

### **Main Highlights of CAE's Audit Committee Meeting held on 1 August 2022**

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The Audit Committee Meeting was held on Monday, 1 August 2022, at 10:00 am.

**The meeting was attended by:**

Dr. Adel Danish	Non-Executive Board Member – Chairman of Committee
Mr. Didier Reboul	Non-Executive Board Member – Member of Committee <i>(By Video Conference)</i>
Mr. Paul Carite	Non-Executive Board Member – Member of Committee <i>(By Video Conference)</i>

**Attendees:**

Mr. Hesham Helmy	Head of Internal Audit (CAE)
Mr. Samer Masoud	Deputy Head of Internal Audit (CAE)
Mrs. Hala Ragab	General Counsel & Corporate Secretary (CAE)
Mr. Amr Moustafa	Compliance Dept. (CAE)
Mr. Ahmed Awaad	Partner – Ernst & Young
Mr. Mohamed Bahaa	Mazars, Mostafa Shawky & Co.
Mr. Ravinarayanan Iyer	Chief Financial Officer
Mr. Ayman Fawzy	Financial Administration (CAE)
Ms. Dina Waheeb	Deputy Chief Risk Officer (CRO)
Mr. Haytham Abdel-Hakim	Head of Operational Risk & Permanent Control
Mr. Emmanuel Arribat	Observer with Expertise – CASA <i>(By Video Conference)</i>

**The following are the key issues discussed:**

- 1) Looking into the status of implementation of the decisions and recommendations of the previous meeting of the Audit Committee.
- 2) Reviewing the financial statements of the Bank for the period ended 30/6/2022.
- 3) Reviewing the Internal Audit Dept.'s report including the audit missions performed in the second quarter of the year 2022; following up the executed part of the Audit Plan for 2022; the Internal Audit Dept.'s assessment of the branches & departments during Q2 of the year; the key recommendations of the Internal Audit Dept. to monitor and improve the internal control environment & maintaining the Bank's assets, and discussing the data of the Internal

Audit Department's staff, the organizational structure and their levels of training and qualification.

- 4) Presentation of the reports submitted by the Risk Dept., including a report from the Operational Risk & Permanent Control Dept. and the reports submitted by the Head of Compliance for the period ended 30/6/2022.
- 5) Reviewing the reports prepared by the Head of Legal Dept. on the status of the legal risks facing the bank, and the lawsuits as well.
- 6) Discussing the External Auditors' opinion on the financial statements prepared for the period ended 30/6/2022.

**Key Decisions taken by the Audit Committee:**

- 1- The Head of Bank Operations, in conjunction with the Chief Information Officer, to present a detailed analysis of one of the services provided by the Bank and submitted to the Audit Committee, in addition to providing indicators and statistics to evaluate the performance of those services.
- 2- The Head of Compliance Dept. of the Bank, in coordination with all relevant parties, to submit an updated report to the Audit Committee on the results of automation of the data of the customers of the SMEs loan portfolio to improve performance, as well as the procedures and results of internal control on the classification of the loans portfolio of these companies in light of the CBE's recent regulations.
- 3- The Audit Committee stressed that the internal control reports submitted to it by the Bank's Compliance Department should include the development of the results of the controls placed in comparison with previous periods to determine the extent of their improvement, along with setting a specific time frame for the corrective measures agreed to be implemented and presenting the updated position in this regard to the Audit Committee.

- 4- In coordination with the executives of Large Corporate & SMEs departments, the Deputy Chief Risk Officer to submit the updated position to the Audit Committee regarding the renewal of credit facilities and the action plan developed in this regard.
- 5- The Committee reviewed and approved the Bank's Internal Audit Dept.'s report on the results of the follow-up to the Internal Audit's recommendations to improve the Bank's internal control environment.
- 6- The Audit Committee approved the work procedures of the Internal Audit Dept., the updated Charter of the Internal Audit Department and the updated Charter of the Audit Committee.
- 7- The Audit Committee reviewed and approved the data of the staff of the Internal Audit Dept. of the bank, including, for example, the organizational structure, the new appointments, and the implementation of a training plan for employees to exercise all the tasks entrusted to them.
- 8- The Chief Information Officer to present the action plans developed to improve the card transactions of customers, and submit the updated position in this regard to the Audit Committee.
- 9- The Head of Compliance Dept. to submit a detailed analysis of customer complaints according to their source, along with the corrective action plan set to increase customer satisfaction indicators.

**Dr. Adel Danish**

**Chairman of Audit Committee  
& Member of Board**

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