

Main Highlights of CAE's Audit Committee

Meeting held on 25th July 2018

The Audit Committee Meeting was held on Wednesday 25th July 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
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)
Mr. Ismail Hegazy	Deputy General Counsel (CAE)
Mr. Mohamed Ragaie	Deputy Head of Compliance
Mr. Ehab Azer	Partner – Ernst & Young
Mr. Ahmed Ibrahim	Partner – Hazem Hassan & Co.
Mrs. Pascale Bohn	Chief Financial Officer “CFO” (CAE)
Mr. Franck Flament	Chief Risk Officer “CRO” (CAE)
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 Bank's financials for the period ended 30/6/2018 including the financial analysis of the Bank's subsidiary EHFC.
- 3) Reviewing the Internal Audit Dept.'s report including the audit missions performed in the second 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 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 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 30/6/2018.
- 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 30/6/2018.

Key Decisions taken by the Audit Committee:

- 1) The members of the Committee nominated Mr. Vincent GANCEL for his experience in the work of the Audit and Risk Committees. This nomination was submitted to the Bank's Board of Directors for approval.
- 2) The Corporate Banking Head shall provide the Audit Committee with the updated position of the action plans for completing the process of obtaining some documents for a group of credit customers.
- 3) The Head of Corporate Banking and the Head of Private Banking shall update the Audit Committee with the status of the action plans set up for renewing the KYC Form for the customers of Corporate & Private Banking.

Paul Carite

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

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