

**Main Highlights of CAE's Audit Committee
Meeting held on 21 July 2020**

The Audit Committee Meeting was held on Tuesday 21 July 2020 at 10:00 am.

The meeting was attended by:

Mr. Paul Carite	Non-Executive Board Member – Chairman of Committee (By Video Conference)
Mr. Assem Ragab	Non-Executive Board Member – Member of Committee
Mr. Didier Reboul	Non-Executive Board Member – Member of Committee (By Video Conference)

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	Partner – Ernst & Young (By Teleconference)
Mr. Rashad Hosny	Partner – Mazars, Mostafa Shawky & 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	Observer with Expertise – CASA (By Teleconference)
Mr. Emmanuel Arribat	Observer with Expertise – CASA (By Videoconference)

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 Bank's financials for the period ended 30/6/2020.
- 3) Reviewing the Internal Audit Dept.'s report including the audit missions performed in the second 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 Q2 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 presenting the data of the Internal Audit staff members, 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 Permanent Control & Operational Risk Dept., as well as reports submitted by the Head of Compliance for the period ended 30/6/2020.
- 6) Reviewing the reports prepared by the Head of Legal Dept. on the status of the lawsuits brought against or by the Bank and legal risks, and presenting the recommendations of the Legal Department in this regard.
- 7) Discussing the External Auditors' opinion on the financial statements prepared for the period ended 30/6/2020.

Key Decisions taken by the Audit Committee:

- 1- The CFO shall provide the Board of Directors with some additional financial analyses of the Net Interest Income (NII) of each division.
- 2- The Audit Committee approved the revised Internal Audit Plan for the year 2020 prepared according to the Risk-Based Approach in light of the exceptional circumstances of the Coronavirus pandemic.
- 3- The Head of Permanent Control Department of CAE, in cooperation with the Chief Information Technology Officer, shall provide the Audit Committee with the updated position regarding the corrective plan for one of the tools of transfers.
- 4- 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.

Paul Carite

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

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