

**Main Highlights of CAE's Audit Committee**  
**Meeting held on 23<sup>rd</sup> April 2018**

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The Audit Committee Meeting was held on Monday 23<sup>rd</sup> April 2018 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
Mr. Hassan Hegazy	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. Sameh Moustafa	Head of Compliance (CAE)
Mr. Ehab Azer	Partner – Ernst & Young
Mr. Ahmed Ibrahim	Partner – Hazem Hassan & Co.
Mrs. Pascale Bohn	Chief Financial Officer “CFO” (CAE)
Mr. Ayman Fawzy	Financial Administration (CAE)
Mr. Franck Flament	Chief Risk Officer “CRO” (CAE) (Via video conferencing)
Mrs. Cecil Bennehard	Director (Credit Agricole Group “CASA”)
Mr. Tarek Fouad	Financial Administration (CAE)

**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 31/3/2018.

- 3) Reviewing the Internal Audit Dept.'s report including the audit missions performed in the first quarter of the year 2018; following up the executed part of the Audit Mission for 2018; 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 presenting the data of the Internal Audit staff members and their levels of training & 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 31/3/2018.
- 6) Reviewing the reports 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) Reviewing the reports submitted by the External Auditors for the period ended 31/3/2018.
- 8) The Chairman of the Audit Committee informed the members that Mr. Jean-Philippe Laval is no longer an Observer to the Audit and Risk Committees.

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

- 1) In cooperation with the CRO, the Corporate Banking Head shall provide the Audit Committee with the updated position of the action plans and the indicators set for completing the process of obtaining some documents for a group of credit customers.
- 2) The Head of the Branches Network of the Bank shall provide the Audit Committee with the updated position of the plan set up for developing and improving the training courses provided for all the staff of the branches for improving the internal control environment of branches, together with setting the date expected to finalize such training for all the staff of branches.

- 3) The CFO shall provide the Audit Committee with a brief study on the action plan set up by the Bank for implementing the accounting standards of IFRS9.
- 4) The Head of Compliance shall update the Audit Committee with the status of renewing the KYC Form for some customers of the Bank, as well as presenting detailed information about such customers.
- 5) 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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