operations

#### C-OG4.7b

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**(C-OG4.7b) Explain why you do not conduct LDAR or use other methods to find and fix fugitive methane emissions, and whether you have a plan to do so from your oil and gas production activities.**

Leakage and fugitive emissions are not relevant to our operations. Kosmos had 0 tonnes of leakage and fugitive emissions in 2019. Kosmos' operational emissions derive from the combustion of fuel on drilling rigs, vessels and helicopters. LDAR programs and procedures are not relevant to these types of operations. Kosmos does not currently operate any production platforms or vessels, where such programs can be more relevant.

#### C-OG4.8

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**(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.**

Flaring is not relevant to our operations. Kosmos flared 0 tonnes of hydrocarbons in 2019. Kosmos' operational emissions derive from the combustion of fuel on drilling rigs, vessels and helicopters. We do not currently operate any production platforms or vessels.

## C5. Emissions methodology

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### C5.1

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**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

**Base year start**

January 1 2018

**Base year end**

December 31 2018

**Base year emissions (metric tons CO2e)**

109309

**Comment**

**Scope 2 (location-based)**

**Base year start**

January 1 2018

**Base year end**

December 31 2018

**Base year emissions (metric tons CO2e)**

1026

**Comment**

**Scope 2 (market-based)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

### C5.2

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**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

Defra Voluntary 2017 Reporting Guidelines

IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity

## C6. Emissions data

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### C6.1

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**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

39058

**Start date**

January 1 2019

**End date**

December 31 2019

**Comment**

Kosmos uses the Operational Control approach to reporting Scope 1 and Scope 2 GHG emissions (Greenhouse Gas Protocol Standards, 'Setting Organizational Boundaries,' p.20). This means we report 100% of the emissions that arise from sources owned, controlled or operated by Kosmos in our Scope 1 and Scope 2 emissions. In 2019, these arose from the following activities that were operated by Kosmos, and took place either wholly or partly in 2019: Drilling the S-5 exploration well offshore Equatorial Guinea; Drilling and completions in the U.S. Gulf of Mexico; A 3D seismic survey offshore São Tomé and Príncipe; Support vessels and helicopters servicing these operations. Kosmos did not operate any production vessels or platforms in 2019.

**Past year 1**

**Gross global Scope 1 emissions (metric tons CO2e)**

109309

**Start date**

January 1 2018

**End date**

December 31 2018

**Comment**

Kosmos uses the Operational Control approach to reporting Scope 1 and Scope 2 GHG emissions (Greenhouse Gas Protocol Standards, 'Setting Organizational Boundaries,' p.20). This means we report 100% of the emissions that arise from sources owned, controlled or operated by Kosmos in our Scope 1 and Scope 2 emissions. In 2018 these arose from the drilling of three international wells, two seismic surveys and a geological and geophysical survey. Kosmos did not operate any production vessels or platforms in 2018.

**C6.2**

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**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

**Comment**

**C6.3**

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**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Reporting year**

**Scope 2, location-based**

1330

**Scope 2, market-based (if applicable)**

<Not Applicable>

**Start date**

January 1 2019

**End date**

December 31 2019

**Comment**

Our 2019 Scope 2 figure comprises emissions arising from purchased electricity at Kosmos' three largest offices: Dallas, Houston and Ghana. Offices with fewer than 10 employees are excluded from our Scope 2 calculations as these are not material in the context of our total emissions. Kosmos had no Scope 2 emissions besides office electricity use in 2019.

**Past year 1**

**Scope 2, location-based**

1026

**Scope 2, market-based (if applicable)**

<Not Applicable>

**Start date**

January 1 2018

**End date**

December 31 2018

**Comment**

Our 2018 Scope 2 figure comprises emissions arising from purchased electricity at Kosmos' three largest offices: Dallas, Houston and Ghana. Offices with fewer than 10 employees are excluded from our Scope 2 calculations as these are not material in the context of our total emissions. Kosmos had no Scope 2 emissions besides office electricity use in 2018.

**C6.4**

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**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

**C6.4a**

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**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

**Source**

Purchased electricity at offices with fewer than 10 employees

**Relevance of Scope 1 emissions from this source**

No emissions excluded

**Relevance of location-based Scope 2 emissions from this source**

No emissions excluded

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

Emissions are not relevant

**Explain why this source is excluded**

Offices with fewer than 10 employees are excluded from our Scope 2 calculations as these are not material in the context of our emissions.

---

**C6.5**

---

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant or not material in the context of our Scope 3 emissions

**Capital goods**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant or not material in the context of our Scope 3 emissions

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant or not material in the context of our Scope 3 emissions

**Upstream transportation and distribution**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant or not material in the context of our Scope 3 emissions

**Waste generated in operations**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant or not material in the context of our Scope 3 emissions

**Business travel****Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

1075

**Emissions calculation methodology**

Distance-based method for air travel Spend-based method for car rental Fuel-based method for hotel use during business travel

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain****Employee commuting****Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant or not material in the context of our Scope 3 emissions

**Upstream leased assets****Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant or not material in the context of our Scope 3 emissions

**Downstream transportation and distribution****Evaluation status**

Relevant, not yet calculated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain****Processing of sold products****Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant or not material in the context of our Scope 3 emissions



## Use of sold products

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

## End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Not relevant or not material in the context of our Scope 3 emissions

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Not relevant or not material in the context of our Scope 3 emissions

## Franchises

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Not relevant or not material in the context of our Scope 3 emissions

## Investments

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

**Other (upstream)**

**Evaluation status**

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

**Other (downstream)**

**Evaluation status**

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

**C6.7**

---

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

**C6.10**

---

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.000027

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

40388

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

1509909000

**Scope 2 figure used**

Location-based

**% change from previous year**

78

**Direction of change**

Decreased

**Reason for change**

Increased revenue in 2019, including following acquisition of lower carbon production assets in the US Gulf of Mexico, and lower Scope 1-2 emissions due to a smaller operated activity set and greater efficiency in operations

---

**C-OG6.12**

---

**(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO2e) per unit of hydrocarbon category.**

**Unit of hydrocarbon category (denominator)**

Thousand barrels of crude oil/ condensate

**Metric tons CO2e from hydrocarbon category per unit specified**

0

**% change from previous year**

0

**Direction of change**

No change

**Reason for change**

N/A

**Comment**

Since Kosmos did not operate any production vessels or platforms in 2019, all of our Scope 1 emissions arose from drilling, exploration and appraisal activities, which do not themselves result in production of oil or gas. In turn, it is not possible for us to provide this intensity metric for Scope 1 as the denominator (barrels of production) is zero. Recognizing their utility to investors and other external stakeholders, Kosmos will continue to work to identify emissions intensity metrics that provide useful insights on our operated and non-operated activities in the future.

## C-OG6.13

**(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.**

**Oil and gas business division**

Upstream

**Estimated total methane emitted expressed as % of natural gas production or throughput at given division**

0

**Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division**

0

**Comment**

This metric is not relevant to our operations as Kosmos did not operate any oil or natural gas production platforms or vessels in 2019, and all of our Scope 1 emissions arose from drilling, exploration and appraisal activities, which do not themselves result in production of oil or gas.

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	38249	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	64	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	745	IPCC Fifth Assessment Report (AR5 – 100 year)

### C-OG7.1b

**(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.**

**Emissions category**

Combustion (excluding flaring)

**Value chain**

Upstream

**Product**

Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**

38249

**Gross Scope 1 methane emissions (metric tons CH4)**

2.29

**Total gross Scope 1 emissions (metric tons CO2e)**

39058

**Comment**

Unable to disaggregate by product as none of our Scope 1 emissions resulted in production of oil and gas, since Kosmos did not operate any production platforms or vessels in 2019. All Scope 1 emissions arose from drilling, exploration, and appraisal activities.

---

**Emissions category**

Flaring

**Value chain**

Upstream

**Product**

Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**

0

**Gross Scope 1 methane emissions (metric tons CH4)**

0

**Total gross Scope 1 emissions (metric tons CO2e)**

0

**Comment**

Flaring is not relevant to our operations.

---

**Emissions category**

Venting

**Value chain**

Upstream

**Product**

Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**

0

**Gross Scope 1 methane emissions (metric tons CH4)**

0

**Total gross Scope 1 emissions (metric tons CO2e)**

0

**Comment**

Venting is not relevant to our operations.

---

**Emissions category**

Fugitives

**Value chain**

Upstream

**Product**

Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**

0

**Gross Scope 1 methane emissions (metric tons CH4)**

0

**Total gross Scope 1 emissions (metric tons CO2e)**

0

**Comment**

Fugitive emissions are not relevant to our operations.

---

**Emissions category**

Process (feedstock) emissions

**Value chain**

Upstream

**Product**

Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**

0

**Gross Scope 1 methane emissions (metric tons CH4)**

0

---

**Total gross Scope 1 emissions (metric tons CO2e)**

0

**Comment**

Process emissions are not relevant to our operations.

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	22203
Equatorial Guinea	9006
Sao Tome and Principe	1849

## C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

## C7.3a

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO2e)
Exploration	10855
Gulf of Mexico Business Unit	28203
Mauritania and Senegal Business Unit	0
Ghana Business Unit	0
Equatorial Guinea	0

## C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

**(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.**

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions, metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	39058	<Not Applicable>	Kosmos does not operate any production platforms or facilities; all 2019 Scope 1 emissions arose from drilling, exploration and appraisal activities
Oil and gas production activities (midstream)		<Not Applicable>	
Oil and gas production activities (downstream)		<Not Applicable>	
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	1129	0	2659	0
Ghana	202	0	380	0

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division  
By activity

### C7.6a

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Gulf of Mexico Business Unit (Houston office)	514	0
All other Business Units (in Dallas office)	615	0
Ghana Business Unit (Accra office)	202	0

### C7.6c

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Office-based activities	1330	0

## C-CE7.7IC-CH7.7IC-CO7.7IC-MM7.7IC-OG7.7IC-ST7.7IC-TO7.7IC-TS7.7

**(C-CE7.7IC-CH7.7IC-CO7.7IC-MM7.7IC-OG7.7IC-ST7.7IC-TO7.7IC-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.**

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	1330	0	Kosmos does not operate any production platforms or facilities. All Scope 2 emissions came from office-based activities in 2019.
Oil and gas production activities (midstream)			
Oil and gas production activities (downstream)			
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

## C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

### C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	
Other emissions reduction activities	0	No change	0	
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	70251	Decreased	100	Our emissions were lower in 2019 than 2018 due to a lower level of output (i.e. operated oil and gas drilling, exploration and appraisal activity), and greater efficiency in our operations.
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	0	No change	0	

### C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

### C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	131606	131606
Consumption of purchased or acquired electricity	<Not Applicable>	608	2431	3039
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>			

### C8.2b

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Aviation Gasoline

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

5561.5

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

8.35

**Unit**

kg CO2 per gallon

**Emissions factor source**

For CO2, used US EIA Carbon Dioxide Emissions Coefficients (2016)

**Comment**

[https://www.eia.gov/environment/emissions/co2\\_vol\\_mass.php](https://www.eia.gov/environment/emissions/co2_vol_mass.php)

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

126044.68

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

10.16

**Unit**

kg CO2 per gallon

**Emissions factor source**

For CO2, used US EIA Carbon Dioxide Emissions Coefficients (2016)

**Comment**

[https://www.eia.gov/environment/emissions/co2\\_vol\\_mass.php](https://www.eia.gov/environment/emissions/co2_vol_mass.php)



## C9. Additional metrics

### C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

### C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
Crude oil and condensate, million barrels	23.33	
Natural gas liquids, million barrels	0.55	
Oil sands, million barrels (includes bitumen and synthetic crude)	0	
Natural gas, billion cubic feet	0	

### C-OG9.2b

(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries, please explain this.

Our estimated proved reserves and related future net revenues, PV-10 and Standardized Measure were determined in accordance with SEC [Securities and Exchange Commission] rules for proved reserves.

Our estimated net proved reserves for the years ended December 31, 2019, 2018 and 2017 has been prepared by RSC [Ryder Scott Company, L.P.], our independent reserve engineering firm for such years, in accordance with the rules and regulations of the SEC applicable to companies involved in oil and natural gas producing activities. These rules require SEC reporting companies to prepare their reserve estimates using reserve definitions and pricing based on 12-month historical unweighted first-day-of-the-month average prices, rather than year-end prices.

Proved reserves: Estimated quantities of crude oil, natural gas and natural gas liquids that geological and engineering data demonstrate with reasonable certainty to be economically recoverable in future years from known reservoirs under existing economic and operating conditions, as well as additional reserves expected to be obtained through confirmed improved recovery techniques, as defined in SEC Regulation S-X 4-10(a)(2).

Proved developed reserves: Those proved reserves that can be expected to be recovered through existing wells and facilities and by existing operating methods.

Proved undeveloped reserves: Those proved reserves that are expected to be recovered from future wells and facilities, including future improved recovery projects which are anticipated with a high degree of certainty in reservoirs which have previously shown favorable response to improved recovery projects.

### C-OG9.2c

(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1	552	739		

### C-OG9.2d

**(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.**

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids	46	42		
Natural gas	54	58		
Oil sands (includes bitumen and synthetic crude)	0	0		

## C-OG9.2e

**(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.**

**Development type**

Deepwater

**In-year net production (%)**

100

**Net proved reserves (1P) (%)**

100

**Net proved + probable reserves (2P) (%)**

100

**Net proved + probable + possible reserves (3P) (%)**

100

**Net total resource base (%)**

**Comment**

## C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

**(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?**

	Investment in low-carbon R&D	Comment
Row 1	Please select	

## C-OG9.7

**(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.**

*For the reporting year 2019, our corporate breakeven was approximately \$45/BOE, including all cash costs as well as the impact of hedging and working capital. With actions taken to reduce operating expenses and general & administrative expenses, we expect this figure to reduce significantly in 2020 and thereafter.*

## C10. Verification

### C10.1

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

### C10.1a

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Kosmos CY 2019 GHG Verification Statement\_draft\_20200814.doc

**Page/ section reference**

Pages 1-3

**Relevant standard**

Corporate GHG verification guidelines from ERT

**Proportion of reported emissions verified (%)**

100

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## C10.1b

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**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Kosmos CY 2019 GHG Verification Statement\_draft\_20200814.doc

**Page/ section reference**

Pages 1-3

**Relevant standard**

Corporate GHG verification guidelines from ERT

**Proportion of reported emissions verified (%)**

100

---

## C10.2

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

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### C11.1

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**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

### C11.2

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**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

### C11.3

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**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

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**C12. Engagement**

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**C12.1**

**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, other partners in the value chain

---

**C12.1a**

**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Compliance & onboarding

**Details of engagement**

Included climate change in supplier selection / management mechanism

Climate change is integrated into supplier evaluation processes

**% of suppliers by number**

0

**% total procurement spend (direct and indirect)**

0

**% of supplier-related Scope 3 emissions as reported in C6.5**

0

**Rationale for the coverage of your engagement**

Kosmos is not the operator for most of our operations. Our ability to reduce emissions therefore relies upon establishing relationships and influence with partners that share similar views on the necessity of reducing emissions and working with them to implement efficiency improvements and emissions reduction projects. We also utilize contractually binding language to drive supply-chain partners towards more efficient operations and work with host governments and partners to find low-cost, lower-carbon, mutually beneficial solutions. To incorporate efficiency into our supply chain, we have added specific parameters into our decision criteria for selecting vendors and suppliers. These parameters are then included in new or revised contracts with suppliers and business partners and obligate them to track emissions in line with our standards and work towards greenhouse gas emissions reductions in operations performed for Kosmos.

**Impact of engagement, including measures of success**

Success will be reflected in reduced operational emissions and attaining our aim of neutrality in our Scope 1 and Scope 2 emissions by 2030 or sooner.

**Comment**

New metrics on climate and emissions were included in our supplier selection and evaluation processes in 2019, for operational projects due to take place in 2020. Following reductions in capital expenditure and operational activity in early 2020, the specific projects were cancelled and no contracts were awarded – hence the % of suppliers by number and by procurement spend is noted as '0' here for 2019. We will continue to use the new metrics in all operational supplier evaluation and selection processes in the future.

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**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Collect climate change and carbon information at least annually from suppliers

**% of suppliers by number**

11

**% total procurement spend (direct and indirect)**

22

**% of supplier-related Scope 3 emissions as reported in C6.5**

0

**Rationale for the coverage of your engagement**

Our key operational suppliers provide us with fuel use and emissions data at the end of every project or operation. Below is an excerpt from our Request for Proposals, which obligates suppliers to reduce emissions in their own operations: Company [Kosmos] is committed to reduce its carbon footprint and become carbon neutral. Contractor shall submit a carbon emissions reduction plan as part of its Proposal. The plan shall address (1) Contractor's overall commitment to reducing carbon and other greenhouse gas (GHG) emissions at a corporate level such as its mission statement, governance, objectives, targets, organization and results; and (2) how Contractor will reduce GHG emissions related to the Work set forth in this Request for Proposals. Contractor will be required to report its fuel consumption and emissions statistics under the resultant contract. The methods and assumptions used to develop, calculate and verify emission reductions shall be transparent and auditable.

**Impact of engagement, including measures of success**

Success is reflected in accurate measurement and external verification of our Scope 1 and Scope 2 emissions data, using data gathered from all key suppliers.

**Comment**

## C12.1d

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### **(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

Engaging with external stakeholders, including investors, NGOs, host governments, peer companies and others, is fundamental in helping us to recognize and manage climate-related risks and opportunities, and played a key role in the development of Kosmos' Climate Change Policy.

Prior to the launch of our Climate Change Policy, we spent several months discussing the energy transition with Kosmos' shareholders, asking for their views on best-in-class climate policies and programs. Similarly, we met with leading NGOs and think tanks focused on climate to seek their view on industry best practices and how companies can best adapt to and support the energy transition.

We believe active, transparent engagement will continue to be important for effective climate change management and it continues to inform our strategy and risk management approach.

#### **Investor Engagement:**

Prior to the announcement of our Climate Change Policy, Kosmos engaged with our key shareholders and the energy investment community to better understand climate-related investment decision factors. These conversations underscored the importance of clear alignment between capital expenditure decisions and addressing climate change risks and opportunities, transparent climate reporting that is consistent with generally accepted industry disclosures, emissions reductions over time, and Board oversight of climate change.

#### **Monitoring Public Opinion and External Policy Developments:**

Monitoring media coverage as well as scientific, political, and industry developments helps Kosmos to understand developments and their impacts on public perception, which in turn may foreshadow operating environment and public policy changes, both of which could have financial implications for Kosmos.

While we have monitored climate developments for years, we now receive focused climate media reports from our monitoring agencies on a weekly basis. These reports aggregate climate-related news and supplement our own internal monitoring and research. In addition, we receive regular analysis of key industry developments on climate from our various consultancies in both Europe and the U.S., which includes emerging regulation, policy development, peer actions, investor actions, and other international activity.

## C12.3

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### **(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

Trade associations

## C12.3b

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### **(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

## C12.3c

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### **(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

#### **Trade association**

The National Ocean Industries Association (NOIA)

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

NOIA Climate Change Principle: • We recognize the risks of climate change and, as innovators, we strive to contribute solutions and best practices to optimally balance societal and environmental needs. • NOIA and its member companies commit to a collaborative approach with all stakeholders in providing solutions that balance economic, environmental and energy needs for society. We contribute to the advancement of principles of innovation, conservation, efficiency, resiliency, mitigation and adaptation that must be part of a systematic approach to addressing the climate challenge.

#### **How have you influenced, or are you attempting to influence their position?**

In 2019, Kosmos' SVP and Head of the Gulf of Mexico Business Unit served as the NOIA Chairperson. It was under his leadership that NOIA adopted its ESG Network and ESG Principles, which include its formal climate change position. This achievement further underscores our commitment to partnering across the industry to manage and mitigate climate-related risks.

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## C12.3f

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**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

Kosmos conducts a full review of its membership of trade associations and their positions on climate change on an annual basis.

## C12.4

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**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

Kosmos 2019 AR and 10-K.pdf

**Page/Section reference**

Pages 8, 12, 34, 38-62

**Content elements**

Risks & opportunities

**Comment**

Climate-change related risks and their potential impact on our business are included each year in our 10-K and annual report.

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**Publication**

In voluntary sustainability report

**Status**

Underway – this is our first year

**Attach the document**

Kosmos-CRR-Report-2020.pdf

**Page/Section reference**

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

**Comment**

Kosmos published a standalone "Climate Risk and Resilience Report" aligned with TCFD recommendations, which covers all key climate-related content elements for Kosmos' business. We will also publish our annual Sustainability Report later in 2020.

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

**Page/Section reference**

<https://www.kosmosenergy.com/climate-change/>

**Content elements**

Governance  
Strategy  
Emissions figures  
Emission targets  
Other metrics

**Comment**

Key aspects of our climate change strategy, emissions data, and our Climate Change Policy are all also available on Kosmos' website.

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## C15. Signoff

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C-FI

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(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

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(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Vice President, External Affairs, Government Relations, and Security	Chief Sustainability Officer (CSO)

Submit your response

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In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms