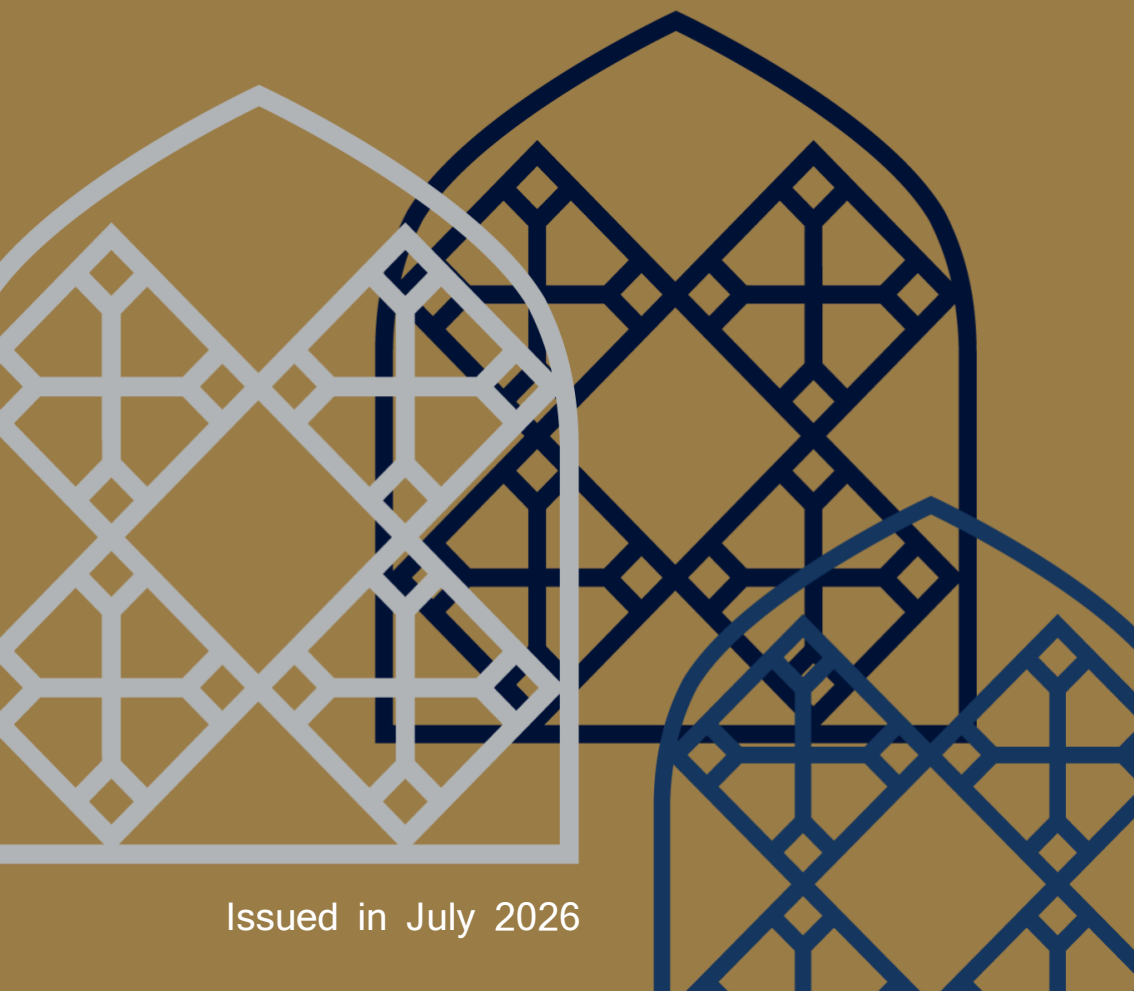
مصرف الإمارات العربية المتحدة المركزي
CENTRAL BANK OF THE U.A.E.

Board Audit Committee Charter
Central Bank of the UAE



Issued in July 2026

1. Introduction

The Audit Committee (the Committee) is one of the main committees reporting to the Board of Directors of the CBUAE. The Committee represents an important part of the corporate governance structure, and works to enhance transparency and accountability, ensuring monitoring of the financial and administrative operations at the Central Bank.

2. Charter Objective

The Charter objective shall be to define the Committee's framework, including its tasks, responsibilities, authorities, and organizational structure at the CBUAE. Its goal shall be to ensure the Committee operates with high efficiency, thereby enhancing sound governance and financial integrity the CBUAE.

3. Formation and Membership

The Committee formation shall be issued by a decision of the Board, which specifies the Committee's Chairman, members, tasks, responsibilities, work system, and performance measurement mechanism. Members shall be nominated based on professional standards, integrity, and ethics that make them eligible for the committee membership.

3.1 Membership:

- The Committee shall be consisted of three (3) non-executive members, including the Chairman.
- The Committee shall be independent from the management of the Central Bank and shall be fully aware of accounting matters and financial management and shall have sufficient experience in business management.

3.2 Committee Chairman: The Committee Chairman shall be appointed by the board of directors.

3.3 Tenure: The tenure shall be for four (4) years, renewable by a decision of the board of directors.

4. Independence

The independence of the member is a main condition to participate in discussions and vote on decisions during meetings.

5. Powers & Functions

The Committee shall be independent from the executive management. Its tasks shall include the following mandates:

5.1 Approval of the appointment and performance appraisal of the Head of the Internal Audit Department.

5.2 Approval of the internal audit charter and work methodology.

5.3 Approval of the appointment of the Head of the Internal Audit Department in the investigation committees or for other tasks as an advisory party, taking into account his/her independence in performing duties.

5.4 Discussing and approval of the annual risk-based internal audit plan.

5.5 Reviewing the reports of the financial control systems, internal control and internal audit management.

5.6 Monitoring the effectiveness and efficiency of the internal audit system at the Central Bank and its compliance with the internal audit standards issued by the Internal Auditors Association and with the legislation in force in that regard.

5.7 Overseeing the adequacy and effectiveness of governance, risk management and internal control processes at the Central Bank of the United Arab Emirates, and any relevant methodologies as per UAEAA resolutions, such as IFRS, ICFR, ESG.

5.8 Approval of the implementation of business requirements determined by internal audit including annual budget and human resources.

5.9 Submitting a recommendation to the board regarding the appointment, change or renewal for the external auditor, and approval of fees and assignment period according to the policies and legislation in force.

5.10 Discussion and approval of the external audit plan and methodology.

5.11 Monitoring the independence and objectivity of the external auditor regularly and ensuring its compliance with the approved accounting procedures and standards.

5.12 Ensuring that the external auditor submits its annual report to the board within maximum of (3) months from the end of the financial year, reviewing the external auditor's report, and ensuring that the Central Bank responds to any material inquiries it raises regarding accounting or financial records or control and risk systems.

5.13 Working with the external auditor and ensuring the cooperation of those responsible parties with it to obtain all the information it requests and ensuring the coordination between the internal audit staff and the external auditor.

5.14 Monitor the integrity of the Central Bank's annual and quarterly financial statements and ensure compliance thereof with approved accounting standards and review them periodically.

5.15 Review the external auditor's report (observations and gaps report) and approve the Central Bank's response to any material inquiries raised by the external auditor regarding accounting records, financial accounts, control systems, or risks.

5.16 Meeting with the external auditor at least once a year, without the presence of the executive management members, to be able to discuss all the results and points related to financial performance and the challenges that may face it while carrying out its job duties.

5.17 Submitting a recommendation to the board regarding any additional work required by the executive management from the external auditor and approving the financial remuneration for such work.

5.18 Reviewing the annual and quarterly financial statements of the Central Bank, and determining its alignment with appropriate accounting principles and standards.

5.19 Reviewing the regulations, accounting policies and procedures of the Central Bank that have a material impact on the financial statements.

5.20 Reviewing the reports of internal control systems and internal audit management.

5.21 Approval of the implementation of business requirements determined by internal audit including annual budget and human resources requirements.

5.22 Reviewing the annual evaluation of the effective internal audit activity and its alignment with the internal audit standards issued by the Internal Auditors Association and the legislation and evidence adopted in this regard.

5.23 Preparing and submitting regular reports to the Board about internal and external audit observations and the UAE Accountability Authority that require the attention of the Board of Directors.

5.24 Appointment or replacement of the secretary, as required by the public interest.

5.25 Continuous training and qualification of the secretary to carry out the assigned tasks fully.

5.26 Any other mandates assigned by the board or the Chairman.

6. Competencies

The Committee has the following competencies to carry out its duties:

6.1 Access to Information: The Committee shall have the right to access all necessary information and data.

6.2 Summoning Employees: The Committee shall have the right to summon any employee or official within the CBUAE or external parties related to the Central Bank's business.

6.3 Cooperation with Consultants: The Committee may recommend engaging internal or external consultants or experts when needed.

6.4 Submitting Recommendations: The Committee shall have the right to submit recommendations to executive management and the Board regarding the amendment or improvement of policies and procedures for financial and administrative operations control at the CBUAE.

7. Meetings

7.1 Regular Meetings: The Committee shall hold a minimum of four (4) meetings annually, and at least one meeting every three (3) months, through invitation by the Chairman. Additional meetings may be held if needed.

7.2 Invitation of Attendees: The Committee Chairman may invite members to a meeting whenever necessary, or at the request of any member, as required by public interest.

7.3 The Committee members may invite any of the executive management employees, specialists, experts, consultants, or technicians, who deem appropriate, whether from inside or outside the CBUAE, to provide an opinion, without having a countable vote in the Committee's decisions.

7.4 A Committee member may not delegate another person to attend meetings on his behalf.

7.5 Meeting Mechanism: The Committee may convene its meetings through visual or audio means, or as it deems appropriate.

7.6 Minutes of Meeting: All meetings of the Committee shall be documented officially. A copy of which shall be sent to the Board for review, detailing the discussed topics and the recommendations to be approved.

7.7 Meeting Quorum: A Committee meeting shall be considered valid if attended by at least two (2) members, provided that the Chairman is present.

8. Decision Taking:

8.1 The Committee shall be considered a technical, specialized, or advisory committee to the Board in the decision-taking process. It shall not have an authority to take decisions, unless specific powers are delegated to it by the Board.

8.2 The Committee decisions shall be issued by a majority voting of the members. If votes are equal, the Chairman's vote shall prevail.

8.3 A Committee member may not delegate any of the attending members to vote on decisions issued during the meeting on his behalf.

8.4 In special cases approved by the Chairman, the Committee may take decisions by circulation, provided that the decision shall be ratified in the subsequent meetings.

8.5 Decisions issued by circulation shall not be considered as Committee meeting.

8.6 The Committee members should follow up on the implementation of previous decisions at the subsequent meeting.

9. Termination of Membership

9.1 If a Committee member is absent from two (2) consecutive meetings without the Chairman's approval or an acceptable excuse such as attending an official mission or due to an annual or sick leave, the Chairman shall submit a memorandum to the Board if the Committee wishes to terminate or replace his membership.

9.2 If a Committee member has become non-independent, the matter shall be presented to the Board for discussion and taking a decision.

9.3 If the Board determines that the member should not continue, a recommendation to replace the member shall be submitted.

10. Secretary

The Committee shall appoint a Secretary at its first meeting, and he shall be responsible for performing the following tasks and responsibilities:

10.1 Receiving, evaluating, and considering memos from CBUAE departments and divisions regarding matters that must be presented to the Committee.

10.2 Preparing the agenda for the Committee meeting, and notifying the Committee members and invitees of the agenda ten (10) working days prior to the meeting date.

10.3 Providing the Committee members with materials related to the topics on the agenda (in hard copy or digitally) five (5) working days prior to the meeting date.

10.4 Preparing and providing members with minutes of meeting within five (5) working days, then following up with members for their feedback within three (3) working days.

10.5 Preparing and distributing decisions approved by the Committee, and following up on their implementation by the relevant organizational units.

10.6 Following up with the Committee members to annually disclose their personal interests and independence, or any interests that may conflict with their membership before the discussion of a topic at a meeting.

10.7 Organizing and managing the register for the disclosure of independence and non conflicts of interest for the Chairman and members.

10.8 Developing a plan for the following year's meetings, obtaining the Committee approval, and coordinating its presentation to the Board.

10.9 Preparing and presenting an introductory program about the CBUAE for the Committee's new members, after coordinating with the Committee's Chairman and members.

10.10 Any other tasks assigned by the Committee's Chairman and members.

11. Reporting

11.1 Regular Reports: The Committee shall submit regular reports to the Board, detailing the results of audit and control operations, along with recommendations to improve internal control systems.

11.2 Special Reports: special reports shall be submitted regarding the important matters on audit or risks and those require taking urgent action.

11.3 Annual Report: The Committee shall submit a comprehensive annual report. This report shall include an evaluation of its performance and achievements, as well as any recommendations to enhance the CBUAE's performance regarding control and audit.

12. Confidentiality of Information

12.1 The Committee members shall be prohibited from disclosing any information. This prohibition shall be in effect even after the end of their membership, service, or assignment.

12.2 The information prohibited from disclosure includes all information that the members may have obtained while performing their duties with the Committee, as long as they were not publicly available through official or legal channels.

12.3 The Committee members may disclose prohibited information when the disclosure is permitted or legally required, or when the disclosure is addressed to entities and authorities within the UAE or in other jurisdictions. This must be done according to the provisions of Article (26) of Federal Decree-Law No. (6) of 2025 Regarding the Central Bank, Regulation of Financial Institutions and Activities, and Insurance Business.

12.4 The Committee members shall be obligated not to disclose or reveal any confidential information (written or oral) related to the CBUAE or the Board. They shall not misuse any information they become aware of during their Board membership, whether during or after their membership term.

13. Disclosure and Transparency

The Committee member shall adhere to the following:

13.1 Disclosing his interests that may be in conflict with his membership upon appointment or whenever such a conflict arises.

13.2 If a member has a personal interest in any transaction or contract involving the CBUAE, he must disclose it before the discussion begins, refrain from attending the meeting, and abstain from voting on that matter.

13.3 Acting with honesty, integrity, and good faith, and exercising due care and attention to serve the best interests of the CBUAE and customers.

13.4 The member should have an appropriate understanding and knowledge of the CBUAE's affairs and dedicate sufficient time to fulfill his responsibilities.

13.5 Refraining from using his position as a member for personal gain or for the benefit of others.

13.6 Maintaining independence in his decisions and actions.

13.7 Treating all CBUAE employees and all concerned parties with transparency, fairness, and equality.

13.8 Refraining from accepting any gifts from CBUAE management, associated parties, or CBUAE customers. If declining a gift from an interested party causes embarrassment, the member must immediately inform the Committee Chairman and hand over the gift to CBUAE management.

13.9 Updating their declaration of independence and non conflict of interest immediately, if any change occurs to their personal status during their membership.

13.10 Disclosing independence and non-conflict of interest annually.

14. Performance Appraisal

The members shall be appraised by the Board based on the following criteria:

14.1 The Committee's efficiency and effectiveness in performing the tasks and mandates assigned thereto.

14.2 The Committee's efficiency and effectiveness in supporting the Board and the CBUAE to implement its plans and programs.

14.3 The effectiveness of the Committee's organization and work mechanism.

14.4 Submission of required reports to the Board on time.

14.5 The Committee's effectiveness in managing and resolving matters within its competence.

14.6 The integration between the Committee's work and the Board.

15. Professional Development of Members:

The Committee shall strive to enhance its performance through continuous learning, training, and by keeping pace with developments in its fields and mandates.

16. Amendment to the Charter

16.1 The Charter shall be annually reviewed by the Committee to ensure its compliance with the Board's objectives and the CBUAE's regulatory and legislative objectives.

16.2 The Charter shall be amended based on a recommendation from the audit committee and the approval of the Board.

16.3 The Board may annually review the Committee's mandates and performance, take appropriate measures to comply with professional and international standards, work requirements and governance.

17. Governance of the Committee

The governance of this Committee shall be monitored by the Corporate Governance and Sustainability Department within H.E. Governor's Vertical.

