

BUSINESS MODEL ENABLING THE GROUP TO GENERATE ECONOMIC **AND SOCIAL VALUE ACROSS THE CONTINENT**

BANK OF AFRICA, UNRIVALLED PAN-AFRICAN COVERAGE

With operations in 20 countries in Africa and more than 1,400 branches, BANK OF AFRICA has the most extensive territorial coverage on the continent. Its operations encompass Africa's various regions and different economic and monetary systems..

A PAN-AFRICAN GROUP WITH A GLOBAL OUTLOOK

Very early on, BANK OF AFRICA made overseas expansion a key priority of its growth strategy. Today, BANK OF AFRICA has operations in some of the major global financial capitals. It also stands out from its peers after establishing operations in China, one of only a handful of African groups to set up in that country..



A MULTI-FACETED COMMITMENT TO THE CONTINENT'S DEVELOPMENT

Given its extensive coverage and the breadth of its expertise, BANK OF AFRICA has made Africa's development one of its strategic priorities. These are embodied in a number of strategic initiatives ranging from responsible finance for economic development, to financial and social inclusion as well as the many initiatives implemented by BMCE Bank Foundation.

SOLID EXPERTISE AND ROBUST BUSINESS LINE PLATFORMS

After successfully diversifying its operations and leveraging their respective expertise, BANK OF AFRICA has developed potential synergies which provide strong impetus to regional initiatives, consistent with the Group's undertakings in terms of sustainable and responsible development.

CSR POLICY AND STRATEGY

CSR STRATEGY FOCUSING ON KEY PRIORITIES

For more than 25 years, BANK OF AFRICA has been committed to and contributed to initiatives promoting economic and social development, initially via BMCE Bank Foundation and subsequently via a proactive and ambitious CSR strategy.

BANK OF AFRICA has been at the forefront of banking institutions in Morocco and Africa in embracing CSR undertakings as growth drivers and catalysts for value generation. Adopting a concerted approach involving internal departments, non-financial performance experts and independent third parties, BANK OF AFRICA is entirely empathetic to the needs of each of its stakeholders and regularly assesses their expectations.

Materiality analysis is a key component in drawing up CSR strategy. It enables the Group to identify the environmental, social and governmental challenges that it faces while taking into account stakeholders' expectations and the challenges facing the Bank in its day-to-day operations.

EFFICIENT METHODOLOGY FOR IDENTIFYING AND APPRAISING ISSUES

A number of workshops were organised by the Group which enabled it to produce a map of the key issues faced by each stakeholder and then to prioritise their relative importance. The strategic relevance of ESG aspects was appraised at two levels – their relative importance to stakeholders and their influence on BANK OF AFRICA's business.

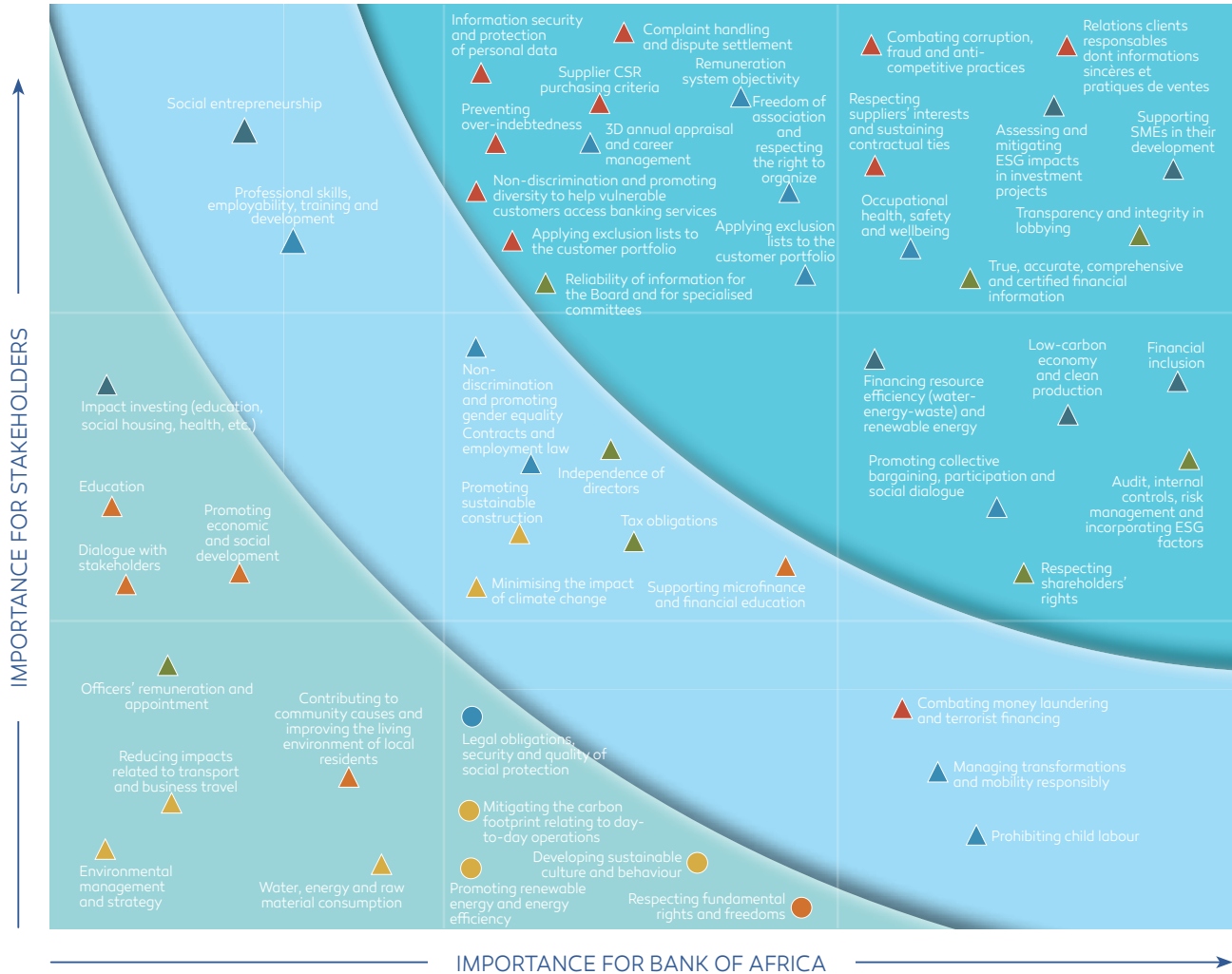
This process of consulting, listening to and working alongside its stakeholders enabled the Group to map 51 major CSR issues at 3 levels of importance, broken down under 6 core CSR policy headings. These constitute the backbone of BANK OF AFRICA's CSR strategy. In 2020, an extensive review of all issues was carried out without any major change to the materiality matrix.

As well as being involved in a number of international sustainable development initiatives at the highest level, BANK OF AFRICA is inspired by internationally recognised frameworks such as the United Nations Sustainable Development Goals, Principles for Responsible Banking and Principles for Responsible Investment.

A structured 4-stage process used to appraise the extent to which issues are relevant:



CSR CHARTER'S 6 UNDERTAKINGS



1 Business ethics and responsible customer relations

2 Sustainable finance and social entrepreneurship

3 Responsible employer

4 Governance and risk management

5 Environment

6 Community interest and dialogue with stakeholders

VITAL GOALS

VERY IMPORTANT GOALS

IMPORTANT GOALS

A FORMAL APPROACH TO CSR IN THE FORM OF A CHARTER UNDERPINNED BY 6 UNDERTAKINGS

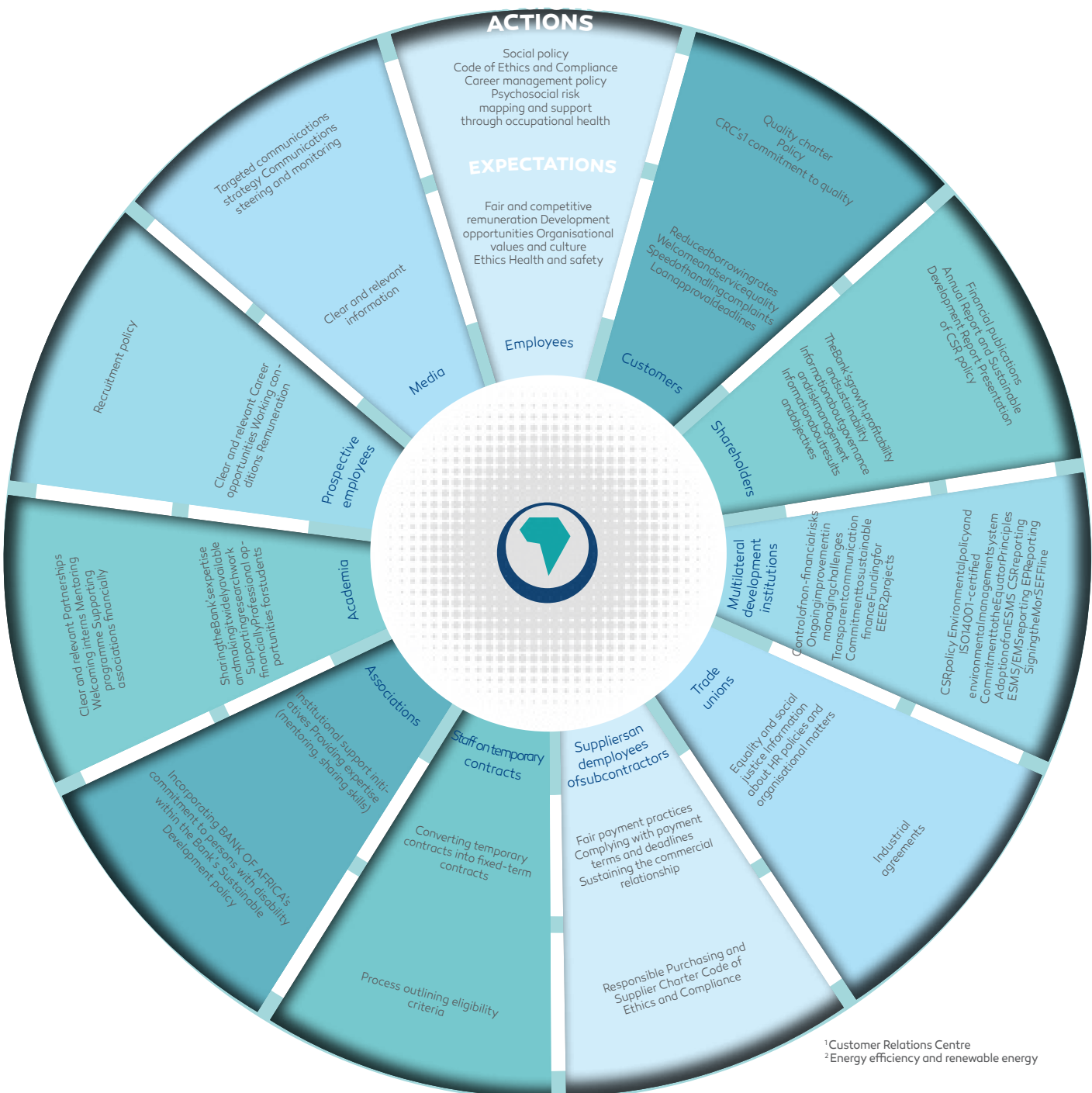
BANK OF AFRICA's Social Responsibility Charter is the result of a joint consultative process and a desire to ensure that its day-to-day business operations are aligned with its CSR undertakings. The Charter provides a clear response to the various ethical, environmental and social issues that it faces. With each subsidiary contributing actively to the Charter's undertakings, BANK OF AFRICA is able to ensure that its operations are sustainable and that it makes a positive impact.



SOCIAL AND ENVIRONMENTAL UNDERTAKINGS DRAWN UP IN CONCERTATION WITH THE GROUP'S STAKEHOLDERS

BANK OF AFRICA maintains an ongoing dialogue with its stakeholders to ensure that its actions are consistent with their expectations and undertakings.

BANK OF AFRICA identified 11 major categories of stakeholder with whom it was quick to engage in a constructive and ongoing dialogue. These include customers, employees, suppliers and subcontractors, academia, multilateral development institutions, the financial community, shareholders, civil society as well as associations with whom BANK OF AFRICA has a relationship.



¹Customer Relations Centre

²Energy efficiency and renewable energy



HUMAN CAPITAL AT THE VERY CORE OF THE GROUP'S CSR STRATEGY

As a responsible employer that is attentive to its employees, BANK OF AFRICA has adopted, through its Human Resources policy, a number of measures designed to support their development. Whether through the training programmes provided by BANK OF AFRICA ACADEMY for developing banking-related or managerial skills or the myriad of internal transfer opportunities domestically or overseas, BANK OF AFRICA ensures that its employees' skills development and careers are managed in the best possible way.

Consistent with its ethical and socially responsible values, BANK OF AFRICA ensures that it promotes equal opportunity, non-discrimination and diversity within its workforce. Operating procedures and rules have been drawn up by the Group's Human Resources department to ensure that the Group complies with such values when recruiting, promoting and remunerating employees.

BANK OF AFRICA's commitment to its staff has led the institution to actively promote female employment in recent years. The percentage of women employed by the Bank has gradually risen, reaching a little over 40% in 2020. BANK OF AFRICA has introduced a Gender Action Plan to accelerate the process and achieve gender parity, consistent with the United Nations Sustainable Development Goals.

As part of its efforts to promote equal opportunity, BANK OF AFRICA also fosters diversity by positively encouraging the recruitment and integration of disabled persons.

RESPONSIBLE PURCHASING WITH REGARD TO PARTNERS

With a strong desire to contribute to a more sustainable and responsible world, BANK OF AFRICA has implemented a Responsible Purchasing Charter which aims to promote principles related to human rights, labour law, environmental protection and combating corruption. Based on an appraisal system, the institution's supplier-partners are encouraged to gradually improve their standards in line with current business practice. BANK OF AFRICA's purchasing process has been ISO 9001:2015-certified since 2018.

Consistent with its Responsible Purchasing policy and its role as a major institution within the domestic economy, BANK OF AFRICA endeavours to include SMEs and small businesses in its purchasing decisions with a view to boosting domestic economic growth. Local SMEs and small businesses are encouraged to submit an application whenever the Group announces a request for tender and to develop a sustainable partnership with the Group. This policy is designed to diversify the supplier pool and increase the number of Group suppliers whilst reducing suppliers' financial dependency.

BANK OF AFRICA, A MAJOR PLAYER IN SUSTAINABLE FINANCE

BANK OF AFRICA is convinced that it has an important role to play in the economic development of those countries in which it has operations. As a result, it has adopted sustainable finance principles, initially, as a socially committed pioneer in responsible finance and subsequently, as a pan-African banking group and partner to international sustainable development institutions at the continental level.

BANK OF AFRICA, a pioneer in responsible finance, adopted the Equator Principles (EP) in May 2010, thereby providing a framework for incorporating environmental and social (E&S) risks in funded projects. After signing the Positive Impact Manifesto in October 2015, the Group underlined its ongoing commitment to sustainable finance by becoming a member of the Positive Impact Finance Initiative in 2017, before publicly supporting the recommendations of the TCFD, the G20 Climate Task Force, in 2018.

BANK OF AFRICA has acquired a reputation as a leading institution in responsible finance in Morocco and on the continent, with financial and non-financial support provided for green investment and an ongoing commitment to promoting energy transition and social inclusion. Leveraging its solid undertakings' framework and its extensive range of institutional partners in responsible finance, BANK OF AFRICA has introduced a variety of funding mechanisms for every type of business in Africa, enabling businesses to finance their projects in renewable energy, energy efficiency, waste management and recovery, sanitation and wastewater treatment as well as providing funding for Africa's female entrepreneurs.

BANK OF AFRICA, partnering the economy's energy transition

BANK OF AFRICA's *CAP Energie* financing facility enables customers to borrow up to EUR 65 million under the Moroccan Sustainable Energy Financing Facility (MorSEFF). This facility is arranged in partnership with the European Bank for Reconstruction and Development (EBRD), the French Development Agency (AFD) and Kreditanstalt für Wiederaufbau (KfW). *CAP Energie* provides up to MAD 150 million of funding and technical assistance to businesses that wish to invest in energy-efficient or renewable energy projects.

BANK OF AFRICA is also partnering the European Bank for Reconstruction and Development (EBRD) and the Green Climate Fund, a United Nations' global financing platform, as part of the Green Value Chain (GVC) programme. This facility, which combines technical assistance and subsidies alongside a EUR 10 million financing line, is designed to support SMEs with their energy efficiency and resource optimisation projects and enable them to integrate into regional value chains.

CAP Valoris, building a circular economy

In partnership with the European Investment Bank (EIB) and the FMO, BANK OF AFRICA is providing businesses with a EUR 20 million credit line for solid waste management, waste collection, recycling and recovery.

CAP Bleu, financing water resource management

The *CAP Bleu* programme, launched in 2019 and subsequently relaxed in 2020 due to the pandemic, is a credit line offered by the Bank enabling the Kingdom's water resources to be managed intelligently. In partnership with the French Development Agency (AFD) and the European Investment Bank (EIB), BANK OF AFRICA set up *CAP Bleu*, a EUR 20 million financing facility for private and public sectors enterprises from a variety of business sectors but whose core business is related to water, especially agriculture, piped drinking water and sanitation, real estate and hospitality.

