

Our Ref: CMA/CMD/193

December 8, 2023

Mr. Eric Fanchini
Managing Director
Total Energies Marketing Kenya Plc
Regal Plaza, Limuru Road
P.O Box 30376-00100
NAIROBI

Dear Mr. Fanchini,

RE: FINDINGS AND RECOMMENDATIONS ON TOTAL ENERGIES MARKETING KENYA PLC CORPORATE GOVERNANCE ASSESSMENT FOR THE FINANCIAL YEAR 2022

Following the submission of Total Energies Marketing Kenya Plc's Corporate Governance self-assessment report for the period ended December 31, 2022, the Authority conducted a comprehensive assessment as per the Code of Corporate Governance Practices for Issuers of Securities to the Public (CG Code).

The Authority identified the company's governance and sustainability strengths and weaknesses. Subsequently, the Authority shared the draft findings and recommendations on areas of improvement with the company's Company Secretary, through email.

The company had a Leadership rating score of 88%.

We commend you for the continuous efforts to strengthen the company's governance structures and practices while calling on you to address the following recommendations on areas of improvement -

1. The company should work towards complying with the Audit Committee requirements under section 2.2.4 of the Code to which it had received an exemption from the Authority.
2. The company should endeavour to carry out an independent legal and compliance audit and include the auditors' opinion in the annual report to comply with the code.
3. The company's policy on related party transaction should be available on the website.


4. The Company should disclose as part of the annual report that the dispute resolution process is in place.
5. The company should publish specific procurement policy and policy on information technology (IT) on the website and annual report as a matter of best practice.

Clause 1.1.3 of the CG Code requires issuers to clearly indicate the strategies and timelines to address any recommendations on the areas of improvement in line with the principle of apply and explain embedded in the Code.

We look forward to your continued support and engagement with the Authority to promote good corporate governance and sustainability practices in Kenya.

Yours sincerely,



 **Daniel Warutere,**
Ag. DIRECTOR, MARKET OPERATIONS