

**Main Highlights of CAE's Audit Committee
Meeting held on 5th November 2019**

The Audit Committee Meeting was held on Tuesday 5th November 2019 at 10:00 am.

The meeting was attended by:

Mr. Paul Carite	Non-Executive Board Member – Chairman of Committee
Mr. Assem Ragab	Non-Executive Board Member – Member of Committee
Mrs. Mona El-Baradei	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	Partner – Ernst & Young
Mrs. Nehal El-Shazly	Ernst & Young
Mr. Sherif Abdel-Fadeel	Partner – Hazem Hassan & Co.
Mrs. Dalia El-Kattan	Hazem Hassan & 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
Mr. Emmanuel Arribat	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 Bank's consolidated financials for the period ended 30/9/2019.
- 3) Reviewing the Internal Audit Dept.'s report including the audit missions performed in the third quarter of the year 2019; following up the executed part of the Audit Plan for 2019; the Internal Audit Dept.'s assessment of the 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 presenting the data of the Internal Audit staff members.
- 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 30/9/2019.
- 6) Reviewing the reports prepared by the Head of Legal Dept. on the status of the lawsuits brought against or by the Bank 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 30/9/2019.

Key Decisions taken by the Audit Committee:

- 1- The Audit Committee approved contracting with two external-audit offices for performing two audit missions related to the Financial Administration of the Bank and their fees for that, in adherence to the Central Bank of Egypt's regulations in this regard.
- 2- The updated position of the task of a committee in the bank (the committee supervising the process of preparing the credit reports sent to the Central Bank of Egypt "CBE") shall be submitted to the next meeting of the Audit Committee.
- 3- The Audit Committee approved the updated Charter of Internal Audit Dept. and the updated Charter of the Audit Committee, which have been adopted.

- 4- The Audit Committee approved some amendments to the Audit Plan for the year 2019.
- 5- The Audit Committee approved the Audit Plan for 2020 prepared according to a risk-based methodology, and also the proposed long-term plan of audit that is reviewed on an annual basis.
- 6- The Committee reviewed and approved all the data of the employees of the Internal Audit Department of the Bank, including – but not limited to – the new appointments, implementation of the plan of training the employees to carry out all the tasks assigned to them...etc.
- 7- 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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