

Main Highlights of CAE's Audit Committee Meeting held on 11 May 2023

The Audit Committee Meeting was held in Paris, France, on Thursday, 11 May 2023, at 08:30 a.m. (Paris Time), 09:30 a.m. (Cairo Time).

The meeting was attended by:

Dr. Adel Danish	Non-Executive Board Member – Audit Committee Chairman
Mr. Didier Reboul	Non-Executive Board Member – Audit Committee Member
Mr. Nicolas Tavernier	Non-Executive Board Member – Audit Committee Member

Attendees:

Mr. Hesham Helmy	Head of Internal Audit (CAE) <i>(By Video Conference)</i>
Mr. Samer Masoud	Deputy Head of Internal Audit (CAE) <i>(By Video Conference)</i>
Mrs. Hala Ragab	General Counsel & Corporate Secretary (CAE)
Mr. Amr Fathy	Head of Compliance Dept. (CAE) <i>(By Video Conference)</i>
Mr. Mohamed El-Sawaf	Partner – (PWC) <i>(By Video Conference)</i>
Mr. Mohamed Maarouf	Partner – Mazars, Mostafa Shawky & Co. <i>(By Video Conference)</i>
Mr. Ravinarayanan Iyer	Chief Financial Officer “CFO” (CAE) <i>(By Video Conference)</i>
Mr. Ayman Fawzy	Head of Accounting, CBE & Statutory Reporting – Finance Dept. (CAE) <i>(By Video Conference)</i>
Mr. Franck Flament	Chief Risk Officer “CRO” (CAE)
Ms. Dina Waheeb	Deputy Chief Risk Officer (CAE) <i>(By Video Conference)</i>
Mr. Haytham Abdel-Hakim	Head of Operational Risk & Permanent Control <i>(By Video Conference)</i>

The following are the key topics discussed:

- 1) Looking into the status of implementation of the decisions and recommendations of the previous meeting of the Audit Committee.
- 2) Reviewing the CAE's financial statements for the period ended 31 March 2023.
- 3) Reviewing the Internal Audit Dept.'s report including the audit missions performed in the first quarter of the year 2023; following up the executed part of the Audit Plan for 2023; the Internal

Audit Dept.'s assessment of the branches & departments during the first quarter of the year; as well as submitting the key recommendations of the Internal Audit Dept. to monitor and improve the internal control environment in the Bank & maintaining the Bank's assets, and discussing the data of the Internal Audit Department's staff, their levels of training and qualification.

- 4) Presentation of the reports submitted by the Risk Dept., including a report from the Operational Risk & Permanent Control Dept., as well as reports submitted by the Head of Compliance for the period ended 31 March 2023.
- 5) Reviewing the reports prepared by the Head of Legal Dept. on the legal risks facing the bank and the results of internal investigations.
- 6) Discussing the External Auditors' opinion on the financial statements prepared for the period ended 31 March 2023.

Key Decisions of the Audit Committee:

- 1- The Audit Committee stressed that the internal control reports submitted to it by the Bank's Compliance Department must always include the development of the results of set controls compared with previous periods, in order to trace the extent of improvement thereof. In case of non-improvement of any of such results, a detailed analysis in this regard should be submitted to the Audit Committee.
- 2- The Audit Committee requested the Head of Call Center of the Bank to study the evolution of customers' waiting time on the Interactive Voice Response (IVR) system and to take the necessary actions to improve the service.
- 3- The Audit Committee has no objection to the proposal submitted by the CAE's Financial Administration (Finance) Dept. regarding presentation of the Condensed Financial Statements to the Audit Committee as long as such action is consistent with the relevant local laws and regulations.

- 4- The Audit Committee has no objection to the proposal submitted by the CAE's Financial Administration (Finance) Dept. regarding the additional special task submitted by the Finance Dept. with the estimated fees for it.
- 5- The Audit Committee reviewed and approved the Bank's Internal Audit report on Credit Information Department (CID), and it stressed full compliance with the Central Bank of Egypt (CBE)'s regulations regarding the roles and responsibilities of the CID as stipulated in the relevant instructions of CBE.
- 6- The Audit Committee reviewed and approved the CAE's Internal Audit Report on Quality Assurance.
- 7- The Audit Committee reviewed the training plan of the Internal Audit Dept's staff for the year 2023.
- 8- The Head of Compliance Dept. of the Bank, as well as the Chief Information Officer (CIO) should present the updated status to the upcoming Audit Committee on the action plans put in place to expedite the implementation of some of the external audit's recommendations.
- 9- The Head of Operational Risk & Permanent Control of the Bank should present the updated status on the action plans developed to improve the internal control environment of one of the departments.

Dr. Adel Danish

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

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