

MUNYAO, MUTHAMA & KASHINDI

ADVOCATES & COMMISSIONERS FOR OATHS

P. M. Munyao
A.K.B. Muthama
G.A. Kashindi
I. Kashindi
R. O. Owino (Dr.)
J.N. Musoke
S. M. Wekesa (Dr.)
A. O. Okothe
K. Muraka
N. Gitari
E. Nyongesa
N. Otieno
A. Aringah
W. Kungu
J. Katwa

NAIROBI OFFICE:
Chaka Place
3rd Floor ("TCA")
Argwings Kodhek Road
P.O. Box 24482-00100
Nairobi
Tel: +254 20 2117477
+254 20 2715184
Fax: +254 20 2714208

MOMBASA OFFICE:
ACK Cathedral Complex
Office No. 14, 1st Floor
Cathedral Rd, Nkrumah Rd
P.O. Box 2419-80100
Mombasa
Tel: +254 41 2319403/4
+254 41 2222481
Fax: +254 41 2317238



OUR REF: MMK/LA/807/2018

YOUR REF: TBA

4th June, 2019

The Managing Director
BOC Kenya Limited
Kitui Road, Industrial Area
NAIROBI

Attn: Sarah Onyoni

RE: LEGAL COMPLIANCE AUDITORS OPINION FOR BOC KENYA LIMITED

We refer to the above subject matter.

We forward herewith the legal auditor's opinion for your kind attention and further action.

Yours faithfully,

MUNYAO, MUTHAMA & KASHINDI

Kash
GEORGE KASHINDI
kashindi@mmkadv.co.ke
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Encl: As above

BOC KENYA PLC

LEGAL COMPLIANCE AUDITOR'S REPORT FOR THE ANNUAL REPORT

Statement of the responsibility of Directors

It is the role of the Board to establish internal procedures and monitoring systems to promote compliance with applicable laws, regulations and standards. In addition, the Board should also ensure the compliance strategy is aligned to the operations of the company. This responsibility includes organizing for an independent legal and compliance audit to be conducted periodically. It is on this basis that the Board commissioned a legal compliance audit with the aim of ensuring that the company conducts its operations in accordance with the Constitution, all relevant laws, regulations and standards as well as minimize legal risks.

The Directors have ensured that the company has undergone a legal compliance audit for the year ended 31 December 2018 and obtained a report, which discloses the state of legal compliance within the company

Legal Compliance Auditor's Responsibility

It is the responsibility of a legal compliance auditor to provide an opinion on the level of compliance of the company's operations with the existing legal and regulatory framework.

We conducted the legal compliance audit as required by CMA Code of Corporate Governance Practices 2015. The Code requires that we plan and undertake a legal compliance audit to obtain reasonable assurance on the level of compliance of the company's operations with existing legal and regulatory framework. The audit involved obtaining audit evidence through site visits, targeted interviews with senior management including Corporation Secretary and Managing Director and through undertaking documentary review of various materials. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our legal compliance audit report contains audit findings and recommendations.

Legal Compliance Auditor's Opinion

In our opinion, the Board has established internal procedures and monitoring systems to promote compliance with the existing legal and regulatory framework and in line with international best practices in risk management for the interest of stakeholders and shareholders. However, the audit revealed a number of weaknesses and gaps that the company ought to address. The report therefore recommended appropriate action for every specific finding.

Legal compliance auditor overall ranking of the company: GOOD.

Mr. George Kashindi

For: Munyao, Muthama & Kashindi, Advocates

Date: 27 March 2019.


MUNYAO MUTHAMA & KASHINDI
ADVOCATES & COMMISSIONERS FOR OATHS
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FAX: +254 20 2714208
Email: nairobi@mmkadv.com