

**Main Highlights of CAE's Audit Committee
Meeting held on 11 May 2020**

The Audit Committee Meeting was held on Monday 11 May 2020 at 10:00 am.

The meeting was attended by:

Mr. Paul Carite (by video-conference)	Non-Executive Board Member – Chairman of Committee
Mr. Assem Ragab	Non-Executive Board Member – Member of Committee

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 (CAE)
Mr. Ehab Azer (by Audio-Conference)	Partner – Ernst & Young
Mr. Rashad Hosny	Partner – Mazars, Mostafa Shawki & Co.
Mr. Mohamed Shaltout	Mazars – Mostafa Shawki & Co.
Mr. Hany Nassef	Chief Financial Officer "CFO" (CAE)
Mr. Tarek Fouad	Financial Administration (CAE)
Mr. Franck Flament	Chief Risk Officer "CRO" (CAE)
Mr. Vincent Gancel (apologized for not attending)	Observer with Expertise – CASA
Mr. Emmanuel Arribat (by video-conference)	Observer with Expertise – CASA

The following are the most important items 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 31/3/2020.
- 3) Reviewing the Internal Audit Dept.'s report including the audit missions performed in the first quarter of the year 2020; following up the executed part of the Audit Mission for 2020; the

Internal Audit Dept.'s assessment of the branches & departments during Q1 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 also discussing the data of the Internal Audit staff members, in addition to their levels of training and qualification.

- 4) Reviewing the reports submitted by the Bank's Risk Dept. regarding the evaluation of collaterals provided by customers against the financing and credit facilities provided to them.
- 5) Follow-up on the reports submitted by the Risk Dept. including a report from the Department of Permanent Control & Operational Risk, as well as reports submitted by the Head of Compliance for the period ended 31/3/2020.
- 6) Reviewing the reports Head of Legal Dept. on the status of the lawsuits brought against or by the Bank and the legal risks, and submitting the Legal Department's reports in this regard.
- 7) Discussing the External Auditors' opinion on the financial statements prepared for the period ended 31/3/2020.

Key Decisions taken by the Audit Committee:

- 1- The Audit Committee approved to suspend the Internal Audit Plan due to the exceptional circumstances the country is going through, and the Committee agreed to apply an alternative plan prepared according to the Risk-Based Approach and in line with the action plans currently in place in the bank under the Coronavirus pandemic.
- 2- In cooperation with the head of the concerned banking services, the Head of Compliance Department of the Bank shall provide the Audit Committee with the updated position regarding the improvements made to the customer complaints handling process through the Call Center to ensure that the customers' complaints are treated as quickly as possible.
- 3- The Committee reviewed the reports submitted by the CRO of the Bank about reviewing the values of collaterals provided by customers against the financing and credit facilities granted to them.

.....