Statement of Business Principles
Adopted in 2013, our Business Principles reflect our shared values as a company. These Principles define how we conduct our business, and the standards to which we hold ourselves accountable. They are supported by robust policies, procedures, and management systems, which are referenced and described throughout this report.

The Business Principles guide the actions of every Kosmos director, officer and employee across six key areas: Responsibilities to Stakeholders, Ethical Conduct, Our Workplaces, the Environment, Kosmos in Society, and Commercial Relationships.
Kosmos Energy
Business Principles Summary

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

1. Responsibilities to Stakeholders
2. Ethical Conduct
3. Our Workplaces
4. Kosmos and the Environment
5. Kosmos in Society
6. Commercial Relationships

If you believe that any practice by Kosmos employees or contractors raises questions as to compliance with our policies or applicable laws, you can report it through the following website or number: https://integritycounts.ca/org/kosmosenergy or 1-866-921-6714 (toll free if called from within the United States).
Responsibilities to Stakeholders

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

**Shareholders:** We aim to create attractive returns and manage potential risks to the business while capitalizing on opportunities. Kosmos Energy’s Board of Directors focuses on building a successful, long-term future for the company and maintaining good corporate governance.

**Employees:** We aim to provide a stimulating and rewarding work environment through an inclusive culture that promotes entrepreneurial thinking, facilitates teamwork, and embraces ethical behavior.

**Host Governments:** We seek to collaborate with host governments and contribute to national development, creating a shared agenda with host countries based on mutual trust and respect. We accomplish this by engaging with host governments at the time of licensing and continually thereafter at all levels to ensure alignment with national priorities and industry needs. Kosmos aims to become a partner of choice in our countries of operation.

**Communities:** We believe in engaging local communities in a manner that creates economic opportunity and social progress and respects human rights. Investing in community relationships ahead of drilling operations, during development projects, and during production operations is a key part of our approach. Our Stakeholder Engagement and Community Development Policy explains the standards to which we hold ourselves accountable when interacting with communities.

**Business Partners and Suppliers:** We allocate contracts through a fair and transparent process and adhere to our Business Principles in our operations. We aim to work with suppliers that share our high standards of business ethics, compliance and human rights. Additionally, we aim to foster sustainable economic development by sourcing goods and services from vendors in our host countries whenever and wherever possible.

**Civil Society:** We engage with and consult civil society, recognizing the role civil society plays in holding governments and companies accountable. We welcome meaningful dialogue with civil society about the challenges inherent in exploring for and producing oil and gas. We seek nongovernmental organizations (NGOs) as valued partners in our social investment programs. Our relationships with civil society in the countries where we work create mutual value and are central to our success. Listening to the views of others is essential to how we operate, even if those views are critical of our business.

Kosmos engages in public policy discussions occurring in global fora on energy and corporate responsibility. Since 2013, Kosmos has been a formal supporter of the United Nations Global Compact, a voluntary initiative for businesses committed to aligning their operations and strategies with universal principles in the areas of human rights, labor, environment, and anti-corruption, and to taking actions that advance societal goals.
We aim to foster a culture based on integrity, professionalism, respect, fairness and legal and ethical compliance. We will take responsibility and be accountable for our actions.

We have zero tolerance of corruption and have, and will maintain, a robust compliance program. We are politically neutral and will not provide funding for candidates, political parties, or partisan entities.

We are a known industry leader in transparency and a strong advocate for this in our dealings with host governments, including through our support for the Extractive Industries Transparency Initiative (EITI), and by publishing our contracts and payments to governments where possible.

It is the responsibility of every employee to uphold the company’s stated values and standards through their conduct and to report any concerns they may have if the conduct of others has fallen short of these standards. No one will be penalized for making such reports in good faith, either through their line manager or the Kosmos whistleblower system.
Kosmos aims to be a world-class company known for delivering results and being a workplace of choice. We seek to provide employees with careers that are professionally challenging and personally rewarding.

We expect managers to show leadership and provide clear direction to their teams, including in ensuring adherence to the Business Principles and Code of Conduct.

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

Recruitment and advancement in Kosmos are based on merit. We will not tolerate unfair discrimination, including on grounds of age, gender, race, religion or sexual orientation. We seek to promote diversity in our workforce both because it is the right thing to do and because it gives us access to the widest range of talents.

We are committed to investing in the development of our employees. We seek to employ qualified individuals from the countries in which we operate and are proud to employ 100% local employees in our offices in our current countries of operation, including all of our country managers.

Our offices are places in which people are expected to work co-operatively in an entrepreneurial environment and where everyone should feel respected and free to contribute their ideas. We will not tolerate harassment or intimidation. We recognize fundamental labor rights, including the right to freedom of association. We will not permit child, forced, or bonded labor at our operations or amongst our suppliers. We require our contractors to adhere to international labor standards and local laws, and to pay their employees enough to meet their basic needs in the context of their local labor market.
Kosmos and the Environment

We respect the environment and will seek to prevent adverse impacts by adhering to best practices in environmental stewardship and reporting. The work of our industry can and should go hand in hand with environmental protection and transparent operations.

We plan for an effective and timely response to potential emergencies that could impact personnel, the environment, local communities, or our assets. Training, exercises, and drills are conducted with both internal and external stakeholders to continuously improve our response readiness.

We endeavor to use resources efficiently and responsibly, including through the application of appropriate technical solutions and regular monitoring. We are committed to reducing emissions and waste. We recognize the importance of protecting and conserving biodiversity.

We are committed to managing our response to climate change. Published in September 2020, our Climate Risk and Resilience Report lays out in full our assessment of how we believe climate change affects our business and our aim for Kosmos to achieve neutrality in our Scope 1 and Scope 2 emissions by 2030 or sooner.
We seek to prevent or minimize adverse risks to community health, safety and security. We respect human rights and exercise due diligence in identifying and, where matters are within our control, mitigating any infringements of human rights.

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

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

We understand the fundamental importance of respecting human dignity and the cultures of our host countries, communities and relevant indigenous peoples. We engage regularly with the communities associated with our operations in order to understand their priorities and concerns. We create relationships based on respect and equality and seek to earn the broad support of local communities. We develop and maintain mechanisms for addressing grievances related to our activities.

We recognize the opportunities and challenges that resource development can create for host countries and are committed to working with governments and civil society groups to contribute to sustainable development.

We aim to build human capacity and create economic opportunities including through our commitment to employing nationals of our host countries, skills development and social investment. Our social investment programs include a number of groundbreaking initiatives, such as the Kosmos Innovation Center in Ghana, our support for the Blue Carbon organization Tierra Resources on the U.S. Gulf Coast, and our employee-led Hunger Relief Program.
We expect our business partners, agents, suppliers and contractors to behave ethically. Willingness to observe standards in line with our Business Principles is a key factor when evaluating whether or not to establish a business relationship.

We exercise due diligence in the selection of partners and suppliers and aim to allocate contracts through transparent and fair processes. We commonly work with co-venturers, who may have day-to-day control of operations, and seek to influence such joint ventures so that they operate in a manner consistent with our Business Principles.

We expect our employees to deal honestly and fairly with governments, regulators, investors, customers, suppliers, the public and each other.

Employees are expected to avoid conflicts of interest or the appearance of any such conflicts. We expect our employees and contractors to respect confidential and proprietary information and we similarly aim to protect the intellectual property of others.

We recognize the role which the taxes, royalties and fees we pay should play in the economic development of our host countries. We will not allow any form of abusive transfer pricing.
Directors, officers and employees are required to comply with all aspects of these Principles in their work activities and in representing the company. Any failure to do so may result in disciplinary action. Appropriate mechanisms will be maintained to monitor and report on compliance with these Principles.

These Principles are at the core of the way we do business. We will communicate them widely to employees, directors and external stakeholders. We will support these Principles with more detailed policies and management systems to ensure compliance and will review the terms of this document from time to time.
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