

**Main Highlights of CAE's Audit Committee  
Meeting held on 7 November 2022**

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The Audit Committee Meeting was held on Monday, 7 November 2022, at 12:30 pm.

**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 Fathy	Head of Compliance Department (CAE)
Mr. Ahmed Awaad	Partner – Ernst & Young
Mr. Rashad Hosny	Partner – Mazars, Mostafa Shawky & Co.
Mr. Ravinarayanan Iyer	Chief Financial Officer (CAE)
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) Studying the Bank's financials for the period ended 30/9/2022.
- 3) Reviewing the Internal Audit Dept.'s report including the audit missions performed in the third quarter of the year 2022; following up the executed part of the Audit Plan for 2022; the Internal Audit Dept.'s assessment of the performance of branches & departments during Q3 of the year; the key recommendations of the Internal Audit Dept. to monitor and improve the Bank's internal control environment & maintaining the Bank's assets, and also 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., as well as reports submitted by the Head of Compliance for the period ended 30/9/2022.
- 5) Reviewing the reports prepared by the Head of Legal Dept. on the status of the legal risks facing the Bank.
- 6) Discussing the External Auditors' opinion on the financial statements prepared for the period ended 30/9/2022.

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

- 1- The Head of Bank Operations, in coordination with the Chief Information Officer, to present a detailed analysis to the Audit Committee on one of the services provided by the Bank, 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 concerned 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 in this regard.
- 3- The Audit Committee stressed that the internal control reports submitted to it by the Bank's Compliance Department must always include the development of the results of set controls compared with previous periods, in order to trace the extent of improvement thereof. In case of non-improvement of any of such results, a detailed analysis should be submitted 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- With regard to the additional external audit task for preparing an annual report on the quality of the Bank's internal control systems (COSO) required by CBE, the Committee expressed its no-objection to the Bank's seeking the assistance of a reputable external audit firm to

perform this special task. The Committee also stated that it has no objection to the prescribed fees related to this task, up to a maximum set by the Committee.

- 6- The Audit Committee approved the Internal Audit Plan for the year 2023 prepared in accordance with the Risk-Based Approach, and also the proposed long-term audit plan that is reviewed on an annual basis.
- 7- The Committee requested the Head of Call Center of the Bank to study the extent of applying international standards regarding customer waiting time on the Interactive Voice Response (IVR) system.
- 8- The Head of Compliance Dept. of the Bank is to submit an updated position to the upcoming Audit Committee meeting regarding the action plans set, in coordination with Credit Agricole France (CASA), for rectification of the findings included in an audit report of CBE, supported by a specific time frame for implementing these procedures.

**Dr. Adel Danish**

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

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