Kosmos Energy Ltd. - Climate Change 2022

C0. Introduction

C0.1

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

Kosmos Energy is a full-cycle deepwater independent oil and gas exploration and production company focused along the Atlantic Margins. Kosmos is listed on the New York Stock Exchange and London Stock Exchange and is traded under the ticker symbol KOS.

Headquartered in Dallas, our key assets include production offshore Ghana, Equatorial Guinea and U.S. Gulf of Mexico, as well as a world-class gas development offshore Mauritania and Senegal. While Kosmos maintains financial positions in these assets, we are not the operator for most of our operations. Information about our participating interest can be found in our annual filings.

Kosmos maintains offices in Dallas, Houston, Equatorial Guinea, Ghana, London, Mauritania, Senegal and São Tomé and Príncipe.

C0.2

(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 2021	December 31 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Equatorial Guinea
Ghana
Mauritania
Sao Tome and Principe
Senegal
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

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	KOS

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 and Sustainability (HSES) Board Committee (The Committee) is specifically responsible for setting the climate policy, strategy and targets. The Committee played an integral role in establishing Kosmos' Climate Change Policy and strategy, published in February 2020. It makes recommendations to the full Board and oversees the company's processes for identifying, managing, and mitigating climate-related risks, taking advantage of opportunities, and monitoring performance against the strategy. Climate change is a standing agenda item for each quarterly meeting of The Committee. The Committee monitors external and internal developments on climate change and reports quarterly to the full Board on the actions Kosmos is taking to mitigate climate-related risks and to pursue opportunities. In 2021, the Board-approved-all-company Corporate Scorecard included the metric 'Secure opportunities to mitigate Scope 1 and Scope 2 carbon emissions.' Each function/business unit is responsible for setting goals to support the Corporate Scorecard.

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	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	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. Executive compensation is in part tied to climate related metrics. All members of the Compensation Committee are independent of management and thus provide an independent oversight role. The Health, Safety, and Environment and Sustainability (HSES) Board Committee (The Committee) is specifically responsible for setting the climate policy, strategy and targets. All members of the HSES Committee are independent of management and thus provide an independent oversight role. The Committee played an integral role in establishing Kosmos' Climate Change Policy and strategy, published in February 2020. It makes recommendations to the full Board and oversees the company's processes for identifying, managing, and mitigating climate-related risks, taking advantage of opportunities, and monitoring performance against the strategy. 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. The Committee monitors external and internal developments on climate change and reports quarterly to the full Board on the actions Kosmos is taking to mitigate climate-related risks and to pursue opportunities, as well as our performance against targets. 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. All members of the Audit Committee are independent of management and thus provide an independent oversight role.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	The Board of Directors represents the highest level of oversight at Kosmos and is responsible for guiding the company's long-term strategy and overseeing our response to risks and opportunities. Kosmos considered the skills, experience and expertise of all board candidates before making a selection, including those related to climate change. Several of our Board directors have experience working with companies to manage the risks and opportunities related to climate change whether through overseeing the company's strategic positioning for the energy transition, delivering solutions for a net-zero future, engaging with ESG organizations or serving on other Sustainability/HSE board committees.	<Not Applicable>	<Not Applicable>

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 *This committee is called the "Health, Safety, Environment and Sustainability Committee" in Kosmos.*	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Chief Sustainability Officer (CSO) *At Kosmos, the equivalent position is the Senior Vice President, Sustainability and External Affairs.*	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other committee, please specify (Climate Change Task Force)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<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).

The Senior Vice President (SVP), Sustainability and External Affairs (at Kosmos, this is equivalent to a Chief Sustainability Officer), is responsible for overseeing the functional implementation of our Climate Change Policy across the company. The SVP of Sustainability and External Affairs reports directly to the Chief Executive Officer (CEO) and also reports quarterly to the Health, Safety and Environment (HSE) Board Committee on progress against our climate change policy, external developments, and potential risks and opportunities.

The CEO-led Climate Change Task Force is an interdisciplinary group responsible for implementing our climate change policy at an operational level. The Task Force is composed of individuals across the business, including senior executives and employees from business units, risk management, corporate planning, external affairs, HSE, exploration, oil and gas marketing, and investor relations.

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	The performance-based compensation of all employees is tied to our ESG objectives. We do this by embedding ESG Key Performance Indicators (KPIs) into our Corporate Scorecards which are maintained at the company-wide and function/business unit level. In 2021, the Board-approved-all-company Corporate Scorecard included the metric 'Secure opportunities to mitigate Scope 1 and Scope 2 carbon emissions.' Each function/business unit is responsible for setting goals to support the Corporate Scorecard. For example, the scorecard for our Senior Vice President of Sustainability and External Affairs included: - Supporting business units and corporate business planning in embedding Kosmos' Climate Change Policy into decision making - Securing opportunities in 2021 to mitigate operated Scope 1 and 2 carbon emissions with the stretch objective of carbon neutrality on this measure by 2025 - Identifying operational opportunities to reduce carbon emissions and pursuing the best projects

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
Corporate executive team	Monetary reward	Emissions reduction project Behavior change related indicator Supply chain engagement Company performance against a climate-related sustainability index	Climate-related targets are integrated into the performance contracts of key individual senior executives and employees. These performance contracts also influence individual pay and compensation for senior executives and their team members. The corporate executive team has climate-related targets that are unique to their respective positions. For example, for the SVP of Technical Functions, the climate-related target is related to accurately capturing emissions and continuing to develop our Environmental Reporting Application. Performance against this goal partially determines the SVP of Technical Function's performance-based compensation.
All employees	Monetary reward	Emissions reduction project Behavior change related indicator Supply chain engagement Company performance against a climate-related sustainability index	Climate-related targets are incorporated into the corporate scorecards of every business unit in Kosmos. These corporate scorecards determine the performance-based pay of all employees.
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction project Behavior change related indicator Supply chain engagement Company performance against a climate-related sustainability index	For the Chief Sustainability Officer (at Kosmos, the equivalent position is the Senior Vice President of Sustainability and External Affairs), the Corporate Scorecard includes goals related to mitigating Scope 1 and Scope 2 emissions, supporting business units and corporate business planning in embedding Kosmos' Climate Change Policy into decision making, and identifying operational opportunities to reduce carbon emissions and pursuing the best projects.

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

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

At the corporate level, management regularly assesses and updates risks to the business using a materiality matrix which assesses risks against their likelihood of occurrence and potential financial impacts. The areas of risk that are highly likely to occur and have high potential costs are defined as 'corporate risks,' and associated mitigation plans are then created and elevated to the Board of Directors Audit Committee for evaluation.

C2.2

(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 an Enterprise Risk Management (ERM) process at the corporate and business unit level to identify, assess, 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. This process requires risks to be assessed by senior management and subsequently reviewed with the Board of Directors annually. Corporate-level risks (i.e., risks that are likely to occur and that have potentially significant financial impacts) are assigned to specific owners within the Senior Leadership Team (SLT). Informed by the corporate-level risks, management teams for each business unit conduct a more granular risk assessment and develop risk management plans which are reviewed during Quarterly Performance Reviews. In 2019, the 'Energy Transition' was defined as a corporate-level risk. When the Gulf of Mexico Business Unit reviewed its operations against the Energy Transition risk in the 4Q 2019 QPR, it identified more granular energy transition risks specific to its function. One of these risks was the risk of inaccurate, slow or insufficient operational emissions data. The Vice President of HSE was responsible for developing and implementing a risk mitigation plan in 2020. The risk mitigation plan included the creation and ongoing use of a digital Environmental Reporting Application, which requires contractors and third parties to enter data into a mobile application daily. This application allows for real-time analysis of emissions data, ongoing quality control and trend analysis which management teams can rely on to manage Energy Transition risk. Kosmos manages physical risks to our business through a robust HSE Management System (System). This System requires crisis preparedness plans for our operations, with a particular focus on operations located in areas prone to significant weather events, which may increase in frequency or severity due to climate change. The System also requires business units to develop business continuity plans which must be reviewed at least annually by the HSE team and third-party experts to ensure they fully capture and adequately plan for potential physical interruptions such as those caused by significant weather events. These plans outline actions including preparation activities for personnel, equipment, and facilities, as well as evacuation measures if necessary. Kosmos carries out regular drills to test our preparedness. As Kosmos does not operate 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 business partners to review the risk mitigation plans and emergency response mechanisms in place and determine if they are sufficient to protect our people and interests. In addition to these mechanisms, Kosmos also utilizes Loss of Production Income (LOPI) insurance to protect our assets.

C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Kosmos continuously evaluates how current regulation, including regulation related to climate change and emissions, might impact our operations and business strategy moving forward. Example: Operators in the U.S. Gulf of Mexico must obtain a permit in order to flare and operators are required to report emissions to the EPA. Flaring is associated with higher carbon emissions and our U.S. Gulf of Mexico business unit works with the EPA, the industry and our partners to ensure we adhere fully to both of these regulations at all times, including by performing regular audits of our partners.
Emerging regulation	Relevant, always included	Kosmos continuously evaluates risks related to emerging regulation, as these risks have the potential to impact our operations. We do so by monitoring the emerging regulatory landscape in the U.S. through our DC representative and Gulf of Mexico team and in our host countries through our local country managers. Kosmos deploys country managers and fully local teams in our host countries to better understand and respond to emerging regulation as it relates to climate change. Example: We monitor emerging regulation in countries where we operate related to carbon pricing mechanisms. There is a risk Kosmos' direct costs will increase if carbon pricing mechanisms are introduced in the countries where we operate. Business partners affected by the any new carbon pricing mechanisms may lead Kosmos' operational costs to increase.
Technology	Relevant, always included	Kosmos evaluates risks related to technology, as these risks have the potential to affect both direct and indirect costs. Example: As technology shifts, operations previously powered by fossil fuels might shift towards gas or potentially renewable energy. In the U.S. Gulf of Mexico, for example, supply vessels powered by alternative fuels might replace diesel-powered vessels. The increased costs of transitioning to cleaner-burning vessels (should it become industry standard to do so) might in turn make vessels more difficult to obtain or increase operational costs. Additionally, technological advancements could produce new or improved hydrocarbon alternatives and in turn potentially reduce demand for our products over time.
Legal	Relevant, always included	Kosmos evaluates legal risks given these risks have the potential to increase our operational costs and potentially cause reputational damage, high legal costs, and/or project delays. Example: The recent supreme court case BP P.L.C. v. Mayor and City Council of Baltimore demonstrates that the risk of legal action against fossil fuel companies may increase.
Market	Relevant, always included	Market risks are always included in risk assessments given their potential to disrupt our business. Example: Significant uncertainty exists around the speed, depth and geographic distribution of the global energy transition to a lower-carbon world, making it difficult to determine the timing and magnitude of potential supply and demand shifts for oil and gas. We manage this risk by "stress testing" our existing portfolio through scenario analysis, in line with Task Force on Climate-related Financial Disclosures (TCFD) recommendations. A summary of our most recent stress test is available in our Climate Risk and Resilience Report, pages 26-31.
Reputation	Relevant, always included	Reputational risks are always included as part of risk assessments. Increasing concern about the potential impacts of climate change means that companies that do not adequately address or respond to the issue risk being perceived negatively by investors, becoming divestment targets, or facing increased costs of capital. Kosmos expects to position itself as a leading company in our industry prepared to be transparent and proactive in tackling the challenges posed by climate change Example: Climate change demonstrations have grown more frequent and larger in size in recent years. Demonstrators target oil and gas companies, calling for these companies to change their investments and business models and shift to renewables.
Acute physical	Relevant, always included	Acute physical risks – including changing and/or unpredictable weather patterns, severe storms and hurricanes, etc., are always included as these risks could cause operational disruptions and/or damage. Example: Climate change is likely to result in changing weather patterns, potentially including increased severity and frequency of extreme weather events. This includes hurricanes in the U.S. Gulf of Mexico where we have operations. Increased severe weather or hurricanes could mean increased downtime, transportation difficulties, supply chain interruptions, or negative impacts on our workforce.
Chronic physical	Relevant, always included	Chronic physical risks are always included as a part of our risk analysis, as they have the potential to increase operational costs. Example: While offshore operations are significantly above sea level and are therefore not at significant chronic risk in the medium to long term, we will continue to monitor the potential for sea level rise and assess the associated impact on our operations.

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

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
While Kosmos is not currently affected by regulatory emissions pricing, taxation or emissions trading schemes, there is potential for regulations to change and related costs to increase. 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

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
Kosmos continuously monitors the U.S. and international regulatory environment for emerging legislation. To mitigate potential impacts of carbon pricing, taxation, or emissions trading schemes and based on our scenario analysis work,we adjusted our strategy in 2020, moving from frontier exploration to lower-carbon infrastructure-led exploration in proven basins, which decreases potential future emissions associated with development (and therefore decreases the costs associated with potential new regulations).

Comment

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

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 in line with voluntary frameworks such as

those of the Sustainability Accounting Standards Board and the Task Force on Climate-related Financial Disclosures. However, it is possible Kosmos will be subject to emissions related reporting requirements or expectations, such as the SEC Climate Disclosure rule.

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
Kosmos adheres to emerging best practices in our emissions reporting. We voluntarily report climate-related information in line with Task Force on Climate-related Financial Disclosures (TCFD) recommendations. We also adhere to Sustainability Accounting Standards Board (SASB) standards where relevant. Our approach to transparency carries through to climate reporting, and we will continue to monitor best practices to stay ahead of emissions reporting obligations.

Comment

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

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
International agreements and regulatory measures seeking to curb global GHG emissions could increase Kosmos' costs and/or reduce demand for oil.

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
Kosmos monitors the U.S. and international regulatory environment for emerging regulation on relevant products and services. We adjusted our strategy in 2020 to mitigate our risk exposure, moving from frontier exploration to lower-carbon infrastructure-led exploration in proven basins. Additionally, we're focusing on potentially increasing the gas weighting in our portfolio, particularly through our Tortue gas project offshore Mauritania and Senegal. Increasing the weighting of gas, which is lower in carbon as compared to oil, can help to potentially lower the overall carbon content of our future portfolio.

Comment

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Legal	Exposure to litigation

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Oil and gas companies could face increased litigation cases over emissions and emissions mitigation activities, emissions reporting, and transparent disclosure of potential environmental impacts. An increase in litigation cases could result in reputational damage and/or increased costs.

Time horizon
Medium-term

Likelihood
Unlikely

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
While we believe the potential risk of litigation is low, Kosmos has in recent years increased our transparency on reporting climate-related risks and opportunities in line with TCFD recommendations. We have also adjusted our portfolio and divested of our frontier exploration assets, shifting instead to infrastructure-led exploration in proven basins, which is lower cost and lower carbon. Further, we aim to continue to increase the gas weighting of our portfolio, as gas is lower in carbon as compared to oil. As for our partners, there is in some cases a greater risk that they might be impacted by litigation, which might raise their operating costs or force shifts in activity. To mitigate this risk, we work closely with our partners to identify and mitigate climate change risks and opportunities specific to the countries in which we operate, as well as work to make operations lower-carbon where possible.

Comment

Identifier
Risk 5

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

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
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)
<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
In order to help position our portfolio for the future, Kosmos divested of our frontier exploration assets, shifting instead to infrastructure-led exploration in proven basins, which is lower cost and lower carbon and ultimately results in lower overall carbon intensity. We aim to continue to increase the gas weighting of our portfolio, as gas is lower in carbon as compared to oil to make us more competitive in the future.

Comment

Identifier
Risk 6

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

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

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

Time horizon
Medium-term

Likelihood
Likely

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
Sourcing emissions reduction opportunities and lower-emissions alternatives - whether through new technology or efficiency improvements - is a key tenant of our climate change policy. Kosmos has already started working with partners and suppliers to reduce emissions across our supply chain and in our operations, and we will continue to proactively pursue existing and emerging technologies that might further lower our emissions.

Comment

Identifier
Risk 7

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

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

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
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
Based on current energy demand projections, oil and gas are important parts of the world's energy mix for the foreseeable future. Though the rate of demand for oil is projected to slow, demand for gas is projected to grow significantly through 2030. Demand projections have changed following the conflict in Ukraine and there is broad consensus supply is tightening. In order to help position our portfolio for the future, Kosmos divested of our frontier exploration assets, shifting instead to infrastructure-led exploration in proven basins, which is lower cost and ultimately results in lower overall carbon intensity. We aim to continue to increase the gas weighting of our portfolio, as gas is significantly lower in carbon as compared to oil to make us more competitive in the future.

Comment

Identifier
Risk 8

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

Risk type & Primary climate-related risk driver

Market	Uncertainty in market signals

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
As more companies work towards net zero emissions targets, demand for carbon offsets could increase. Carbon offsets are an important tool for reaching our carbon neutrality target. Increased demand for carbon offsets could potentially drive up prices, and limit the supply of quality offsets.

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
Kosmos has developed a relationship with a leading nature-based carbon offsets provider to source carbon credits to offset emissions we are unable to eliminate from our operations through efficiency measures. We have a rolling program to allow us to continually assess market conditions and negotiate offset purchases based on projected emissions, price and quality of offsets.

Comment

Identifier
Risk 9

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

Risk type & Primary climate-related risk driver

Market	Uncertainty in market signals

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 including forecasting demand and allocating capital.

Time horizon
Medium-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
Kosmos mitigates the uncertainty of the global energy transition in four ways: by monitoring the external environment in terms of public sentiment and policy and regulatory developments; by hedging our barrels to protect from price fluctuations; by conducting regular scenario analysis in line with TCFD recommendations in order to stress test our portfolio against current projections; and by utilizing our Enterprise Risk Management (ERM) system within Kosmos to identify and mitigate climate-risks to the business, which fosters a sense of ownership of the issues across the company

Comment

Identifier
Risk 10

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

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, suffering increased cost of capital, or being subject to shareholder action.

Time horizon
Long-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
Kosmos mitigation efforts include transparent reporting of climate-related risks and opportunities, shifting our business strategy away from frontier exploration to infrastructure-led exploration in proven basins, and tying achievement of climate goals to the performance-based compensation of all employees, including executives. We engage with our investors regularly to understand their concerns and get feedback on our strategy as it relates to climate-related risks. Most notably, we included climate-related targets in our most recent Reserve-Based Lending agreement (RBL), which demonstrates that we are actively working towards the achievement of climate goals to decrease our cost of capital.

Comment

Identifier
Risk 11

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver
Please select

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 or revenue streams.

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
Kosmos actively monitors political and social risks in our host countries, and we engage with host country governments to understand potential risks. We integrated the potential for geopolitical risks due to fluctuating oil and gas prices into our scenario analysis, and will continue to do so to stress test our current and future portfolio against this risk.

Comment

Identifier
Risk 12

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver
Please select

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 due to severe weather events, as well as 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
Kosmos maintains a company-wide HSE Management System, which outlines our response to physical climate risks across our operations, including hurricanes in the U.S. Gulf of Mexico. We have additionally integrated the potential costs of physical risks and potential associated asset downtime into our asset models and planning assumptions and continue to work with partners to prepare for severe weather events near our operations. Kosmos also has Loss of Production Income (LOPI) insurance coverage that occurs as a result of some weather events, which helps potentially recoup lost revenues.

Comment

C2.4

(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

(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
Kosmos will continue to focus on research and investment in emissions reduction technologies and efficiency projects, both in our own operations and in those of our partners.

Comment

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 production capacity

Company-specific description
Viewed as a transition fuel, particularly in Africa, gas demand is projected to increase significantly in the short to medium term.

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
Kosmos is a partner in the Greater Tortue Ahmeyim LNG project located offshore Mauritania and Senegal. Gas demand is projected to increase significantly in the short to medium term both to enhance energy security and serve as a transition fuel.

Comment

Identifier
Opp3

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
Our strategy is focused on infrastructure-led exploration in proven basins, which yields higher returns and faster paybacks as well as lower-cost, lower-carbon resources.

Comment

Identifier
Opp4

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, and oversee a top-quartile portfolio, 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
Kosmos transparently engages with investors and other stakeholders on our climate change approach and, as we did in 2020, we will explore opportunities to include climate-related targets in our lending agreements, as a means to decrease our cost of capital.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

We welcome the Paris Agreement 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 degrees Celsius 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 energy needs are expected to increase by 25% globally by 2040. This presents a dual challenge: reducing greenhouse gas emissions while promoting prosperity which brings growing energy demand. The Paris Climate Accord recognizes the need to take an inclusive approach to the energy transition and that no two countries are alike in their ability to transition quickly and fairly to lower-carbon economies. At Kosmos we must integrate the challenges and opportunities that climate change and the global energy transition present to our business into our core strategy to contribute to global sustainable development over the long term. Our LNG project, Greater Tortue Ahmeyim, is a clear example of an opportunity for Europe to enhance energy security while helping Mauritania and Senegal meet their own development goals. Over time we expect LNG , which has a lower carbon footprint than oil, to comprise a greater percentage of our portfolio. This will enable greater access to energy with lower carbon emissions.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios: IEA SDS	Company-wide	<Not Applicable>	For each scenario our independent expert advisors modelled the effect on hydrocarbon prices and, for each country we operate in, country risk and fiscal take. We modelled country risk by first estimating the impact of lower hydrocarbon prices on revenues in the countries where we operate. We then compared World Bank data on hydrocarbon dependency and Worldwide Governance Indicators (WGI) data on political stability to project the extent to which a fall in revenue might impact political stability, and in turn borrowing costs. In our modelling for fiscal take, we assumed governments may seek to maximize returns from existing investments rather than attract new investment. We modelled the impact of lower revenues on government income using World Bank and International Monetary Fund (IMF) data.
Transition scenarios: IEA STEPS (previously IEA NPS)	Company-wide	<Not Applicable>	For each scenario our independent expert advisors modelled the effect on hydrocarbon prices and, for each country we operate in, country risk and fiscal take. We modelled country risk by first estimating the impact of lower hydrocarbon prices on revenues in the countries where we operate. We then compared World Bank data on hydrocarbon dependency and Worldwide Governance Indicators (WGI) data on political stability to project the extent to which a fall in revenue might impact political stability, and in turn borrowing costs. In our modelling for fiscal take, we assumed governments may seek to maximize returns from existing investments rather than attract new investment. We modelled the impact of lower revenues on government income using World Bank and International Monetary Fund (IMF) data.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

1. How resilient is our portfolio against future climate change scenarios? 2. What are the social and political implications in our operating countries? 3. In the event hydrocarbon prices fall, to what extent will governments seek to recoup lost revenue from hydrocarbons by raising corporate taxes and royalties.

Results of the climate-related scenario analysis with respect to the focal questions

1. All of our current projects and assets remain NPV positive under the various climate scenarios, including the SDS 2. Under the NPS, borrowing costs for countries where we operate could increase up to 0.4% Under the SDS, borrowing costs could increase up to 0.7% Without a reliable supply of affordable gas, our operating countries will not have the energy supply required to transition to a Paris aligned world. 3. We projected a potential fiscal take increase across the countries where we operate to 7% under the NPS and up to 11% under the SDS.

C3.3

(C3.3) 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 technological advancements, regulatory impacts from the global implementation of the Paris Agreement, and societal preferences for lower-carbon alternatives. Kosmos is researching and investing in emissions reduction technologies and efficiency projects and measuring our operational emissions using recognized international methodologies. In line with our business strategy, we focus on exploration in proven basins, investment in low-cost, lower-carbon resources, and look to increase the ratio of gas in our portfolio given it is lower in carbon over its life cycle as compared to oil.
Supply chain and/or value chain	Yes	Evaluation of climate-related risks and opportunities helped us to make significant adjustments in our supply chain and how we work with partners. Given Kosmos is not the operator for most of our operations, the largest opportunity for us to reduce emissions is to work with and influence our business partners. We develop and maintain relationships with our partners to share our commitment to reduce emissions and work with them as part of the agreed Work Program and Budget to implement efficiency improvements and emissions reduction projects. To incorporate efficiency into our supply chain, we incorporate emissions reduction 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 as part of the legal requirements for their execution. We expect 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 demonstrates our expectations of suppliers on reducing emissions: 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	Improved emissions measurement will allow Kosmos to more quickly identify and correct potential operational inefficiencies and emissions spikes and inform our evaluation of climate-related risks and opportunities. To enhance our ability to measure and track emissions, Kosmos produced an Environmental Reporting Application, which 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. Where we cannot eliminate our emissions we are committed to investing in high-quality nature-based carbon offsets in regions where Kosmos has significant operations. Kosmos is supporting the Tierra Foundation to restore and monitor damaged wetland ecosystems and train and employ a Climate Mitigation Workforce in Louisiana. The project will help determine the viability of blue carbon offset solutions and support a 'just transition.'
Operations	Yes	Evaluation of climate-related risks and opportunities led Kosmos to adjust our exploration strategy, as well as how we manage our own operations and work with partners. To avoid the risk of stranded oil assets due to a decline in oil demand (primarily driven by climate change and its impacts on the availability of alternative fuels, technological improvements and shifting societal preferences) we divested of our frontier exploration assets in 2020. Going forward, our exploration activity will focus on infrastructure-led exploration in proven basins, which allows for faster development, quicker paybacks, and lower overall carbon intensity due to use of existing infrastructure and more efficient production techniques. Climate-related risks also drove us to engage key suppliers and business partners to reduce operational emissions – both in our non-operated and operated activities. In our own operations, we have integrated emissions performance into our supply decisions and implemented real-time emissions tracking to monitor emissions fluctuations. We will 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 focus on preparedness for operations in areas prone to significant weather events and hurricanes. To manage physical risks, we employ frequently-updated business continuity plans. Categorized by weather intensity, these 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. Kosmos works with our infrastructure operators to monitor risks to above-water infrastructure and review associated risk mitigation plans and emergency response mechanisms to protect our interests. In addition to these mechanisms, Kosmos also utilizes Loss of Production Income (LOPI) insurance to partially recoup lost revenue in case of production interruptions.

C3.4

(C3.4) 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	Kosmos conducted asset-level scenario analysis in 2019 and 2020 to understand the potential impact of climate-related risks on our business and test the resilience of our portfolio. Our analysis modelled the various ways in which a transition to a lower-carbon economy could impact the value of our portfolio through 2040. The results inform our financial planning and capital allocations in the short (0-5 years), medium (5-10 years) and long (10-20) term. The divestment of our frontier exploration assets provides a case study of how climate-related risks and opportunities influence our financial planning. The results of our scenario analysis results indicated that frontier exploration would face significant value erosion, particularly in the long term. This helped inform our decision to divest of our frontier exploration assets and in turn shift capital allocation to exploration in proven basins near existing infrastructure. These discoveries can be tied back faster, at lower cost, and deliver revenue in the short to medium term.

C4. Targets and performance

C4.1

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

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Year target was set
2020

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Location-based

Scope 3 category(ies)
<Not Applicable>

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
109309

Base year Scope 2 emissions covered by target (metric tons CO2e)
1026

Base year Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
110335

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
99

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
1

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
0

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Achieved

Is this a science-based target?
No, and we do not anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions
Our target is to become carbon neutral across our operations for Scope 1 and Scope 2 emissions by 2030 or sooner.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target

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-OG4.2d

(C-OG4.2d) 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.

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.

Kosmos does not have a specific methane emissions reduction target because methane is not material to our operated activity. Since Kosmos does not operate any production platforms or facilities, our methane emissions are negligible in the context of our business.

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		
To be implemented*		
Implementation commenced*		
Implemented*		
Not to be implemented		

C4.3b

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

Initiative category & Initiative type
Please select

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur
Please select

Voluntary/Mandatory
Please select

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

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

Payback period
Please select

Estimated lifetime of the initiative
Please select

Comment

C4.3c

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

Method	Comment
Employee engagement	Investment in emissions reductions activities is primarily driven by the Climate Change Task Force ("Task Force"). The Task Force looks at emissions reduction activities on a matrix of high to low impact and high to low cost.
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.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation
Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon
Climate Bonds Taxonomy

Type of product(s) or service(s)
Please select

Description of product(s) or service(s)
Natural gas

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)
No

Methodology used to calculate avoided emissions
<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)
<Not Applicable>

Functional unit used
<Not Applicable>

Reference product/service or baseline scenario used
<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario
<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario
<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions
<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year
2.5

C-OG4.6

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

C-OG4.7

(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

(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.

Kosmos does not operate any oil or natural gas production platforms or vessels and all of our Scope 1 emissions arose from drilling, exploration and appraisal activities.

C-OG4.8

(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 Kosmos' oil and gas production activities

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in boundary	London office included in the boundary following increase in headcount.

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	No, because the impact does not meet our significance threshold	

C5.2

(C5.2) Provide your base year and base year emissions.

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

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
2019

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
US EPA Emissions & Generation Resource Integrated Database (eGRID)
Other, please specify (Energy Commission Ghana, National Energy Statistics (2020))

C6. Emissions data

C6.1

(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)
26591

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

(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

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

Reporting year

Scope 2, location-based
958

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(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

(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
Emissions are not relevant

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

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 total emissions.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

Explain how you estimated the percentage of emissions this excluded source represents

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

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions.

Capital goods

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 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

Emissions in reporting year (metric tons 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
As an upstream oil and gas producer all material fuel and energy related activities are included in Scope 1.

Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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
As an upstream oil and gas producer all material fuel and energy related activities are included in Scope 1.

Waste generated in operations

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions. Emissions estimated to be significantly less than 1% of Scope 3 emissions

Business travel

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
199

Emissions calculation methodology
Spend-based method
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Our business travel emissions are obtained using travel itineraries provided through our travel booking system, which captures air travel, car bookings, and hotel stays, as well as employee-reported travel, which includes air travel on airlines not included in our corporate travel system, as well as chartered air travel.

Employee commuting

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions. Emissions estimated to be significantly less than 1% of Scope 3 emissions

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions.

Use of sold products

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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
Kosmos is in the process of determining our calculation methodology and reporting approach for evaluating emissions related to the use of sold products.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions. Kosmos does not produce lubricants or plastics.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions. Kosmos does not lease downstream assets.

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons 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 material in the context of our Scope 3 emissions. Kosmos does not have franchises

Investments

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons 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
Kosmos is in the process of determining our calculation methodology and reporting approach for evaluating our equity emissions.

Other (upstream)

Evaluation status

Emissions in reporting year (metric tons 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

Emissions in reporting year (metric tons 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
0.000021

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
27549

Metric denominator
unit total revenue

Metric denominator: Unit total
1333839000

Scope 2 figure used
Location-based

% change from previous year
57

Direction of change
Decreased

Reason for change
Emissions decreased almost 40% due to fewer activities in 2021 compared to 2020. Scope 1 emissions per 1,000 barrels of oil equivalent (boe) production is a commonly used intensity metric in our industry. Since Kosmos does not operate any production vessels or platforms, all of our Scope 1 emissions arise from drilling, exploration and appraisal activities, which do not themselves result in production of oil or gas. As such, it is not possible for Kosmos to provide a production based carbon intensity metric as the denominator (boe production) is zero.

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
Not applicable

Comment
Kosmos did not operate any production vessels or platforms in 2021. All of our Scope 1 emissions arose from drilling, exploration and appraisal activities, which do not themselves produce oil or gas. As such, it is not possible to provide this intensity metric from 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 does not operate any oil or natural gas production platforms or vessels. In 2021, all of our Scope 1 emissions arose from drilling, exploration and appraisal activities, which do not themselves result in gas production

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	26057	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	43	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	492	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)
25462

Gross Scope 1 methane emissions (metric tons CH4)
1.5

Total gross Scope 1 emissions (metric tons CO2e)
26591

Comment

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	26591

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)
Gulf of Mexico Business Unit	26591

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)	26591	<Not Applicable>	
Oil and gas production activities (midstream)	0	<Not Applicable>	
Oil and gas production activities (downstream)	0	<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)
United States of America	854	
Ghana	99	
United Kingdom of Great Britain and Northern Ireland	5	

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	854	
Ghana Business Unit	99	
United Kingdom	5	

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	958	

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

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-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)	958		
Oil and gas production activities (midstream)	0		
Oil and gas production activities (downstream)	0		
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		<Not Applicable>		
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output	16041	Decreased	37	Our operated activity varies year on year. IN 2021 we did not complete any seismic surveys compared to two surveys in 2020
Change in methodology		<Not Applicable>		
Change in boundary	81	Increased	0.1	Included the London office in Scope 2 emissions calculations as headcount exceeded ten people.
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

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	66512	66512
Consumption of purchased or acquired electricity	<Not Applicable>	22	2537	2559
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>	22	69049	69071

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.

Sustainable biomass

Heating value
Please select

Total fuel MWh consumed by the organization

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>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

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>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

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>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

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>

Comment

Oil

Heating value

Total fuel MWh consumed by the organization

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>

Comment

Gas

Heating value

Total fuel MWh consumed by the organization

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>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
LHV

Total fuel MWh consumed by the organization
66512

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>

Comment

Total fuel

Heating value

Total fuel MWh consumed by the organization

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>

Comment

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area
Ghana

Consumption of electricity (MWh)
246

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
246

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)
22

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
22

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
United States of America

Consumption of electricity (MWh)
2291

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2291

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

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	18.53	This figure is sales volumes rather than production; Kosmos does not operate any production platforms or facilities.
Natural gas liquids, million barrels	0.5	This figure is sales volumes rather than production; Kosmos does not operate any production platforms or facilities.
Oil sands, million barrels (includes bitumen and synthetic crude)		
Natural gas, billion cubic feet	4.9	This figure is sales volumes rather than production; Kosmos does not operate any production platforms or facilities.

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, 2021, 2020, 2019, and 2018 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 yearend 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	579	792	3350	

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	53	48		
Natural gas	47	52		
Oil sands (includes bitumen and synthetic crude)				

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	No	

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.

74

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 Energy 2021 Sustainability-Report.pdf

Page/ section reference
75-81

Relevant standard
Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)
100

C10.1b

(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 Energy 2021 Sustainability-Report.pdf

Page/ section reference
75-81

Relevant standard
Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)
100

C10.2

(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

C11.1

(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

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

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase
Credit purchase

Project type
Forests

Project identification
Greentrees Reforestation Project USA, ACR ID 114

Verified to which standard
ACR (American Carbon Registry)

Number of credits (metric tonnes CO2e)
12500

Number of credits (metric tonnes CO2e): Risk adjusted volume

Credits cancelled
No

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Forests

Project identification
Ghana Reforestation, Ghana, VCS ID 987

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
12500

Number of credits (metric tonnes CO2e): Risk adjusted volume

Credits cancelled
No

Purpose, e.g. compliance
Voluntary Offsetting

C11.3

(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

C12. Engagement

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
Other, please specify (Compliance and onboarding)

Details of engagement
Other, please specify (Included climate change in supplier selection / management mechanism, Climate change is integrated into supplier evaluation processes)

% of suppliers by number

% total procurement spend (direct and indirect)

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

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 working 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. Additionally, we incorporate parameters into our decision criteria for selecting vendors and suppliers. These parameters are included in new or revised supplier and partner contracts.

Impact of engagement, including measures of success

Comment
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.

C12.1d

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

Kosmos is not the operator for most of our operations. Our ability to reduce emissions relies on establishing relationships with the operating partners and working with them to implement efficiency improvements and emissions reduction projects. We have been formulating specific plans to report and reduce equity emissions from assets. In 2021, Kosmos and its partners agreed to eliminate routing flaring at the Jubilee and TEN fields by 2025. Over the next three years, the partnership will take steps toward this goal by debottlenecking the gas systems on Jubilee and TEN, as well as working with the Government of Ghana to increase gas off-take. As a first step, the partnership plans to modify the gas handling system on the Jubilee FPSO, which is expected to enable the operator to inject and export more gas volumes. This combination of activities should significantly reduce overall emissions from Ghana operations.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?
Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement
Implementation of emissions reduction initiatives

Description of this climate related requirement
We set out clear expectations to our suppliers on climate related requirements for any contract relevant to carbon emissions. We also use contractually binding language to drive our suppliers towards more efficient operations. An excerpt from our Request for Proposals '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…and (2) how Contractor will reduce GHG emissions related to the work set forth in this Request for Proposals.

% suppliers by procurement spend that have to comply with this climate-related requirement

% suppliers by procurement spend in compliance with this climate-related requirement

Mechanisms for monitoring compliance with this climate-related requirement
Please select

Response to supplier non-compliance with this climate-related requirement
Please select

Climate-related requirement
Climate-related disclosure through a public platform

Description of this climate related requirement
We utilize influence and contractually binding language to drive our suppliers towards more efficient operations. An excerpt from our Request for Proposals 'Contractor will be required to report its fuel consumption and emissions statistics under the resultant contract."

% suppliers by procurement spend that have to comply with this climate-related requirement

% suppliers by procurement spend in compliance with this climate-related requirement

Mechanisms for monitoring compliance with this climate-related requirement
Please select

Response to supplier non-compliance with this climate-related requirement
Please select

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate
Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Attach commitment or position statement(s)
<Not Applicable>

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy
Kosmos conducts a review of trade associations and their positions on climate change on an annual basis.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (The National Ocean Industries Association)

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We have already influenced them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
NOIA Climate Change Principle: We recognise the risks of climate change and, as innovators, we strive to contribute to 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 systemic approach to addressing the climate challenge. 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 underscores our commitment to partnering across the industry to manage and mitigate climate related risks.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is not aligned

C12.4

(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 voluntary sustainability report

Status
Complete

Attach the document
Kosmos Energy 2021 Sustainability-Report.pdf

Page/Section reference
Climate and Environment, Performance Data

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Please select	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Please select	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	Please select	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Please select	<Not Applicable>

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Please select	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located

C16. Signoff

C-FI

(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.

C16.1

(C16.1) 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, Sustainability and External Affairs	Chief Sustainability Officer (CSO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms