KOSMOS ENERGY

Climate Risk and Resilience Report

2020

KOSMOS ENERGY IS A FULL-CYCLE DEEPWATER EXPLORATION AND PRODUCTION COMPANY WITH A DIVERSIFIED PRODUCTION BASE, A WORLD-CLASS GAS DEVELOPMENT, AND VALUE CREATION OPPORTUNITIES FROM EXPLORATION IN THE PROVEN BASINS WHERE WE OPERATE.

AS A RESPONSIBLE COMPANY, WE ARE WORKING HARD TO SUPPLY THE ENERGY THE WORLD NEEDS TODAY, FIND AND DEVELOP CLEANER ENERGY TO ADVANCE THE ENERGY TRANSITION, AND BE A FORCE FOR GOOD IN OUR HOST COUNTRIES BY CREATING ECONOMIC OPPORTUNITY AND DRIVING SOCIAL DEVELOPMENT.

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

Kosmos has long been recognized as a leader on transparency in our industry and we aim to apply this approach to managing and disclosing climate-related risks and opportunities.

SUSTAINABLE DEVELOPMENT GOALS

About This Report

This inaugural Climate Risk and Resilience report sets out Kosmos' assessment of the risks and opportunities presented to our business by climate change and the energy transition, and outlines how we are responding to them.

It follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) – both the TCFD's general disclosure guidelines and its specific oil and gas recommendations – as well as the Sustainability Accounting Standards Board (SASB) standards where applicable. Our direct engagement with investors and other stakeholders also informs this report.

Executive Summary

This is Kosmos' first Climate Risk and Resilience Report, prepared in line with TCFD recommendations. It discusses how we are identifying and managing climate-related risks and opportunities to our business across four categories: Governance, Strategy, Risk Management and Metrics and Targets.

We provide our Climate Change Policy, which sets out key aims including achieving carbon neutrality in our Scope 1 and Scope 2 emissions by 2030 or sooner.

We discuss our Governance structure, which ensures that oversight of climate-related risks and opportunities starts at the Board level and is carried down through the organization, from the CEO to individual employees. This structure is supported by a robust risk management process, which further ensures accountability across the organization. We also describe the framework through which we aim to achieve our carbon neutrality target – by measuring, reducing and mitigating our emissions.

The Strategy section of the report describes our asset-level climate change scenario analysis, conducted to assess the resilience of our portfolio against future climate change scenarios. This includes the International Energy Agency (IEA) Sustainable Development Scenario, in which the world succeeds in the internationally recognized goal of meeting the Paris agreement to limit global warming to below 2˚C.

The scenario analysis exercise resulted in the following key findings:

WE ARE MAKING OUR BUSINESS DECISIONS BASED ON PRICE FORECASTS WHICH ARE AS CHALLENGING AS THOSE POSED BY THE IEA'S SUSTAINABLE DEVELOPMENT SCENARIO.

The Scenario analysis modelling fully tested the economics of our business against the projected outcomes under each scenario. Our planning and price assumptions, which help determine capital allocations, are more conservative than those under the IEA's New Policies Scenario and deliver the same economic outturn as that produced by the Sustainable Development Scenario.

WE HAVE A PORTFOLIO THAT IS RESILIENT UNDER ALL THE CLIMATE SCENARIOS.

Our current portfolio is resilient under each scenario. All of our current projects and assets have a positive economic value, including under the Sustainable Development Scenario. This demonstrates a resilient portfolio that we expect will continue to meet energy demand through at least 2040. Reducing our exposure to frontier oil exploration assets will further strengthen our portfolio.

WE PLAN TO MEET DEMAND THROUGH EXPLORATION IN PROVEN BASINS THAT YIELDS HIGHER RETURNS AND FASTER PAYBACKS.

We made the decision to reduce our exposure to frontier exploration because the economic returns are not competitive with other opportunities in our portfolio. The scenario analysis results helped to inform our decision to prioritize capital investment in optimizing production, development and exploration – both infrastructure-led and through material play extensions in the proven basins where we operate – which offer higher returns and faster paybacks.

Discoveries in these proven basins can be tied back to existing assets more quickly, at a lower cost, and with a lower overall carbon intensity due to their utilization of pre-existing infrastructure. This approach is expected to lower exploration costs, yield higher returns and deliver faster payback.

These conclusions reflect rigorous economic analysis of the risks and opportunities that climate change and the energy transition present. We must ensure our business remains resilient and thrives through the transition to a low-carbon global economy.

Finally, the Metrics and Targets section of this report provides our emissions data and summarizes the methodologies used to calculate emissions.

We believe this report is an important step in fulfilling our climate commitments – one that demonstrates our pragmatic approach to managing climate-related risks and opportunities.

Our Climate Change Policy

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

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

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

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

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

WE BELIEVE THAT COMPANIES SUCH AS KOSMOS MUST:

- Consider the risks and opportunities that climate change and the global energy transition may present to our business in the short, medium and long term, and integrate them into our business strategy
- Measure and reduce greenhouse gas emissions from our own operations as far as reasonably practicable, and mitigate emissions that we cannot avoid
- Establish appropriate governance structures to guide strategy and monitor and manage climate change-related risks and opportunities
- Transparently communicate our understanding and management of these challenges to external stakeholders, and engage those stakeholders in the continuing development of our climate change policy

1. International Energy Agency, World Energy Outlook, 2019

WE THEREFORE COMMIT TO:

Integrate climate change into our business strategy

- Undertake scenario planning to assess the resilience of our business against different paths that the global energy transition may take, including those that achieve the internationally recognized goal of limiting warming to below 2˚C
- Integrate conclusions into our business strategy and ensure they help drive short, medium and long-term capital allocation decisions
- Repeat this scenario planning periodically to ensure our strategy remains relevant as the global energy transition unfolds

Measure, reduce and mitigate our Scope 1 and Scope 2 emissions

- Aim to become carbon neutral across Kosmos' operations for Scope 1 and Scope 2 emissions by 2030 or sooner
- Measure our direct and indirect greenhouse gas emissions according to recognized international GHG accounting standards
- Set clear, time-bound targets to reduce emissions from our operations
- Mitigate remaining emissions through innovative nature-based solutions that deliver verified carbon credits as well as community and biodiversity co-benefits, in line with the UN Sustainable Development Goals
- Engage and influence our business partners and suppliers on efforts to reduce emissions in their operations too

Establish strong internal governance

- Establish an internal Climate Change Task Force to drive strategy on this topic, chaired by the CEO, reporting to the Board, and informing and engaging the rest of Kosmos
- Report at least annually to the full Board of Directors and quarterly to the HSE Board Committee on progress against this policy
- Link executive compensation to the delivery of clear climate change goals

Report on our progress in mitigating climate change risks and engage with stakeholders

- Publish a comprehensive report in line with Task Force on Climate-related Financial Disclosures (TCFD) recommendations
- Regularly monitor scientific, regulatory and other external developments related to climate change and our industry to aid understanding of risks and opportunities
- Engage external stakeholders in the continuing development of our climate change policy – including investors, suppliers, business partners, host governments, local communities, industry organizations, and international scientific and environmental organizations
- Report quantitative and qualitative information on the above by publishing an annual sustainability report

We will put in place arrangements for monitoring implementation of this policy, report periodically on progress and review the terms of the policy from time to time.

Governance

This section details Kosmos' governance system for the identification and management of climate-related risks and opportunities – from the Board of Directors to individual employees.

Strong governance is critical for effectively identifying, assessing and managing climate risks and opportunities. While the Board of Directors maintains ultimate oversight over the company's strategy, including climate-related issues, our governance structure is designed to ensure that climate change risk is managed on a day-to-day basis at every level of the company.

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

BOARD OF DIRECTORS	FREQUENCY	Full Board meetings are held at least quarterly, and additionally on an as-needed basis.
	DESCRIPTION	The Board approves the overall company strategy and monitors progress and performance, including management of climate-related risks and opportunities.
HSE BOARD COMMITTEE	FREQUENCY	The HSE Board Committee meets on a quarterly schedule and additionally on an as-needed basis.
	DESCRIPTION	The HSE Board Committee reviews and sets the policy and strategy for the management and mitigation of climate-related risks and opportunities, and reports to the full Board.
CLIMATE CHANGE TASK FORCE	FREQUENCY	The Climate Change Task Force meets quarterly and additionally as needed. In 2019, subsections of the Task Force working on elements of the Climate Change Policy met more than a dozen times.
	DESCRIPTION	Led by the CEO, the Climate Change Task Force is a senior employee group focused on the development of our climate change policy and strategy. The Task Force reports and makes recommendations to the HSE Board Committee at least quarterly on progress against stated goals and metrics, on emerging risks and opportunities, and how to mitigate emissions. The Task Force also consults with external climate advisors and experts to inform the company's climate change strategy response.

Board of Directors

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.)

CHAIRPERSON MEMBER	COMPENSATION COMMITTEE	HEALTH, SAFETY, AND ENVIRONMENT COMMITTEE	NOMINATING AND CORPORATE GOVERNANCE COMMITTEE	AUDIT COMMITTEE
ANDY INGLIS Chairman Director since: 2014	MEMBER	MEMBER	MEMBER	MEMBER
LISA DAVIS Director since: 2019		MEMBER		MEMBER
SIR RICHARD DEARLOVE Director since: 2012	MEMBER		CHAIRPERSON	
DEANNA GOODWIN Director since: 2018		CHAIRPERSON	MEMBER	MEMBER
ADEBAYO OGUNLESI Director since: 2011	CHAIRPERSON		MEMBER	
STEVEN STERIN Director since: 2019	MEMBER	MEMBER		CHAIRPERSON

Role of Board Committees in Overseeing Climate Change

Our Board Committees each have a unique role to play in managing our response to climate change per the general remit of their charters.

Compensation Committee

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.

HSE Committee

The HSE Committee is responsible for setting the climate policy and strategy together with targets. It makes recommendations to the Board and oversees the company's processes for identifying, managing, and mitigating climate-related risks. The Committee additionally monitors medium and long-term performance as well as the plans for managing climate change.

Nominating and Corporate Governance Committee

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.

Audit Committee

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.

EXECUTIVE COMPENSATION AND CLIMATE-RELATED GOALS

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.

The Role of the HSE Board Committee in Developing Our Climate Approach

Climate change is a standing agenda item for each meeting of the HSE Board Committee. The Committee played an integral role in establishing Kosmos' Climate Change Policy and strategy, published in February 2020. The Committee monitors external and internal developments on climate change and reports regularly to the full Board on the actions Kosmos is taking to mitigate climate-related risks and to pursue opportunities.

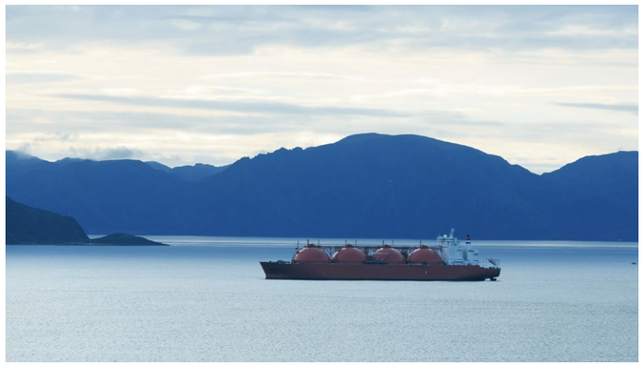
In Focus: Developing Kosmos' Climate Change Policy

In February 2019, the HSE Board Committee assessed actions Kosmos had taken to date to address climate-related risks and opportunities and outlined an action plan which included: a commitment to greater external reporting and submission of the CDP climate change questionnaire (formerly the Carbon Disclosure Project); strengthening emissions measurement methodologies; seeking more emissions reduction opportunities; educating and engaging the wider Kosmos organization on climate change; and developing a more thorough external engagement strategy to understand stakeholder perspectives on the matter.

In May 2019, the Committee followed up on this action plan and requested two additional workstreams: benchmarking Kosmos' climate position against that of peer companies and drafting a climate change policy.

This led to the development of Kosmos' formal Climate Change Policy, which was discussed at the August 2019 HSE Board Committee meeting, approved at the full Board meeting in September 2019 and first published in February 2020.

Climate change remains a standing agenda item for the HSE Board Committee, and subsequent meetings have continued to assess our performance against our Policy and our management of climate-related risks and opportunities. The Committee has mandated and approved additional workstreams, such as integration of climate-related risk into our supply chain, reporting and disclosure recommendations and nature-based carbon capture solutions.



Climate Change Task Force: An Integrated Climate Risk Management Approach

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

The Task Force reports to the HSE Board Committee on a quarterly basis.

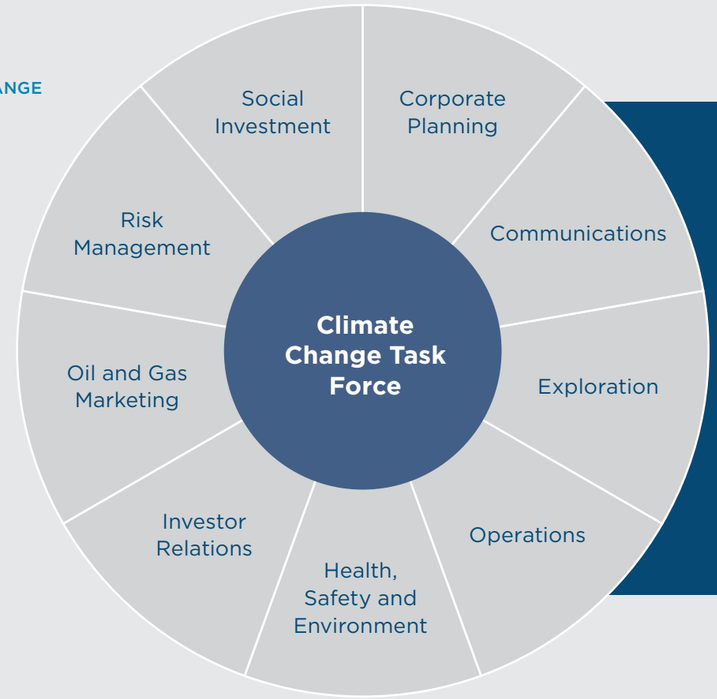
ALIGNING EMPLOYEES WITH OUR APPROACH TO MANAGING CLIMATE CHANGE

In early summer 2019, we began engaging our employees on climate change to ensure alignment of our global workforce with the goals of the Climate Change Task Force. As part of this effort, we hosted the Global Engagement Manager at the International Association of Oil and Gas Producers (IOGP) for a discussion on the Paris agreement and low-emissions pathways of the oil and gas industry. We subsequently held two global town halls that addressed our thinking, set out Kosmos' strategy on the issue and encouraged employees to engage with the Chairman and CEO on our response to climate change.

"Climate change is an important but complex issue which provides an opportunity for Kosmos to differentiate ourselves and mitigate risks to the business. A multi-disciplinary approach is required to manage it effectively. The Climate Change Task Force provides this perspective and facilitates full ownership of the issue across the business."

– **MIKE ANDERSON**
Senior Vice President, External Affairs, Government Relations, and Security

THE INTERDISCIPLINARY CLIMATE CHANGE TASK FORCE



Integrating Climate Change into Functional Management

Responsibility for managing climate change is shared by several functions within Kosmos. The figure below shows those business areas and executives most involved in managing and mitigating climate-related risks and opportunities.

These senior executives and representatives of their teams take part in the Climate Change Task Force and, as described below, have climate-related goals integrated into their performance scorecards and remuneration processes.

> "From the Gulf of Mexico to Ghana and everywhere in between, we work hard to not only accurately capture our emissions data, but use that data to identify areas for real-time emissions improvement. Across our value chain, Kosmos is using novel thinking to reduce emissions."
>
> **– PAUL TOOMS**
> Senior Vice President, Technical Functions

KOSMOS CORPORATE STRUCTURE

CHAIRMAN AND CEO

BUSINESS UNIT HEADS

SENIOR VICE PRESIDENT AND HEAD OF GHANA BUSINESS UNIT, SENIOR VICE PRESIDENT AND HEAD OF MAURITANIA-SENEGAL BUSINESS UNIT, SENIOR VICE PRESIDENT AND HEAD OF EQUATORIAL GUINEA BUSINESS UNIT, SENIOR VICE PRESIDENT AND HEAD OF GULF OF MEXICO BUSINESS UNIT

Business Unit Heads are responsible for operations in their respective areas. These executives help to ensure that we take a low-cost, lower-carbon approach for both our operated and non-operated activities.

CHIEF EXPLORATION OFFICER

Exploration is one of the key teams responsible for the execution of Kosmos' strategy in light of the results of our scenario analysis exercise. Critically, our explorers are responsible for seeking out low-cost, lower-carbon exploration opportunities.

SENIOR VICE PRESIDENT, EXTERNAL AFFAIRS, GOVERNMENT RELATIONS, AND SECURITY

The **External Affairs, Government Relations, and Security** function is responsible for developing the overall climate policy across the company, monitoring the external environment for climate change developments, engaging with stakeholders on our efforts to manage climate change, and communicating these efforts more broadly. The function is also responsible for managing our nature-based carbon capture projects.

SENIOR VICE PRESIDENT AND CHIEF HR OFFICER

The **Human Resources** (HR) function ensures Kosmos employs individuals with the correct skill sets to understand, identify and manage climate-related risks and opportunities.

SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

VICE PRESIDENT, FINANCE AND PLANNING

The **Finance and Planning** function is responsible for the corporate planning and Enterprise Risk Management (ERM) processes, including climate change scenario analysis. These processes are described in the Strategy and Risk Management sections of this report.

VICE PRESIDENT, INVESTOR RELATIONS

Investor Relations is responsible for monitoring and evaluating investment trends as they relate to climate change risks and opportunities. Additionally, this function engages with shareholders on Kosmos' efforts to manage climate change in response to investment trends and investor expectations.

SENIOR VICE PRESIDENT, TECHNICAL FUNCTIONS

VICE PRESIDENT, HSE

The **HSE** team is responsible for measuring our emissions, as well as working with business units to implement technical emissions reduction technologies.

Strategy

This section explains the strategic implications of climate-related risks and opportunities for Kosmos and how these are integrated into our business strategy. It begins with a register of climate-related risks and opportunities, followed by detailed information on the climate scenario analysis that we conducted in 2020.

For the purposes of this report, Kosmos' time horizons for assessing risks are:

- **Short-term: until 2025**
- **Medium-term: 2025-2030**
- **Long-term: 2030-2040**

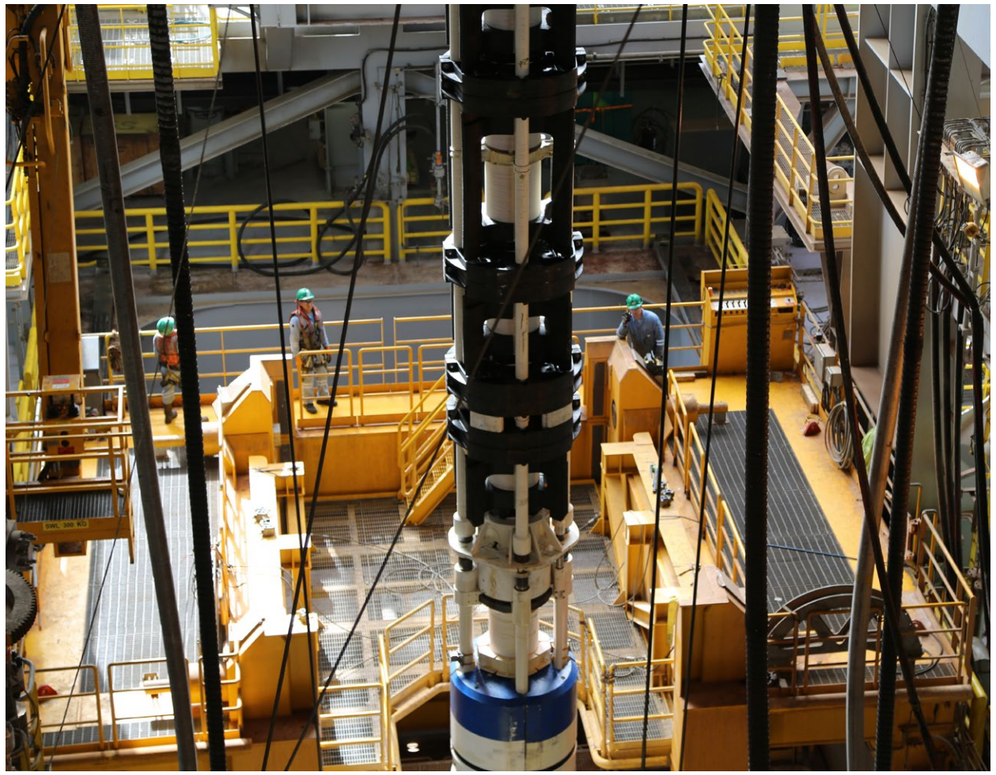
Risks

We actively identify the challenges and opportunities that climate change and the global energy transition present to our business through an integrated risk management process *(pages 32-47)*.

The energy transition is expected to change the environment in which Kosmos operates and present challenges for the oil and gas industry. The impact of these changes depends on the speed, depth and geographic distribution of the energy transition, all of which remain uncertain.

Our evaluation of potential risks is described on pages 18-27. For consistency in our reporting, we use the CDP's categorization of risk types, risk drivers and potential financial impacts as required in its 2020 Climate Change Questionnaire for oil and gas companies. In line with TCFD and CDP recommendations, potential risks are divided into:

- Transition risks stemming from the world's transition to a lower-carbon economy
- Physical risks stemming from the physical impacts of climate change



RISK CATEGORY		RISK DRIVER	POTENTIAL TIME HORIZON	POTENTIAL FINANCIAL IMPACTS	FURTHER DESCRIPTION	MITIGATION
TRANSITION RISKS	EMERGING REGULATION	Carbon pricing mechanisms	Medium term	Increased direct costs Increased indirect (operating) costs	Kosmos is not currently affected by regulatory emissions pricing, taxation or emissions trading schemes, and we expect that it is likely to be some time before global carbon pricing becomes a practical reality. Even if we are not directly impacted by carbon pricing mechanisms, we recognize that such costs could be passed down through the supply chain and result in increased operational costs over time.	**Owners:** Business Units (Ghana, Gulf of Mexico, Equatorial Guinea, Mauritania/Senegal), HSE Accurate emissions accounting across our value chain using best-practice international methodologies *(see Metrics and Targets, pages 49-55)*
						Owners: Business Units, HSE, Supply Chain Efficient, low-cost, less-carbon intensive operations *(see Strategy pages 30-31 and Risk Management pages 40-43)*
						Owners: External Affairs Investment in nature-based carbon capture solutions to mitigate emissions we cannot eliminate *(see Emissions Mitigation pages 44-46)*
						Owners: External Affairs Monitoring the U.S. and international regulatory environment *(See Engagement, pages 36-39)*
		Enhanced emissions-reporting obligations	Short to medium term	Increased direct costs	Kosmos currently faces few mandatory emissions reporting obligations, and reports emissions and other climate-related metrics according to voluntary standards such as the CDP and TCFD. However, it is possible such standards will be incorporated into regulatory requirements in future. We believe that such a move would in any case fit our approach to transparency.	**Owners:** Business Units, HSE Accurate emissions accounting across our value chain using best-practice international methodologies *(see Metrics and Targets, pages 49-55)*
		Mandates on and regulation of existing products and services	Medium to long term	Increased direct costs Increased indirect (operating) costs Decreased revenues due to reduced demand for products and services	Increasing concern around the impact of climate change and efforts to meet the Paris Agreement could lead to more international agreements and regulatory measures seeking to curb global GHG emissions, which could in turn lead to new mandates on or regulation of Kosmos' business potentially increasing costs or affecting demand.	**Owners:** External Affairs Monitoring the U.S. and international regulatory environment *(See Risk Management, pages 36-39)*
						Owners: Business Units, HSE, Supply Chain Efficient, low-cost, less-carbon intensive operations *(see Strategy pages 30-31 and Risk Management pages 40-43)*
						Owners: Corporate Planning, Exploration Target exploration opportunities in proven basins which yield higher returns and faster paybacks; refrain from pursuing new access to reduce exposure to frontier oil basins *(see Scenario Analysis, pages 30-31)*

RISK CATEGORY		RISK DRIVER	POTENTIAL TIME HORIZON	POTENTIAL FINANCIAL IMPACTS	FURTHER DESCRIPTION	MITIGATION
TRANSITION RISKS	TECHNOLOGY	Substitution of existing products and services with lower-emissions options	Medium to long term	Decreased revenues due to reduced demand for products and services	Technological advancements could produce new or improved hydrocarbon alternatives and in turn potentially reduce demand for our products over time.	**Owners:** Business Units, HSE, Supply Chain Efficient, low-cost, less-carbon intensive operations *(see Strategy pages 30-31 and Risk Management pages 40-43)*
						Owners: Corporate Planning Integrating substitution as a value driver in scenario analysis *(see Scenario Analysis, pages 26-29)*
						Owners: Corporate Planning, Exploration Target exploration opportunities in proven basins which yield higher returns and faster paybacks; refrain from pursuing new access to reduce exposure to frontier oil basins *(see Strategy, pages 30-31)*
		Transitioning to lower-emissions technology	Medium term	Increased direct costs Increased capital expenditures Increased indirect (operating) costs	Partners or host countries may require use of new, lower-emissions technologies in our operations in order to do business with Kosmos, which could result in additional operational expenditures.	**Owners:** Business Units, HSE, Supply Chain Efficient, low-cost, less-carbon intensive operations; Monitoring technological developments and introduction of cost-effective new technologies when applicable *(see Strategy pages 30-31 and Risk Management pages 40-43)*

RISK CATEGORY		RISK DRIVER	POTENTIAL TIME HORIZON	POTENTIAL FINANCIAL IMPACTS	FURTHER DESCRIPTION	MITIGATION
TRANSITION RISKS	MARKET	Changing customer behavior	Short to medium term	Decreased revenues due to reduced demand for products and services	Consumption of our products may change due to possible stigmatization of hydrocarbon-based fossil fuels, technological advancements, and/or regulatory impacts from the global implementation of the Paris Agreement, as well as societal preferences for lower-carbon alternatives.	**Owners:** Business Units, HSE, Supply Chain Efficient, low-cost, less-carbon intensive operations *(see Strategy pages 30-31 and Risk Management pages 40-43)*
						Owners: Corporate Planning Integrating behavioral shifts as a value driver into scenario analysis *(see Scenario Analysis, pages 26-29)*
		Uncertainty in market signals	Short term	Increased direct costs Increased indirect (operating) costs	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.	**Owners:** External Affairs Monitoring the international regulatory environment *(see Engagement, pages 36-39)*
						Owners: Corporate Planning and Finance Scenario analysis; hedging program *(see Scenario Analysis, pages 26-29)*
		Increased cost of raw materials	Short to medium term	Increased indirect (operating) costs	Market shifts may make it difficult or more expensive to access talent, service providers, and raw materials for our operations.	**Owners:** Business Units, HSE, Supply Chain Efficient, low-cost, less-carbon intensive operations (*see Strategy pages 30-31 and Risk Management pages 40-43)*
						Owners: External Affairs, Investor Relations, Climate Change Task Force Reporting against TCFD recommendations and transparently engaging with investors and other stakeholders on our climate change approach *(see Engagement, pages 36-39)*
		Increased geopolitical risks in countries reliant on extractive industry revenues (e.g. political, economic or social instability)	Medium to long term	Decreased revenues due to reduced production capacity Increased discount rates or host government fiscal take	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.	**Owners:** External Affairs Monitoring political and social risks in host countries and engaging with host governments *(see Engagement, pages 36-39)*
						Owners: Corporate Planning Integrating country risk and fiscal take as value drivers in scenario analysis *(see Scenario Analysis, pages 26-31)*
						Owners: Legal Use of stabilization agreements where possible

RISK CATEGORY		RISK DRIVER	POTENTIAL TIME HORIZON	POTENTIAL FINANCIAL IMPACTS	FURTHER DESCRIPTION	MITIGATION
TRANSITION RISKS	REPUTATION	Increased stakeholder concern or negative stakeholder feedback	Short to medium term	Decreased access to capital	Increasing concerns around the potential impacts of climate change mean that companies that do not address the issue risk being perceived negatively by investors, becoming divestment targets, or suffering increased cost of capital.	**Owners:** External Affairs, Climate Change Task Force, Investor Relations Reporting against TCFD recommendations and transparently engaging with investors and other stakeholders on our climate change approach *(see Engagement, pages 36-39)*
						Owners: Business Units, HSE, Supply Chain Efficient, low-cost, less-carbon intensive operations *(see Strategy pages 30-31 and Risk Management pages 40-43)*
						Owners: HR, Board Compensation Committee Including metrics on corporate scorecard to incentivize action on climate change and facilitate the achievement of climate goals *(See Governance, page 9 and page 12)*
						Owners: Corporate Planning, Exploration Target exploration opportunities in proven basins which yield higher returns and faster paybacks; refrain from pursuing new access to reduce exposure to frontier oil basins *(see Strategy, pages 30-31)*
PHYSICAL RISKS	ACUTE	Changing weather patterns, potentially including increased severity and frequency of extreme weather events	Short to medium term	Decreased revenues due to reduced production capacity Increased insurance claims liability Increased indirect (operating) costs	Potential impacts of climate change could affect operations and production through increased downtime, transportation difficulties, supply chain interruptions, or impacts on our workforce and require adaptation measures resulting in increased operational costs.	**Owners:** Business Units, HSE, HSE Board Committee Robust HSE management systems that build in responses to physical climate risk across our operations *(see Risk Management, page 47)*
						Owners: Corporate Planning Integration of potential costs into asset models and business strategy; adopting adaptation measures
						Owners: Corporate Insurance LOPI insurance coverage for physical damage that may occur as a result of some weather events

Opportunities

In addition to the potential risks outlined on the previous pages, we believe the energy transition presents opportunities for our business. If managed well we believe these opportunities can materially benefit the company. For Kosmos, our most significant opportunities are summarized below and discussed in detail in the Scenario Analysis and Risk Management sections.

OPPORTUNITY TYPE	OPPORTUNITY DRIVER	TIME HORIZON	POTENTIAL FINANCIAL IMPACTS	FURTHER DESCRIPTION	STRATEGY TO REALIZE OPPORTUNITY
RESOURCE EFFICIENCY	Use of more efficient production & distribution processes	Short term	Reduced direct costs	Investing in efficiency measures enables us to reduce operating costs while maintaining or potentially increasing production capacity.	**Owners:** Business Units, HSE, Supply Chain Research and investment in emissions reduction technologies and efficiency projects; accurate emissions measurement using best-practice international methodologies *(see Risk Management, pages 41-46, Metrics and Targets, pages 48-55)*
PRODUCTS AND SERVICES	Development and/or expansion of lower-emissions goods and services	Medium to long term	Increased revenues resulting from increased demand for products and services	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.	**Owners:** Corporate Planning, Exploration Pursuing exploration in proven basins; continuing to invest in low-cost, lower-carbon resources *(See Strategy, pages 30-31)*
MARKETS	Access to new markets	Short to medium term	Increased access to capital as compared to peers	We believe companies that demonstrate robust management of climate-related risks and opportunities will outperform peers, increase access to capital, and reap reputational benefits, including by positioning themselves as a partner of choice for host governments and joint-venture partners.	**Owners:** External Affairs, Climate Change Task Force, Investor Relations Reporting against TCFD recommendations and transparently engaging with investors and other stakeholders on our climate change approach *(see Engagement, pages 36-39)*

Strategic Resilience and Scenario Analysis

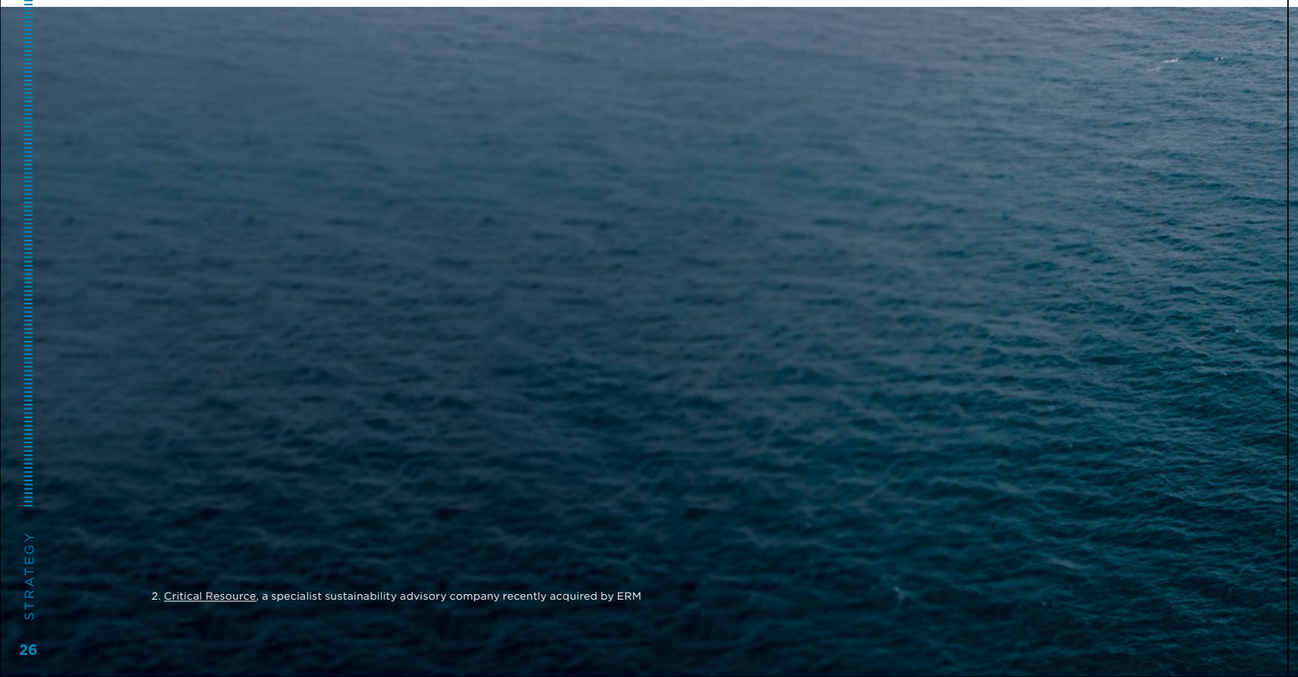
Kosmos conducted detailed, asset-level climate change scenario analysis at the end of 2019 (the conclusions of which were published on our website in February of 2020) and again in August 2020 following the fall in oil prices due to the COVID-19 pandemic. By running the analysis a second time, we were able to consider any impact on our portfolio from the additional turbulence caused by the pandemic. The analysis helped us understand how best to assess the potential economic consequences of the global energy transition on our business and how our portfolio might be impacted under different energy transition scenarios.

In turn, this enables us to plan for the risks and opportunities related to the energy transition, including what they might mean for our business strategy, portfolio management and capital allocation.

There is no universal methodology for climate scenario analysis, and best practices continue to evolve. At Kosmos, we believe that we have developed a robust process supported by a leading independent sustainability firm[2] and with guidance from climate experts across the industry, investment community, and civil society (see Stakeholder Outreach, page 36).

First, we built our understanding by benchmarking peer scenario analysis and engaging stakeholders on possible approaches. We then developed a clear and straightforward approach for Kosmos (described in detail below), modelled on the industry-standard scenarios developed by the IEA, including the IEA's New Policies and Sustainable Development Scenarios as outlined in their 2018 World Energy Outlook. As a base case for comparing the impacts of these scenarios, we used an industry-consensus view of expected demand and supply in order to produce likely future oil and LNG prices at breakeven cost, if climate considerations were not included. We then ran the analysis, testing the resilience of our portfolio against the scenarios at an asset (Business Unit) level.

Our senior management team, HSE Board Committee and Board reviewed the findings of the scenario analysis and approved the resulting conclusions for Kosmos' long-term business strategy. We will continue to update the scenario analysis exercise periodically to ensure our strategy remains robust.



2. Critical Resource, a specialist sustainability advisory company recently acquired by ERM

METHODOLOGY

Our scenario analysis modelled the various ways in which a transition to a lower-carbon economy could impact the value of our portfolio through 2040.

We used three scenarios in our analysis, including one sub-2°C scenario. These are:

- **A Baseline Scenario,** which uses an industry-consensus view of how global energy markets would evolve if governments made no changes to existing policies and measures.
- **The IEA New Policies Scenario** (renamed Stated Policies Scenario in 2019), which assumes the climate policies and targets announced by governments (prior to 2018) are enacted. This scenario estimates a median temperature rise of at least 2.7°C; and
- **The IEA Sustainable Development Scenario,** which maps out an accelerated transition to a low-carbon economy. This scenario projects a median temperature rise in 2100 of approximately 1.7-1.8°C (based on the trajectory shown by its modelling period, which runs until 2040).

Our independent expert advisors then modelled how the energy transition pathways outlined under the scenarios would impact the key value driver for the oil and gas industry: hydrocarbon prices. This model forecast the differences in hydrocarbon prices under the New Policies and Sustainable Development Scenarios against the Baseline Scenario for longer-term oil and gas price trajectories.

While hydrocarbon prices have the biggest impact on valuations, we recognize that the energy transition is expected to have other effects and therefore incorporated two additional value drivers into our analysis: country risk and fiscal take in the countries where we operate. The methodologies used to assess the impact of each scenario on these key value drivers is discussed in detail on the following pages.

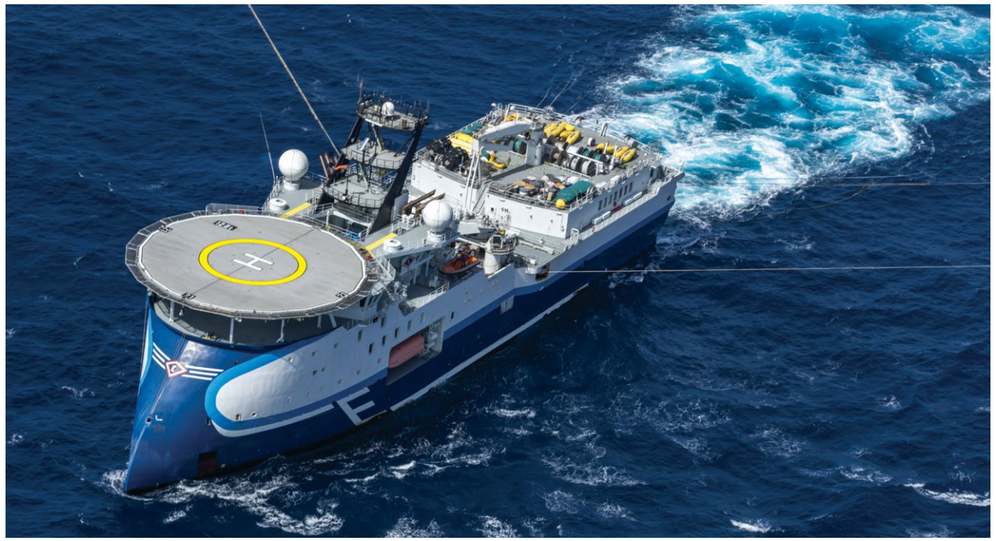
COUNTRY RISK

The energy transition is expected to have social and political implications for hydrocarbon-dependent economies. For example, countries with a high dependency on oil and gas revenues may face increased economic pressure and social instability if oil and gas prices fall (as projected under the lower carbon scenarios). This increased country risk could, in turn, lead to higher borrowing costs.

We modelled this in our scenario analysis by first estimating the impact that lower hydrocarbon prices would have 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. This analysis found that, under the New Policies Scenario, borrowing costs for countries where we operate could increase up to 0.4%. Under the Sustainable Development Scenario, borrowing costs could increase up to 0.7%. This potential change to borrowing costs was then integrated into our modelling.

FISCAL TAKE

As described previously, if oil and LNG prices fall due to the energy transition, our host countries could face declining hydrocarbon revenues. We believe there is a risk that governments may seek to recoup these lost revenues by raising corporate tax rates and royalties – notwithstanding fiscal stability protections in many of our host country contracts. In our analysis, 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. Based on this, we projected a potential fiscal take increase across the countries where we operate up to 7% under the New Policies Scenario, and up to 11% under the Sustainable Development Scenario. These outputs were then included in our modelling.



RUNNING THE SCENARIO ANALYSIS

The results of modelling the potential impact on hydrocarbon prices, country risk and fiscal take in the different scenarios were combined into an holistic model from which we could then run the scenario analysis against our portfolio.

We were thus able to assess the potential impacts that the different scenarios could have on the NPV (Net Present Value) of Kosmos' assets over time, and thereby test the resilience of our portfolio.

The projected impacts on the NPV of our assets under the New Policies Scenario and Sustainable Development Scenario are as follows:

IMPACT ON OUR PORTFOLIO UNDER DIFFERENT CLIMATE SCENARIOS

	IMPACT OF NEW POLICIES SCENARIO ON ASSET NPV	IMPACT OF SUSTAINABLE DEVELOPMENT SCENARIO ON ASSET NPV	COMMENTS
GHANA	■	■	Least impacted as Jubilee and TEN final production in 2034 and 2036, respectively
GULF OF MEXICO	■	■	Longer life nature of assets results in some value erosion
EQUATORIAL GUINEA	■	■	Longer life nature of assets results in some value erosion
MAURITANIA-SENEGAL	■	■	Longer life nature of assets results in some value erosion
FRONTIER OIL EXPLORATION PROSPECT	■	■	Largest impact on NPV given asset life span and oil weighting; Generic 500 MMBO prospect (Suriname terms) with discovery in 2023 and IP in 2029

■ **0% to -10% NPV impact:** Meets Kosmos investment criteria

■ **-10% to -25% NPV impact:** Meets Kosmos investment criteria

■ **-25% to -50% NPV impact:** Beneath Kosmos investment criteria

■ **> -50% NPV impact:** Significantly beneath Kosmos investment criteria

SCENARIO ANALYSIS-KEY FINDINGS AND PORTFOLIO DECISIONS:

We are planning capital allocations and making business decisions based on criteria which are at least as challenging as those posed by the Sustainable Development Scenario

The results of the scenario analysis confirm that our portfolio planning assumptions are more conservative than those flowing from the New Policies Scenario. Our planning and internal price assumptions also deliver broadly the same economic outturn as that produced by the Sustainable Development Scenario. We were therefore able to fully test the economics of our business against the various projected outcomes.

Our current portfolio remains resilient under all the climate scenarios

All of our current projects and assets remain NPV positive under the various climate scenarios, including under the Sustainable Development Scenario. This reflects a climate-resilient portfolio that we expect will continue to help meet global energy demand through 2040. We will continue to make capital allocation decisions for our portfolio using rigorous planning assumptions flowing from the scenario analysis. Although our frontier oil exploration assets remain NPV positive under both the New Policies Scenario and the Sustainable Development Scenario they suffer the greatest value erosion in our current portfolio. As we reduce our exposure to these assets the portfolio will become even more resilient to climate-related economic impacts.

Our oil assets see limited impact to their NPVs

Our Ghana assets are only marginally impacted under the New Policies and Sustainable Development Scenarios, with the Jubilee and TEN fields expected to produce until the mid-2030s. Due to their longer life nature, our Equatorial Guinea and Gulf of Mexico assets see some value erosion under the Sustainable Development Scenario.

Our Mauritania-Senegal LNG asset provides a cleaner source of energy into the long term

The NPV of our Mauritania-Senegal asset also sees some impact under the Sustainable Development Scenario, mainly as a result of the asset's potential longevity to 2050 and beyond.

However, natural gas is recognized in all scenarios as a key energy source for meeting global energy demand over the medium to long term. We are planning for our natural gas development projects to be at the lower end of both the cost and carbon curves.

Kosmos will focus on exploration in proven basins, prioritizing low-cost and lower-carbon opportunities that produce higher returns and faster paybacks

We made the decision to reduce our exposure to frontier exploration because the potential economic returns from frontier exploration are not competitive with other opportunities in our portfolio. The scenario analysis results helped inform our decision to prioritize capital investment in optimizing production, development and exploration – both infrastructure-led and through material play extensions in the proven basins where we operate – which offer higher returns and faster paybacks. New discoveries in these areas can typically be tied back to existing assets on accelerated timelines, at low cost, and with lower overall carbon intensity due to the use of existing infrastructure.

To be competitive and appropriately valued during the energy transition, new oil and gas discoveries must be as good or better than existing sources of supply in terms of production costs and carbon footprint.

Risk Management

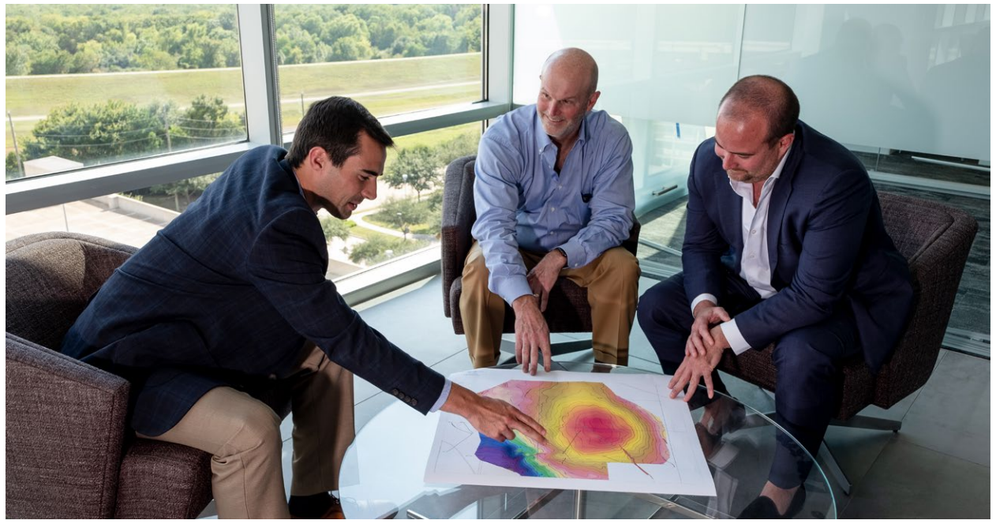
This section describes the ways in which Kosmos identifies and manages climate-related risks through internal and external mechanisms and provides detail on how we expect to mitigate risks and achieve our goal of carbon neutrality in Scope 1 and Scope 2 emissions by 2030 or sooner: by measuring, reducing and mitigating emissions.

Enterprise Risk Management

Kosmos uses a robust ERM process at the corporate and business unit level to identify, manage, and mitigate risks to our business, including climate-related risks. The process effectively embeds climate-related risk analysis into the decision-making processes of each business unit and aligns business unit risks with those of the company overall.

THE KOSMOS ERM SYSTEM

ANNUAL	Corporate-level risks are defined using a materiality matrix and reviewed with the Board of Directors
ANNUAL	Corporate-level risks are assigned to specific owners within the Senior Leadership Team (SLT)
ANNUAL	Accountability for corporate-level risks is distributed within business units
QUARTERLY	During Quarterly Performance Reviews (QPRs), each business unit uses the corporate-level risks as the framework for a more granular risk assessment, with mitigation actions assigned and assessed in each subsequent QPR



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

HOW KOSMOS DEFINES THE ENERGY TRANSITION RISK: AN EXCERPT FROM THE ERM PROCESS DOCUMENT

The energy transition refers to the energy mix shifting towards cleaner-burning fuels and renewables, driven primarily by shifting social and political pressures, climate change mitigation actions, and increased access to and affordability of fossil fuel alternatives, among other factors.

POTENTIAL RISK	POTENTIAL CONSEQUENCE	KEY MITIGATIONS
• Fundamental shift in investor sentiment • Ineffective Climate Change strategy • External pressure negatively impacting ability to deliver strategic objectives • Lack of expertise • Ineffective communications plan	• Negative impact on asset value • Disruption to business • Brand & Reputational damage • Declining stock price	• Aligned business strategy, focusing on low cost, lower carbon production and exploration opportunities • Develop and implement Climate Change strategy and policy • Report to the CDP • Complete TCFD report in 2020

Following this annual exercise, each business unit completes risk reviews as part of the Quarterly Performance Review ("QPR") process. During QPRs, each business unit reports against general stated business unit goals and reviews function-specific risks against the risk register. SLT members, including the CEO, participate in QPR discussions for every business unit – this facilitates cross-functional risk awareness and provides valuable perspective for risk mitigation plans.

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

DEMONSTRATING ENVIRONMENTAL STEWARDSHIP IN THE U.S. GULF OF MEXICO: OUR ERM SYSTEM AT WORK

Our ERM system is critical for making informed decisions at the business unit level. For example, in the 4Q 2019 Gulf of Mexico business unit QPR, the climate change risk of capturing timely, decision-useful emissions data and investing in tangible emissions reduction technology was discussed when the team evaluated its exposure to the corporate-level 'Energy Transition' risk. To address this potential risk, ownership was assigned to the Vice President of HSE, and a risk mitigation plan was created. The mitigation plan requires the business unit to capture timely, accurate emissions data from contractors and service providers, as well as the use of a digital Environmental Reporting Application that allows for real-time emissions data analysis, as discussed on pages 41-43.

Stakeholder Outreach

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

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

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

INVESTOR ENGAGEMENT

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

MONITORING PUBLIC OPINION AND EXTERNAL POLICY DEVELOPMENTS

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

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

INDUSTRY ORGANIZATIONS

Participation in industry organizations provides valuable insight from peer companies on the management of climate-related risks and opportunities and are a mechanism for remaining informed of the latest policy developments, emissions reduction technologies, and industry best practices.

We regularly review our membership of industry organizations and their positions on climate change to ensure our views are aligned and that membership is consistent with Kosmos' Climate Change Policy.

In the US, Kosmos is a member of the National Ocean Industries Association (NOIA). 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 a formal climate change position. This achievement further underscores our commitment to partnering across the industry to manage and mitigate climate-related risks.

Additionally, in the US Kosmos is on the board of the Outer Continental Shelf Advisory Board (OCSAB), the Offshore Operators Committee (OOC) and the Corporate Council on Africa. In Cote d'Ivoire, Kosmos was on the board and served as President of the American Chamber of Commerce in 2019. In Ghana, Kosmos is currently Board Chair of the Ghana Upstream Petroleum Chamber (GUPC) and was President of the American Chamber of Commerce in 2019. A full list of trade association memberships, as well as our positions within those associations and their respective climate change positions, is on the following page.

KOSMOS TRADE ASSOCIATION MEMBERSHIPS

ORGANIZATION	LOCATION	KOSMOS MEMBERSHIP STATUS	Is the organization's position on climate consistent, inconsistent, or mixed compared to Kosmos' position?
American Chamber of Commerce Cote D'Ivoire	Cote D'Ivoire	On the Board	No formal position
American Chamber of Commerce Equatorial Guinea	Equatorial Guinea	Member	No formal position
American Chamber of Commerce Ghana	Ghana	2019: President	No formal position
American Chamber of Commerce Senegal	Senegal	Member	No formal position
American Chamber of Commerce Suriname	Suriname	Member	No formal position
Corporate Council on Africa	USA	On the Board	No formal position
Ghana Upstream Petroleum Chamber	Ghana	Board Chair	No formal position
Independent Petroleum Association of America (IPAA)	USA	Member, Subcommittee Member	Consistent
International Association of Oil and Gas Producers (IOGP)	UK/USA	Member	Consistent
IPIECA	UK/USA	Member, Participant in the Climate Change Working Group, Social Responsibility Working Group, and Biodiversity and Ecosystem Services Working Group	Consistent
Louisiana Mid-Continent Oil and Gas Association (LMOGA)	USA	Member, Subcommittee Member	No formal position
Namibia Petroleum Operators Association (NAMPOA)	Namibia	Member	No formal position
National Ocean Industries Association (NOIA)	USA	2020: Member 2019: Kosmos SVP and Head of Gulf of Mexico Business Unit served as Chair	Consistent
Offshore Operators Committee (OOC)	USA	On the Board / Executive Subcommittee	No formal position
Outer Continental Shelf Advisory Board (OCSAB)	USA	On the Board	No formal position
Presidential Advisory Committee on Doing Business in Africa	USA	Member, Subcommittee Member	No formal position
Suriname Chamber of Commerce	Suriname	Member	No formal position
The Suriname Trade & Industry Association (VSB)	Suriname	Member	No formal position
United States- Mauritania Business Forum	Mauritania	Member	No formal position
US Trade Advisory Council on Africa	USA	Member	No formal position

KOSMOS' EMISSIONS MANAGEMENT APPROACH

Our goal is to achieve carbon neutrality for our Scope 1 and Scope 2 emissions by 2030 or sooner. To achieve this, we are taking action across three areas: measuring, reducing, and mitigating our emissions. Following these actions, we plan to continue to pursue energy efficiency and operational emissions reduction initiatives, and invest in nature-based solutions for emissions mitigation, including a leading-edge Louisiana company focused on the development of Blue Carbon.

	MEASURE	REDUCE	MITIGATE
Policy Commitments	Measure our direct and indirect emissions according to recognized international GHG accounting standards	Set clear, time-bound emissions reduction targets	Mitigate remaining emissions through nature-based solutions that deliver community and biodiversity co-benefits, in line with the UN SDGs
Work Completed	Calculation of Scope 1 and Scope 2 emissions Independent verification of Scope 1 and Scope 2 emissions Developed innovative application for real-time emissions data gathering	Set target for carbon neutrality in Scope 1 and Scope 2 emissions by 2030 or sooner. Working with key service providers and partners to reduce operational emissions	Identified nature-based projects in key Kosmos geographies

Reducing Operational Emissions

Kosmos is not the operator for most of our operations. Our ability to reduce emissions therefore relies upon establishing relationships and influence with partners that share similar views on the necessity of reducing emissions and working with them to implement efficiency improvements and emissions reduction projects. We also utilize contractually binding language to drive supply-chain partners towards more efficient operations and work with host governments and partners to find low-cost, lower-carbon, mutually beneficial solutions.

In 2019, we engaged key suppliers and business partners in the U.S. Gulf of Mexico on how we might work together to reduce operational emissions. To date, we have integrated emissions performance into our supply decisions and implemented real-time emissions tracking to monitor our activity and emissions fluctuations. We plan to continue to engage our business partners and identify and invest in emissions-saving opportunities in 2020 and beyond.

Given the characteristics of our business model, there remain Scope 1 and Scope 2 emissions that we cannot eliminate from our operations. Our first step is to identify and implement emissions reduction projects in our operations, but if there are emissions in our operations we cannot eliminate, we will mitigate the impact of these through investment in nature-based solutions.

REDUCING EMISSIONS THROUGH OUR SUPPLY CHAIN

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

REDUCING EMISSIONS THROUGH OUR SUPPLY CHAIN

Below is an excerpt from our Request for Proposals, which obligates suppliers to reduce emissions in their own operations.

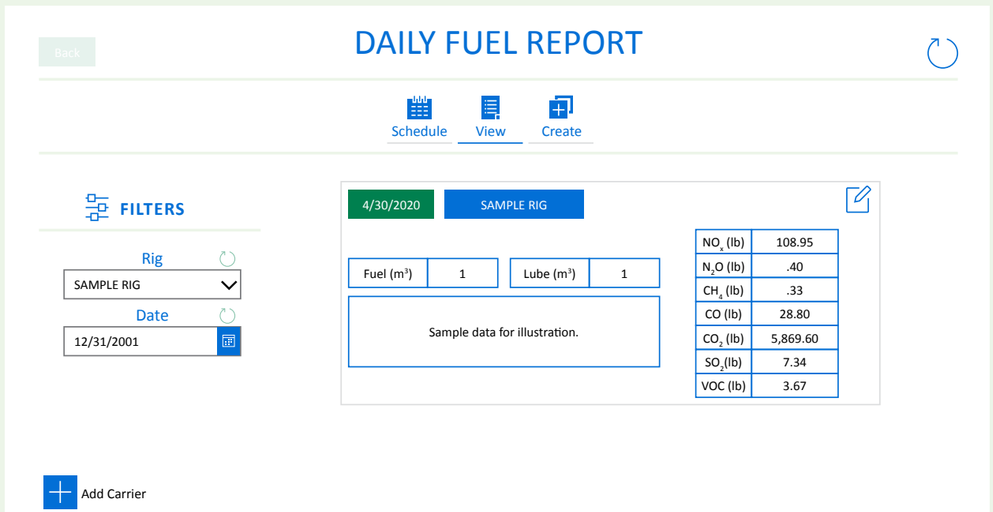
1.1 Carbon Emissions Reduction

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.

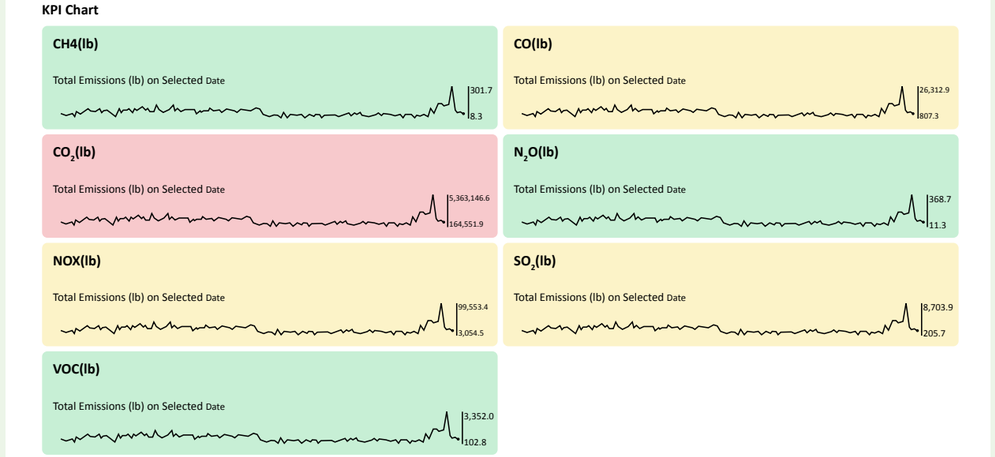
REAL-TIME EMISSIONS TRACKING, REAL-TIME ACTION

In 2019, Kosmos worked with a leading data analytics company to produce a real-time Environmental Reporting Application. The application digitizes environmental reporting on carbon emissions and waste generated in our operations and contains six modules that capture fuel data and associated emissions, mud recordings, solid waste, wastewater, drill cuttings, and E&P waste.

The interactive app is accessible by desktop and mobile device, and allows users to view historical data, track real-time information, and predict future emissions trends based on activity level. By implementing the application, we increased data accuracy, eliminated manual data entry, and can now discern patterns that will inform ongoing emissions reduction initiatives.



This figure is a sample of data entry modules for fuel usage in the Environmental Reporting App.



This figure is an example of trendlines within the Environmental Reporting App, which allow users to analyze consumption data to identify, investigate, and prevent emissions spikes.

INVESTING IN NATURE-BASED SOLUTIONS

Reducing emissions in absolute terms is necessary for achieving our carbon neutrality target. We believe natural carbon sinks, or "nature-based solutions," offer short-term, scalable pathways to mitigating emissions that cannot be eliminated in our operations.

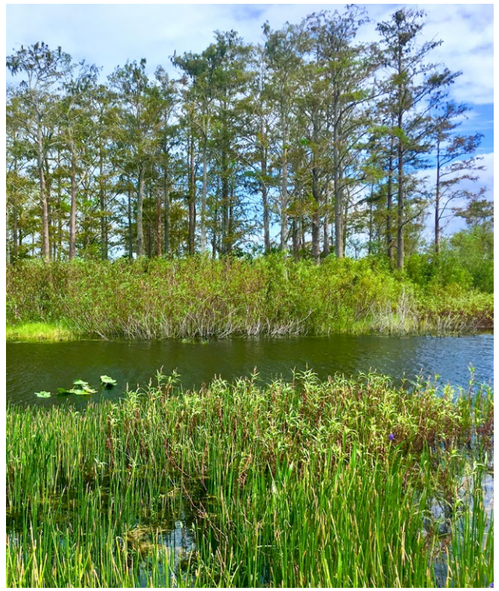
Our aim is to invest in nature-based solutions in regions where Kosmos has significant operations. In addition to carbon and environmental benefits, these projects will bring economic and social co-benefits, contributing to a broad range of the UN Sustainable Development Goals.

In 2019, we entered into an agreement with Shell Energy North America (US), L.P. (Shell Energy) covering two leading, established third-party reforestation projects in key Kosmos geographies – the Form Ghana Reforestation Project in the Ashanti Region of Ghana and the GreenTrees Reforestation Project in the Mississippi Alluvial Valley of the U.S. Gulf Coast. In keeping with our role as an offshore operator, Kosmos will also support the work of Tierra Foundation, a pioneering Louisiana-based organization working on the development of Blue Carbon projects.

TRANSPARENCY AND DUE DILIGENCE IN NATURE-BASED SOLUTIONS PROJECTS

Under our agreement with Shell Energy, carbon credits from the GreenTrees and Form Ghana reforestation projects will be retired on Kosmos' behalf. Kosmos and Shell Energy carry out due diligence on nature-based solutions projects to ensure these projects are high quality in terms of their carbon capture and their environmental and socio-economic co-benefits. We also provide transparency so the projects' contributions towards carbon emission reductions can be independently verified by interested stakeholders.

- All carbon credits retired by Kosmos or in Kosmos' name will be certified under a recognized international certification scheme such as the Verified Carbon Standard or the American Carbon Registry.
- For projects producing these carbon credits, Kosmos will disclose Registry ID information allowing stakeholders to independently verify documentation, standards, and other information.
- Projects address fundamental emissions sequestration criteria such as additionality, permanence, leakage, and measurability.
- The Projects realize biodiversity and socio-economic co-benefits such as providing employment, better water quality and enhancing biodiversity.
- Members of Kosmos' own environmental and social performance teams will visit the projects in person to assess progress and evaluate whether they continue to meet standards and how they bring benefits to the local populace.



KOSMOS INVESTMENTS IN NATURE-BASED SOLUTIONS

GreenTrees Reforestation Project

The GreenTrees project covers 120,000 acres of marginal farmland across seven states in the U.S. Mississippi Alluvial Valley. As the first forestry project to be approved by the American Carbon Registry, GreenTrees has planted millions of trees and created millions of tonnes of CO2e reductions. From an environmental perspective, the project provides natural species habitat restoration, natural flood control buffers, cleaner water and improved air quality. In addition to these environmental benefits, the project supports local economies by bringing incremental revenue to farming communities and providing capacity building.

Standard: American Carbon Registry (ACR)

Registry ID: ACR114

Methodology: Methodology for Afforestation and Reforestation of Degraded Land, Version 1.0, March 2011

Form Ghana Reforestation Project

The Form Ghana Reforestation Project is located in the Asubima and Afrensu Forest Reserves in the Ashanti region of Ghana. The project aims to reforest 18,000 hectares (ha) of land during its lifetime, with 7,500 ha replanted to date. On average, an additional 1,000-2,000 ha are scheduled to be replanted per year, and by 2025, the project is expected to sequester over 850,000 tonnes of CO_2e. The project also involves harvesting of high-quality timber as well as intercropping between trees, providing an additional sustainable revenue source for the government and local communities beyond carbon revenue.

Standard: Verified Carbon Standard

Registry ID: Verified Carbon Standard number 987

Methodology: AR-ACM0001: Afforestation and reforestation of lands except wetlands - Version 2.0

BLUE CARBON: A VAST NATURAL CARBON STORAGE OPPORTUNITY

Blue Carbon is the carbon stored in coastal and marine ecosystems, including mangroves, salt marshes, tidal wetlands and sea grass habitats. These ecosystems sequester and store large quantities of carbon in both the plants and the sediment below, where it can be stored in soil up to 6 meters deep for centuries. This makes them among the most carbon-rich ecosystems on Earth, storing up to 10 times the carbon of a terrestrial tropical forest. Importantly, when degraded or destroyed, these ecosystems can emit stored carbon and become sources of emissions themselves.

Coastal ecosystems also provide significant benefits for climate change adaptation and local livelihoods, including protection from storms and sea level rise, shoreline erosion prevention, improvement of coastal water quality, habitats for commercially important fish species and endangered marine species, and food security for many coastal communities.

Scientists are developing robust methods to measure and quantify the Blue Carbon stored in the biomass and soils of mangroves, tidal marshes, and seagrasses. Similarly, scientists are developing methods to estimate the loss of carbon from these systems if they are degraded or converted.

Tierra Foundation Wetland Restoration

Louisiana-based Tierra Resources is a leader in wetlands restoration and has been pioneering methods to bring Blue Carbon projects to market.

Tierra's mission is to conserve, protect, and restore coastal wetland ecosystems by creating innovative solutions that support investment into wetlands, including blue carbon finance.

Tierra pioneered development of the Wetland Carbon Offset Methodology with the American Carbon Registry (ACR) – the first wetland offset methodology in the world and the first carbon offset methodology specifically focused on US wetlands.

Tierra has since applied this methodology to groundbreaking pilot projects in the Mississippi River Delta, involving, for example, the redirection of treated municipal wastewater into areas impacted by coastal wetland degradation, to accelerate tree growth and soil carbon sequestration.

Tierra has worked to use such pilot projects as a proof of concept for how carbon finance can be used to facilitate coastal restoration. This pioneering work is critical to bringing wetland projects to carbon markets.

Tierra Foundation is a non-profit that aims to further the achievements of Tierra Resources, and improve quality of life and the environment by combining scientific and technical expertise with entrepreneurial innovation to develop market-based blue carbon solutions.

Kosmos is supporting Tierra Foundation to disseminate lessons learned from this vital work, advance the science and research around wetlands and blue carbon, and scale solutions to bring this valuable method of carbon sequestration to market.

MANAGING PHYSICAL RISKS

Kosmos manages physical risks to our business through a robust HSE Management System. This system requires crisis preparedness plans for our operations, with a particular focus on preparedness for operations located in areas prone to significant weather events.

Our physical risk management plans also include frequently updated business continuity plans. Categorized by weather intensity, these business continuity plans outline actions in the case of a significant weather event near our facilities, including preparation activities for personnel, equipment, and facilities, as well as evacuation measures if necessary. These business continuity plans are reviewed at least annually by the HSE team and third-party experts to ensure they fully capture and adequately plan for potential physical interruptions. Kosmos also carries out regular drills to ensure full preparedness.

As Kosmos does not operate any of the production platforms or vessels which process our production, we have limited control of the management of physical risks to the above-water infrastructure that our subsea tiebacks utilize. Still, we monitor these risks and maintain close contact with our infrastructure operators to ensure they have robust risk mitigation plans and sound emergency response mechanisms to protect our interests. In addition to these mechanisms, Kosmos also utilizes LOPI insurance to protect our assets.

MANAGING WEATHER IN THE U.S. GULF OF MEXICO

With a hurricane season that lasts from June 1-November 30, the U.S. Gulf of Mexico is susceptible to extreme weather events. We subscribe to daily weather alerts, customized for each of our locations. These daily alerts provide critical information on wind speed and gusts, swells, visibility, precipitation, and storm likelihood. These reports also inform day-to-day operational activities and advise crews on precautionary safety measures in response to current weather conditions. When storms approach our operations, the frequency of these reports increases, and our internal crisis preparedness team and business continuity plans are activated.

Metrics and Targets

This section contains our climate change and emissions metrics, targets and data. Emissions are disclosed along with key data breakdowns, an explanation of our methodologies, external data verification processes, and other relevant environmental data points.

Kosmos employs a number of metrics to inform our approach to managing climate-related risks and opportunities. We focus on emissions metrics, as they indicate the carbon footprint of our operations and help us to assess our potential risk exposure. Metrics also help us to understand how our emissions change year on year and allow us to better target efficiency improvements.

We aim to achieve carbon neutrality in our Scope 1 and Scope 2 emissions by 2030 or sooner. More information on how we plan to reach this goal is provided in the Risk Management section.

While we believe emissions metrics are valuable signposts for our business, a few things are important to note:

- Our emissions metrics are informed by SASB guidelines and are calculated using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, a widely used international accounting tool for quantifying emissions. This is supplemented with IPIECA and International Association of Oil & Gas Producers (IOGP) guidance for industry-specific calculations. Our methodologies are sound tools for accurately understanding and measuring our emissions, but the lack of standardized calculation methodologies can make peer comparison difficult.
- Emissions metrics are backward-looking, and as such do not account for future emissions reduction technologies or portfolio changes.

Scope 1 Emissions

Kosmos uses the Operational Control[3] approach to reporting Scope 1 and Scope 2 GHG emissions. This means we report 100% of the emissions that arise from sources owned, controlled or operated by Kosmos in our Scope 1 and Scope 2 emissions. It is on this basis that we have set our aim of achieving carbon neutrality in Scope 1 and 2 emissions by 2030 or sooner.

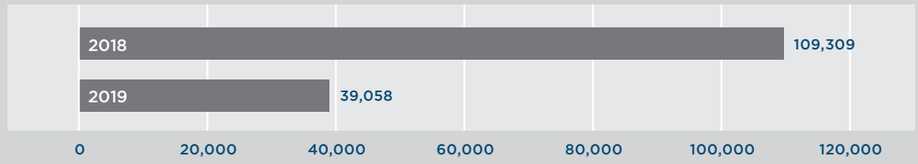
In 2019, Kosmos' total gross global Scope 1 emissions were 39,058 tonnes CO_2 equivalent (CO_2e). These emissions arose from the following activities that were operated by Kosmos, and took place either wholly or partly in 2019:

- Drilling the S-5 exploration well offshore Equatorial Guinea
- Drilling and completions in the U.S. Gulf of Mexico
- A 3D seismic survey offshore São Tomé and Príncipe
- Support vessels and helicopters servicing these operations

This represents a decrease of 70,251 tonnes CO_2e compared to 2018 Scope 1 emissions. Kosmos had 658 days of operated activity in 2018, involving the drilling of three international wells, two seismic surveys and a geological and geophysical survey; and 253 days of operated activity in 2019, involving one international well, drilling and completions in the U.S. Gulf of Mexico, and one seismic survey as described above.

3. Greenhouse Gas Protocol Standards, 'Setting Organizational Boundaries,' 20.

GROSS GLOBAL SCOPE 1 EMISSIONS (TONNES CO_2e)



Carbon dioxide (CO_2) was the largest greenhouse gas in our Scope 1 emissions, accounting for almost 98% of total Scope 1 emissions on a CO_2e basis. Methane (CH_4) made up 0.16% of our gross global Scope 1 emissions on a CO_2e basis (amounting to 64 tonnes CO_2e), and nitrous oxide (N_20) made up 1.91% (745 tonnes CO_2e).

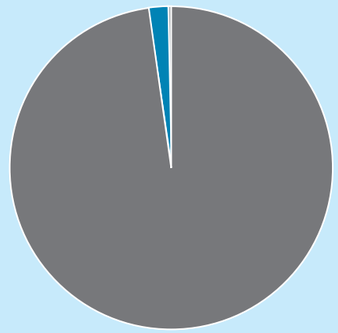
CO_2 equivalencies are calculated using the 100-year time horizon Global Warming Potential (GWP) factors in the IPCC's Fifth Assessment Report (AR5).

2019 SCOPE 1 EMISSIONS BY GREENHOUSE GAS

97.93% **CO_2**
38,249 tonnes

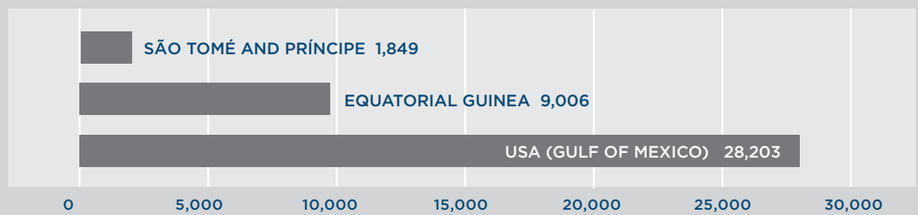
1.91% **N_2O**
745 tonnes CO_2e

0.16% **CH_4**
64 tonnes CO_2e



Breaking down our emissions by country, the majority of our 2019 Scope 1 emissions arose from activity in the U.S. Gulf of Mexico (drilling and completions). São Tomé and Príncipe and Equatorial Guinea were the only other countries where Kosmos had operated activity in 2019 as described above.

2019 SCOPE 1 EMISSIONS BY COUNTRY (TONNES CO_2e)



Breaking down our emissions by activity, 100% of our 2019 Scope 1 emissions came from combustion, i.e. the burning of fuel on drilling rigs, seismic and support vessels and helicopters. Kosmos had 0 tonnes of flaring, venting, fugitive or process emissions in our Scope 1 emissions in 2019.

SCOPE 1 EMISSIONS BY ACTIVITY (TONNES CO_2e)

	2019	% OF 2019 TOTAL
Combustion	39,058	100%
Flaring	0	0
Venting	0	0
Fugitives	0	0
Process	0	0

Scope 2 Emissions

Our gross global Scope 2 emissions were 1,330 tonnes CO_2e in 2019. These arose from purchased electricity at Kosmos' three largest offices: Dallas, Houston and Ghana.

Kosmos uses a location-based methodology for calculating Scope 2 emissions using factors provided by the US Energy Information Administration (EIA), the Environmental Protection Agency (EPA)'s eGRID data tables and the Energy Commission of Ghana.

The table below provides a breakdown of our Scope 2 emissions by country:

SCOPE 2 EMISSIONS BY COUNTRY (TONNES CO_2e)

	2019	% OF 2019 TOTAL
Ghana	202	15%
USA	1,129	85%

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. As we have no offices or Scope 2 emissions where we are able to access electricity supplier emission factors or residual emissions factors, we are unable to report a Scope 2 market-based figure. Kosmos had no Scope 2 emissions besides office electricity use in 2019.

SCOPE 2 EMISSIONS BY ACTIVITY (TONNES CO_2E)

	2019	% OF TOTAL
Office-based activities	1,330	100%
Exploration and appraisal	0	0
Production	0	0

Emissions Intensity Metrics

As requested by the CDP, Kosmos calculates a Scope 1 and Scope 2 emissions intensity metric of tonnes CO_2e per $ revenue – which was 0.000027 in 2019.

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. In turn, it is not possible for us to provide this intensity metric for Scope 1 as the denominator (boe 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.

External Verification

In 2019 Kosmos engaged Trinity Consultants, a third-party emissions calculation and verification consultancy, to provide independent verification of our Scope 1 and Scope 2 emissions. Verification was provided using the Corporate GHG Verification Guideline from the Environmental Resources Trust (ERT), a CDP-approved standard. Trinity's full Verification Statement is available on our website.

Assurance Opinion

Based on Trinity's procedures to verify Kosmos' Scope 1 direct and location-based Scope 2 indirect GHG emissions for Calendar Year 2019, no discrepancies were identified that would indicate that the activity data, emissions calculations, and equations supporting the company's GHG emissions statements are not represented fairly in accordance with the established protocols.

Trinity has concluded that Kosmos has implemented sufficient systems and controls for the collection and analysis of input data used to determine reported Scope 1 and location-based Scope 2 emissions.

Business Travel Emissions

Emissions from business travel were 1,075 tonnes CO_2e in 2019. This includes air travel, rental car travel and hotel stays during business trips. To estimate these emissions, Kosmos uses a distance-based method for air travel, a spend-based method for rental car travel, and a fuel-based method for hotel stays, using emissions factors provided by the US Environmental Protection Agency (EPA).

Emissions Metrics by Scope (Tonnes CO_2e)

	2019	2018
Gross Global Scope 1 emissions (tonnes CO_2e)	39,058	109,309
Gross Global Scope 2 emissions (tonnes CO_2e)	1,330	1,026
Scope 3 Category 6 Emissions: Business travel (tonnes CO_2e)	1,075	2,009
SCOPE 1-2 EMISSIONS INTENSITIES		
Total revenue	$1,509,909,000	$902,369,000
Tonnes Scope 1 and Scope 2 CO_2e emissions per $ revenue	0.000027	0.000122
SCOPE 1 EMISSIONS BY GREENHOUSE GAS		
CO_2 emissions (tonnes)	38,249	107,196
CH_4 emissions (tonnes)	2.29	6
N_2O emissions (tonnes)	2.81	7
CO_2 emissions (tonnes CO_2e)	38,249	107,196
CH_4 emissions (tonnes CO_2e)	64	171
N_2O emissions (tonnes CO_2e)	745	1,942
SCOPE 1 EMISSIONS BY COUNTRY (TONNES CO_2e)		
Cote d'Ivoire	0	0
Equatorial Guinea	9,006	27,878
Ghana	0	0
Mauritania	0	0
Morocco	0	653
Namibia	0	0
Sao Tome and Principe	1,849	0
Senegal	0	15,368
South Africa	0	0
Suriname	0	43,865
USA (Gulf of Mexico)	28,203	0
Western Sahara	0	21,547

	2019	2018
SCOPE 1 EMISSIONS BY ACTIVITY (TONNES CO_2e)		
Combustion	39,058	109,309
Flaring	0	0
Venting	0	0
Fugitives	0	0
Process	0	0
SCOPE 1 EMISSIONS BY BUSINESS DIVISION (TONNES CO_2e)		
Exploration	10,855	109,309
Gulf of Mexico Business Unit	28,203	0
Mauritania and Senegal Business Unit	0	0
Ghana Business Unit	0	0
Equatorial Guinea Business Unit	0	0
SCOPE 2 EMISSIONS BY COUNTRY/CITY (TONNES CO_2e)		
Ghana	202	217
USA total	1,129	2,123
Dallas	615	
Houston	514	
SCOPE 2 EMISSIONS BY ACTIVITY (TONNES CO_2e)		
Office-based activities	1,330	2,340
Exploration and appraisal	0	0
Production	0	0

Annex

The table below depicts where to find each of the TCFD's recommendations within this report.

GOVERNANCE **Disclose the organization's governance around climate-related risks and opportunities.**	
a) Describe the Board's oversight of climate-related risks and opportunities.	Governance 7-10
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Governance 11-13
STRATEGY **Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning, where such information is material.**	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	Strategy 15-23
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	Strategy 16-23
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Strategy 26-31
RISK MANAGEMENT **Disclose how the organization identifies, assesses and manages climate-related risks.**	
a) Describe the organization's processes for identifying and assessing climate-related risks.	Risk Management 33-39
b) Describe the organization's processes for managing climate-related risks.	Risk Management 40-47
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Risk Management 33-35
METRICS AND TARGETS **Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material.**	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities, in line with its strategy and risk management process.	Metrics and Targets 49-55
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Scope 1: Metrics and Targets 49-51 Scope 2: Metrics and Targets 51
c) Describe the targets used by the organization to manage climate-related risks, opportunities, and performance against targets.	Introduction 5 Metrics and Targets 49

Forward-Looking Statements

This report, which speaks only as of its date, is not comprehensive, and for that reason, this report should be read in conjunction with our 2019 Annual Report on Form 10-K and Form 10Q for the quarters ended March 31, 2020 and June 30, 2020 (particularly the "Forward-Looking Statements" and "Risk Factors" sections) and our 2020 Proxy Statement, all of which can be found at www.kosmosenergy.com.

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this report that address activities, events or developments that Kosmos Energy Ltd. ("Kosmos" or the "Company") expects, believes or anticipates will or may occur in the future are forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this report specifically include the expectations of management regarding plans, strategies, objectives, anticipated financial and operating results of the Company. The Company's estimates and forward-looking statements are mainly based on its current expectations and estimates of future events and trends, which affect or may affect its businesses and operations. Although the Company believes that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available to the Company. When used in this report, the words "anticipate," "believe," "intend," "expect," "plan," "will" or other similar words are intended to identify forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. These assumptions, risks and uncertainties including without limitation: changes in demand for oil and natural gas; expenditure reductions; changes in economic, political and business conditions; changes in laws, regulations or other requirements or the enforcement or interpretation of them including those related to oil and gas exploration and production, natural resources and fossil fuels management and climate-related initiatives; technological developments of, and investments in, alternative energy; inability to reduce environmental impact; involvement in litigation; the financial and operation conditions of our supply chain; defects in risk management; losses from, or the inability to identify and mitigate, risks inherent in operating in the global energy industry; high cost or unavailability of infrastructure, materials, equipment, supplies and/or personnel; potential disruption due to war, accidents, weather and seasonal factors, political events, civil unrest, cybersecurity, geopolitical or terrorism threats, pandemics, economic downturns or other causes beyond our control.

Further information on the assumptions, risks and uncertainties to which this report is subject is available in the Company's Securities and Exchange Commission ("SEC") filings. The Company's SEC filings are available on the Company's website at www.kosmosenergy.com.

Kosmos undertakes no obligation and does not intend to update or correct these forward-looking statements to reflect events or circumstances occurring after the date of this report, whether as a result of new information, future events or otherwise, except as required by applicable law. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. All forward-looking statements are qualified in their entirety by this cautionary statement. Management does not provide a reconciliation for forward-looking non-GAAP financial measures where it is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the occurrence and the financial impact of various items that have not yet occurred, are out of our control or cannot be reasonably predicted. For the same reasons, management is unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.