BANK OF AFRICA
BMCE GROUP

ANNUAL FINANCIAL REPORT 2020

CONTENTS

INTRODUCING
BANK OF AFRICA GROUP

BANK OF AFRICA

A MULTI-BUSINESS BANKING GROUP WITH A GLOBAL OUTLOOK

Over the past 60 years, BANK OF AFRICA has undergone a transformation, becoming a multi-national group with multiple business lines. Established in 1959 by Royal Decree as 'Banque Marocaine du Commerce Extérieur', it became 'BANK OF AFRICA' in 2020.

BANK OF AFRICA is today a universal bank, a continental group, leveraging its know-how in the pursuit of innovation, progress and excellence. Adopting a global outlook and possessing one of the continent's leading banking networks, the Bank's longstanding ambition is to ensure that the 21st century belongs to Africa.

A BANKING GROUP WITH AN EXTENSIVE PORTFOLIO OF BUSINESS LINES AND BRANDS

BANK OF AFRICA is one of continent's main pan-African financial groups. With an extensive portfolio of brands and subsidiaries, its universal banking business model has seen it diversify into a variety of business lines, including commercial banking, investment banking as well as specialised financial services such as leasing, factoring and consumer credit.

AN INTERNATIONAL BANK WITH AN AFRICAN FOCUS

Bank of Africa is today Morocco's leading banking group in terms of international exposure, with operations in 32 countries in Africa, Europe, Asia and North America.

The Group employs more than 15,200 staff around the world and has more than 1,800 points of sale, serving just under 6.6 million customers.

BACKED BY A POWERFUL GROUP

Bank of Africa is a subsidiary of FinanceCom, a Moroccan private group with a portfolio of businesses in a variety of high-growth and other sectors. Its regional and international ambitions are primarily structured around 5 divisions: finance, insurance, real estate, telecommunications and tourism.

COMPLEMENTARY BUSINESS LINES AND MULTI-NATIONAL COVERAGE

BANK OF AFRICA has built a portfolio of complementary banking and financial business lines encompassing commercial banking, investment banking, insurance and financial services.

In addition, consistent with its original vocation, the Group has continued to develop its overseas operations, first in Europe, then in Africa and, more recently, in China. BANK OF AFRICA has become a leading banking group thanks to its extensive footprint in Morocco and across the rest of the African continent.

3rd
Bank by total assets
with a 12.54% share of the loan market and a 13% share of the deposit market

2nd
Bank-insurer
with a product penetration ratio of 34.53%

3rd
Asset manager
with 13.5% market share

BANK OF AFRICA

A MEMBER OF ONE OF THE REGION'S LEADING BUSINESS GROUPS

BANK OF AFRICA is a subsidiary of FinanceCom, which owns a diversified portfolio of businesses in industries including finance, insurance, real estate, telecommunications and tourism. FinanceCom Group is structured as follows:

A MEMBER OF FINANCECOM GROUP

FINANCE COM

CORE BUSINESS

BANK OF AFRICA

A universal bank and Morocco's 3rd private sector bank with a 12.5% share of the loan market and a 13% share of the deposit market.

RMA

One of Morocco's leading insurance companies with a 13% market share.

GROWTH DRIVERS

MEDI TELECOM/ORANGE MAROC

Morocco's second telecoms operator, providing mobile telephone, mobile internet and fixed line telephone services to 17 million subscribers at 31 December 2020.

GREEN OF AFRICA

Company specialising in investment in renewable energy.

CTM

An industry leader in Morocco's passenger transport and messaging sectors.

RANCH ADAROUCH

Africa's largest bovine breeder.

BIO BEEF

Morocco's leading red meat slaughtering, cutting and processing operation and compliant with ONSSA's hygiene standards.

PRIVATE EQUITY

FINATECH

A holding company specialising in new information technologies structured around two business lines:

- Energy & Infrastructure
- Systems & Technologies.

AIR ARABIA MAROC

Morocco's leading low-cost airline.

BRICO INVEST

DIY equipment and home improvement retail chain.

REAL ESTATE & INVESTMENTS

ARGAN INVEST

Division managing FinanceCom Group's investment funds.

CAP ESTATE

The Group's real estate subsidiary capitalised at MAD 225 million.

REVLY'S

A joint venture between FinanceCom Group and Aman Resort specialising in funding tourism projects and owner of the Amanjena Hotel in Marrakech.

VILLAJENA

Real estate company owning a dozen or so hectares of land in Marrakech with a view to developing Aman-branded villas.

RISMA

Management company managing Accor's hotel chain in Morocco.

O TOWER

Joint venture between BANK OF AFRICA, RMA and FinanceCom, overseeing the Mohammed VI Tower project.

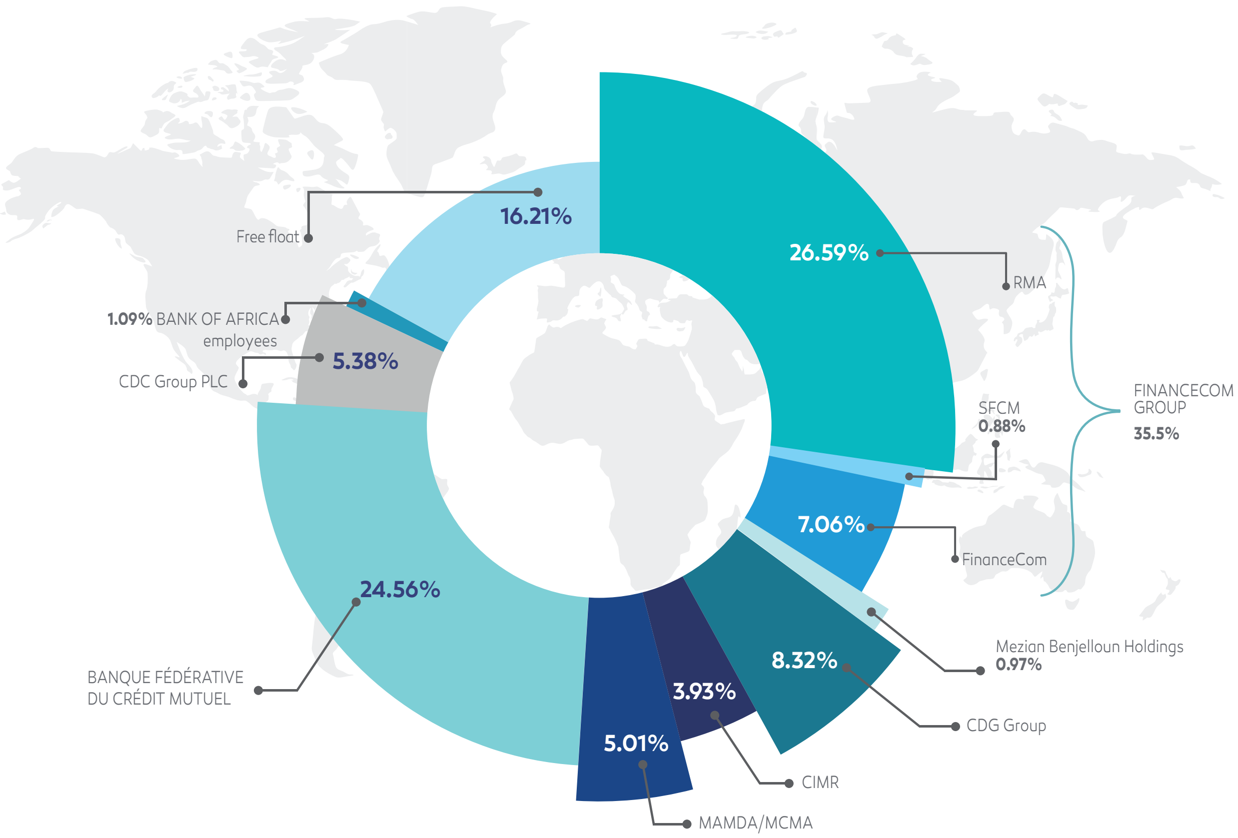
INTERNATIONAL

FINANCECOM INTERNATIONAL

Subsidiary overseeing the Group's asset management and real estate companies around the world.

BANK OF AFRICA
A STABLE AND WELL-DIVERSIFIED SHAREHOLDER BASE

SHAREHOLDER STRUCTURE AT 31 DECEMBER 2020



INTRODUCING THE GROUP'S MAIN SHAREHOLDERS

RMA

One of North Africa's leading insurance companies, having forged a reputation as a solid yet ambitious player by leveraging its extensive distribution network and constantly focusing on innovation.

FINANCECOM

A leading Moroccan industrial and financial group with operations in a variety of high growth sectors.

CDG GROUP

A Moroccan public institution whose purpose is to invest in and support large-scale projects aimed at bolstering Morocco's economic development and infrastructure.

BFCM – CRÉDIT MUTUEL GROUP – ALLIANCE FÉDÉRALE

BFCM is a leading banking group with operations in France and overseas and businesses ranging from retail banking, bank-insurance to bank card operations.

CDC GROUP PLC

The UK's leading development finance institution with an investment portfolio of more than USD 6 billion. Its main focus is to invest in businesses in Africa.

BANK OF AFRICA
AT A GLANCE

A POWERFUL NETWORK IN MOROCCO AND OVERSEAS

With operations in 32 countries, including 20 in Africa and with more than 1,800 points of sale, BANK OF AFRICA is a 'made-in-Morocco' model of international development. In particular, the Group has fostered strong ties with the African continent, enabling it to play a major role in some of the continent's most important investment projects. It was also the first Moroccan bank to open a representative office in China in 2000.

15,200+
employees

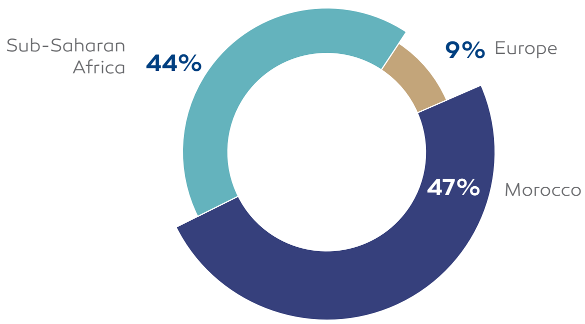
32
countries

1,868
points of sale

6.6 million
customers

MAD 332 billion
total assets

Breakdown of net income attributable to shareholders of the parent company by geographical region



A1+
NON-FINANCIAL RATING

BA1, NEGATIVE OUTLOOK

BB, STABLE OUTLOOK

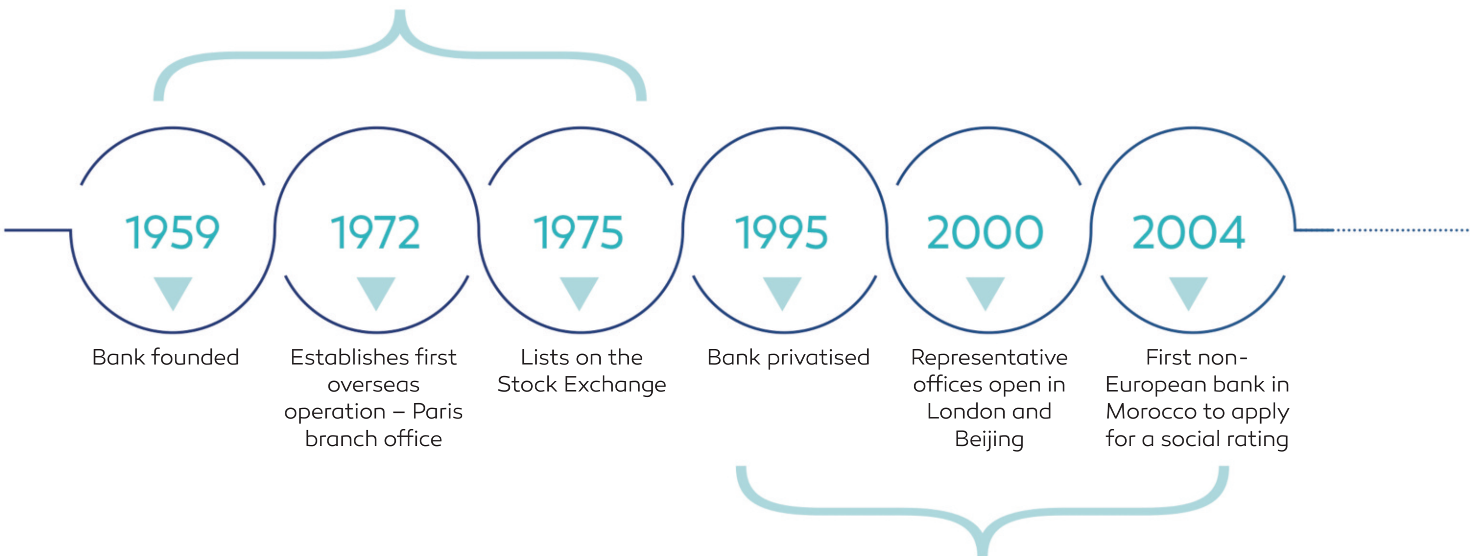
BANK OF AFRICA

MORE THAN 60 YEARS OF CONTINUOUS DEVELOPMENT AND COMMON HISTORY

1959-1994

A BANK WITH GLOBAL ASPIRATIONS IS BORN

Banque Marocaine du Commerce Extérieur was founded in 1959 at the instigation of His Majesty the late King Mohammed V for the purpose of developing Morocco's overseas trade.



1995-2006

A UNIVERSAL BANK TO SUPPORT MOROCCO'S DEVELOPMENT

After being privatised in 1995, BANK OF AFRICA became a subsidiary of FinanceCom Group. This milestone proved to be a turning-point in its history, enabling it to expand its business portfolio. Leveraging its initial expertise as a specialist international trade bank, BANK OF AFRICA adopted a universal banking business model and rapidly began to play a major role in the Kingdom's economic development.

BANK OF AFRICA accelerated the development of its international business by establishing a large number of subsidiaries in both Africa and Europe.

2007-2020

FRESH IMPETUS, PAN-AFRICAN AND INTERNATIONAL AMBITIONS

With the African continent showing significant growth potential, BANK OF AFRICA has fulfilled its goal of becoming a pan-African bank with an international outlook. Other acquisitions have followed, underlining its longstanding ambition of establishing itself as a major player on the continent.

Bolstered by its overseas successes, BANK OF AFRICA has continued to expand, establishing operations in China, whilst continuing to serve Africa. The Bank recently changed its corporate name to 'BANK OF AFRICA', a natural choice. The Group has emerged as one of Africa's key economic and financial institutions with a powerful network and operations in 20 countries, covering the continent's five main regions.

2007
BBI London starts operations

2008
Acquires a 35% stake in BANK OF AFRICA

2013
Issues a USD 300 million Eurobond on international markets

2015
New corporate name adopted, 'BANK OF AFRICA', underlining the Group's African credentials

Stakes raised in BOA to 75%, in Banque de Développement du Mali to 32.4% and in La Congolaise de Banque to 37%

African Entrepreneurship Award programme launched

2016
First bank to issue a green bond at COP22

2019
BANK OF AFRICA Shanghai subsidiary established

2020
'BMCE BANK OF AFRICA' becomes **'BANK OF AFRICA'**

BANK OF AFRICA
A SOCIALLY RESPONSIBLE AND COMMITTED BANKING GROUP

One of BANK OF AFRICA's distinguishing characteristics is its strong commitment to the environment and to social and societal responsibility. The Group's activism started more than 25 years ago with its BMCE Bank Foundation. To this day, the latter continues to innovate, rolling out a growing number of initiatives promoting education and environmental causes as well as supporting African start-ups.

Furthermore, the BOA Foundation's various initiatives – through its subsidiaries operating in seven countries – are aimed at improving access to care in every region of each country in which it has operations as well as improving the quality of care provided.

In addition to the various undertakings of its Foundations, BANK OF AFRICA has established a team of CSR and sustainable development professionals. As a result, environmental and social criteria are now fully incorporated within the Bank's decision-making processes. The Bank also plays an active role in major international initiatives in this area.

By applying the highest international standards, BANK OF AFRICA has acquired a reputation for leadership and performance with regard to ESG in Morocco and around the world.

BANK OF AFRICA COMMITTED TO SUSTAINABLE DEVELOPMENT AND CSR FOR MORE THAN 20 YEARS

INTERNATIONAL UNDERTAKINGS

- BANK OF AFRICA the **first African signatory** in **2000** to UNEP FI's Statement of Commitment by Financial Institutions on the Environment and Sustainable Development.
- **Environmental and Social (E&S) Risk Management System** adopted in conjunction with the IFC in 2008.
- **Equator Principles (EP) voluntarily adopted by BANK OF AFRICA in May 2010.** This body of standards provides a framework for determining, assessing and managing environmental and social (E&S) risks in funded projects of USD 10 million or more.
- United Nations Global Compact signed by BANK OF AFRICA, underlining its support for the ten principles relating to human rights, social and labour standards, environmental protection and combating corruption. First report, 'Communication on Progress' published online in October 2017 after obtaining **'Global Compact Active COPs'** status in 2016.
- BANK OF AFRICA's commitment to climate action is underlined by joining the **'Mainstreaming Climate Action within Financial Institutions'** initiative in 2016.
- **Founding member of Principles for Responsible Banking** in 2019 and Principles for Positive Impact Finance in 2017.
- BANK OF AFRICA the **first African bank to support China's 'Green Investment Principles for the Belt and Road (GIP)' initiative.**

BANK OF AFRICA

A GROUP WHICH STANDS OUT FROM ITS PEERS ON THE REGIONAL AND INTERNATIONAL STAGE

In spite of the global health crisis, BANK OF AFRICA has continued to stand out from its peers on the international and regional stage by performing par *excellence* in international league tables and seeing its certifications renewed by well-recognised bodies.

- Named **'Best Bank in Morocco 2021'** by **Global Finance**, a prestigious American magazine.

- Wins the **'Best Customer Service Award Morocco 2021'** in the Banking category for the 4^{th} consecutive year, reflecting the strong commitment by each of the Bank's businesses to existing and prospective customers and to improving the quality of the service provided.

- BANK OF AFRICA ranked amongst the **top global companies rated by Vigeo Eiris** (4,880 in total) and 1^{st} out of 90 **in the banking sector – 'Retail & Specialised Banks – Emerging Markets'** category.

  BANK OF AFRICA awarded an A1+ rating (Advanced level) rating, retaining its status as **'Top Performer CSR' in 2020 for the 7^{th} consecutive year.**

- **'Golden Award - Best Bank in Africa 2020'** awarded by Leaders League, a leading media and consulting group, at the **Africa Investments Forum & Awards** (AIFA).

- **ISO 14001 certification** for environmental management **successfully renewed** for the 9^{th} consecutive year with the scope of certification extended to the Bank's Environmental and Social Management System.

  OHSAS 18001 certification of the **occupational health and safety risk management** renewed for the 3^{rd} consecutive year.

  The Group's **Anti-Corruption Management System** awarded **ISO 37001 international certification.**

- COVID-19 prevention **SafeGuard label** awarded by **Veritas Group**, underlining the Group's overseas social undertakings as well as reassuring stakeholders about the effectiveness of its business recovery plan, consistent with global health, hygiene and safety standards.

- BANK OF AFRICA an award-winner for the 7^{th} consecutive year at the 2020 **Arabia CSR Awards** in Dubai in the **Financial Services category.**

- BANK OF AFRICA named **'Most Active Partner Bank in Morocco in 2019'** by the European Bank for Reconstruction and Development (EBRD) regarding its Trade Facilitation Programme.

- BMCE Capital Conseil an award-winner in the **'Single Deal Local Advisor'** category of the **'Private Equity Africa 2020 Awards',** in recognition of its support for one of Morocco's leading private healthcare providers in a flagship transaction.

- Eurafric Information, BANK OF AFRICA Group's IT subsidiary, named **'Top Employer'** for the 2^{nd} consecutive year by the **Top Employers Institute**, a prestigious international organisation.

BANK OF AFRICA
A PAN-AFRICAN VOCATION
2ND PAN-AFRICAN GROUP IN TERMS OF GEOGRAPHICAL COVERAGE

BANK OF AFRICA
Established: **1959**
Number of branches: **704**

BOA-MALI
Established: **1983**
Number of branches: **44**

BDM SA-MALI
Established: **1983**
Number of branches: **59**

BOA-BENIN
Established: **1990**
Number of branches: **50**

BOA-NIGER
Established: **1994**
Number of branches: **30**

BOA-IVORY COAST
Established: **1996**
Number of branches: **40**

BOA-KENYA
Established: **2004**
Number of branches: **29**

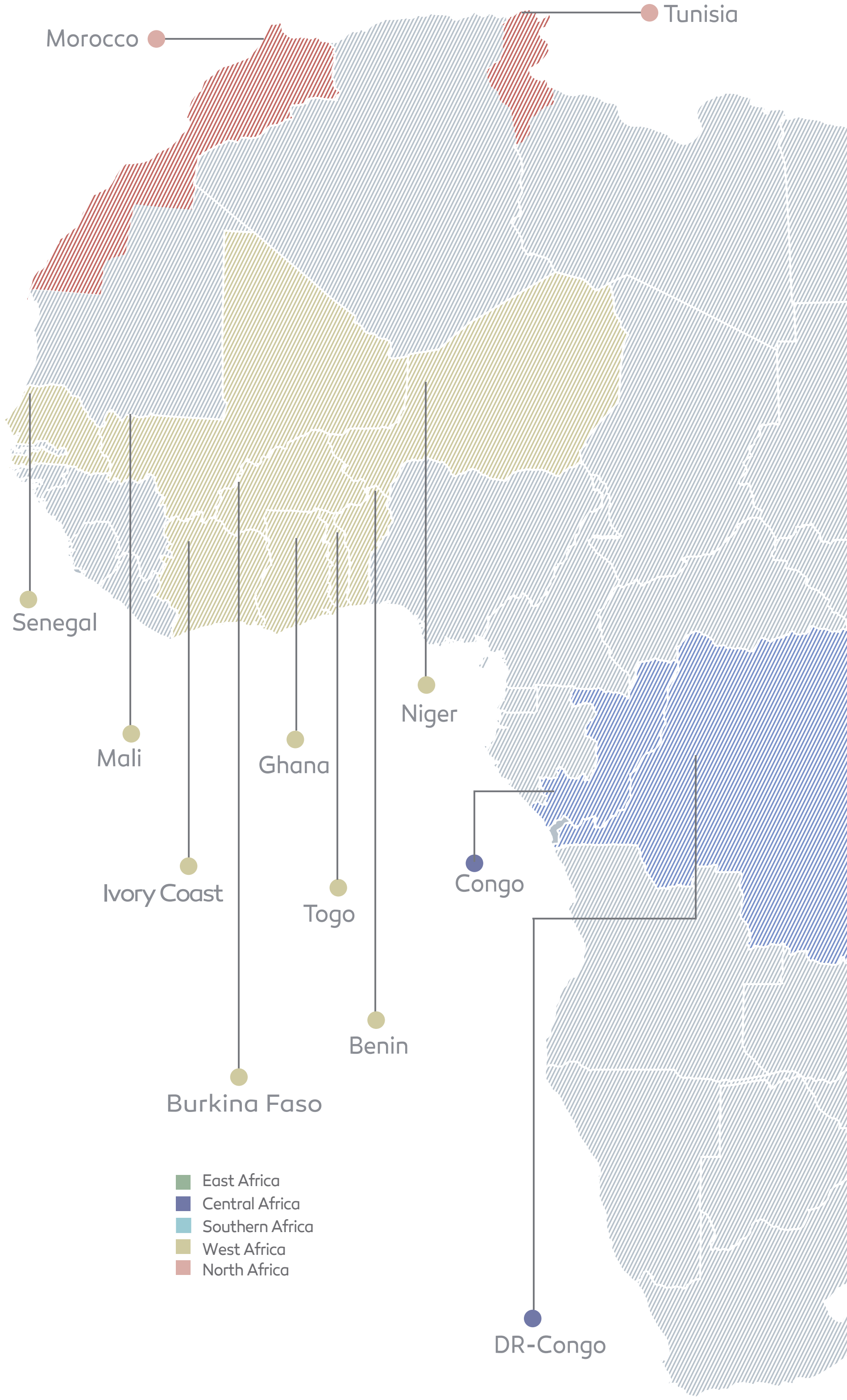
TUNISIA
Established: **2006**
BMCE Capital Tunisia

BURUNDI
Banque de Crédit du Bujumbura : **2008**
Number of branches: **23**

BOA-DRC
Established: **2010**
Number of branches: **16**

BOA-TOGO
Established: **2013**
Number of branches: **14**

BOA-RWANDA
Established: **2015**
Number of branches: **14**



BOA-BURKINA FASO
Established: **1997**
Number of branches: **52**

BOA MADAGASCAR
Established: **1999**
Number of branches: **93**

BOA-GHANA
Established: **2011**
Number of branches: **26**

BOA-SENEGAL
Established: **2001**
Number of branches: **59**

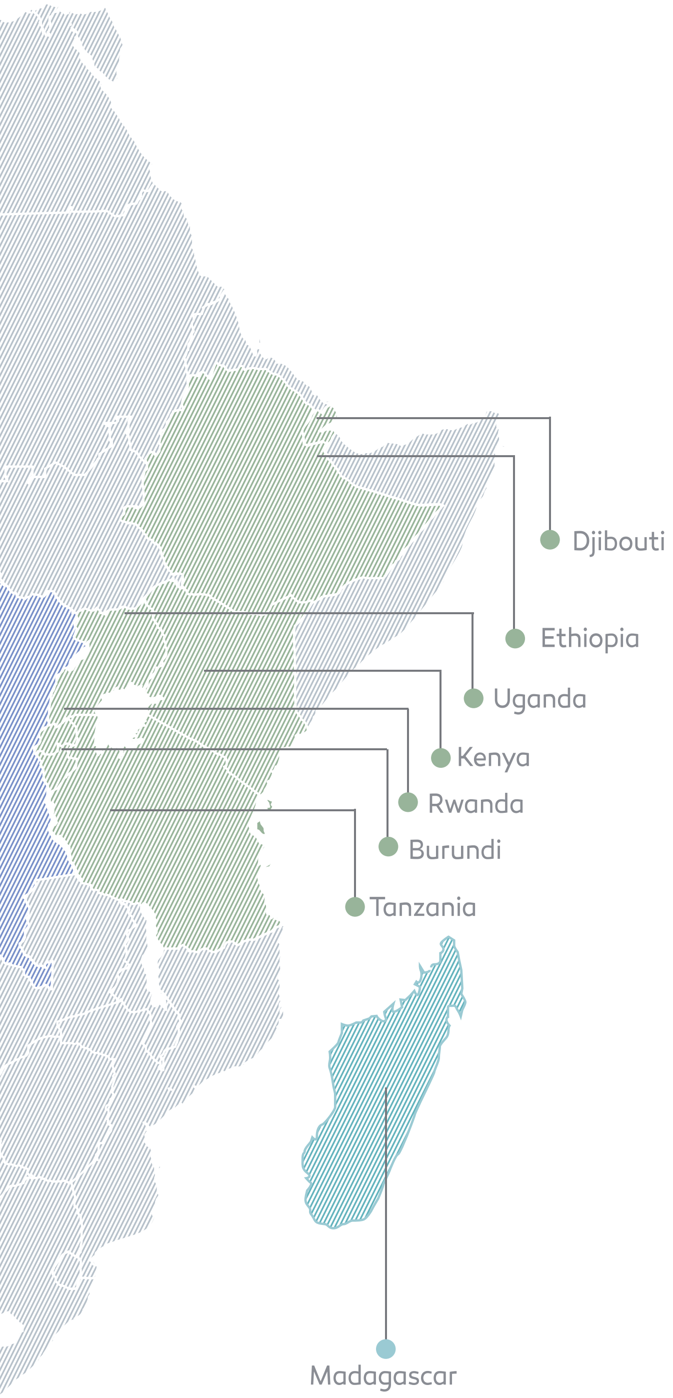
BOA-UGANDA
Established: **2006**
Number of branches: **35**

BOA-TANZANIA
Established: **2007**
Number of branches: **20**

LCB BANK
Established: **2010**
Number of branches: **17**

BOA-MER ROUGE
Established: **2010**
Number of branches: **10**

BOA-ETHIOPIA
Established: **2014**
Representative Office



1st
Moroccan bank to establish operations in sub-Saharan Africa in 1989

2nd
pan-African group by geographical coverage: 20 countries and 5 economic zones

3
notable African subsidiaries – BOA Group, Banque de Développement du Mali and LCB Bank

556
bank branches (outside Morocco)

6,256
employees (outside Morocco)

BANK OF AFRICA STRONGLY COMMITTED TO PROMOTING SOCIAL SOLIDARITY TO COMBAT THE EFFECTS OF THE GLOBAL PANDEMIC

BANK OF AFRICA demonstrated its commitment to each of its stakeholders by providing pragmatic and tangible support throughout 2020.

At the instigation of its Chairman, Othman Benjelloun, BANK OF AFRICA made a MAD 1 billion contribution to the COVID-19 pandemic management fund established by His Majesty King Mohammed VI, reflecting the Group's strong commitment to the national cause during this period.

A bank which is fully mobilised in support of all its customers…

BANK OF AFRICA has provided unfailing support for every customer, helping them to manage the impact from the COVID-19 pandemic by introducing a series of measures across the entire BANK OF AFRICA network. These include extending loan maturities with fee and late payment penalty waivers, introducing products to help finance current expenditure and offering interest-free loans to the self-employed. BANK OF AFRICA is also helping customers to get back on their feet and supporting them with their business recovery.

Two new products have been launched that are guaranteed by the Caisse Centrale de Garantie – Damane Oxygène, enabling COVID-19-stricken small businesses to finance current and operating expenditure and Damane Relance, helping business customers with their recovery.

The Bank has also provided assistance and support for nearly 10,000 Moroccan small businesses by providing almost MAD 12 billion of funding since the beginning of 2020 to combat the effects of the pandemic.

In response to the global health crisis, BANK OF AFRICA signed a partnership agreement with the European Bank for Reconstruction and Development (EBRD) for a EUR 145 million finance facility, the first of its kind in the forty or so countries in which this multilateral financial institution has operations, available under the EBRD's 'resilience framework'.

… and keen to promote employee wellbeing

The Bank has continued to encourage staff to work from home as well as developing digital services during the pandemic.

In the context of COVID-19 and in accordance with existing regulations, BANK OF AFRICA successfully activated its business continuity plans, whilst adapting them on an almost daily basis.

BANK OF AFRICA has ensured that essential operations have continued to function without interruption, whilst limiting potential losses in the event of any serious interruption. This has been achieved with the involvement of a large number of the Bank's business units and Group Operations General Management.

BANK OF AFRICA
2020 HIGHLIGHTS AND KEY EVENTS

ACCELERATED DIGITAL TRANSFORMATION BENEFITING CUSTOMERS

BANK OF AFRICA is strongly committed to being a 'bank which is connected to the future' by offering customers a more straightforward user experience as well as remote banking solutions to enable customers to carry out their banking transactions.

Digital banking enhanced

BANK OF AFRICA is continuing to proactively roll out its Digital Transformation Programme with three strategic goals:

1 Improve customer experience across all distribution channels

2 Position the Bank as a leading player in digital banking and innovation

3 Digitise front-to-back business processes to improve operational efficiency.

In 2020, BANK OF AFRICA progress was made in a number of areas in relation to digital transformation:

- Rolling out the latest version of *Agence Directe*
- Launching the *Crédit Immobilier* online portal
- Introducing the KODI chatbot on the Bank of Africa website and the *Agence Directe* website
- Rolling out the latest version of *BMCE Direct Web*
- Introducing an online sales service for Assistance products
- Launching the *Crédit Habitat* online portal, an online mortgage subscription platform.

NEW VISUAL IDENTITY

During 2020, BMCE Bank of Africa continued to develop its new visual identity, consistent with the Group's ongoing transformation. Visually, this new identity is symbolised by a "map of Africa cut in the shape of a diamond. Although our roots are clearly Moroccan, our future is now African" in the words of the Chairman, Othman Benjelloun.

BANK OF AFRICA SUPPORTING AND DEVELOPING MEASURES TO PROMOTE ENTREPRENEURSHIP

In 2020, BANK OF AFRICA was able to enhance its reputation as a bank that is committed to promoting and supporting entrepreneurship in its broadest sense.

Helping small businesses to start up or kickstart their business

First quarter 2020 was marked by the rollout of 'INTELAKA', an integrated programme which aims to provide funding and support for businesses. A package was introduced, combining finance, banking services and non-financial support.

The Economic Monitoring Committee in partnership with a variety of business organisations also introduced a number of measures to support small businesses such as *Damane Oxygène*, an overdraft facility for businesses facing exceptional circumstances, a 0% loan for the self-employed and *Damane Relance* TPE aimed at facilitating business recovery.

The Group, through its Morocco SME business unit, also launched *Crédit Entrepreneurs COVID-19* for entrepreneurs encountering difficulties. There could be no better way of supporting the Moroccan economy. It was not surprising, therefore, that this product accounted for 30% of all loan applications under Maroc PME's *Imtiaz* and *Istitmar* programmes, designed to help small businesses fund investment in technology.

Blue Space incubator rolled out to help young entrepreneurs

The Group renewed its commitment to entrepreneurs via the Entrepreneurship Observatory, launched in 2009, which is an integrated ecosystem of about sixty public and private sector partners, supporting entrepreneurs by providing specialised non-financial services.

The rollout of the Blue Space incubator network, an initiative launched by BANK OF AFRICA for young persons who would like to set up a business, is aimed at offering young entrepreneurs a comprehensive package of services. Entrepreneurs have been able to benefit from a series of digital services, including a website providing a wealth of financial and non-financial information, bespoke and diploma-based training courses with partner universities, as well as non-financial services through mentoring modules and networking programmes.

PROMOTING SUSTAINABLE AND RESPONSIBLE GROWTH

In 2020, BANK OF AFRICA continued to enhance its reputation as a socially responsible bank by continuing to implement a large number of initiatives via its BMCE Bank Foundation and Corporate Social Responsibility and Sustainable Development Division. The Group's Corporate Social Responsibility Charter was successfully rolled out across 15 Group subsidiaries on the basis of ambitious goals, precise action plans together with quantifiable performance monitoring indicators.

Dr Leila Mezian Benjelloun, Chair of BMCE Bank Foundation, decorated

Dr Leïla Mezian-Benjelloun was awarded the Officer medal of France's Légion d'honneur by Her Excellency the Ambassador of France to Morocco, Mrs Hélène Le Gal, at a ceremony which took place on 3 March 2020 in recognition of the Foundation Chair's unwavering commitment to education and culture.

A wealth of news underlining the Bank's commitment to social causes...

The 'Women in Business' programme was launched, a EUR 20 million funding and assistance programme promoting female entrepreneurship in Morocco, making it easier for women to access funding and technical assistance.

Partnership agreements were entered into between BMCE Bank Foundation, the Paris Education Authority and the French Institute of Morocco aimed at:

- Enhancing the quality of teaching across the Medersat.com network
- Supporting the training of supervisors
- Improving the French language skills of teachers in BMCE Bank Foundation schools, and
- Promoting staff enrolment in distance-learning training courses.

A partnership agreement was signed with Teach For Morocco, a member of Teach For All, a New York-based international NGO, which will see TFM provide preschool education (2nd and 3rd years of kindergarten) in eighteen network schools.

Across the Medersat.com network, a new school opened its doors in Ketama, Al Hoceima province, whilst another is being built in Djibouti. It is worth noting that the average pupil pass rate improved, reaching 97.69% in 2020, despite the various educational, technical and social constraints arising as a result of the current pandemic.

Lastly, an agreement was signed between BMCE Bank Foundation and the Confucius Institute of Tangiers, enabling the Bougdour Medersat.com school to benefit from Mandarin Chinese teaching.

... and environmental causes

BANK OF AFRICA, in partnership with the EBRD, is contributing to the strategic policy making of the Climate Action in Financial Institutions initiative and the European Union's new Sustainable Finance Strategy.

The Morocco Map of priority financing needs relating to SDGs was published, the first of its kind under the UNEP FI's Positive Impact Initiative framework.

Sustainable financing lines were both extended and relaxed – *Cap Valoris,* in partnership with the European Investment Bank (EIB) and the Dutch Entrepreneurial Development Bank (FMO) and *Cap Bleu,* in partnership with the French Development Agency (AFD); in addition, BANK OF AFRICA financed the first phase of construction of the Taza wind farm.

A partnership agreement was signed with International Finance Corporation aimed at bolstering the Group's climate finance capabilities.

A new 'Green Value Chain' agreement was signed with the EBRD for a EUR 10 million finance facility to enhance the competitiveness of small and medium-sized enterprises and promote investment in Morocco's green economy.

ACTIVITY
REPORT

BANK OF AFRICA FULLY MOBILISED TO SUPPORT THE ECONOMY

By dint of its 2019-2021 Strategic Development Plan and the Group Transformation Plan, BANK OF AFRICA has embarked on a new stage in its development, aimed at sustainable value creation.

During the year, BANK OF AFRICA underlined its commitment to funding the domestic economy as well as developing a strong international foothold. The Group has continued with its digital transformation, introducing a number of innovations for its customers.

In the context of the pandemic, BANK OF AFRICA has also reaffirmed its role as a socially responsible bank supporting entrepreneurs, very small businesses and SMEs and has continued to implement initiatives of benefit to them.

In fact, in response to the economic and financial situation resulting from the pandemic, the Bank announced a series of support measures for its customers at the very start of the pandemic. Some of these measures were initiated by government departments and were quickly implemented to help retail customers, professionals and businesses.

The main relief measures have focused on:

(i) Suspending the repayment of mortgages and personal loans for a period of up to four months in the former's case

(ii) Deferring lease payments

(iii) Allowing certain transactions to be carried out free of charge on a temporary basis such as transfer services and the provision of services via BMCE Direct, cardless transfers and withdrawals via Dabapay, BMCE EuroServices transfers (excluding direct debits) and incoming Swift transfers for Moroccans Living Abroad

(iv) Raising the daily limit for contactless and PIN-less bank card transactions, as well as the number of transactions allowed per day.

As a result, during 2020, the Bank approved the suspension of the repayment of loans disbursed to retail customers and professionals – almost 63,000 customers – with an aggregate book value of around MAD 11 billion. In addition, via RMA, the Bank has offered free mortgage payment protection insurance premiums for Fogarim customers in respect of their loan repayment deferrals. Nearly 10,500 customers took advantage of this measure.

As far as support for small businesses and professional customers was concerned, intervention by Moroccan government departments was timely in 2020, enabling small and medium-sized businesses as well as the self-employed to benefit from the Damane Oxygène and Damane Relance finance programmes.

Damane Oxygène
5,593 loans disbursed

MAD 846 million

Damane Relance
3,867 loans disbursed

MAD 968 million

Crédit Auto-entrepreneurs COVID-19

MAD 4.4 billion

SME BANKING

+4.5%*	+17.6%*	+9%*
Corporate Network deposits	sight deposits	new account openings

* 2020 vs. 2019

In a domestic context marked by the effects of the pandemic, SME Banking's performance in 2020 was satisfying. Corporate Network loans rose by 8.1% following the launch of the two programmes, *CCG Oxygène* and *Relance*, while deposits from the Corporate Network grew by 4.5%. Sight deposits registered strong growth of 17.6% while new account openings increased by 9%.

MAJOR PLAYER IN SUPPORTING THE DOMESTIC ECONOMY THROUGH SOLIDARITY-BASED FINANCE

In 2020, BANK OF AFRICA successfully enhanced its reputation as a bank which is committed to promoting and supporting entrepreneurship in its broadest sense.

Ongoing business development

In terms of commercial activity, the Business Network had recorded a solid start to the year in first quarter 2020 prior to the pandemic with the Caisse Centrale de Garantie launching *Oxygène* and *Relance*, new packages which contributed considerably to the existing business offering.

Different support programmes launched for small businesses impacted by the pandemic

In order to cope with the challenging economic situation resulting from the COVID-19 pandemic, the Caisse Centrale de Garantie (CCG) introduced the *Damane Oxygene* guarantee, enabling small businesses impacted by COVID-19 to finance current expenditure which could not be deferred or suspended by the company. It also introduced the *Damane Relance* guarantee to help businesses with their recovery and finance their working capital.

The Bank has also introduced a number of specific products – *Oxygène Tourisme, Oxygène Promotion Immobilière, Relance Hôtellerie and Relance Promotion Immobilière* – for sectors severely affected by the pandemic.

In addition, in November 2020, a campaign was launched to convert *Oxygene* overdrafts into capital and interest loans by offering companies which are unable to meet their liability the option of converting their overdraft into a medium-term capital and interest loan of up to 5 years.

2020 was marked by the rollout of 'INTELAKA', an integrated programme which aims to provide funding and support for businesses. A package was introduced, combining finance, banking services and non-financial support.

As a result of the dynamic approach made by the Network, more than 4,500 businesses signed up for INTELAKA in 2020, with MAD 289 million of aggregate loans disbursed to approximately 1,900 businesses. Regarding the INTELAKA programme, in 2020, BANK OF AFRICA ranked 4th with a 16% market share in terms of the total number of successful applicants and 3rd with a 15.9% market share in volume terms.

Supporting large companies through *Damane Oxygène* and *Damane Relance*

In the context of the pandemic, a series of commercial measures were introduced by BANK OF AFRICA to support corporate customers. These included offering the Caisse Centrale de Garantie-backed *Damane Oxygène* and *Damane Relance* loans, extending investment loan maturities and providing free access to the Business Online platform.

During the pandemic, working closely with the Caisse Centrale de Garantie, a number of corporate customers submitted an application for the *Damane Oxygène* and *Damane Relance* credit lines.

Support for professionals and small businesses during the crisis

The Economic Monitoring Committee in partnership with a variety of business organisations also introduced a number of measures to support small businesses such as *Damane Oxygène*, an overdraft facility for businesses facing exceptional circumstances, a 0% loan for the self-employed and *Damane Relance TPE* aimed at facilitating business recovery.

IMTIAZ TECHNOLOGIES special funding facility launched and the IMTIAZ and *ISTITMAR* programmes

Morocco SME has launched IMTIAZ Technologies, a special funding facility supporting investment in technology. This facility is intended for SMEs that would like to increase their production capacity or invest in manufacturing products aimed at mitigating the negative impact from the pandemic on the domestic economy.

Morocco SME also announced an invitation to tender for projects under the 2020 edition of the IMTIAZ and ISTITMAR programmes. These are aimed at supporting companies with high growth potential that would like to invest in a project that creates value and jobs.

CRÉDIT BUSINESS ONLINE rolled out, *BMCE DIRECT* enhanced and offered free of charge

As part of its digitisation strategy, BANK OF AFRICA has launched Crédit Business Online, a dynamic and interactive solution enabling business customers to make loan applications and renew or consult existing credit lines.

The *BMCE Direct Entreprise* portfolio was also enhanced with new functionality added, enabling customers to consult their bank statements and transaction advice directly on the portal. In addition, all corporate customers were offered free access to the transaction execution platform and payee settlement facility on *BMCE Direct Entreprise.*

Support for women entrepreneurs

In its first year, there were just under 20 applicants for the Women In Business (WIB) programme with almost MAD 4,000 thousand of funding earmarked. 85% of applicants were either professionals or small business customers. In 2020, two support programmes were organised for women entrepreneurs by the Bank's Economic Intelligence Centre in Tangiers and Agadir.

Support for self-employed professionals

BANK OF AFRICA has continued to enhance its reputation amongst self-employed professionals, a customer segment with significant potential. A number of initiatives were carried out in 2020, including signing agreements with the Meknes Dentists Association, inaugurating official seminars for the Tetouan Bar Association in 2020, participating in the Professionals & Small Businesses marketplace at the Settat Bar Association's Annual General Conference and signing a Mobile agreement with the Union of Dispensing Pharmacists of the Wilaya of Greater Casablanca.

Helping private clients to make their one-off tax contribution in foreign currencies and in Moroccan dirhams

BANK OF AFRICA has set up a support system for existing and prospective clients, consisting of a dedicated team ensuring discretion and confidentiality, a dedicated telephone line, monitoring and processing client dossiers until payment is made to the tax authorities, all at an attractive price.

Renewed focus on the 'government employee' and 'young persons' customer segments

2020 saw BANK OF AFRICA provide fresh impetus to the government employee customer segment by launching a number of new specialised packages and focus on developing partnerships via whole-department agreements.

The Bank's profile among the 'young persons' customer segment was further bolstered by a series of initiatives with its strategic partners – ISCAE, EM Lyon, UEMF, the Faculty of Medicine and Pharmacy of Fez and the launch of the Blue Space programme which aims to promote entrepreneurship among this target segment as well as sponsoring a variety of events for young people.

In addition, developing new products and services marketed via digital channels – online home loans, online consumer loans, a new *Agence Directe* product offering as well as innovative solutions such as Mobile Payment – have gone a long way to enhancing BANK OF AFRICA's profile amongst young people and young professionals.

A BANK WITH A GROWING REPUTATION FOR LEADERSHIP IN DIGITAL BANKING

In the context of the pandemic, the Bank's digital transformation has accelerated with a number of innovations that have made it possible to offer online subscriptions for core banking services such as mortgages, consumer loans, assistance and bank-insurance products. An online service enabling customers to consult their savings products on BMCE Direct Mobile has also been rolled-out whilst an online service for marketing retirement and education savings products is in the final pre-launch phase.

Similarly, an online service for businesses applying for operating loans has been rolled out, enabling them to save time with the loan application process, subject, of course, to the Bank receiving a complete dossier. The service also ensures increased visibility when it comes to deadlines as well as enabling customers to upload documents, making it easier for the Bank to appraise the application.

In addition, *Agence Directe*, which enables customers to open accounts at a distance, has been reconfigured to further simplify the customer experience and transform *Agence Directe* into a platform for attracting new customers.

For corporate customers, the Cash Management and Trade platforms have been merged into a single, more comprehensive platform. Customers are able to access services which meet best industry practice using a single log-in ID and password.

In what has been an unprecedented situation, every business continuity process has been reviewed to ensure that all the Bank's branches and ATMs function securely. The latter have continued to function during the pandemic at a satisfacory level.

A number of processes have also been optimised:

- Workflow for disbursement applications automated
- Applications for loan maturity extensions incorporated within Task Force
- System introduced for replacing and presenting bills and drafts
- RAMED allowance withdrawals enabled at ATMs via the cardless withdrawal facility
- Missing signatures cleaned up
- New currency allocation configured
- Mass enrolment of new *Dabapay* customers rolled out

INVESTMENT BANKING BUSINESS LINES BOLSTERED

Despite the COVID-19 crisis, BMCE Capital, the Group's investment banking arm, has shown a high level of adaptability, enabling it to overcome the challenges faced. This has been achieved by activating its business continuity plan, which has allowed it to provide its customers with ongoing support right through to the post-lockdown phase.

In terms of digitisation, a fundamental overhaul has been undertaken, particularly in relation to:

- Offering subscription-free access to the division's trading platforms as well as finalising BK Financial Bot, the first specialised investment banking chatbot on WhatsApp
- Launching CAP'Innov, an in-company innovation programme within BMCE Capital

By making the right strategic management decisions and being opportunistic at the operational level, despite the challenging trading environment, BMCE Capital performed excellently in 2020. Revenue rose by 10% to MAD 1.2 billion while gross operating income increased by 18% to around the MAD 1 billion mark at just short of MAD 946 million.

The Group's asset management subsidiary continued to focus its efforts on digital innovation, launching the industry's first specialist asset management chatbot. BK Financial Bot enables clients to receive, instantly and securely, key information about transactions and their mutual fund investments via WhatsApp.

In 2020, BMCE Capital Asset Management obtained ISO 9001:2015 certification, becoming the first asset management company in Tunisia to achieve such international distinction.

2020 also saw BMCE Capital Conseil receive the Single Deal Local Advisor award at the Private Equity Africa 2020 Awards. This was in recognition of its role as advisor to one of Morocco's leading private healthcare providers in respect of a capital raising deal which saw a private equity company specialising in investing in small and medium sized companies in Africa acquire a stake in the company.

BMCE Capital Conseil wins the Single Deal Local Advisor award at the Private Equity Africa 2020 Awards

BMCE Capital Asset Management obtains ISO 9001 certification

BK Financial Bot launched

The first specialist investment banking chatbot within the industry

DEVELOPING SPECIALISED FINANCIAL SERVICES

MAGHREBAIL

Faced with the pandemic, the crisis management approach adopted by Maghrebail consisted, first and foremost, of ensuring the health and safety of its employees and partners as well as continuing to support its customers, whilst safeguarding the institution's financial stability.

Maghrebail confirmed its status as a major player in Morocco's leasing industry with a market share of 24.2% of outstandings.

Net income stood at MAD 392.5 million at 31 December 2020, an increase of 2.23% compared to 31 December 2019.

SALAFIN

In 2020, despite the pandemic, SALAFIN carried out a variety of projects aimed at overhauling its decision-making system, its compliance system, its processes, its information system and its organisational structure. In addition, SALAFIN fostered synergies with its shareholders and strategic partners.

Working closely with BANK OF AFRICA, SALAFIN oversaw the process of managing maturity extensions and loan deferrals on behalf of the Bank's consumer loan and mortgage customers, as well as rolling out a new Collect online software solution. Synergies also focused on developing the *Crédit Immédiat* offering with tax withheld at source (General Treasury of the Kingdom), pre-allocating *Crédit Immédiat Conventionné* as well as introducing the IMÉDI@T console for processing online *Crédit Daba* consumer loan applications.

Working closely with other partners such as BOA Kenya, SALAFIN has introduced a vehicle finance product as well as a loan product distributed by the Damane Cash network.

In 2020, SALAFIN's net banking income stood at MAD 338 million, down 13.9% compared to 2019.

MAROC FACTORING

In the context of the COVID-19 pandemic, Maroc Factoring quickly adopted an action plan emphasising customer safety, whilst ensuring the health of its staff. Employees were asked to work from home wherever possible. In 2020, Maroc Factoring posted parent net income of MAD 3 million, down 24% compared to 2019.

BTI BANK

In 2020, BTI Bank's commercial activity registered positive growth with outstanding customer loans up 2.66% compared to 31 December 2019 at MAD 319 million. BTI Bank's customer deposits stood at MAD 96 million at 31 December 2020, down 28% compared to 31 December 2019.

AN INTERNATIONAL BANK SERVING AFRICA

BOA GROUP

As is the case with the Group's other subsidiaries, BOA Group faced a challenging operating environment in 2020 due to the pandemic. The impact from the latter on the African banking system was relatively limited in 2020, however. More particularly, it has affected customers operating in certain sectors such as hospitality, transport or catering.

On the other hand, BOA Group was impacted by sharp currency depreciation, with a double-digit fall in the currencies of a number of countries in which the subsidiary has operations.

BOA Group's consolidated balance sheet stood at EUR 8.7 billion at 31 December 2020, a 2% increase compared to 31 December 2019.

BOA Group's deposits grew by 6.1% over the year to EUR 6.2 billion at 31 December 2020.

In terms of financial performance, aggregate net banking income reached EUR 574 million at 31 December 2020, an increase of 5.7%, driven by an improvement in the banking margin, which was itself boosted by income from investment securities, offsetting a weaker performance from fee income.

Thanks to good control of overheads which declined by 0.6% at 31 December 2020, the cost-to-income ratio contracted once again, down from 61.5% in 2019 to 57.9% in December 2020.

As a result, consolidated net income stood at EUR 102.7 million at 31 December 2020, a decrease of 8.6%.

BMCE BANK INTERNATIONAL MADRID

In an international environment marked by the pandemic, with its knock-on effects on the economy in the form of increased market volatility, a cut in the US Federal Reserve's key rate to between 0% and 0.25%, a fall in financial margins and a slowdown in foreign trade, BBI Madrid nonetheless performed satisfactorily in terms of profitability and commercial activity.

BBI Madrid's net Income stood at EUR 10.3 million at 31 December 2020, up 11.3% compared to 31 December 2019.

BMCE BANK INTERNATIONAL LONDON PLC

BMCE Bank International London (BBI London) showed a high level of resilience in terms of its operating income, despite the pandemic.

In addition, BBI London's cost reduction plan saw general operating expenses fall by 4.8% at 31 December 2020.

Net income registered a negative performance, down by 40.7% to GBP 1.7 million at 31 December 2020 versus GBP 2.9 million a year earlier.

BANK OF AFRICA SHANGHAI

With a presence in Beijing, China for almost two decades via a representative office, BANK OF AFRICA Group continues to enhance its international reputation. BANK OF AFRICA's Shanghai branch office, inaugurated in early 2019, was renamed 'BANK OF AFRICA Shanghai Branch'. As a result, BANK OF AFRICA Group has now joined the Shanghai financial community as a fully-fledged Chinese bank of Moroccan origin with an African vocation. By establishing operations in Shanghai, BANK OF AFRICA Group has embraced its role as catalyst in Sino-Morocco-African economic relations.

BANK OF AFRICA Shanghai Branch also aims to actively participate in trade finance and corporate banking transactions between China and the African continent. The goal of the BANK OF AFRICA Shanghai Branch is to support Chinese companies and institutions wanting to invest in Africa by offering finance solutions through any of the Group's subsidiaries or business entities, which are working closely together to serve the African continent.

BOA GROUP

+6.1%*

GROWTH IN CUSTOMER DEPOSITS

EUR 8.7 BILLION

CONSOLIDATED TOTAL ASSETS UP 2%

EUR 574 MILLION

NET BANKING INCOME UP 5.7%

* 2020 vs. 2019

ESG
REPORT

OVERVIEW

BMCE BANK FOUNDATION AT THE HEART OF THE GROUP'S CSR STRATEGY

For more than 25 years, BMCE Bank Foundation has been committed to initiatives promoting education and the environment with its Medersat.com programme and projects initiated in partnership with local communities and NGOs.

A GROUP-WIDE CHARTER TO ENSURE CONSISTENCY OF ACTION

In 2018, BANK OF AFRICA Group adopted a formal Corporate Social Responsibility Charter meeting the highest international standards. This Charter provides a framework for the Group's CSR strategy and is underpinned by 6 undertakings that reflect the challenges faced by BANK OF AFRICA and its actual achievements in environmental, climate-related and social matters.

ENVIRONMENTAL, SOCIAL AND SUSTAINABILITY (ESS) COMMITTEE ESTABLISHED

As far as governance is concerned, an Environmental, Social and Sustainability Committee was established in 2019, chaired by the Director and General Manager.

In 2020, the ESS Committee met on a number of occasions, addressing more than 15 issues. The Committee's various stakeholders adopted a very proactive approach, passing more than 73 resolutions.

COMPLYING WITH THE HIGHEST INTERNATIONAL STANDARDS

BANK OF AFRICA adheres to the major international benchmarks used to achieve sustainable development goals – the UNEP FI's Principles for Responsible Banking, the Global Compact, the Equator Principles based on the IFC's sustainability policy and Environmental and Social Management System, the Climate Action in Financial Institutions Initiative and the Green Investment Principles for the Belt and Road, among others.

In 2020, BANK OF AFRICA was named 'Top Performer' by VIGEO EIRIS, a non-financial rating agency, one of only 14 of Morocco's 44 leading listed companies to earn this recognition.

The Bank, which saw its score improve compared to 2019, topped the rankings among 95 emerging markets banks. It was ranked 2nd among 851 companies across the region, all sectors combined, and 47th among 4,842 companies from around the world, when rankings were published in June 2020. This award, obtained for the 7th consecutive year, underlines BANK OF AFRICA's growing reputation, under the leadership of its Chairman Mr Othman Benjelloun, as a leading international group when it comes to positive impact sustainable and inclusive finance.

BANK OF AFRICA's nomination as 'Top Performer CSR Morocco' offered just reward for the efforts of each business line within the Group, which remains fully focused on implementing the Group Social Responsibility Charter's 6 undertakings.

BANK OF AFRICA'S SUSTAINABILITY RATING BY MOODY'S VIGEO EIRIS, 1ST IN MOROCCO AND IN THE TOP 2% OF COMPANIES RATED AROUND THE WORLD

BANK OF AFRICA was also ranked in the top 2% of all global companies rated by Vigeo Eiris (4,880 in total) and 1st among 90 in the banking sector – 'Retail & Specialised Banks – Emerging Markets' category – as per the first corporate sustainability rating undertaken in Morocco. BANK OF AFRICA was awarded an A1+ rating (Advanced level) based on an overall score of 64/100, once again underlining its reputation as a leader in CSR.

FIRST BANK IN MOROCCO TO BE AWARDED THE SAFEGUARD HYGIENE EXCELLENCE AND SAFETY LABEL BY BUREAU VERITAS GROUP

This label illustrates the Bank's commitment to safeguarding the health and safety of employees and customers in the context of the COVID-19 pandemic. It also underlines the Group's commitment to corporate social responsibility internationally as well as reassuring stakeholders as to the effectiveness of its business continuity plan in accordance with global health standards. The labelling project focused on four specific COVID-prevention measures: (i) taking appropriate medical precautions, (ii) introducing screens barriers, (iii) adapting and disinfecting workspaces and transport, and (iv) reorganising working practices.

BANK OF AFRICA
Top Performer CSR 2020

vigeo eiris

CO$_2$ FOOTPRINT PER EMPLOYEE	PERCENTAGE OF WOMEN EMPLOYED BY THE BANK	PERCENTAGE OF LOCAL COMPANIES MANDATED BY THE BANK ACROSS ALL PROJECTS
4.11	40%	95%

BMCE BANK FOUNDATION, A TRUE REFLECTION OF BANK OF AFRICA'S COMMITMENT AND CORPORATE SOCIAL RESPONSIBILITY

BANK OF AFRICA differentiates itself from its peers by a strong commitment to environmental issues and corporate social responsibility. Established in 1995, BMCE Foundation for Education and the Environment aims to promote education in rural regions and disadvantaged communities and to protect the environment. Fully aware of the importance of education to Morocco's development, the Group has forever underlined its firm commitment by pursuing practical and sustainable initiatives via its Foundation.

By establishing 'Medersat.com', a programme focused on preschool and elementary education, the Foundation has endeavoured to improve access to education among rural communities. Each year, Medersat.com provides an education to more than 10,000 children from disadvantaged backgrounds in Morocco and sub-saharan Africa.

This educational programme, which espouses values such as tolerance, modernity and open-mindedness, encourages foreign language learning as well as promoting the use of mother tongues such as Tamazight.

BMCE Bank Foundation's commitment to environmental causes is further highlighted in the Eco-Schools programme, run in partnership with the Mohammed VI Foundation for Environmental Protection. As well as incorporating environmental aspects into the construction of schools, the Eco-Schools programme is an educational project that educates pupils in sustainable development and invites them to adopt eco-friendly behaviour.

THE FOUNDATION AND ITS STRATEGIC GOALS

BMCE BANK FOUNDATION – SOME KEY FACTS

- Nearly 200 units built and fully equipped, specialising in pre-school and primary education, covering Morocco's 16 regions
- 63 schools providing a pre-school and primary education to approximately 11,060 pupils from socially disadvantaged backgrounds
- 22,000 pupils schooled, 50% of whom are girls and high school diplomas awarded to 1,465 students since 2012
- 480 teachers, 46% of whom are female, supervised and supported
- 230 hours/year of in-house training provided to teachers in a variety of disciplines – languages, sciences and pre-school.
- BMCE Bank Foundation's operations in sub-Saharan Africa expanded, taking the total number of schools to 6, with schools in Senegal, Congo Brazzaville, Mali, Rwanda, Djibouti and 1 socio-educational centre in Senegal
- The Eco-school label of the Mohammed VI Foundation for Environmental Protection awarded to new Medersat.com network schools. A total of 25 Medersat.com network schools are proud to have been awarded the Eco-School label.

A BRIEF HISTORY OF BMCE BANK FOUNDATION

1995

- BMCE Bank Foundation for Education and the Environment established

1998

- Medersat.com programme launched

2000

- First schools in rural communities set up

2013

- Awarded the 'WISE Award' by the Qatar Foundation at the World Innovation Summit for Education (WISE) in Doha
- *L'Ecole de la Palmeraie*, a documentary produced for the Foundation, awarded a 'Gold Dolphin' in the Education category at the Cannes Corporate Media & TV Awards

2014

- Mandarin Chinese teaching introduced after a partnership was formed with Hassan II University's Confucius Institute and the Chinese Embassy

2016

- Partnership agreement formed with the French Institute of Morocco to deliver French lessons to Medersat.com network teachers
- Awarded the Rockefeller Foundation's 'Bridging Leadership Award' in New-York
- Dr Leila Mezian Benjelloun, the Foundation's Chair, awarded the Al Arsh Wissam by His Majesty King Mohammed VI

2017

- Partnership agreement signed with the Mohammed VI Foundation for Environmental Protection as part of the Eco-Schools programme

2018

- Partnership agreement signed with the Ministry of National Education to build pre-school units in public institutions

2019

- Medersat.com school opened in Rwanda and the Daara-Rama Franco-Arab college in Diamandio, Dakar
- Cooperation bolstered with the Confucius Institute to extend face-to-face Mandarin Chinese teaching to Boujdour school pupils

2020

- Dr Leïla Mezian-Benjelloun, BMCE Bank Foundation's Chair, awarded the Officer medal of the French Republic's *Légion d'Honneur* Tuesday 3 March 2020 in Rabat
- Partnership agreement signed with the French Institute of Morocco to enhance the quality of French language teaching at primary level across the Medersat.com network
- Medersat.com Academy established, a virtual training institute

2020 HIGHLIGHTS

DESPITE THE PANDEMIC, THE FOUNDATION ROSE TO THE CHALLENGE OF PROVIDING EVERYONE WITH AN EDUCATON

Due to the pandemic and the resulting lockdown in March 2020, the Foundation was obliged to adapt its operations as never before. Distance learning was introduced across the entire education system to ensure continuity of teaching and the advancement of learning for every learner. As a result, network schools were able to continue to deliver the curriculum via a distance learning approach.

The COVID-19 situation has revealed a large number of shortcomings relating primarily to digital, social and regional inequalities across national educational systems in Morocco, Africa and around the entire world.

The ability to deliver distance learning has been severely tested by a lack of technological equipment in homes and appropriate network coverage in rural areas by comparison with urban areas.

The lack of an appropriate support platform and the lack of experience and training in new technologies for teachers and pupils has reminded us of the extent to which our mission to achieve equality of educational opportunity is still highly relevant today.

Despite the educational, technical and social constraints resulting from the pandemic, our network schools have been able to ensure remarkable continuity. Thanks to the commitment of our teaching staff, the 2019-2020 school year ended with a pass rate of 97.69% for those students moving on to higher education.

In schools with smaller pupil numbers and where conditions allowed for social distancing, the mode of teaching remained face-to-face teaching. In schools with larger pupil numbers, the Foundation opted for alternate face-to-face teaching.

The entire network was equipped with appropriate hygiene products and protective kits to ensure that all our students and teachers were protected. A protocol was put in place to ensure regular disinfection and handwashing, the compulsory wearing of masks and the continuous disinfection of school premises, with classrooms and common use areas permanently ventilated.

Other initiatives successfully adopted by all our schools included social distancing measures, temperature checks at the school gate as well as shifting entry and exit times to limit the number of students and teachers mixing.

Medersat.Com Academy established

BMCE Bank Foundation for Education and the Environment has met the challenges posed by the COVID-19 pandemic head-on by creating a virtual training institute called the Medersat.com Academy. This institution's initial mission is to provide teacher training and qualification.

The digitisation of teacher training is only the first step in a broader agenda of digitising practices, processes and teaching practice. BMCE Bank Foundation has risen to the challenge posed by the pandemic and, in doing so, has successfully navigated a major turning point in its digitisation strategy. It is worth recalling that, as long ago as 2007, BMCE Bank Foundation introduced digital technology into its Medersat.com network classrooms with the introduction of interactive whiteboards and the use of videoconferencing to teach Mandarin Chinese.

PRE-SCHOOL EDUCATION BOLSTERED ACROSS THE MEDERSAT.COM NETWORK

In response to the Royal Appeal to make preschool education widely accessible and in support of the Ministry of National Education's programme to make this national project a reality, BMCE Bank Foundation went about opening, as an initial measure, 18 middle section pre-school classes in Medersat.com network schools. BMCE Bank Foundation launched this first step in partnership with Teach For Morocco, of which Dr Leila Mezian Benjelloun is Honorary President, and which is the Moroccan representative for Teach For All, a New York-based international NGO.

Currently, 500 pupils aged 4-5 years have, since 5 October 2020, been taught in the middle section of preschool. The teachers assigned to this project received training by distance learning in August and September 2020, which was organised in partnership with BMCE Bank Foundation as part of the Summer Institute programme.

The Foundation is also continuing to implement its programme to build and equip preschool units in state schools, in support of the Ministry of National Education. The Foundation delivered four preschool classrooms in two schools in Témara, under the jurisdiction of the Rabat-Salé-Kénitra local education authority and began work on building twenty preschool classrooms in state schools coming under the jurisdiction of the Al Hoceima province local education authority, which covers the Tangier, Tetouan and Al Hoceima region.

Building, renovating and equipping schools

At the start of the 2020-2021 school year, a new Medersat.com unit opened in the municipality of Kétama, Al Hoceima province.

Due to the precautionary health measures adopted by Morocco to deal with the COVID-19 pandemic, the Foundation was obliged to suspend all new construction and renovation projects during the March-June 2020 period, both in Morocco and in sub-Saharan Africa (Djibouti). In 2020, maintenance work was carried out at 4 schools.

Construction work on the new Medersat.com Djibouti school suffered a three-month shutdown due to health measures introduced by the Djiboutian government. As a result, the 10-month contractual execution period had to be extended by 3 months. Work resumed in July 2020, with delivery scheduled for end-March 2021.

KEY PARTNERSHIPS BOLSTERED

In addition to the strategic partnership between BMCE Bank Foundation for Education and the Environment and the Ministry of National Education to build schools and manage human resources within the framework of implementing the Medersat.com concept, BMCE Bank Foundation has teamed up with a number of domestic and foreign partners as follows:

- **PARTNERSHIP WITH THE FRENCH INSTITUTE OF MOROCCO**

BMCE Bank Foundation and the French Institute of Morocco renewed their partnership agreement 13 February 2020. The main aims of this agreement are to support French language learning for pupils at the Foundation's Medersat.com network, support the training of supervisors by pooling best professional practices, contribute to developing a supervisory framework and enhance French language skills in BMCE Bank Foundation schools.

This partnership also aims to develop a digital training programme for supervisory staff that can also be delivered digitally, promote staff enrolment in distance learning courses and encourage supervisory staff and teachers to communicate with each other via inter-school links.

• Agreement with Teach For Morocco

8 February 2020, BMCE Bank Foundation signed a partnership agreement with Teach For Morocco, a member of Teach For All, a New York-based international NGO. This agreement will see Teach for Morocco provide BMCE Bank Foundation with the necessary human resources to deliver a preschool education in eighteen Medersat.com network schools. Teach for Morocco will provide training and follow-up for those teachers working in these schools.

• Agreement with the Mohammed VI Foundation for Environmental Protection

The agreement between BMCE Bank Foundation for Education and the Environment and the Mohammed VI Foundation for the Protection of the Environment was renewed 27 November 2020. The new agreement stipulates the need to work together in raising awareness, promoting and fostering an eco-friendly culture and helping network schools to obtain the Eco-School Label.

• Partnering the Ministry of Culture

BMCE Bank Foundation was the Official Sponsor of the 26th International Publishing and Book Fair organised by the Ministry of Culture which was held 6-16 February 2020 at the Casablanca Fairs and Exhibitions Centre.

AWARDS

• The French Republic's Légion d'Honneur

Dr Leïla Mezian-Benjelloun, BMCE Bank Foundation's Chair, was awarded the Officer medal of the French Republic's Légion d'Honneur Tuesday 3 March 2020 in Rabat. This decoration was presented to her by France's Ambassador to Morocco, Mrs Hélène Le Gal, at a ceremony attended by several Moroccan and French dignitaries from the diplomatic, political and business world.

The highest of France's orders of merit was awarded to the Foundation's Chair by the French Ambassador on behalf of Mr Emmanuel Macron, President of the French Republic, in recognition of the Foundation's tireless efforts and unwavering commitment to promoting education and children's welfare in rural areas, as well as its work in advancing French culture.

• African-ness Award

23 November 2020, ICESCO organised a day dedicated to the African continent entitled 'ICESCO Day for Africa – Perspectives and Potential'. On this occasion, ICESCO, together with the African-ness Award Foundation, presented its vision for Africa, its perspectives and potential.

During the day, Dr Leila Mezian Benjelloun was honoured with the African-ness Award 2020, a tribute to her initiative, commitment and contribution to recognising the dignity of African men and women around the world.

• Honorary President of Teach for Morocco

Dr Leila Mezian Benjelloun accepted the invitation to become Teach for Morocco's Honorary President.

BOA FOUNDATION, A COMMITMENT TO HUMAN DEVELOPMENT ON THE AFRICAN CONTINENT

Established in 1999 in Benin, BOA Foundation rapidly expanded to the other West African countries in which the Bank has operations. Today, BOA Foundation is active in 7 African countries – Benin, Burkina Faso, Ivory Coast, Mali, Niger, Senegal and Madagascar – and aims to extend coverage to every country in which BANK OF AFRICA has operations.

Through its foundations, BANK OF AFRICA Group engages with communities in those countries in which it has a presence to improve the living conditions of society's most vulnerable and to contribute to local development. With a longstanding focus on education and health, the foundations' initiatives prioritise human beings and help to promote basic human rights, including the right to a dignified life and good health in a safe environment.

BOA Foundation's different offshoots all enjoy strong local roots. Each has been set up and run by African businesswomen and men, directors or executives of the Group who wish to contribute to their country's success and human development.

In 2019, a Casablanca-based administrative department was established to bring together local foundations. This centralised body will help to coordinate the network and Africa-wide initiatives as well as encouraging collective brainstorming. Local executive offices also depend on the voluntary commitment of around forty of the Bank's directors and executives and eight local employees who ensure that projects are properly implemented.

In 2020, EUR 2.6 million was allocated to 63 projects in 7 countries, including 21 health and school infrastructure projects and 20 projects providing assistance in combating COVID-19.

EDUCATION IN AFRICA, THE BACKBONE OF BOA FOUNDATION'S WORK

Despite the spectacular progress made over the past decade, school attendance remains a major challenge on the African continent. BOA Foundation is therefore focusing its resources on improving access to education and knowledge. In doing so, it is not only helping families to secure this fundamental right but is also combating the vicious circle of poverty.

BOA Foundation's educational initiatives aim to improve access to high quality education in the best possible conditions by:

- Building and renovating state school infrastructure
- Donating school equipment and educational materials
- Promoting digital education by producing online courses in Senegal and digital classes in Benin
- Providing schools with solar-powered electricity and borewells
- Funding initiatives related to education
- Offering scholarships and bursaries to reward academic excellence.

Against such a backdrop, BOA Foundation's Ma Belle École programme aims to renovate and equip severely rundown state schools in urban and suburban areas. The programme began in Autumn 2019 with the renovation of two state schools on the outskirts of Antananarivo, Madagascar, benefiting 600 children. In addition, the Ma Belle École programme will involve developing school libraries.

Since 2009, the Foundation has earmarked a significant portion of its budget to building school infrastructure and its Life Centres are something of a specialty. The concept aims to provide schools in rural areas with educational and administrative blocks and incorporate infrastructure that makes attending school all the more attractive. Facilities include canteens or tied accommodation which may also be used by the wider community. To date, more than forty Life Centres have been built by BOA Foundation in West Africa and in Madagascar.

FIGHTING TO IMPROVE ACCESS TO HEALTHCARE IN EVERY REGION IN WHICH BOA FOUNDATION IS ACTIVE

BOA Foundation's initiatives aim to improve access to care in every region and enhance the quality of care provided by:

- Building healthcare infrastructure, especially maternity hospitals, to combat infant and maternal mortality
- Renovating and equipping state and private non-profit hospitals
- Providing medical equipment
- Funding healthcare and disease prevention initiatives.

In Senegal, BOA Foundation has made female cancer prevention one of its priorities by partnering the Senegalese League against Cancer (LISCA). The prevention programme aims to equip regional health centres and train midwives in detecting and treating precancerous lesions. Since the programme was launched, 18 regional hospitals have been equipped with screening equipment kits. Since 2018, nearly 300 midwives have been trained each year and more than 1,700 women have been screened as part of the training. On average, 10% of these women subsequently receive treatment for precancerous lesions.

The Foundation carries out an annual female cancer screening campaign 8 March across its entire network. Each year, nearly 7,000 women are educated about cancer and screened thanks to the efforts of thirty or so volunteers in each country. These volunteers do sterling work, providing information and raising awareness at grassroots level.

In West Africa, many regions lack basic healthcare services and infant and maternal mortality remains high. To make up for this shortfall, the Foundation was quick to get involved in building maternity hospitals and pregnancy health centres in rural areas for expectant mothers and young children. These medical facilities are designed to enable medical staff to practice there in the best possible conditions. The facilities are equipped with tied accommodation, sanitary facilities, boreholes for the community and, often, solar-powered electricity. In just 10 years, the Foundation has built more than 25 rural health centres, Life Centres and maternity clinics in the region.

ASSISTANCE PROGRAMMES TO COMBAT COVID-19

To provide emergency support to local communities and mitigate the socio-economic consequences resulting from imposing restrictions that affect society's most vulnerable people, BOA Foundation's immediate response was to reallocate nearly 50% of its annual budget to combating COVID-19. A total of EUR 1.3 million was earmarked for solidarity-based initiatives. EUR 175,000 worth of donations of medical and personal protective equipment were made to governmental and non-governmental organisations.

The Foundation and its local partners also distributed more than EUR 1.15 million of food aid to more than 88,000 people, including internally displaced people in Mali and Burkina Faso, vulnerable families on the outskirts of Abidjan in Ivory Coast, Niamey in Niger and Diourbel and Ziguinchor in Senegal and to organisations helping children in difficulty and people with disabilities in Madagascar and Benin.

BOA FOUNDATION IN FIGURES

EUR 3 million

overall budget in 2020

EUR 1.3 million

of aid to combat the pandemic

88,000 people

in receipt of emergency food aid between April and September 2020

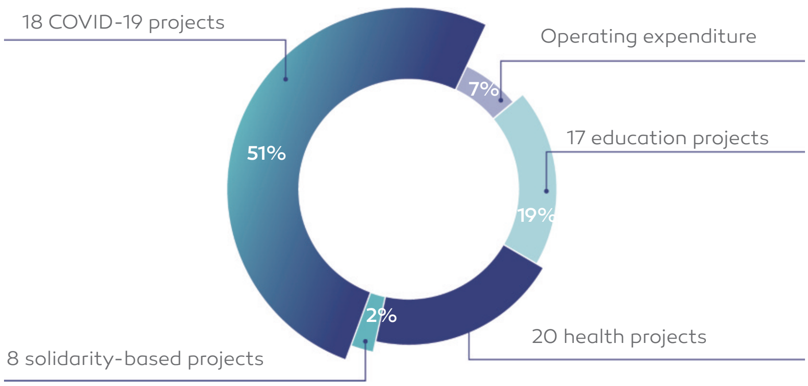
15

school sanitary facilities built or renovated each year

6,500+

women diagnosed each year as a result of female cancer screening campaigns

BREAKDOWN OF BOA FOUNDATION'S 2020 BUDGET



BANK OF AFRICA, EXEMPLARY WHEN IT COMES TO COMPLIANCE

COMPLIANCE: REMAINING VIGILANT DESPITE THE PANDEMIC

As with every other sector of the economy, the COVID-19 pandemic has had a significant impact on credit institutions. Every part of the business has seen a downward trend in business activity, primarily during the lockdown period. Compliance operations were understandably affected as well.

Nonetheless, closer analysis of compliance operations at Group level, including the parent company, offshore operations and domestic and international subsidiaries, during the pandemic, shows that there has not been any major impact on the functioning of the Group's compliance systems. The latter's AML-CFT system, for example, has functioned normally and without any hitch. In addition, all control measures applicable to customers and their transactions have been carried out with the same level of vigilance.

HIGHLY COMMITTED IN EVERY ASPECT

BANK OF AFRICA is inherently committed to complying with legal and regulatory requirements and has extremely high standards when it comes to compliance. Its entire operations are governed by a robust compliance policy which ensures that financial and banking industry regulations are strictly complied with. The Compliance policy extends to each of the Group's subsidiaries with an inherent compliance culture governing the behaviour of the Group's entire workforce at all times. Group Compliance, which is closely linked to risk management, plays a key role in ensuring that all stakeholders, particularly BANK OF AFRICA's customers, are fully protected.

In 2020, the Group continued to play its role in combating money laundering and the financing of terrorism, complying with FATCA legislation and ensuring the highest standards in ethics and professional conduct. In this regard, the Bank continued to exchange information with its internal and external partners – Bank Al-Maghrib, UTRF, AMMC, CNDP and the IRS in the US, foreign correspondent banks as well as its network of branches and business centres.

Lastly, BANK OF AFRICA initiated a number of cornerstone projects in response to changes in money laundering (AML-CFT) regulatory requirements. These projects and solutions will enable it to continue to improve know-your-customer (KYC) systems, bolster its control strategy and carry out risk assessment.

COMPLIANCE IN THE DIGITAL ERA

One of the consequences of the pandemic has been the accelerated digitisation of financial services. In this regard, BANK OF AFRICA has initiated a number of projects promoting remote financial services, including remote account opening and online loans.

Group Compliance has played an active role in implementing these projects to ensure compliance with the various laws and regulations governing personal data protection and combating money laundering and terrorism financing.

As far as remote account opening is concerned, BANK OF AFRICA designed a new digital process enabling customers to open accounts remotely using reliable and secure facial recognition technology. The Bank also obtained the necessary authorisations from the relevant supervisory authorities.

RELATIONS WITH FOREIGN CORRESPONDENT BANKS

In 2020, BANK OF AFRICA processed questionnaires relating to its anti-money laundering system from foreign correspondents. Requests for information about joint transactions and requests for additional information on KYC and OFAC risks were also processed.

In addition, a centralised process for monitoring correspondent banking relationships at Group level was introduced, characterised by a number of new features such as approving account openings by subsidiaries, providing early authorisation of pre-flagged transactions and carrying out an annual assessment of correspondent banking relationships on the basis of the transaction volumes generated by each correspondent bank.

Each subsidiary must also submit an annual report to Bank Al-Maghrib.

INTERACTION WITH THE DISTRIBUTION NETWORK

As part of its ongoing relationship with the distribution network, the Compliance department is ready to respond to any request for advice and assistance from the branch and business centre network. This might include authorising trade finance transactions regarding sanctions regimes, instructing on reported unusual transactions, advising on account openings etc.

As far as training is concerned, in-person training was suspended due to the pandemic. As a result, the Compliance Division and the BANK OF AFRICA Academy have stepped up the project to set up e-learning training modules. A first module is already up-and-running and other modules which will be available in 2021. In addition, training sessions were also held in 'virtual' classrooms.

GENERAL DATA PROTECTION REGULATION (GDPR)

The GDPR, approved by the European Parliament April 2016 and applicable since May 2018, consists of protecting individuals with regard to the processing of their personal data, promoting a secure digital environment and enabling digital services to be developed.

Given the need to comply with extra-territorial regulations, BANK OF AFRICA Group's initial project focus has been to ensure that its European subsidiaries were fully compliant. In early 2020, with the help of a consulting firm, the Group embarked on a project to upgrade systems at both the parent and subsidiary levels.

BANK OF AFRICA, A HIGHLY COMMITTED BANK WITH A TRIED-AND-TESTED CSR POLICY

A FOMAL APPROACH TO CSR IN THE FORM OF A CHARTER AND 6 UNDERTAKINGS

BANK OF AFRICA formalised its commitments in the form of a Social Responsibility Charter. This Charter, which aims to meet ethical, environmental and social challenges, is part of a long-term reflective process at Group level.

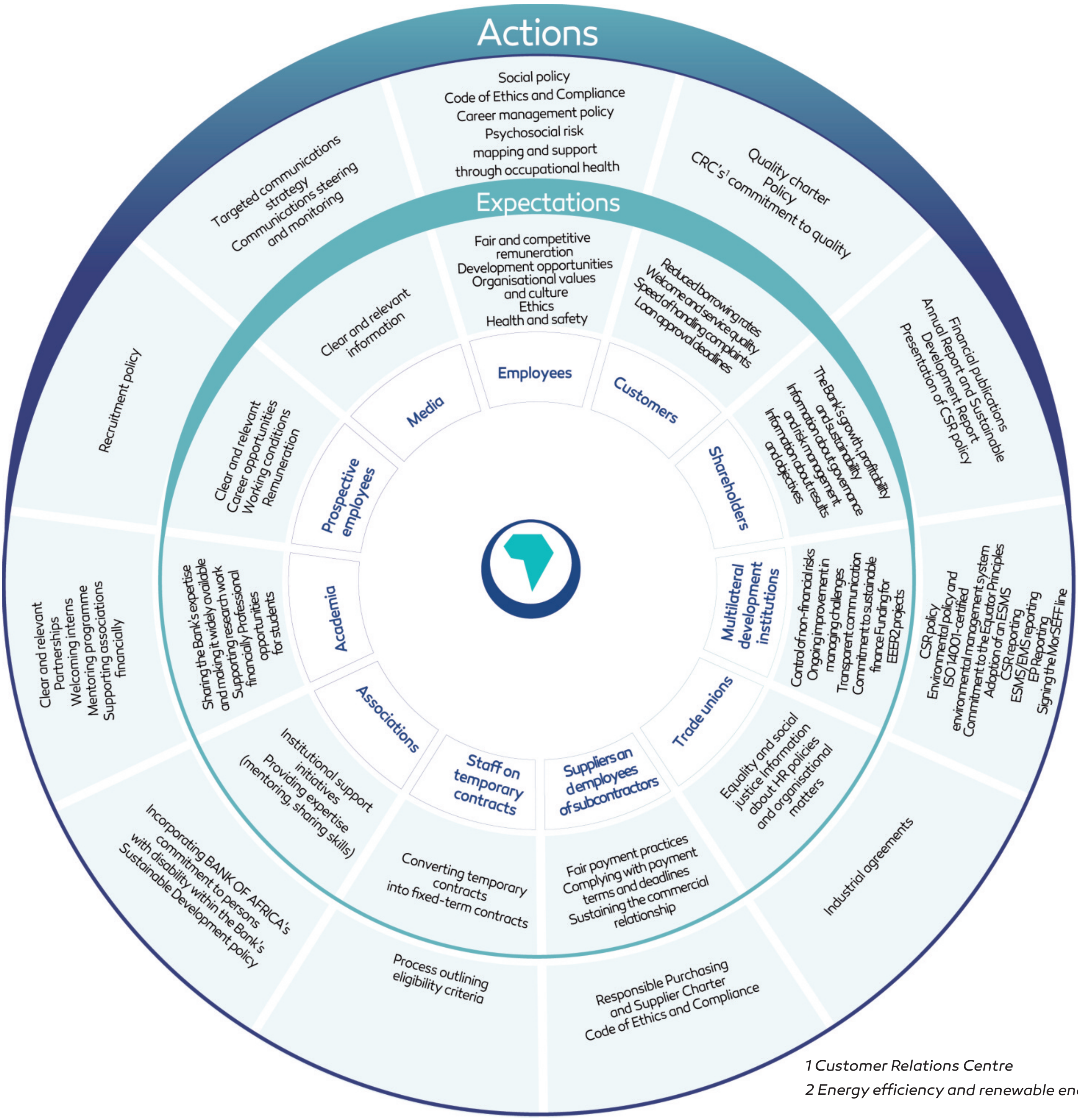
Il also provides a framework enabling each subsidiary to make an effective contribution to the following six major undertakings:

1. Complying with business ethics and safeguarding customers' interests
2. Promoting sustainable finance and social entrepreneurship
3. Being a responsible employer
4. Exercising governance and risk management with diligence
5. Protecting the environment
6. Acting in the interests of communities and maintaining a dialogue with stakeholders

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

BANK OF AFRICA maintains an ongoing dialogue with its stakeholders, aligning itself with social and environmental goals that are consistent with the benchmarks accepted by its wider ecosystem such as the United Nations' Principles for Positive Impact Finance or by the banking community such as the Principles for Responsible Banking or the Principles for Responsible Investment.

BANK OF AFRICA has identified 11 categories of stakeholder of greatest significance to the Group. They include customers, employees, suppliers and subcontractors, academia, multilateral development institutions, the financial community, shareholders, civil society and lastly, associations with links to BANK OF AFRICA.



1 Customer Relations Centre

2 Energy efficiency and renewable energy

CSR STRATEGY FOCUSING ON KEY PRIORITIES

In 2019, BANK OF AFRICA established its CSR policy on the basis of a concerted exercise in materiality, involving internal departments, non-financial performance experts and independent third parties. The aim was to respond as best as possible to the expectations expressed as part of an ongoing process of listening to every stakeholder.

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 type of exercise enables the Bank to better prioritise the issues that really matter and incorporate them within its strategy and governance. As a result, the expectations of every stakeholder are closely aligned with those of the Bank.

A total of 51 issues were submitted in respect of this latest materiality exercise, broken down under the CSR policy's 6 undertakings. 8 issues, located in the top righthand section of the matrix, would appear to be a priority.

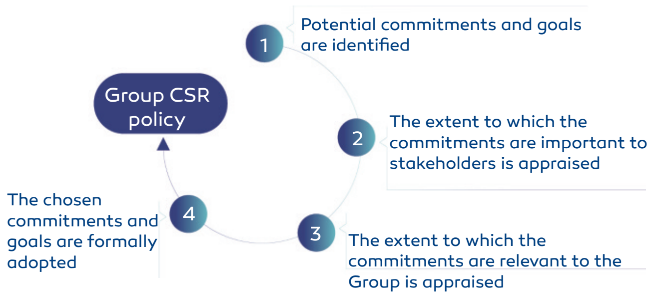
In 2020, an extensive review of all issues was carried out. This review did not result in any major change to the materiality matrix.

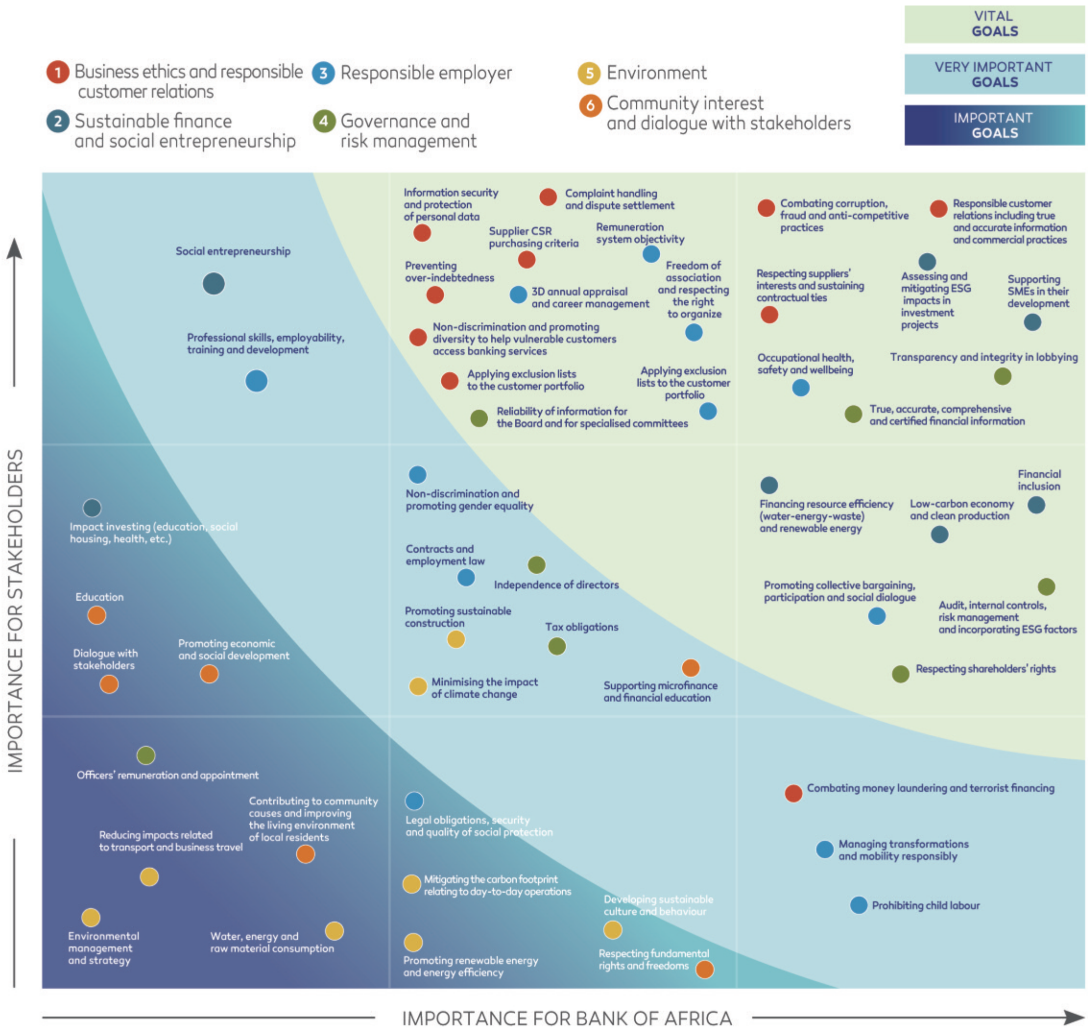
METHODOLOGY FOR IDENTIFYING AND APPRAISING ISSUES

The Group organised a variety of workshops to produce the materiality matrix. Each workshop was based on a predefined and pre-scored list of previously identified issues. During each workshop, discussions were aimed at determining the relevance of each issue and its priority.

The next step was to carry out materiality mapping. The various issues were consolidated in a deliverable entitled 'CSR materiality', approved by committee and then submitted to General Management for the purpose of developing a CSR strategy matrix.

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





CSR POLICY INCORPORATED WITHIN GOVERNANCE SYSTEM

PRESENTING THE ENVIRONMENTAL, SOCIAL AND SUSTAINABILITY COMMITTEE

The Bank has bolstered CSR governance by establishing an Environmental, Social and Sustainability (ESS) Committee. The latter allows for environmental, social and sustainability aspects to be incorporated within the Bank's governance system, thereby ensuring that sustainability is fully embedded within its organisational structure. The Committee's responsibilities consist of:

- Ensuring that the Environmental, Social and Gender action plan is implemented across the Group
- Ensuring that ES risk management practices within the Group are effective
- Developing and supervising Impact Finance performance indicators
- Supervising sustainable development and CSR global undertakings

In 2020, the ESS Committee addressed more than fifteen or so issues falling within its remit. Committee stakeholders participated actively with more than 73 resolutions taken.

ESS COMMITTEE

- Director and General Manager
- Head of Group Risks
- Deputy General Manager, responsible for Group Governance and Development
- Deputy General Manager, responsible for Group Human Capital
- Head of Group Coordination
- Head of Sustainable Development & CSR – ESS Committee Secretary
- Secretary General, BOA Group
- Group Head of Environmental and Social Risks, BOA Group
- Head of ESG Impact, CDC Group
- Executive, Gender Equality & Women's Economic Empowerment, CDC Group
- Executive, Development Impact (Investments), CDC Group

- Quarterly meetings
- Group-level monitoring of the environmental, social and gender action plan's implementation
- Ensure that E&S risk management practices within the Group are effective
- Develop and oversee performance indicators relating to Impact Finance
- Oversee overall sustainable development and CSR undertakings

Coordination, methodology monitoring and reporting

- SD & CSR team
- Country SD & CSR coordinators
- BOA ES Risk Manager
- BANK OF AFRICA CSR GAP/head office functions
- Internal CSR auditors

Implementation and monitoring of the ES risk management system

- ES team
- Loan Commitments Analysis Division (PASE)
- Credit Risk Committee
- Corporate network
- Private client network

- Grassroots ESMS implementation
- ESMS monitoring

- Ensure that the CSR Charter is implemented consistently at subsidiary level
- Assist and support subsidiaries in implementing the Charter
- Consolidate SD & CSR results at Group level
- Oversee the setting up of sustainable financing facilities
- Coordinate implementation of the Charter at subsidiary level
- Report on SS & CSR results at subsidiary level
- Ensure that half-yearly appraisals are carried out in relation to the CSR reference framework
- Draw up action plans and monitor their implementation based on the results of internal and external appraisals (Vigeo Eiris) and benchmarks
- Draw up, input and share the SD & CSR table of indicators for each undertaking
- Prepare non-financial reporting aspects

2020 PERFORMANCE CONSISTENT WITH UNDERTAKINGS

UNDERTAKING 1: COMPLYING WITH BUSINESS ETHICS AND SAFEGUARDING CUSTOMERS' INTERESTS

1st banking group in Africa to obtain ISO 37001 certification

Compliance policy implemented across the entire Group

BANK OF AFRICA complies fully with rules of integrity, fairness in business dealings and transparency. The Group takes every step to prevent corruption and conflicts of interest, to combat fraud and comply with competition rules. Its ethical undertaking also encompasses combating tax evasion as well as money laundering and terrorism financing.

ETHICS AND PROFESSIONAL CONDUCT

In accordance with the relevant requirements, BANK OF AFRICA duly filed its ethics activity reports with the Moroccan Capital Markets Authority. In addition to these reports, the Authority was provided with an updated list of persons with insider knowledge in accordance with the agreed procedures. Furthermore, the periodic reporting statements relating to transactions by insiders did not reveal any atypical or suspicious transactions.

The Bank's anti-bribery management system has been awarded ISO 37001 certification. The system consists of a series of procedures and controls relating to corruption risks to which the Bank is exposed. In addition, a system has been adopted to inform, raise awareness and train stakeholders about corruption risk. In obtaining this certification, BANK OF AFRICA is playing a pioneering role in combating corruption in becoming the first banking group in Africa to obtain this award. This certification, which is renewed annually, will impact other subsidiaries in 2020 and 2021 – 4 Group subsidiaries, including 3 in Africa and 1 in Europe.

BOLSTERING AND EMBEDDING THE COMPLIANCE SYSTEM ACROSS THE ENTIRE GROUP

After completing the initial groundwork for the Convergence project in 2019, BANK OF AFRICA has continued to bolster its compliance systems at Group level through a number of initiatives and projects.

Measuring systems efficiency

BANK OF AFRICA Group appointed an international consulting firm to conduct an independent review of its AML-CFT system, with a focus on sub-Saharan subsidiaries.

The review focused on a variety of system components with effectiveness testing carried out on a panel of pre-selected subsidiaries.

A number of initiatives were implemented to bolster these subsidiaries' compliance systems.

Support and assistance

BANK OF AFRICA's Group Compliance provided assistance to subsidiaries as they endeavoured to bolster their customer and transaction monitoring systems. A number of cornerstone initiatives were completed with others now underway. These include updating the body of standards in response to the various recommendations made in the wake of in-company and external audits, bolstering European subsidiaries' systems for screening customers and their transactions as part of the process of carrying out FATCA due diligence (e.g. certification and reporting to the IRS). Subsidiaries have also been asked to implement an anti-bribery management system based on the parent company's system, which has itself been certified in accordance with the ISO 37001 anti-bribery management standard.

Lastly, Group Compliance has made its subsidiaries aware of the need to resize their Compliance teams to ensure that the newly implemented systems are efficient and to improve compliance activity performance indicators.

Compliance community seminar

The fourth Compliance Community seminar was held in February 2020. The purpose of this annual meeting is to foster a culture of dialogue and sharing across the Group's various subsidiaries. As is customary, an international expert was the guest speaker at this year's seminar who shared his experience of a variety of compliance-related issues with the subsidiaries' Compliance Officers.

KNOW YOUR CUSTOMER (KYC)

2020 saw the ongoing implementation of the project to outsource prospective customer checks to the Operation Global Services (OGS) subsidiary.

The revamped KYC value chain now enables the Bank to automate the account opening process and make it more secure. The following operations have now been centralised with OGS:

- Checks carried out on all prospective customers following initial contact and/or in the event of updates to third party data, with regard to scanned documents and third-party data entered into the IT system
- Correction of any discrepancies in data inputs

- Management of campaigns aimed at KYC data reliability.

A dedicated control solution has also been developed internally and made available to OGS to assist it in this new assignment.

This solution was piloted at a number of branches from February 2020 and has been rolled out on a gradual basis.

The results of this pilot phase have shown a significant improvement in the quality of the KYC process.

AML-CFT RISK ASSESSMENT

In accordance with the existing regulations, BANK OF AFRICA conducts an annual analysis and assessment of AML-CFT risks relating to different customer categories, countries or geographic zones as well as products, services, operations and distribution channels. In conducting this analysis, all relevant risk factors are assessed prior to determining the overall risk level.

The assessment methodology was shared with all the Group's subsidiaries and a simulation was carried out at the Compliance seminar in February 2020 in which all Compliance Officers participated.

TRANSACTION MONITORING

In 2020, despite conditions being less than optimal due to the pandemic, Group Compliance managed to process, in real time, every alert generated from screening incoming and outgoing SWIFT messages and alerts relating to account openings. It also monitored customer transactions with the help of specialised screening solutions.

COMPLIANCE WITH US FATCA LEGISLATION

FATCA reports were filed with the US tax authorities for all eligible subsidiaries ahead of the reporting deadlines.

In addition, as part of the ongoing process of complying with FATCA legislation, 3 new subsidiaries registered with the Internal Revenue Service (IRS) (US tax authorities) – LCB Bank, BOA Madagascar and BOA Rwanda. At 31 December 2020, from a total of 23 subsidiaries, 70% or 16 subsidiaries had been certified. In accordance with the IRS-imposed certification schedule, the 7 remaining subsidiaries will be certified in 2021.

ANTI-BRIBERY MANAGEMENT SYSTEM ISO 37001-CERTIFIED

In August 2019, the Bank's anti-bribery management system obtained ISO 37001 certification.

The Bank has underlined its reputation as a pioneer in combating corruption by becoming the first banking group in Africa to obtain such a distinction.

In support of the anti-bribery management system's implementation, procedures and guides were published and awareness training and communications campaigns conducted.

A supervisory audit of certification was carried out by the certifying body in October 2020. This audit is carried out annually.

The anti-bribery management system has been extended to the Group's subsidiaries to be implemented at the local level whilst making the necessary modifications in line with local regulatory requirements.

A number of Group subsidiaries were selected to commence preparations ahead of having their anti-bribery management system certified.

Quality policy central to the Group's growth strategy

BANK OF AFRICA has adopted a quality policy consistent with the goals of its CSR Charter which places customers at the very centre of its priorities. Every type of customer – retail, professional and corporate customers – benefit from the commitment of the Bank's staff to meeting their expectations while offering them quality products and services.

A certified Quality Management System

BANK OF AFRICA was the first Moroccan bank to obtain ISO 9001 certification in the early 2000s. The Bank has had its ISO 9001:2015 certificate renewed for the following activities:

- Bank cards
- Securities
- Overseas
- Project Finance
- Bank-Insurance
- Loans to retail customers
- Human capital

These certifications were renewed by Bureau Veritas Certification (BVC), an international certification organisation, on completion of audits carried out by BVC.

RESPONSIBLE PURCHASING

As part of an ongoing commitment to promote and support the fundamental principles of social and environmental responsibility in its day-to-day operations, the Group has adopted a 'responsible purchasing' approach.

Consistent with its CSR policy, BANK OF AFRICA's Responsible Purchasing Charter is a code of conduct governing the Bank's relationship with suppliers in purchasing processes. This Charter, which has now been signed by 100% of the Bank's suppliers, aims to promote principles relating to human rights, labour law, environmental protection and combating corruption.

A supplier appraisal system, adopted by BANK OF AFRICA in 2014 and ISO 9001:2015-certified since 2018, now plays a vitally important role in the purchasing process.

PRIORITY GIVEN TO LOCAL SMES AND SMALL BUSINESSES WHEN IT COMES TO PURCHASING DECISIONS

BANK OF AFRICA strives, wherever possible, to include domestic suppliers in its purchasing decisions with a view to boosting domestic economic growth. Local SMEs and small businesses are warmly encouraged to submit an application when the Group announces a request for tender or consultation, and it regards them as an integral part of a sustainable and balanced partnership. By diversifying its pool of suppliers to include SMEs and small businesses, the Group is able to reduce financial dependence and manage its purchases optimally.

UNDERTAKING 2: PROMOTING SUSTAINABLE FINANCE AND SOCIAL ENTREPRENEURSHIP

BANK OF AFRICA – A KEY PLAYER IN POSITIVE IMPACT FINANCE

BANK OF AFRICA's early commitment to sustainable finance saw it sign up to a number of international frameworks. In 2000, it became the first African signatory to UNEP FI's Statement of Commitment by Financial Institutions on the Environment and Sustainable Development before, in 2019, becoming one of the founding signatories of the United Nations' Principles for Responsible Banking (PRB). Launched officially In September 2019 by the UN Secretary General during the United Nations General Assembly and the UN Climate Action Summit in New York, these principles mark a new phase in the alliance between the UN and the global banking sector.

In 2020, BANK OF AFRICA contributed to UNEP FI's first report on sustainable finance in the Arab world, entitled 'Promoting Sustainable Finance and Climate in the Arab Region'.

In May 2010, the Group adopted the Equator Principles (EP), which provided it with a suitable framework for incorporating environmental, climate-related and social risks in funded projects.

In signing the Positive Impact Manifesto in October 2015 and then becoming a member of the Positive Impact Finance Initiative in 2017, the Group accelerated its commitment to sustainable finance. BANK OF AFRICA is committed to conducting impact analysis of its entire portfolio and adopting an impact-based approach to economic development based on identifying and monitoring environmental, climate-related and social impacts.

The aim of this kind of analysis is to enable the Bank to set ambitious goals when it comes to increasing its positive impacts and reducing the negative ones. Attaining these goals requires a combination of commitments as far as its customers are concerned. That means encouraging them to embrace transition and innovation as well as making adjustments to the portfolio i.e. gradually reducing or even eliminating some business activities whilst expanding others.

In just a few years, BANK OF AFRICA has emerged as a genuine leader in responsible and inclusive finance.

Underlining its status as a pioneer and leader, the Bank was the first in Africa in 2018 to publicly support the recommendations of the TCFD, the G20 Climate Task Force, and has already started to incorporate climate risks within its governance system, strategy, funding and reporting.

Its green and sustainable investments, which currently amount to almost MAD 4 billion, seek to promote energy transition, particularly renewable energy, energy efficiency, waste management and recovery, sanitation and wastewater treatment as well as female entrepreneurship and African SMEs.

In 2020, a climate finance training programme was rolled out at Group level in partnership with IFC involving BOA subsidiaries in sub-Saharan Africa as well as BBI London and the Shanghai branch office, capping the Bank's efforts at incorporating sustainable finance at Group level.

GREEN BOND

In 2016, BANK OF AFRICA became the first Moroccan bank to issue a green bond, formerly classified as a 'positive impact bond', which raised MAD 500 million via a public offering on the domestic market for investment in renewable energy.

CAP BLEU

BANK OF AFRICA has developed an exclusive offer in partnership with the AFD and the EIB, enabling Moroccan companies to finance water treatment and sanitation projects. The Cap Bleu credit line offers an attractive interest rate with free technical assistance also provided.

SECOND PARTY OPINION

Vigeo Eiris' second party opinion enables investors to gain an insight into a funded project's sustainability and impact, the ESG performance of the issuing company, BANK OF AFRICA and the degree of compatibility between the two.

ARABIA CSR AWARDS

For the 7th consecutive year, BANK OF AFRICA was an award-winner at the CSR Arabia Awards. This label provides global recognition of its cutting-edge approach to sustainable development and CSR.

EBRD'S GEFF PROGRAMME

BANK OF AFRICA is an investor in a mechanism set up in partnership with the Green Climate Fund (GCF) designed to help businesses fund, via local banks, investment in sustainable energy, particularly energy efficiency and renewable energy projects.

Green Bond

Like every other year since 2017, BANK OF AFRICA published its green bond impact report on the www.ir-bankofafrica.ma website. This report demonstrates BANK OF AFRICA's sustained and well-documented commitment to funding energy transition projects. BANK OF AFRICA's green bond is now considered to be a Positive Impact Bond under UNEP FI's Principles for Responsible Banking (PRB), the United Nations Environmental Programme Finance Initiative within which the Positive Impact Finance working group operates. The aim is to incorporate environmental, social and governance aspects when identifying, selecting and appraising eligible projects.

In 2020, close cooperation with the IFC enabled BANK OF AFRICA to add further credibility to its project-related climate finance data. The funds raised from BANK OF AFRICA's green bond issue were put to financing the construction of the Khalladi wind farm, a 120 MW facility located in the Tangier region. The wind farm intends to supply competitively priced clean energy to a number of large industrial companies operating primarily in Morocco's cement industry. MAD 1.7 billion has been invested in this wind farm, which has been developed by ACWA Power in partnership with ARIF, an investment fund. The money raised to finance this investment has come entirely from the private sector in the form of equity financing, from ACWA Power and ARIF, as well as long-term debt, from the EBRD, in partnership with the Clean Technology Fund (CTF) and BANK OF AFRICA.

In 2020, Vigeo Eiris, a non-financial rating agency, renewed its second party opinion of the green bond, thereby confirming BANK OF AFRICA's effective management approach. The rating agency is appointed annually to provide an updated independent opinion as to the extent to which sustainability factors are taken into account in designing and managing the green bond.

BANK OF AFRICA's Cap Bleu credit line cited as a role model

The Organisation for Economic Cooperation and Development (OECD), in partnership with the French Development Agency (AFD) and the European Investment Bank (EIB), has published a case study citing BANK OF AFRICA's Cap Bleu credit line as a good example of blended finance.

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. This new facility is primarily intended for private and public sector institutions in a variety of sectors but whose core business is related to water, especially agriculture, piped drinking water and sanitation, real estate and hospitality.

The report, entitled 'Making Blended Finance Work for Water and Sanitation: Unlocking Commercial Finance for SDG 6', provides an analysis of the impact from governance policies with regard to water resource management on economic and financial aspects.

In the report, BANK OF AFRICA was cited as a role model among commercial banks in terms of the innovative financing mechanisms it was employing to finance the water sector.

Participation in the launch of the EBRD's Green Economy Financing Facility (GEFF)

1 October 2020, BANK OF AFRICA participated in the official launch webinar of the Green Economy Financing Facility (GEFF), organised by the EBRD in partnership with the European Commission, the CGEM and other Moroccan financial institutions. The GEFF was launched following the success of its predecessors, MorSEFF I and II. This mechanism, initiated in partnership with the Green Climate Fund (GCF), is designed to enable local partner banks to finance private sector investment in sustainable energy, particularly energy efficiency and renewable energy projects, water conservation and waste reduction, amongst other things. It primarily targets projects led by SMEs that are endeavouring to gain a competitive advantage. It is worth recalling that in 2015, BANK OF AFRICA was chosen as the first financial institution in Morocco to launch the GEFF. The Bank has taken advantage of the opportunity of this webinar to share its experience as a pioneer in sustainable impact finance in Africa, as well as underlining its commitment to promoting green finance and the economy as a whole.

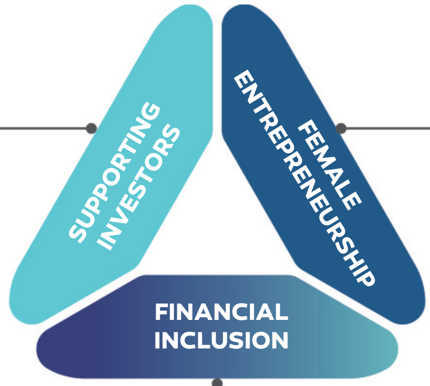
KEY FACTS ABOUT SUSTAINABLE FINANCE

MAD 4 BILLION
Green and sustainable investment

4
Number of programmes focusing on sustainable finance

BANK OF AFRICA – A LEADING PLAYER IN SOCIAL ENTREPRENEURSHIP

BANK OF AFRICA's commitment extends to every sector of the economy as illustrated by its *Damane Relance* and CAP TPE credit facilities. BANK OF AFRICA has once again demonstrated its willingness and readiness to support the domestic economy as one of the Kingdom's major financial intermediaries.



In partnership with the EBRD, BANK OF AFRICA launched Women in Business, a EUR 20 million credit line for female entrepreneurs.

Fully supportive of the financial inclusion strategy promoted by His Majesty King Mohammed VI, which is also a major priority for the Bank, BANK OF AFRICA proactively engaged in its INTELAKA programme in 2020.

Financial inclusion and support for business start-ups

Fully supportive of the financial inclusion strategy promoted by His Majesty King Mohammed VI, which is also a major priority for the Bank, BANK OF AFRICA proactively engaged in its INTELAKA programme in 2020 which targets eligible business start-ups. Examples of grassroots initiatives carried out in 2020 include the following:

- A number of BOA INTELAKA accounts were opened from among the community of more than 80 horse-drawn carriage drivers in Marrakech. As many members as possible were encouraged to register on the national register for self-employed persons, enabling them to benefit from the BOA INTELAKA offer. This initiative has provided them with a formal framework to conduct their business as well as giving them access to financial support.
- In July 2020, another initiative was launched which benefited shopkeepers in the Diour Chioukh shopping complex in Khenifra. A socio-economic support programme saw street vendors provided with business premises under the National Human Development Initiative (INDH). This initiative, which targets associations representing shopkeepers and local authorities, saw 211 bank accounts opened at BANK OF AFRICA.
- BANK OF AFRICA took part in the presentation of the INTELAKA Integrated Business Support and Financing programme at a special event organised by the Safi Chamber of Handicrafts. This seminar was attended by a number of craftsmen from Safi. Following this BOA INTELAKA promotional event, 160 applications were received to register on the national register for self-employed persons and 15 INTELAKA applications were processed.
- In partnership with the Khouribga Al Wahda Young Entrepreneurs Association, a meeting with 52 business start-ups was organised which resulted in 17 registrations on the national register for self-employed persons, 11 account openings and 14 BOA INTELAKA applications.
- In Kasbat Ait Ben Haddou, a rural district a few kilometres from Ouarzazate, an event was organised for local craftsmen to promote the Al Moustatmir Al Qarawi BOA INTELAKA offer. This grassroots initiative resulted in a number signing up for Hissabi Pro, registering on the register of self-employed persons and initiating the BOA INTELAKA credit application process in support of business start-ups in the Kasbat Ait Ben Haddou village.

Contributing to the UNESCO study on financial inclusion

Consistent with its vocation as a socially responsible bank, BANK OF AFRICA contributed to a study on financial inclusion co-published by UNESCO, the European Financial Management Association (EFMA), Ecole des Ponts Business School and Wavestone.

'Financial Inclusion: New Ambitions for 2020' aims to establish an overview of the financial sector's considerable scope for action on the corporate social responsibility front.

Several eco-responsible initiatives by financial institutions were reviewed in this study. The Group's leadership in this area was highlighted with praise reserved for its many corporate social responsibility initiatives and its endeavours to promote financial inclusion. This study also revealed an increase in the number of support initiatives by major financial institutions that have directly impacted entrepreneurs and SMEs positively.

CAP TPE, supporting investment in small businesses

As part of a national framework to create a vibrant small business sector, BANK OF AFRICA has forged a reputation as one of the first banks to proactively commit to supporting entrepreneurs.

Following the success of the Istitmar Croissance programme, the CAP TPE project was rolled out in February 2020. This project aims to support entrepreneurs – sole traders, micro- entrepreneurs or legal entities – who are either setting up or developing their business.

Damane Relance TPE

To cope with the economic challenges resulting from the pandemic, the Caisse Centrale des Garanties (CCG) introduced the Damane Relance TPE warranty to help small businesses, entrepreneurs and self-employed professionals get back on their feet. This is a repayable loan, with the CCG's Damane Relance warranty covering up to 95% of the principal. It is intended to finance the working capital requirement of very small businesses, individual entrepreneurs and self-employed professions affected by the current crisis. To ensure that as many customers as possible could benefit from the Relance TPE loan on the most attractive terms, efforts were made to target customers while a number of enquiry-based procedures were relaxed to facilitate communication with the CCG as well as between branches and back-office operations. Since it was launched in May 2020, this initiative has been extended to other business sectors such as real estate development, which was initially excluded.

Damane Relance PME loan

In June 2020, Damane Relance was introduced for SMEs impacted by the pandemic. These CCG-backed loans enable SMEs to cover supplier payments, rebuild inventory, meet expenses and boost exports, amongst other things. An action plan was adopted to ensure that the Bank positioned itself in a strategically competitive way with regard to this product and to steer its marketing strategy. Staff at grassroots level worked hard to provide support to the maximum number of SMEs.

Interest-free loan for self-employed entrepreneurs

Applying the support measures drawn up by the Moroccan government for self-employed entrepreneurs to deal with the pandemic, BANK OF AFRICA launched Crédit Auto-Entrepreneurs COVID-19, a loan which is repayable in equal instalments. The loan enables self-employed entrepreneurs to meet expenditure that cannot be deferred, such as the self-employed person's salary, rent and day-to-day expenditure. Crédit Auto-Entrepreneurs COVID-19 is an interest-free loan. Customers may borrow up to the equivalent of 3 months turnover, calculated on the basis of their most recent tax declaration, and capped at 15,000 dirhams. It is repayable over a 3-year period, including a 1-year grace period.

Number of applications processed

1,318

Damane + CAP TPE

MAD 3,936 million

By offering bespoke loan products and a variety of solutions for each customer category, BANK OF AFRICA has demonstrated its commitment to supporting the domestic economy as one of the Kingdom's major financial institutions.

Female entrepreneurship and gender equality

BANK OF AFRICA is pursuing its strategy of supporting women entrepreneurs through its 'Women in Business' programme.

The Group has designed an assistance package called 'Women in Business' (WIB), which aims to generate an economic as well as a social impact. This programme, which comprises a MAD 200 million funding line, offers women entrepreneurs a comprehensive solution. In addition to the funding aspect, the WIB package meets the needs of women entrepreneurs in terms of banking services, training and advice.

Furthermore, as part of its efforts to promote gender equality, BANK OF AFRICA has implemented a 'gender' roadmap aimed at promoting gender equality in line with its 'Gender and inclusion' policy.

BANK OF AFRICA also endorses Women's Empowerment Principles, a partnership initiative established by UN Women and the UN Global Compact.

Non-financial assistance and support for small businesses bolstered

As part of a national framework to create a vibrant small business sector, BANK OF AFRICA has forged a reputation as one of the first banks to proactively commit to supporting entrepreneurs. In response to His Majesty's speech in October 2019, the Bank has accelerated the range of products and services available to every type of entrepreneur – sole trader, micro-entrepreneur or legal entity – who may be either setting up or developing their business.

In addition, since 2009 when it was launched, BANK OF AFRICA's Entrepreneurship Observatory has adopted a three-pronged approach to offering non-financial support in the form of training, mentoring and networking, as well as raising awareness about entrepreneurship. As such, it aims to support 15,000 young people, business start-ups and entrepreneurs each year.

It is also worth recalling that BANK OF AFRICA, in partnership with the EBRD, also launched Women Entrepreneur, the first product specifically for women entrepreneurs which offers a subsidised rate of interest and a training programme.

UNDERTAKING 3: BEING A RESPONSIBLE EMPLOYER, ATTENTIVE TO ITS EMPLOYEES AND SUPPORTING THEIR DEVELOPMENT

Human Capital lies at the very core of BMCE Bank of Africa's corporate strategy. The Bank aspires to be an effective and sustainable human vector that strives for collective, social and responsible development. The Bank's state-of-the-art HR system is underpinned by solid principles and fundamentals, cemented by a strong corporate culture.

40.4%

of staff in Morocco are female

1ST

bank in Morocco to be OHSAS-certified

39%

of staff benefiting from training in 2020

12,963

screening tests carried out in 2020

1ST

bank in Morocco to be awarded the SafeGuard hygiene excellence label by Bureau Veritas Group

2,392

training days

The labelling project focused on four specific COVID-prevention measures: (i) taking appropriate medical precautions, (ii) introducing screens barriers, (iii) adapting and disinfecting workspaces and transport, and (iv) reorganising working practices. The SafeGuard hygiene excellence label was awarded to 22 sites.

This label illustrates the Bank's commitment to safeguarding the health and safety of employees and customers in the context of the COVID-19 pandemic. It also underlines the Group's commitment to corporate social responsibility internationally as well as reassuring its stakeholders as to the effectiveness of its business continuity plan in accordance with global health standards.

Career management emphasising skills development for every employee

The Group is particularly attentive to the mobility and career management of its employees. It encourages retraining and promotion as well as international mobility. The Group also supports skills development through major training programmes, primarily delivered by a specialised entity, BANK OF AFRICA Academy.

The training focuses on the banking professions but is also aimed at developing managerial and commercial skills. BANK OF AFRICA ensures that a large majority of its employees benefit from at least one training course per year.

A training plan is drawn up each year for every BANK OF AFRICA employee. It aims to not only improve technical business line-related skills but also managerial and cultural competence. Skills development is carried out through in-person training or distance learning, access to supervisory staff and on-job learning alongside managerial staff, experience-sharing with colleagues and self-study via daily management-related situations as well as new assignments.

In 2020, 916 internal transfers were recorded at BANK OF AFRICA, which resulted in either a change in business line or post, in what was a sideways move or a promotion.

In 2020, 39% of the workforce benefited from at least one training initiative. More than 100 training courses were offered i.e. around 2,392 training days. Since the official declaration of a state of emergency in Morocco, training activity has been suspended. A revamp of all business line training courses has been initiated.

A socially responsible approach to recruitment

BANK OF AFRICA's recruitment policy ensures equal opportunity among employees and non-discrimination with regard to economic or socio-demographic criteria such as disability, age, gender. As such, BANK OF AFRICA promotes diversity and is committee to equal opportunity when assessing applicants at each stage of the recruitment process – search, selection, hiring and integration.

Human Capital ensures that the recruitment process is transparent and objective. The recruitment policy encourages a constructive approach to integrating new employees consistent with HR strategy. This process ensures that new hires fully understand BANK OF AFRICA's corporate culture and are provided with the necessary means to be successfully integrated into the organisation.

To ensure that the principles of equal opportunity and non-discrimination are respected, BANK OF AFRICA has adopted a number of policies such as an annual appraisal guide and awareness training for mangers and HR staff to ensure that appraisal rules are respected.

A competitive remuneration system

The remuneration system recognises an employee's contribution and is underpinned by values of fairness and transparency vis-a-vis employees. BANK OF AFRICA ensures that remuneration packages are competitive by industry standards to ensure that employees are motivated and retain a high level of trust in the institution.

The remuneration system is designed to ensure that incentive-driven situations are avoided that might result in conflicts of interest and non-compliance with the rules of good conduct.

Keen on employing youngsters and recruiting people with disability

Discrimination towards vulnerable categories is not tolerated in any form within any of the Bank's HR processes – recruitment, career management, remuneration, professional appraisal, social activities – thereby ensuring equal opportunity among employees and non-discrimination with regard to economic or socio-demographic criteria such as disability, age, gender.

The Bank is committed to employing recently qualified graduates and strives to make it easier for them to get their first job, primarily through internships. In 2020, nearly 400 students from different universities, OFPPT institutes and graduate colleges, 65% of whom were young women, were offered internships by the Bank's different business units.

Nearly 80% of BANK OF AFRICA's employees are under the age of 45 with 38.5 years being the average age of staff in Morocco.

The institution also promotes diversity by positively encouraging the recruitment and integration of disabled persons. Each year, it participates in a number of events and forums specifically organised for disabled persons.

Measures underlining a strong commitment to gender equality

As part of its social commitment to promoting female employment, the ratio of female staff to total Bank employees has continued to rise, reaching 40.4% in 2020 versus 40.2% in 2019.

Entirely consistent with the United Nations Sustainable Development Goals, in 2020, BANK OF AFRICA decided to prioritise its Gender Action Plan with the aim of achieving gender parity within the Group's overall workforce, its managerial functions and on its governance bodies.

The Bank also aims to promote women's financial inclusion through specific products and to protect women's fundamental rights.

A robust occupational health and safety management system

BANK OF AFRICA is the first commercial bank in Morocco to be awarded OHSAS 18001 certification for its occupational health, safety and wellbeing management system.

The Bank's health and safety management system is being continuously improved and is structured around 8 strategic goals:

- Comply with regulatory requirements relating to health and safety
- Prevent occupational illness and accidents
- Bolster emergency response
- Prevent traffic accidents
- Promote occupational wellbeing
- Foster social dialogue and behave responsibly
- Promote risk prevention amongst service providers
- Prevent risks related to buildings and structures.

OHSAS 18001 certification raises the Bank's credibility still further in terms of its corporate social responsibility in matters relating to employee relations and working conditions. The Bank aims to create a safe working environment by mitigating risks relating to the health and safety of all persons present in the workplace.

Social security cover of a high standard

BANK OF AFRICA ensures that it complies with social security regulations and with labour law.

The Bank's social security cover goes well beyond the regulatory framework, providing employees with additional social security and retirement benefits such as a top-up pension, and a solidarity fund.

BANK OF AFRICA promotes employee health protection by implementing preventive measures and vaccination campaigns and organising annual health check-ups and hygiene inspections. The Bank's health and social unit remains attentive and available to all employees.

In 2020, a number of management initiatives were carried out in response to the pandemic. These included implementing hygiene, prevention and disinfection measures at head office and across the branch network, monitoring COVID-19 cases and suspected cases at Bank level on a daily basis, managing cases proactively, appointing officers to liaise with regional representatives to ensure that preventive measures were applied and complied with. 12,963 screening tests were carried out.

As part of its occupational health and safety policy, BANK OF AFRICA carries out a number of awareness and prevention initiatives on health and hygiene issues. The Group is fully aware that occupational well-being is a performance driver, which is why it implemented a cornerstone initiative to manage workplace stress and reduce psychosocial risks.

Freedom of association and trade union rights

BANK OF AFRICA is a signatory to the Collective Labour Agreement for Moroccan Bank Employees, which governs relations between the GPBM and the USIB-UMT. This agreement guarantees the right to organise.

In terms of social dialogue, the personal commitment of Mr Othman BENJELLOUN, Chairman and Chief Executive Officer, to respecting the right to organise is a key factor in regulating labour relations within the Bank. Social dialogue is carried out at the very highest levels of the organisation alongside HR departments. Social dialogue is underpinned by a number of joint committees which deal with a variety of issues such as training, appraisals, remuneration, managing staff loans, occupational health and employee wellbeing initiatives.

An innovative programme to encourage intrapreneurship and skills enhancement

Launched at the end of 2019, the In'Pulse Programme is intended to be an in-company innovation programme. Adopting a flexible approach, it aims to pool knowledge within the organisation, foster a sense of creativity amongst employees and involve them in projects that will strongly impact themselves, the Bank and its customers. The programme is open to any BANK OF AFRICA Group employee who has an innovative project idea that might be transformed into an actual project and be used as a growth driver or as a means of enabling the Group to stand out from its peers.

Throughout their entire 'intrapreneur' experience, project owners benefit from a bespoke support programme consisting of bootcamps and training, which is provided by entrepreneurs, business line experts and experienced entrepreneurs. The selected project owners then undergo an in-company incubation programme to bring their ideas to fruition. The four innovative projects chosen in respect of the programme's first year are currently being incubated.

The second edition is nearing completion with nearly 20 projects selected. The third edition was launched in April 2021.

HUMAN CAPITAL INDICATORS

BANK OF AFRICA group	2017	2018	2019
BANK OF AFRICA Morocco indicators			
No. of employees	**5 328**	**5 047**	**4 987**
Of whom women	2 099	2 027	2 014
By contract type			
Permanent	5 061	4 929	4 858
Fixed term	267	118	129
By category			
Managers	3 336	3 203	3 149
Employees	181	94	98
Graded	1 522	1 434	1 428
Unclassified	289	316	312
By length of service			
Fewer than 5 years	31%	25%	18.8%
5-10 years	14%	12%	13.9%
10-20 years	45%	47%	49.9%
More than 20 years	11%	17%	17.3%
Recruits & departures			
Recruits	287	98	181
Resignations	182	217	138
Redundancies	54	46	28
Employee-related disputes			
Social dialogue			
Number of days lost due to strikes	1	0	0
No. of employee representatives			
Full members	88	84	84
Replacement members	69	62	54
Occupational health and safety			
Number of occupational accidents	69	59	62
Training			
Budget as % of the payroll	0.56%	0.39%	0.58%

UNDERTAKING 4: EXERCISING GOVERNANCE AND RISK MANAGEMENT WITH DILIGENCE

GOVERNANCE

BANK OF AFRICA has established a highly robust and exemplary governance system to protect the long-term interests of all its stakeholders. The Group continues to meet the most stringent of standards when it comes to governance practices, as well as ensuring that it is fully compliant with domestic and international statutory requirements. Furthermore, given its strategic role within the economy, the Group is under an obligation to ensure that its operations are entirely secure and to adopt adequate control mechanisms.

As part of a process of ongoing improvement, BANK OF AFRICA's governance system is underpinned by a number of decision-making and supervisory bodies as well as committees which are responsible for drawing up the Group's main strategic and operational policies.

To ensure sound governance, several strata have been put in place, each having its own responsibilities:

- The Board of Directors, whose primary responsibility is to maintain a balance between shareholders' interests and growth prospects, long-term value creation and depositor protection.

BANK OF AFRICA Group's Board of Directors is made up of 14 directors, four of whom are independent.

- The Group Risks Committee, the Group Audit and Internal Control Committee and the Governance, Appointments and Remuneration Committee, which ensure sustainability, proactive risk management and operational control at Group level.

RISK MANAGEMENT

BANK OF AFRICA's approach to risk management is consistent with professional and regulatory standards, international rules and recommendations issued by supervisory authorities. The main risks identified are:

- Credit risk
- Market risk
- Operational risk
- Country risk

The main contributors to BANK OF AFRICA Group's market risk management policy are:

UNDERTAKING 5: PROTECTING THE ENVIRONMENT AND REDUCING THE CARBON FOOTPRINT ACROSS THE GROUP

reduction in the Bank's GHG emissions

25%

GHG emissions in 2020:

20,491 T CO_2

reduction in CO_2 emissions per employee

20%

BANK OF AFRICA carries out its 4th carbon assessment

As part of ongoing efforts to promote climate action, BANK OF AFRICA has undertaken to voluntarily conduct an inventory of its greenhouse gas (GHG) emissions[1] every two years which consists of:

(i) Monitoring trends in the Bank's overall carbon footprint by comparison with the first assessment carried out in 2015

(ii) Drawing up a roadmap for mitigating and/or offsetting GHG emissions

(iii) Measuring the effectiveness of the reduction initiatives implemented.

The 2020 carbon assessment was carried out in April 2021 and took into account the main direct and indirect emission categories. The latter primarily refer to different types of energy consumption, investments and leased assets, purchases, cash-in-transit, business travel and end-of-life treatment.

In terms of results, this latest carbon assessment underlined the Bank's efforts in environmental protection. Overall CO2 emissions fell by 25% in 2020 by comparison with 2018, largely due to the impact from the COVID-19 pandemic which resulted in many employees working from home and to restrictions on business travel.

ISO 14001 certification renewed

As part of its commitment to managing environmental impacts, BANK OF AFRICA's ongoing contribution to the collective effort of combating global warming resulted in its ISO 14001 certification being renewed in 2020.

Bureau Veritas, the consulting firm responsible for certification renewal, commended Management's commitment to continuously improve its system, the setting up of a Group Environmental, Social and Sustainability (ESS) Committee which resulted in improved ESS performance and the Bank's commitment to funding projects having a positive environmental impact.

Reducing the carbon footprint of our buildings

BANK OF AFRICA implemented a sustainable construction policy which applies to renovation and construction projects for buildings and new sites.

The HQE-certified BANK OF AFRICA Academy building was designed in such a way so as to reduce the impact from construction on the environment while providing occupants with a healthy and comfortable indoor environment. This multi-criteria approach combines eco-construction and eco-management with comfort and health.

Raising awareness and training in sustainable development

BANK OF AFRICA is committed to an ambitious environmental and energy policy. Over and above its main implementation priorities, the Bank is keen to foster a culture and awareness of issues relating to sustainable development at Group level. Various training initiatives and internal campaigns are regularly implemented to encourage employees to adopt good habits and behaviour.

	2018	2019	2020
Energy consumption in kWh	24 610 710	23 847 440	22 964 602
CO_2 emissions per employee in T CO_2 eq.	5.16	5.16	4.11
Waste assessment			
Paper and archives (t)	53	34	48
IT equipment (units)	579	667	887
Cooking oils (kg)	867	990	0
Cartridges (kg)	3 860	3 548	2 779
Maintenance (kg)	1 643	2 120	1 400

1 GHG emissions were calculated in accordance with ISO 14064-1 and 14069 standards and with the help of the GHG assessment solution adopted in 2013 by the Mohammed VI Foundation for Environmental Protection, which is modelled on the carbon assessment method developed by the French Environment and Energy Management Agency (ADEME).

UNDERTAKING 6: ACTING IN THE INTERESTS OF COMMUNITIES AND MAINTAINING A DIALOGUE WITH STAKEHOLDERS

In addition to BMCE Bank Foundation's very strong commitment to education, BANK OF AFRICA participates in and supports numerous events as a socially engaged institution which is committed to each of its stakeholders.

Partnership with Nahda Zénata Association

An annual partnership agreement was signed with the Zénata Association to promote development and solidarity.

BANK OF AFRICA's involvement has entailed funding the association's entire cultural, social, environmental and sports programme for 2020 in the Casablanca-Settat region. In practical terms, this programme focused primarily on four initiatives, all of which involved providing support to individuals and families in difficult circumstances. Eye tests were carried out and spectacles distributed to 150 women and 200 children, some of whom were orphans from the towns of Aïn Harrouda and Chellalate. Around 1,400 food parcels were distributed to families affected by COVID-19. Another highlight was the circumcision campaign which saw 270 children from destitute families, orphans from Aïn Harrouda, Challalate, Sidi Moussa Al Majdoub and the children of sub-Saharan migrant families circumcised. This partnership again underlines the Bank's endeavours in addressing social problems and its tireless work in supporting associations and civil society.

BOA Group's screening campaign

To celebrate International Women's Day, in partnership with Junior Chamber International, BANK OF AFRICA, for the 5th consecutive year, renewed its breast and cervical cancer screening operations in underprivileged communities. In 2020, subsidiaries in Benin, Burkina Faso, Ivory Coast, Mali, Niger and Senegal participated in the initiative. Over the past 5 years, more than 24,000 women have been screened, around 5% of whom have required medical follow-up. Breast cancer is the leading killer of African women whilst cervical cancer is the second most common cancer. Almost 80% of deaths occur in low-income countries, where access to testing and treatment is challenging.

Sidaction campaign

As in preceding years, BANK OF AFRICA took part in the 8th AIDS solidarity campaign held in December 2020, of which His Majesty King Mohammed VI is Royal Patron. Subsequent to the event, BANK OF AFRICA collected donations in cash, by transfer, as well as by cheque via its banking network, branches and business centres across the Kingdom.

To ensure that this large-scale public-spirited event ran smoothly, a multi-channel mechanism was set up to encourage and facilitate regular donor support. As a result, all those wanting to make a donation to such a worthy cause could do so using electronic platforms such as ATMs and BMCE Direct and via a specific bank account.

Promoting women's handicrafts

Entirely consistent with its desire to promote rural development through education and inclusion, BMCE Bank Foundation for Education and the Environment, under the leadership of its Chair, Dr Leila Mezian Benjelloun, organised, 9 March 2020, an exhibition showcasing the handicrafts of Moroccan women in rural areas, especially from the Tangier-Tétouan-Al Hoceima region. To celebrate International Women's Day, this exhibition was held at BANK OF AFRICA's head office and organised in partnership with Mrs Marga Crespo, Director of Innovarte, a consulting firm. The proceeds from this exhibition were donated to low-income women in rural areas. This sales exhibition gave visitors an opportunity to discover and appreciate handicrafts reflecting the rich tradition and cultural heritage of the Kingdom's different regions as well as the exceptional talent and creativity of women from rural areas, whose savoir-faire has been inherited from forebears and passed down from generation to generation.

Official sponsor of the International Publishing and Book Fair

As in preceding years, BMCE Bank Foundation for Education and the Environment was the Official Sponsor of the 26th International Publishing and Book Fair (SIEL) held 6-16 February 2020 at the Casablanca International Fair. It was an opportunity for the Foundation to present and showcase Medersat.com's innovative educational programme and highlight its educational and cultural activities through films, brochures, magazines and textbooks.

This event was marked by the visit of Dr Leila Mezian Benjelloun, the Foundation's Chair, who was welcomed by Mrs Latifa Mouftaqir, Director of Libraries and Archives and by Mr Mohammed Bekkali, Director of the Casablanca International Fair. After visiting the Foundation's stand, Dr Leila Mezian Benjelloun spent some time visiting the stands of this year's guest countries, France, Spain, Canada, China and Mauritania. The Foundation also took this opportunity to organise a cultural visit 14 February for pupils of the Medersat.com Bouskoura school.

GOVERNANCE

BANK OF AFRICA - BMCE GROUP

A HEALTHY, EFFICIENT AND SOLID GOVERNANCE SYSTEM

BANK OF AFRICA has developed a highly robust and exemplary governance system to protect the long-term interests of all its stakeholders. The Group continues to meet the most stringent standards when it comes to governance practices, as well as ensuring that it is fully compliant with domestic and international statutory requirements. Furthermore, given its strategic role within the economy, the Group is under an obligation to ensure that its operations are entirely secure and to adopt adequate control mechanisms.

As part of a process of ongoing improvement, BANK OF AFRICA's governance system is underpinned by a number of decision-making and supervisory bodies as well as committees which are responsible for drawing up the Group's main strategic and operational policies.

GOVERNANCE CHARTER

Consistent with its role as a responsible organisation with a strong emphasis on ethical standards, BANK OF AFRICA has adopted a Governance Charter, drawn up in accordance with Bank Al-Maghrib's regulatory provisions.

This Charter defines the powers of each body, where those powers stop and how they interact. The Charter enables BANK OF AFRICA to more effectively organise the functioning and the decision-making processes of its most important decision-making bodies – the Annual General Meeting of Shareholders, the Board of Directors and Corporate Governance.

BOARD OF DIRECTORS

The Board of Directors' primary responsibility is to maintain a balance between shareholders' interests and growth prospects, between long-term value creation and depositor protection.

This body is responsible for strategic planning, for determining and managing risk, internal control, governance and the Corporate Social Responsibility Charter.

BANK OF AFRICA's Board of Directors is renowned for taking a collegial approach to decision making and for its mix of domestic and international banking and finance experts.

Like other international listed companies, BANK OF AFRICA has adopted Internal Rules which define the Board of Directors' modus operandi, thereby enhancing the Bank's credibility and stature vis-a-vis each of its stakeholders. These Internal Rules specify:

1. The composition and responsibilities of the Board of Directors

2. The Board of Directors' modus operandi

3. The Specialised Committees which report directly to the Board

4. The rules of ethics and professional conduct that apply to Directors (Ethics Charter for Directors)

* The 2021 Annual General Meeting of Shareholders is invited to approve the appointment of two independent Directors of Moroccan nationality, Mr Mohamed Kabbaj and Mrs Nezha Lahrichi, as well as the internal appointment of Mrs Myriem Bouazzaoui as Director.

The 2021 Annual General Meeting shall also acknowledge the resignation of Messrs Philippe De Fontaine Vive and Christian De Boissieu, to whom the Chairman and the entire Board of Directors pay tribute and convey their warmest regards.

The 2021 Annual General Meeting shall renew the term of office of FinanceCom, represented by Mr Hicham El Amrani, as Director, for a period of 6 years or until the Annual General Meeting convened to rule on the 2026 financial statements.

THE BOARD COMPRISES 14 DIRECTORS, FOUR OF WHOM ARE INDEPENDENT DIRECTORS*

- OTHMAN BENJELLOUN
- BANK OF AFRICA Group's Chairman and Chief Executive Officer
- Date initially appointed: 1995[1]
- Current term of office: 2019-2025

- RMA
- Represented by Zouheir Bensaid
- Date initially appointed: 1994
- Current term of office: 2019-2025

- BANQUE FÉDÉRATIVE DU CREDIT MUTUEL - CRÉDIT MUTUEL GROUP - ALLIANCE FÉDÉRALE
- Represented by Lucien Miara
- Date initially appointed: 2005
- Current term of office: 2014-2020

- CAISSE DE DÉPÔT ET DE GESTION
- Represented by Abdellatif ZAGHNOUN
- Date initially appointed[2]: 2010
- Current term of office: 2016-2022

- FINANCECOM
- Represented by Hicham EL AMRANI
- Date initially appointed: 2001
- Current term of office: 2015-2021

Reappointment to be put before the 2021 AGM

- Azeddine GUESSOUS
- Intuitu Personae[3]
- Date initially appointed: 2017
- Current term of office: 2017-2023

- CDC LIMITED
- Represented by Marc BEAUJEAN
- Date initially appointed: 2019
- Current term of office: 2019-2024

- Mohamed KABBAJ*
- Independent Director
- Date initially appointed: 2021
- Current term of office: 2021-2027

Reappointment to be put before the 2021 AGM

- François HENROT
- Independent Director
- Date initially appointed: 2016
- Current term of office: 2016-2022

- Brian C. McK. HENDERSON
- Independent Director
- Date initially appointed: 2016
- Current term of office: 2016-2022

- Nezha LAHRICHI*
- Independent Director
- Date initially appointed: 2021
- Current term of office: 2021-2027

Reappointment to be put before the 2021 AGM

- Abdou BENSOUDA
- Intuitu Personae
- Date initially appointed: 2018
- Current term of office: 2018-2024

- Brahim BENJELLOUN - TOUIMI
- Director and General Manager and BOA Group's Chairman
- Date initially appointed: 2004
- Current term of office: 2016-2022

- Myriem BOUAZZAOUI*
- Intuitu Personae
- Date initially appointed: 2021
- Current term of office: 2021-2027

Reappointment to be put before the 2021 AGM

(1) *For each term of office, the year corresponds to that in which the Annual General Meeting is held to rule on the previous year's financial statements.*

(2) *CDG had a seat on BMCE Bank's Board of Directors from 1966 to 1997 and was then reappointed at the Annual General Meeting of 26 May 2010.*

(3) *Mr Azeddine GUESSOUS sat on the Board as an Intuitu Personae Director from 2005 to 2008, then as RMA's permanent representative before being appointed again as an Intuitu Personae Director in 2017.*

DIRECTORS' FEES

In consideration of their contribution to the Board of Directors and the Specialised Committees, each Director receives directors' fees.

The overall amount allocated for Directors' fees is set annually by the Annual General Meeting, upon the proposal of the Board of Directors.

	31/12/2020*			31/12/2019*		
	GROSS amount	Tax withheld	Net amount paid	GROSS amount	Tax withheld	Net amount paid
Morocco-domiciled individuals and legal entities	3 842	992	2 850	3 842	992	2 850
Foreign-domiciled individuals and legal entities	3 235	485	2 750	3 235	485	2 750
TOTAL	7 077	1 477	5 600	7 077	1 477	5 600

(*) Previous year's Directors' fees

BOARD OF DIRECTORS' APPRAISAL PROCESS

An annual self-appraisal regarding the structure, powers, remit and functioning of the Board of Directors is carried out by each Director.

This process is overseen by the Governance, Appointments and Remuneration Committee, a body reporting directly to the Board of Directors and comprising independent and non-executive Directors. The work of the Board is appraised on the basis of an individual questionnaire comprising thirty or so questions relating to the composition of the Board and the Specialised Committees, meeting frequency, the quality of the minutes, the Board discussions, the documentation made available to the Directors and timeframes, the choice of topics on the agenda including CSR-related matters etc.

On completing the self-appraisal process, a summary report of the results of the appraisal is submitted to the Board of Directors and an action plan drawn up.

The self-appraisal questionnaire, which is drawn up by the Governance, Appointments and Remuneration Committee, is frequently updated to take into account any regulatory changes, Board meeting discussions and recommendations made in previous questionnaires.

Specialised committees reporting to the Board of Directors		
Group Risks Committee	No. of meetings	8
	No. of members	8
	Independence	50%
	Attendance rate	100%
Group Audit and Internal Control Committee	No. of meetings	8
	No. of members	6
	Independence	67%
	Attendance rate	96%
Governance, Appointments and Remuneration Committee	Number of meetings	4
	Independence	50%

BOARD OF DIRECTORS – MAIN INDICATORS 2020

No. of Board members	13
No. of Board meetings	5
Overall attendance rate	88%

INDEPENDENCE CRITERIA

BANK OF AFRICA complies with the regulatory requirements regarding independence criteria as stipulated in Bank Al-Maghrib Circular 5/W/2016.

GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE

COMPOSITION

CHAIRMAN

Mr François Henrot, Independent Director

STANDING MEMBERS

- Mr Azeddine Guessous, Intuitu Personae Director
- CDC Limited, represented by Mr Marc Beaujean
- Mr Brian Henderson, Independent Director

INVITED MEMBERS

The Corporate Governance, Appointments and Remuneration Committee may invite, at its discretion, any member or non-member of BANK OF AFRICA or of its Group, depending on the items on the agenda for discussion, including those matters to be dealt with by committees in relation to agreements, appointments or remuneration.

WORK OF THE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE

Given the unprecedented situation faced by the Group in 2020 due to the pandemic, an unprecedentedly high number of meetings have been held by the Group Audit and Internal Control Committee and by the Group Risks Committee to assess and anticipate the effects of the pandemic. The focus has been on stress tests as well as ensuring that the main financial and risk management indicators were regularly monitored.

During 2020, discussions between the members of the Governance, Appointments and Remuneration Committee focused largely on reviewing and amending the latter's operating charter as well as on the founding principles of the Group's integration model in addition to the key aspects of its implementation, particularly by means of the Convergence Programme.

GROUP RISKS COMMITTEE

COMPOSITION* - UNTIL 26 MARCH 2021 -

COMPOSITION

CHAIRMAN

Mr Philippe De Fontaine Vive*, Independent Director

STANDING MEMBERS

- RMA, represented by Mr Zouheir Bensaid
- FinanceCom, represented by Mr Hicham El Amrani
- CDC Limited, represented by Mr Marc Beaujean
- Mr Azeddine Guessous, Intuitu Personae Director
- Mr François Henrot, Independent Director
- Mr Brian Henderson, Independent Director
- Mr Christian de Boissieu*, Independent Director

ASSOCIATE MEMBERS

- Director and General Manager
- Deputy General Manager responsible for Group Finance
- Deputy General Manager responsible for Group Risks
- Adviser to General Management
- Group General Controller
- Deputy Managing Director, responsible for Finance & Investments

INVITED MEMBERS

- The Committee may invite any person who is a member of the Group's management or any manager whose responsibilities fall within its remit, depending on the items for discussion on the Committee's agenda.

COMMITTEE SECRETARY

Deputy General Manager responsible for Group Risks

WORK OF THE GROUP RISKS COMMITTEE

In 2020, the Group Risks Committee met on as many as 8 occasions to assess the unprecedented situation resulting from the COVID-19 pandemic and to anticipate its impact on the Bank and of the Group.

In this regard, the Committee acknowledged the support measures taken by the regulatory authority, Bank Al Maghrib and the Professional Association of Moroccan Banks to deal with the COVID-19 crisis. It also bolstered steering of the Group's subsidiaries by, among other things, introducing a set of management indicators for managing the crisis at Group level. The Committee also closely monitored customer applications for the government-backed Damane Oxygène products.

Committee work focused on capital use, risk indicator monitoring, the Internal Disaster Recovery Plan, the ICAAP system, regulatory ratio simulations, the system for managing and monitoring country risk limits, the cost of risk, stress tests, non-operating real estate assets, subsidiaries' prudential situation and monitoring matters relating to regulatory authorities' assignments.

In accordance with regulatory requirements, the Committee approved the Internal Disaster Recovery Plan (PRCI) and the Internal Capital Adequacy Assessment Process (ICAAP) report for 2020.

The Committee also regularly monitors how recommendations made at previous Committee meetings are handled.

* Undergoing change pursuant to resolutions put before the Annual General Meeting to appoint Directors following the resignation of two foreign independent directors, Messrs Philippe De Fontaine Vive and Christian de Boissieu

GROUP AUDIT AND INTERNAL CONTROL COMMITTEE

COMPOSITION* -UNTIL 26 MARCH 2021-

CHAIRMAN

Mr Brian Henderson, Independent Director

STANDING MEMBERS

- RMA, represented by Mr Zouheir Bensaid
- Mr Azeddine Guessous, Intuitu Personae Director
- Mr François Henrot, Independent Director
- Mr Philippe De Fontaine Vive*, Independent Director
- Mr Christian de Boissieu*, Independent Director

ASSOCIATE MEMBERS

- Director and General Manager
- Deputy General Manager responsible for Group Finance
- Deputy General Manager responsible for Group Risks
- Adviser to General Management
- Group General Controller
- Deputy Managing Director, responsible for Finance & Investments

INVITED MEMBERS

- External auditors
- Heads of Permanent Control and Compliance
- The Committee may invite any person who is a member of the management or any manager whose responsibilities fall within its remit, depending on the items for discussion on the Committee's agenda.

COMMITTEE SECRETARY

- BANK OF AFRICA – BMCE Group's General Inspector

WORK OF THE GROUP AUDIT AND INTERNAL CONTROL COMMITTEE

The Group CACI met on 8 occasions in 2020.

Committee work focused primarily on the health crisis resulting from the COVID-19 pandemic and its impact on the Group, particularly the financial performance of the Bank and of the Group in 2020 and 2021.

The main issues dealt with included reviewing BANK OF AFRICA Group's consolidated and parent financial performance, reviewing the Statutory Auditors' Report, monitoring implementation of the strategy for managing non-operating real estate assets and practicalities associated with contributing operating assets to a REIT.

As far as internal control was concerned, the 2020 consolidated Audit Plan was appraised in the context of the pandemic. The Committee's operating charter was also reviewed in accordance with the provisions of Bank Al-Maghrib's Circular No. 4/W/2018, which sets out the operating terms and conditions of the Audit Committee responsible for monitoring and appraising implementation of internal control systems.

In addition, the Group CACI monitored correspondence with Bank Al-Maghrib, particularly the latter's recommendations regarding the accounting treatment for COVID-19-related aid as well as the Statutory Auditors' recommendations. It also acknowledged the crisis management system introduced in the context of the operational Business Continuity Plan.

With Statutory Auditors' terms of office scheduled to expire at the 2020 AGM, the Committee acknowledged that Bank Al-Maghrib had no objection to KPMG being reappointed for a 3rd consecutive time and Grant Thornton replacing Ernst & Young.

The Committee noted that the IT risk management system had been bolstered during the crisis in Morocco and in Africa.

As far as compliance was concerned, the Group CACI reviewed the Group's anti-money laundering (AML/CFT) system as well as measures taken to bolster Group Compliance.

The Committee also monitored the progress made by a number of the Group's subsidiaries.

* Undergoing change pursuant to resolutions put before the Annual General Meeting to appoint Directors following the resignation of two foreign independent directors, Messrs Philippe De Fontaine Vive and Christian de Boissieu

CORPORATE GOVERNANCE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

OTHMAN BENJELLOUN

SENIOR MANAGEMENT

Mr BRAHIM BENJELLOUN TOUIMI

Director and General Manager

Mr DRISS BENJELLOUN

Deputy General Manager responsible for Group Finance

Mr M'FADEL EL HALAISSI

Deputy General Manager responsible for Financial Engineering, Debt Collection and Specific Assignments

Mr MOUNIR CHRAIBI

Deputy General Manager responsible for Group Operations

Mr Omar TAZI

Deputy General Manager responsible for Banking in Morocco

Mr Khalid LAABI

Deputy General Manager responsible for Group Risks

Mr Khalid NASR

Head of the Corporate & Investment Banking Division

CHAIRMAN'S COMMITTEE

CHAIRMAN

Mr OTHMAN BENJELLOUN

Chairman and Chief Executive Officer

VICE -CHAIRMAN

Mr Azeddine Guessous

Intuitu Personae Director

MEMBERS

Mr Brahim BENJELLOUN-TOUIMI

Director and General Manager

Mr Driss BENJELLOUN

Deputy General Manager responsible for Group Finance

Mr Amine BOUABID

Chief Executive Officer of BOA Group

Mr Mounir CHRAIBI

Deputy General Manager responsible for Group Operations

Mr KHALID LAABI

Deputy General Manager responsible for Group Risks

Mr KHALID NASR

Head of the Corporate & Investment Banking Division

Mr OMAR TAZI

Deputy General Manager responsible for Banking in Morocco

Chaired by Mr Othman Benjelloun, the Chairman's Committee, established 1 December 2020, is responsible for approving the Group's strategy, ensuring that it is executed and monitoring its performance. Whenever necessary, this body will also have to prioritise between the operational, transversal or critical issues concerning the Group. The Chairman's Committee meets at least once every fortnight and as often as necessary, at the request of one of its members.

WORK OF THE CHAIRMAN'S COMMITTEE

GROUP GENERAL MANAGEMENT COMMITTEE

COMPOSITION

CHAIRMAN

Deputy General Manager

STANDING MEMBERS

- Deputy General Manager responsible for Group Finance
- Deputy General Manager responsible for Financial Engineering, Debt Collection and Specific Assignments
- Deputy General Manager responsible for Group Operations
- Deputy General Manager responsible for Banking in Morocco
- Deputy General Manager responsible for International Coordination
- Deputy General Manager responsible for Group Risks
- Chief Executive Officer of BOA Group
- Head of the Corporate & Investment Banking Division
- Adviser to General Management
- Deputy General Manager, Group General Control
- Deputy General Manager, Finance & Investments
- Deputy General Manager, Group Governance and Development

COMMITTEE SECRETARY

Deputy General Manager, Group Governance and Development

WORK OF THE GROUP GENERAL MANAGEMENT COMMITTEE

The General Management Committee meets weekly.

Faced with a health crisis like none other before, Senior Management was fully mobilised in 2020, introducing a series of measures aimed at shoring up the Bank's resilience. These were designed to combat the effects of the current pandemic as well as ensuring the best possible conditions to enable each business line to continue to perform effectively.

At an organisational level, this mobilisation also involved setting up a Group Crisis Management Committee as an offshoot of the General Management Committee which, in addition to the regular Wednesday meeting, also met on Mondays and Fridays during the entire lockdown period. The baton was then handed over to the Group Recovery Committee to provide fresh impetus.

Among the key issues reviewed during the 45 regular meetings were discussions on optimising the return on capital, improving operational efficiency by accelerating the Group's digital transformation and bolstering commercial effectiveness by launching new counter-cyclical products.

As far as the issue of capital was concerned, the Committee has been fully mobilised to manage the use of capital more effectively and ensure optimal allocation in a context in which the Bank is endeavouring to bolster its capital base, reduce general operating expenses and prioritise initiatives at loan recovery and at cleaning up the loan portfolio.

In this regard, two simulations were carried out to assess the impact under different scenarios of an economic recession in Morocco on the Bank and on the Group's business and financial performance. These simulations were conducted with an emphasis on non-performing loans by sector, on capital adequacy and on the P&L in 2020 and 2021.

Based on such findings, it would appear that, in terms of the impact on the Bank's main financial indicators, business activity would remain relatively resilient. In prudential terms, under the simulated scenarios, the Bank would be able to meet minimum regulatory requirements as far as liquidity and capital adequacy ratios were concerned.

In addition to these simulations, a number of actions were taken to mitigate such impacts. Some of these are in progress while others have already been implemented. The updating of BANK OF AFRICA SA's Internal Disaster Recovery Plan (PRCI) and Internal Capital Adequacy Assessment Processes (ICAAP), consistent with regulatory requirements, confirmed the results of the stress tests conducted by the Bank.

On the commercial front, the Bank has taken a proactive approach by launching counter-cyclical products and introducing support measures, introduced by the public authorities at the very start of the pandemic. *Damane Oxygène* and *Damane Relance* are loans backed by guarantees from the Caisse Centrale de Garantie which do not use up much capital. At the end of 2020, nearly MAD 9 billion of loans had been authorised, with more than MAD 6.5 disbursed, in addition to loan repayment deferrals to support households.

The Bank also adopted a commercial strategy for corporate customers that was specifically aimed at supporting a high-quality clientele with a lower risk profile.

Alongside each of the initiatives implemented, enhancements were made to the system for monitoring and modelling trends in macroeconomic indicators.

In addition, a variety of digital transformation projects were accelerated at the outbreak of the pandemic. Customer experience was further improved as a result whilst new revenue sources are being developed.

Furthermore, particular attention was paid to the latest developments at a number of Group subsidiaries in Morocco and in sub-Saharan Africa, for which specific action plans have been drawn up.

As far as the Group’s European business was concerned, the Committee approved changes to the working methods underpinning the project to restructure the Group's European operations.

In addition, protecting Bank employees and safeguarding their health were core priorities of the crisis management system during and after the period of lockdown with health and safety procedures bolstered. From the end of June 2020, a plan for the gradual resumption of business activity was implemented. A number of major projects were initiated with the Bank reorganising working practices and encouraging some employees to work from home, raising awareness around health and safety risks and supporting change.

The so-called ‘COVID’ policy adopted by the Bank with regard to its human capital was widely commended with the Bank being awarded the SafeGuard Hygiene Excellence and Safety Label from Bureau Veritas. The label provides confirmation that the Bank has met stringent requirements in minimising the onsite risk of the virus spreading and is adhering to best-in-class hygiene and safety protocols.

OPERATING COMMITTEE

COMPOSITION

CHAIRMAN

Deputy General Manager responsible for Group Operations

STANDING MEMBERS

- Group General Control
- Personal and Professional Banking
- SME Banking
- Group Human Capital
- Technology Processes and Group Organisation
- Group Permanent Control
- Casa North Regional Division
- Casa South Regional Division
- Governance and Management
- Global Services Operations
- Group Risk Management

COMMITTEE SECRETARY

Group Quality

ASSOCIATE MEMBERS

In addition to the above standing members, associate members include all divisional and departmental heads. They attend meetings to discuss issues that they have submitted to the Operating Committee for deliberation.

WORK OF THE OPERATING COMMITTEE/BCP COMMITTEE

In 2020, the Operating Committee met on 6 occasions prior to handing over the baton to the BCP Committee in March when the government introduced a series of support measures. The BCP Committee met on 94 occasions.

The Operating Committee dealt with a range of issues during the 6 sessions including paying vehicle tax via BMCE Direct, suspending loans in the wake of a court decision, reviewing the release order process, assessing the impact of having activated the 'cash management' BCP in response to strike action taken by staff at service provider Brink's in January 2020, assessing Level 1 of the collateral notification process based on digitised documents and proposing to expand it to Level 2, potentially introducing a control system for approving small business loans and an electronic national register for security rights in movable property.

This Committee oversees a number of the Bank's business units such as Technology, Group Processes & Organisation, Group Human Capital, Group Logistics, Banking in Morocco, Group General Control, Group Risk, Eurafric Information, Global Services Operations. It is responsible for ensuring and coordinating the uninterrupted functioning of the Group's core business operations by mitigating the risk of loss in the event of any serious interruption and organising any technology-related aspects requested by the Bank during the pandemic. All decisions taken by the BCP Committee must be approved by the Bank's General Management Committee.

With the government declaring financial services as 'critical' during the pandemic, bank branches remained open throughout the entire lockdown period. A number of measures resulting from the BCP strategy were therefore implemented to ensure business continuity, despite the virus' high infection rate around the country.

The COVID-19 business continuity strategy, adopted in the context of this crisis, is structured around the following:

- Preventive logistical measures adopted providing maximum protection for employees who might happen to come into contact with someone infected with the virus as well as reducing the risk of the virus spreading: distributing hydro-alcoholic gels and protective masks which are either disposable or washable by all staff, systematically disinfecting contaminated sites, installing plexiglass in bank branches in addition to tightening access controls, especially temperature checks.
- Working practices adapted in accordance with government guidelines, allowing some staff to work from home with priority given to vulnerable employees, reducing on-site staff numbers, tightening hygiene rules and introducing barrier measures, as well as ensuring effective employee communication regarding these measures.
- BCP processes reviewed for bank branches and business centres to reduce the time taken to close disaster-stricken branches and ensure service continuity for customers whilst the digitisation of customer signatures has enabled branches and business centres to conduct business remotely.
- Ongoing coordination with critical subsidiaries to ensure that their BCP is aligned with the Group's BCP strategy - critical organisation, working from home etc.
- Customers encouraged to use remote channels and accelerating digital transformation.

In terms of figures, since the beginning of the pandemic and until 31 December 2020, 94 BCP Crisis Committees were held, 360 BCPs activated across bank branches covering all types of disaster including 291 activations as a result of having detected a COVID-19 case, 892 workstations distributed including 697 portable PCs, 59% of head office staff working from home and 11,188 PCR tests taken.

In terms of IT development, several IT projects were initiated in support of the various government-led initiatives such as 'Operation Tadamoune', which distributes aid to vulnerable communities, social security payments to furloughed civil servants, the suspension of loan repayments, the *Damane Oxygène* business loans and the *Damane Relance* product.

GROUP INTERNAL CONTROL COORDINATION COMMITTEE

COMPOSITION

CHAIRMAN

Chairman of the Group General Management Committee and, in his absence, the Group General Controller

STANDING MEMBERS

- Deputy General Manager responsible for Group Finance
- Deputy General Manager responsible for Group Operations
- Deputy General Manager responsible for Group Risks
- Group General Controller
- Deputy General Manager, responsible for Finance & Investments
- Deputy General Manager, responsible for Group Compliance
- Head of Group Permanent Control

COMMITTEE SECRETARY

Deputy General Manager, responsible for Group Compliance

ASSOCIATE MEMBERS

- Head of Subsidiaries' Risk, Internal Control and Compliance functions, depending on the items on the Committee's agenda for discussion
- Group Governance and Development division
- The Committee may invite, at its discretion, any member or non-member of BANK OF AFRICA or of the Group, depending on the items on the Committee's agenda for discussion

COODINATION COMMITTEE

The Group Internal Control Coordination Committee met on 4 occasions in 2020.

As part of its work and in accordance with its commitment to place greater emphasis on control and compliance at subsidiary level, the Committee acknowledged the ongoing improvement in the compliance systems of a number of Group subsidiaries. It expected this trend to continue given the acquisition of new software solutions and the ongoing implementation of a variety of key compliance-related projects.

The Committee also took note of the new Common Reporting Standard for the automatic exchange of information for tax purposes and asked for the related compliance work to be initiated. It also oversaw the process of monitoring the European General Data Protection Regulation (GDPR) compliance project.

In addition, the Committee reviewed the latest developments in the project to automate the exchange of data with the Financial Intelligence Unit, the goal being to continuously improve the process.

Another major matter dealt with by the Committee related to the revamp of the Know Your Customer value chain with the aim of enhancing performance.

Furthermore, the Committee continued to monitor the permanent control function by reviewing the results of control operations and initiating corrective action where necessary. The conclusions of a project to introduce a more structured approach and an upgrade plan for the Bank's internal control system were also presented to the Committee.

Lastly, the Group Internal Control Coordination Committee's operating charter has been revised so as to introduce increased flexibility regarding when and how meetings are held.

WORK OF THE GROUP INTERNAL CONTROL

GROUP RISK STEERING AND MANAGEMENT COMMITTEE

COMPOSITION

CHAIRMAN

Deputy General Manager

STANDING MEMBERS

- Deputy General Manager responsible for Group Finance
- Chief Executive Officer of BOA Group
- Deputy General Manager responsible for Financial Engineering, Debt Collection and Specific Assignments
- Deputy General Manager responsible for Banking in Morocco
- Deputy General Manager responsible for Group Operations
- Deputy General Manager responsible for International Coordination
- Deputy General Manager responsible for Group Risks
- Head of Corporate & Investment Banking Division
- Adviser to General Management
- Group General Controller
- Deputy General Manager, responsible for Finance & Investments

COMMITTEE SECRETARY

- Head of Group Risk Management

ASSOCIATE MEMBERS

- The Chairmen and Chief Executive Officers of the subsidiary in question
- Any other person in connection with the item for discussion by the Committee

WORK OF THE GROUP RISK STEERING AND MANAGEMENT COMMITTEE

The Group Risk Steering and Management Committee met as an offshoot of the General Management Committee on 8 occasions in 2020.

The main issues dealt with at its meetings included reviewing credit, market, operational and country risk indicators at both the parent and consolidated levels, reviewing the sensitivity of market operations to interest rate changes, reviewing processes for setting and monitoring country limits, reviewing and approving overall risk limits for 2020, prudential capital adequacy ratios, monitoring credit customers placed on the Watch List, reviewing the Internal Capital Adequacy Assessment Process (ICAAP) Report and the Internal Disaster Recovery Plan submitted to the regulatory authority, Bank Al Maghrib and their rollout at sub-Saharan African subsidiaries as well as monitoring the recommendations made at previous committee meetings and those made by the regulatory authority, Bank Al Maghrib.

Against the backdrop of the COVID-19 pandemic and its impact on banking activity, the work of the Group Steering and Risk Management Committee focused to a large extent on the 'Stress Tests' impact study analysing the impact of an economic recession on BANK OF AFRICA's loan-loss experience and capital adequacy, the allocation of capital, capital optimisation measures, the situation of non-operating real estate assets, the drawing up of a risk indicator matrix, sector limits and post-COVID Groups.

Lastly, the Group Risk Steering and Management Committee also ensured that support measures taken by the Economic Monitoring Committee, in concert with Bank Al Maghrib and the Professional Association of Moroccan Banks (GPBM) for dealing with the COVID-19 pandemic, were disseminated.

GROUP ALM COMMITTEE

COMPOSITION

CHAIRMAN

- Deputy General Manager

STANDING MEMBERS

- Deputy General Manager responsible for Group Finance
- Deputy General Manager responsible for Banking in Morocco
- Deputy General Manager responsible for International Coordination
- Deputy General Manager responsible for Group Risks
- Head of Corporate & Investment Banking Division
- Adviser to General Management
- Deputy General Manager, Finance & Investments

COMMITTEE SECRETARY

- Deputy General Manager, Finance & Investments

ASSOCIATE MEMBERS

- Head of Group ALM
- Heads of Group subsidiaries or their appointed proxies, depending on the items on the agenda for discussion
- Any person, at the Committee's discretion, depending on the items on the agenda for discussion

WORK OF THE GROUP ALM COMMITTEE

In 2020, the Group ALM Committee, an offshoot of the General Management Committee, regularly monitored issues relating to balance sheet/ALM management, particularly in the context of its work on stress-tests against the backdrop of the pandemic.

As a result, in such a context, the Committee discussed (i) impact simulations on financial year 2020 performance, in terms of trends in loans and deposits, refinancing and the liquidity coverage ratio, (ii) the situation in terms of MAD and foreign currency liquidity balances of the Bank and of some subsidiaries, particularly overseas subsidiaries, (iii) estimates of the impact of loan repayment deferrals in the context of providing support for households. In addition, the Committee continued its work on balance sheet optimisation, particularly the project to contribute operating assets to a REIT. It also examined the liquidity situation of the Group's participatory banking subsidiary.

COMPOSITION

ENVIRONMENTAL, SOCIAL AND SUSTAINABILITY COMMITTEE

CHAIRMAN

- Deputy General Manager, BANK OF AFRICA

STANDING MEMBERS

BANK OF AFRICA Group

- Deputy General Manager responsible for Group Finance
- Deputy General Manager, responsible for Group Governance and Development
- Deputy General Manager, responsible for Group Human Capital
- Head of Sustainable Development & CSE
- Head of Group Coordination

BOA Group

- Secretary General (Group)
- Head of Social and Environmental Risks (Group)

CDC Ltd

- Head of Social and Environmental Responsibility

COMMITTEE SECRETARY

Head of Sustainable Development & CSR

WORK OF THE ENVIRONMENTAL AND SOCIAL SUSTAINABILITY COMMITTEE

The Environmental and Social Sustainability (ESS) Committee met on 3 occasions in 2020.

In matters relating to environmental and social sustainability, the Committee reviewed a number of issues including the progress made on implementing the environmental and social risk management system by the Bank and its subsidiaries, management of operations risk exposure with regard to the European Development Finance Institutions' exclusion list and the development of new positive impact financial products and services.

Against the backdrop of the COVID-19 pandemic in 2020, the Committee approved a list prioritising measurable and significant goals and indicators for improving overall CSR performance. Accordingly, the Committee introduced the SafeGuard label to ensure employee health and safety and a roadmap to promote gender equality in the workplace and the economic empowerment of women, by implementing appropriate programmes and products.

In addition, the Committee continued to monitor the progress made on rolling out the CSR Charter at each of the Group's subsidiaries.

REMUNERATION OF THE MAIN OFFICERS

	Dec 20	Dec 19
Short-term benefits	26 048	24 878
Post-retirement benefits	2 870	1 956
Other long-term benefits	6 383	6 383

It is worth noting that short-term employee benefits relate to the fixed remuneration, inclusive of employer social security contributions, received by Officers in 2020.

Post-retirement benefits relate to outstanding leave reimbursed should that employee leave the company, while termination benefits include end-of-career bonuses and long-service awards payable to those in question on leaving the company.

OFFICERS' BORROWINGS

	Dec 20	Dec 19
A. Short-term outstanding loans	64 423	56 019
B. Outstanding property loans	20 716	17 764
TOTAL OUTSTANDING LOANS	**85 139**	**73 783**

Mr OTHMAN BENJELLOUN | Chairman & Chief Executive Officer of BANK OF AFRICA

Mr Othman BENJELLOUN is Chairman and Chief Executive Officer of BANK OF AFRICA Group, formerly Banque Marocaine du Commerce Extérieur, which was privatised in 1995, Chairman of FinanceCom Holdings, Chairman of Royale Marocaine d'Assurance and Chairman of Medi Telecom Orange.

He has been the Chairman of the Professional Association of Moroccan Banks (GPBM) since 1995 and was Chairman of the Union of North African Banks from 2007 to 2009.

Mr BENJELLOUN is the founder of BMCE Bank Foundation, which has two main aims:

- Education, primarily combating illiteracy by building and managing community schools in rural areas in Morocco and Africa and
- Environmental protection.

Mr BENJELLOUN was appointed as Chancellor of Al Akhawayn University of Ifrane between 1998 and January 2004 by His Majesty the late King Hassan II. In 2007, he was awarded an Honorary Fellowship by King's College, London.

Since 1981, he has been an Adviser to the Washington-based Center for Strategic International Studies (CSIS) that was formerly overseen by Dr Henry Kissinger. In 2013, the CSIS conferred upon him the prestigious title of Honorary Trustee.

Mr BENJELLOUN has received a number of decorations including Officer of the Order of the Throne by His Majesty the late King Hassan II and Commander of the Order of the Polar Star by His Majesty the King of Sweden.

Other distinctions include Commander of the National Order of the Republic of Senegal, Commander by Number of the Order of Isabella the Catholic by His Majesty King Juan Carlos of Spain, Commander of France's Order of Arts and Letters and, more recently, Commander of the Order of the Grand Star by the Republic of Djibouti.

On 7 April 2010, Mr BENJELLOUN was elevated to the rank of Commander of the Order of the Throne by his Majesty King Mohammed VI.

Born in 1932 in Casablanca, he is a graduate of École Polytechnique Fédérale de Lausanne in Switzerland.

Mr BENJELLOUN is married to Dr Leïla Mezian Benjelloun, an ophthalmologist. They have two children, Dounia and Kamal.

APPOINTMENTS LIST

Chairman and Chief Executive Officer	Chairman of the Board of Directors	Chairman of the Supervisory Board	Director	Manager	Other appointments
FinanceCom	BMCE International Holding (B.I.H)	Financière Yacout[1]	Argan Invest	Holding Abbas Benjelloun (H.A.B)	Chairman of the Professional Association of Moroccan Banks (GPBM)
FinanceCom Afrique	Africa Co-Development Group	Saida Star Auto[2]	Casablanca Finance City Authority		
Cap Estate	Medi Telecom				Chairman of the Othman Benjelloun Foundation
Holding Benjelloun Mezian (H.B.M)	M.B.T		Financecom International		
Internationale de Financement et de Participation (INTERFINA)	Revly's Marrakech				Chairman of the Mezian Benjelloun Foundation for Science and Education
	RMA		Maghrebail		
O Tower	RMA Alternative Investments		MEDI 1 Radio[3]		
Ranch Adarouch	RMA Asset Management		Société Marocaine de Gestion des Fonds de Garantie des Dépôts Bancaires		
Société Financière du Crédit du Maghreb (S.F.C.M)	RMA Capital				
	RMA Mandates				
Cap d'Argent	Société d'Aménagement Tanger Tech				

1. *Also, representative of Mezian Benjelloun Holdings (H.B.M.)*
2. *Also, representative of Abbas Benjelloun Holdings (H.A.B.)*
3. *FinanceCom's representative*

BIOGRAPHIES

Mr ZOUHEIR BENSAID | RMA's Permanent Representative

Mr Zouheir BENSAID is currently CEO of RMA, the insurance arm of FinanceCom Group, of which he was Deputy General Manager between January 2005 and December 2014. He sits on the Boards of several companies including BANK OF AFRICA Group, Maghrebail, RISMA, LYDEC, CTM and other Group subsidiaries, as well as being a member of several audit committees.

Mr Zouheir BENSAID has a wealth of experience spanning more than 36 years of the banking, financial and manufacturing industries. In the mid '80s, after assuming responsibility for financial institutions at CITIBANK Maghreb, he spearheaded the expansion of ABN AMRO's branch network.

In 1994, after a three-year period in which he headed up an agri-business, Mr Zouheir BENSAID returned to the financial sector and played an active role in reforming Morocco's capital markets.

He became Chief Executive Officer of Maroc Inter Titres (MIT), BMCE Bank's brokerage firm, where he oversaw the latter's first capital-raising transactions as well as being involved in privatisations and initial public offerings on the Moroccan Stock Exchange.

Mr Zouheir BENSAID was Vice-Chairman of the Professional Association of Brokerage Firms (APSB) between 1996 and 1998. Between 1998 and 1999, he was Chairman of the Casablanca Stock Exchange, overseeing the development and modernisation of Morocco's capital markets.

A former student of Cornell, Mr Zouheir BENSAID graduated in Finance from the University of Nevada in 1985. He is a member of the Phi Kappa Phi Honour Society.

APPOINTMENTS LIST

Chairman	Chairman and Chief Executive Officer	Chairman of the Board of Directors	Chief Operating Officer	Director	Co-Manager
RMA Capital International	Medium Finance	Infra Invest	RMA	Air Arabia	Terrasses de l'Océan
	RMA Asset Management Abidjan	RMA Assistance	RMA Alternative Investments	Argan Invest	Villajena
	RMA Casa Anfa	RMA Investment Partners	RMA Asset Management	Cap Estate	
	RMA Elan		RMA Capital	CFG	
			RMA Mandates	CTM	
			MBT	DBM Media Group[1]	
				Decrow Capital	
				EurAfric Information	
				FinanceCom	
				FinanceCom International	
				Finatech	
				Lydec	
				Maghrebail	
				Mutandis	
				Mutandis Automobile	
				Mutatis	
				O'Tower	
				Revly's[2]	
				Risma	
				Saemog	
				T Capital	
				Tanger Med Zones	
				Villa Roosevelt	

1. *FinanceCom's representative*
2. *RMA's representative*

Mr LUCIEN MIARA | Banque Fédérative du Crédit Mutuel's Permanent Representative

Mr Lucien MIARA is Banque Fédérative du Crédit Mutuel's Permanent Representative.

Mr Lucien MIARA has been the Chairman of Fédération du Crédit Mutuel Méditerranéen and Caisse Régionale du Crédit Mutuel Méditerranéen since 2014.

He began his career at Crédit Mutuel du Centre in 1973 before moving to Crédit Mutuel Méditerranée in 1978. From 1995 to 2014, he was Chief Executive of Crédit Mutuel Méditerranéen.

He is a technology graduate of the University of Nice Alpes Maritime with an elective in corporate administration.

APPOINTMENTS LIST

Chairman of the Board of Directors	Director	Member of the Supervisory Board	Non-Voting Director
Fédération du Crédit Mutuel Méditerranéen	Assurance du Crédit Mutuel Vie SAM[1]	Euro-Information Production	Crédit Industriel et Commercial
Caisse régionale du Crédit Mutuel Méditerranéen	Assurance du Crédit Mutuel Vie SA[1]		Caisse Fédérale de Crédit Mutuel
Caisse de Crédit Mutuel Saint-Laurent du Var			
Caisse de Crédit Mutuel Tarascon			
Caisse de Crédit Mutuel Sainte-Maxime Cogolin			
Caisse de Crédit Mutuel Saint Cyr-sur-Mer			
Caisse de Crédit Mutuel Marseille Prado			
Camefi			

1. CRCM Méditerranéen's representative

BIOGRAPHIES

Mr ABDELLATIF ZAGHNOUN | Caisse de Dépôt et de Gestion's Permanent Representative

Mr Abdellatif ZAGHNOUN has been Chairman and Chief Executive Officer of Caisse de Dépôt et de Gestion since 2015.

After graduating in 1982 from the Ecole Mohammedia des Ingénieurs with a specialisation in mining, Abdellatif ZAGHNOUN began his career at the Office Chérifien des Phosphates (OCP), where he held a number of positions of responsibility until 2004.

In 2004, he was appointed as head of the Directorate General of Customs and Indirect Taxes. In 2007, Mr ZAGHNOUN became Vice-Chairman of the World Customs Organization (WCO) and Chairman of the WCO MENA region. In 2008, he was appointed as Chairman of the World Customs Organization's Audit Committee. In 2010, he became Director-General of the Directorate General of Taxes.

In January 2015, Mr ZAGHNOUN was appointed by His Majesty as Chief Executive Officer of the Caisse de Dépôt et de Gestion (CDG).

Mr Abdellatif ZAGHNOUN is married and has 3 children.

APPOINTMENTS LIST

Chairman of the Board of Directors	Vice-Chairman of the Board of Directors	Chairman of the Supervisory Board	Member of the Supervisory Board	Director
CDG Capital	CIMAR	Université Internationale de Rabat	TMSA	CIH
CDG Développement	Société Marocaine de Valorisation des Kasbahs	MEDZ		BARID AL MAGHRIB
CDG INVEST	SONADAC			Casablanca Finance City Authority -CFCA-
CGI				MEDITELECOM ORANGE
Fipar Holding				Tanger Med PortAuthority -TMPA- [1]
Foncière Chellah				Fonds Marocain de Placement -FMP-
FONDATION AHLY				Oued Chbika Development -OCDAI-
FONDATION CDG				Al Omrane Holding
Institut Marocain des Administrateurs				
MADAEF				
NOVEC				
PATRILOG				
SAZ				
SCR				
Société d'Aménagement Ryad				
Société de Développement de Saidia				
Société d'Aménagement et de Promotion de la Station de Taghazout				
AUDA				

1. CDG's permanent representative

Mr Hicham EL AMRANI | FinanceCom's Permanent Representative

Mr Hicham EL AMRANI has more than 25 years' experience of private equity investment, financing and corporate strategy across a wide range of industries.

When FinanceCom was founded in 2001, Mr EL AMRANI assumed responsibility for the Technologies & Telecommunications division.

Appointed as Director of Strategy & Development between 2005 and 2008, Mr EL AMRANI was subsequently promoted to the post of Deputy General Manager in 2008. He then went on to become the holding company's Chief Executive Officer in June 2010. He has been responsible for adopting best practice in steering the performance of the various entities within the holding company's portfolio.

He also spearheaded a number of M&A deals, LBOs and restructurings as part of a process of rationalising the holding company's portfolio and reducing debt.

In 2009, Mr EL AMRANI coordinated the process that enabled Portugal Télécom and Téléfonica to acquire a stake in Medi Telecom and the sale of a 40% stake in this company to Orange in 2010. He is a Director and standing member of Medi Telecom-Orange's various governing bodies.

In addition to these roles, Mr EL AMRANI is a Director of RMA, CTM, Risma, Air Arabia, Finatech, Colliers International Morocco and Chairman of the Audit Committee of Air Arabia Morocco, Meditel, RISMA and CTM.

Mr Hicham EL AMRANI is an engineering graduate of Ecole Hassania des Travaux Publics and holds an MBA and a Graduate Certificate in Manufacturing and Service Management from Southern New Hampshire University, Singularity University's Executive Program and Yale University's Leadership Executive Program.

Born in 1973, Mr EL AMRANI is married and has two children.

APPOINTMENTS LIST

Chairman and Chief Executive Officer	Deputy General Manager	Vice-Chairman of the Board of Directors	Member of the Executive Board	Director	Other appointments	Member of the Supervisory Board
Argan Investl	FinanceCom -fonction principale- INTERFINA CAP ESTATE	«DBM Media Group -ex-Africa Teldis & Communication-»	Financière Yacout Saida Star Auto	Air Arabia Maroc Brico Invest[2] Colliers International Maroc[3] CTM CTM Messagerie FinanceCom Afrique[2] Financecom International Medi Telecom ORANGE O Tower[2] INTERFINA[1] Revly's[4] RMA SFCM[6] BLACKPEARL FINANCE CAP D'ARGENT[5] DBM Media Group -ex-Africa Teldis & Communication- FINATECH GROUP	Members of AIR ARABIA MAROC's Audit Committee Member of BANK OF AFRICA's Group Risk Committee Member of CTM's Audit Committee Member of CTM's HR Committee Chairman of CTM's Strategy Committee Chairman of MEDITELECOM's Audit Committee Member of MEDITELECOM's Strategy Committee Member MEDITELECOM's HR Committee Member of RISMA's Supervisory Board Chairman of RISMA's Audit Committee Member of RMA's Audit Committee	RISMA

1. Deputy General Manager
2. FinanceCom's permanent representative
3. Argan Invest's permanent representative
4. INTERFINA's permanent representative
5. Financière Yacout's representative
6. H.B.M.'s permanent representative

BIOGRAPHIES

Mr AZEDDINE GUESSOUS | Intuitu Personae Director

Mr Azeddine GUESSOUS has been Chairman and Chief Executive Officer of Maghrébail since 2004.

He also sits on the Boards of a number of companies including RMA, BANK OF AFRICA (formerly BMCE Bank), BOA Group, BMCE Bank International Madrid, Risma, Al Mada, Sonasid, Lydec and Imperial Tobacco Morocco. He is also a director of Al Akhawayn University.

Between 2010 and 2012, Mr GUESSOUS was Chairman of Risma's Supervisory Board. In 2001, he became Chairman and Chief Executive Officer of Al Watanya, an insurance company and, in 1995, Caisse Interprofessionnelle Marocaine de Retraite (CIMR).

Between 1978 and 1994, Mr GUESSOUS held a number of senior government positions including Minister of Trade, Industry and Tourism in 1978, Minister responsible for relations with the European Economic Community in 1985 and Morocco's Ambassador to Spain between 1986 and 1995.

Mr GUESSOUS has received a number of decorations including Officer of the Order of Wissam, Spain's Order of Civil Merit and Grand Cross, France's National Order of Merit and the Order of the British Empire.

Mr GUESSOUS was born in 1941.

APPOINTMENTS LIST

Director

BMCE INTERNATIONAL MADRID

BOA GROUP

RMA

SETTAVEX

LYDEC

AL MADA

SONASID

RISMA

MAROCAINE DES TABACS

ALMA PACK

ALMA BAT

AL AKHAWAYN

Mr MARC BEAUJEAN | CDC Limited's Permanent Representative

Mr Marc BEAUJEAN is the founder, in 2019, and principal partner of Beaujean & Partners, a strategic consulting firm specialising in banking and insurance. He is also Chief Executive Officer of Atlantic Financial Group SA since 1 January 2021.

From 1993 to 2012, he was Senior Partner and Director at McKinsey & Co, with responsibility for developing customer relationships in North Africa and in Western Europe – France, Belgium, Switzerland and Luxembourg – in retail banking, private banking, investment funds, life insurance and non-life insurance.

From 1997 to 2014, Mr BEAUJEAN was co-founder and non-executive Director at Geneva-based BlueOrchard, now one of the world's leading inclusive finance institutions specialising in micro-finance. The firm was recently sold to Schroders Asset Management. One of his main responsibilities was strategic thinking and partnerships.

From 2012 to 2018, he was Executive Director at P&V Assurances, Belgium, a systemically important financial institution as defined by the European Central Bank. As Director of Operations, which included overseeing IT and Human Resources, he was responsible for redesigning the group's core insurance systems and for transformation programmes in general.

From 2018 to 2020, he was Chief Operating Officer of CBP Quilvest, a Luxembourg-based private bank.

Mr BEAUJEAN is also a co-investor in Profinpar, a EUR 40 million fund specialising in financing the growth, transmission and optimisation of mature SMEs with development potential.

He was also a lecturer at HEC Liège between 2010 and 2020.

Born in 1965, Mr BEAUJEAN holds an MBA from Columbia Business School and a Bachelor of Business Administration from Liège's School of Business Administration.

APPOINTMENTS LIST

Director

BOA West Africa et BOA Group SA[1],

BOA GROUP[1]

Banque Internationale Arabe de Tunisie[2]

1. CDC Limited's representative

2. Independent Director

BIOGRAPHIES

Mr MOHAMED KABBAJ | Independent Director

Mr Mohamed KABBAJ is currently Chancellor of the Euromed University of Fez. He formerly served as Minister of Finance and Foreign Investment, overseeing implementation of vital financial reforms resulting in the modernisation and deregulation of the banking system.

As Minister, he also oversaw the successful privatisation, in 1995, of Banque Marocaine du Commerce Extérieur, which attracted investment from a consortium of Moroccan and foreign institutional and financial investors led by Royale Marocaine d'Assurance.

Mr KABBAJ is a graduate of the prestigious École Française Polytechnique and the École Nationale des Ponts et Chaussées in Paris. He also has a Diploma in Advanced Studies in Econometrics from the Sorbonne, Paris. He had a long and successful career as head of various departments at the Ministry of Public Works prior to becoming Minister. As such, he represented the contracting authority and the prime contractor for many of the country's infrastructure projects.

From 2000 to 2005, he was Adviser to His Majesty King Mohammed VI, before being appointed Governor of the Greater Casablanca region for nearly 5 years.

Previous socio-professional appointments include two terms as Member of Parliament from 1993 to 2003, Chairman of several foundations and associations, including the Spirit of Fez Foundation, Fez-Saiss, the Fez Festival of World Sacred Music and Chairman of Lafarge Holcim Maroc, the Development Committee of the IMF and the World Bank. He was also a Member of Lafarge International Group's Advisory Board, Coordinator of the Permanent Inter-ministerial Committee of State-owned Enterprises and Chairman of the Watch Committee of State-owned Enterprises as well as Vice-Chancellor of Al Akhawayn University.

Mr FRANCOIS HENROT | Independent Director

Mr François HENROT is a leading figure in the world of European finance.

He has held several important positions within the Rothschild Group, including that of Chairman of the investment bank and Vice-Chairman of Rothschild & Co.'s Supervisory Board, of which he was a Director until 2020 and is currently a non-voting member. He is also an Advisory Director and Vice-Chairman of the Board of Rexel, a global leader in the distribution of low-voltage electrical products, Chairman of the Board of COPEBA, a Belgian privately held investment company.

Mr HENROT began his career in the public sector at France's Council of State and then at the Directorate General for Telecommunications before moving to the private sector with Compagnie Financière de Paribas and, for the past 20 years, Rothschild Group.

Having a keen interest in cultural and philanthropic affairs, Mr HENROT was Chairman of France's Ecole Nationale Superieure des Arts Décoratifs and a member of the Association pour le Rayonnement de l'Opéra de Paris until 2015. He is responsible for reviving the Evian Musical Encounters Festival, founded by Mstislav Rostropovich and is currently Chairman of the Bordeaux International String Quartet Competition.

In the field of medicine, Mr HENROT has actively contributed for more than 12 years to the work of the Brain and Spine Institute (ICM).

He has co-authored a number of works including The Banker and the Philosopher, which deals with the 2007-08 financial crisis.

Born in 1949, Mr François HENROT is a graduate of Ecole Nationale d'Administration (ENA) and Stanford University.

APPOINTMENTS LIST

Chairman of the Board of Directors	Member of the Supervisory Board
Cobepa -Belgique-	Rexel SA

Mr BRIAN MCK. HENDERSON | Independent Director

Mr Brian C. McK. HENDERSON is the Founding Partner of Henderson International Advisors, LLC.

During a career spanning 43 years in international banking, he has forged significant client relationships in both the private and public sectors as well as acquiring expertise in management and corporate governance.

At Merrill Lynch, where he spent a large part of his career, Mr HENDERSON held several positions of responsibility including Executive Assistant to the Chairman and Chief Executive Officer, Vice-Chairman of Merrill Lynch Europe, Middle East and Africa and Chairman of the Global Public Sector division.

He also served as Chairman of Prime Merrill S.p.a Italy and as member of the Board of Merrill Lynch South Africa Pty Ltd.

Mr HENDERSON began his career at Chase Manhattan Bank where he held a number of important positions within the Group's European Institutions division, including Vice-Chairman and Director of the sub-Saharan Africa region as well as within the Investment Banking division. He was also a Board member of Banque Ivoirienne du Développement Industriel and Chase Bank Cameroon SA as well as being Vice-President and Treasurer of the Atlantic Council of the United States.

He is currently non-executive Chairman of Augustea Bunge Maritime Ltd., Malta, Advisor to Cremades & Calvo Sotelo, Madrid and Senior Advisor to Rockefeller Capital Management.

His civic engagements include those of Chairman of the Chatham House Foundation, Honouring Nations' Board of Governors, American Indian Economic Development at Harvard University's JFK School of Government and Director of the Fort Apache Heritage Foundation.

Mr HENDERSON holds a Bachelor of Science degree in International Economic Relations from Georgetown University, School of Foreign Service, Washington DC.

APPOINTMENTS LIST

Director	Non-Executive Chairman	Vice-Chairman	Advisor	Senior Advisor	Founding Partner
Fort Apache Heritage Foundation «Harvard Project on American Indian Economic Development, Honoring Nations»	Augustea Bunge Maritime Ltd., Malta	Middle East institute – Washington	Cremades & Calvo Sotelo, Madrid	Rockefeller Capital Management	Henderson International Advisors, LLC

Mrs NEZHA LAHRICHI | Independent Director

Mrs Nezha LAHRICHI holds a State Doctorate in Economics, the first awarded to a woman in Morocco. She began her career in academia and research as Professor of Higher Education, specialising in domestic and international monetary and financial economics. She was concurrently a member of the Centre Marocain de Conjoncture, an economics think tank.

After acting as special advisor to three Prime Ministers with responsibility for economic and financial affairs, Mrs LAHRICHI was then initially entrusted with the responsibility of heading up Société Marocaine d'Assurance à l'Exportation (SMAEX) as Chairman and Chief Executive Officer, a post that enabled her to gain experience of the credit insurance and risk business.

After time spent as a member of parliament, her second responsibility was to chair the National Foreign Trade Council. The latter's transformation into an observatory was the catalyst for the creation of a business intelligence and strategic planning system.

Mrs LAHRICHI was Director of the National Telecommunications Regulatory Agency (ANRT) for two terms of office. She also sat for 10 years on the National Savings and Investment Council (CNME) as well as being a member of the Caisse de Dépôt et de Gestion's supervisory committee as the Prime Minister's representative.

The majority of her publications, categorised by theme, may be accessed on her website www.nezhalahrichi.com.

Mr Abdou BENSOUDA | Intuitu Personae Director

Mr BENSOUDA has more than 25 years' experience across a number of disciplines including asset management, private equity, mergers & acquisitions and corporate restructuring.

He is currently Chief Executive Officer of FinanceCom International, a company which steers FinanceCom Group's overseas asset management and investment advisory operations.

Since 2008, Mr BENSOUDA has held a number of positions of responsibility within FinanceCom Group including that of Chairman & Chief Executive Officer of Finatech Group, a systems integrator specialising in digital and energy infrastructure.

Prior to this, he was a founding partner of Finaventures Advisors in California where he helped set up a technology fund in partnership with TL Ventures, an asset management company. His experience in private equity dates back to 1995 in New York.

He began his career at Westinghouse where he worked as an engineer and project leader.

Mr BENSOUDA has a degree in information systems engineering from Boston University and a Master of Business Administration (MBA) specialising in finance and entrepreneurship from Babson College, Massachusetts.

APPOINTMENTS LIST

Chairman of the Board of Directors	Chairman	Vice-Chairman	Director	Manager
Olkad Group	Group FinanceCom Capital	FinanceCom Green Investments	FinanceCom International[1]	FCOMI-L
	FinanceCom Europe		Decrow Capital	SCI FinanceCom
			Africa Investments Holdings	Global Strategic Holdings
			Argan Infrastructure Fund	B4A Advisory
			Infra Invest	
			Argan Infra	
			Dounia Productions	
			BANK OF AFRICA	
			Bridges for Africa	
			Finatech Group	
			Green of Africa	

1. Chief Executive Officer

BIOGRAPHIES

Mr Brahim BENJELLOUN-TOUIMI | Director and General Manager

Mr Brahim BENJELLOUN-TOUIMI is BANK OF AFRICA Group's Director and General Manager.

As such, he is a member of the Chairman's Committee, Chairman of the General Management Committee and Vice-Chairman of the Senior Credit Committee.

As part of BANK OF AFRICA Group's international strategy, Mr Brahim BENJELLOUN-TOUIMI is Chairman of BOA Group, a banking group in which BANK OF AFRICA Group has a stake of just under 73%, with operations in 17 countries in Africa. He is also Director of the Group's European banking subsidiaries.

As far as his other posts are concerned, he is Chairman or Director of a number of Group companies in Morocco in investment banking, specialised financial services – factoring, consumer credit, leasing and loan recovery – and insurance brokerage.

Within the framework of strategic partnerships with reference shareholders, Mr Brahim BENJELLOUN-TOUIMI is a Director of RMA, an insurance company and FinanceCom, its holding company. He is also Chairman of the Supervisory Board of EurAfric Information, a technology company and Director of Euro Information, a technology subsidiary of Crédit Mutuel Group – Alliance Fédérale.

Reflecting the Group's commitment to corporate social responsibility, Mr Brahim BENJELLOUN-TOUIMI is a Director of BMCE Bank Foundation for Education and the Protection of the Environment.

He also sits on the Board of Proparco, a development finance institution as well as being a Director of the Casablanca Stock Exchange.

Born in 1960, Mr Brahim BENJELLOUN-TOUIMI is a Doctor of Money, Finance and Banking from Université Paris I Panthéon Sorbonne. He began his career in financial markets in France and went on to become Head of Research within the Securities division at one of France's leading investment banks. He joined BANK OF AFRICA in 1990. He is married and has 3 children.

APPOINTMENTS LIST

Chairman of the Board of Directors	Vice-Chairman of the Board of Directors	Chairman of the Supervisory Board	Director
BMCE ASSURANCES	BTI BANK	EURAFRIC INFORMATION	BANK OF AFRICA[1]
BMCE EUROSERVICES		BMCE CAPITAL	RMA
BOA GROUP		SALAFIN	FINANCECOM
BOA WEST AFRICA		MAROC FACTORING	FONDATION BMCE BANK
		OPERATIONS GLOBAL SERVICES	EURO INFORMATION
			BMCE BANK INTERNATIONAL UK
			BMCE INTERNATIONAL HOLDINGS
			BMCE INTERNATIONAL MADRID
			MAGHREBAIL
			RM EXPERTS
			BOURSE DE CASABLANCA[2]
			O TOWER
			SOCIETE D'AMENAGEMENT TANGER TECH
			PROPARCO[3]

1. Deputy General Manager

2. BANK OF AFRICA Group's representative

3. BANK OF AFRICA Group's permanent representative

BIOGRAPHIES

Mrs MYRIEM BOUAZZAOUI | Intuitu Personae Director

After obtaining a science-based high school diploma with honours in 1993 at the Lycée Descartes in Rabat, Myriem BOUAZZAOUI continued her studies at the University of Paris IX Dauphine, obtaining a Master's in Management Sciences – Finance with honours in 1998.

On returning to Morocco in 1999, she joined BMCE BANK Group's portfolio management subsidiary as an Equity Portfolio Manager, then as Head of Investment Management.

Whilst working at the company, Mrs BOUAZZAOUI obtained, in 1999, the certificate of financial analyst issued by the French Society of Financial Analysts (SFAF) and then, in 2000, the French Diploma of Accounting and Finance (DECF).

In 2007, she was appointed Chief Executive Officer of the BMCE Capital Gestion Privée subsidiary, which she has managed since it was founded. She also became a Member of BMCE Capital's Executive Board in 2013.

At the end of 2018, Mrs Myriem BOUAZZAOUI was appointed Managing Director of BMCE Capital Gestion, taking over the management of BMCE Capital's Asset & Wealth Management division.

APPOINTMENTS LIST

Director	Chair of the Board of Directors	Member of the Executive Board
BMCE Capital Gestion[1]	BMCE Capital Asset Management -Tunisia-	BMCE Capital
BMCE Capital Gestion Privée		
BMCE Capital Solutions		
BMCE Capital Investments BMCE Capital Holding		
BMCE Capital Securities -Tunisia-		
BOA Capital Asset Management -Ivory Coast-		
BMCE Capital Research[2]		
BMCE Capital Gestion sous Mandat[2]		
BMCE Capital Titrisation[2]		
BMCE Capital Gestion Privée International[3]		

1. Chief Executive Officer

2. BMCE Capital Gestion's representative

3. BMCE Capital Gestion Privée's permanent representative

BIOGRAPHIES

Mr DRISS BENJELLOUN | Deputy General Manager responsible for Group Finance

Mr Driss BENJELLOUN is Deputy General Manager responsible for Group Finance at BANK OF AFRICA.

He is also a Director of BANK OF AFRICA Group subsidiaries including BOA Benin, BOA Madagascar and BMCE Capital.

After joining BMCE Bank Group of Africa in 1986, Mr Driss BENJELLOUN was asked to oversee the project to set up a Management Control entity aimed at improving the steering of operations. In 1990, he assumed responsibility for a project to set up an Audit and Management Control department. After BMCE Bank was privatised in 1995, Mr Driss BENJELLOUN became Head of the Banking Production division.

In 1998, he was appointed as Deputy General Manager responsible for a number of departments that make up the Bank's Group Support division – Banking Production, Information Systems, Organisation, General Services and Security.

In 2003, Mr Driss BENJELLOUN became Head of the Group Financial Division with a remit to integrate BANK OF AFRICA's various subsidiaries in Morocco, Europe and Africa. He also helped to restructure Banque de Developpement du Mali and steered the latter's merger with Banque Malienne de Crédits et de Dépôts.

Mr BENJELLOUN is a Doctor of Finance from Université Paris Dauphine in addition to having a postgraduate diploma in accounting.

Mr M'FADEL EL HALAISSI | Deputy General Manager responsible for Financial Engineering, Debt Collection & Specific Assignments

Mr M'Fadel EL HALAISSI, Deputy General Manager, has been responsible for the Financial Engineering, Debt Collection and Special Assignments division since January 2019. His main responsibilities include hands-on management of the Bank's portfolio of sub-standard and non-performing loans, carrying out specific assignments mandated by the Chairman and representing the Bank at a number of subsidiaries.

Previously, Mr M'fadel EL HALAISSI was Deputy General Manager responsible for Corporate Banking, Morocco. This division, which comes under General Management's remit, brings together corporate customers, SMEs and Large Enterprises. This specific responsibility for corporate banking was entrusted to him after a career spanning more than 25 years at BANK OF AFRICA, in credit, investment finance, loan restructuring and long-term financing solutions.

On joining BMCE Bank, he was entrusted with the responsibility of setting up the investment loans restructuring department. He subsequently went on to become Head of the Investment and Corporate Markets division in 1998. In April 2002, he was appointed as Deputy General Manager responsible for Corporate Banking, a division which was then subsequently expanded to include overseas operations.

Mr M'fadel EL HALAISSI is a Doctor of Economics from Lille University.

He is married and has 2 children.

Mr OMAR TAZI | Deputy General Manager responsible for Banking in Morocco

Mr Omar TAZI is Deputy General Manager responsible for Banking in Morocco which, since January 2019, encompasses (i) Personal and Professional Banking which, in turn, incorporates a pool of specialised marketing competencies organised by market segment – Personal Banking, Professional Banking, Private Banking and Migrant Banking – the BMCE Euroservices subsidiary, a payments institution and Multi-channel banking and (ii) SME Banking which encompasses Investment, Financial Engineering and Corporate Banking as well as (iii) the 8 Regional Divisions.

Previously, Mr Omar TAZI was Deputy General Manager responsible for Personal and Professional Banking.

Mr Omar TAZI began his career at the Banque de Développement du Canada. In 1992, he joined Wafa Bank as Head of Treasury.

From 1993 to 2005, Mr Omar TAZI held a number of posts of responsibility within Société Générale Maroc, including Head of the Specialised Finance and Industrial Research Division, Head of the Retail, Professional and Corporate Banking Network and then Deputy General Manager responsible for Retail Banking.

During this period, he was also Director, Vice Chairman or Chairman of a number of Société Générale subsidiaries, including its leasing, consumer credit, securities brokerage, asset management and insurance subsidiaries.

From 2005 to 2010, Mr Omar TAZI was Chief Executive Officer of AFMA Group.

Mr Omar TAZI joined BANK OF AFRICA Group in June 2011 with a remit to boost retail banking operations and improve the effectiveness of the Bank's sales force.

Mr Omar TAZI holds a master's degree in finance from the University of Sherbrooke, Canada.

Mr MOUNIR CHRAIBI | Deputy General Manager responsible for Group Operations

Mr Mounir CHRAIBI is Deputy General Manager responsible for Group Operations. He joined BANK OF AFRICA in 2010.

Mr Mounir CHRAIBI is responsible for BANK OF AFRICA Group's technology, legal affairs, logistics, quality and banking processing departments.

As such, he oversees strategic projects such as designing its Banking and Insurance information systems (SIBEA), converging the information systems of BANK OF AFRICA's domestic and overseas subsidiaries, spinning-off the Bank's back-office operations and managing the Bank's digital transformation project.

Mr CHRAIBI is Chairman of the Board of BMCE Immobilier, a subsidiary responsible for proactively managing BANK OF AFRICA's non-operating real estate portfolio and Chairman of the Board of Damancash, a Morocco-based payment institution. Since 2020, he has chaired the Morocco mobile payment services economic interest group (GP2M).

Mr CHRAIBI sits on the Board of Royale Marocaine d'Assurance (RMA), as well as being a Director of BANK AL-TAMWEEL WA AL-INMA (BTI Bank) and BMCE Euroservices. He is also a Director of O TOWER and BMCE Capital Real Estate.

He began his career in 1987 as Project Manager of Crédit du Maroc's information systems master plan and then, from 1989 to 1994, was made Head of Organisation and Information Systems of the Office d'Exploitation des Ports.

In 1994, he was appointed as Chief Executive Officer of the Office de la Formation Professionnelle et de la Promotion du Travail and then, in 2001, as Chief Executive Officer of the Caisse Nationale de la Sécurité Sociale.

In 2005, Mr CHRAIBI was appointed as Governor of the Marrakesh Tensift Al Haouz region which, during his tenure, attracted a high level of private sector investment and oversaw the launch of several major flagship public projects.

Mr Mounir CHRAIBI is a graduate engineer of Ecole Polytechnique de Paris and Ecole Nationale Supérieure des Télécommunications de Paris. He was decorated Commander of the Order of Al Arsh Wissam by His Majesty the King in 2008. He is also a Commander of Belgium's Order of Leopold.

BIOGRAPHIES

Mr Mohammed AGOUMI | Deputy General Manager responsible for Coordinating Overseas Operations

Mr Mohammed AGOUMI is Deputy General Manager of BANK OF AFRICA with responsibility for Coordinating Overseas Operations.

As such, he is responsible for coordinating the Group's various overseas subsidiaries and, in some cases, has direct responsibility for them. He also has direct responsibility for each of the Group's European corporate entities and its offshore network in Morocco. He is also responsible for Banque de Developpement du Mali.

Mr AGOUMI chairs BBI Madrid's Board of Directors and is a member of the boards of BBI Plc, BMCE International Holding and Banque de Developpement du Mali.

He joined BANK OF AFRICA Group in 2012, after a long international career in audit and consulting.

Prior to that, he held a number of functions and positions of responsibility at Credit Agricole France Group (CASA). He was appointed Deputy General Manager of Le Crédit Lyonnais (LCL) in 2006 and was a member of CASA Group's Executive Committee. He was responsible for operations, strategy and the Loan Commitments Division. In 2008, he was appointed to CASA Group's Executive Committee with responsibility for overseeing the Group's overseas development.

In 2010, he founded Europa Corporate Business Group (ECBG). He is also the Chairman of ECBG's Moroccan subsidiary, Financing Access Morocco.

Mr Mohammed AGOUMI is a graduate of ESSEC (1979) and holds a DEA in Mathematical Economics and Econometrics (1980). He qualified as a chartered accountant in Paris in 1993 and taught for two years at ESSEC.

Mr Khalid LAABI | Deputy General Manager responsible for Group Risks

Khalid LAABI, Deputy General Manager, has been responsible, since January 2019, for Group Risks, which encompasses risk management, risk analysis and monitoring loan commitments.

In 2018, Mr Khalid LAABI was appointed as Deputy General Manager responsible for Group General Control.

Mr LAABI has a wealth of experience acquired over more than 33 years within the Group, during which he has held a number of positions of responsibility, including Director of inspection of central services, the branch network and the overseas network and Chief Director responsible for the Audit and General Inspection Division.

As far as his functions are concerned, he is Associate Member and Secretary of the Group Risks Committee, Associate Member of the Group Audit and Internal Control Committee and Member of the Group Internal Control Coordination Committee.

He is also a Permanent Member of the Audit and Risks Committees of several BANK OF AFRICA Group subsidiaries, particularly in sub-Saharan Africa, as well as being a Director of both BOA Mali and BTI Bank, the Group's participatory banking subsidiary.

Since 2015, Mr LAABI has overseen implementation of the Convergence Programme for the Internal Control functions within 25 subsidiaries. This is a major programme aimed at structuring the Group.

In addition, he is a highly regarded keynote conference speaker, sharing his expertise on a wide range of subjects including finance, risk management, internal audit, internal control and compliance.

Mr Khalid LAABI is an Economic Science graduate specialising in The Theory of the Firm. He has undertaken training in a variety of disciplines, both in Morocco and overseas. He is married and has two children.

Mr Khalid NASR | Head of the Corporate & Investment Banking Division

Mr Khalid NASR is Head of BANK OF AFRICA's Corporate & Investment Banking business. He is also Chairman of the Supervisory Board of BMCE Capital, the Group's investment banking subsidiary.

As such, he is a member of BANK OF AFRICA Group's Executive Committee and General Management Committee. He also holds a number of directorships at Group entities such as Director of BOA Group, Chairman and Chief Executive Officer of BOA Capital and Director of Maghrebail.

Mr Khalid NASR has more than 25 years' experience of finance, the majority of which has been spent in senior management positions. He began his career in France at one of Europe's leading insurance companies. After gaining experience in capital markets at a Moroccan bank, Mr Khalid NASR then joined BMCE Capital when it was founded in 1998. He was responsible for developing its capital markets businesses as Head of Fixed Income Trading and then, from 2005, as Head of the Dealing Room.

In 2010, Mr Khalid NASR was appointed Chairman of BMCE Capital's Supervisory Board, overseeing the entire Investment Banking business – Capital Markets, Asset Management, Private Portfolio Management, Financial Advisory, Custody, Securities Brokerage, Financial Research and Securitisation. Since January 2019, Mr Khalid NASR has been responsible for BANK OF AFRICA's Corporate & Investment Banking division.

Mr Khalid NASR holds an Executive MBA from ESSEC Business School, Paris, a Master's in Finance from ESC Marseilles and a Master's in Mathematics from Marseilles' Saint Charles University. He is also the holder of a number of certificates in specialised disciplines such as Asset & Liability Management (ALM) and Market Risk Management.

Born in 1967, Mr Khalid NASR is married and has three children.

INFORMATION PROVIDED TO SHAREHOLDERS

The Bank maintains regular contact with its shareholders via a variety of communication channels and events organised during the year.

In accordance with current regulations, each shareholder has access to all the necessary information prior to the Annual General Meeting of Shareholders.

'You're a shareholder' is a page on the Bank's website, www.ir-bankofafrica.ma ,specifically for shareholders. The following information is readily available: (i) the Shareholder Report, which includes the Management Report, the Statutory Auditors' reports – General Report, Audit Report and Special Report, and highlights (ii) the Shareholder Guide, an informative document enabling shareholders to better understand their rights, how income from securities is taxed, the Bank's key indicators, a list of the Bank's Directors, (iii) the Annual General Meeting Notice, (iv) a postal voting form, (v) powers, (vi) a recent breakdown of the Bank's share capital, (vii) a statement on AGM proceedings and its outcome, (viii) voting results, in addition to documentation made available to shareholders at the Bank's head office.

Periodic information mainly comprises financial and non-financial press releases relating to the closure of the annual and half-yearly financial statements as well as a review of the quarterly financial statements, published on the Bank's financial communications website and in a journal in which legal notices are published. The annual and half-yearly results presentations given at financial information meetings for analysts and the press are also posted online, together with speeches made by the Chairman of the Board of Directors and the Group Chief Executive Officer at these meetings.

Given our diverse shareholder base, the Bank publishes its Annual Report and Sustainable Development Report each year in a number of different languages including French, Arabic and English. These reports provide shareholders with information about the Bank's activities and financial performance as well as governance over the previous year.

Since 2019, the Bank has published the Reference Document each year in accordance with the Directives of the Moroccan Capital Markets Authority (AMMC). This document contains detailed information about the Bank's business, financial situation and prospects.

Information regarding BANK OF AFRICA's governance, financial and non-financial information and the main corporate actions carried out by the Bank is regularly updated on the Bank's website, www.ir-bankofafrica.ma.

LIST OF FINANCIAL RELEASES PUBLISHED IN 2020

Press release – First quarter 2020 indicators
Press release – Second quarter 2020 indicators
Press release – Third quarter 2020 indicators
Press release – Fourth quarter 2020 indicators
Financial results 2020
Press release – Annual results 2020 in Arabic
First-half financial results 2020
Press release – First-half results 2020 in Arabic
Press release – First-half results 2020 in English
Post-share capital increase notice
Press release – Share capital increase closing
Press release – Share capital increase by offering shareholders the option of converting some or all of their 2019 dividend entitlement into shares
Press release – Post-AGM 23 June 2020
Press release – How to participate in the AGM 23 June 2020
Notice to convene AGM 23 June 2020
Press release – Financial results 2019
Press release – Corporate name change
Press release – Fourth quarter 2019 indicators
Notice to convene EGM 5 March 2020 – Corporate name change

RISK
MANAGEMENT

RISK CONTROL BODIES

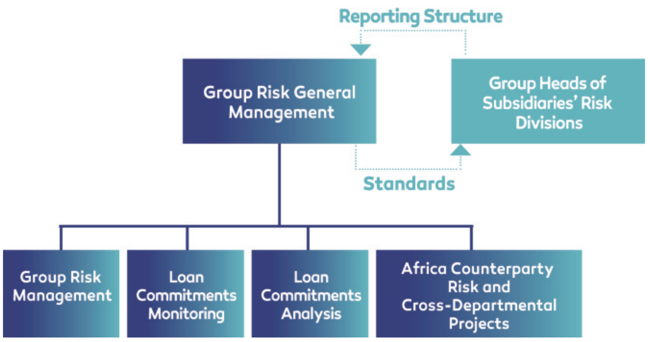
GROUP RISK GENERAL MANAGEMENT

One of the Group Risk General Management's responsibilities is to ensure that credit, market and operational risks are monitored and controlled. It is responsible for:

- Defining the Group's risk policy
- Defining and managing the credit approval and monitoring processes
- Implementing a risk control system relating to credit, market and operational risks

Group Risk General Management comprises four units:

- Group Risk Management
- Loan Commitments Monitoring
- Loan Commitments Analysis
- Africa Counterparty Risk and Cross-Departmental Projects



GOVERNANCE BODIES

Group Risks Committee

BANK OF AFRICA Group's Risks Committee is a body reporting directly to BANK OF AFRICA's Board of Directors whose remit extends to the direct and indirect subsidiaries included within the Group's scope of consolidation.

The Group Risks Committee assists the Board of Directors in matters such as strategy and risk management. In particular, it ensures that overall risk policy is adapted to the risk profile of the Bank and the Group, the degree of risk aversion, its systemic importance, its size and its capital base.

Audit and Internal Control Committees

BANK OF AFRICA Group's Audit and Internal Control Committee is a body reporting directly to BANK OF AFRICA's Board of Directors, whose remit extends to subsidiaries and other entities included within the Group's scope of consolidation.

The Group Audit and Internal Control Committee assists the Board of Directors in matters such as internal control, by ensuring that the existing internal control system is adapted to the Group's organisational structure and that the financial information intended for the Board of Directors and third parties is reliable and accurate. It also reviews the parent and consolidated financial statements prior to submitting them to the Board of Directors for approval.

General Management Committee

The General Management Committee is responsible for translating and monitoring the Group's corporate strategy into operational initiatives and measures.

This Committee, which meets weekly, is also primarily responsible for steering the Bank's business, managing its internal control and risk management systems, monitoring HR and overseeing commercial, institutional and financial communications.

Group Risk Steering and Management Committee

Reporting directly to BANK OF AFRICA Group's General Management Committee, the Group Risk Steering and Management Committee assists in managing and monitoring, at the operational level, the Group risk steering policy of BANK OF AFRICA S.A. and of its direct and indirect subsidiaries and ensuring that the Group's operations comply with risk policies and the limits set.

The Committee ensures that the risk steering policy relating to credit, market, country and operational risks is efficient and that the Group's risk profile is consistent with its risk appetite in the context of the Group's risk management policy.

CREDIT COMMITTEES

Senior Credit Committee

The Senior Credit Committee reviews and approves, on a weekly basis, credit applications from customers of the Bank and of the Group within its delegated powers. Operating rules and powers differ depending on the level of risks incurred, as well as the credit portfolio segment in question – Business, Corporate or Personal & Professional Banking customers.

The scope of the Credit Committee also covers Group entities. It assesses and issues, via the Senior Credit Committee – Group Entities, decisions about risk taking with regard to certain counterparties or groups of counterparties across the banking and trading portfolio for both Moroccan and overseas operations and for individual counterparties based on thresholds predefined by each subsidiary.

This committee is chaired by the Bank's Chairman and Chief Executive Officer with the Group Deputy General Manager as Vice-Chairman. Meeting twice a week, it is composed of senior managers of the Bank.

Regional Credit Committee

The delegated powers enjoyed by the Regional Credit Committee (CCR) enable it to rule on counterparties at the regional level in accordance with the existing scheme of delegation. The Committee meets on a weekly basis. CCR meeting dates are decided by the Regional Director of each region and all members are informed accordingly.

Loan Commitments Monitoring Committee (CSE)

As part of its portfolio monitoring remit, the Loan Commitments Monitoring Committee (central CSE and regional CSE) meets on a monthly basis to follow up on the various initiatives to regularise, recover and clean-up accounts showing anomalies. The Committee also reviews customer dossiers that are eligible for downgrade and decides on what action to take.

Responsibility for tracking and monitoring the Loan Commitments situation is assumed by various bodies at four levels, three of which are head office based.

CREDIT RISK

The Bank's credit division operates in accordance with the general credit policy approved by the Group's senior management. The Group's requirements in terms of ethics, reporting lines, compliance with procedures and discipline in risk analysis are guiding principles.

This general policy is further broken down into specific policies and procedures depending on the character of specific operations or counterparties.

CREDIT APPROVAL PROCESS

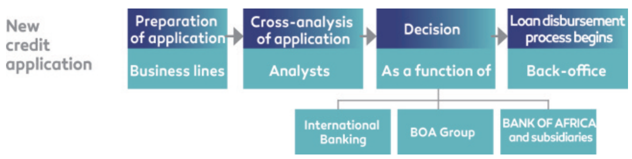
General principles

The credit approval process at every level of BANK OF AFRICA Group is guided by the troika principle and is based on the following principles:

- The credit approval process is the same for all types of credit application in that it ensures that the troika principle (at least) is met. Therefore, at least 3 people, including at least one person from the Risk function, must approve any credit application except in a number of predetermined exceptional cases.
- After prior cross-examination, decisions are taken jointly by the Risk and Commercial functions with regard to dossiers assigned by delegation of powers at the local as well as central levels as part of a multi-level pyramid structure. Should both functions fail to find a consensus, the dossier may be referred to a higher hierarchical level which will act as potential arbiter.
- An escalation procedure exists (L+1) in the event of any disagreement between the Risk and Commercial functions.

Bodies

The following provides a summary overview of the credit approval process:



- Responsibility for putting together the credit application dossier is incumbent on the Commercial function due to it having a commercial relationship with the customer
- A cross-examination of the credit application dossier is carried out by credit analysts from the Risk function
- Decisions are taken jointly by the Risks and Commercial functions based on their respective levels of delegations of power
- Responsibility for setting up the loan rests with the back-office, a body that is independent of the Risk and Commercial functions.

A choice of decision-making channels

To make the notification process more straightforward, each credit application made must adhere to the single decision principle.

Credit decisions are either taken by circulating the dossier or by holding a Credit Committee, via a manual or electronic process.

Delegation of powers

The credit decision-making process is based on a system of delegation of powers that derives from the powers granted by an entity's Board of Directors to employees or groups of employees, within the limits deemed appropriate.

Powers may be sub-delegated on the basis of the organisational structure, business volumes, products and risks.

Powers are delegated to employees on an *intuitu personae* basis as a function of their critical thinking capabilities, experience, personal and professional attributes and training.

Approval rules

Credit approval decisions are subject to review by the Troika or Credit Committees depending on the approval levels.

The existing credit delegation system defines the number of decision levels as follows:

- An initial 'local' level within each subsidiary
- A 'hub' level – BOA Group and International Banking
- A 'head office' level within BANK OF AFRICA.

Powers may be sub-delegated to the local level within the entity on the basis of the organisational structure, business volumes, products and risks.

The contents of a credit application dossier

Any application to set up a credit line must meet the product's eligibility criteria in accordance with each credit product's profile factsheet. Any credit decision is made on the basis of a standard credit application dossier, the format of which is defined in conjunction with the relevant Commercial and Risk functions and in coordination with Group Risks.

A credit application dossier is prepared for each counterparty or transaction to which the entity wishes to make a commitment or to which the entity has already made a commitment in the case of an annual review or a renewal on the basis of the documents provided by the customer as specified in the product checklists.

The documents checklist to be provided by the customer and the analysis framework are standard at Group level and are governed by the type of credit in question. The contents of a credit application dossier must provide decision-makers with the necessary qualitative and quantitative information and analysis to enable them to make an informed credit decision.

The Commercial function responsible for preparing the credit application dossier is also responsible for its contents.

The credit application dossier remains the sole reference document required to take a credit decision. It must therefore be properly signed and stamped to be valid at the requisite level of the responsibility chain.

SYSTEM FOR CONTROLLING AND MONITORING CREDIT RISK

The system for monitoring and steering credit risk provides second level control. It operates independently of monitoring carried out by the Commercial function on a daily basis.

The way in which this system is applied may be adapted to the specific character of each subsidiary in concertation with Group Risk General Management.

The checks carried out by the various entities reporting to Group Risk General Management are primarily aimed at ensuring that the advanced alert system is efficient both in terms of risk management and the Commercial function being able to anticipate potential risks so that the Bank's loan portfolio is managed appropriately. The Group Risks Division, through the Loan Commitments Permanent Monitoring Division, also ensures that the Commercial function is properly monitored and alerted to any conspicuous shortcomings.

The main operational responsibilities of the Group Risks Division, as part of its remit for monitoring and steering credit risks, are to:

- Ensure a *priori checks*
- Ensure a *posteriori* checks
- Identify and monitor the portfolio of loan commitments in accordance with a number of analytical criteria such as product type, maturity, beneficiary, business sector, branch, geographical zone etc.
- Set and monitor concentration limits
- Detect high-risk accounts and ensure that they are monitored
- Classify the non-performing loan portfolio according to regulatory criteria and recognise the appropriate provisions
- Conduct stress tests
- Produce and file regulatory reports and ensure internal steering.

A priori checks

A priori checks include all compliance checks carried out prior to a credit line's initial authorisation and use. These checks are carried out in addition to automated checks as well as checks carried out by the Commercial Division, Back-office and Legal Department etc.

These checks, which are implemented by entities reporting to Group Risk General Management, primarily relate to:

- Credit proposal data
- Compliance with the appropriate delegation level
- Legal documentation compliance
- Conditions and reservations expressed before initial use of funds or the facility
- Data entered into IT systems.

A posteriori checks

Like *a priori* checks, *a posteriori* checks are also carried out by Group Risk General Management.

The aim of these checks is to evaluate, mitigate and monitor credit risks for the portfolio as a whole rather than on an individual counterparty basis. Special attention is therefore paid to credit quality, to pre-empting and preventing abnormalities and risks as well as ensuring that the Commercial function is involved in controlling and monitoring risks.

Steering the loan commitments portfolio

The loan commitments portfolio of the Group and its entities is steered using a number of indicators of risk resulting when credit approval is given as well as those arising during the life of the loan.

Multi-criteria analysis of the loan portfolio is a way of controlling risks retrospectively. This consists of identifying and tracking all loan commitments of the Group and its entities based on a number of criteria such as products, maturities, customers, business groups, customer segments, counterparty ratings, asset categories (healthy and non-performing), business sectors, agencies, geographical areas, types of security etc. Multi-criteria analysis is a credit risk management tool.

The Credit Risks function is responsible for carrying out multi-criteria analysis of the loan portfolio. It is also responsible for reporting on credit risks, both within the Group to the Risk Committees and to senior management, and externally, to regulators.

System for detecting risks and anomalies

High-risk accounts and those showing anomalies represent a risk that is likely to subsequently increase and therefore generate a cost for the Bank. These consist of customer loan commitments that are still healthy, but which reveal:

- Either a visible deterioration in risk quality as measured against quantitative criteria (Doubtful - in arrears, Sub-standard, frozen (lack of any ledger entry and overdrawn), persistent overruns, etc.)

The main examples of this type include:

- Debit balances on demand accounts for which no actual credit entry has been recorded, covering at least the overdraft fees charged to these accounts as well as a significant part of the said debit balances
- Outstanding amortised loans that have not been settled within 30 days of their maturity date
- Outstanding loans that are repayable in a single repayment and that have not been honoured within 30 days of their maturity date
- Trade receivables discounted by the Bank and returned unpaid
- Persistent overruns, beyond one month, by comparison with the authorisations granted. So as to avoid incurring any operational risks, however, the entities will monitor, on a weekly basis, the authorised overruns of a certain level (at each local entity's discretion).

- Or a potential deterioration in risk quality as measured against qualitative criteria, which is likely to further deteriorate and therefore generate an expense for the Bank. These indicators may include incidents of a legal nature (garnishee orders, attachments, etc.) or account-related incidents (loss of income, overdrawn balances, authorisations or maturing guarantees, etc.) or negative information specific to a counterparty (non-performing loans at a competitor bank, deterioration in either its financial position, its credit quality or collateral), or incidents and disputes relating to the main shareholders (death, receivership or liquidation, etc.) or difficulties encountered in a counterparty's business sector etc.

Furthermore, other risk criteria relating to credit dossiers are rigorously monitored by the Bank's various entities including:

- Loan arrears committees
- Unsecured collateral (beyond expiry of the notary public's commitment period)
- Credit lines that remain unused for more than 6 months
- Funded projects revealing irregularities or difficulties that may impact the ability or likelihood of repayment
- Etc.

These criteria represent the minimal requirements imposed on the Bank as far as detection and monitoring is concerned under BAM Circular 19/G. In fact, the Risk and Commercial functions detect, monitor and submit for analysis and review by the Loan Commitments Monitoring Committee each dossier that they consider sufficiently sensitive for it to be discussed.

As such, the Group Risk Management Department, via Permanent Monitoring of Commitments (PSPE), is the designated reference data source relating to risk criteria detection and has prerogatives relating to analysing and qualifying these data.

RATINGS SYSTEM

BANK OF AFRICA has an internal ratings system covering several customer segments.

RATINGS SYSTEM'S GUIDING PRINCIPLES

One and only one rating

A rating is attributed to each customer. Each customer is treated as a Group third party code. The ratings process is carried out for each Group third party code so that a third party has one and only one rating. BANK OF AFRICA therefore ensures that one and only one rating is assigned to each assessed counterparty.

Integrity

In accordance with regulatory guidelines, ratings attributions and their periodic revisions must be carried out or approved by a party that does not directly benefit from the loan being approved. This concept of integrity when assigning a rating is a key aspect of the credit risk management charter, which seeks to encourage and ensure that the ratings process is truly independent.

Uniqueness

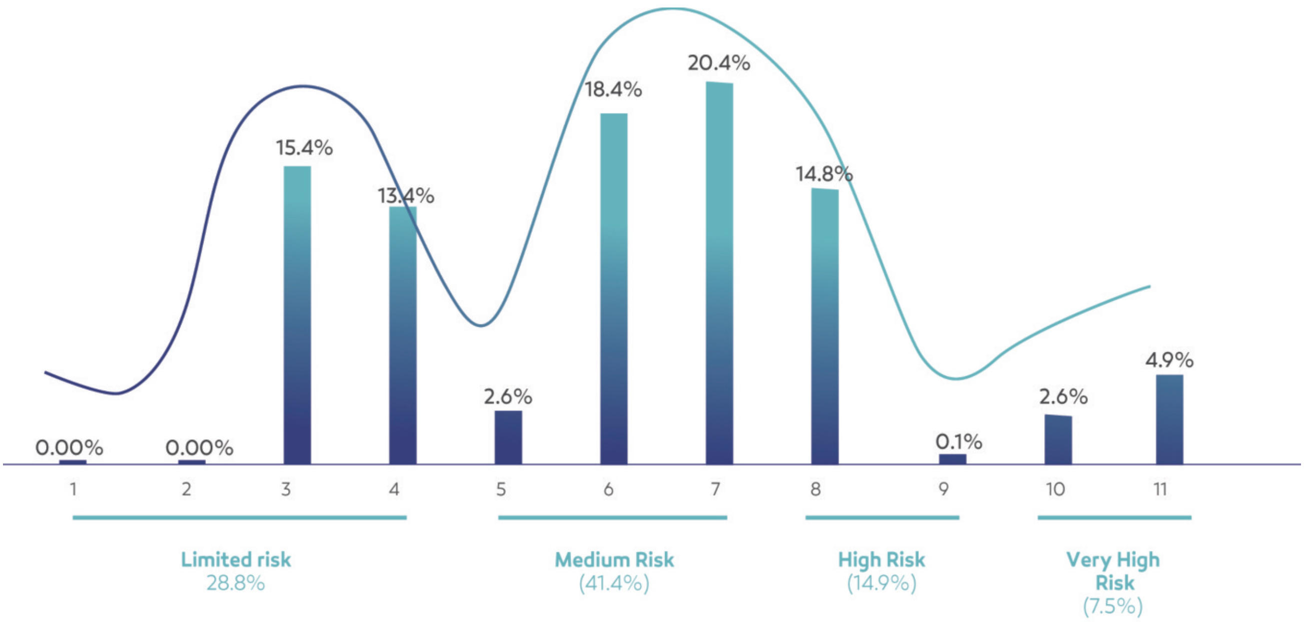
For each of the Bank's third parties, a specific code is assigned to each counterparty type. Each third party is therefore rated using a template corresponding to a benchmark counterparty. As a result, for each third party, which has a particular and therefore unique counterparty type, the appraisal is carried out with the help of a single ratings template, but with characteristic data that are specific to the counterparty in question. BANK OF AFRICA is therefore able to ensure that the rating assigned to each counterparty is unique.Retail.

Ratings scale

Based on the ratings scale adopted by BANK OF AFRICA Group, the final counterparty rating ranges from 1 to 11:

	CATEGORY	CLASS	DEFINITION
Investment grade	Limited Risk	1	Extremely stable short- and medium-term; very stable long-term; solvent despite serious disruptions;
		2	Very stable short- and medium- term; stable long-term; sufficiently solvent despite persistently negative events;
		3	Solvent short- and medium-term despite significant difficulties; moderately negative developments can be withstood long-term;
		4	Very stable short-term; no expected change to threaten the loan in the coming year; sufficiently solid medium-term to be able to survive; long-term outlook still uncertain;
	Medium Risk	5	Stable short-term; no expected change to threaten the loan in the coming year; can only ll negative developments medium-term;
		6	Ability limited to withstand unexpected negative developments;
		7	Ability very limited to withstand unexpected negative developments;
Sub-investment grade	High Risk	8	Ability limited to repay interest and principal on time; any change in internal and external commercial conditions will make it difficult to fulfil obligations;
		9	Incapable of repaying interest and principal on time; fulfilling obligations dependent on favourable internal and external commercial and economic conditions;
	Very High risk	10	Very high risk of default; incapable of repaying interest and principal on time; partial default in repayment of interest and capital;
		11	Total default in repayment of interest and capital.

Breakdown of loan commitments by risk category at 31 December 2020



Retail customer scoring system

The retail customer scoring system consists of statistically modelling defaulting retail customers and their risk behaviour.

Two types of score have been introduced, a behavioural score and a credit approval score.

The behavioural score, for accounts already opened, is a dynamic risk assessment based on a customer's behaviour. Only customers that are known to the Bank may be assigned a behavioural score.

Each of the Bank's customers is assigned a rating from A to K which is updated on a monthly basis and on a daily basis in the event of any incident.

Classe	Description
A	Very low risk
A-	
B	Low risk
B-	
C	Average risk
C-	
D	Average- high risk
D-	
E	
E-	High risk
F	
F-	Very high risk
G	Major risk
G-	
H	Proven risk
H-	
I	Sub-standard
J	Doubtful
K	Impaired

Four separate behavioural scoring models have been introduced for specific market segments: personal banking customers, professional banking customers, Moroccans living abroad and small businesses.

Breakdown of Personal/Professional Banking customer portfolio by score at 31 decembre 2020

The credit approval score is a one-off rating that is assigned on opening a line of credit. New and existing customers are assigned a credit approval score.

A decision support system has been introduced for approving consumer loans.

Guarantees

The Group receives various types of guarantee as loan collateral. As a general rule, collateral requirements are governed by two factors: the type of credit requested and the counterparty quality.

The Group systematically mortgages all property which it has financed (housing loans and loans for real estate development) and also requests that customers take out insurance cover.

Similarly, funding for public procurement, merchandise, capital equipment and business premises are systematically guaranteed by pledges on the items funded and insurance cover is also required.

In addition to these guarantees, the Group generally bolsters its stance by requesting personal guarantees from counterparties when deemed necessary, depending on the quality of the latter.

Concentration limits

Credit risk management is based on a system in which a risk opinion and formal risk limits are attributed to strategic initiatives at the business line level, such as in the event of a new business or product launch. For BANK OF AFRICA Group, the risk of credit risk concentration may result from exposure to:

- Individual counterparties
- Interest groups
- Counterparties from the same business sector.

Individual counterparties

The Group monitors individual concentrations at the parent and consolidated levels on a monthly basis. It closely monitors the commitments to its largest 10, 20 and 100 largest customers by commitment.

The following table shows commitments to the Bank's main debtors at the end of December 2020:

	31 December 2020	
	Amount disbursed	% of total
Commitments to 10 largest customers	16 644	14%
Commitments to 20 largest customers	23 429	20%
Commitments to 100 largest customers	42 667	37%

Interest groups

Portfolio diversification by counterparty is monitored on a regular basis, particularly within the framework of the Group's individual concentration policies. Credit risk exposure to counterparties or groups of counterparties with relatively sizeable loans, amounting to more than 5% of the Bank's capital, are specifically monitored, both on an individual and consolidated basis.

Furthermore, controlling major risks also ensures that the aggregate risk incurred for each beneficiary does not exceed 20% of the Group's net consolidated capital, as required by Moroccan banking industry regulations. BANK OF AFRICA Group ensures that it complies with the concentration thresholds stipulated in the Bank Al-Maghrib directive.

Counterparties from the same business sector

The chosen methodology for setting sector limits is based on a statistical model which includes historical default rates and the number of counterparties by business sector and by risk category – rating.

The objective is to model the probability of default by using appropriate econometric techniques and a dependent random variable whose value is derived from the number of default occurrences.

This procedure is based on the assumption that counterparties are independent and that the defaulting events are not correlated. The key concept underlying this methodology is the probability of default for a given counterparty. This probability is measured by using the rate of default of the business sector-risk category pair.

The model also enables the Bank to identify priority sectors for credit expansion in the context of the Bank's development plan as well as bad loan experience by sector. This approach, adopted by the Group Risks Division, is complemented by back-testing the model every six months.

Sector-specific limits are reviewed every six months in consultation with commercial units and the Bank's Economic Intelligence Centre which provide operational experience as well as estimates of macroeconomic and industry growth. The opinions of these entities help to challenge and provide further confirmation of the model's suitability in a given economic context.

Breakdown of the Group's loan commitments to customers by business sector at 31 December 2020:

Business sector	Weighting at 31 December 2020
Financial activities	10.95%
Real estate development	8.06%
Retail, auto repairs and domestic items	7.06%
Production and distribution of electricity, gas and water	3.98%
Transportation	3.68%
Mining industries	3.40%
Agribusiness and tobacco industry	2.86%
Hotels and restaurants	2.60%
Construction and public works	2.39%
Metallurgical, mechanical, electrical and electronic industries	2.30%
Miscellaneous manufacturing industries	1.61%
Communication	1.56%
Textile, clothing and leather industries	1.45%
Chemical and specialty chemical industries	0.88%
Agriculture, hunting and forestry	0.32%
Fisheries, Aquaculture	0.03%
Public sector administration	0.02%
Others	8.71%
Retail customers	38.15%

Conducting stress-tests

Every six months, BANK OF AFRICA Group conducts crisis simulations (stress tests) to assess the vulnerability of its credit portfolio in the event of an adverse event or deterioration of the quality of its counterparties.

The stress tests are conducted in order to assess the Bank's resilience in the face of unexpected, extreme events. Operationally, they consist of simulating scenarios relating to the default of a certain percentage of the Group's counterparties. The ultimate objective is to measure the impact on provisions and, as a result, on profitability and prudential capital.

The various scenarios are reviewed regularly and at least twice per year to ensure that they are relevant. This assessment is carried out on the basis of the objectives set for conducting stress tests and whenever the market conditions suggest any potentially adverse changes that are likely to seriously impact the Group's ability to withstand them.

The results of the stress tests are made known to the Group Steering and Risk Management Committee and the Group Risks Committee.

Exposure to counterparty risk based on methods applied to off-balance sheet items

CREDIT RISK-WEIGHTED ASSETS	31/12/2020
Type of Exposure	**Risk-Weighted Assets post-CRM**
Balance-sheet items	168 378 863
Off balance sheet items: financing commitments	4 953 930
Off balance sheet items: guarantee commitments	10 010 747
Counterparty Risk: temporary disposals of securities relating to the bank portfolio	-
Counterparty Risk: temporary disposals of securities relating to the trading portfolio	281 062
Counterparty Risk: derivative products relating to the bank portfolio	-
Counterparty Risk: derivative products relating to the trading portfolio	384 286
Other assets / Other items	29 348 776
Settlement Risk	610 302
Total	**213 967 966**

MARKET RISK

Management of market risk at BANK OF AFRICA Group adheres to regulatory standards as defined by supervisory authorities in application of best international management practices as defined by the Basel Accords.

Market transactional risk is defined as the risk of incurring losses on balance sheet and off-balance sheet positions as a result of fluctuations in market prices. For BANK OF AFRICA Group, this type of risk encompasses:

- Interest rate risk
- Foreign currency risk
- Equity risk
- Credit risk for market transactions.

Financial instruments mapping

The following table shows products traded as part of BANK OF AFRICA Group's trading portfolio, mapped by risk factor:

Foreign Exchange Instruments	Cash instruments
	FX spot
	FX forwards
	FX derivatives
	FX swaps
Equity Instruments	Equities
	Equity/index derivatives
	Equity mutual funds
Fixed income Instruments	I- Corporate and interbank loans/borrowings
	• Fixed rate (MAD and foreign currencies)
	• Floating rate (MAD and foreign currencies)
	II- Negotiable debt securities and other debt securities
	II-1 Sovereign securities
	• Fixed rate (MAD)
	• Floating rate (MAD and foreign currencies)
	II-2 Securities issued by credit institutions and companies
	• Fixed rate (MAD)
	• Floating rate (MAD and foreign currencies)
	III- Stock lending/borrowing
	• Stock lending/borrowing
	• Repos/Reverse repos
	IV- Interest rate derivatives
	• Interest rate swaps
	• Swap futures
	• Forward Rate Agreement
	V- Fixed income mutual funds
	• Money market mutual funds
	• Bond mutual funds
Commodity Products	Commodity futures
	Commodity futures options
	Credit Default Swap (CDS)
	Credit Linked Note (CLN)

Governance

The main contributors to BANK OF AFRICA Group's market risk management policy are as follows:

- General Management, which implements market risk management strategies and policies approved by the Board of Directors
- The Group Risks Committee, which defines the Group's market risk management policy and approves any change in steering risks in market operations implemented by any of the Group's entities
- The Group Market Risks Committee, which ensures that the system for monitoring BANK OF AFRICA Group's market risks is effective and consistent with the policy for managing the Group's market risks
- The Group Market Risks unit which, as a separate department from the Group's front-office, centralises management of BANK OF AFRICA Group's market risk; this gives it maximum objectivity in steering market risks and in arbitrating between different market activities
- The Risk management units of BANK OF AFRICA Group entities which ensure first level control of market activities within their own entities and report back to Group Risk Management
- Internal Audit, which ensures implementation of the market risk management policy and rigorous compliance with procedures.

Market risk management system

BANK OF AFRICA Group's market risk management system is structured around three main aspects:

- Limits
- Risk indicators
- Capital requirements.

Limits

Counterparty limits on market transactions

The approval process for counterparty limits and applications to overrun those limits in market transactions is governed within BANK OF AFRICA Group via a system of delegation of powers within a framework of procedures specific to each counterparty type.

Limits are set beforehand for market transactions in accordance with a scheme of delegation based on the troika principle.

Market limits

In order to control market risk within BANK OF AFRICA Group and to diversify the trading portfolio, a set of market limits has been jointly adopted. These limits reflect the Group's risk profile and help it steer market risk effectively by arbitrating between the various market activities. BANK OF AFRICA Group's set of market limits comprises the following:

- Stop-loss limits
- Position limits
- VaR limits
- Trading limits.

Market limits are determined using VaR. The system for managing limits is dynamic and takes into account fluctuations in various risk factors as well as existing correlations so as to best appraise the extent to which the trading portfolio is diversified.

Regulatory limits

In addition to limits adopted for internal purposes, BANK OF AFRICA Group also complies with regulatory limits defined by Bank Al-Maghrib including:

- Limits on foreign currency positions which should not exceed 10% of shareholders' equity
- Limits on the overall foreign exchange position which should not exceed 20% of shareholders' equity.

Risk indicators

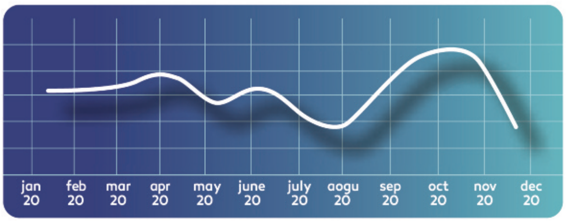
A variety of risk indicators, reflecting the level of exposure to market risk, are used by BANK OF AFRICA Group:

Overall value-at-Risk (VaR) and by asset class

Value-at-Risk is a technique used to quantify overall market risk. It helps to quantify the risk incurred by calculating the potential loss over a given time horizon and the degree of probability.

Unlike traditional risk indicators, Value-at-Risk combines several risk factors and measures their interaction, thereby taking into consideration portfolio diversification.

BANK OF AFRICA Group calculates overall Value-at-Risk by asset class on a daily basis as well as carrying out back-testing.



• Stressed VaR

The Group has used different scenarios for calculating stressed VaR.

The Group has selected a number of events that have generated a high level of volatility in financial markets.

Examples of such events include:

- The bankruptcy of Lehman Brothers, which was unable to withstand the sub-prime crisis
- The USD 1,000 billion widening in the US budget deficit to support financial markets
- The Greek crisis and the threat of contagion spreading to the 'PIIGS' countries.

The reaction, however, by Morocco's financial markets to these events was limited. A number of scenarios were therefore applied to simulate global market conditions:

- Price action in the Casablanca stock market identical to that of the United States
- Price action in the dirham exchange rate identical to that of USD
- The knock-on effect of EURUSD volatility on EURMAD and USDMAD
- The knock-on effect of EURUSD volatility on EURMAD volatility and USDMAD volatility.

- **Stress-testing by risk factor**

BANK OF AFRICA Group conducts stress tests in order to evaluate the vulnerability of the Group's trading portfolio under extreme scenarios. Stress tests encompass every component of the trading portfolio by simulating all risk factors that might impact it. The results of stress tests in terms of the impact from interest rate risk and foreign exchange risk on the trading portfolio are outlined below.

Fixed income portfolio

1st scenario: A 25 basis point parallel shift in the yield curve.

This scenario would result in a MAD 23 million impact on the P&L.

2nd scenario: A 50 basis point parallel shift in the yield curve.

This scenario would result in a MAD 47 million impact on the P&L.

Equity portfolio

1st scenario: A 15% fall in the value of the equity portfolio.

This scenario would result in a MAD 4 million impact on the P&L.

2nd scenario: A 25% fall in the value of the equity portfolio.

This scenario would result in a MAD 7 million impact on the P&L.

Foreign exchange

1st scenario: A 2.5% rise or fall in the value of the dirham.

This scenario would result in a MAD 37 million impact on the P&L.

2nd scenario: A 5% rise or fall in the value of the dirham.

This scenario would result in a MAD 74 million impact on the P&L.

The results of the stress tests show that the Group has sufficient capital to withstand adverse stress scenarios and is able to comply with regulatory standards, even in crisis situations.

CAPITAL USE

BANK OF AFRICA Group uses Risk Authority software to calculate capital requirements under the standardised approach for market risks. This enables it to meet regulatory requirements in terms of reporting and monitor capital requirements regarding the Group's trading portfolio.

Consolidated capital requirements in respect of market risk at 31 December 2020 were as follows:

CAPITAL REQUIREMENTS BY TYPE	CAPITAL REQUIRED
Capital required in respect of fixed income risk	614 334
Capital required in respect of equity risk	113 274
Capital required in respect of foreign exchange risk	12 003
Total capital required in respect of market risk	**739 611**
Total market risk-weighted assets	**9 245 142**

METHOD FOR VALUING TRADING PORTFOLIO ITEMS

Dirham-denominated fixed income and money market instruments

Market values of fixed income and money market assets are calculated on Kondor+ using the dirham yield curve published by Bank Al-Maghrib and each transaction's characteristics.

Money Market and fixed income mutual funds

Mutual funds are valued on the basis of net asset value calculated on a daily or weekly basis.

Foreign currency-denominated fixed income products

Foreign currency-denominated fixed income products are valued on Kondor+ on the basis of the yield curves for the foreign currencies in question and each transaction's characteristics.

Foreign exchange options

Foreign exchange options are valued on the following basis: volatility curve, yield curves (EUR, MAD and USD) and foreign exchange crosses for the three currencies.

The foreign exchange options position is included in the overall foreign exchange position using the delta equivalent method.

Overall foreign exchange position

Branch-based foreign exchange transactions are executed at BANK OF AFRICA's fixing rate (non-negotiable rate).

A final statement of orders awaiting execution is transmitted to the Foreign Exchange Desk on day «N» which deals with it immediately. On «N+1» in the morning, the Middle Office receives a statement highlighting possible amendments to Network positions and updates on Kondor+.

Positive Fair Value of Contracts (guarantees)

Guarantees relating to market risks concern "repo" agreements. The latter are securities sold under repurchase agreements in order to raise funds.

COUNTRY RISK

In a constantly changing world and within the constraints of the Group's overseas growth strategy and regulatory requirements, the country risk management system will enable BANK OF AFRICA Group to identify, measure and control its cross-border risks.

The country risk management methodology in place is based on the following points:

Country risk management policy

The country risk management policy aims to define a framework for overseeing all overseas business activities that generate risks for the Bank.

It establishes management standards and rules in order to harmonise regulatory requirements and in-company governance.

Country risk reporting

Monthly reporting by overseas subsidiaries and the parent company enables the Group Risk Management Department to assess each country's potential risk factors and helps to establish risk-mitigation strategies.

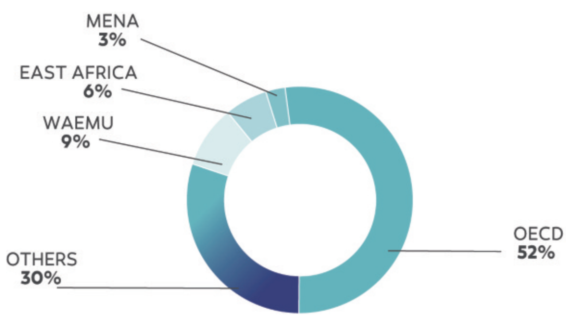
Identifying cross-border risks

BANK OF AFRICA Group is exposed to international risks through the various types of commitment entered into by the Bank with respect to a non-resident counterparty in dirhams or in foreign currencies.

These include:

- Loans to non-residents
- Trade Finance operations
- Foreign assets
- Market operations.

Breakdown of BOA Group SA's risk exposure by geographic zone at 31/12/2020



Consolidation

Country risk commitments are identified in such a way as to establish a position for the parent company, for each subsidiary and the Group as a whole, offering an overview of the Group's overall exposure to cross-border risks.

Alerts system adopted

This system consists of monitoring regulatory, economic and financial factors by tracking all the prominent events occurring during the week. These items are disseminated to all interested parties in a Monthly Report.

An additional module monitors country risk trends and consists of specific research and in-company requests.

Ratings system

BANK OF AFRICA Group bases its country risk assessments on the ratings of external rating agencies such as Coface, S&P and Moody's.

Setting limits

When establishing country limits for loan commitments, BANK OF AFRICA Group takes into consideration:

- Each issuer's risk profile
- Quantitative and qualitative indicators
- A track record of consolidated exposures
- The extent to which the bank is capitalised.

These limits are constantly monitored and requests for overruns are assessed based on the levels of decision-making powers in force.

Stress tests

Stress tests are conducted on a regular basis to ensure that the Bank is able to withstand scenarios of extreme deterioration in country risk and to quantify the impact on the Bank's balance sheet and profitability.

Provisioning

A provision is recognised for country risk whenever the latter materialises, in the event of debt rescheduling, a political crisis or any other factor which may negatively impact the Bank's profitability.

An annual review is systematically carried out to reassess the country supposedly in default, which may potentially require the Group to recognise a provision.

OPERATIONAL RISK

Operational risk is defined as the risk of loss due to inadequate or failing internal procedures, employee error, systems failure or external events, which are liable to impact the smooth running of the business.

Aim of managing operational risk

Operational risk management policy has three aims:

- Identify, analyse and evaluate operational risks
- Evaluate internal checks
- Monitor operational risks via alert indicators.

Operational risk is managed by adopting preventive and/or corrective action for the major risks identified.

The risk management system is regularly reviewed and monitored to ensure its ongoing improvement.

Classification

Operational risks or losses may be analysed, classified and ranked on the basis of the following factors: cause, effect (financial impact or otherwise), score, qualification, level of control and event type under Basel.

Links to other risk types (market risk/credit risk)

The management of operational risks is potentially linked to managing other risks (market risk/credit risk) at two levels:

- At a general level, analysis of the Bank's overall level of risk aversion (in terms of allocation of capital) must be carried out and "trans-risks" monitored
- At a specific level, a number of operational risks may be the cause of market risk or credit risk.

Operational risk management organisation

The framework governing operational risk management within BANK OF AFRICA Group is based on three main objectives:

- Define a target policy consistent with BANK OF AFRICA Group's business organisation, inspired by best practice
- Involve and empower business lines and subsidiaries in the day-to-day management of operational risk management
- Ensure that the audit-control and the operational risk management functions are kept separate.

Operational risk management at BANK OF AFRICA Group involves four major entities:

- The Group Operational Risk division at BANK OF AFRICA's head office
- BANK OF AFRICA's branch network
- BANK OF AFRICA's business divisions
- Subsidiaries.

Operational risks coordinators have been appointed by the aforementioned entities. These include:

- Operational Risk Correspondents (CRO)
- Operational Risk Coordinators (CORO)
- Operational Risk Liaison Officers (RRO).

The operational risk management's remit also extends to the Group's subsidiaries.

Governance of operational risk management

Governance of operational risks within BANK OF AFRICA Group is carried out by three operational risk Committees:

- Group Operational Risk Committee, an offshoot of the Group Risk Steering and Management Committee, the results of whose work are presented to the Group Risks Committee, which reports directly to the Board of Directors

- Operational Risk Monitoring Committee
- Operational Risk (Subsidiaries) Committee.

These committees are tasked with periodically:

- Reviewing changes in operational risk exposure and the environment for controlling such risks
- Identifying the main areas of risk in terms of activities and risk types
- Reviewing the state of progress of the preventive and corrective action plans drawn up with a view to dealing with and mitigating the major operational risks
- Reviewing the amount of capital to be allocated to operational risks, the cost of preventive action required and the cost of insurance.

Fundamental methodology principles

BANK OF AFRICA Group's operational risk management policy is underpinned by two strategic priorities:

- Reduce exposure to operational risks
- Optimise capital requirements relating to hedging operational risks.

The internal system for measuring operational risks is closely linked to the Group's day-to-day risk management process via:

- Risk events collection
- Mapping operational risks
- Key risk indicators.

The data produced form an integral part of these processes of monitoring and controlling the operational risk profile.

The senior management of the entity in question, General Management and the Board of Directors are regularly notified of operational risk exposure and any losses incurred. The management system is properly documented, ensuring compliance with a formalised set of checks and internal procedures and corrective measures in the event of non-compliance.

Internal and/or external auditors are invited to periodically review management processes and systems for measuring operational risk. These audits relate to units' activities and the independent operational risk management function.

Operational risk management at BANK OF AFRICA Group has been entirely automated by means of specialised MEGA HOPEX software. This software is now used to collect risk events and map operational risks and key risk indicators.

Operational risk control and mitigation

Several types of attitude may be envisaged to manage operational risks:

- Reinforce checks
- Hedge risks, especially via insurance contracts
- Avoid risks, in particular, by redeploying activities
- Draw up business continuity plans
- Closely monitor to ensure that risk limits or assigned thresholds are complied with.

BANK OF AFRICA Group has a very strong control policy, resulting in a significant reduction in operational risks. However, in terms of operational risk management, over and above its risk control policy, the Group is at liberty to find the best possible solution on a case by case basis, depending on the different types of risks described above.

Additionally, the Group has insurance policies to mitigate risks such as damage to office buildings, fraud, theft of valuable items and third-party liability cover etc.

Business Continuity Plan

The Business Continuity Plan is a response to the rising demand to minimise the impact in the event of any interruption to the Bank's operations. This is due to a growing reliance on the resources underpinning those operations, including human, IT or logistical resources.

The Plan comprises a set of measures and procedures aimed at ensuring that the Bank, under different crisis scenarios such as a major shock, is able to maintain essential services in fail-soft mode on a temporary basis, prior to the planned resumption of normal operations.

A targeted rescue organisation has been set up, along with alternative locations and backup systems. A specific project is underway at Group level, with disaster avoidance planning a priority.

The strategic transversal principles underpinning the Business Continuity Plan are as follows:

- BANK OF AFRICA has a moral responsibility to allow its customers access to the funds that they have entrusted to it. Any breach of this obligation in times of crisis may have an impact on public order.

This principle shall prevail above any other.

- BANK OF AFRICA must guarantee its commitments towards Morocco's interbank clearing system
- BANK OF AFRICA intends, as a priority, to comply with every one of the existing legal and contractual commitments entered into (relating to loans and other commitments) before it enters into any other commitment
- BANK OF AFRICA intends to maintain its international credibility by guaranteeing, as a priority, its commitments vis-à-vis foreign correspondents
- BANK OF AFRICA Group's existing customers take priority over all others that might benefit from its services
- Services are provided along the entire chain from front-office to back-office e.g. from branch level up until recognition in accounting terms.

ICAAP SYSEM

The Internal Capital Adequacy Assessment Process (ICAAP) is a process for assessing internal capital adequacy. Its purpose is to ensure that the Bank, on a continuous basis, has adequate internal capital in relation to its risk profile.

There are 3 main aspects to ICAAP:

- Determining and steering BANK OF AFRICA SA's risk appetite
- Identifying and steering risks

- As well as establishing a capital buffer aimed at mitigating Pillar 2 risks (interest rate risk, liquidity risk, concentration risk, compliance risk etc.)

The Internal Capital Adequacy Assessment Process (ICAAP) enables the Bank to define a capital structure, dynamic projections of solvency ratios and additional capital requirements.

To complement this process, the Bank carries out simulations and stress tests based on various criteria to assess the impact of risk factors on its resilience in terms of capital.

The introduction of a risk appetite framework has been achieved by incorporating two frames of reference:

- A risk appetite framework which defines the governance and organisational scheme and the process for defining and presenting the Bank's risk appetite
- A risk appetite statement which, consistent with the Group's development strategy, defines the risk appetite aspects which reflect the Bank's risk profile.

These aspects have been broken down into quantitative indicators with related thresholds.

The Risk Department ensures that the risk appetite system is properly aligned to the capital allocation process and limits system.

As far as the Group's main risks are concerned, the Group's risk appetite is governed by limits and alert thresholds. These indicators ensure that the Group is well-positioned to meet its target values and reach its goals in terms of profitability.

INTERNAL CRISIS RECOVERY PLAN (PRCI)

In response to new measures introduced under Bank Al Maghrib's Circular 4/W/2017 relating to the introduction of an Internal Crisis Recovery (PRCI), BANK OF AFRICA has taken the necessary steps to comply with this regulation.

The purpose of this prevention system is to assess BANK OF AFRICA Group's resilience, as a systemic institution, in the event of an extreme crisis and to identify the key drivers to restore its viability in terms of solvency, liquidity, asset quality and profitability. The various risks to which the group is exposed are also covered by this PRCI. These include credit risk, market risk, country risk, balance sheet risk, operational risk, cybercrime risk, non-compliance risk and reputational risk.

As a result, a taxonomy of the Group's risks has been developed in conjunction with the ICAAP system, with more robust internal stress tests based on extreme but plausible scenarios covering every category of risk to which the Group is exposed.

The work carried out has enabled the Group to draw up an inventory of which business entities are considered as significant, which operations are fundamental and which functions are critical in the event of a major crisis. Crisis scenarios have been drawn up and simulations and impact calculations carried out. In addition, a simulation of the COVID-19 pandemic has been factored in which assumes a pessimistic and extreme development of the pandemic, similar to the scenarios considered by the IMF.

As a result, for each estimated impact, recovery measures have been defined with objectives established to restore the Bank's financial viability via previously identifiable and quantifiable drivers. As such, the list of recovery measures has been reviewed, detailing the preparatory and prerequisite measures and the operational and financial risks to facilitate implementation of recovery measures as well as prioritising the defined measures.

BANK OF AFRICA Group has adopted a system of early warning indicators with the aim of identifying crises in a timely manner as well as defining a set of indicators for triggering recovery measures. The monitoring of these indicators is carried out as part of the Group's overall risk management and monitoring system.

This plan is updated annually to ensure that it complies with the relevant regulatory requirements. The aim is for it to become a genuine tool within the risk prevention process.

The environment, climate change and social responsibility

Underpinning BANK OF AFRICA Group's management framework relating to its undertakings regarding the environment, climate change and social responsibility is a set of values and an underlying commitment to respecting human rights and the environment. This framework has been adopted by each of the Group's banking and banking-related subsidiaries. It should also be noted that this framework applies to all financial products and services offered by the Bank.

As a result, BANK OF AFRICA Group factors sustainable development considerations and goals into its commercial approach and manages the environmental, climate-related and social risks associated with its commercial commitments.

Risks arising from environmental, climate-related and social (ECS) factors are inherent in any financial transaction. They translate into financial, legal, collateral-related or reputational impacts on the Bank.

The ECS risk identification, measurement and internal analysis systems are now tied in with the day-to-day operational risk management process.

Capital adequacy

BANK OF AFRICA Group has opted for the standardised approach to calculating risk-weighted assets as prescribed by Bank Al-Maghrib circulars, requiring banks to have a Tier 1 capital ratio of 9% and a solvency ratio of 12% at both the parent company and consolidated levels.

These thresholds calculated for BANK OF AFRICA Group comply with Bank Al- Maghrib's regulatory requirements.

COMPOSITION OF SHARE CAPITAL AND CAPITAL ADEQUACY

Main characteristics of items constituting shareholders' equity

At 31 December 2020, BANK OF AFRICA's share capital stood at MAD 2,056,066,480 made up of 205,606,648 ordinary shares, each with a nominal value of 10 dirhams. The shares are fully paid-up. Each ordinary share entitles the holder to one voting right.

At 31 December 2020, fixed maturity subordinated debt stood at almost MAD 6.4 billion.

Measuring capital adequacy

BANK OF AFRICA Group has opted for the standardised approach to calculating risk-weighted assets as prescribed by Bank Al-Maghrib (BAM) circulars.

Since 30 June 2014, capital adequacy ratios have been calculated in accordance with Basel III regulatory standards as defined by BAM.

The method for calculating capital was reviewed in the light of these new regulations and temporary measures have been adopted for a period until 2019.

The circulars governing these declarations are as follows:

- Circular No. 26/G/2006 relating to calculating capital requirements based on the standardised approach for hedging credit institutions' credit, market and operational risks;
- Circular No. 8/G/2010 relating to calculating capital requirements based on internal approaches for hedging credit institutions' credit, market and operational risks;
- Circular No. 14/G/13 relating to capital requirements for credit institutions.

Composition of capital and capital adequacy

Tier 1 capital	**21 274 247**
Items to be included in Tier 1 capital	**25 399 339**
Share Capital	2 056 066
Consolidated reserves, including premiums related to share capital and not included in hidden reserves	19 305 041
Retained earnings	26 741
Net income for the previous period	735 684
Minority interests	3 275 807
Items to be deducted from Tier 1 capital	**4 125 092**
Goodwill	1 032 114
Other adjustments to CET1	1 746 298
Non-current assets	1 310 012
Other deductions	36 668
Additional core capital	**1 000 000**
Perpetual subordinated debt	1 000 000
Tier 2 capital	**8 349 219**
Perpetual subordinated debt	7 337 534
Revaluation differences	785 834
Hidden reserves	225 851
Total	**30 623 466**

Capital Requirements by Risk Type	31 December 2020
Risk-weighted credit risks	213 967 966
Risk-weighted market risks	9 245 142
Risk-weighted operational assets	25 062 473
Total risk-weighted assets	248 275 581
Tier 1 Capital	22 274 247
Tier 1 Capital ratio	9.0%
Total admissible capital	30 623 466
Capital adequacy ratio	12.3%

18-month forward-looking ratios

Parent company	Dec-20	June-21	Dec-21	June-22
Tier 1 capital	13 249	14 129	14 192	14 448
Tier 2 capital	20 393	20 873	21 336	20 992
Weighted assets	134 105	136 631	139 467	141 185
Tier 1 ratio	9.9%	10.3%	10.2%	10.2%
Capital adequacy ratio	15.2%	15.3%	15.3%	14.9%

Consolidated	Dec-20	June-21	Dec-21	June-22
Tier 1 capital	22 274	23 369	24 046	24 339
Tier 2 capital	30 623	31 318	32 395	32 088
Weighted assets	248 276	253 744	259 962	265 165
Tier 1 ratio	9.0%	9.2%	9.2%	9.2%
Capital adequacy ratio	12.3%	12.3%	12.5%	12.1%

RISK MANAGEMENT SYSTEM ROLL OUT AT OVERSEAS SUBSIDIARIES

Throughout 2020, the Group Risk Management Department continued to bolster processes for monitoring and managing credit, market, country and operational risk across BANK OF AFRICA Group.

In 2020, the PAPEO programme continued to be implemented, in line with the Bank's strategic vision. This programme aims to provide impetus and growth not only to the 'Risk' function but also to the Group as a whole.

Credit risk management system

Batch 1: Organisation, scheme of delegation, steering and reporting

The roll-out of the credit risk management system (Batch 1) has now been completed at all subsidiaries.

Batch 2: Stress tests and concentration ratios

The credit risk management system (Batch 2) has been rolled out across all the Group's subsidiaries.

Operational risk management system

- The roll-out of Batches 1 and 2 of the operational risk management system has now been completed at all subsidiaries.
- The roll-out of Batch 2 is now underway at BBI London and BOA West Africa.

MANAGEMENT OF GROUP RISK TRANSVERSAL PROJECTS

In 2020, the Group Risk IT Solutions & Support unit focused on a number of major risk projects in line with BANK OF AFRICA Group's Risk Management Department strategy:

- The latest version of the Group Loan Commitments Database (BEG) was rolled out at BOA, Moroccan and European subsidiaries – 14 were completed and 7 remain in progress
- Enhancements were made to the solution for calculating capital requirements and producing 'Risk Authority' regulatory declarations at BOA WAEMU regional subsidiaries
- A number of projects were initiated relating to the roll-out of software solutions for recovery of sub-standard and non-performing loans, IFRS, internal ratings
- A number of phases of the CDL and BGI projects were completed.

Risk projects portfolio

The Group Risk Management Department's project portfolio consists of around twenty projects grouped together under 3 headings: PAPEO Projects, Regulatory Projects and Transversal Projects.

Group Risk Projects

1. TRANSFORMATION PROJECTS

- IT system introduced for sub-standard and non-performing loans – post-approval
- Software solution acquired for IFRS calculations
- ICAAP implemented
- BEG project – to establish a reference system for third parties
- BGI – loan defaults database
- Ratings solution acquired for large enterprises and SMEs
- Scoring models implemented at GRC level (SMEs and Personal and Professional Banking customers)
- Management matrices and risk indicators automated
- Review and steering of Scheme of Delegation

2. REGULATORY PROJECTS

- Country risk management system automated
- Use of the SAS solution optimised, and its environment extended
- BAM recommendations for Risk Authority
- Stream 2 system optimised for calculating the capital adequacy ratio and risk steering
- Management of business groups
- Early detection of high-risk accounts automated – SFDs produced
- Management of doubtful and contentious loans (new CDL)
- Deterioration in NPL balance
- Operational risk management
- Operational risks mapped – risk scoring standards (BOA subsidiaries and LCB BANK)

3. TRANSVERSAL PROJECTS

- OVO improved
- Processes for managing and monitoring the Bank's loan commitments improved – authorisations
- Credit Committee documentation Q2/Q3 reviewed
- ONDs managed
- IDCE alerts
- CID handling process revamped
- SharePoint risk portal introduced

FINANCIAL
REPORT

BOARD OF DIRECTORS' DRAFT MANAGEMENT REPORT TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders, Ladies and Gentlemen,

We are honoured to invite you to the Annual General Meeting of Shareholders in accordance with the Memorandum and Articles of Association and the amended and completed Act 17-95 relating to limited companies and Articles 29 et seq. of BANK OF AFRICA's Memorandum and Articles of Association to report on BANK OF AFRICA's business activity and results for the period ended 31 December 2020 and its future prospects and to submit, for your approval, the balance sheet and annual financial statements for the said period.

These financial statements are attached to this report.

The statutory notices have been sent to you on a regular basis and all documents and items as required by the applicable regulations have been made available to shareholders within the requisite deadlines.

CONSOLIDATED RESULTS AND BALANCE SHEET INDICATORS

BANK OF AFRICA Group's financial performance

BANK OF AFRICA Group's total assets stood at MAD 331.9 billion at 31 December 2020, an increase of 5% compared to 31 December 2019.

BANK OF AFRICA Group's shareholders' equity attributable to shareholders of the parent company stood at MAD 22.6 billion at 31 December 2020, broadly unchanged on the previous year.

Consolidated outstanding loans rose by 4% from MAD 186.6 billion at 31 December 2019 to MAD 194.2 billion at 31 December 2020. Restated for repurchase agreements, loans and advances to customers grew by 0.9%.

Customer deposits increased by 2% over the same period to MAD 207.1 billion versus MAD 202.8 billion at 31 December 2019.

The scope of consolidation was broadly unchanged compared to the previous year.

As far as the consolidated financial performance was concerned, net banking income rose by a modest 1% year-on-year to MAD 14 billion in 2020.

Net interest income increased by 5% and income from market operations by 3%, offsetting the decline in fee income and net income from other operations.

The Bank made a MAD 1 billion contribution to the COVID-19 Fund, recognised under consolidated general operating expenses. Other operating expenses stood at MAD 7.8 billion, down 3% compared to 31 December 2019.

Gross operating income was MAD 5.2 billion, down 10%. Restated for the donation, gross operating income rose by 7% to MAD 6.2 billion.

The cost of risk was MAD 3.5 billion at 31 December 2020 versus MAD 2.2 billion at 31 December 2019, an increase of 57%.

Net income attributable to shareholders of the parent company came in at MAD 738 million in 2020, down 62%. Excluding the donation, it stood at MAD 1.368 billion, a decrease of 29%.

Net income (Group) amounted to MAD 1.364 billion, down 47% year-on-year. Excluding the donation, it was MAD 1.994 billion, a decrease of 23%.

Contribution by business line to net income attributable to shareholders of the parent company

The following table shows contributions to net income attributable to shareholders of the parent company by business line – in MAD millions -:

CONTRIBUTIONS TO NET INCOME attributable to shareholders of the parent company MAD millions	Dec.20	Excluding COVID-19 donation Dec.19	% weighting	Dec.19	% weighting	Change
MOROCCO	**4**	**634**	**46%**	**1 146**	**60%**	**-44.7%**
BANK OF AFRICA	**-112**	**518**	**38%**	**900**	**7%**	**-42.3%**
SUBSIDIARIES	116	116	8%	246	3%	-53.1%
SPECIALISED FINANCIAL SERVICES	44	44	3%	140	7%	-68.7%
INVESTMENT BANKING & ASSET MANAGEMENT	83	83	6%	113	6%	-27.1%
OTHERS	-11	-11	-1%	-6	0%	na
OVERSEAS OPERATIONS	**734**	**734**	**54%**	**775**	**40%**	**-5.4%**
EUROPE	129	129	9%	137	7%	-5.9%
AFRICA	605	605	44%	638	33%	-5.3%
NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY	**738**	**1 368**	**100%**	**1 922**	**100%**	**-28.8%**

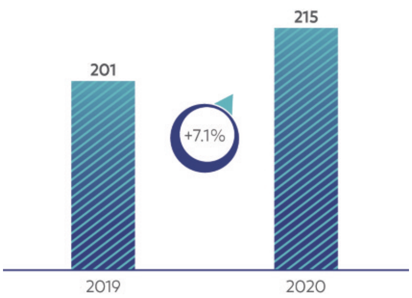
The contribution from Moroccan operations to net income attributable to shareholders of the parent company was impacted by recognition of the MAD 1 billion donation to the COVID-19 Fund. After restatement for this donation, the contribution from Moroccan operations was MAD 634 million, down 45% compared to 31 December 2019.

The contribution from international operations was MAD 734 million, a decline of 5% year-on-year.

RESULTS AND CONTRIBUTIONS FROM BANK OF AFRICA – BMCE GROUP SA'S OPERATIONS

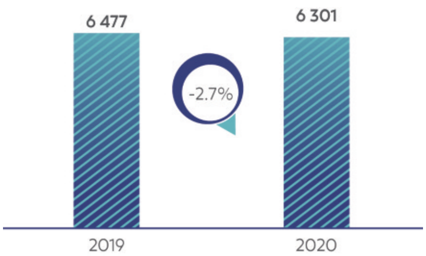
The Bank's total assets stood at MAD 215 billion at 31 December 2020 versus MAD 201 billion at 31 December 2019, up 7.1%.

Total assets (MAD billions)



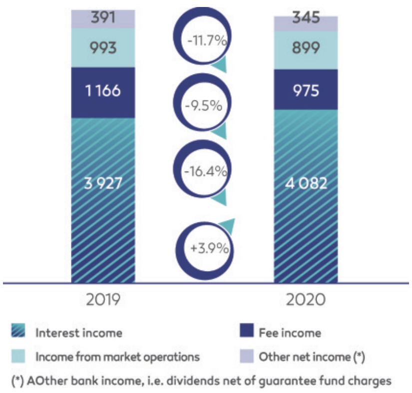
The Bank's net banking income fell by 2.7% to MAD 6,301 million due to a combination of:

Net banking income (MAD millions)



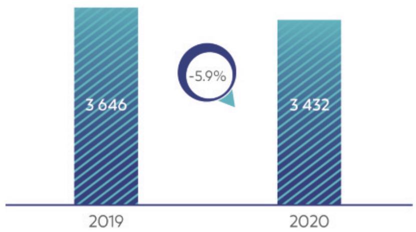
- A fall of almost 16.4% in fee income due to the impact from the COVID-19 pandemic on a number of banking business lines such as foreign currency exchange and bank card activity due to a drop in international business
- A 9.5% decrease in income from market operations
- A decline of almost 5% in dividend income in 2020
- A 3.9% increase in net interest income, driven by growth in commercial activity and the ongoing optimisation of the Bank's cost of funding

Breakdown of net banking income (MAD millions)



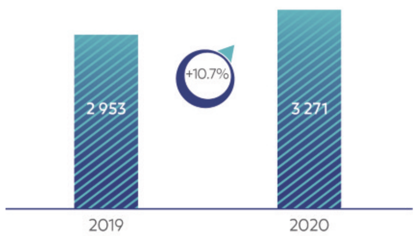
General expenses fell by 5.9% to MAD 3,432 million at 31 December 2020 versus MAD 3,646 million at 31 December 2019, resulting in a cost-to-income ratio of 54.5% at 31 December 2020 versus 56.3% at 31 December 2019 i.e. a 1.8 percentage point improvement.

General operating expenses (MAD millions)



Gross operating income rose by 10.7% to MAD 3,271 million at 31 December 2020, after factoring in a MAD 373 million capital gain resulting from the contribution of operating assets to the REIT in 2020.

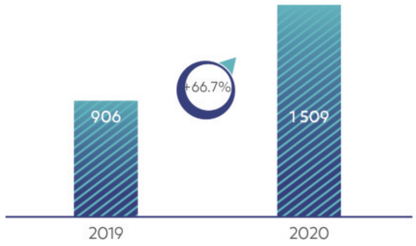
Gross operating income (MAD millions)



The overall cost of risk stood at MAD 1,509 million at 31 December 2020 versus MAD 906 million at 31 December 2019, up 66.7%, after factoring in:

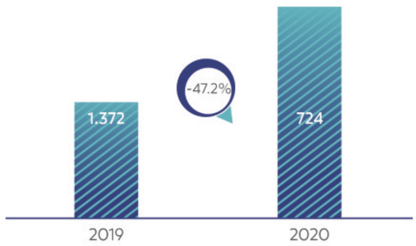
- MAD 1,673 million of loan-loss provisions at 31 December 2020 versus MAD 1,181 million at 31 December 2019, up 41.7%
- MAD 234 million of write-backs versus MAD 303 million last year, down 23%.

Overall cost of risk (MAD millions)



BANK OF AFRICA - BMCE Group SA's net income was MAD 724 million at 31 December 2020 versus MAD 1,372 million at 31 December 2019, down 47.2%, after factoring in a MAD 1,000 million donation to the Special Fund for managing COVID-19.

Parent net income (MAD millions)



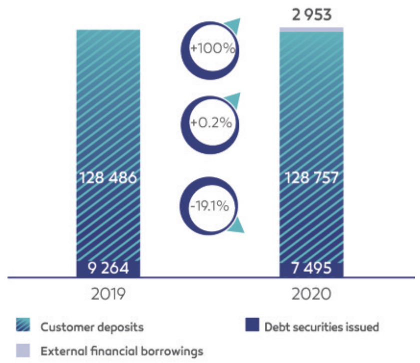
HIGHLIGHTS OF THE BANK'S MOROCCAN OPERATIONS

THE BANK'S FUNDING SOURCES

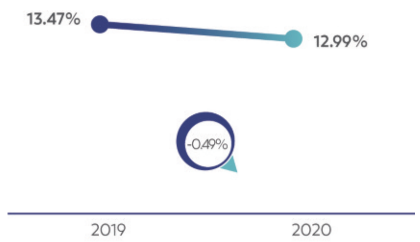
The Bank's funding sources rose by a modest 0.6% year-on-year to MAD 139 billion at 31 December versus MAD 138.8 billion at 31 December 2019. Its share of the funding market declined by 0.49 percentage points to 12.99% at 31 December 2020 versus 13.47% at 31 December 2019.

Customer deposits increased by a modest 0.2% to almost MAD 129 billion at 31 December 2020, resulting in a 0.61 percentage point decline in market share to 13.00% at 31 December 2020 versus 13.62% at 31 December 2019. This decrease was primarily due a steep fall of 30.4% in term deposits. Sight deposits grew by 8.5% with cheque accounts registering a 9.2% increase and current accounts up 6.9%.

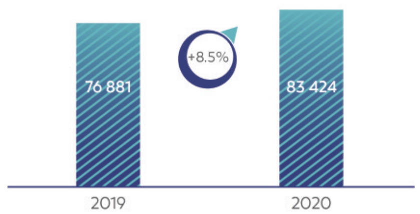
Funding sources (MAD millions)



SHARE OF THE FUNDING MARKET



Sight deposit accounts in credit (MAD millions)



As far as the structure of the Bank's funding sources was concerned, non-interest-bearing deposits accounted for almost 63% of total sources at 31 December 2020 versus 59% at 31 December 2019.

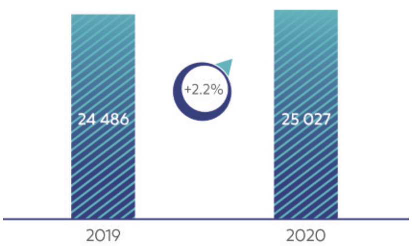
Sight deposit accounts in credit grew by 8.5%, driven by the 9.2% or MAD 5 billion increase in outstanding cheque accounts to MAD 59.2 billion at 31 December 2020. Similarly, current accounts increased by 6.9% to MAD 24 billion.

The Bank's share of sight deposit accounts in credit declined by 0.23 percentage points from 13.06% at 31 December 2019 to 12.83% at 31 December 2020.

Passbook savings account outstandings grew by 2.2% from MAD 24.5 billion at 31 December 2019 to MAD 25 billion at 31 December 2020.

The Bank's share of passbook savings accounts rose by a modest 0.05 percentage points to 14.84% at 31 December 2020 versus 14.79% at 31 December 2019.

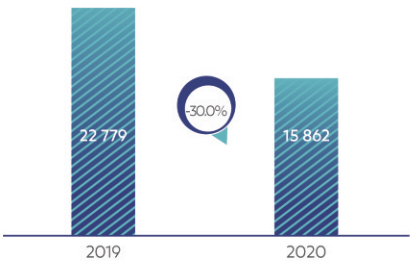
Savings accounts (MAD millions)



Term deposits declined by 30% or MAD 6.9 billion to MAD 15.9 billion at 31 December 2020 versus MAD 22.8 billion at 31 December 2019.

The Bank's share of term deposits fell by 3.09 percentage points to 11.54% at 31 December 2020 versus 14.64% at 31 December 2019.

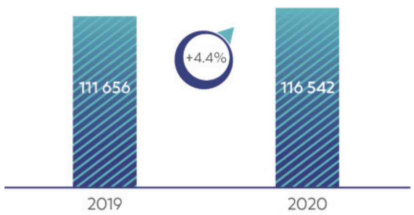
Term deposits (MAD millions)



LOANS AND ADVANCES TO CUSTOMERS

Loans and advances to customer rose by 4.4% to MAD 116 billion at 31 December 2020 versus MAD 112 billion at 31 December 2019.

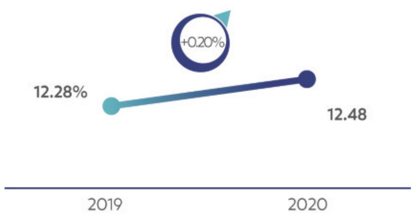
Loans and advances to customers (MAD millions)



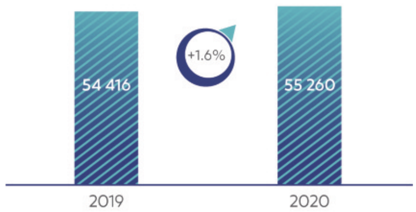
Similarly, the Bank's share of the loan market increased by 0.20 percentage points from 12.28% at 31 December 2019 to 12.48% at 31 December 2020.

Corporate loans registered growth of 1.6% to MAD 55 billion at 31 December 2020, driven primarily by a 13.2% increase in operating loans, including the Caisse Centrale de Garantie-backed *Damane Oxygène* and *Damane Relance* loans relating to the COVID-19 pandemic with MAD 6.5 billion of total outstandings at 31 December 2020.

Share of the loan market



Corporate loans (MAD millions)

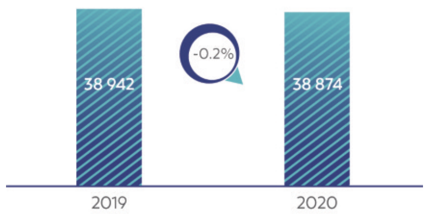


By contrast, equipment loans and FPI mortgages registered declines of 11.7% and 6.4% respectively.

The Bank's share of the corporate loan market contracted by 0.12 percentage points to 11.72% at 31 December 2020 versus 11.85% at 31 December 2019.

Retail loans registered a modest decline of 0.2% to MAD 38.9 billion at 31 December 2020, after factoring in growth of almost 1.5% in retail mortgages and a 6.4% fall in consumer loans.

Retail loans (MAD millions)



The Bank's share of the retail loans market fell by 0.07 percentage points from 14.71% at 31 December 2019 to 14.65% at 31 December 2018.

NET BANKING INCOME

BANK OF AFRICA – BMCE GROUP SA's net banking income stood at MAD 6,301 million at 31 December 2020 versus MAD 6,477 million at 31 December 2019, down 2.7%.

Net interest income rose by 3.9% to MAD 4,082 million at 31 December 2020 versus MAD 3,927 million at 31 December 2019, resulting from 3.6% growth in the Bank's intermediation margin on customer loans, due to a combination of:

i) An increase of almost 1.5% year-on-year in average deposits in 2020, primarily non-interest-bearing deposits which rose by 9% or MAD 6.5 billion, with cheque accounts registering 7.8% growth and current accounts up 11.5%.

At the same time, interest-bearing accounts registered an 8.3% year-on-year or MAD 4.6 billion decline in 2020, with terms deposits falling by 20.3%.

As a result, the Bank's cost of funding improved by 19 basis points to 0.94% at 31 December 2020 versus 1.13% at 31 December 2019.

ii) Average outstanding loans rose by 3.7% year-on-year or MAD 4 billion in 2020. This was primarily due to an 11% increase in operating loans due to the launch of new products, Damane Oxygène and Damane Relance, whose outstandings totalled MAD 2.5 billion.

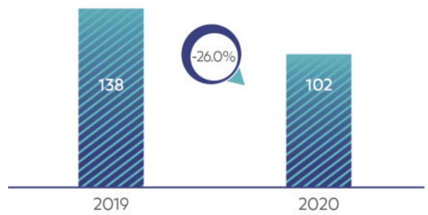
It is worth underlining that the interest rate spread fell by 28 basis points to 4.50% at 31 December 2020, primarily due to the spread on the Damane Oxygène and Damane Relance loans, whose interest rate is 200 basis points over the key lending rate i.e. 3.5%.

FEE INCOME

Fee income fell by almost 16.4% to MAD 975 million at 31 December 2020, primarily due to:

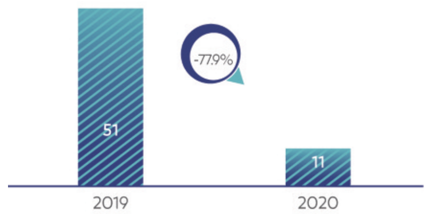
- A 26% decline in 'loan' fees due to a 24% year-on-year fall in account overshoots in 2020, resulting primarily from a 23.2% drop in volume.

Loans (MAD millions)



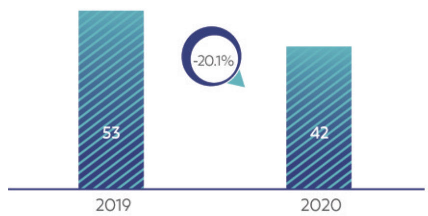
- A 77.9% fall in OTC currency exchange fees due to a volume decrease in 2020 as a result of the COVID-19 pandemic.

OTC currency exchange (MAD millions)



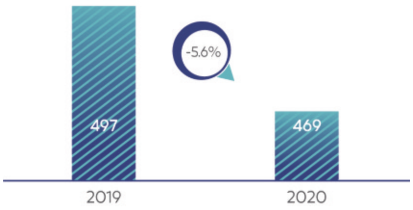
- A 20.1% drop in Bank-Insurance fees, especially on life insurance products, resulting primarily from a slowdown in mortgage and consumer loan disbursements.

Bank-Insurance (MAD millions)



- A 5.6% decline in fees from packages, bank cards and account management, after factoring in:

Fees from account management, bank cards and account management (MAD millions)



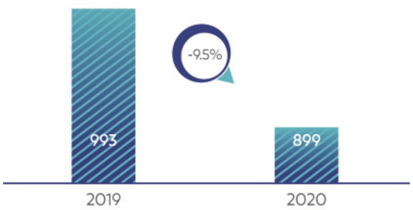
- A 24% decline in bank card fees due to a fall in ATM access fees charged to foreign cardholders on their cash withdrawals in Morocco, a 1.1% volume decrease in card payments at retailers as well as a volume contraction in overseas purchases and withdrawals of 45% and 33% respectively.

- A 3.4% year-on-year increase in fees from packages in 2020 due to the stock of packages growing by almost 5.7% or 36,232 packages.

INCOME FROM MARKET OPERATIONS

Income from market operations declined by almost 9.5% to MAD 899 million at 31 December 2020 versus MAD 993 million at 31 December 2019, a commendable achievement given the exceptional performance in 2019.

Income from market operations (MAD millions)

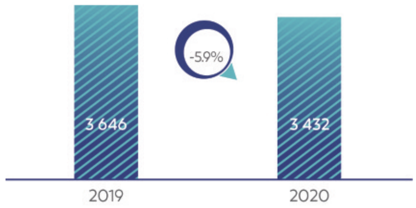


In 2020, the yield on the fixed income portfolio was 2.7% due to a series of interest rates cuts during the year which saw the key interest rate fall from 2.25% to 1.5%. It is worth noting that the mutual fund portfolio's assets were valued at MAD 20 billion in 2020 versus MAD 18.6 billion in 2019.

GENERAL OPERATING EXPENSES

General operating expenses stood at MAD 3,432 million at 31 December, down 5.9% compared to 31 December 2019.

General operating expenses (MAD millions)



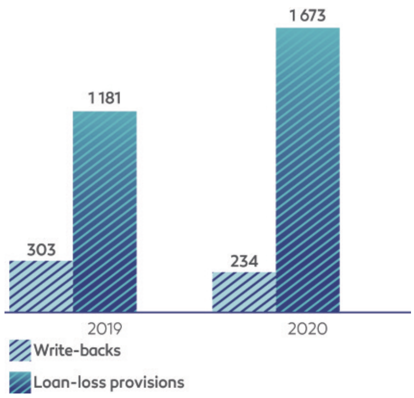
- Employee expenses registered a fall of 4.8% to MAD 1,554 million at 31 December 2020 due to a decrease in staff salaries as a result of the 1.2% contraction in staff numbers in 2020.

- Other operating expenses declined by 6.8% to MAD 1,878 million thanks to ongoing efforts by the Bank to control expenditure as well as the impact from the COVID-19 pandemic on certain categories of expenditure – employee travel and accommodation expenses, postage etc.

COST OF RISK

The overall cost of risk stood at MAD 1,509 million at 31 December 2020 versus MAD 906 million at 31 December 2019:

Loan-loss provisions and write-backs on customer accounts (MAD millions)



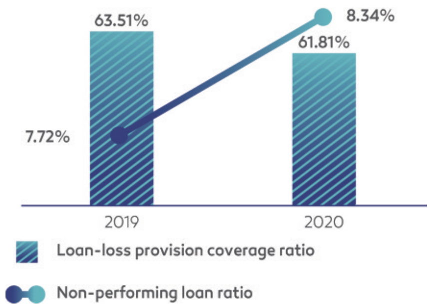
- Loan-loss provisions on customer accounts stood at MAD 1,673 million at 31 December 2020 versus MAD 1,181 million at 31 December 2019, an increase of 41.7%;

- Write-backs on customer accounts were MAD 234 million versus MAD 303 million, a decline of 23%.

The loan-loss provision coverage ratio declined from 63.51% at 31 December 2019 to 61.81% at 31 December 2020.

The non-performing loan ratio rose from 7.72% at 31 December 2019 to 8.34% at 31 December 2020.

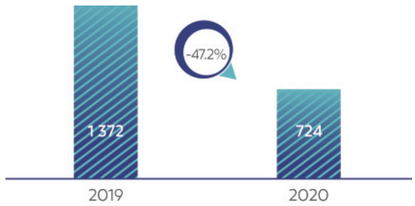
Non-performing loan ratio and Loan-loss provision coverage ratio



NET INCOME

BANK OF AFRICA - BMCE Group SA's net income at 31 December 2020, which factors in a MAD 1,000 million donation to the Special Fund for managing the COVID-19 pandemic, stood at MAD 724 million at 31 December 2020 versus MAD 1,372 million at 31 December 2019, down 47.2%.

Parent net income (MAD millions)



SPECIALISED FINANCIAL SERVICES

Contribution	SFS		Salafin		Maghrébail		M.Factoring		RM Experts		Euler Hermes Acmar	
MAD millions	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19
Consolidated Net Banking Income	701	723	279	322	411	389	10	12	0.8	-0.8	na	na
Change		-3%		-13%		6%		-22%				
General Expenses	-240.7	-239.9	-126	-125	-74	-71	-20.8	-20.9	-19.2	-23.6	na	na
Change		0.3%		1%		5%		-1%		-19%		
Cost of risk	-444	-210	-234	-101	-208	-100	-1.8	-9.8	na	na	na	na
Change		111%		132%		109%		-81%				
Net income attributable to shareholders of the parent company	44	140	-16	69	59	68	3.0	-2.0	0.5	-0.4	-2.6	4.4
Change		-69%				-14%						

The Specialised Financial Services business line's contribution to net income attributable to shareholders of the parent company declined by 69% from MAD 140 million at 31 December 2019 to MAD 44 million at 31 December 2020.

Salafin's parent net income was negative MAD 16 million in 2020 versus a profit of MAD 130 million in 2019, primarily due to a 13% fall in revenue and an exceptional 182% increase in net provisions for non-performing loans.

Maghrebail's parent net income fell by 40% to MAD 64 million in 2020 versus MAD 107 million in 2019 million due to a 98% increase in the cost of risk. The introduction of moratoria for customers in financial difficulty proved insufficient to slow the growth in overdue accounts and in provisioning. The company recognised a MAD 33 million general risk provision.

Maroc Factoring's parent net income fell by 24% year-on-year to MAD 3 million in 2020.

RM Experts registered parent net income of MAD 2 million in 2020 versus a loss of MAD 0.12 million in 2019.

ACMAR, a credit insurance subsidiary in which the Group has a 20% stake and which is accounted for under the equity method, posted a net loss of MAD 13 million at parent level in 2020 versus a profit of MAD 22 million in 2019.

INVESTMENT BANKING AND ASSET MANAGEMENT

The Investment Banking & Asset Management business line comprises BMCE Capital, BMCE Capital Bourse and BMCE Capital Gestion.

Contribution	Investment banking and Asset Management		BMCE Capital		BK Bourse		BK Gestion	
MAD millions	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19
Consolidated Net Banking Income	333.0	362.7	177.1	196.9	19.2	15.2	136.8	150.6
Change		-8%		-10%		26%		-9%
General Expenses	-297.6	-306.7	-231.5	-234.2	-16.0	-33.8	-50.1	-38.7
Change		-3%		-1%		-53%		29%
Cost of risk	-2.9	-9.3	0.4	-7.3	-1.2	0.0	-2.1	-2.0
Change								
Net income attributable to shareholders of the parent company	82.6	113.2	39.3	52.8	0.6	1.8	42.7	58.6
Change		-27%		-25.6%				-27%

The Investment Banking & Asset Management business line's contribution to net income declined by 27% year-on-year to MAD 82.6 million in 2020.

BMCE Capital posted consolidated net income of MAD 40 million in 2020 versus MAD 53.8 million in 2019. Against the backdrop of the COVID-19 pandemic, local subsidiaries' commercial operations were impacted, resulting in the postponement of the completion of a number of advisory deals and new issues.

The pandemic also had a negative impact on the commercial operations of the business line's Ivorian and Tunisian subsidiaries.

BMCE Capital Bourse registered a profit of MAD 0.7 million in 2020 versus MAD 1.9 million in 2019, with the stock market index falling by 7.3% and overall trading volumes down 15.3%.

BMCE Capital Gestion posted net income of MAD 43 million in 2020 versus MAD 59 million in 2019. Despite the low interest rate environment and equity market weakness, BMCE Capital Gestion managed to ensure operational continuity and demonstrated its resilience, with assets under management growing by 17%.

OTHER MOROCCAN OPERATIONS

BANK OF AFRICA Group's 'Other operations' comprise Locasom, EAI, CID, AML and BTI, the majority of which are accounted for under the equity method.

Contribution	Other		Locasom		EAI		CID		AML		bti Bank	
MAD millions	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19
Consolidated Net Banking Income	125.5	125.9	125.5	125.9	na	na	na	na	na	na	na	na
Change		-0.3%		-0.3%								
General Expenses	-87.3	-98.9	-87.3	-98.9	na	na	na	na	na	na	na	na
Change		-12%		-12%								
Cost of risk	0.02	3.8	0.02	3.8	na	na	na	na	na	na	na	na
Change												
Net income attributable to shareholders of the parent company	-10.8	-6.5	21.7	22.0	-1.5	0.0	0.9	0.7	-6.6	1.1	-25.2	-30.2
Change		-67%		-2%				39%				17%

Locasom, a specialist vehicle leasing subsidiary, posted parent net income of MAD 22.4 million, broadly unchanged, contributing MAD 21.7 million to net income attributable to shareholders of the parent company.

EAI, a technology subsidiary, registered a profit of MAD 5 million in 2020 versus MAD 6 million in 2019.

Conseil, Ingénierie et Développement, an engineering company specialising in civil engineering, building, transport and hydraulic projects, registered net income of MAD 2.3 million in 2020 versus MAD 2 million in 2019.

Africa Morocco Link or 'AML', a subsidiary specialising in maritime transport, registered a loss of MAD 13 million in 2020 versus a profit of MAD 2.2 million in 2019.

Bank Al-Tamweel Wa Al-Inma or 'BTI', a participatory bank, registered a loss of MAD 49 million in 2020 versus a loss of MAD 59 million in 2019.

RESULTS AND CONTRIBUTIONS FROM OVERSEAS OPERATIONS

Contribution	International		Europe		Africa	
MAD millions	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19
Consolidated Net Banking Income	6 974	6 687	522	575	6 452	6 112
Change		4%		-9%		6%
General Expenses	-4 033	-4 051	-259	-258	-3 774	-3 794
Change		-0.4%		0.7%		-0.5%
Cost of risk	-1 406	-999	-28	-5	-1 378	-994
Change		41%		511%		38.6%
Net income attributable to shareholders of the parent company	734	775	129	137	605	638
Change		-5.4%		-5.9%		-5.3%

In 2020, the contribution from overseas operations to consolidated net income attributable to shareholders of the parent company fell by 5% from MAD 775 million to MAD 734 million, accounting for 54% of overall net income attributable to shareholders of the parent company, excluding the donation.

This decline was due to the performance of the Group's African operations as well as the European subsidiaries.

EUROPEAN OPERATIONS

BMCE International Holding saw its contribution to net income attributable to shareholders of the parent company decline by 6% year-on-year to MAD 129 million in 2020. However, the pandemic has had a contrasting impact on its two subsidiaries.

BBI Madrid demonstrated a high level of resilience with parent net income of EUR 10.3 million in 2020, an increase of 11% year-on-year. A 9% decline in net banking income was largely offset by good cost control and by a significant fall in the cost of risk.

BBI UK saw parent net income decline by 52% to GBP 1.69 million in 2020 versus GBP 2.85 million in 2019, due to a fall in revenues in its capital markets, trade finance and correspondent banking businesses, together with an increase in the cost of risk as a result of downgrades in counterparty credit ratings.

AFRICAN OPERATIONS

Contribution	Africa		BOA		LCB		BDM	
MAD millions	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19	Dec 20	Dec 19
Consolidated Net Banking Income	6 452	6 112	6 284	5 891	168	221	na	na
Change		6%		7%		-24%		
General Expenses	-3 774	-3 794	-3 591	-3 611	-182.7	-183.0	na	na
Change		-0.5%		-0.5%		-0.1%		
Cost of risk	-1 378	-994	-1 493	-851	115	-143	na	na
Change		39%		75%				
Net income attributable to shareholders of the parent company	605	638	495	602	35	-39	74.9	74.8
Change		-5%		-18%				0.2%

BOA subsidiaries' contribution to net income attributable to shareholders of the parent company in 2020 fell by 18% year-on-year.

The contribution to overall net banking income stood at MAD 6,284 million, up 7% compared to 2019. The contribution to the consolidated cost of risk, after restatements under IFRS, amounted to -MAD 1,493 million, an increase of 75% year-on-year.

The net income attributable to shareholders of the parent company of BOA subsidiaries, based on local accounting standards, fell by 4.6% to EUR 65.7 million in 2020 versus EUR 68.9 million in 2019.

LCB Bank registered a profit of EUR 0.6 million in 2020 versus a loss of EUR 21.8 million in 2019. Its contribution to net income attributable to shareholders of the parent company in 2020 rose by -MAD 39 million to MAD 35 million.

La Banque de Développement du Mali, accounted for under the equity method, saw its net income broadly unchanged year-on-year at EUR 21.3 million in 2020.

THE BANK'S GROWTH PROSPECTS

The Strategic Development Plan 2019-21 drawn up by BANK OF AFRICA Group is enabling it to continue to bolster its operations both:

i) In Morocco, by attracting new customers, fostering customer loyalty, continuing to grow its deposit base and promoting its banking services based on a 'phygital' hybrid business model, consisting of a network of physical branches as well as a digital approach.

ii) And overseas, by

    - Expanding and rationalising the Group's operations in Sub-Saharan Africa

    - Optimising the Group's European operations.

To be sufficiently capitalised to be able to fulfil its growth ambitions, the Bank bolstered its capital base with MAD 3.6 billion raised in 2019 and a further MAD 793 million in 2020, in a deal which saw shareholders given the option to convert their 2019 dividends into equity.

In addition, against a backdrop of cost rationalisation, the Bank introduced a series of cost-reduction measures in 2018. These included adopting ISO quality principles at branch level in line with the Bank's strategy.

The Bank will also continue its efforts to recover non-performing loans and will carry out a phased disposal of non-operating assets as market conditions improve.

In response to the pandemic and its impact on the economy in 2020, BANK OF AFRICA Group has made every effort to support the economy and mitigate the pandemic's impact on the Group's financial performance and on its customers, partners and employees.

As such, a series of measures have been taken domestically, including:

- Contributing MAD 1 billion to the Special Fund for managing the COVID-19 pandemic, underlining the Group's strong commitment to the national cause

- Adopting a Crisis Management system to ensure business continuity whilst conforming with health and safety standards in response to customers' needs and expectations whilst ensuring staff safety

- Accelerating digitisation of the Bank's operations by continuing to enhance its range of digital and multichannel products and services – rolling out an online mortgage application platform, *Agence Directe, Daba Pay and Credit Business Online*

- Introducing loan repayment moratoria and closely supporting customers in the form of Caisse Centrale de Garantie-backed credit lines – *Damane Oxygène,* enabling businesses to finance current and operating expenditure and *Damane Relance,* helping businesses with their recovery.

ASSET-LIABILITY MANAGEMENT AT 31 DECEMBER 2020:

LIQUIDITY RISK:

The Liquidity Coverage Ratio (LCR) stood at 172% on an individual basis and 167% on a consolidated basis at 31 December 2020.

INTEREST RATE RISK:

The results of stress tests carried out at 31 December 2020 on the impact from a 200-basis points change in interest rates on net interest income and the economic value of shareholders' equity complied with the limits set by the ALCO committee.

At 31 December 2020, if the trading book portfolio were excluded, the impact from a 200-basis points change in interest rates on net interest income was estimated to be MAD 0.359 billion or 8.3% of projected net interest income.

The change in the economic value of shareholders' equity, if the trading book portfolio were excluded, in the event of a 200-basis points shock was estimated to be MAD 0.749 billion or 6.0% of regulatory capital.

A LIST OF DIRECTORS' APPOINTMENTS IS AVAILABLE IN THE ESG REPORT.

CONSOLIDATED

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

7, Boulevard Driss Slaoui
Casablanca
Morocco

11, Avenue Bir Kacem
Souissi 10 000 Rabat
Morocco

To the Shareholders of
BANK OF AFRICA Group – BMCE GROUP
140 Avenue Hassan II
Casablanca

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Qualified opinion

We have audited the attached consolidated financial statements of BANK OF AFRICA Group – BMCE GROUP and its subsidiaries (the 'Group'), which comprise the consolidated financial position at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period ended 31 December 2020 as well as the notes to the financial statements, including a summary of significant accounting policies. These financial statements show consolidated shareholders' equity of MAD 27,980,530 K, including consolidated net income of MAD 1,363,819 K.

These financial statements were drawn up by the Board of Directors 26 March 2021 against the evolving backdrop of the COVID-19 pandemic based on information available at the time.

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section, the consolidated financial statements referred to above in the first paragraph give a true and fair view, in all material aspects, of the consolidated financial position of the Group at 31 December 2020, as well as its consolidated financial performance and consolidated cash flows for the period ended 31 December 2020, in accordance with International Financial Reporting Standards (IFRS).

Basis for qualified opinion

BANK OF AFRICA S.A has a stock of non-operating real estate assets, acquired by dation-in-payment, totalling MAD 4.7 billion at 31 December 2020. Given the risks inherent in these real estate assets and, in particular, uncertainties surrounding their net realisable value and the period of time required to dispose of them, we are unable to express an opinion as to the value of these assets at 31 December 2020.

We conducted our audit in accordance with Moroccan accounting standards. Our responsibilities by virtue of those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the ethical requirements that apply to the audit of consolidated financial statements in Morocco and we have fulfilled our other responsibilities in accordance with those relevant ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Observation

We draw your attention to the appended note relating to the effects of the COVID-19 crisis on the financial statements for the period ended 31 December 2020. Our opinion remains unchanged regarding this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the period in question. Our audit procedures relating to these matters were designed in the context of our audit of the consolidated financial statements as a whole and for the purpose of forming an opinion on these. We do not express an opinion on these individual matters.

In addition to the matter described in the 'Basis for Qualified Opinion section' of our report, we have determined the matters described below to be the key audit matters which should be communicated in our report:

Risk identified	Our audit response
Credit risk appraisal for loans and advances to customers Customer loans carry a credit risk which expose the Group to a potential loss if customers or counterparties are unable to meet their financial obligations. The Group recognises loan loss provisions to cover this risk. These impairment losses are determined in accordance with the requirements of IFRS 9 'Financial Instruments' and the principle of expected credit losses. An assessment of expected credit losses for customer loan portfolios requires judgement to be exercised, particularly in: - Determining the criteria for classifying loans in buckets 1, 2 or 3 - Estimating the amount of expected credit losses as a function of the various buckets - Drawing up macroeconomic forecasts which are incorporated both in the impairment criteria and in the calculation of expected credit losses. Detailed information regarding recognition of expected credit losses and the methods used to estimate them is provided in the summary of the main accounting policies in the notes to the consolidated financial statements. At 31 December 2020, total gross customer loan exposure to credit risk amounted to MAD 210,145 billion whilst total impairment amounted to MAD 15,978 billion. We considered the assessment of credit risk and the measurement of impairment and loan loss provisions to be a key audit matter given that (i) the amount recognised in the Group's financial statements in respect of these assets was significant and (ii) and Management was required to exercise judgement and to make estimates.	We have taken note of the Group's internal control systems and we tested the key control processes for assessing credit risk and measuring expected losses. We focused our work on the outstanding customer loans and/or portfolios of greatest significance, particularly on the funding granted to companies in sensitive economic sectors. Concerning impairment, our audit work consisted primarily of: - Reviewing whether the principles implemented by the Group comply with IFRS 9 'Financial instruments' - Familiarising ourselves with the Group's governance system and the key controls implemented at Group level - Conducting tests on a selection of models implemented by the Group - Analysing the main criteria and rules used by the Group to classify outstandings at 31 December 2020 (buckets 1, 2 and 3) - Testing the calculation of expected credit losses on selected loans in buckets 1 and 2 - Testing the main assumptions used to estimate impairment of loans classified in bucket 3.

Risk identified	Our audit response
Measurement of goodwill At 31 December 2020, the net carrying amount of goodwill recognised in the Group's consolidated financial statements was MAD 1,032 billion or 3.7% of the Group's consolidated shareholders' equity. These intangible assets are not amortised but must undergo impairment tests whenever there is any sign of impairment and at least once a year at the financial year end, as mentioned in the summary of the main accounting policies in the notes to consolidated financial statements. The annual impairment test is based on the recoverable amount of each group of assets, determined on the basis of discounted future net cash flow forecasts. This requires the exercise of assumptions, estimates or judgements. We considered goodwill measurement to be a key audit matter, given the importance of these assets in the group's consolidated financial statements and the importance of Management's judgments and uncertainties in determining cash flow assumptions, particularly the likelihood of achieving the forecasts adopted by Management.	Our audit approach consisted of reviewing the assessments carried out in the context of measuring the amount of goodwill reported on the Group's balance sheet. Our approach focused on examining the main assumptions used to arrive at a value, particularly with regard to: • Future projections based on historical data, the economic environment and the consistency of these factors with the growth assumptions used • The discount rates used and approved by Management.

Responsibilities of Management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and true and fair presentation of the financial statements in accordance with IFRS and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Moroccan accounting standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or collectively, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Moroccan accounting standards, we exercise professional judgment and maintain critical thinking throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of aspects of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the information provided in the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that provides a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those responsible for governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant shortcomings in internal control that we identify during our audit.

Casablanca, 14 April 2021

Statutory auditors

FIDAROC GRANT THORNTON	KPMG
Faïçal MEKOUAR	**Abderrazzak MZOUGUI**
Associé	**Associé**
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I. BALANCE SHEET, CONSOLIDATED INCOME STATEMENT, STATEMENT OF NET INCOME, STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, CASH FLOW STATEMENT AND SUMMARY OF ACCOUTING POLICIES

1.1. CONSOLIDATED BALANCE SHEET

(In thousand MAD)

IFRS ASSETS	Note	31/12/2020	31/12/2019
Cash and amounts due from central banks and post office banks	4.1	16 291 624	14 450 591
Financial instruments at fair value through profit or loss		-	-
- Financial assets held for trading	*4.2*	*29 529 201*	*29 913 430*
- Other financial assets at fair value through profit or loss	*4.2*	*774 086*	*794 295*
Derivatives used for hedging purposes		-	-
Financial assets at fair value through equity		-	-
- Debt instruments recognised at fair value through recyclable equity	*4.3*	*1 222 818*	*1 667 868*
- Equity instruments reported at fair value through non-recyclable equity	*4.3*	*4 642 101*	*4 446 599*
Securities at amortized cost	4.4	37 324 605	30 042 750
Loans and receivables from credit institutions and similar, at amortized cost	4.5	22 392 263	22 403 739
Loans and receivables from customers, at amortized cost	4.5	194 166 699	186 645 591
Revaluation difference of hedged portfolios		-	-
Investments in insurance activities		-	-
Current tax asset	4.8	797 935	920 499
Deferred tax asset	4.8	2 083 871	1 767 563
Accruals and other assets	4.9	6 751 532	6 631 296
Non-current assets held for sale			-
Investments in companies accounted for by the equity method	4.10	962 952	930 990
Investment properties	4.11	3 684 810	3 800 224
Property, plant and equipment	4.11	8 945 178	9 222 503
Intangible assets	4.11	1 310 012	1 079 156
Goodwill	4.12	1 032 114	1 032 114
TOTAL IFRS ASSETS		331 911 802	315 749 207

(In thousand MAD)

IFRS LIABILITIES		31/12/2020	31/12/2019
Central Banks, Treasury, Postal Check Service			-
Financial liabilities at fair value through profit or loss			-
- Financial liabilities held for trading purposes		-	-
- Financial liabilities at fair value through profit or loss on option		-	-
Derivatives hedging			-
Debt securities issued	4.7	14 111 265	16 346 393
Debts due to credit institutions and similar	4.5	59 960 481	45 071 844
Debts to customers	4.6	207 086 841	202 816 657
Revaluation difference of hedged portfolios		-	-
Current tax liability	4.8	877 982	1 396 103
Deferred tax liability	4.8	1 258 073	1 179 957
Accruals and other liabilities	4.9	9 634 263	10 379 406
Debts related to non-current assets held for sale		-	-
Liabilities relating to insurance activity contracts		-	-
Provisions for risks and charges	4.13	1 407 895	1 172 574
Subsidies - public funds allocated and special guarantee funds		-	-
Subordinated debt	4.6	9 594 473	9 590 170
TOTAL DEBTS		303 931 273	287 953 104
Equity			
Capital and related reserves		19 624 631	18 473 069
Consolidated reserves		-	-
- Group share		*1 587 064*	*1 474 765*
- Minority share		*4 283 718*	*4 149 154*
Gains and losses recognized directly in equity		-	-
- Group share		*609 900*	*618 563*
- Minority share		*511 398*	*504 535*
Earning for the exercise		-	-
- Group share		*737 832*	*1 921 510*
- Minority share		*625 987*	*654 507*
TOTAL CONSOLIDATED EQUITY		27 980 530	27 796 103
TOTAL IFRS LIABILITIES		331 911 802	315 749 207

1.2. CONSOLIDATED INCOME STATEMENT

(In thousand MAD)

CONSOLIDATED INCOME STATEMENT		Dec-20	Dec-19
Interest and similar income		15 709 686	15 350 928
Interest and similar expense		-5 281 297	-5 436 906
Net Interest income	**2.1**	**10 428 389**	**9 914 022**
Fees received and commission income		3 098 389	3 240 485
Fees paid and commission expense		-456 931	-529 236
Net fee income	**2.2**	**2 641 458**	**2 711 249**
Net gains or losses resulting from net position hedges		-	-
Net gain on financial instruments at fair value through profit or loss	2.3	377 678	353 259
Net gains or losses on transaction assets/liabilities		310 364	343 728
Net gains or losses on other assets/liabilities at fair value through profit or loss		67 314	9 531
Net gains on financial instruments at fair value through equity	2.4	226 137	231 334
Net gains or losses on debt instruments recorded as recyclable CP		5 449	19 627
Remuneration of equity instruments recognised as non-recyclable CP		220 688	211 707
Net gains on derecognised financial assets at amortised cost			
Gains or losses resulting from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss			
Gains or losses resulting from the reclassification of financial assets by CP as financial assets at fair value through profit or loss			
Net income from insurance activities			
Net income from other activities	2.5	792 923	1 235 176
Expenses from other activities	2.5	-464 539	-584 437
Net Banking Income		**14 002 045**	**13 860 603**
General Operating Expenses	2.6	-7 845 739	-7 117 766
Allowances for depreciation and amortization PE and intangible assets	2.6	-954 340	-947 015
Gross Operating Income		**5 201 967**	**5 795 821**
Cost of Risk		-3 451 978	-2 196 435
Operating Income		**1 749 989**	**3 599 386**
Share in net income of companies accounted for by equity method		59 699,64	69 866
Net gains or losses on other assets	2.7	67 657,86	-13 106
Change in goodwill		-	-
Pre-tax earnings		**1 877 347**	**3 656 146**
Corporate income tax	2.8	-513 528	-1 080 129
Tax Net income from discontinued activities or operations held for sale			
Net Income		**1 363 819**	**2 576 017**
Non-controlling interests		625 987	654 507
Net income attributable to parent		**737 832**	**1 921 510**

1.3 STATEMENT OF NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN SHAREHOLDERS' EQUITY

(In thousand MAD)

	Dec-20	Dec-19
Net income (loss)	**1 363 819**	**2 576 017**
Gains and losses recognised directly in equity and subsequently reclassified to income	**142 651**	**27 964**
Transfer to earnings	142 651	27 964
Financial assets at fair value through recyclable equity		
Revaluation differences		
Gains and losses recognised directly in equity and which will not subsequently be reclassified to income	**-81 976**	**68 026**
Actuarial gains and losses on defined benefit plans		
Items measured at fair value through non-recyclable equity	-81 976	68 026
Share of gains and losses recognised directly in equity on companies accounted for by the equity method		
Total gains and losses recognized directly in equity	**60 676**	**95 990**
Net income and gains and losses recognised directly in equity	**1 424 494**	**2 672 007**
Group share	733 603	2 006 084
Minority interests' share	690 891	665 923

1.4 STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY 31/12/2020

(In thousand MAD)

	Share Capital	Reserves related to stock	Treasury stock	Reserves & consolidated earnings	Unrealised or deferred gains or losses	Shareholder's Equity attributable to parent	Noncontrolling interests	Total
Ending balance of adjusted Shareholder's Equity 12.31.2018	**1 794 634**	**12 571 140**	**0**	**4 499 659**	**-490 350**	**18 375 083**	**5 466 427**	**23 841 511**
Change in the accounting methods								
Beginning Balance of Shareholder's Equity 12.31.2019	**1 794 634**	**12 571 140**	**0**	**4 499 659**	**-490 350**	**18 375 083**	**5 466 427**	**23 841 511**
Operations on capital	203 571	3 903 724		-445 698		3 661 597		3 661 597
Share-based payment plans						0		0
Operations on treasury stock						0		0
Dividends				-897 317		-897 317	-600 722	-1 498 039
Net Income				**1 921 510**		**1 921 510**	**654 507**	**2 576 017**
Changes in assets and liabilities recognized directly in equity					67 246	67 246		67 246
Transfer to earnings					-23 149	-23 149	-31 181	-54 330
Unrealized or deferred gains or losses	**0**	**0**	**0**	**0**	**44 096**	**44 096**	**-31 181**	**12 915**
Change in the scope of consolidation				**-170 937**		**-170 937**	**33 527**	**-137 410**
Others				-446 127		-446 127	-214 362	-660 489
Ending balance of Shareholder's Equity 12.31.2019	**1 998 205**	**16 474 864**	**0**	**4 461 090**	**-446 253**	**22 487 906**	**5 308 196**	**27 796 102**
Recognition of expected credit losses (on financial instruments)								
Beginning balance of Shareholder's Equity 01.01.2020	**1 998 205**	**16 474 864**	**0**	**4 461 090**	**-446 253**	**22 487 906**	**5 308 196**	**27 796 102**
Operations on capital	57 861	1 093 701		-1 093 701		57 861		57 861
Share-based payment plans						0		0
Operations on treasury stock						0		0
Dividends				-255 802		-255 802	-502 837	-758 639
Net Income				**737 832**		**737 832**	**625 986**	**1 363 818**
Changes in assets and liabilities recognized directly in equity					-14 730	-14 730		-14 730
Transfer to earnings					54 597	54 597	33 724	88 321
Unrealized or deferred gains or losses	**0**	**0**	**0**	**0**	**39 867**	**39 867**	**33 724**	**73 591**
Change in the scope of consolidation						**0**		**0**
Others				**-508 237**		**-508 237**	**-43 967**	**-552 204**
Ending balance of Shareholder's Equity 12.21.2020	**2 056 066**	**17 568 565**	**0**	**3 341 182**	**-406 386**	**22 559 427**	**5 421 103**	**27 980 530**

1.5 CASH FLOW STATEMENT

(In thousand MAD)

CASH FLOW STATEMENTS	NOTE	31/12/2020	31/12/2019
Net Income before Tax		**1 877 347**	**3 656 146**
+/- Net depreciation/amortization expense on property, plant, and equipment and intangible assets	2.6	954 340	956 552
+/- Impairment of goodwill and other non- current assets			-
+/- Impairment of financial assets	2.7	190 303	118 603
+/- Net allowances for provisions	2.7	2 196 280	693 860
+/- Share of earnings in subsidiaries accounted for by equity method	4.10	-59 700	-55 210
+/- Net loss (income) from investing activities		-592 445	-507 520
+/- Net loss (income) from financing activities			-
+/- Other movements		74 622	34 548
Non monetary items included in pre-tax net income and other adjustments		**2 763 400**	**1 240 832**
+/- Cash flows related to transactions with credit institutions		10 498 337	2 949 832
+/- Cash flows related to transactions with customers		-8 189 863	1 762 667
+/- Cash flows related to transactions involving other financial assets and liabilities		-3 105 869	-9 109 225
+/- Cash flows related to transactions involving non financial assets and liabilities		-2 344 868	600 504
+/- Taxes paid		-1 111 654	-1 131 214
Net decrease / (increase) in assets and liabilities from operating activities		**-4 253 917**	**-4 927 436**
Net Cash Flows from Operating Activities		**386 829**	**-30 458**
+/- Cash Flows related to financial assets and equity investments		-268 892	22 037
+/- Cash flows related to investment property		176 889	-98 686
+/- Cash flows related to PP&E and intangible assets		-32 510	-865 878
Net Cash Flows from Investing Activities		**-124 513**	**-942 527**
+/- Cash flows related to transactions with shareholders		-657 011	2 158 929
+/- Cash flows generated by other financing activities		-2 274 578	2 731 844
Net Cash Flows from Financing Activities		**-2 931 589**	**4 890 773**
Effect of movements in exchange rates on cash and equivalents		63 473	-33 948
Net increase/(decrease) in cash and cash equivalents		-2 605 799	3 883 840
Net Balance of demand loans and deposits- credit institutions		**20 873 669**	**16 989 829**
Loan and loan of cash	4.1	14 450 591	14 310 554
Ending Balance of Cash and Equivalents		6 423 079	2 679 275
Net Balance of cash accounts and accounts with central banks and post office banks		**18 267 870**	**20 873 669**
Net Balance of demand loans and deposits- credit institutions	4.1	16 291 624	14 450 591
Loan and loan of cash		1 976 247	6 423 079
Net increase in cash and equivalents		**-2 605 799**	**3 883 840**

1.6. SUMMARY OF ACCOUNTING POLICIES APPLIED BY THE GROUP

1.6.1. Applicable accounting standards

The Group's first consolidated financial statements to be prepared in accordance with international accounting standards (IFRS) were those for the period ended 30 June 2008 with an opening balance on 1st January 2007.

The Group's consolidated financial statements have been prepared in accordance with international accounting standards (International Financial Reporting Standards - IFRS), as approved by the IASB.

The Group has not opted for early adoption of the new standards, amendments and interpretations adopted by the IASB where retrospective application is permitted.

1.6.2. Consolidation principles

a. Scope of consolidation

The scope of consolidation includes all Moroccan and foreign entities in which the Group directly or indirectly holds a stake.

The Group includes within its scope of consolidation all entities, whatever their activity, in which it directly or indirectly holds 20% or more of existing or potential voting rights. In addition, it consolidates entities if they meet the following criteria:

- The subsidiary's total assets exceed 0.5% of the parent company's;
- The subsidiary's net assets exceed 0.5% of the parent company's;
- The subsidiary's banking income exceeds 0.5% of the parent company's ;
- "Cumulative" thresholds which ensure that the combined total of entities excluded from the scope of consolidation does not exceed 5% of the consolidated total.

b. Consolidation methods

The method of consolidation adopted (fully consolidated or accounted for under the equity method) will depend on whether the Group has full control, joint control or exercises significant influence.

At 31 December 2020, no Group subsidiary was jointly controlled.

c. Consolidation rules

The consolidated financial statements are prepared using uniform accounting policies for reporting like transactions and other events in similar circumstances.

Elimination of intragroup balances and transactions

Intragroup balances arising from transactions between consolidated companies, and the transactions themselves, including income, expenses and dividends, are eliminated. Profits and losses arising from intragroup sales of assets are eliminated, except where there is an indication that the asset sold is impaired.

Translation of financial statements prepared in foreign currencies

The Group's consolidated financial statements are prepared in dirhams. The financial statements of companies whose functional currency is not the dirham are translated using the closing rate method. Under this method, all assets and liabilities, both monetary and non-monetary, are translated using the spot exchange rate at the balance sheet date. Income and expenditures are translated at the average rate for the period.

d. Business combinations and measurement of goodwill

Cost of a business combination

The cost of a business combination is measured as the aggregate fair value of assets acquired, liabilities incurred or assumed and equity instruments issued by the acquirer in consideration for control of the acquired company. Costs attributable to the acquisition are recognised through income.

e. Allocating the cost of a business combination to the assets acquired and liabilities incurred or assumed

The Group allocates, at the date of acquisition, the cost of a business combination by recognising those identifiable assets, liabilities and contingent liabilities of the acquired company which meet the criteria for fair value recognition at that date.

Any difference between the cost of the business combination and the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised under goodwill.

Goodwill

At the date of acquisition, goodwill is recognised as an asset. It is initially measured at cost, that is, the difference between the cost of the business combination over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities.

The Group has adopted from 2012 the "full goodwill" method for new acquisitions. This method consists of measuring goodwill based on the difference between the cost of the business combination and minority interests over the fair value of the identifiable assets, liabilities and contingent liabilities.

It is worth noting that the Group has not restated business combinations occurring before 1 January 2008, the date of first-time adoption of IFRS, in accordance with IFRS 3 and as permitted under IFRS 1.

Measurement of goodwill

Following initial recognition, goodwill is measured at cost less cumulative impairment.

In accordance with IAS 36, impairment tests must be conducted whenever there is any indication of impairment that a unit may be impaired and at least once a year to ensure that the goodwill recognised for each CGU does not need to be written down.

The recoverable amount of a cash-generating unit is the higher of the net fair value of the unit and its value in use.

At 31 December 2020, the Group carried out impairment tests to ensure that cash-generating units' carrying amount did not exceed their recoverable amount.

Fair value is the price that is likely to be obtained from selling the CGU in normal market conditions.

Value in use is based on an estimate of the current value of future cash flows generated by the unit's activities as part of the Bank's market activities:

- If the subsidiary's recoverable amount is more than the carrying amount, then there is no reason to book an impairment charge;
- If the subsidiary's recoverable amount is less than the carrying amount, the difference is recognised as an impairment charge. It will be allocated to goodwill as a priority and subsequently to other assets on a pro-rata basis.

The Bank has employed a variety of methods for measuring CGU value in use depending on the subsidiary. These methods are based on assumptions and estimates:

- A revenue-based approach, commonly known as the "dividend discount model", is a standard method used by the banking industry. The use of this method depends on the subsidiary's business plan and will value the subsidiary based on the net present value of future dividend payments. These flows are discounted at the cost of equity.
- The "discounted cash flow method" is a standard method for measuring firms in the services sector. It is based on discounting available cash flows at the weighted average cost of capital.

Step acquisitions

In accordance with revised IFRS 3, the Group does not calculate additional goodwill on step acquisitions once control has been obtained.

In particular, in the event that the Group increases its percentage interest in an entity which is already fully consolidated, the difference at acquisition date between the cost of acquiring the additional share and share already acquired in the entity is recognised in the Group's consolidated reserves.

1.6.1.2. Financial assets and liabilities

a. Loans and receivables

Loans and receivables include credit provided by the Group.

Loans and receivables are initially measured at fair value or equivalent, which, as a general rule, is the net amount disbursed at inception including directly attributable origination costs and certain types of fees or commission (syndication commission, commitment fees and handling charges) that are regarded as an adjustment to the effective interest rate on the loan.

Loans and receivables are subsequently measured at amortised cost. The income from the loan, representing interest plus transaction costs and fees and commission included in the initial value of the loan, is calculated using the effective interest method and taken to income over the life of the loan.

b. Securities

Classification of securities

IFRS 9 replaces the classification and valuation models for financial assets provided for in IAS 39 by a model comprising only 3 accounting categories :

- Depreciated cost;
- Fair value through equity: changes in fair value of the financial instrument are impacted in «other items of the comprehensive income» («fair value by OCI»);
- Fair value through profit or loss: changes in the fair value of the instrument are impacted in net income.

The classification of a financial asset in each category is based on:

- business model defined by the company
- and the characteristics of its contractual cash flows (the «cash flow» criterion) solely payments of principal and interest», or «SPPI»).

The management methods relate to the way the company manages its financial assets in order to generate cash flows and create cash flow and value. The business model is specified for an asset portfolio and does not constitute an intention on a case-bycase basis for an individual financial asset.

IFRS 9 distinguishes three management models:

- The collection of contractual cash flows, the business model «Collection»;
- The collection of contractual flows and the sale of assets, the model of management « Collection and Sale »;
- Other management intentions, i.e. the «Other / Sale» management model.

The second criterion («SPPI» criterion) is analysed at the contract level. The test is satisfied when the funding is only eligible for reimbursement of the principal and when the payment of interest received reflects the value of the time of money, credit risk associated with the instrument, other costs and risks of a traditional loan agreement as well as a reasonable margin, whether the interest rate is fixed or variable.

The criteria for classifying and measuring financial assets depend on the nature of the financial asset, as qualified:

- debt instruments (i.e. loans and fixed or determinable income securities)

; or

- equity instruments (i.e. shares).

The classification of a debt instrument in one of the asset classes is a function of the management model applied to it by the company and the characteristics of the contractual cash flows of the instrument (SPPI criterion). Debt instruments that respond to the SPPI criterion and the «Collection» management model are classified as follows amortised cost. If the SPPI criterion is verified but the business model is the collection and sale, the debt instrument is classified at fair value by equity (with recycling). If the SPPI criterion is not verified and the business model is different, the debt instrument is classified as fair value value by result.

Under IFRS 9, equity instruments held by (stocks) are:

- always measured at fair value through profit or loss,
- except those not held for trading for which the standard allows the irrevocable election to be made at the time of recognition of each financial asset, to recognise it at fair

value by counterpart of other comprehensive income (fair value through profit or loss OCI), with no possibility of recycling by result. Assets classified in this category will not be depreciated. In the event of a transfer, these changes are not recycled to the income statement, the gain or loss on disposal is recognised in shareholders' equity. Only dividends are recognised in result.

IFRS 9 provides for models for classifying and measuring financial liabilities according to 3 accounting categories:

- financial liability at amortised cost;
- financial liability at fair value through profit or loss;
- financial liability at fair value through profit or loss on option.

On the initial recognition date, a financial liability may be designated, on irrevocable option, at fair value through profit or loss:

- under certain conditions when the liability contains embedded derivatives

; or

- if this leads to more relevant information as a result of the elimination or the significant reduction of a distortion of accounting treatment (« mismatch»); or
- whether the liabilities are managed with other financial instruments that are measured and managed at fair value in accordance with an investment policy or risk management and that information is communicated on this to key management personnel within the meaning of IAS 24.

In addition, for these liabilities, the standard allows for the recognition of the change in fair value attributable to the change in credit risk in other comprehensive income. However, this processing is only possible to the extent that it does not contribute to creating or aggravate an accounting mismatch

Dividends received on variable-income securities are presented in the aggregate "Remuneration of equity instruments recognised as non-recyclable equity instruments" when the Group's right to receive them is established.

Temporary acquisitions and sales

Repurchase agreements

Securities subject to repurchase agreements are recorded in the Group's balance sheet in their original category.

The corresponding liability is recognised in the under "Borrowings" as a liability on the balance sheet.

Securities temporarily acquired under reverse repurchase agreements are not recognised in the Group's balance sheet. The corresponding receivable is recognised under "Loans and receivables".

Securities lending and borrowing transactions

Securities lending transactions do not result in de-recognition of the lent securities while securities borrowing transactions result in recognition of a debt on the liabilities side of the Group's balance sheet.

Date of recognition of securities transactions

Securities recognised at fair value through income or classified under held-to-maturity or available-for-sale financial assets are recognised at the trade date.

Regardless of their classification (recognised as loans and receivables or debt), temporary sales of securities as well as sales of borrowed securities are initially recognised at the settlement date.

These transactions are carried on the balance sheet until the Group's rights to receive the related cash flows expire or until the Group has substantially transferred all the risks and rewards related to ownership of the securities.

c. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the relevant Group entity at the closing rate. Translation differences are recognised in the income statement, except for those arising from financial instruments earmarked as a cash flow hedge or a net foreign currency investment hedge, which are recognised in shareholders' equity.

d. Impairment and restructuring of financial assets

IFRS 9 introduces a new model for the recognition of impairment of financial assets based on expected credit losses. This model represents a change from the IAS 39 model that is based on proven credit losses.

Under IFRS 9, the portfolio is segmented into three Buckets in using the notion of significant degradation from the beginning:

- Bucket 1» consists of all sound financial assets that do not are not significantly degraded since the beginning and for which it will be calculated an expected credit loss within 1 year.
- Bucket 2» includes assets for which the credit risk has significantly increased since the beginning. A credit loss must then be calculated over the remaining useful life of the asset, or residual maturity.
- «Bucket 3» corresponds to all assets in default or those for which credit quality will deteriorate to the point that the recoverability of the is threatened. Bucket 3 corresponds to the scope of the provision under IAS 39. The entity recognises a demonstrated credit loss at maturity. Thereafter, if the conditions for the classification of instruments financial instruments in bucket 3 are no longer respected, these instruments are reclassified as bucket 2 and then as bucket 1 depending on the improvement of credit risk quality.

The definition of default is consistent with the one outlined in Circular 19G with a rebuttable assumption of default occurring when amounts are no later than 90 days past due.

The definition of default is used consistently to assess whether there is an increase in credit risk and to measure expected credit losses.

The monitoring of risk degradation is based on the monitoring systems of the internal risks, including in particular the monitoring of receivables and unpaid bills.

The significant increase in credit risk may be assessed on an individual or collective basis (by grouping together financial instruments based on common credit risk characteristics), taking into account all reasonable and supportable information and comparing the risk of default of the financial instrument at the reporting date with the risk of default of the financial instrument at the date of initial recognition.

Each instrument is assessed to ascertain whether there has been a significant increase in credit risk based on indicators and thresholds that vary depending on the kind of exposure and counterparty type.

A financial asset is also considered to have undergone a significant increase in credit risk if one or more of the following criteria are met:

- Financial asset placed on the watchlist
- Reorganised due to payment difficulties, although not defaulting
- Past-due event
- There are material adverse changes in the borrower's economic, commercial or financial operating environment
- Risks of financial difficulties have been identified, etc.

In order to compensate for the fact that some factors or indicators may not be available at a financial instrument level, on an individual basis, the standard allows for the entity to carry out an assessment as to whether there has been a significant increase in credit risk on appropriate groups or portions of a portfolio of financial instruments.

Shared credit risk characteristics may be used to constitute portfolios for the purpose of carrying out an assessment as to whether there has been a significant increase in credit risk on a collective basis. Shared credit risk characteristics include instrument type, credit risk ratings, collateral type, date of initial recognition, remaining term to maturity, industry, the borrower's geographical location, the value of the collateral relative to the financial asset if it has an impact on the probability of default occurring (for example, non-recourse loans in some countries, or on loan-to-value ratios), the distribution channel, the reason for raising finance, etc..

Expected credit losses are defined as being an estimate of credit losses weighted by the probability of their occurring over the financial instrument's expected lifetime. They are measured on an individual basis, for each exposure.

The calculation of impairment losses is based on three main criteria:

Probabilities of Default (PD)

The Probability of Default (PD) is the likelihood of a borrower defaulting on its financial obligations over the subsequent 12 months (1-year PD) or over the contract's remaining maturity (lifetime PD). The PD is the probability of a borrower defaulting over a particular time horizon 't'. The PD used to estimate expected losses according to IFRS 9 is calculated for each homogeneous risk class.

For financial assets that are in 'Bucket 1' (i.e. healthy, non-sensitive), a 12-month PD is calculated i.e. the probability of default occurring in the 12 months following the reporting date.

For financial assets in 'Bucket 2' (i.e. healthy, sensitive), a PD to maturity is calculated. And, by definition, financial assets in 'Bucket 3' (i.e. defaulting) have a PD of 1.

In order to calculate the 1-year PD for a given loan, BANK OF AFRICA has divided the portfolios' loans into homogeneous risk classes that are segmented on the basis of external ratings or delinquency classes.

Lifetime PDs are calculated by applying rating migration matrices to 1-year PDs, the latter resulting from external credit rating systems or delinquency classes. Rating migration matrices are determined by modelling, for each portfolio, how defaults develop between the date of initial recognition and a contract's maturity. Rating migration matrices are developed on the basis of statistical observations.

Loss Given Default (LGD)

The Loss Given Default (LGD) is the expected credit loss as a percentage of the exposure at default. The Loss Given Default is expressed as a percentage of EAD and is calculated using Global Recovery Rates (GRRs). GRRs are assessed by homogeneous risk class for a certain type of collateral based on historical recovery rates.

For sizeable loans in difficulty, if statistical modelling is not possible (limited number of observations, special characteristics, etc.), the expected future recoverable flows are estimated by the Group's recovery subsidiary. The LGD is the difference between the contractual cash flows and the estimated expected cash flows (including principal and interest).

Exposure At Default (EAD)

It is based on the amount to which the Group expects to be actually exposed at the time of default, either over the subsequent 12 months or over the remaining period to maturity.

The Group draws on existing concepts and systems to set these parameters. Expected credit losses on financial instruments are measured as the product of these three parameters.

Under IFRS 9, recognition of expected credit losses is based on forward-looking macroeconomic conditions.

The parameters are adjusted after factoring in the prevailing economic conditions based on macroeconomic research provided by in-company industry experts. As a result of this research and the expert opinion provided, PDs may be revised (upwards or downwards depending on the outlook) over a three-year horizon. The inclusion of other macroeconomic indicators is currently being phased in.

The organisational and management approach used to determine these scenarios is the same as that adopted for the budgeting process. These are reviewed annually based on suggestions from the economic research team and are validated by the General Management Committee.

For securities (which are overwhelmingly sovereign securities), the calculation of the depreciation is determined according to the following principles:

- When acquiring shares: all shares are considered as part of Bucket 1 regardless of the issuer's rating,

- In subsequent evaluations:
- In the event of a downgrade of the issuer's rating, the security changes to bucket 2
- On the basis of credit losses proven to be at maturity if the counterparty is in default - Bucket 3

Forbearance

The Bank complies with IFRS requirements in matters of forbearance agreements, particularly with regard to discounts applied to restructured loans.The amount deducted is recognised under cost of risk. If the restructured loan is subsequently reclassified as a performing loan, it is reinstatedunder net interest income over the remaining term of the loan.

Restructuring of assets classed as "loans and receivables"

An asset classified in "Loans and receivables" is considered to be restructured due to the borrower's financial difficulty when the Group, for economic or legal reasons related to the borrower's financial difficulty, agrees to modify the terms of the original transaction that it would not otherwise consider, resulting in the borrower's contractual obligation to the Group, measured at present value, being reduced compared with the original terms.

At the time of restructuring, a discount is applied to the loan to reduce its carrying amount to the present value of the new expected future cash flows discounted at the original effective interest rate.

The Decrease in the asset value is recognised through income under "Cost of risk".

For each loan, the discount is recalculated at the renegotiation date using original repayment schedules and renegotiation terms.

The discount is calculated as the difference between :

- The sum, at the renegotiation date, of the original contractual repayments discounted at the effective interest rate; and
- The sum, at the renegotiation date, of the renegotiated contractual repayments discounted at the effective interest rate. The discount, net of amortisation, is recognised by reducing loan outstandings through income. Amortisation will be recognised under net banking income.

e. Issues of debt securities

Financial instruments issued by the Group are qualified as debt instruments if the Group company issuing the instruments has a contractual obligation to deliver cash or another financial asset to the holder of the instrument. The same applies if the Group is required to exchange financial assets or liabilities with another entity on terms that are potentially unfavourable to the Group, or to deliver a variable number of the Group's treasury shares.

In the Group's case, this concerns certificates of deposit issued by Group banks such as BANK OF AFRICA SA, BOA Group as well as notes issued by finance companies MAGHREBAIL and SALAFIN.

f. Treasury shares

The term "treasury shares" refers to shares of the parent company, BANK OF AFRICA SA and its fully consolidated subsidiaries.

"Treasury shares" refer to shares issued by the parent company, BANK OF AFRICA SA, or by its fully consolidated subsidiaries. Treasury shares held by the Group are deducted from consolidated shareholders' equity regardless of the purpose for which they are held. Gains and losses arising on such instruments are eliminated from the consolidated income statement.

As of 31 December 2020, the Group does not hold any treasury shares.

g. Derivative instruments

All derivative instruments are recognised in the balance sheet on the trade date at the trade price and are re-measured to fair value on the balance sheet date.

Derivatives held for trading purposes are recognised "Financial assets at fair value through income" when their fair value is positive and in "Financial liabilities at fair value through income" when their fair value is negative.

Realised and unrealised gains and losses are recognised in the income statement under "Net gains or losses on financial instruments at fair value through income".

h. Fair value measurement of own credit default risk (DVA) / counterparty risk (CVA)

Since the value of derivative products has not been material until now, the Bank will continue to monitor the extent to which this factor is significant in order to take into consideration fair value adjustments relating to its own credit default risk (DVA) / counterparty risk (CVA).

i. Determining the fair value of financial instruments

Fair value is defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial assets classified under "Financial assets at fair value through income" and "Available-for-sale financial assets" are measured at fair value.

Fair value in the first instance relates to the quoted price if the financial instrument is traded on a liquid market.

If no liquid market exists, fair value is determined by using valuation techniques (internal valuation models as outlined in Note 4.15 on fair value).

Depending on the financial instrument, these involve the use of data taken from recent arm's length transactions, the fair value of substantially similar instruments, discounted cash flow models or adjusted book values.

Characteristics of a liquid market include regularly available prices for financial instruments and the existence of real arm's length transactions.

Characteristics of an illiquid market include factors such as a significant Decline in the volume and level of market activity, a significant variation in available prices between market participants or a lack of recent observed transaction prices.

j. Income and expenses arising from financial assets and liabilities

The effective interest rate method is used to recognise income and expenses arising from financial instruments, which are measured at amortised cost.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the asset or liability in the balance sheet. The effective interest rate calculation takes into account all fees received or paid that are an integral part of the effective interest rate of the contract, transaction costs, and premiums and discounts.

k. Cost of risk

"Cost of risk" includes impairment provisions net of write-backs and provisions for credit risk, losses on irrecoverable loans and amounts recovered on amortised loans as well as provisions and provision write-backs for other risks such as operating risks.

l. offsetting financial assets and liabilities

A financial asset and a financial liability are offset and the net amount presented in the balance sheet if, and only if, the Group has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.6.1.3. Property plant and equipment and intangible assets

a. Property, plant and equipment

The Group has opted for the cost model to measure property, plant and equipment and intangible assets.

It is worth noting that, in application of the option provided under IFRS 1, the Group has chosen to measure certain items of property, plant and equipment at the transition date at their fair value and use this fair value as deemed cost at this date.

In accordance with IAS 23, borrowing costs directly attributable to the acquisition are included in the acquisition cost of items of property, plant and equipment.

As soon as they are available for use, items of property, plant and equipment are amortised over the asset's estimated useful life.

Given the character of the Group's property, plant and equipment, it has not adopted any residual value except for transport equipment owned by LOCASOM, a subsidiary.

In respect of the Group's other assets, there is neither a sufficiently liquid market nor a replacement policy over a period that is considerably shorter than the estimated useful life for any residual value to be adopted.

This residual value is the amount remaining after deducting from the acquisition cost all allowable depreciable charges.

Given the Group's activity, it has adopted a component-based approach for property. The option adopted by the Group is a component-based amortised cost method by applying using a component-based matrix established as a function of the specific characteristics of each of the Group's buildings.

Component-based matrix adopted by BANK OF AFRICA

	Head office property		Other property	
	Period	Share	Period	Share
Structural works	80	55%	80	65%
Façade	30	15%		
General & technical installations	20	20%	20	15%
Fixtures and fittings	10	10%	10	20%

Impairment

The Group has deemed that impairment is only applicable to buildings and, as a result, the market price (independently assessed valuation) will be used as evidence of impairment.

b. Investment property

IAS 40 defines investment property as property held to earn rentals or for capital appreciation or both. An investment property generates cash flows that are largely independent from the company's other assets in contrast to property primarily held for use in the production or supply of goods or services.

The Group qualifies investment property as any non-operating property.

The Group has opted for the cost method to value its investment property. The method used to value investment property is identical to that for valuing operating property.

In accordance with the requirements of paragraph 79(e) of IAS 40, the Group has investment properties whose acquisition cost is deemed to be substantially material valued by external surveyors at each balance sheet date (cf. 4.15 on fair value).

c. Intangible assets

Intangible assets are initially measured at cost which is equal to the amount of cash or cash equivalent paid or any other consideration given at fair value to acquire the asset at the time of its acquisition or construction.

Subsequent to initial recognition, intangible assets are measured at cost less cumulative amortisation and impairment losses.

The amortisation method adopted reflects the rate at which future economic benefits are consumed.

Impairment is recognised when evidence (internal or external) of impairment exists. Evidence of impairment is assesses at each balance sheet date.

Given the character of the intangible assets held, the Group considers that the concept of residual value is not relevant in respect of its intangible assets. As a result, residual value has not been adopted.

1.6.1.4. Leases

Group companies may either be the lessee or the lessor in a lease agreement.

Leases contracted by the Group as lessor are categorised as either finance leases or operating leases.

a. lessor accounting

Finance leases

In a finance lease, the lessor transfers the substantial portion of the risks and rewards of ownership of an asset to the lessee. It is treated as a loan made to the lessee to finance the purchase of the asset.

The present value of the lease payments, plus any residual value, is recognised as a receivable.

The net income earned from the lease by the lessor is equal to the amount of interest on the loan and is taken to the income statement under "Interest and other income". The lease payments are spread over the lease term and are allocated to reducing the principal and to interest such that the net income reflects a constant rate of return on the outstanding balance. The rate of interest used is the rate implicit in the lease.

Individual and portfolio impairments of lease receivables are determined using the same principles as applied to other loans and receivables.

Operating leases

An operating lease is a lease under which the substantial portion of the risks and rewards of ownership of an asset are not transferred to the lessee.

The asset is recognised under property, plant and equipment in the lessor's balance sheet and depreciated on a straight-line basis over the lease term. The depreciable amount excludes the asset's residual value. The lease payments are taken to the income statement in full on a straight-line basis over the lease term.

Lease payments and depreciation expenses are taken to the income statement under "Income from other activities" and "Expenses from other activities".

b. lessee accounting

Leases contracted by the Group as lessee are categorised as either finance leases or operating leases.

Finance leases

A finance lease is treated as an acquisition of an asset by the lessee, financed by a loan. The leased asset is recognised in the balance sheet of the lessee at the lower of fair value or the present value of the minimum lease payments calculated at the interest rate implicit in the lease.

A matching liability, equal to the fair value of the leased asset or the present value of the minimum lease payments, is also recognised in the balance sheet of the lessee. The asset is depreciated using the same method as that applied to owned assets after deducting the residual value from the amount initially recognised over the useful life of the asset. The lease obligation is accounted for at amortised cost.

The operating leases

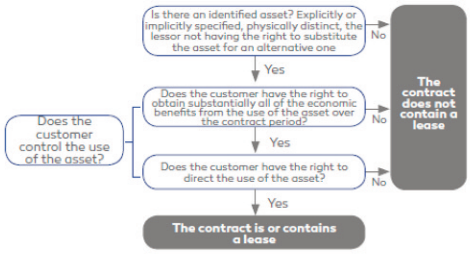
IFRS 16 'Leases' will supersede IAS 17 from 1 January 2019. It will change the way in which leases are accounted for.

For all lease agreements, the lessee will be required to recognise a right-ofuse asset on its balance sheet representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. In its income statement, the lessee will separately recognise the depreciation of the rightof-use asset and the interest expense on the lease liability. This treatment, which is currently applied by lessees to financelease transactions, will subsequently be extended to operating leases.

Policies adopted

The transition method chosen by BANK OF AFRICA Group is the modified retrospective approach by which the lease liability is recognised at the present value of remaining lease payments at the time of firsttime application (01/01/2019) with a right-ofuse asset of an equivalent amount recognised at the same time. Consequently, first-time application of IFRS 16 had no impact on shareholders' equity.

To identify leases that fall within the scope of this standard, the following criteria shall apply:



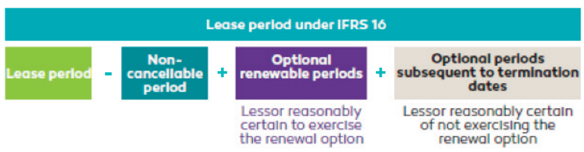
The Group has adopted two simplification measures provided for under IFRS 16 regarding short-term contracts (up to 12 months) and contracts whose underlying assets are of limited value. The IASB recommends a guideline threshold of USD 5.000 or less.

The lease period

The period during which the Group has previously used particular types of property (leased or owned) and the underlying economic reasons thereof have been used to determine whether the group is reasonably certain of exercising an option or not.

The lease periods applied therefore depend on the type of property:

- For commercial leases, a period of 9 years on average has been applied;
- For residential leases, a period of 3 years;
- For leased vehicles, the period applied is that of the contract.



The liability related to the lease is equal to the present value of the lease payments and estimated payments at the end of the contract (early termination penalties if applicable and/or residual value guarantees if applicable).

The rate used to discount these payments is the incremental borrowing rate which is the rate of interest that a lessee would have to pay to borrow over a similar term to that of the lease liability.

1.6.1.5. Non-current assets held for sale and discontinued activities

An asset is classified as held for sale if its carrying amount is obtained through the asset's sale rather than through its continuous use in the business.

At 31 December 2020, the Group did not recognise any assets as held for sale or discontinued activities.

1.6.2. Employee benefits

Classification of employee benefits

a. Short-term benefits

Short-term benefits are due within twelve months of the close of the financial year in which employees provided the corresponding services. They are recognised as expenses in the year in which they are earned.

b. Defined-contribution post-employment benefits

The employer pays a fixed amount in respect of contributions into an external fund and has no other liability. Benefits received are determined on the basis of cumulative contributions paid plus any interest and are recognised as expenses in the year in which they are earned.

c. Defined-benefit post-employment benefits

Defined-benefit post-employment benefits are those other than defined-contribution schemes. The employer undertakes to pay a certain level of benefits to former employees, whatever the liability's cover. This liability is recognised as a provision.

The Group accounts for end-of-career bonuses as defined-benefit post-employment benefits: these are bonuses paid on retirement and depend on employees' length of service.

d. Long-term benefits

These are benefits which are not settled in full within twelve after the employee rendering the related service. Provisions are recognised if the benefit depends on employees' length of service.

The Group accounts for long-service awards as long-term benefits: these are payments made to employees when they reach 6 different thresholds of length of service ranging from 15 to 40 years.

e. Termination benefits

Termination benefits are made as a result of a Decision by the Group to terminate a contract of employment or a Decision by an employee to accept voluntary redundancy. The company may set aside provisions if it is clearly committed to terminating an employee's contract of employment.

Principles for calculating and accounting for defined-benefit post-employment benefits and other long-term benefits

a. Calculation method

The recommended method for calculating the liability under IAS 19 is the "projected unit credit" method. The calculation is made on an individual basis. The employer's liability is equal to the sum of individual liabilities.

Under this method, the actuarial value of future benefits is determined by calculating the amount of benefits due on retirement based on salary projections and length of service at the retirement date. It takes into consideration variables such as discount rates, the probability of the employee remaining in service up until retirement as well as the likelihood of mortality.

The liability is equal to the actuarial value of future benefits in respect of past service within the company prior to the calculation date. This liability is determined by applying to the actuarial value of future benefits the ratio of length of service at the calculation date to length of service at the retirement date.

The annual cost of the scheme, attributable to the cost of an additional year of service for each participant, is determined by the ratio of the actuarial value of future benefits to the anticipated length of service on retirement.

b. Accounting principles

A provision is recognised under liabilities on the balance sheet to cover for all obligations.

Actuarial gains or losses arise on differences related to changes in assumptions underlying calculations (early retirement, discount rates etc.) or between actuarial assumptions and what actually occurs (rate of return on pension fund assets etc.) constitute.

They are amortised through income over the average anticipated remaining service lives of employees using the corridor method.

The past service cost is spread over the remaining period for acquiring rights.

The annual expense recognised in the income statement under "Salaries and employee benefits" in respect of defined-benefit schemes comprises:

- The rights vested by each employee during the period (the cost of service rendered) ;
- The interest cost relating to the effect of discounting the obligation ;
- The expected income from the pension fund's investments (gross rate of return);
- The effect of any plan curtailments or settlements.

1.6.3. Share-based payments

The Group offers its employees the possibility of participating in share issues in the form of share purchase plans.

New shares are offered at a discount on the condition that they retain the shares for a specified period.

The expense related to share purchase plans is spread over the vesting period if the benefit is conditional upon the beneficiary's continued employment.

This expense, booked under "Salaries and employee benefits", with a corresponding adjustment to shareholders' equity, is calculated on the basis of the plan's total value, determined at the allotment date by the Board of Directors.

In the absence of any market for these instruments, financial valuation models are used that take into account performancebased criteria relating to the Bank's share price. The plan's total expense is determined by multiplying the unit value per option or bonus share awarded by the estimated number of options or bonus shares acquired at the end of the vesting period, taking into account the conditions regarding the beneficiary's continued employment.

1.6.4. Provisions recorded under liabilities

Provisions recorded under liabilities on the Group's balance sheet, other than those relating to financial instruments and employee benefits mainly relate to restructuring, litigation, fines, penalties and tax risks.

A provision is recognised when it is probable that an outflow of resources providing economic benefits will be required to settle an obligation arising from a past event and a reliable estimate can be made about the obligation's amount. The amount of such obligations is discounted in order to determine the amount of the provision if the impact of discounting is material.

A provision for risks and charges is a liability of uncertain timing or amount.

The accounting standard provides for three conditions when an entity must recognise a provision for risks and charges:

- A present obligation towards a third party ;
- An outflow of resources is probable in order to settle the obligation;
- The amount can be estimated reliably.

1.6.5. Current and deferred taxes

The current income tax charge is calculated on the basis of the tax laws and tax rates in force in each country in which the Group has operations.

Deferred taxes are recognised when temporary differences arise between the carrying amount of an asset or liability in the balance sheet and its tax base.

A deferred tax liability is a tax which is payable at a future date. Deferred tax liabilities are recognised for all taxable temporary differences other than those arising on initial recognition of goodwill or on initial recognition of an asset or liability for a transaction which is not a business combination and which, at the time of the transaction, has not impact on profit either for accounting or tax purposes.

A deferred tax asset is a tax which is recoverable at a future date. Deferred tax assets are recognised for all deductible temporary differences and unused carry-forwards of tax losses only to the extent that it is probable that the entity in question will generate future taxable profits against which these temporary differences and tax losses can be offset.

The Group has opted to assess the probability of recovering deferred tax assets.

Deferred taxes assets are not recognised if the probability of recovery is uncertain. Probability of recovery is ascertained by the business projections of the companies concerned.

IFRIC 23 interpretation:

This interpretation is intended to clarify IAS 12 'Income taxes', which contains measures relating to recognition and measurement of current or deferred tax assets or liabilities.

This interpretation deals with income tax-related risks. The interpretation is to be applied to determine income tax-related items when there is uncertainty over income tax treatments by an entity under the applicable tax provisions. Tax risk naturally arises from uncertainty regarding a tax position adopted by the entity that might be questioned by the tax authority.

The interpretation provides a choice of two transition methods as follows:

Full retrospective approach, provided that the company is in possession of the necessary information without taking into account circumstances that have occurred over time; or

Modified retrospective approach, by recognising the cumulative impact under opening shareholders' equity for the financial period in which the interpretation is first applied, in which case, the comparative information for the financial period in which the interpretation is first applied is not restated.

The Group opted for the modified retrospective approach in respect of this interpretation by recognising the cumulative impact under opening shareholders' equity at 1 January 2019.

1.6.6. Cash flow statement

The cash and cash equivalents balance is composed of the net balance of cash accounts and accounts with central banks and the net balances of sight loans and deposits with credit institutions.

Changes in cash and cash equivalents related to operating activities reflect cash flows generated by the Group's operations, including cash flows related to investment property, held-tomaturity financial assets and negotiable debt instruments.

Changes in cash and cash equivalents related to investing activities reflect cash flows resulting from acquisitions and disposals of subsidiaries, associates or joint ventures included in the consolidated group, as well as acquisitions and disposals of property, plant and equipment excluding investment property and property held under operating leases.

Changes in cash and cash equivalents related to financing activities reflect the cash inflows and outflows resulting from transactions with shareholders, cash flows related to subordinated debt, bonds and debt securities (excluding negotiable debt instruments).

1.6.7. Use of estimates in the preparation of the financial statements

Preparation of the financial statements requires managers of business lines and corporate functions to make assumptions and estimates that are reflected in the measurement of income and expense in the income statement and of assets and liabilities in the balance sheet and in the disclosure of information in the notes to the financial statements.

This requires the managers in question to exercise their judgement and to make use of information available at the time of preparation of the financial statements when making their estimates.

The actual future results from operations where managers have made use of estimates may in reality differ significantly from those estimates depending on market conditions. This may have a material impact on the financial statements.

Those estimates which have a material impact on the financial statements primarily relate to:

- Impairment (on an individual or collective basis) recognised to cover credit risks inherent in banking intermediation activities ;

Other estimates made by the Group's management primarily relate to :

- Goodwill impairment tests ;
- Provisions for employee benefits;
- The measurement of provisions for risks and charges.

Note about the consolidated financial statements

The consolidated financial statements at 31 December 2020 have been prepared in a global and domestic context marked by the spread of the Covid-19 pandemic. This event has directly impacted the Group's annual results in two respects:

Accounting treatment of the Covid-19 donation

BANK OF AFRICA Group reiterated its commitment to the national cause by contributing MAD 1 billion to the Special Fund for managing the Covid-19 pandemic.

This amount has been factored into BANK OF AFRICA Group's annual results under general operating expenses.

Health crisis and IFRS 9 impact

BANK OF AFRICA Group's consolidated financial statements are prepared under International Financial Reporting Standards (IFRS).

IFRS 9 has introduced a new model for recognising impairment of financial assets based on expected credit losses. It has introduced a system of classification in 3 stages (buckets 1, 2 and 3) based on a definition of default (bucket 3) and a concept of material deterioration in credit risk (triggering a downgrade from bucket 1 to bucket 2).

The definition of default is consistent with the one defined in Circular 19G, with a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due.

The definition of default is used consistently to assess whether there is an increase in credit risk and to measure expected credit losses.

Risk deterioration is monitored with the help of systems for monitoring internal risks which includes, in particular, monitoring non-performing loans and past due loans.

A material increase in credit risk may be assessed on an individual or collective basis (by grouping together financial instruments based on common credit risk characteristics), taking into account all reasonable and supportable information and comparing the risk of the financial instrument defaulting at the reporting date with the risk of the financial instrument defaulting at the time of initial recognition.

Each instrument is appraised to ascertain whether there has been a material increase in credit risk based on indicators and thresholds that vary, depending on the kind of exposure and counterparty type.

A financial asset is also considered to have undergone a material increase in credit risk if one or more of the following criteria are met:

- Financial asset placed on the watchlist
- Restructured due to repayment difficulties, although not defaulting
- Past-due event
- Material adverse changes in the borrower's economic, commercial or financial operating environment
- Identifiable risks of financial difficulties, etc.

This standard introduces an impairment model which requires that expected credit losses or 'ECLs' are recognised for loans and debt instruments measured at amortised cost or fair value through other comprehensive income with recycling, for loan commitments and financial collateral arrangements not recognised at fair value as well as for receivables resulting from lease agreements and trade receivables. This approach aims to encourage early recognition of expected credit losses.

The expected losses for the various portfolios are calculated based on the three main risk criteria modelled using the available historical data for each portfolio segment: the 'Probability of Default' (PD) over one year or over the asset's lifetime, the 'Loss Given Default' (LGD) and 'Exposure At Default' (EAD). The historical loss method is used, where appropriate, for certain portfolios.

This standard has been designed to be forward looking, reflecting expectations of future credit events at each reporting date. Forward looking scenarios have therefore been incorporated into the ECL calculation models.

As far as the specific context of the 31 December 2020 reporting date is concerned, BANK OF AFRICA – BMCE Group has made a number of adjustments to anticipate, measure and steer the impacts from the current health crisis.

To ensure that the IFRS 9 model adequately takes into account the impact on the domestic economy from the current situation, prospective data and forward-looking scenarios have been revised, by taking into consideration their effects on probabilities of default (PD). This revision is based on the changes made to economic sector ratings.

The estimated impact factors in information available at 31 December 2020. It will be updated in light of changes to the economic environment and any additional information available ahead of future reporting dates.

II. NOTES TO THE INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

2.1 NET INTEREST INCOME

includes net interest income (expense) related to customer and interbank transactions, debt securities issued by the Group, the trading portfolio (fixed income securities, repurchase agreements, loan / borrowing transactions and debts securities), available for sale financial assets and held-to-maturity financial assets.

In thousand MAD

	Dec-20			Dec-19		
	Income	Expense	Net	Income	Expense	Net
Customer Items	**10 651 924**	**2 991 366**	**7 660 558**	**10 682 959**	**2 842 525**	**7 840 434**
Deposits, loans and borrowings	9 845 411	2 959 963	6 885 448	9 881 189	2 814 604	7 066 585
Repurchase agreements	0	31 403	-31 403	0	27 921	-27 921
Finance leases	806 513	0	806 513	801 770	0	801 770
Interbank Items	**1 148 716**	**1 443 917**	**-295 201**	**1 302 310**	**1 752 496**	**-450 186**
Deposits, loans and borrowings	917 652	1 116 498	-198 846	1 050 914	1 376 191	-325 277
Repurchase agreements	231 064	327 418	-96 355	251 396	376 304	-124 909
Borrowings issued by the Group		**846 014**	**-846 014**		**841 885**	**-841 885**
Instruments at fair value through equity			**0**			**0**
Debt instruments	**3 909 046**		**3 909 046**	**3 365 659**		**3 365 659**
TOTAL INTEREST INCOME/(EXPENSE)	15 709 687	5 281 297	10 428 389	15 350 928	5 436 906	9 914 022

2.2 NET FEE INCOME

In thousand MAD

	Dec-20			Dec-19		
	Income	Expense	Net	Income	Expense	Net
Net fee on transactions	**2 425 174**	**160 320**	**2 264 854**	**2 432 925**	**215 140**	**2 217 785**
With credit institutions			-			-
With customers	1 793 494		1 793 494	1 680 163		1 680 163
On custody	195 454	80 903	114 551	216 541	63 970	152 571
On foreign exchange	436 225	79 416	356 809	536 221	151 170	385 051
On financial instruments and off balance sheet			-			-
Banking and financial services	**673 215**	**296 612**	**376 604**	**807 560**	**314 096**	**493 464**
Income from mutual funds management			-			-
Income from electronic payment services	369 474	89 591	279 883	418 497	95 724	322 773
Insurance			-			-
Other	303 742	207 021	96 721	389 063	218 372	170 691
NET FEE INCOME	3 098 389	456 931	2 641 458	3 240 485	529 236	2 711 249

Net fee income covers fees from interbank market and the money market, customer transactions, securities transactions, foreign exchange transactions, securities commitments, financial transactions derivatives and financial services.

2.3 NET GAINS ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

This entry includes all items of income (excluding interest income and expenses, classified under «Net interest income» as described above) relating to financial instruments managed within the trading book.

This covers gains and losses on disposals, gains and losses related to mark-to-market, as well as dividends from variable-income securities.

In thousand MAD

	Dec-20			Dec-19		
	Trading Book	Assets measured under the fair value option	Total	Trading Book	Assets measured under the fair value option	Total
Fixed income and variable income securities	418 687	67 314	486 001	474 042	9 531	483 573
Derivative instruments	-108 323	0	-108 323	-130 314	0	-130 314
Repurchase agreements						
Loans						
Borrowings						
Remeasurement of interest rate risk hedged portfolios						
Remeasurement of currency positions						
TOTAL	310 364	67 314	377 678	343 728	9 531	353 259

2.4 NET GAINS ON AVAILABLE-FOR-SALE FINANCIAL ASSETS

In thousand MAD

	Dec-20	Dec-19
Remuneration of equity instruments recognised as non-recyclable equity instruments (Dividends)	220 688	211 707
TOTAL	220 688	211 707

2.5 NET INCOME FROM OTHER ACTIVITIES

In thousand MAD

	Dec-20			Dec-19		
	Income	Expense	Net	Income	Expense	Net
Net income from insurance activities			0			0
Net income from investment property	0	0	0	0	0	0
Net income from assets held under operating leases	242 406	112 728	129 678	254 340	122 711	131 629
Net income from property development activities	0	0	0	0	0	0
Other banking income & expenses	406 551	326 218	80 333	694 425	378 380	316 046
Other operating income	143 966	25 593	118 373	286 411	83 347	203 064
TOTAL NET INCOME FROM OTHER ACTIVITIES	792 923	464 539	328 384	1 235 176	584 437	650 739

2.6 GENERAL OPERATING EXPENSES

In thousand MAD

	Dec-20	Dec-19
Staff expenses	3 872 226	3 896 797
Taxes	306 192	302 176
External expenses	3 486 812	2 671 462
Other general operating expenses	180 508	247 332
Allowances for depreciation and provisions of tangible and intangible assets	954 340	947 015
General Operating Expenses	8 800 078	8 064 782

2.7 COST OF RISK

	31/12/2020	31/12/2019
NET ALLOCATIONS FOR DEPRECIATIONS	**-2 173 842**	**-694 114**
Bucket 1	**-382 264**	**-116 931**
Including loans and receivables on EC and OA	*-26 769*	*-5 853*
Including customer loans and receivables	*-175 278*	*37 726*
Including off-balance-sheet commitments	*11 182*	*-52 650*
Including debt instruments	*-191 400*	*-96 154*
Including debt instruments accounted for by JV and recyclable CP	-	-
Bucket 2	**-419 957**	**-71 331**
Including loans and receivables on EC and OA	*1 060*	*-1 167*
Including customer loans and receivables	*-423 033*	*-68 815*
Including off-balance-sheet commitments	*919*	*-1 366*
Including debt instruments	*1 097*	*17*
Including debt instruments accounted for by JV and recyclable CP	-	-
Bucket 3	**-1 371 620**	**-505 852**
Including loans and receivables on EC and OA	*137 236*	*-40 169*
Including customer loans and receivables	*-1 494 888*	*-454 464*
Including off-balance-sheet commitments	*-13 968*	*-17 783*
Including debt instruments	-	*6 564*
Including debt instruments accounted for by JV and recyclable CP		
Amounts recovered from amortized loans	54 171	94 599
Losses on bad debt	-1 119 566	-1 548 430
Other	-212 741	-48 490
Cost of risk	**-3 451 978**	**-2 196 435**

2.8 NET GAINS ON OTHER ASSETS

(In thousand MAD)

	Dec-20	Dec-19
PP&E and intangible assets used in operations	**49 411**	**8 878**
Capital gains on disposals	49 411	15 796
Capital losses on disposals		6 918
Others	**18 247**	**-21 984**
Net Gain/Loss on Other Assets	**67 658**	**-13 106**

2.9 INCOME TAX

2.9.1 CURRENT AND DEFERRED TAX

(In thousand MAD)

	Dec-20	Dec-19
Current tax	797 935	920 499
Deferred tax	2 083 871	1 767 563
Current and deferred tax assets	**2 881 806**	**2 688 062**
Current tax	877 982	1 396 103
Deferred tax	1 258 073	1 179 957
Current and deferred tax liabilities	**2 136 055**	**2 576 060**

2.9.2 NET INCOME TAX EXPENSE

(In thousand MAD)

	Dec-20	Dec-19
Current tax expense	-715 711	-1 238 767
Net deferred tax expense	202 183	158 638
Net Corporate income tax expense	**-513 528**	**-1 080 129**

2.9.3 EFFECTIVE TAX RATE

(In thousand MAD)

	Dec-20	Dec-19
Net income	1 877 347	2 576 017
Net corporate income tax expense	-513 528	-1 080 129
Average effective tax rate	**27.4%**	**41.9%**

ANALYSIS OF EFFECTIVE TAX RATE

(In thousand MAD)

	Dec-20	Dec-19
Standard tax rate	37.0%	37.0%
Differential in tax rates applicable to foreign entities		
Reduced tax rate		
Permanent differences		
Change in tax rate		
Reportable deficit		
Other items	-9.6%	4.9%
Average effective tax rate	**27.4%**	**41.9%**

III. SEGMENT INFORMATION

BANK OF AFRICA Group is composed of four core business activities for accounting and financial information purposes:

- Banking in Morocco: BANK OF AFRICA's Moroccan business;
- Asset management and Investment banking: BMCE Capital, BMCE Capital Bourse and BMCE Capital Gestion
- Specialised financial services: Salafin, Maghrébail, Maroc Factoring, RM Experts and Acmar
- International activities: BMCE International Holding, Banque de Développement du Mali, LCB Bank, BOA Group.

3.1 EARNINGS BY BUSINESS LINE

(In thousand MAD)

	Dec-20						Dec-19					
	Activity in Morocco	Investment Banking	Specialised Financial Services	Others	International Activities	Total	Activity in Morocco	Investment Banking	Specialised Financial Services	Others	International Activities	Total
Net interest Income	4 620 008	54 667	662 434	-4 151	5 095 431	10 428 389	4 417 685	64 541	681 730	-5 929	4 755 996	9 914 022
Net Fee income	1 024 382	153 763	20 392	0	1 442 921	2 641 458	1 200 251	159 570	21 665	0	1 329 763	2 711 249
Net Banking Income	**5 868 712**	**332 998**	**700 513**	**125 527**	**6 974 296**	**14 002 045**	**5 951 214**	**362 732**	**722 703**	**115 983**	**6 707 972**	**13 860 603**
General Operating Expenses & allowances for depreciation and amortization	-4 141 365	-297 625	-240 720	-87 297	-4 033 071	(8 800 078)	-3 367 955	-306 697	-239 943	-98 892	-4 051 295	(8 064 782)
Operating Income	**1 727 346**	**35 373**	**459 793**	**38 230**	**2 941 225**	**5 201 967**	**2 583 259**	**56 035**	**482 759**	**17 091**	**2 656 677**	**5 795 821**
Corporate income tax	-32 352	-45 008	-95 012	-9 808	-331 349	(513 528)	-544 388	-52 301	-153 086	-9 954	-320 399	(1 080 129)
Net Income Attributable to shareholders of the parent	-111 374	82 566	43 757	-10 752	733 635	737 831	899 925	113 233	139 594	-6 450	775 208	1 921 510

3.2 ASSETS AND LIABILITIES BY BUSINESS ACTIVITY

(In thousand MAD)

	Dec-20						Dec-19					
	Activity in Morocco	Investment Banking	Specialised Financial Services	Others	International Activities	Total	Activity in Morocco	Investment Banking	Specialised Financial Services	Others	International Activities	Total
TOTAL ASSETS	204 540 156	990 356	16 840 891	106 223	109 434 177	331 911 803	192 052 523	1 242 527	18 163 535	216 902	104 073 720	315 749 206
ASSETS ITEMS												
Available for sale assets	2 982 072	8 350	22 386	16 977	2 835 135	5 864 920	2 763 938	10 470	20 768	20 621	3 298 671	6 114 467
Customer loans	128 452 166	0	15 585 061	1	50 129 472	194 166 699	118 488 373	0	16 783 701	1	51 373 516	186 645 591
Financial assets at fair value	29 529 201	110 862	861	0	662 363	30 303 288	29 913 430	110 161	861	0	683 273	30 707 725
Held to maturity assets	8 454 148	0	0	0	28 870 456	37 324 605	4 410 000	0	0	0	25 632 750	30 042 750
LIABILITIES & SHAREHOLDERS EQUITY ITEMS												
Customer deposits	133 306 866	0	892 652	0	72 887 323	207 086 841	134 325 817	0	949 775	0	67 541 065	202 816 657
Shareholder's Equity	18 804 203	419 299	1 593 012	(203 048)	7 367 063	27 980 530	18 597 007	399 863	1 669 895	(168 950)	7 298 292	27 796 107

IV. NOTES TO THE BALANCE SHEET AS OF 31 DECEMBER 2020

4.1 CASH, AMOUNTS DUE FROM CENTRAL BANKS, BANKS AND THE POST OFFICE

(In thousand MAD)

	Dec-20	Dec-19
Cash	**4 338 124**	**4 281 536**
CENTRAL BANKS	*11 921 071*	*10 097 007*
TREASURY	*27 685*	*67 333*
GIRO	*4 744*	*4 715*
CENTRAL BANKS, TREASURY, GIRO	**11 953 499**	**10 169 055**
Cash, Central Banks, Treasury, Giro	**16 291 624**	**14 450 591**

4.2 ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(In thousand MAD)

	31/12/2020			31/12/2019		
	Trading book	Assets designated at fair value through profit or loss	Total	Trading book	Assets designated at fair value through profit or loss	Total
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS						
Negotiable certificates of deposits	**16 943 095**	**-**	**16 943 095**	**17 130 180**	**-**	**17 130 180**
Treasury bills and other eligible for central bank refinancing	15 647 344		15 647 344	16 673 191		16 673 191
Other negotiable certificates of deposits	1 295 751		1 295 751	456 989		456 989
Bonds	**1 071 913**	**-**	**1 071 913**	**2 425 052**	**-**	**2 425 052**
Government bonds	580 626		580 626	1 285 666		1 285 666
Other bonds	491 287		491 287	1 139 386		1 139 386
Equities and other variable income securities	**11 509 343**	**774 086**	**12 283 429**	**10 392 716**	**794 295**	**11 187 011**
Repurchase agreements	-		-	-		-
Loans	-		-	-		-
To credit institutions			*0*			*0*
To corporate customers			*0*			*0*
To private individual customers			*0*			*0*
Trading Book Derivatives	**4 850**	**0**	**4 850**	**-34 518**	**-**	**-34 518**
Currency derivatives	4 850		4 850	-34 518		-10 215
Interest rate derivatives			0			0
Equity derivatives			0			0
Credit derivatives			0			0
Other derivatives			0			0
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**29 529 201**	**774 086**	**30 303 287**	**29 913 430**	**794 295**	30 707 725
Of which loaned securities						
Excluding equities and other variable-income securities						
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS						
Borrowed securities and short selling						
Repurchase agreements						
Borrowings						
Credit institutions						
Corporate customers						
Debt securities						
Trading Book Derivatives						
Currency derivatives						
Interest rate derivatives						
Equity derivatives						
Credit derivatives						
Other derivatives						
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS						

4.3 FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

(In thousand MAD)

	31/12/2020			31/12/2019		
	Balance Sheet Value	Unrealized gains	Unrealized losses	Balance Sheet Value	Unrealized gains	Unrealized losses
Debt instruments recognised at fair value through recyclable equity	222 818	28 510	-8 188	1 667 868	5 756	-986
Equity instruments recognised at fair value through non-recyclable equity	4 642 101	1 644 938	-531 638	4 446 599	1 624 365	-528 048

4.4 SECURITIES AT AMORTISED COST

(In thousand MAD)

	31/12/2020	31/12/2019
Treasury bills and other bills mobilisable with central banks	**5 801 445**	**6 666 681**
Treasury bills and other bills mobilisable with central banks	4 940 727	5 798 982
Other negotiable debt securities	860 718	867 699
Bonds	**32 007 169**	**23 625 022**
Government bonds	29 442 689	21 537 841
Other Bonds	2 564 480	2 087 182
Depreciations	**-484 009**	**-248 954**
TOTAL DEBT INSTRUMENTS VALUED AT AMORTISED COST	**37 324 605**	**30 042 750**

4.5 INTERBANK TRANSACTIONS, RECEIVABLES AND AMOUNTS DUE FROM CREDIT INSTITUTIONS

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

(In thousand MAD)

	31/12/2020	31/12/2019
Demand accounts	8 037 532	8 927 092
Loans	14 339 572	12 522 277
Including cash loans	*284 908*	*1 162 815*
Repurchase agreements	97 766	1 058 308
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS, BEFORE IMPAIRMENT PROVISIONS	**22 474 870**	**22 507 677**
Provisions for impairment of loans and receivables due from credit institutions	-82 607	-103 938
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS, NET OF IMPAIRMENT PROVISIONS	**22 392 263**	**22 403 739**

AMOUNTS DUE TO CREDIT INSTITUTIONS

(In thousand MAD)

	31/12/2020	31/12/2019
Demand accounts	5 380 050	3 722 868
Borrowings	34 294 079	28 000 311
Including cash borrowings	*900 951*	*982 242*
Repurchase agreements	20 286 352	13 348 666
TOTAL	**59 960 481**	**45 071 844**

4.6 LOANS, RECEIVABLES AND AMOUNTS DUE FROM CUSTOMERS

LOANS AND RECEIVABLES DUE FROM CUSTOMERS

(In thousand MAD)

	31/12/2020	31/12/2019
Demand accounts	20 097 645	22 366 723
Loans to customers	156 274 631	149 857 647
Repurchase agreements	19 230 084	13 272 162
Finance leases	14 542 223	15 393 383
TOTAL LOANS AND RECEIVABLES DUE FROM CUSTOMERS, BEFORE IMPAIRMENT PROVISIONS	**210 144 583**	**200 889 916**
Impairment of loans and receivables due from customers	-15 977 884	-14 244 325
TOTAL LOANS AND RECEIVABLES DUE FROM CUSTOMERS, NET OF IMPAIRMENT PROVISIONS	**194 166 699**	**186 645 590**

BREAKDOWN OF AMOUNTS DUE TO CUSTOMERS BY BUSINESS ACTIVITY

(In thousand MAD)

	31/12/2020	31/12/2019
AActivity in Morocco	128 452 166	118 488 373
Specialized Financial Services	15 585 061	16 783 701
International Activities	50 129 472	51 373 516
Investment Banking	0	0
Other Activities	1.00	1.00
Total	**194 166 698**	**186 645 590**
Allocated Debts		
Value at Balance sheet	**194 166 698**	**186 645 590**

BREAKDOWN OF AMOUNTS DUE TO CUSTOMERS BY GEOGRAPHICAL REGION

(In thousand MAD)

	31/12/2020	31/12/2019
Morocco	144 037 227	135 272 075
Africa	46 131 188	47 463 182
Europe	3 998 284	3 910 334
Total	**194 166 699**	**186 645 591**
Allocated Debts		
Value at Balance sheet	**194 166 699**	**186 645 591**

BREAKDOWN OF LOANS & RECEIVABLES AND COMMITMENTS BY BUCKET

(In thousand MAD)

	31/12/2020							
	Receivables and commitments				Depreciation			
	BUKET 1	BUKET 2	BUKET 3	TOTAL	BUKET 1	BUKET 2	BUKET 3	TOTAL
Financial assets at fair value through equity	**1 227 511**	**-**	**-**	**1 227 511**	**4 689**	**-**	**-**	**4 689**
Debt instruments accounted for by JV at recyclable CP	1 227 511			1 227 511	4 689			4 689
Financial assets at amortized cost	**233 347 022**	**18 734 128**	**18 346 917**	**270 428 067**	**1 964 282**	**2 724 683**	**11 855 532**	**16 544 497**
Loans and receivables from credit institutions	22 390 038	81 101	3 730	22 474 870	78 624	1 410	2 572	82 606
Loans and receivables from customers	173 148 370	18 653 027	18 343 186	210 144 583	1 401 649	2 723 273	11 852 961	15 977 883
Debt instruments	37 808 614			37 808 614	484 009	-		484 009
Total assets	**234 574 533**	**18 734 128**	**18 346 917**	**271 655 578**	**1 968 971**	**2 724 683**	**11 855 532**	**16 549 187**
Total off-balance sheet	**39 602 670**	**181 952**	**132 174**	**39 916 795**	**170 296**	**2 015**	**112 059**	**284 370**

	31/12/2019							
	Receivables and commitments				Depreciation			
	BUKET 1	BUKET 2	BUKET 3	TOTAL	BUKET 1	BUKET 2	BUKET 3	TOTAL
Financial assets at fair value through equity	**1 670 649**	**-**	**-**	**1 670 649**	**2 781**	**-**	**-**	**2 781**
Debt instruments accounted for by JV at recyclable CP	1 670 649			1 670 649	2 781			2 781
Financial assets at amortized cost	**221 226 961**	**15 371 015**	**17 091 320**	**253 689 296**	**1 516 007**	**2 301 870**	**10 779 341**	**14 597 218**
Loans and receivables from credit institutions	22 452 542	-	55 134	22 507 676	42 491	-	61 447	103 938
Loans and receivables from customers	168 550 807	15 302 923	17 036 186	200 889 916	1 225 658	2 300 774	10 717 894	14 244 326
Debt instruments	30 223 612	68 092	30 291 704	247 858	1 096			248 954
Total assets	**222 897 610**	**15 371 015**	**17 091 320**	**255 359 945**	**1 518 788**	**2 301 870**	**10 779 341**	**14 599 999**
Total off-balance sheet	**42 625 611**	**299 696**	**304 150**	**43 229 457**	**218 489**	**2 934**	**74 153**	**295 576**

AMOUNTS DUE TO CUSTOMERS

(In thousand MAD)

	31/12/2020	31/12/2019
On demand deposits	123 589 148	110 457 223
Term accounts	27 987 454	37 779 950
Savings accounts	40 416 733	38 630 433
Cash certificates	4 066 640	5 160 093
Repurchase agreements	1 441 848	841 915
Other items	9 585 018	9 947 043
TOTAL LOANS AND RECEIVABLES DUE TO CUSTOMERS	**207 086 841**	**202 816 657**

BREAKDOWN OF AMOUNTS DUE TO CUSTOMERS BY BUSINESS ACTIVITY

(In thousand MAD)

	31/12/2020	31/12/2019
Activity in Morocco	133 306 866	134 325 817
Specialized Financial Services	892 652	949 775
International Activities	72 887 323	67 541 065
Investment Banking	0	0
Other Activities	0	0
Total	**207 086 841**	**202 816 657**
Allocated Debts		
Value at Balance sheet	**207 086 841**	**202 816 657**

BREAKDOWN OF AMOUNTS DUE TO CUSTOMERS BY GEOGRAPHICAL REGION

(In thousand MAD)

	31/12/2020	31/12/2019
Morocco	134 199 518	135 275 592
Africa	71 263 744	65 790 252
Europe	1 623 579	1 750 813
Total	207 086 841	202 816 657
Allocated Debts		
Value at Balance sheet	**207 086 841**	**202 816 657**

4.7 DEBT SECURITIES, SUBORDINATED DEBT AND SPECIAL GUARANTEE FUNDS

(In thousand MAD)

	31/12/2020	31/12/2019
Other debt securities	**14 111 265**	**16 346 393**
Negotiable certificates of deposit	13 611 265	15 846 393
Bond issues	500 000	500 000
Subordinated debts	**9 594 473**	**9 590 170**
Subordinated debt	9 594 473	9 590 170
Redeemable subordinated debt	*6 594 473*	*6 590 170*
Undated subordinated debt	*3 000 000*	*3 000 000*
Subordinated Notes	**0**	**0**
Redeemable subordinated notes		
Undated subordinated notes	*0*	*0*
Public Funds and special guarantee funds		
Total	**23 705 738**	**25 936 563**

4.8 CURRENT AND DEFERRED TAX

(In thousand MAD)

	31/12/2020	31/12/2019
Current tax	797 935	920 499
Deferred tax	2 083 871	1 767 563
Current and deferred tax assets	**2 881 806**	**2 688 062**
Current tax	877 982	1 396 103
Deferred tax	1 258 073	1 179 957
Current and deferred tax liabilities	**2 136 055**	**2 576 060**

4.9 ACCRUED INCOME AND EXPENSES, OTHER ASSETS AND LIABILITIES

(In thousand MAD)

	31/12/2020	31/12/2019
Guarantee deposits and bank guarantees paid	147 920	144 667
Settlement accounts related to securities transactions	65 195	38 429
Collection accounts	376 043	429 990
Reinsurers' share of technical reserves		
Accrued income and prepaid expenses	1 775 157	817 509
Other debtors and miscellaneous assets	4 140 240	4 887 004
Inter-related Accounts	246 976	313 697
TOTAL ACCRUED INCOME AND OTHER ASSETS	**6 751 532**	**6 631 296**
Guarantee deposits received	8 411	9 252
Settlement accounts related to securities transactions	85 330	749 006
Collection accounts	1 570 548	1 332 305
Accrued expenses and deferred income	1 094 265	1 106 873
Other creditors and miscellaneous assets	6 875 708	7 181 970
TOTAL ACCRUED EXPENSES AND OTHER LIABILITIES	**9 634 263**	**10 379 405**

4.10 INVESTMENTS IN COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD

(In thousand MAD)

	31/12/2020	31/12/2019
Euler Hermes Acmar	23 401	26 029
Banque de Développement du Mali	625 111	570 719
Eurafric	-22 090	-20 954
Africa Morocco Link	-19 459	-12 829
Société Conseil Ingenierie et Développement	149 109	148 073
Bank Al Tamwil wal Inmaa	102 955	128 106
Inverstments in equity methods companies belonging to BOA	103 925	91 845
Investments in associates	**962 952**	**930 990**

FINANCIAL DATA OF THE MAIN COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD

(In thousand MAD)

	Total Assets as of Dec 2020	Net Banking Income or Net Revenues as of Dec 2020	Company Income	Contribution in Net Income attributable to the parent company as of Dec 2020
Acmar	621 765	156 601	-13 142	-2 628
Banque de Développement du Mali	16 920 275	693 050	233 386	74 958
Africa Morocco Link	288 000	203 000	-13 000	-6 630
Eurafric	248 919	290 952	5 061	-1 537
Société Conseil Ingenierie et Développement	595 572	222 069	2 332	907
Bank Al Tamwil wal Inmaa	634 988	13 610	-49 317	-25 152

4.11 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS USED IN OPERATIONS AND INVESTMENT PROPERTY

(In thousand MAD)

	31/12/2020			31/12/2019		
	Gross Value	Accumulated depreciation amortization and impairment	Carrying Amount	Gross Value	Accumulated depreciation amortization and impairment	Carrying Amount
PP&E	**16 586 788**	**7 641 612**	**8 945 177**	**16 399 314**	**7 176 811**	**9 222 503**
Land and buildings	5 364 770	965 877	4 398 892	5 206 424	749 254	4 457 170
Equipment, furniture and fixtures	4 755 621	3 172 975	1 582 646	4 738 934	3 036 637	1 702 297
Plant and equipment leased as lessor under operating leases	0	0	0	0	0	0
Other PP&E	6 466 397	3 502 759	2 963 638	6 453 955	3 390 920	3 063 036
Intangible Assets	**2 838 934**	**1 528 922**	**1 310 012**	**2 510 479**	**1 431 323**	**1 079 156**
Purchased software	1 872 779	1 198 614	674 165	1 635 013	1 126 441	508 571
Internally-developed software	0	0	0	0	0	0
Other intangible assets	966 156	330 308	635 848	875 466	304 881	570 585
Investment Property	**3 821 904**	**137 094**	**3 684 810**	**3 926 892**	**126 668**	**3 800 224**

CHANGE IN PROPERTY, PLANT AND EQUIPMENT

(In thousand MAD)

	31/12/2020	31/12/2019
Net value as of January 1st	**9 222 503**	**7 640 031**
Acquisition of the year	667 596	2 932 893
First time consolidations	-	-
Depreciation, Amortization of impaiment	(692 515)	(981 318)
Disposal of the year	(415 700)	(85 907)
Other variations	163 293	(283 195)
NET VALUE AT END OF PERIOD	**8 945 177**	**9 222 503**

CHANGE IN INTANGIBLE ASSETS

(In thousand MAD)

	31/12/2020	31/12/2019
Net value as of January 1st	**1 079 157**	**987 571**
Acquisition of the year	347 230	395 318
First time consolidations	-	-
Depreciation, Amortization of impaiment	(143 592)	(100 490)
Disposal of the year	23 319	(31 675)
Other variations	3 900	(171 568)
NET VALUE AT END OF PERIOD	**1 310 014**	**1 079 157**

CHANGE IN INVESTMENT PROPERTIES

(In thousand MAD)

	31/12/2020	31/12/2019
Net value as of January 1st	**3 800 225**	**3 730 378**
Acquisition of the year	38 000	157 190
First time consolidations	-	
Depreciation, Amortization of impaiment	(25 342)	(29 264)
Disposal of the year	(128 073)	(41 610)
Other variations	-	(16 469)
NET VALUE AT END OF PERIOD	**3 684 810**	**3 800 225**

CHARGES OF RENTAL CONTRACTS

	31/12/2020	31/12/2019
Interest expense on rental debts	-52 667	-54 400
Depreciation charges for user fees	-227 010	-221 276

ASSET RELATED TO RIGHTS OF USE

	31/12/2020	31/12/2019
Property, plant and equipment	8 945 178	9 222 503
Including rights of use	1 092 975	1 190 571

LIABILITIES RELATED TO RENTAL DEBT

	31/12/2020	31/12/2019
Adjustment account and other liabilities	9 634 263	10 379 406
Including rental debt	1 091 001	1 199 456

4.12 GOODWILL

(In thousand MAD)

	31/12/2020	31/12/2019
Gross value at start of period	**1 032 114**	**1 032 114**
Accumulated impairment at start of period		
Carrying amount at start of period	**1 032 114**	**1 032 114**
Acquisitions		
Cessions		
Impairment losses recognized during the period		
Translation adjustments		
Subsidiaries previously accounted for by the equity method		
Other movements		
Gross value at end of period	1 032 114	1 032 114
Accumulated impairment at end of period		
CARRYING AMOUNT AT END OF PERIOD	**1 032 114**	**1 032 114**

THE FOLLOWING TABLE PROVIDES A BREAKDOWN OF GOODWILL

(In thousand MAD)

	Net book value 31/12/2020	Net book value 31/12/2019
Maghrébail	10 617	10 617
Banque de développement du Mali	3 588	3 588
SALAFIN	184 978	184 978
Maroc Factoring	1 703	1 703
BMCE Capital Bourse	2 618	2 618
BMCE International (Madrid)	3 354	3 354
BOA Group	711 976	711 976
LOCASOM	98 725	98 725
CID	14 555	14 555
GROUP TOTAL	**1 032 114**	**1 032 114**

SENSITIVITY TO CHANGES IN ASSUMPTIONS

(In thousand MAD)

	BOA Group	SALAFIN	LOCASOM
Discount rate	**16.50%**	**13.50%**	**7.00%**
Unfavorable change of 50 basis points	-380 060	-44 685	-51 757
Favorable change of 50 basis points	406 427	48 715	62 541

4.13 PROVISIONS FOR CONTINGENCIES AND CHARGES

(In thousand MAD)

	31/12/2020	31/12/2019
Total provisions at start of period	**1 172 573**	**1 039 395**
Additions to provisions	400 967	293 296
Reversals of provisions	-181 625	-165 979
Effect of movements in exchange rates and other movements	15 980	5 862
TOTAL PROVISIONS AT END OF PERIOD	**1 407 895**	**1 172 573**

	Legal and fiscal risks	Obligations for post-employment benefits	Loan commitments and guarantees	Onerous contracts	Other provisions	Total book value
Opening balance	**39 617**	**465 462**	**301 079**	**0**	**366 416**	**1 172 574**
Provisions	41 894	38 813	2 281	0	317 979	400 967
Amounts used	-31 858	0	-6 135	0	-143 632	-181 625
Other activity	301	0	-3 266	0	18 945	15 980
Closing balance	**49 953**	**504 275**	**293 959**	**0**	**559 708**	**1 407 895**

4.14 FAIR VALUE

4.14.1 FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST

(In thousand MAD)

	31/12/2020		31/12/2019	
	Book value	Estimated market value	Book value	Estimated market value
FINANCIAL ASSETS				
Loans and receivables due from credit institutions	22 392 263	22 410 191	22 403 739	22 412 197
Loans and receivables due from customers	194 166 699	195 112 087	186 645 591	187 710 345
Assets held to maturity	37 324 605	37 811 718	30 042 750	30 279 750
Investment property	3 684 810	3 754 450	3 800 224	3 869 864
FINANCIAL LIABILITIES				
Loans and receivables due to credit institutions	59 960 481	59 960 481	45 071 844	45 071 844
Loans and receivables due to customers	207 086 841	207 086 841	202 816 657	202 816 657
Debt securities	14 111 265	14 111 265	16 346 393	16 346 393
Subordinated debts	9 594 473	9 594 473	9 590 170	9 590 170

4.14.2 BREAKDOWN BY MEASUREMENT METHOD OF FINANCIAL INSTRUMENTS RECOGNISED AT FAIR VALUE PRESENTED IN ACCORDANCE WITH IFRS 7 RECOMMENDATIONS

(In thousand MAD)

	31/12/2020				31/12/2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS								
Financial instruments at-fair value through profit or loss held for trading	30 303 287	-	-	30 303 287	30 707 725	-	-	30 707 725
of which financial assets at-fair-value through profit or loss	*29 529 201*			*29 529 201*	*29 913 430*			*29 913 430*
of which derivative financial instruments	*774 086*			*774 086*	*794 295*			*794 295*
Financial instruments designated as at-fair-value through profit or loss	**1 547 261**	**-**	**4 317 658**	**5 864 920**	**1 987 249**	**-**	**4 127 218**	**6 114 467**
Derivatives used for hedging purposes	*1 222 818*			*1 222 818*	*1 667 868*			*1 667 868*
Available for sale financial assets	*324 443*		*4 317 658*	*4 642 101*	*319 381*		*4 127 218*	*4 446 599*
FINANCIAL LIABILITIES								
Financial instruments at-fair-value through profit or loss held for trading						-	-	
Financial instruments designated as at-fair value through profit or loss							-	
Derivatives used for hedging purposes								

4.14.3 FAIR VALUE HIERARCHY OF ASSETS AND LIABILITIES RECOGNISED AT AMORTISED COST

(In thousand MAD)

	31/12/2020				31/12/2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
ASSETS								
Loans and receivables due from credit institutions			22 410 191	22 410 191			22 412 197	22 412 197
Loans and receivables due from customers			195 112 087	195 112 087			187 710 345	187 710 345
Held-to-maturity financial assets			37 811 718	37 811 718			30 279 750	30 279 750
LIABILITIES								
Due to credit institutions			59 960 481	59 960 481			45 071 844	45 071 844
Due to customers			207 086 841	207 086 841			202 816 657	202 816 657
Debt securities issued			14 111 265	14 111 265			16 346 393	16 346 393
Subordinated debt			9 594 473	9 594 473			9 590 170	9 590 170

(In thousand MAD)

	31/12/2020							31/12/2019						
	From	D-Day to 3 months after	3 months to 1 year	1 to 5 years	5+ years	Non-fixed term	Total	From	D-Day to 3 months after	3 months to 1 year	1 to 5 years	5+ years	Non-fixed term	Total
Cash and amounts due from central banks and post office banks	16 292						16 292	14 451						14 451
Financial instruments at fair value through profit or loss							0							0
- Financial assets held for trading						29 529	29 529						29 913	29 913
- Other financial assets at fair value through profit or loss						774	774						794	794
Derivatives used for hedging purposes						0	0							0
Financial assets at fair value through equity							0							0
- Debt instruments recognised at fair value through recyclable equity						1 223	1 223	0	283	57	780	548	0	1 668
- Equity instruments reported at fair value through non-recyclable equity						4 642	4 642						4 447	4 447
Securities at amortized cost		2 479	3 956	19 953	10 937		37 325		2 767	4 943	16 393	5 939		30 043
Loans and receivables from credit institutions and similar, at amortized cost	9 365	2 642	2 447	4 584	0	3 354	22 392	12 057	1 897	1 517	3 518	0	3 415	22 404
Loans and receivables from customers, at amortized cost	20 992	37 513	24 556	51 967	45 323	13 816	194 167	22 955	32 724	24 429	47 295	43 871	15 372	186 646
Revaluation difference of hedged portfolios							0							0
Investments in insurance activities							0							0
Current tax asset						798	798						920	920
Deferred tax asset						2 084	2 084						1 768	1 768
Accruals and other assets						6 752	6 752						6 631	6 631
Investments in companies accounted for by the equity method						963	963						931	931
Investment properties						3 685	3 685						3 800	3 800
Property, plant and equipment						8 945	8 945						9 223	9 223
Intangible assets						1 310	1 310						1 079	1 079
Goodwill						1 032	1 032						1 032	1 032
TOTAL ASSETS	**46 649**	**42 633**	**30 959**	**76 505**	**56 260**	**78 907**	**331 912**	**49 463**	**37 671**	**30 946**	**67 987**	**50 358**	**79 325**	**315 750**
Central banks, public treasury, postal check service							0							0
Financial liabilities at fair value through profit or loss							0							0
Amounts due to credit and similar institutions	7 346	38 553	7 105	6 453	503	0	59 960	5 615	28 759	4 641	5 228	516	312	45 072
Amounts due to customers	173 887	12 508	19 986	650	0	55	207 087	159 766	17 163	24 139	1 441	0	308	202 817
Debt securities issued		959	7 235	5 917	0	0	14 111		2 321	4 739	9 286	0	0	16 346
Payable tax liabilities						880	880						1 396	1 396
Deferred tax liabilities						1 258	1 258						1 180	1 180
Adjustment accounts and other liabilities 10 379							9 634	9 634						10 379
Provisions						1 408	1 408						1 173	1 173
Subordinated debt and special guarantee funds 9 590			0	0	4 196	5 397	0	9 593		0	0	2 200	7 390	0
Equity						27 979	27 979						27 797	27 797
TOTAL LIABILITIES	**181 234**	**52 020**	**34 326**	**17 216**	**5 901**	**41 215**	**331 912**	**165 381**	**48 244**	**33 519**	**18 155**	**7 906**	**42 544**	**315 749**
LIQUIDITY GAPS	**-134 584**	**-9 387**	**-3 367**	**59 288**	**50 359**	**37 692**	**0**	**-115 918**	**-10 573**	**-2 573**	**49 831**	**42 452**	**36 782**	**0**

V. FINANCING AND GUARANTEE COMMITMENTS

5.1 FINANCING COMMITMENTS

(In thousand MAD)

	31/12/2020	31/12/2019
Financing commitments given	**11 693 224**	**11 977 829**
- To credit institutions	1 908 863	1 709 943
- To customers:	9 784 360	10 267 886
Confirmed letters of credit		
Other commitments given to customers		
Financing commitments received	**1 326 057**	**1 307 891**
From credit institutions	1 326 057	1 307 891
From customers	-	-

» Financing commitments given to credit and similar institutions

This entry relates to commitments to make liquidity facilities available to other credit institutions such as refinancing agreements and back-up commitments on securities issuance.

» Financing commitments given to customers

This entry relates to commitments to make liquidity facilities available to customers such as confirmed credit lines and commitments on securities issuance.

» Financing commitments received from credit and similar institutions

This entry relates to financing commitments received from credit and similar institutions such as refinancing agreements and backup commitments on securities issuance.

5.2 GUARANTEE COMMITMENTS

(In thousand MAD)

	31/12/2020	31/12/2019
Guarantee commitments given	**28 223 572**	**31 251 628**
To credit institutions	9 258 040	10 465 226
To customers:	18 965 533	20 786 402
Sureties provided to tax and other authorities, other sureties		
Other guarantee commitments to customers		
Guarantee commitments received	**91 144 035**	**87 615 861**
From credit institutions	88 536 518	85 858 844
From the State and guarantee institutions	2 607 517	1 757 017

» Guarantee commitments given to credit and similar institutions.

This entry relates to commitments to assume responsibility for an obligation entered into by a credit institution if the latter is not satisfied with it. This includes guarantees, warranties and other guarantees given to credit and similar institutions.

» Guarantee commitments given to customers

This entry relates to commitments to assume responsibility for an obligation entered into by a customer if the latter is not satisfied with it. This includes guarantees given to government institutions and real estate guarantees, etc.

» Guarantee commitments received from credit and similar institutions

This entry includes guarantees, warranties and other guarantees received from credit and similar institutions..

» Guarantee commitments received from the State and other organisations

This entry relates to guarantees received from the State and other organisations.

VI. SALARY AND EMPLOYEE BENEFITS

6.1 DESCRIPTION OF CALCULATION METHOD

Employee benefits relate to long-service awards and end-of career bonuses. The method used for calculating the liability relating to both these benefits is the “projected unit credit” method as recommended by IAS 19.

» Caisse Mutualiste Interprofessionnelle Marocaine (CMIM) scheme

The Caisse Mutualiste Interprofessionnelle Marocaine (CMIM) is a private mutual insurance company. The company reimburses employees for a portion of their medical, pharmaceutical, hospital and surgical expenses. It is a post-employment scheme providing medical cover for retired employees.

The CMIM is a multi-employer scheme. As BANK OF AFRICA is unable to determine its share of the overall liability (as is the case for all other CMIM members), under IFRS, expenses are recognised in the year in which they are incurred. No provision is recognised in respect of this scheme.

6.2 SUMMARY AND DESCRIPTION OF PROVISIONS OF EXISTING SCHEMES

6.2.1 PROVISIONS IN RESPECT OF POST-EMPLOYMENT AND OTHER LONGTERM BENEFITS PROVIDED TO EMPLOYEES

(In thousand MAD)

	31/12/2020	31/12/2019
Retirement allowances and equivalents	504 275	464 981
Special seniority premiums allowances		
Other		
TOTAL	504 275	464 981

NB : the provision for employee benefits measured in accordance with IAS 19 is recognised in the «Provisions for contingencies and charges» caption of the liabilities item.

6.2.2. BASIC ASSUMPTIONS UNDERLYING CALCULATIONS

End of career allowance	Rate variation -50 pb	Rate Variation +50 pb
Discount rate	13 047	-11 679
Wage growth rate	-12 381	13 714

Honoured Labour Medal	Rate variation -50 pb	Rate Variation +50 pb
Discount rate	14 768	-13 731
Wage growth rate	-16 790	17 976

Economic assumptions	31/12/2020
Discount rate	2,75%
Long-term wage growth (inflation included)	3%
Social security contribution rate	10.96%

Demographic assumptions	
Retirement terms	Voluntary resignation
Retirement age	60
Mortality table	PM 60/64 - PF 60/64

The discount rate is based on secondary market Treasury benchmark bond yields - Duration: about 22 years.

6.2.3 COST OF POST-EMPLOYMENT PLANS

(In thousand MAD)

	31/12/2020	31/12/2019
Normal cost	-3 563	9 228
Interest cost	13 654	14 170
Expected returns of funds		
Additional allowances		
Other		
Net cost of the period	10 091	23 398
Including costs related to retirement benefits and other similar costs		
Others ...		

6.2.4 CHANGES IN THE PROVISION RECOGNISED ON THE BALANCE SHEET

(In thousand MAD)

	31/12/2020	31/12/2019
Actuarial liability, beginning of the period	**464 981**	**441 583**
Normal cost	34 882	33 600
Interest cost	13 654	14 170
Experience gains/ losses	26 962	-
Other actuarial gains/ losses		
Depreciation of net gains/losses		
Paid benefits	-38 445	-24 372
Additional benefits		0
Other	2 241	-
Actuarial liability, end of the period	504 275	464 981
Whose relative cost to the assimilated retirement benefits		
Others		

VII. ADDITIONAL INFORMATION

7.1 CHANGES IN SHARE CAPITAL AND EARNINGS PER SHARE

7.1.1 SHARE CAPITAL TRANSACTIONS

(In thousand MAD)

	31/12/2020	31/12/2019
SHARE CAPITAL (IN MAD)	2 056 066 480	1 998 205 000
Number of common shares outstanding during the year	205 606 648	199 820 500
NET INCOME ATTRIBUTABLE TO THE SHARHOLDER'S OF THE PARENT (IN MAD)	737 831 627	1 921 509 992
BASIC ERNINGS PER SHARE (IN MAD)	3.59	9.62
DILUTED EARNING PER SHARE (IN MAD)	3.59	9.62

7.1.2 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income for the period attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period.

TRANSACTIONS ON CAPITAL	In number	Unit value	In MAD
Number of shares outstanding at 31 December 2017	179 463 390	10	1 794 633 900
Number of shares outstanding at 31 December 2018	179 463 390	10	1 794 633 900
Number of shares outstanding at 31 December 2019	199 820 500	10	1 998 205 000
Number of shares outstanding at 31 December 2020	205 606 648	10	2 056 066 480

The Bank does not have any dilutive instruments for conversion into ordinary shares. As a result, diluted earnings per share equates to basic earnings per share.

7.2 SCOPE OF CONSOLIDATION

Denomination	Business line	% of control	% of interest	Consolidation method
BANK OF AFRICA	Bank			Parent Company
BMCE CAPITAL	Investment Bank	100.00%	100.00%	FC
BMCE CAPITAL GESTION	Assets Management	100.00%	100.00%	FC
BMCE CAPITAL BOURSE	Stock Brokerage	100.00%	100.00%	FC
MAROC FACTORING	Factoring	100.00%	100.00%	FC
MAGHREBAIL	Leasing	52.47%	52.47%	FC
SALAFIN	Consumer Loan	61.96%	61.96%	FC
BMCE EUROSERVICES	Financial Institution	100.00%	100.00%	FC
LCB Bank	Bank	37.00%	37.00%	FC
BMCE BANK INTERNATIONAL HOLDING	Bank	100.00%	100.00%	FC
BOA GROUP	Banking Holding	72.41%	72.41%	FC
LOCASOM	Car Rental	100.00%	97.39%	FC
RM EXPERTS	Debt Collection	100.00%	100.00%	FC
OPERATION GLOBAL SERVICE	Back-Office Banking Services	100.00%	100.00%	FC
FCP OBLIGATIONS PLUS	Mutual Funds	100.00%	100.00%	FC
BOA UGANDA	Bank	79.87%	78.63%	FC
BANQUE DE DEVELOPPEMENT DU MALI	Bank	32.38%	32.38%	EM
EULER HERMES ACMAR	Insurance	20.00%	20.00%	EM
EURAFRIC INFORMATION	IT System	41.00%	41.00%	EM
CONSEIL INGENIERIE ET DEVELOPPEMENT	Engineering	38.90%	38.90%	EM
AFRICA MOROCCO LINKS	Maritime Transport	51.00%	51.00%	EM
BANK AL TAMWIL WAL INMAA	Participating Bank	51.00%	51.00%	EM

BANK OF AFRICA holds 37% of La Congolaise de Banque's voting rights and has a controlling interest in this subsidiary as per the criteria outlined in IFRS 10.

Power: BANK OF AFRICA derives its effective rights from the management contract entrusted to it by the other shareholders. It has a majority on the Board of Directors with three directors followed by the Congolese State which has two directors.

Returns: BANK OF AFRICA is exposed, or has rights, to the profits generated by LCB pro-rata to its shareholding in the company.

Link between power and returns: BANK OF AFRICA is responsible for appointing LCB's senior management as well as being able to influence this entity's returns.

7.2.1 RELATED-PARTY BALANCE SHEET ITEMS

Relationship between BANK OF AFRICA and consolidated companies and the parent company.

Naturally, transactions with consolidated companies are fully eliminated with regard to the outstandings at the end of the period. Outstandings at end of period under transactions with companies consolidate under the equity method and the parent company are maintained in the consolidated financial statements.

7.3 REMUNERATION PAID TO THE MAIN DIRECTORS

7.3.1 REMUNERATION PAID TO THE MAIN DIRECTORS

	31/12/2020	31/12/2019
Short-term benefits	26 048	24 878
Post-employment benefits	2 870	1 956
Other long-term benefits	6 383	6 383

Short-term employee benefits represent the fixed remuneration paid to directors for the year 2020 (employers' social contributions included).

Post-employment benefits represent the remaining vacation days payed in case of employee departure from the company. End of employment indemnities include end of career bonuses and work medals paid to employees upon their departure

7.3.2 LOANS GRANTED TO THE MAIN EXECUTIVE CORPORATE OFFICERS

	31/12/2020	31/12/2019
A. Consumer loans	64 423	56 019
B. Mortgage loans	20 716	17 764
TOTAL	**85 139**	**73 783**

7.3.3 DIRECTORS' FEES PAID TO MEMBERS OF THE BOARD OF DIRECTORS

	31/12/2020			31/12/2019		
	Gross amount	With holding tax	Net income paid	Gross amount	With holding tax	Net income paid
Physical and legal persons resident in Morocco	3 842	992	2 850	3 842	992	2 850
Physical and legal persons non resident in Morocco	3 235	485	2 750	3 235	485	2 750
TOTAL	**7 077**	**1 477**	**5 600**	**7 077**	**1 477**	**5 600**

7.4 RELATED PARTIES

7.4.1 RELATED PARTY PROFIT AND LOSS ITEMS

(In thousand MAD)

	Parent company	Sister companies	Companies consolidated according to the equity method	Companies consolidated through full integration
Asset				
Loans, advances and securities	**931 149**	**3 373 172**	**26 215**	**11 404 449**
Current accounts	931 149	2 033 868	-	1 072 461
Loans		545 504	26 215	9 012 154
Securities		793 800		1 319 834
Capital lease				
Miscellaneous assets				**15 234**
Total	**931 149**	**3 373 172**	**26 215**	**11 419 683**
Liability				
Deposits	**-**	**1 329 938**	**46 898**	**9 883 875**
Current accounts		1 329 938	42 464	1 063 322
Other borrowings			4 434	8 820 553
Debts represented by a security				1 515 801
Miscellaneous liability				**20 007**
Total	**-**	**1 329 938**	**46 898**	**11 419 683**
Financing and guarantee commitments				
Commitments given				1 165 678
Commitments received				1 165 678

7.4.2 RELATED PARTY PROFIT AND LOSS ITEMS

(In thousand MAD)

	Parent company	Sister companies	Companies consolidated according to the equity method	Companies consolidated through full integration
Interest and similar income		-58 402	-1 514	-250 350
Interest and similar ex¬penses				313 785
Fees (income)		-40 758		-302 764
Fees (expens¬es)				68 862
Services provided				
Services pro¬cured	41 947			
Lease income		-51 727	-7 424	-224 296
Other		**99 785**		**394 770**

PARENT COMPANY

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Fidaroc Grant Thornton
7, Boulevard Driss Slaoui
Casablanca
Morocco

KPMG
11, Avenue Bir Kacem
Souissi 10 000 Rabat
Morocco

To the Shareholders of
BANK OF AFRICA S.A
140 Avenue Hassan II
Casablanca

STATUTORY AUDITORS' GENERAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Financial statement audit

Qualified opinion

In accordance with the assignment entrusted to us by your Annual General Meeting of 23 June 2020, we have audited the attached financial statements of BANK OF AFRICA S.A, which comprise the balance sheet, the off-balance sheet statement, the income statement, the management accounting statement, the cash flow statement and the additional information statement for the period ended 31 December 2020. These financial statements show shareholders' equity and equivalent of MAD 29,943,306 K, including net income of MAD 724,181 K.

These financial statements were drawn up by the Board of Directors 26 March 2021 against the evolving backdrop of the COVID-19 pandemic based on information available at the time.

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section, the financial statements referred to above in the first paragraph give a true and fair view, in all material aspects, of the income from operations for the period ended 31 December 2020 and of the financial position and assets of BANK OF AFRICA S.A. at 31 December 2020 in accordance with Moroccan generally accepted accounting principles.

Basis for qualified opinion

BANK OF AFRICA S.A has a stock of non-operating real estate assets, acquired by dation-in-payment, totalling MAD 4.7 billion at 31 December 2020. Given the risks inherent in these real estate assets and, in particular, uncertainties surrounding their net realisable value and the period of time required to dispose of them, we are unable to express an opinion as to the value of these assets at 31 December 2020.

We conducted our audit in accordance with Moroccan accounting standards. Our responsibilities by virtue of those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Bank in accordance with the ethical requirements that apply to the audit of financial statements in Morocco and we have fulfilled our other responsibilities in accordance with those relevant ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Observation

We draw your attention to the appended note relating to the effects of the COVID-19 crisis on the financial statements for the period ended 31 December 2020. Our opinion remains unchanged regarding this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the period in question. Our audit procedures relating to these matters were designed in the context of our audit of the consolidated financial statements as a whole and for the purpose of forming an opinion on these. We do not express an opinion on these individual matters.

In addition to the matter described in the 'Basis for Qualified Opinion section' of our report, we have determined the matters described below to be the key audit matters which should be communicated in our report:

Risk identified	Our audit response
Credit risk appraisal for loans and advances to customers Customer loans carry a credit risk which expose BANK OF AFRICA S.A to a potential loss if customers or counterparties are unable to meet their financial obligations vis-a-vis the Bank. The Group recognises loan loss provisions to cover this risk. Loan loss provisions are calculated in accordance with the requirements of Bank Al Maghrib's Circular No. 19/G/2002 relating to the classification of loans and their provisioning, central bank rules relating to the provisioning of underperforming loans and internal policies adopted by the Bank's Management. The amount of loan loss provisions set aside to cover this risk requires: • Outstanding loans to be classified as performing loans, underperforming loans or non-performing loans • The amount of loan loss provisions to be set aside on the basis of the loan classification category. At 31 December 2020, total gross customer loan outstandings, including invoice factoring, amounted to MAD 134,947 billion, whilst the total amount of loan loss provisions set aside for non-performing loans amounted to MAD 6,021 billion. We considered the assessment of credit risk and the measurement of impairment and loan loss provisions to be a key audit matter given that (i) the amount recognised in the Bank's financial statements in respect of these assets was significant and (ii) and Management was required to exercise judgement and to make estimates, particularly for funding granted to companies in sensitive economic sectors.	Our audit approach consisted of familiarising ourselves with the process adopted by the Bank for measuring and estimating credit risk in terms of: • The system adopted for classifying loans and setting aside the appropriate level of provisions in light of the collateral held • The governance system adopted in terms of management bodies and key monitoring and control committees. We also: • Carried out a reconciliation between the non-performing loan situation and resulting loan loss provisions and the accounting data • Tested the correct classification of loans by category • Tested provisions for downgraded loans (CES) based on a sample in light of the collateral held by the Bank • Tested provisions for underperforming loans (WL) based on a sample • Took note of the conclusions of the monitoring committees responsible for estimating loan loss provisions • Appraised the qualitative criteria used as part of the process of determining credit risk.

Management report

We are confident that the information provided in the Board of Directors' Management report to shareholders is consistent with the Bank's financial statements.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and true and fair presentation of the financial statements in accordance with Moroccan generally accepted accounting principles. This responsibility involves designing, implementing and monitoring the internal control process to ensure that, in terms of preparation and presentation, the financial statements are free from material misstatement and that accounting estimates are reasonable under the circumstances.

In preparing the financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Moroccan accounting standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or collectively, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Moroccan accounting standards, we exercise professional judgment and maintain critical thinking throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of aspects of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the information provided in the notes, and whether the financial statements represent the underlying transactions and events in a manner that provides a true and fair view.

We communicate with those responsible for governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant shortcomings in internal control that we identify during our audit.

Specific checks and information

We also carried out specific checks required by law. Furthermore, in accordance with the provisions of Article 172 of Act 17-95 as amended and completed, we hereby inform you that, in 2020, the Bank acquired a 99.99% stake in BMCE CASH for MAD 44,000 K.

Casablanca, 14 April 2021

Statutory auditors

FIDAROC GRANT THORNTON	**KPMG**
Faïçal MEKOUAR **Associé**	**Abderrazzak MZOUGUI** **Associé**

BALANCE SHEET

(in thousand MAD)

ASSETS	31/12/2020	31/12/2019
Cash, central banks, treasury, giro accounts	**4 700 288**	**5 110 572**
Loans to credit institutions and equivalent	**20 148 615**	**22 149 097**
. Demand	3 934 452	7 698 907
. Time	16 214 163	14 450 190
Loans and advances to customers	**126 812 254**	**116 625 100**
. Cash and consumer loans	38 746 351	35 594 227
. Equipment loans	20 263 591	22 104 094
. Mortgage loans	41 057 176	40 527 424
. Other loans	26 745 136	18 399 355
Advances acquired by factoring	**2 113 945**	**2 283 749**
Transaction and marketable securities	**30 931 541**	**30 005 813**
. Treasury bonds and equivalent securities	9 458 897	10 154 073
. Other debt securities	220 787	506 783
. Title deeds	21 193 183	19 267 730
. Sukuks Certificates	58 674	77 227
Other assets	**4 831 475**	**3 459 599**
Investment securities	**8 433 543**	**4 375 064**
. Treasury bonds and equivalent securities	4 115 642	2 125 081
. Other debt securities	4 317 901	2 249 983
. Sukuks Certificates	-	-
Equity investments and equivalent uses	**10 873 764**	**10 691 682**
. Investments in joint ventures	8 892 226	8 630 476
. Other equity securities and similar assets	1 981 538	2 061 206
. Moudaraba and Moucharaka securities	-	-
Subordinated loans	**200 743**	**192 807**
Placed investment deposits	-	-
Leased and rented fixed assets	**190 816**	**191 147**
Ijara leased assets	-	-
Intangible fixed assets	**583 738**	**410 050**
Tangible fixed assets	**5 395 263**	**5 470 550**
TOTAL ASSETS	**215 215 987**	**200 965 233**

(in thousand MAD)

LIABILITIES	31/12/2020	31/12/2019
Central banks, treasury, giro accounts	-	-
Liabilities to credit institutions and equivalent	**37 034 499**	**22 630 542**
. Demand	2 539 628	1 932 813
. Time	34 494 871	20 697 729
Customer deposits	**134 792 521**	**134 441 241**
. Demand deposits	85 875 583	79 783 847
. Savings deposits	25 102 696	24 562 835
. Time deposits	17 674 709	23 723 341
. Other deposits	6 139 533	6 371 218
Customer borrowings and deposits on participatory products	-	-
Debt securities issued	**8 166 405**	**9 372 817**
. Negotiable debt securities	7 666 405	8 872 817
. Bond loans	500 000	500 000
. Other debt securities issued	-	-
Other liabilities	**3 543 407**	**3 968 135**
Provisions for liabilities and charges	**1 221 143**	**1 117 336**
Regulated provisions	**514 706**	-
Subsidies, assigned public funds and special guarantee funds	-	-
Subordinated debts	**9 594 473**	**9 590 170**
Received investment deposits	-	-
Revaluation reserve	-	-
Reserves and premiums related to capital	**17 568 566**	**16 474 865**
Capital	**2 056 066**	**1 998 204**
Shareholders unpaid-up capital (-)	-	-
Retained earnings (+/-)	**20**	**75**
Net earnings being appropriated (+/-)	-	-
Net earnings for the year (+/-)	**724 181**	**1 371 848**
TOTAL LIABILITIES	**215 215 987**	**200 965 233**

OFF-BALANCE SHEET

(in thousand MAD)

	31/12/2020	31/12/2019
GIVEN COMMITMENTS	**20 820 845**	**19 446 241**
Financing commitments on behalf of credit institutions and equivalent	418 241	182 309
Financing commitments on behalf of customers	6 661 576	6 217 752
Guarantee commitments given to credit institutions and equivalent	4 027 365	2 742 845
Guarantee commitments given to customers	9 539 868	10 132 584
Securities repos purchased	78 358	78 357
Other securities to be delivered	95 437	92 394
RECEIVED COMMITMENTS	**21 105 044**	**13 300 541**
Financing commitments received from credit institutions and equivalent	-	-
Guarantee commitments received from credit institutions and equivalent	18 598 222	11 315 888
Guarantee commitments received from the State and various guarantee bodies	2 410 428	1 984 260
Securities repos sold	-	-
Other securities to be received	96 394	393
Moucharaka and Moudaraba securities to be received	-	-

STATEMENT OF INCOME AND EXPENSES

(in thousand MAD)

	31/12/2020	31/12/2019
BANK OPERATING INCOME	**11 448 179**	**11 145 100**
Interests and assimilated revenues on transactions with credit institutions	710 550	761 414
Interests and assimilated revenues on transactions with customers	5 334 205	5 467 179
Interests and assimilated revenues on debt securities	557 275	511 501
Revenue from property securities (1) and Sukuks certificates	611 251	658 083
Revenue from Moudaraba and Moucharaka securities	-	-
Revenues from leased and rented fixed assets	28 781	16 627
Revenue from leased assets (Ijara)	-	-
Fees on provided services	1 115 875	1 265 476
Other banking revenues	3 090 242	2 464 820
Cost transfer on received investment deposits	-	-
BANK OPERATING EXPENSES	**5 147 548**	**4 668 371**
Interests and assimilated expenses on transactions with credit institutions	1 250 026	1 279 079
Interests and assimilated expenses on transactions with customers	1 052 972	1 282 212
Interests and assimilated expenses on debt securities issued	229 687	255 028
Expenses from Moudaraba and Moucharaka securities	-	-
Expenses on leased and rented fixed assets	16 216	13 568
Expenses from leased assets (Ijara)	-	-
Other banking expenses	2 598 647	1 838 484
Cost transfer on received investment deposits	-	-
NET BANKING INCOME	**6 300 631**	**6 476 729**
Non-banking operating revenues	472 279	190 578
Non-banking operating expenses	29 683	63 685
GENERAL OPERATING EXPENSES	**3 432 499**	**3 645 941**
Staff expenses	1 553 520	1 631 096
Tax expenses	93 624	117 836
External expenses	1 479 989	1 617 320
Other general operating expenses	8 887	8 994
Allowances for depreciation and provisions for intangible and tangible fixed assets	296 479	270 695
ALLOWANCES FOR PROVISIONS AND LOAN LOSSES	**2 585 199**	**2 122 518**
Allowances for non performing loans and commitments	1 651 794	858 615
Loan losses	783 717	930 178
Other allowances for provisions	149 688	333 725
PROVISION WRITE-BACKS AND RECOVERY ON AMORTISED DEBTS	**1 035 725**	**1 212 727**
Provision write-backs on non performing loans and commitments	968 557	1 171 684
Recovery on amortised debts	27 808	30 543
Other provision write-backs	39 360	10 500
CURRENT INCOME	**1 761 253**	**2 047 889**
Non-current revenues	-	-
Non-current expenses	762 260	35 100
PRE-TAX EARNINGS	**998 993**	**2 012 789**
Corporate tax	274 812	640 941
NET EARNINGS FOR THE YEAR	**724 181**	**1 371 848**

EARNINGS FORMATION TABLE

(in thousand MAD)

	31/12/2020	31/12/2019
(+) Interests and equivalent revenues	6 602 029	6 740 094
(-) Interests and equivalent expenses	2 532 685	2 816 318
NET INTEREST INCOME	**4 069 344**	**3 923 776**
(+) Revenues from leased and rented fixed assets	-	-
(-) Expenses on leased and rented fixed assets	-	-
INCOME FROM ON PARTICIPATIVE FUNDING	**-**	**-**
(+) Profit from leasing and renting operations	28 781	16 627
(-) Expenses from leasing and renting operations	16 216	13 568
INCOME FROM LEASING AND RENTAL OPERATIONS	**12 565**	**3 059**
(+) Revenue from leased assets (Ijara)	-	-
(-) Expenses from leased assets (Ijara)	-	-
INCOME FROM IJARA OPERATION (1)	**-**	**-**
(+) Fees received	1 315 378	1 570 234
(-) Fees paid	340 759	404 709
FEE INCOME (1)	**974 619**	**1 165 525**
(+) Income from trading securities	606 715	743 976
(+) Income from investment securities	56 533	-14 934
(+) Income from payload operations	343 740	394 452
(+) Income from by-product operation	-108 323	-130 313
INCOME FROM MARKET TRANSACTIONS (1)	**898 665**	**993 181**
(+/-) Income from Moudaraba and Moucharaka securities	-	-
(+) other banking products	611 279	658 083
(-) other banking expenses	265 843	266 893
(+/-) HOLDERS' SHARE IN INVESTMENT DEPOSIT ACCOUNTS	**-**	**-**
NET BANKING INCOME	**6 300 629**	**6 476 731**
(+) Income from financial asset operations (2)	-41 283	17 104
(+) Other non-banking operating revenues	464 029	168 460
(-) Other non-banking operating expenses	20 302	62 874
(-) General operating expenses	3 432 499	3 645 941
GROSS OPERATING INCOME	**3 270 574**	**2 953 480**
(+) Allowances for non performing loans and commitments (net of write-backs)	-1 439 147	-586 567
(+) Other allowances net of provision write-backs	-70 175	-319 024
CURRENT INCOME	**1 761 253**	**2 047 889**
NON-CURRENT INCOME	**-762 260**	**-35 100**
(-) Corporate tax	274 812	640 941
NET EARNINGS FOR THE YEAR	**724 181**	**1 371 848**

CASH-FLOW	31/12/2020	31/12/2019
(+) NET EARNINGS FOR THE YEAR	**724 181**	**1 371 848**
(+) Allowances for depreciation and provisions for intangible and tangible fixed assets	296 479	270 695
(+) Allowances for provisions for equity investments depreciation	52 814	4 720
(+) Allowances for provisions for general risks	2 923	295 747
(+) Allowances for regulated provisions	-	-
(+) Non-current allowances	514 706	-
(-) Provision write-backs	12 661	518
(-) Capital gains on disposals of intangible and tangible fixed assets	384 032	47 797
(+) Capital losses on disposals of intangible and tangible fixed assets	304	-
(-) Capital gains on disposals of equity investments	8 250	22 117
(+) Capital losses on disposals of equity investments	9 381	811
(-) Write-backs of investment subsidies received	-	-
(+) FINANCING	**1 195 844**	**1 873 390**
(-) Dividends distributed	-	-
(+) CASH-FLOW	**1 195 844**	**1 873 390**

STATEMENT OF CASH FLOW

(in thousand MAD)

	31/12/2020	31/12/2019
(+) Operating income received from banking operations	10 761 260	10 452 239
(+) Recovery of amortised debts	27 808	30 543
(+) Non-banking revenues received	79 997	190 578
(-) Banking operating expenses paid	7 789 295	4 940 728
(-) Non-banking operating expenses paid	1 029 683	63 685
(-) General operating expenses paid	3 136 020	3 375 246
(-) Corporate tax paid	274 812	640 940
I.Net Cash Flows from the Income Statement	**-1 360 744**	**1 652 761**
Change in:		
(+) Loans to credit institutions and equivalent	2 000 482	-1 503 654
(+) Loans to customers	-10 017 350	-6 672 571
(+) Debt and marketable securities	-925 728	-4 824 869
(+) Other assets	-1 323 245	876 455
(-) Moudaraba and Moucharaka securities	-	-
(+) Leasing and renting operations	331	-39 881
(+) Ijara operations	-	-
(+) Investments placed through credit institutions and equivalent	-	-
(+) Amounts owed to credit institutions and equivalent	14 403 957	2 760 604
(+) Customer deposits	351 280	5 681 835
(+) Customer borrowings on participatory financing	-	-
(+) Debt securities issued	-1 206 412	776 851
(+) Other liabilities	-426 824	-717 718
II.Balance of changes in operating assets and liabilities	**2 856 490**	**-3 662 948**
III.Net cash flows from operating activities (I + II)	**1 495 746**	**-2 010 187**
(+) Revenues from equity investments (1) (4)	102 355	432 351
(+) Revenues from disposals of intangible and tangible fixed assets (4)	700 683	179 800
(-) Acquisitions of equity investments (1)	2 214 714	1 328 397
(-) Acquisitions of intangible and tangible fixed assets	561 230	942 301
(+) Interests received	99 459	250
(+) Dividends received	528 036	575 280
IV.FLUX DE TRESORERIE NETS PROVENANT DES ACTIVITES D'INVESTISSEMENT	**-1 345 410**	**-1 083 017**
(+) Subsidies, public funds and guarantee funds received		-
(+) Issues of subordinated debts	4 303	5 299
(+) Received investment deposits		-
(+) Stock issues		2 970 415
(-) Repayment of shareholders equity and equivalent		-
(-) Reimbursed investment deposits (2)		-
(-) Interests paid	403 821	397 860
(-) Rémunérations versées sur dépôts d'investissement (3) (4)		-
(-) Dividends paid	161 102	-
V.Net Cash Flows from Financing Activities	**-560 620**	**2 577 854**
VI.Net Change In Cash (III + IV + V)	**-410 284**	**-515 350**
VII.Cash & Cash Equivalent at Beginning of Year	**5 110 572**	**5 625 922**
VIII.Cash & Cash Equivalent at Year-end	**4 700 288**	**5 110 572**

(1) Other than Moucharaka and Moudaraba securities
(2) Including IRR
(3) Including PER
(4) Other than from cash flows from income statement

LOANS TO CREDIT INSTITUTIONS AND EQUIVALENT

(in thousand MAD)

	Bank Al-Maghrib, Treasury and giro accounts	Banks in Morocco	Other credit institutions and equivalent in Morocco	Foreign credit institutions	TOTAL 31/12/2020	TOTAL 31/12/2019
Ordinary accounts in debit	**2 905 099**	**301 965**	**1 831 665**	**3 202 925**	**8 241 654**	**10 664 369**
Securities received as pledges	**-**	**66 589**	**-**	**-**	**66 589**	**1 029 412**
- Overnight	-	60 062	-	-	60 062	1 029 412
- Time	-	6 527	-	-	6 527	-
Short-term loans	**-**	**3 426 762**	**1 155 329**	**1 189 008**	**5 771 099**	**6 320 310**
- Overnight	-	-	296 993	26 714	323 707	1 057 559
- Time	-	3 426 762	858 336	1 162 293	5 447 391	5 262 751
Financial loans	**-**	**278 578**	**6 919 180**	**85 530**	**7 283 288**	**5 841 192**
Other loans	**2 895 759**	**254 891**	**-**	**289 136**	**3 439 786**	**3 364 364**
Receivables accrued interest		**35 825**	**7 966**	**2 696**	**46 487**	**40 017**
Non performing loans	**-**	**-**	**0**	**-**	**0**	**4**
TOTAL	**5 800 858**	**4 364 610**	**9 914 140**	**4 769 295**	**24 848 903**	**27 259 669**

LOANS TO CUSTOMERS

(in thousand MAD)

	Public Sector	Private Sector			TOTAL 31/12/2020	TOTAL 31/12/2019
		Financial companies	Non-financial companies	Other customers		
Short-term loans	**292 857**	**1 709 578**	**26 093 533**	**2 602 571**	**30 698 539**	**27 061 774**
- Deposit accounts in debit	246 498	1 709 578	11 058 587	1 754 901	14 769 564	16 713 954
- Commercial loans in Morocco	2 975	-	2 888 684	3 620	2 895 279	3 482 686
- Export loans	-	-	406 504	355 036	761 540	1 051 531
- Other cash loans	43 384	-	11 739 758	489 014	12 272 156	5 813 603
Consumer loans	**-**	**-**	**28 879**	**7 658 231**	**7 687 110**	**8 162 481**
Equipment loans	**4 641 851**	**403 269**	**13 432 418**	**1 510 140**	**19 987 678**	**21 817 758**
Mortgage loans	**104 888**	**-**	**9 539 816**	**31 321 635**	**40 966 339**	**40 440 737**
Other loans	**2 000 000**	**19 136 100**	**1 741 574**	**145 508**	**23 023 182**	**15 264 242**
Advances acquired by factoring	**1 713 774**	**-**	**400 171**	**-**	**2 113 945**	**2 283 749**
Receivables accrued interest	**68 626**	**35 766**	**465 084**	**157 976**	**727 452**	**742 995**
Non performing loans	**314**	**-**	**1 808 038**	**1 913 602**	**3 721 954**	**3 135 112**
- Substandard loans	-	-	63 194	566 655	629 849	520 012
- Doubtful loans	-	-	707 766	297 312	1 005 078	1 065 974
- Loss loans	314	-	1 037 078	1 049 635	2 087 027	1 549 126
TOTAL	**8 822 310**	**21 284 713**	**53 509 513**	**45 309 663**	**128 926 198**	**118 908 849**

BREAKDOWN OF TRANSACTION & MARKETABLE SECURITIES AND INVESTMENT SECURITIES BY CATEGORY OF ISSUER

(in thousand MAD)

	Credit Institutions and Equivalent	Public Issuers	Private Issuers		TOTAL 31/12/2020	TOTAL 31/12/2019
			Financial companies	Non-financial companies		
Quoted securities	**4 991**	**4 366 378**	**21 187 560**	**633**	**25 559 561**	**23 440 279**
- Treasury bonds and equivalent securities	-	3 513 131	-	-	3 513 131	2 867 631
- Bonds	-	853 247	-	-	853 247	1 308 057
- Other debt securities	-	-	-	-	-	-
- Title deeds	4 991	-	21 187 560	633	21 193 183	19 264 591
Certificats de Sukuks	**-**	**-**	**-**	**-**	**-**	**-**
Titres non côtés	**6 563**	**10 985 208**	**826 802**	**1 986 951**	**13 805 523**	**10 940 599**
- Treasury bonds and equivalent securities	-	9 999 291	-	-	9 999 291	9 312 684
- Bonds	-	860 356	826 802	1 837 429	3 524 586	998 208
- Other debt securities	6 563	-	-	-	6 563	328 935
- Title deeds	-	-	-	-	-	-
Certificats de Sukuks	**-**	**58 674**	**-**	**-**	**58 674**	**77 227**
Accrued interest	**-**	**66 887**	**-**	**149 522**	**216 409**	**223 545**
TOTAL	**11 553**	**15 351 586**	**22 014 361**	**1 987 584**	**39 365 084**	**34 380 877**

BREAKDOWN OF TRANSACTION & MARKETABLE SECURITIES AND INVESTMENT

(in thousand MAD)

	Gross book value	Current value	Redemption price	Unrealised capital gains	Unrealised capital losses	Provisions
Transaction securities	**30 350 916**	**30 350 916**	**-**	**-**	**-**	**-**
Treasury bonds and equivalent securities	9 019 297	9 019 297	-	-	-	-
Bonds	84 000	84 000	-	-	-	-
Other debt securities	136 787	136 787	-	-	-	-
Title deeds	21 052 157	21 052 157	-	-	-	-
Sukuks certificates	58 674	58 674	-	-	-	-
Marketable securities	**621 368**	**580 626**	**621 368**	**-**	**40 742**	**40 742**
Treasury bonds and equivalent securities	479 829	439 600	479 829	-	40 228	40 228
Bonds	-	-	-	-	-	-
Other debt securities	-	-	-	-	-	-
Title deeds	141 539	141 026	141 539	-	514	514
Investment securities	**8 433 543**	**8 433 543**	**8 467 442**	**98 307**	**46 902**	**-**
Treasury bonds and equivalent securities	4 115 642	4 115 642	4 093 395	-	22 247	-
Bonds	4 293 833	4 293 833	4 367 485	98 307	24 655	-
Other debt securities	24 068	24 068	6 563	-	-	-
TOTAL	**39 405 827**	**39 365 084**	**9 088 810**	**98 307**	**87 645**	**40 742**

DETAIL OF OTHER ASSETS

(in thousand MAD)

	31/12/2020	31/12/2019
Optional instruments	**-269**	**-59 121**
Miscellaneous transactions on securities	**324 924**	**276 293**
Other Debtors	**985 476**	**1 066 599**
- Sums due by the state	811 212	912 464
- Sums due by provident companies	-	-
- Receivables from staff	119 568	107 590
- Receivable for non-banking services	-	-
Other debtors	54 695	46 545
Other securities and assets	**4 943**	**9 403**
Adjustment accounts	**3 516 401**	**2 166 424**
Off-balance sheet adjustment accounts	186 413	54 670
Currency discrepancy accounts	186 413	54 670
Derivatives discrepancy accounts	-	-
Securities discrepancy accounts	-	-
Currency and securities Goodwill	-	-
Income on hedging transactions	-	-
Deferred expenses	141 631	176 716
Liaison accounts between the head office, subsidiaries and branches in Morocco	246 489	313 697
Accrued income and prepayment	1 298 854	330 432
Accrued income	472 134	321 662
Prepayment	826 719	8 770
Transitory accounts	-	-
Other adjustment accounts	1 643 014	1 290 909
Non performing loans on miscellaneous transactions	**-**	**-**
TOTAL	**4 831 475**	**3 459 599**

SUBORDINATED DEBTS

(in thousand MAD)

	Amount				Included linked and related Companies	
	Gross	31/12/2020 Provisions	Net	31/12/2019 Net	31/12/2020 Net	31/12/2019 Net
Subordinated loans to credit institutions and similar	193 551	-	193 551	190 532	193 551	190 532
Subordinated loans to customers	-	-	-	-	-	-
TOTAL	**193 551**	**-**	**193 551**	**190 532**	**193 551**	**190 532**

EQUITY INVESTMENTS

(in thousand MAD)

Name of the issuing company	Sector of activity	Number of shares	Share capital	Equity holding as %	Overall acquisition price	Provisions	PRG	Net book value
RADIO MEDITERRANEE	Media	708 260	196 650 000	36.02	70 827.10	-		708.27
CASABLANCA FINANCE CITY AUTHORITY	Casablanca Financial Center Management	500 000	500 000 000	10.00	50 000.00	-		500.00
TANGER MED ZONES	Development company	640 577	706 650 000	9.06	64 057.76	-		640.58
EMAT	Holding Company	80 473	8 047 300	100.00	30 364.80	30 364.80		0.00
FONCIERE EMERGENCE	Real Estate	363 935	400 214 174	8.06	37 056.60	-		370.57
ECOPARC DE BERRECHID	Development company	120 000	55 000 000	21.82	12 000.00	-		120.00
CENTRE MONETIQUE INTERBANCAIRE	Electronic payment management	109 990	98 200 000	11.20	11 000.00	-		110.00
Fonds de garantie de la commande publique	Investment funds	100 000	110 000 000	9.09	10 000.00	-		100.00
MOROCCAN INFORMATION TECHNO PARC CIE	Real estate management	56 500	46 000 000	12.28	5 650.00	-		56.50
BMCE Capital Real Estate	Real estate management	12 495	5 000 000	24.99	1 249.50	-		12.50
MARTKO (MAGHREB ARAB TRADING C°)	Financial institution	12 000	600 000 USD	20.00	970.64	970.64		0.00
MITC CAPITAL	Fund MNF	4 000	2 000 000	20.00	400.00	400.00		0.00
STE RECOURS	Debt collection	3 750	2 500 000	15.00	375.00	375.00		0.00
511 Equity Affiliates					**293 951.40**	**32 110.44**	**0.00**	**2 618.41**
BOA Group	Foreign credit institution	435 192	93 154 535 €	72.41	2 961 158.83	-	2 961 158.83	2 961 158.83
BBI	Foreign credit institution	157 659 285	157 659 285 £	100.00	1 916 978.95	-	1 916 978.95	1 916 978.95
STE SALAFIN	Consummer credit	1 935 692	312 411 900	61.96	707 410.48	-	707 410.48	707 410.48
LITTORAL INVEST	Leasing	26 000	2 600 000	100.00	450 000.00	-	450 000.00	450 000.00
MAGHREBAIL	Leasing	726 220	138 418 200	52.47	370 770.14	-	370 770.14	370 770.14
LOCASOM	Long Term Car Rental	784 768	83 042 900	94.50	336 882.38	-	336 882.38	336 882.38
AFRICA MOROCCO LINKS	Maritime transport	1 632 000	320 000 000	51.00	163 200.00	30 000.00	133 200.00	133 200.00
O TOWER	Development company	9 600 000	2 000 000 000	48.00	786 844.86	-	786 844.86	786 844.86
BANK AL-TAMWEEL WA AL-INMA - BTI	Participative Bank	2 040 000	400 000 000	51.00	204 000.00	-	204 000.00	204 000.00
BOA UGANDA	Foreign credit institution	22 176 454	46 775 206 000 UGX	47.41	128 856.39	-	128 856.39	128 856.39
BANQUE DE DEVELOPPEMENT DU MALI	Foreign credit institution	121 726	25 000 000 000 FCFA	32.38	137 924.64	-	137 924.64	137 924.64
HANOUTY	Distribution	76 486	16 767 900	45.60	121 815.27	121 815.27	0.00	0.00
BMCE CAPITAL	Investment Bank	100 000	100 000 000	100.00	100 000.00	-	100 000.00	100 000.00
STE CONSEIL INGENIERIE ET DEVELOPPEMENT	Study Office	155 437	40 000 000	38.85	90 191.61	-	90 191.61	90 191.61
CONGOLAISE DES BANQUES	Foreign credit institution	370 000	10 000 000 000 FCFA	37.00	76 819.08	-	76 819.08	76 819.08
RIYAD ALNOUR	Hotel	3 000	300 000	100.00	78 357.44	-	78 357.44	78 357.44
SOCIETE D'AMENAGEMENT TANGER TECH - SA-TT	Development company	2 499 997	500 000 000	50.00	125 000.00	-	125 000.00	125 000.00
MAROC FACTORING	Factoring	450 000	45 000 000	100.00	51 817.45	-	51 817.45	51 817.45
GLOBAL NETWORK SYSTEMS HOLDING	Data processing	116 000	11 600 000	100.00	46 591.42	-	46 591.42	46 591.42
EUROSERVICES	Service company	3 768	4 831 000 €	78	41 203.46	-	41 203.46	41 203.46
BMCE CASH	SCI	279 995	28 000 000	99.998	44 000.00	-	44 000.00	44 000.00
BMCE IMMOBILIER	Debt collection	200 000	20 000 000	100.00	29 700.00	-	29 700.00	29 700.00
RM EXPERT	Service company	200 000	20 000 000	100.00	20 000.00	-	20 000.00	20 000.00
DOCUPRINT (STA)	Service company	50 000	5 000 000	100.00	19 000.00	-	19 000.00	19 000.00
ACMAR	Real estate	100 000	50 000 000	20.00	10 001.00	-	10001.00	10 001.00
BMCE CAPITAL BOURSE (maroc inter titres)	Stock brokerage	67 500	10 000 000	67.50	6 750.00	-	6 750.00	6 750.00
STE FINANCIERE Italie	Financial institution	600 000	600 000 EURO	100.00	6 561.06	6 561.06	0.00	0.00
BMCE CAPITAL GESTION (marfin)	Mutual fund management	250 000	25 000 000	100.00	6 442.93	-	6 442.93	6 442.93
Eurafric Informatique	Service company	41 000	10 000 000	41.00	4 100.00	-	4 100.00	4 100.00
BMCE ASSURANCES	Insurance	15 000	1 500 000	100.00	3 025.00	-	3 025.00	3 025.00
OPERATION GLOBAL SERVICES SA OGS	Sces Back-office	50 000	5 000 000	100.00	5 000.00	-	5 000.00	5 000.00
IT International service	IT	3 100	31 000 EURO	100.00	338.99	338.99	0.00	0.00
AKENZA IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
SAISS IMMO NEJMA	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
SUX HILL PRIMERO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
SUX HILL SECONDO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
SUX HILL TERCIO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
NOUACER CITY IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
MOHIT IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
FARACHA IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
KRAKER IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
IKAMAT TILILA	Real estate	1 000	100 000	100.00	0.00	-	0.00	0.00
BERLY IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
ERRAHA NAKHIL	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
GOLEMPRIME IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
ISKANE PRIMERO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
JASPE IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
MAADEN SECONDO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
MONET IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
NEROPRIM IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
SALAM PRIMERO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
VILLASBUGAN IMMO	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
DENIM PRIMERO 1	Real estate	100	10 000	100.00	10.00	-	10.00	10.00
512 EQUITY INVESTMENTS					**9 050 941.37**	**158 715.32**	**8 892 226.05**	**8 892 226.05**
PROPARCO	International credit institution	1 082 935	693 079 200 EUR	2.50	175 448.46	-	175 448.46	175 448.46
E.S.F.G.	Foreign credit institution	923 105	207 075 338 EUR	0.45	174 353.21	174 353.21	0.00	0.00
E.S.I	Foreign credit institution	467 250	500 400 000 EUR	0.93	150 089.51	150 089.51	0.00	0.00
UBAE ARAB ITALIAN BANK	Foreign credit institution	63 032	261 185 870 EUR	2.65	72 437.87	-	72 437.87	72 437.87
AMETHIS FINANCE Luxembourg	Investment company in risk capital	4 107	195 875 872 EUR	2.10	44 898.10	-	44 898.10	44 898.10
AMETHIS II	Investment company in risk capital	1 770	133 717 495 EUR	1.33	19 513.33	-	19 513.33	19 513.33
BOURSE DE CASABLANCA	Stock exchange	310 014	387 517 900	8.00	31 373.42	-	31 373.42	31 373.42
MAROC NUMERIC FUND	Investment fund	150 000	75 000 000	20.00	15 000.00	7 565.96	7 434.04	7 434.04
MAROC NUMERIC FUND II	Investment fund	78 431	40 000 000	19.61	5 882.33	-	5 882.33	5 882.33
SEAF MOROCCO GROWTH FUND		60 000	94 222 200	6.37	6 000.00	-	6 000.00	6 000.00
BANQUE MAGHREBINE D'INVEST ET DU COMMERCE EXT	Credit institution	6 000	150 000 000 USD	4.00	26 714.40	-	26 714.40	26 714.40
FONDS D'INVESTISSEMENT DE L'ORIENTAL	Investment fund	107 500	150 000 000	7.17	10 750.00	5 395.21	5 354.79	5 354.79
INMAA SA	Service company	53 333	20 000 000	26.67	5 333.30	2 322.98	3 010.32	3 010.32
AFREXIM BANK (African Import Export)	Credit institution/foreign	30	506 300 000 USD	0.059	2 746.48	-	2 746.48	2 746.48
FONDS MONETAIRE ARABE(ARAB TRADE FINANCING PROGRAM)	Financial institution	50	987 920 000 USD	0.03	2 671.44	-	2 671.44	2 671.44
AZUR FUND	Investment fund	96 279	219 581 400	4.38	965.10	-	965.10	965.10
FIROGEST	Investment fund	2 500	2 000 000	12.50	250.00	-	250.00	250.00
SOCIETE MAROCAINE DE GESTION DES FONDS DE GARANTIE BANCAIRE	Guarantee funds	588	1 000 000	5.88	58.80	-	58.80	58.80
515 SECURITIES/ACTIVITIES OF THE PORTFOLIO					**744 485.74**	**339 726.86**	**404 758.88**	**404 758.88**
CFG GROUP	Investment Bank	285 065	542 889 900	5.25	103 997.38	-	103 997.38	103 997.38
Mutandis SCA	Investment fund	832 458	799 673 700	10.41	96 807.46	-	96 807.46	96 807.46
Mutandis AUTOMOBILE SCA	Automobile distribution	846 892	630 000 000	13.44	91 359.34	4 239.56	87 119.78	87 119.78
ROYAL RANCHES MARRAKECH	Real Estate and tourism	106 667	800 000 000	13.33	60 000.00	-	60 000.00	60 000.00
SOGEPOS	Development company	46 216	35 000 000	13.20	4 621.60	-	4 621.60	4 621.60
LA CELLULOSE DU MAROC	Paper pulp	52 864	700 484 000	0.75	3 393.43	3 393.43	0.00	0.00
SMAEX	Insurance and service	22 563	50 000 000	4.51	1 690.00	-	1 690.00	1 690.00
FRUMAT	Agri-industry	4 000	13 000 000	3.08	1 450.00	1 450.00	0.00	0.00
STE IMMOBILIERE SIEGE GPBM	Real Estate	12 670	19 005 000	6.67	1 267.00	-	1 267.00	1 267.00
STE D'AMENAGEMENT DU PARC INDUSTRIE	Real Estate	10 000	60 429 000	1.65	1 000.00	-	1 000.00	1 000.00
MAROCLEAR	Central custodian	803	100 000 000	4.02	803.00	-	803.00	803.00
STE IPE	Editin & printing	8 013	10 000 000	8.01	801.30	-	801.30	801.30
CASABLANCA PATRIMOINE S.A	Local development	5 000	31 000 000	1.61	500.00	-	500.00	500.00
GECOTEX	Industry	5 000	10 000 000	5.00	500.00	500.00	0.00	0.00
SOCIETE ALLICOM MAROC	Industry	5 000	20 000 000	2.50	500.00	500.00	0.00	0.00
DAR ADDAMANE	Guarantee bodies	1 922	75 000 000	0.64	480.50	480.50	0.00	0.00
PORNET	Service company	1 800	11 326 800	1.59	180.00	-	180.00	180.00
SINCOMAR	Agribusiness	494	37 440 000	0.13	49.40	49.40	0.00	0.00
SWIFT	Service company	23	434 020 000 EUR	0.01	23.58	-	23.58	23.58
DYAR AL MADINA	Real Estate	640	20 000 000	0.32	8.50	-	8.50	8.50
RMA WATANYA	Insurance	5	1 796 170 800	0.00	1.97	-	1.97	1.97
RISMA	Tourism	10	1 432 694 700	0.00010	1.92	-	1.92	1.92
MEDI 1 TV	Audiovisuel	59 774	199 245 600	3.00	0.00	-	0.00	0.00
516-9 Other Equity Investment					**369 436.40**	**10 612.90**	**358 823.51**	**358 823.51**
RYAD ENNOUR					471 642.56	-	471 642.56	471 642.56
FARACHA IMMO					302 925.13	-	302 925.13	302 925.13
IT International Service ITIS					52 488.48	52 488.48	0.00	0.00
AKENZA IMMO					46 948.00	-	46 948.00	46 948.00
SUX HILL SECONDO					49 331.09	-	49 331.09	49 331.09
SAISS IMMO NEJMA					33 681.14	-	33 681.14	33 681.14
SUX HILL PRIMERO					25 797.55	-	25 797.55	25 797.55
SUX HILL TERCIO					15 539.21	-	15 539.21	15 539.21
MARTCO					1 500.00	1 500.00	0.00	0.00
Siège G.P.B.M.					723.21	-	723.21	723.21
ALLICOM MAROC					552.00	552.00	0.00	0.00
HANOUTY					1 614.95	-	1 614.95	1 614.95
ECO PARC					2 194.76	-	2 194.76	2 194.76
MOHIT IMMO					5 511.21	-	5 511.21	5 511.21
NOUACER CITY IMMO					40.56	-	40.56	40.56
KRAKER IMMO					21.89	-	21.89	21.89
BERLY IMMO					12.99	-	12.99	12.99
ERRAHA NAKHIL					13.02	-	13.02	13.02
GOLEMPRIME IMMO					13.02	-	13.02	13.02
ISKANE PRIMERO					12.98	-	12.98	12.98
JASPE IMMO					13.03	-	13.03	13.03
MAADEN SECONDO					12.97	-	12.97	12.97
MONET IMMO					13.05	-	13.05	13.05
NEROPRIM IMMO					12.95	-	12.95	12.95
SALAM PRIMERO					13.04	-	13.04	13.04
VILLASBUGAN IMMO					13.00	-	13.00	13.00
DENIM PRIMERO 1					13.01	-	13.01	13.01
514 Others					1 010 654.82	54 540.48	956 114.34	956 114.34
Total					**1 021 113.63**	**55 081.65**	**965 772.77**	**965 772.77**

FIXED ASSETS ON LEASING, WITH OPTION TO PURCHASE, AND WITH SIMPLE LEASE

(in thousand MAD)

	Gross amount beginning of the year	Acquisitions of the year	Cessions of the year	Readjustement	Gross Amount year ended	Depreciation		Provisions			Net amount year ended
						Depreciation	Total Depreciations	Provisions	Write-backs	Total provisions	
Fixed Leasing Assets	**225 646**	**15 494**	-	**412**	**241 552**	**16 216**	**50 735**	-	-	-	**190 816**
Leasing on intangible assets	**6 459**	-	-	**102**	**6 561**	**325**	**1 624**	-	-	-	**4 937**
Furniture leasing	**74 000**	**5 099**	-	**309**	**79 408**	**10 466**	**41 863**	-	-	-	**37 545**
- In progress	-	5 099	-	309	5 408	-	-		-	-	5 408
- Leased	74 000	-	-	-	74 000	10 466	41 863	-	-	-	32 137
- Non Leased after termination	-	-	-	-	-	-	-	-	-	-	-
Real leased leasing	**145 188**	**9 334**	-	-	**154 522**	**5 425**	**7 249**	-	-	-	**147 274**
- In progress	-	-	-	-	-	-	-	-	-	-	-
- Leased	145 188	9 334	-	-	154 522	5 425	7 249	-	-	-	147 274
- Non leased after termination	-	-	-	-	-	-	-	-	-	-	-
Leased to perceive	-	**1 060**	-	-	**1 060**	-	-	-	-	-	**1 060**
Restructured leases	-	-	-	-	-	-	-	-	-	-	-
Non paid leases	-	-	-	-	-	-	-	-	-	-	-
Non performing loans	-	-	-	-	-	-	-	-	-	-	-
Fixed assets given on simple	-	-	-	-	-	-	-	-	-	-	-
Furniture given on simple lease	-	-	-	-	-	-	-	-	-	-	-
Real-estate given on simple lease	-	-	-	-	-	-	-	-	-	-	-
Leases to perceive	-	-	-	-	-	-	-	-	-	-	-
Restructured leases	-	-	-	-	-	-	-	-	-	-	-
Non paid leases	-	-	-	-	-	-	-	-	-	-	-
Non performing loans	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**225 646**	**15 494**	-	**412**	**241 552**	**16 216**	**50 735**	-	-	-	**190 816**

TANGIBLE AND INTANGIBLE FIXED ASSETS

(in thousand MAD)

	Gross amount at the beginning of the year	Gross reclassification of the year / Other variations	Acquisitions of the year	Disposals or withdrawls of the year	Gross amount at the end of the year	Depreciation and/or Provisions					Net amount at the end of the year
						Depreciation and/or provisions at the beginning of the year	Reclassification of the year / Other variations	Allowances for the year	Depreciation on fixed assets withdrawn	Cumul	
Intangible fixed assets	**951 333**	**- 3 980**	**249 391**	-	**1 196 745**	**541 283**	**145**	**71 578**	-	**613 006**	**583 738**
Leasehold rights	**97 073**	**16**	-	-	**97 089**	-	-	-	-	-	**97 089**
Investment in research and development	-	-	-	-	-	-	-	-	-	-	-
Other operating intangible assets	**854 260**	**- 3 996**	**249 391**	-	**1 099 656**	**541 283**	**145**	**71 578**	-	**613 006**	**486 649**
Non-operating intangible fixed assets	-	-	-	-	-	-	-	-	-	-	-
Tangible fixed assets	**9 624 001**	**- 30 204**	**420 183**	**414 519**	**9 599 462**	**4 153 451**	**- 7**	**224 901**	**174 148**	**4 204 197**	**5 395 265**
Operating buildings	**1 611 397**	-	**264 690**	**133 010**	**1 743 077**	**439 071**	-	**32 884**	**89 312**	**382 643**	**1 360 434**
Operating land	*238 940*	-	*3 191*	*10 964*	*231 167*	-	-	-	-	-	*231 167*
Operating buildings offices	*1 372 457*	-	*261 499*	*122 046*	*1 511 911*	*439 071*	-	*32 884*	*89 312*	*382 643*	*1 129 267*
Operating buildings. Staff housing	-	-	-	-	-	-	-	-	-	-	-
Operating furniture and equipment	**1 974 246**	**- 30 155**	**82 694**	**36 914**	**1 989 871**	**1 673 220**	**- 33**	**62 941**	**1 016**	**1 735 112**	**254 759**
Operating office furniture	*555 920*	*- 30 145*	*50 943*	*36 208*	*540 510*	*392 735*	*- 60*	*16 752*	*1 016*	*408 412*	*132 099*
Operating office equipment	*217 064*	*15*	*4 437*	-	*221 516*	*196 155*	*12*	*8 969*	-	*205 136*	*16 380*
Computer equipment	*1 018 568*	*- 25*	*26 325*	-	*1 044 868*	*950 010*	*14*	*23 289*	-	*973 313*	*71 555*
Operating vehicles	*75 303*	-	*883*	*705*	*75 481*	*44 574*	-	*11 071*	-	*55 645*	*19 835*
Other operating equipment	*107 392*	-	*105*	-	*107 496*	*89 746*	-	*2 860*	-	*92 607*	*14 890*
Other operating tangible fixed assets	**2 196 257**	**- 16**	**32 743**	**105 707**	**2 123 278**	**1 732 396**	**25**	**93 017**	**73 004**	**1 752 435**	**370 843**
Non operating tangible fixed assets	**3 842 102**	**- 33**	**40 056**	**138 889**	**3 743 236**	**308 764**	-	**36 059**	**10 816**	**334 007**	**3 409 229**
Non-operating land	*3 038 311*	-	*7 600*	*119 188*	*2 926 723*	-	-	-	-	-	*2 926 723*
Non-operating buildings	*654 427*	-	*30 400*	*19 701*	*665 126*	*194 677*	-	*30 067*	*10 816*	*213 928*	*451 199*
Non-operating furniture and equipment	*69 027*	-	*686*	-	*69 713*	*51 622*	-	*2 844*	-	*54 466*	*15 247*
Other non-operating tangible fixed assets	*80 337*	*- 33*	*1 371*	-	*81 674*	*62 465*	-	*3 148*	-	*65 613*	*16 061*
TOTAL	**10 575 335**	**- 34 183**	**669 574**	**414 519**	**10 796 207**	**4 694 735**	**138**	**296 479**	**174 148**	**4 817 204**	**5 979 003**

DISPOSAL OF TANGIBLE AND INTANGIBLE FIXED ASSETS

(in thousand MAD)

Sale or withdrawal date	Nature	Gross book value	Accumulated depreciation and/or provisions	Net book value	Revenues from disposals	Capital gain on disposals	Capital loss on disposal
20/01/2020	Land	1 260 000	-	1 260 000	8 300 000	3 949 474	
20/01/2020	Construction	5 040 000	1 949 474	3 090 526			
15/01/2020	Land	115 600 000	-	115 600 000	115 600 000	-	
01/11/2020	Tourism vehicle	705 313	-	705 313	401 600	-	303 713
19/10/2020	Land	2 327 800	-	2 327 800	2 327 800	-	
13/08/2020	Construction	5 349 586	5 349 586	-	5 600 000	5 600 000	
19/10/2020	Construction	9 311 200	3 517 097	5 794 103	6 672 200	878 097	
23/12/2020	Furniture	1 016 000	1 016 000	-	101 600	101 600	
28/12/2020	Other OPCIs	233 633 045	162 315 828	71 317 217	444 820 000	373 502 783	
TOTAL		374 242 943	174 147 985	200 094 959	583 823 200	384 031 954	303 713

DEBTS TO CREDIT INSTITUTIONS AND EQUIVALENT

(in thousand MAD)

Debts	Bank Al-Maghrib Treasury and giro current account	Banks in Morocco	Other credit institutions and equivalent in Morocco	Credit institutions abroad	TOTAL 31/12/2020	TOTAL 31/12/2019
Ordinary credit accounts	-	81 819	274 465	1 356 826	1 713 110	1 272 908
Securities pledged	12 350 493	2 916 668	3 397 884	1 617 052	20 282 097	13 347 665
- Overnight	-	250 039	-	-	250 039	-
- Time	12 350 493	2 666 629	3 397 884	1 617 052	20 032 058	13 347 665
Cash Borrowings	-	1 681 575	7 363 810	1 927 552	10 972 937	5 372 224
- Overnight	-	267 144	60 000	249 334	576 478	659 904
- Time	-	1 414 431	7 303 810	1 678 218	10 396 459	4 712 320
Financial borrowings	-	1 326 686	351 604	1 893 785	3 572 075	1 475 820
Other debts	9 212	398	4 808	445 240	459 658	1 140 072
Payable accrued interests	2 641	7 152	14 841	9 987	34 622	21 852
TOTAL	12 362 346	6 014 298	11 407 412	7 250 442	37 034 499	22 630 542

CUSTOMER DEPOSITS

(in thousand MAD)

	Public sector	Private sector			TOTAL 31/12/2020	TOTAL 31/12/2019
		Financial companies	Non financial companies	Other companies		
Demand acredit accounts	1 690 509	2 592 418	20 209 561	61 370 910	85 863 398	79 773 107
Saving accounts	-	-	-	25 028 457	25 028 457	24 486 071
Time Deposits	72 442	2 496 807	1 083 641	13 799 047	17 451 937	23 358 596
Other credit accounts (*)	2 926 952	84 101	2 054 944	1 073 536	6 139 533	6 371 219
Payable accrued interests	1 165	32 239	16 700	259 092	309 196	452 248
TOTAL	4 691 068	5 205 565	23 364 846	101 531 042	134 792 521	134 441 241

DEBT SECURITIES ISSUED

In thousand MAD

Type of securities	Starting date	Maturity date	Characteristics Nominal unit value	Rate
CD BANK OF AFRICA- BMCE GROUP	28/03/2019	28/03/2021	2.76%	340 000.00
CD BANK OF AFRICA- BMCE GROUP	16/04/2019	16/04/2021	2.74%	805 000.00
CD BANK OF AFRICA- BMCE GROUP	30/04/2019	30/04/2021	2.71%	365 000.00
CD BANK OF AFRICA- BMCE GROUP	08/05/2019	08/05/2021	2.68%	15 000.00
CD BANK OF AFRICA- BMCE GROUP	02/08/2019	02/08/2021	2.70%	160 000.00
CD BANK OF AFRICA- BMCE GROUP	09/09/2019	09/09/2021	2.68%	50 000.00
CD BANK OF AFRICA- BMCE GROUP	09/09/2019	09/09/2022	2.76%	225 000.00
CD BANK OF AFRICA- BMCE GROUP	15/10/2019	15/10/2022	2.79%	765 000.00
CD BANK OF AFRICA- BMCE GROUP	03/12/2019	03/12/2021	2.67%	350 000.00
CD BANK OF AFRICA- BMCE GROUP	03/12/2019	03/12/2022	2.75%	615 000.00
CD BANK OF AFRICA- BMCE GROUP	16/01/2020	14/01/2021	2.54%	200 000.00
CD BANK OF AFRICA- BMCE GROUP	16/01/2020	16/01/2023	2.72%	200 000.00
CD BANK OF AFRICA- BMCE GROUP	07/04/2020	06/04/2021	2.70%	150 000.00
CD BANK OF AFRICA- BMCE GROUP	27/05/2020	26/05/2021	2.75%	800 000.00
CD BANK OF AFRICA- BMCE GROUP	13/05/2020	13/05/2021	2.75%	350 000.00
CD BANK OF AFRICA- BMCE GROUP	14/10/2020	14/04/2021	1.77%	50 000.00
CD BANK OF AFRICA- BMCE GROUP	14/10/2020	14/10/2021	1.94%	235 000.00
CD BANK OF AFRICA- BMCE GROUP	14/10/2020	14/10/2022	2.20%	450 000.00
CD BANK OF AFRICA- BMCE GROUP	05/11/2020	06/05/2021	1.85%	870 000.00
CD BANK OF AFRICA- BMCE GROUP	22/12/2020	22/06/2021	1.80%	70 000.00
CD BANK OF AFRICA- BMCE GROUP	22/12/2020	21/12/2021	2.01%	320 000.00
CD BANK OF AFRICA- BMCE GROUP	22/12/2020	22/12/2022	2.22%	200 000.00
TOTAL				**7 585 000**

DETAIL OF OTHER LIABILITIES

(in thousand MAD)

	31/12/2020	31/12/2019
Provisions, deducted from assets, on :	**-6 718**	**-37 162**
Loans to credit institutions and equivalent	**98 220**	**187 427**
Loans and advances to customers	**1 167 403**	**1 590 158**
Doubtful interest	1 021 855	1 232 875
Marketable securities	49 955	45 153
Equity investments and equivalent assets	129 844	178 784
Leased and rented fixed assets	23	12
Other assets	-13 387	418
Provisions Recorded under liabilities	-20 888	132 916
Provisions for risks of fulfilment of commitments	**2 284 503**	**2 227 712**
Contingent liabilities	160 221	2 578
Provisions for general risks	-	-
Provisions for retirement pensions and similar obliga-	-	-
tions	54 246	290 130
Other contingent liabilities (E.C)	282 050	281 298
Regulated provisions	1 787 986	1 653 706
TOTAL	**3 543 407**	**3 968 135**

PROVISION

(in thousand MAD)

	Amount 31/12/2019	Allowances	Write back	Other changes	Outstanding 31/12/2020
Provisions, deducted from assets, on :	**6 062 477**	**1 734 705**	**1 144 565**	**-5 631**	**6 646 987**
Loans to credit institutions and equivalent	51 616	-	51 611	-	5
Loans and advances to customers	5 294 335	1 641 149	916 945	-954	6 017 584
Doubtful interest	123 304	-	119 628	-	3 676
Marketable securities	42 962	40 742	43 719	604	40 590
Equity investments and equivalent assets	549 870	52 814	12 265	-5 287	585 131
Leased and rented fixed assets	-	-	-	-	-
Other assets	390	-	396	6	-0
Provisions Recorded under liabilities	**1 117 335**	**623 389**	**4 879**	**-2**	**1 735 843**
Provisions for risks of fulfilment of commitments	12 488	11 810	-	-	24 298
Contingent liabilities	-	-	-	-	-
Provisions for general risks	1 074 602	2 923	-	-	1 077 525
Provisions for retirement pensions and similar obligations	-	-	-	-	-
Other contingent liabilities (E.C)	30 245	93 951	4 879	- 2	119 315
Regulated provisions	-	514 706	-	-	514 706
TOTAL	7 179 812	2 358 095	1 149 444	-5 633	8 382 830

SUBORDINATED DEBTS

(in thousand MAD)

Currency	Debt amount	Closing exchange rate	Interest rate	Term anticipated	Conditions for Montant reimbursement, subordinated and convertibility	Debt amount in thousands MAD
DH	150 000	1	6,95%	Perpétuel		150 000
DH	850 000	1	4,31%	Perpétuel		850 000
DH	950 000	1	4,30%	Perpétuel		950 000
DH	50 000	1	5,30%	Perpétuel		50 000
DH	160 000	1	6,18%	10 ans		160 000
DH	50 000	1	6,18%	10 ans		50 000
DH	790 000	1	3,70%	10 ans		790 000
DH	154 500	1	5,64%	10 ans		154 500
DH	845 500	1	3,42%	10 ans		845 500
DH	626 000	1	4,74%	10 ans		626 000
DH	1 374 000	1	3,40%	10 ans		1 374 000
DH	447 200	1	3,74%	10 ans		447 200
DH	78 900	1	3,74%	10 ans		78 900
DH	1 473 900	1	3,23%	10 ans		1 473 900
DH	200 000	1	7,05%	Perpétuel		200 000
DH	800 000	1	5,57%	Perpétuel		800 000
DH	400 000	1	3,18%	5 ans		400 000
						9 400 000

SHAREHOLDER'S EQUITY

(in thousand MAD)

	Amount 31/12/2019	Allocation of earning	Other changes	Outstanding 31/12/2020
Revaluation reserve	**-**	**-**	**-**	**-**
Additional paid-in capital	**16 474 865**	**372 800**	**720 901**	**17 568 566**
Legal reseve	460 306	-	-	460 306
Other reserves	7 647 439	372 800	-13 945	8 006 294
Issuance, merger and contribution premiums	8 367 120	-	734 846	9 101 966
Capital	**1 998 205**	**-**	**57 861**	**2 056 066**
Called-up capital	1 998 205	-	57 861	2 056 066
Uncalled capital	-	-	-	-
Investment certificates	-	-	-	-
Allowance fund	-	-	-	-
Shareholders. Unpaid-up capital	**-**	**-**	**-**	**-**
Retained earnings (+/-)	**74**	**-54**		**20**
Net earnings being appropriated (+/-)	**-**		**-**	**-**
Net earnings for fiscal year(+/-)	**1 371 848**	**-1 371 848**	**-**	**724 181**
TOTAL	19 844 992	-999 102	778 762	20 348 834

FINANCING AND GUARANTEE COMMITMENTS

(In thousand MAD)

	31/12/2020	31/12/2019
Financing and guarantee commitments given	**20 647 050**	**19 275 490**
Financing commitments on behalf of credit institutions and equivalent	**418 241**	**182 310**
- Import letters of credit	-	-
- Payment acceptances or commitments	-	-
- Opening of confirmed credit	418 241	182 310
- Substitution commitments on issuing of securities	-	-
- Irrevocable leasing commitments	-	-
- Other financing commitments given	-	-
Financing commitments on behalf of customers	**6 661 576**	**6 217 752**
- Import letters of credit	2 946 978	2 538 217
- Payment acceptances or commitments	543 183	766 203
- Opening of confirmed credit	1 415 124	1 539 861
- Substitution commitments on issuing of securities	-	-
- Irrevocable leasing commitments	5	6 859
- Other financing commitments given	1 756 287	1 366 613
Guarantee commitments for credit institutions and equivalent	**4 027 365**	**2 742 845**
- Confirmed export letters of credit	18 960	3 942
- Payment acceptances or commitments	1 053	3 503
- Credit guarantees given	-	-
- Other securities, endorsments and guarantees given	285 906	492 334
- Non performing commitments	3 721 446	2 243 066
Guarantee commitments for customers	**9 539 868**	**10 132 583**
- Credit guarantees given		-
- Securities and guarantees given on behalf of the public administration	6 099 572	6 321 773
- Other securities and guarantees given	3 440 296	3 810 810
- Non performing commitments		-
Financing and guarantee commitments received	**21 008 649**	**13 300 148**
Financing commitments received from credit institutions and equivalent	**-**	**-**
- Opening of confirmed credit	-	-
- Substitution commitments on issuing of securities	-	-
- Other financing commitments received	-	-
Guarantee commitments received from credit institutions and equivalent	**18 598 222**	**11 315 888**
- Credit guarantees	8 528 585	2 285 546
- Other guarantees received	10 069 637	9 030 342
Guarantee commitments received from the state and other guarantee institutions	**2 410 428**	**1 984 260**
- Credit guarantees	1 135 772	1 135 773
- Other guarantees received	1 274 656	848 487

COMMITMENTS ON SECURITIES

(In thousand MAD)

	Amount
Given commitments	**173 794**
Securities repos purchased	78 357
Other securities to be delivered	95 437
Received commitments	**96 394**
Securities repos sold	-
Other securities to be received	96 394

FORWARD EXCHANGE TRANSACTIONS AND COMMITMENTS ON DERIVATIVES

(In thousand MAD)

	Holding transaction		Other transaction	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Forward exchange transactions	**27 432 659**	**26 050 310**	**-**	**-**
Currency to be received	8 132 051	8 991 084	-	-
Currency to be delivered	2 928 286	5 506 159	-	-
Dirhams to be received	10 772 229	7 485 710	-	-
Dirhams to be delivered	5 600 093	4 067 357	-	-
Of which financial currency swaps			-	-
Commitments on derivatives	**2 210 544**	**2 593 504**	**-**	**-**
Commitments on regulated interest rate markets	-	-	-	-
Commitments on OTC interest rate markets	1 594 744	1 512 474	-	-
Commitments on regulated exchange rate markets	-	-	-	-
Commitments on OTC exchange rate markets	0	-	28 345	5 001
Commitments on regulated markets for other instruments	74 266	-	-	-
Commitments on OTC markets for other instruments	541 534	1 081 030	-	-

SECURITIES RECEIVED AND GIVEN AS COLLATERAL

(In thousand MAD)

Securities received as collateral	Net book value	Loans or given committments posted to assets or to off balance sheet	Amount of loans and given commitments
Treasury bills and equivalent	11 326 473		
Other securities	6 831 716		
Mortgages	103 192 544		
Other securities received as collateral	239 909 625		
TOTAL	**361 260 357**		

Securities given as collateral	Net book value	Loans or given committments posted to assets or to off balance sheet	Amount of loans and given commitments
Treasury bills and equivalent	17 114 493		
Other securities	776 934		
Mortgages			
Other securities received as collateral			
TOTAL	**17 891 427**		

BREAKDOWN OF USES AND RESOURCES ACCORDING TO RESIDUAL MATURITIES

(In thousand MAD)

	D < 1 month	1 month < D ≤ 3 month	3 month < D ≤ 1 year	1 an < D ≤ 5 year	D > 5 year	TOTAL
ASSETS						
Loans to credit institutions and equivalent	6 919 265	1 990 735	1 613 998	4 391 351	1 252 461	16 167 810
Loans and advances to customers	25 432 054	13 156 414	13 589 461	36 552 057	37 354 801	126 084 787
Debt securities	1 978 295	41 021	53 798	40 831	-	2 113 945
Subordinated loans	2 106 174	1 506 293	5 093 822	3 203 147	6 262 466	18 171 902
Leasing and equivalent	-	-	-	-	193 551	193 551
TOTAL	**29 931 240**	**16 418 126**	**19 880 154**	**49 331 711**	**47 267 914**	**162 829 145**
LIABILITIES						
Liabilities to credit institutions and equivalent	24 578 213	5 273 093	2 152 306	2 431 193	25 444	34 460 250
Debts to customers	5 635 000	13 447 947	23 217 199	5 444 273	875 508	48 619 927
Debt securities issued	200 000	540 000	4 320 000	2 525 000	500 000	8 085 000
Subordinated borrowings	-	-	-	2 000 000	7 400 000	9 400 000
TOTAL	**30 413 213**	**19 261 040**	**29 689 505**	**12 400 466**	**8 800 952**	**100 565 176**

CONCENTRATION OF RISK ON THE SAME BENEFICIARY

(In thousand MAD)

Number	Total amount of risks	Amount of risk by passing 5% of capital		
		Operating loans	Contracting loans	Amount of securities held in the capital of the beneficiary
17	43 015 313	32 276 646	3 138 695	535 674

BREAKDOWN OF TOTAL ASSETS, LIABILITIES AND OFF-BALANCE SHEET IN FOREIGN CURRENCY

(In thousand MAD)

	AMOUNT
ASSETS	**36 871 526**
Cash, central banks, treasury, giro accounts	140 503
Loans to credit institutions and equivalent	14 547 626
Loans and advances to customers	8 920 820
Transaction, marketable and investment securities	7 101 054
Other assets	532 318
Equity investments and equivalent uses	5 345 089
Subordinated loans	193 551
Fixed assets leased and rented	86 396
Intangible and tangible fixed assets	4 169
LIABILITIES	**32 842 393**
Central banks, treasury, giro accounts	-
Liabilities to credit institutions and equivalent	27 131 095
Customer deposits	5 222 108
Debt securities issued	-
Other liabilities	162 261
Subordinated debts	326 929
Subsidies, assigned public funds and special guarantee funds	-
OFF-BALANCE SHEET	
Given commitment	5 055 411
Received commitment	2 871 119

NET INTEREST INCOME

(In thousand MAD)

	31/12/2020	31/12/2019
Interest received	**6 602 029**	**6 740 094**
Interest and similar income on transactions with credit institutions	710 550	761 414
Interest and similar income on transactions with customers	5 334 205	5 467 179
Interest and similar income on debt securities	557 275	511 501
Interest paid	**2 532 685**	**2 816 319**
Interest and similar fees on transactions with credit institutions	1 250 026	1 279 079
Interest and similar fees on transactions with customers	1 052 972	1 282 212
Interest and similar fees on debt securities	229 687	255 028

NON-PERFORMING LOANS TO SOCIAL CUSTOMERS

(In thousand MAD)

	31/12/2020		31/12/2019	
	Credit lines	Provisions for credit lines	Credit lines	Provisions for credit lines
Pre-doubtful loans	753 656	123 807	583 342	63 330
Non performing loans	2 125 768	1 120 691	2 123 458	1 057 483
Doubtful debts	6 863 795	4 776 768	5 897 572	4 348 445
TOTAL	**9 743 220**	**6 021 266**	**8 604 372**	**5 469 259**

REVENUES FROM INVESTMENT SECURITIES

(In thousand MAD)

	31/12/2020	31/12/2019
Equity Securities	11 440	14 630
Equity in affiliates	537 291	561 465
Equity in portfolio	133	2 914
Other securities	62 387	79 074
TOTAL	**611 251**	**658 083**

COMMISSIONS

(In thousand MAD)

	31/12/2020	31/12/2019
Fees received	**1 315 378**	**1 570 234**
On transactions with credit institutions	-	-
On transactions with customers	430 777	446 240
Concerning operations on the primary securities markets	199 503	304 758
On derivatives	39 149	45 575
On transactions on securities under management and custody	-	-
On means of payment	21 128	23 963
On consulting and assistance	368 922	417 736
On sales of insurance products	-	-
On other services	42 148	52 733
Fees paid	213 751	279 229
On transactions with credit institutions	**340 759**	**404 709**
On transactions with customers	-	-
Concerning operations on the primary securities markets	-	-
On derivatives	102 395	137 641
On transactions on securities under management and custody	-	-
On means of payment	268	13
On consulting and assistance	13 530	15 278
On sales of insurance products	88 889	95 220
On other services	-	-
On sales of insurance products	-	-
On other services	135 676	156 557

INCOME FROM MARKET TRANSACTIONS

(in thousand MAD)

	31/12/2020	31/12/2019
Revenues	**2 890 711**	**2 160 064**
Gains on transactions securities	1 259 316	1 058 990
Capital gains on disposals of marketable securities	56 918	21 993
Provision write-backs on depreciation of marketable securities	43 643	10 282
Gains on derivatives	266 938	112 851
Gains on exchange transactions	1 263 897	955 948
Expenses	**1 992 046**	**1 166 882**
Losses on transaction securities	652 601	315 014
Capital losses on disposals of marketable securities	3 286	4 246
Provisions for depreciation of marketale securities	40 742	42 962
Losses on derivatives	375 260	243 165
Losses on exchange transactions	920 157	561 495
Earning	**898 665**	**993 181**

GENERAL OPERATING EXPENSES

(in thousand MAD)

	31/12/2020	31/12/2019
Staff expenses	1 553 520	1 631 096
Taxes	93 624	117 836
External expenses	1 488 876	1 626 313
Allowances for depreciation and provision for intangible and tangible fixed assets	296 479	270 695

OTHER REVENUES AND EXPENSES

(in thousand MAD)

	31/12/2020	31/12/2019
Revenues and expenses		
Other banking revenues and expenses	491 595	626 336
Other banking revenues	3 090 242	2 464 820
Other banking expenses	2 598 648	1 838 484
Non-banking operating revenues and expenses	**442 597**	**126 892**
Non-banking operating revenues	472 279	190 578
Non-banking operating expenses	29 683	63 685
Other expenses		
Allowances for provisions and loan losses	2 585 199	2 122 518
Other revenues		
Provision write-backs and recoveries on amortised debts	1 035 725	1 212 727

FROM NET BOOK EARNINGS TO NET FISCAL EARNINGS

(in thousand MAD)

	Montant
I- Net book earning	**724 182**
Net gain	
Net loss	
II- Tax reintegration	**957 749**
1- Current	**613 839**
Non-deductible expenses	**53 242**
Provision for general risks	**560 597**
2- Non-current	**343 910**
Corporate taxes	**274 812**
	69 098
III- Tax deductions	**930 201**
1- Current	
Dividendes	557 201
2- Non-current	
	373 000
VI- Net income tax	**751 730**
Corporate taxes	
VI- Net income tax	
Provisions Write-backs for investments	

DETERMINATION OF CURRENT EARNINGS AFTER-TAX

(in thousand MAD)

I- EARNINGS DETERMINATION	MONTANT
Current earnings according to the income statement	1 761 253
(+) Tax reintegration to current transactions	613 839
(-) Tax deductions on current transactions	557 201
(=) Current earnings theoretically taxable	1 817 891
(-) Theoretical tax on current earnings	672 620
(=) Current earnings after tax	1 088 633
II. INDICATIONS OF THE TAX SYSTEM AND THE INCENTIVES GRANTED BY THE INVESTMENT CODES OR BY SPECIFIC PROVISIONS	

DETAIL ON VALUE ADD TAX

(in thousand MAD)

CATEGORY	Balance at the beginning of the fiscal year 1	Accounting operations of the fiscal year 2	VAT claims for the fiscal year 3	VAT claims for the end of the fiscal year (4=1+2-3)
A. VAT Collected	**97 223**	**577 895**	**587 341**	**87 777**
B. VAT to be Recovered	**52 107**	**426 428**	**417 241**	**61 294**
* On expenses	49 189	327 280	338 437	38 032
* On fixed assets	2 919	99 148	78 804	23 262
C. T.V.A = (A - B)	**45 116**	**151 467**	**170 100**	**26 483**

DISTRIBUTION OF THE SHARE CAPITAL

AMOUNT OF THE CAPITAL : 1 998 204 600 DH **NOMINAL VALUE : 10 MAD**

(in thousand MAD)

Name of the main shareholders	Address	Number of shares Preivous year	Number of shares Current year	(%) of capital held	(%) of voting rights
A- Moroccan shareholders					
ROYALE MAROCAINE D'ASSURANCES	83, avenue des FAR 20000 - Casablanca	55 964 419	54 678 598	26.59%	26.59%
HOLDING BENJELLOUN MEZIAN	Avenue Californie	1 111 218	1 986 443	0.97%	0.97%
SOCIETE FINANCIERE DU CREDIT DU MAGHREB	67, avenue de l'Armée Royale 20000 - Casablanca	1 746 960	1 810 717	0.88%	0.88%
FINANCECOM	81-83, avenue des FAR 20000 - Casablanca	11 580 100	14 506 738	7.06%	7.06%
CAISSE INTERPROFESSIONNELLE MAROCAINE DE RETRAITES	Boulevard Abdelmoumen-20340- 100, Casablanca	7 803 996	8 088 813	3.93%	3.93%
CAISSE DE DEPOT ET DE GESTION	Place Moulay El Hassan - ex Piétri -BP 408 - Rabat	16 556 383	17 108 805	8.32%	8.32%
Groupe MAMDA/MCMA	Angle Avenue Mohammed VI et rue Houmane El Fatouaki - Rabat	9 947 519	10 310 567	5.01%	5.01%
PERSONNEL BMCE		2 258 693	2 245 325	1.09%	1.09%
SBVC ET DIVERS		33 154 821	33 322 397	16.21%	16.21%
TOTAL (1)		140 124 109	144 058 403	70.07%	70.07%
B- Foreign shareholders					
BANQUE FEDERATIVE DU CREDIT MUTUEL	4 rue Frédéric-Guillaume Raiffeisen, 67000 Strasbourg - France	48 972 796	50 492 025	24.51%	24.51%
CDC GROUP PLC	123, Victoria Street, Londres SW1E 6DE, Royaume-Uni	10 723 555	11 056 220	5.37%	5.37%
TOTAL (2)		59 696 351	61 548 245	29.87%	29.87%
TOTAL	**199 820 460**	**205 606 648**	**100%**	**100%**	

ALLOCATION OF EARNINGS THAT OCCURED DURING THE FISCAL YEAR

(in thousand MAD)

A- Origin of the earnings allocated	Amount	B- Income allocation	Montant
Decision of: 23 June2020			
Retained earnings	75	Legal reserves	-
Net earnings being allocated	-	Dividends	999 102
Net earnings for the fiscal year	1 371 848	Other allocations	372 821
Withdrawals from earnings	-		
Other withdrawals	-		
TOTAL A	**1 371 923**	**TOTAL B**	**1 371 923**

EARNINGS AND OTHER ELEMENTS OF THE LAST THREE FISCAL YEARS

(in thousand MAD)

	31/12/2020	31/12/2019	31/12/2018
Equity capital and equivalent	**29 943 306**	**29 435 162**	**25 294 339**
Operations and earnings for the fiscal year			
1- Net banking income	6 300 631	6 476 729	6 019 305
2- Pre-tax earnings	998 993	2 012 790	1 863 133
3- Corporate tax	274 812	640 940	519 477
4- Dividends distributed	999 102	897 317	897 317
5- Earnings not distributed	372 800	446 300	590 800
Earnings per share (in MAD)			-
Net earnings per share	0,0036	7	7
Earnings distributed per share	5	5	5
Staff			-
Gross remunerations for the year	1 553 520	1 631 096	1 603 716
Average number of staff employed during the fiscal year	5 038	5 099	5 328

DATING AND SUBSEQUENT EVENTS

(in thousand MAD)

I - DATING	
Date of the end of the fiscal year (1)	31/12/2020
Date of financial statements performance (2)	
(1) Justification in case of a change in the date of the end of the fiscal year	
(2) Justification in case of an overrun on the statutory period of three months allowed for drawing up the financial statements	
II. EVENTS OCCURRING SUBSEQUENT TO THE END OF THE FISCAL YEAR NOT CHARGED TO THIS YEAR AND KNOWN BEFORE THE 1ST EXTERNAL DISCLOSURE OF THE FINANCIAL STATEMENTS	
Dates	Event's Indication
	Favorable
	Unfavorable

STAFF NUMBERS

(In number)

	31/12/2020	31/12/2019
Staff remunerated	5 038	5 099
Staff employed	5 038	5 099
Equivalent full time staff	5 038	5 099
Administrative and technical staff (full-time equivalent)	-	-
Staff assigned to banking tasks (full-time equivalent)	-	-
Executives (full-time equivalent)	4 889	4 953
Employees (full-time equivalent)	98	94
Of which employees working abroad	51	52

SECURITIES AND OTHER ASSETS UNDER MANAGEMENT OR UNDER CUSTODY

(in thousand MAD)

	Number of accounts		Amounts	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Securities of which the institution is custodian	38 705	38 343	237 468 249	227 531 051
Securities managed under mandate		-		-
Mutual funds of which the institution is custodian	93	92	113 999 547	108 546 820
Mutual funds managed under mandate	-	-	-	-
Other assets of which the institution is custodian	-	-	-	-
Other assets managed under mandate	-	-	-	-

NETWORK

(In number)

	31/12/2020	31/12/2019
Permanent branches	719	735
Temporary branches	-	-
ATMs	862	887
Main branches and branches abroad	41	41
Representative offices abroad	5	5

NUMBER OF CUSTOMER ACCOUNTS

(In number)

	31/12/2020	31/12/2019
Customer accounts	130 691	122 624
Current accounts	229 760	238 666
Check accounts excluding Moroccan expatriates	1 354 711	1 317 982
Moroccan expatriates accounts	-	-
Factoring accounts	829 443	832 251
Savings accounts	7 550	9 016
Time deposits	968	1 549
Interest-bearing notes	-	-

BALANCE SHEET

(in thousand MAD)

ASSETS	31/12/2020	31/12/2019
Cash, central banks, treasury, giro accounts	**1 746**	**2 332**
Loans to credit institutions and equivalent	**6 630 827**	**5 894 899**
. Demand	1 188 017	928 663
. Time	5 442 810	4 966 236
Loans and advances to customers	**3 735 501**	**3 910 009**
. Cash and consumer loans	424 067	673 805
. Equipment loans	3 311 434	3 236 204
. Mortgage loans	-	-
. Other loans	-	-
Advances acquired by factoring	**-**	**-**
Transaction and marketable securities	**580 626**	**1 995 953**
. Treasury bonds and equivalent securities	439 600	1 887 787
. Other debt securities	-	-
. Title deeds	141 026	108 166
. Sukuks Certificates	-	-
Other assets	**742 739**	**505 802**
Investment securities	**2 259 763**	**1 321 903**
. Treasury bonds and equivalent securities	-	-
. Other debt securities	2 259 763	1 321 903
. Sukuks Certificates	-	-
Equity investments and equivalent uses	**-**	**-**
. Investments in joint ventures	-	-
. Other equity securities and similar assets	-	-
. Moudaraba and Moucharaka securities	-	-
Subordinated loans	**-**	**-**
Placed investment deposits	**-**	**-**
Leased and rented fixed assets	**86 393**	**73 673**
Ijara leased assets	**-**	**-**
Intangible fixed assets	**2 181**	**2 037**
Tangible fixed assets	**364**	**812**
TOTAL ASSETS	14 040 140	13 707 423

(in thousand MAD)

LIABILITIES	31/12/2020	31/12/2019
Central banks, treasury, giro accounts	**-**	**-**
Liabilities to credit institutions and equivalent	**11 732 765**	**11 342 536**
. Demand	734 303	524 440
. Time	10 998 462	10 818 096
Customer deposits	**1 504 805**	**1 646 838**
. Demand deposits	1 248 272	1 267 308
. Savings deposits	-	-
. Time deposits	189 056	335 204
. Other deposits	67 477	44 326
Customer borrowings and deposits on participatory products	**-**	**-**
Debt securities issued	**-**	**-**
. Negotiable debt securities	-	-
. Bond loans	-	-
. Other debt securities issued	-	-
Other liabilities	**557 161**	**462 790**
Provisions for liabilities and charges	**567**	**565**
Regulated provisions	**-**	**-**
Subsidies, assigned public funds and special guarantee funds	**-**	**-**
Subordinated debts	**-**	**-**
Received investment deposits	**-**	**-**
Revaluation reserve	**-**	**-**
Reserves and premiums related to capital	**108 091**	**112 079**
Capital	**4 452**	**4 797**
Shareholders unpaid-up capital (-)	**-**	**-**
Retained earnings (+/-)	**-**	**-**
Net earnings being appropriated (+/-)	**-**	**-**
Net earnings for the year (+/-)	**132 299**	**137 819**
TOTAL LIABILITIES	14 040 140	13 707 423

OFF-BALANCE SHEET

(in thousand MAD)

	31/12/2020	31/12/2019
GIVEN COMMITMENTS	**375 316**	**658 167**
Financing commitments on behalf of credit institutions and equivalent	-	-
Financing commitments on behalf of customers	4 231	7 869
Guarantee commitments given to credit institutions and equivalent	318 438	544 923
Guarantee commitments given to customers	49 417	105 375
Securities repos purchased	-	-
Other securities to be delivered	3 230	-
RECEIVED COMMITMENTS	**2 750 890**	**1 620 849**
Financing commitments received from credit institutions and equivalent	-	-
Guarantee commitments received from credit institutions and equivalent	1 753 481	1 082 837
Guarantee commitments received from the State and various guarantee bodies	994 181	538 012
Securities repos sold	-	-
Other securities to be received	3 228	-
Moucharaka and Moudaraba securities to be received	-	-

STATEMENT OF INCOME AND EXPENSES

(in thousand MAD)

	31/12/2020	31/12/2019
BANK OPERATING INCOME	**1 144 533**	**736 859**
Interests and assimilated revenues on transactions with credit institutions	306 191	278 044
Interests and assimilated revenues on transactions with customers	125 513	129 645
Interests and assimilated revenues on debt securities	101 437	125 448
Revenue from property securities (1) and Sukuks certificates	2 256	1 573
Revenue from Moudaraba and Moucharaka securities	-	-
Revenues from leased and rented fixed assets	12 157	777
Revenue from leased assets (Ijara)	-	-
Fees on provided services	8 398	9 579
Other banking revenues	588 581	191 793
Cost transfer on received investment deposits	-	-
BANK OPERATING EXPENSES	**945 786**	**482 349**
Interests and assimilated expenses on transactions with credit institutions	314 700	285 835
Interests and assimilated expenses on transactions with customers	7 315	12 171
Interests and assimilated expenses on debt securities issued	-	-
Expenses from Moudaraba and Moucharaka securities	-	-
Expenses on leased and rented fixed assets	2 104	1 279
Expenses from leased assets (Ijara)	-	-
Other banking expenses	621 667	183 064
Cost transfer on received investment deposits	-	-
NET BANKING INCOME	**198 747**	**254 510**
Non-banking operating revenues	-	-
Non-banking operating expenses	-	10
GENERAL OPERATING EXPENSES	**7 737**	**6 230**
Staff expenses	4 111	3 520
Tax expenses	-	-
External expenses	2 494	1 687
Other general operating expenses	-	-
Allowances for depreciation and provisions for intangible and tangible fixed assets	1 132	1 023
ALLOWANCES FOR PROVISIONS AND LOAN LOSSES	**8**	**21 524**
Allowances for non performing loans and commitments	-	-
Loan losses	8	44
Other allowances for provisions	-	21 480
PROVISION WRITE-BACKS AND RECOVERY ON AMORTISED DEBTS	**22 216**	**518**
Provision write-backs on non performing loans and commitments	-	-
Recovery on amortised debts	-	-
Other provision write-backs	22 216	518
CURRENT INCOME	**213 218**	**227 264**
Non-current revenues	-	-
Non-current expenses	5 503	7 991
PRE-TAX EARNINGS	**207 715**	**219 273**
Corporate tax	75 416	81 456
NET EARNINGS FOR THE YEAR	**132 299**	**137 819**

EARNINGS FORMATION TABLE

(in thousand MAD)

	31/12/2020	31/12/2019
(+) Interests and equivalent revenues	533 141	533 136
(-) Interests and equivalent expenses	322 015	298 006
NET INTEREST INCOME	**211 126**	**235 130**
(+) Revenues from leased and rented fixed assets	-	-
(-) Expenses on leased and rented fixed assets	-	-
INCOME FROM ON PARTICIPATIVE FUNDING	**-**	**-**
(+) Profit from leasing and renting operations	12 157	777
(-) Expenses from leasing and renting operations	2 104	1 279
INCOME FROM LEASING AND RENTAL OPERATIONS	**10 053**	**-502**
(+) Revenue from leased assets (Ijara)	-	-
(-) Expenses from leased assets (Ijara)	-	-
INCOME FROM IJARA OPERATION (1)	**-**	**-**
(+) Fees received	8 906	10 076
(-) Fees paid	440	1 551
FEE INCOME (1)	**8 466**	**8 525**
(+) Income from trading securities	-2 095	-17 647
(+) Income from investment securities	56 533	-14 934
(+) Income from payload operations	-86 360	32 879
(+) Income from by-product operation	-995	9 693
INCOME FROM MARKET TRANSACTIONS (1)	**-32 917**	**9 991**
(+/-) Income from Moudaraba and Moucharaka securities	-	-
(+) other banking products	2 256	1 574
(-) other banking expenses	236	206
(+/-) Holders' share in investment deposit accounts	-	-
NET BANKING INCOME	**198 748**	**254 512**
(+) Income from financial asset operations (2)	396	518
(+) Other non-banking operating revenues	-	-
(-) Other non-banking operating expenses	-	10
(-) General operating expenses	7 738	6 230
GROSS OPERATING INCOME	**191 406**	**248 790**
(+) Allowances for non performing loans and commitments (net of write-backs)	-8	-44
(+) Other allowances net of provision write-backs	21 820	-21 480
CURRENT INCOME	**213 218**	**227 266**
NON-CURRENT INCOME	**-5 503**	**-7 991**
(-) Corporate tax	75 417	81 456
NET EARNINGS FOR THE YEAR	**132 299**	**137 819**

CASH-FLOW	31/12/2020	31/12/2019
(+) NET EARNINGS FOR THE YEAR	**132 299**	**137 819**
(+) Allowances for depreciation and provisions for intangible and tangible fixed assets	1 132	1 023
(+) Allowances for provisions for equity investments depreciation	-	-
(+) Allowances for provisions for general risks	-	-
(+) Allowances for regulated provisions	-	-
(+) Non-current allowances	-	-
(-) Provision write-backs	396	518
(-) Capital gains on disposals of intangible and tangible fixed assets	-	-
(+) Capital losses on disposals of intangible and tangible fixed assets	-	-
(-) Capital gains on disposals of equity investments	-	-
(+) Capital losses on disposals of equity investments	-	-
(-) Write-backs of investment subsidies received	-	-
(+) FINANCING	**133 034**	**138 324**
(-) Dividends distributed	-	-
(+) CASH-FLOW	**133 034**	**138 324**

Fidaroc Grant Thornton
7, Boulevard Driss Slaoui
Casablanca
Morocco

KPMG
11, Avenue Bir Kacem
Souissi 10 000 Rabat
Morocco

To the Shareholders of
BANK OF AFRICA S.A.
140 Avenue Hassan II
Casablanca

STATUTORY AUDITORS' SPECIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

As your company's statutory auditors, we hereby present to you our report on related party agreements in accordance with the provisions of Articles 56-59 of Act No. 17-95 as amended and completed by Act No. 20-05 and Act No. 78-12 and their application decrees.

It is our responsibility to present to you the main terms and conditions of the agreements that have been disclosed to us by the Chairman of the Board or ascertained when carrying out our assignment, without commenting on their relevance or substance or searching for any undisclosed agreements. Under the provisions of the above Act, it is your responsibility to determine whether these agreements should be approved.

We performed the procedures that we deemed necessary in accordance with Moroccan accounting standards. These procedures consisted of checking that the information given to us was consistent with the underlying documents.

1. AGREEMENTS ENTERED INTO DURING 2020

1.1 Contract to acquire office space and bank branch premises from O'Tower

Person(s) concerned:

- Mr Othman BENJELLOUN, Chairman and Chief Executive Officer of BANK OF AFRICA S.A, is also Chairman and Chief Executive Officer of O'TOWER
- Mr Zouheir BENSAID, a Director of BANK OF AFRICA S.A, is also a Director of O'TOWER
- Mr Hicham EL AMRANI, a Director of BANK OF AFRICA S.A, is also a Director of O'TOWER
- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA S.A, is also a Director of O'TOWER
- Mr Mounir CHRAIBI, Deputy General Manager of BANK OF AFRICA S.A, is also a Director of O'TOWER

Main terms and conditions:

Under the terms of this agreement, BANK OF AFRICA S.A. intends to acquire from O'Tower office space over 13 floors and a bank branch on the ground floor within the Mohammed VI Tower for an estimated MAD 1,444 million inclusive of taxes.

This acquisition will be governed by off-plan rules with a fellow banking institution acting as guarantor.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised advances amounting to MAD 283,658 K exclusive of taxes for the period ended 31 December 2020.

1.2 Agreement for the sale of BMCE Cash shares to BANK OF AFRICA by GNS technologies

Person(s) concerned:

- Mr Mounir CHRAIBI, Deputy General Manager of BANK OF AFRICA S.A., is also Chairman of GNS Technologies' Board
- Mr M'Fadel EL HALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of GNS Technologies
- Mr Omar TAZI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of GNS Technologies

Main terms and conditions:

Following Bank Al-Maghrib's recommendations, BANK OF AFRICA approached GNS Technologies with a view to directly acquiring the latter's entire holding in BMCE Cash.

This agreement concerns the sale to BANK OF AFRICA of 139,995 shares and voting rights in BMCE Cash, representing its entire share capital, by GNS Technologies. As far as this transaction is concerned, the parties are agreed on a fixed sale price plus a top-up payment, dependent on BMCE Cash achieving the financial objectives set out in the MAD 30,000 K contract.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an equity investment of MAD 30,000 K for the period ended 31 December 2020.

1.3 Addendum to the management agreement entered into with Maroc Factoring

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of Maroc Factoring's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, a member of Maroc Factoring's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of Maroc Factoring's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.

- Monsieur Omar TAZI, a member of Maroc Factoring's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Monsieur Khalid LAABI, a member of Maroc Factoring's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

This addendum, entered into in March 2020, aims to extend the scope of services provided by Maroc Factoring as part of its remit to manage the Bank's factoring business on the latter's behalf.

As a result, BMCE Bank undertakes to (i) provide Maroc Factoring with access to all the management tools required for it to assess and counter-assess the factoring dossiers entrusted to it, (ii) provide it with all the contract templates and warranty deeds used by BMCE Bank in relation to its factoring lines, (iii) respond to Maroc Factoring, within a reasonable time, regarding all consultations taking place in relation to factoring dossiers, particularly legal ones.

Amount(s) recognised:

The impact from this agreement is included in the remuneration paid by BANK OF AFRICA S.A. to Maroc Factoring (cf. 2.7).

1.4 Sight account deposit agreement with Bti BANK

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Vice-Chairman of Bti Bank's Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Messrs Driss BENJELLOUN, Mounir CHRAIBI and Khalid LAABI, Directors of Bti Bank, are also Deputy General Managers of BANK OF AFRICA S.A.

Main terms and conditions:

To resolve the liquidity issues experienced by Bti Bank, similar to other banks within its sector, due to (i) the lack of an interbank market for this category of banking institution and (ii) in a market context in which customers have a stronger appetite for financing than for collecting deposits, an agreement was concluded to open a non-interest-bearing current account with BTI Bank, to be used as a source of funding, amounting to MAD 50 million, with partner Al Baraka Group (ABG) making an equal contribution.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

1.5 Services agreement between BANK OF AFRICA S.A. and RM Experts relating to debt recovery

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA S.A., is also a Director of RM EXPERTS
- Mr M'Fadel EL HALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also Chairman and Chief Executive Officer of RM EXPERTS
- Mr Khalid LAABI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of RM EXPERTS

Main terms and conditions:

In the wake of the changes made in June 2019 within RM Experts, an agreement was entered into to establish the terms and conditions by which (i) BANK OF AFRICA S.A. will mandate RM EXPERTS to manage recovery from its customers of non-performing loans either amicably or by taking legal action or by any other procedure deemed useful for recovering the amounts due (ii) RM EXPERTS will help BANK OF AFRICA S.A. establish an efficient entity responsible for recovering non-performing loans from its customers.

This agreement covers the costs incurred by RM Experts over the period from 1 January 2020 to 31 December 2020 when carrying out debt recovery on behalf of BANK OF AFRICA S.A.

The said agreement is for a fixed period ending 31 December 2020.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 23,825 K for the period ended 31 December 2020.

2. AGREEMENTS ENTERED INTO IN PREVIOUS YEARS WHICH REMAINED IN FORCE DURING 2020

2.1 Shareholders' agreement between CDC, FinanceCom, RMA, BANK OF AFRICA S.A. and BOA Group

Person(s) concerned:

- Mr Othman BENJELLOUN is Chairman of RMA's Supervisory Board, Chairman and Chief Executive Officer of FinanceCom and also Chairman and Chief Executive Officer of BANK OF AFRICA S.A.
- Mr Zouheir BENSAID, Chief Executive Officer of RMA and a Director of FinanceCom, is also a Director of BANK OF AFRICA S.A.
- Mr Hicham EL AMRANI, Deputy General Manager of FinanceCom and a Director of RMA, is also a Director of BANK OF AFRICA S.A.
- Mr Brahim BENJELLOUN-TOUIMI, a Director of RMA, is also Director and General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

With CDC Group acquiring a stake in BANK OF AFRICA S.A., a shareholder agreement was signed with CDC Group.

The Shareholders' Agreement primarily aims to bolster and/or broaden existing practices in social and environmental responsibility (CSR) and business integrity, consistent with international standards, while ensuring the equal treatment of shareholders.

The limited rights to which CDC is entitled as an investor comprise standard defensive rights affording it a minimum level of protection and ensuring that it is able to monitor the fundamental aspects of its investment without getting involved in the strategic, operational or day-to-day management decisions of BANK OF AFRICA S.A.

The Shareholders' Agreement does not therefore contain (i) a voting agreement between FinanceCom/RMA and CDC for the purpose of influencing the decisions of BANK OF AFRICA S.A., (ii) a power of veto benefiting CDC, (iii) a reinforced quorum or majority rule benefiting CDC, or (iv) an obligation to act in concert on financial markets to acquire or sell voting rights attached to BANK OF AFRICA S.A.'s shares. Similarly, FinanceCom / RMA will not be under any obligation to purchase the shares in BANK OF AFRICA S.A. held by CDC. Lastly, no liquidity or profitability guarantee has been granted to CDC.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.2 Contract between BANK OF AFRICA S.A., O'Tower and Société Générale Marocaine de Banque to open a line of credit

Person(s) concerned:

- Mr Othman BENJELLOUN, Chairman and Chief Executive Officer of BANK OF AFRICA S.A., is also Chairman of O'Tower's Board
- Mr Zouheir BENSAID, Director of BANK OF AFRICA S.A., is also a Director of O'Tower
- Mr Hicham EL AMRANI, Director of BANK OF AFRICA S.A., is also a Director of O'Tower
- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA S.A., is also a Director of O'Tower
- Mr Mounir CHRAIBI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of O'Tower

Main terms and conditions:

The purpose of this contract, entered into 21 January 2019, is to establish the terms and conditions by which SGMB will open a line of credit for O'Tower, secured by a first demand guarantee by BANK OF AFRICA S.A., amounting to MAD 830 million, incurring a 0.25% fee and 2% interest at maturity 30 September 2022.

O'Tower is responsible for paying annual fees which will debited from its account on a monthly basis. O'Tower expressly undertakes to constitute the relevant provision as soon as the said guarantee comes into force.

The amount of cash collateral constituted by the guarantee for SGMB must at all times cover the outstanding guarantee issued by the latter.

O'Tower undertakes to repay the amounts, comprising principal, fees, expenses and incidentals, called up in respect of the guarantees, prior to the date on which the letter of guarantee relating to the payment expires.

This Contract, which is for a fixed 4-year period, will take effect from the date that it is signed by the Parties.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 3,040 K for the period ended 31 December 2020.

2.3 Addendum to the subordinated loan contract between BANK OF AFRICA S.A. and BMCE BANK INTERNATIONAL

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Director of BMCE BANK INTERNATIONAL Plc, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Mohammed AGOUMI, Director of BMCE BANK INTERNATIONAL Plc, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of this addendum entered into in May 2019, agreement was reached to extend the maturity date of the EUR 17,700,000 subordinated loan granted in 2010 by BANK OF AFRICA S.A. to BBI.

The rate of interest will decrease from 4% to 2% and repayment will occur on the sixteenth rather than thirteenth anniversary.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 3,971 K for the period ended 31 December 2020.

2.4 Financing agreement between BANK OF AFRICA S.A. and BMCE Bank International

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Director of BMCE BANK INTERNATIONAL Plc, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Mohammed AGOUMI, Director of BMCE BANK INTERNATIONAL Plc, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of this agreement signed in May 2019, BANK OF AFRICA S.A. shall provide BBI with a financing line of up to USD 315 million, to be drawn down in one or more instalments. This funding will enable BBI to satisfy its internal needs as well as complying with regulatory capital requirements.

As far as remuneration is concerned, interest payable on the loans will be agreed by the parties based on market conditions.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 33,382 K for the period ended 31 December 2020

2.5 Addendum to the services contract between BANK OF AFRICA S.A. and BMCE Euroservices (2018)

Person(s) concerned:

- Mr Brahim BENJELLOUN TOUIMI, Chairman of BMCE EuroServices' Board, is also Director and General Manager of BANK OF AFRICA S.A.

- Mr Omar TAZI, Assistant Director of BMCE EuroServices, is also Deputy General Manager of BANK OF AFRICA S.A.
- Messrs Driss BENJELLOUN, Mohamed AGOUMI and Mounir CHRAIBI, Directors of BMCE EuroServices, are also Deputy General Managers of BANK OF AFRICA S.A.

Main terms and conditions:

This addendum to the agreement between BANK OF AFRICA S.A. and BMCE Euroservices, entered into 15 June 2018, provides the latter with the option of offering certain customers a higher rate of interest on their deposits compared to the standard rate offered by BANK OF AFRICA S.A.. The resulting additional financial cost will be borne by BMCE Euroservices by way of a reduction in its remuneration.

Amount(s) recognised:

The impact from this agreement is included in the remuneration paid to BES (cf. 2.49).

2.6 Services agreement between BANK OF AFRICA S.A. and RM Experts relating to debt recovery

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA S.A., is also a Director of RM EXPERTS
- Mr M'Fadel EL HALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also Chairman and Chief Executive Officer of RM EXPERTS
- Mr Khalid LAABI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of RM EXPERTS

Main terms and conditions:

In the wake of the changes made in June 2019 to RM Experts' governance, an agreement was entered into to establish the terms and conditions by which (i) BANK OF AFRICA S.A. will mandate RM EXPERTS to manage recovery from its customers of non-performing loans either amicably or by taking legal action or by any other procedure deemed useful for recovering the amounts due (ii) RM EXPERTS will help BANK OF AFRICA S.A. establish an efficient entity responsible for recovering non-performing loans from its customers.

This agreement, signed 13 February 2020, covers the costs incurred by RM Experts over the period from 13 June 2019 to 13 December 2019, when carrying out debt recovery on behalf of BANK OF AFRICA S.A.

The said agreement is for a fixed period ending 31 December 2019.

Amount(s) recognised:

The impact from this agreement is included in the remuneration paid by BANK OF AFRICA S.A. to RM EXPERTS (cf. 1.5).

2.7 Management agreement between BANK OF AFRICA S.A. and Maroc Factoring

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of Maroc Factoring's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.

- Mr Driss BENJELLOUN, a member of Maroc Factoring's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of Maroc Factoring's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Following on from the agreement entered into with Maroc Factoring in 2016, a management agreement was signed in March 2018 by which BANK OF AFRICA S.A. shall fully and exclusively entrust Maroc Factoring with the management of its factoring business on its behalf.

As far as remuneration is concerned, Maroc Factoring shall receive a management fee based on a pre-set formula (receivables assigned, general operating expenses etc.). A minimum management fee has been agreed which will be no less than the total fees invoiced in 2017 i.e. MAD 14.7 million exclusive of taxes.

This agreement is for a 1-year period and may be automatically renewed by a further year.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 20,706 K for the period ended 31 December 2020.

2.8 Lease contract between BANK OF AFRICA S.A. and RM Experts

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA S.A., is also a Director of RM Experts
- Mr M'Fadel EL HALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of RM Experts

Main terms and conditions:

Under the terms of this contract, BANK OF AFRICA S.A. shall lease to RM Experts mezzanine office space covering a total surface area of 86.40 m² and office space covering a total surface area of 243.87m² on the first floor of the Lina 250 building in Sidi Maarouf, Casablanca, whose land title number is No. 1,477/47.

The monthly rental payment is set at MAD 14,967.68 inclusive of taxes, including the communal services tax charged at a rate of 10.5% of the rental amount exclusive of taxes. This may be revised annually at a rate of 3.5% of the rental amount exclusive of taxes.

This lease contract is for a 3-year period and may be automatically renewed from 1 April 2018.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 162 K for the period ended 31 December 2020.

2.9 Agency agreement between BANK OF AFRICA S.A. and Damane Cash

Person(s) concerned:

- Mr Mounir CHRAIBI, Chairman of the Board of Damane Cash, is also Deputy General Manager of BANK OF AFRICA S.A.
- Messrs M'Fadel EL HALAISSI and Omar TAZI, Directors of Damane Cash, are also Deputy General Managers of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of this agency agreement entered into with Western Union Network for the purpose of offering Western Union-branded money transfer services in Morocco, Damane Cash is entitled to entrust the provision of these services to BANK OF AFRICA S.A.

BANK OF AFRICA S.A. shall therefore undertake to offer a money transfer service across its entire network in compliance with applicable legislation and in accordance with the terms and conditions outlined in Western Union's fee schedules, International Service Reference Guide, policies and regulations.

As far as payment terms are concerned, BANK OF AFRICA S.A. shall retrocede to Damane Cash the principal amount for each money transfer services transaction carried out via the Bank, as well as any fees or other charges invoiced in connection with the said transaction.

This agreement is for a 5-year period, taking effect on the date that it is signed. It may be automatically renewed for successive 1-year periods.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.10 Shareholders' current account advance agreement between BANK OF AFRICA S.A. and FARACHA IMMO

Person(s) concerned:

- Mr Mounir CHRAIBI, co-manager FARACHA IMMO, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

The purpose of this agreement is to establish the terms and conditions by which BANK OF AFRICA S.A. shall provide FARACHA IMMO with a shareholders' current account advance amounting to MAD 299,142 K net, repayable at the maximum statutory rate of interest rate applicable for shareholders' current account advances in 2018 of 2.22%, as determined by order of the Minister of the Economy and Finance No. 589-18 of 27 February 2018.

This agreement will take effect from the date that it is signed by the Parties.

It shall expire, except in the event of early termination, when FARACHA IMMO has repaid the advance to BANK OF AFRICA S.A. in full.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.11 Shareholders' current account advance agreement between BANK OF AFRICA S.A. and NEJIMI IMMO

Person(s) concerned:

Mr Mounir CHRAIBI, co-manager of NEJIMI IMMO, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

The purpose of this agreement is to establish the terms and conditions by which BANK OF AFRICA S.A. shall provide NEJIMI IMMO with a shareholders' current account advance amounting to MAD 60,217 K net, repayable at the maximum statutory rate of interest rate applicable for shareholders' current account advances in 2018 of 2.22%, as determined by order of the Minister of the Economy and Finance No. 589-18 of 27 February 2018.

This agreement will take effect from the date that it is signed by the Parties.

It shall expire, except in the event of early termination, when NEJIMI IMMO has repaid the advance to BANK OF AFRICA S.A. in full.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.12 Shareholders' current account advance agreement between BANK OF AFRICA S.A. and KRAKER IMMO

Person(s) concerned:

Mr CHRAIBI, co-manager of KRAKER IMMO, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

The purpose of this agreement is to establish the terms and conditions by which BANK OF AFRICA S.A. shall provide KRAKER IMMO with a shareholders' current account advance amounting to MAD 53,432 K net, repayable at the maximum statutory rate of interest rate applicable for shareholders' current account advances in 2018 of 2.22%, as determined by order of the Minister of the Economy and Finance No. 589-18 of 27 February 2018.

This agreement will take effect from the date that it is signed by the Parties.

It shall expire, except in the event of early termination, when KRAKER IMMO has repaid the advance to BANK OF AFRICA S.A. in full.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.13 Amendment to the agreement between BANK OF AFRICA S.A. and RM Experts

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA S.A., is also a Director of RM Experts

- Mr M'Fadel EL HALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of RM Experts

Main terms and conditions:

Entered into 24 December 2010, the agreement exclusively appoints RM EXPERTS to recover the non-performing loan dossiers entrusted to it by BANK OF AFRICA S.A..

Under the terms of this amendment, BANK OF AFRICA S.A. shall appoint RM Experts to undertake any enquiry requested of it into the financial situation or assets of individuals, legal entities or companies or for any other information.

RM Experts must thereby provide BANK OF AFRICA S.A. with all possible information, regardless of its nature, to enable BANK OF AFRICA S.A. to gain an insight into the situation of such persons, prior to it granting the loan.

RM Experts is authorised by BANK OF AFRICA S.A. to carry out any investigation that may be required to successfully carry out the assignment entrusted to it, either directly by its own means or by calling upon other service providers if needed.

The services will be priced on the basis of the region and type of asset in question.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.14 Services agreement between BANK OF AFRICA S.A. and GNS Technologies

Person(s) concerned:

- Mr Mounir CHRAIBI, Chairman of GNS Technologies' Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of GNS Technologies
- Mr Omar TAZI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of GNS Technologies

Main terms and conditions:

The purpose of this services agreement, entered into in August 2017, is to define the contractual framework governing the relationship between BANK OF AFRICA S.A. and GNS Technologies by clarifying the scope and terms and conditions for undertaking the services provided, as well as each party's obligations.

Under the terms of this agreement, GNS Technologies shall undertake to provide each of the services specified in the said agreement's annex.

As far as remuneration is concerned, it is agreed that GNS Technologies will receive an annual fee of MAD 100,000 exclusive of taxes, a fee of 6 dirhams exclusive of taxes per completed transaction in providing the Rapido service as well as fees in relation the card and payment business. BANK OF AFRICA S.A. shall retrocede to GNS Technologies any fees relating to local and international prepaid card transactions.

This agreement is for a 3-year period. At the end of this initial period, the agreement may be automatically renewed from one year to the next.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.15 Agency agreement between BANK OF AFRICA S.A. and Damane Cash, a money transfer company, relating to transactions carried out by credit institutions

Person(s) concerned:

- Mr Mounir CHRAIBI, Chairman of the Board of Damane Cash, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a Director of Damane Cash, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr Omar TAZI, a Director of Damane Cash, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

BANK OF AFRICA S.A. shall entrust to Damane Cash, a wholly owned indirect subsidiary of the Bank, an agency mandate relating to transactions carried out by credit institutions within the framework of marketing domestic and international prepaid bank cards to BANK OF AFRICA S.A. customers and to approved partners within the Damane Cash network which shall undertake to comply with the Bank's vigilance and compliance requirements.

This is a five-year automatically renewable agreement.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.16 Sales and lease-back agreement financed by MAGHREBAIL in favour of BANK OF AFRICA S.A.

Person(s) concerned:

- Mr Azeddine GUESSOUS, Chairman of Maghrebail, is also a Director of BANK OF AFRICA S.A.
- Messrs Othman BENJELLOUN, Zouheir BENSAID and Brahim BENJELLOUN-TOUIMI, Directors of Maghrebail, are also respectively Chairman and Chief Executive Officer, Director and Director and General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a Director of Maghrebail, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of the agreement, BANK OF AFRICA S.A. shall enter into a sale and lease-back transaction with MAGHREBAIL relating to a series of IT programmes and solutions.

The agreement, entered into at end-December 2017, relates to equipment lease finance of MAD 561,938 K inclusive of taxes over a 60-month period, with the unitary rental payment set at MAD 8,794 K exclusive of taxes.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 122,527 K for the period ended 31 December 2020.

2.17 Agreement between BANK OF AFRICA S.A. and BMCE Capital Bourse

Person(s) concerned:

- Mr Zouheir BENSAID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of this agreement entered into in February 2016, BMCE Capital Bourse shall delegate to BANK OF AFRICA S.A. the operational and technical handling of its asset custody business.

In consideration, BMCE Capital Bourse shall pay an annual fee of MAD 50,000 exclusive of taxes. Furthermore, it shall remain liable to Maroclear for all membership fees and taxes.

This is a one-year automatically renewable agreement.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.18 Advisory mandate between BANK OF AFRICA S.A. and BMCE Capital Titrisation relating to the securitisation of mortgage-backed securities

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of BMCE Capital's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Zouheir BENSAID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of this agreement, BANK OF AFRICA S.A. shall entrust to BMCE Capital Titrisation the securitisation of the Group's mortgage-backed securities.

This agreement is for a 12-month period taking effect on the date that it is signed and may be automatically renewed by 3-month periods if required.

As far as remuneration is concerned, a flat-rate fee of MAD 1 million exclusive of taxes will be charged on the date that the agreement is signed and shall end as soon as the deal is completed.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.19 Mandate between BANK OF AFRICA S.A. and BMCE Capital Titrisation to arrange a real estate asset securitisation deal

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of BMCE Capital's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Zouheir BENSAID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

In a context of optimising limited resources, BANK OF AFRICA S.A. intends to manage its balance sheet as effectively as possible in relation to its sizeable real estate assets.

By transferring its real estate assets, BANK OF AFRICA S.A. will be able to: (i) free up a portion of the capital mobilised on its balance sheet under liabilities in respect of these assets and (ii) generate fresh cash reserves by ceding these assets.

Under the terms of this agreement, BMCE Capital Titrisation is appointed as arranger for the Group's first real estate securitisation deal. This inaugural deal will be for a sum of between MAD 500 million and MAD 1 billion exclusive of taxes.

This agreement is for a 12-month period taking effect on the date that it is signed. It may be automatically renewed by additional 3-month periods, if required, and shall end as soon as the deal is completed.

As far as the structuring fee is concerned, a retainer fee of MAD 1 million exclusive of taxes will be charged on the date that the mandate is signed. A success fee of 0.4% exclusive of taxes will be paid in the event that the deal is completed successfully.

As far as the placing fee is concerned, remuneration of 0.2% exclusive of taxes of the total deal size will be paid at the delivery/settlement date.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.20 Addendum to the agreement relating to the management of financial market and custody operations

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of BMCE Capital's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Amine BOUABID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.
- Mr Zouheir BENSAID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

The purpose of this addendum, entered into 29 April 2016, is to amend the scope of delegated activities to enable BMCE Capital to provide to BANK OF AFRICA S.A. with any type of specialised service or benefit in terms of research, analysis or financial appraisal.

This agreement is for an indefinite period.

The annual remuneration shall remain unchanged at 15% of the surplus, by comparison with MAD 100 million, of the gross operating income generated by BANK OF AFRICA S.A.'s capital market operations and will be between MAD 20 million and MAD 30 million.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 60,173 K in respect of the delegated management component and MAD 34,584 K in respect of the variable remuneration component for the period ended 31 December 2020.

2.21 Agreement between BANK OF AFRICA S.A. and FinanceCom to provide assistance and services

Person(s) concerned:

- Mr Othman BENJELLOUN, Chairman of FinanceCom, is also Chairman and Chief Executive Officer of BANK OF AFRICA S.A.
- Mr Zouheir BENSAID is a Director of both companies
- Mr Brahim BENJELLOUN-TOUIMI, a Director of FinanceCom, is also Director and General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of the agreement entered into by BANK OF AFRICA S.A. and FinanceCom, the latter shall undertake to provide BANK OF AFRICA S.A. with assistance in drawing up its Strategic Plans, research, implementing partnerships in Morocco and overseas, generating commercial synergies and support.

This agreement is automatically renewable.

Remuneration shall amount to 0.3% of BANK OF AFRICA S.A.'s net banking income, in addition to re-invoicing for FinanceCom staff seconded to the Bank for a pre-determined period and any justifiable expenses incurred.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised a total expense of MAD 44,265 K for the period ended 31 December 2020.

2.22 Shareholders' current account advance agreement in favour of O'TOWER between FINANCECOM, BANK OF AFRICA S.A. and RMA

Person(s) concerned:

- Mr Othman BENJELLOUN, Chairman and Chief Executive Officer of BANK OF AFRICA S.A., is also Chairman of O TOWER's Board
- Mr Zouheir BENSAID, a Director of BANK OF AFRICA S.A., is also a Director of O TOWER
- Mr Mounir CHRAIBI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of O TOWER

Main terms and conditions:

Under the terms of this agreement entered into 1 January 2015, BANK OF AFRICA S.A., FINANCECOM and RMA WATANYA, shareholders in O TOWER, with FINANCECOM holding a 15% stake, RMA WATANYA a 37% stake and BANK OF AFRICA S.A. a 48% stake, shall accept to provide O TOWER with a shareholders' current account advance at 2.21% interest. The purpose of this current account advance is to provide temporary funding for O TOWER's operations.

This agreement has been entered into for a twelve-month (12) period beginning 1 January 2015. Subsequently, it may be automatically renewed by further one-year (1) periods on 31 December of each year.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.23 Addendum to the agreement between SALAFIN and BANK OF AFRICA S.A. relating to establishing a customer file recovery management system

Person(s) concerned:

- Mr Brahim BENJELLOUN TOUIMI, Chairman of SALAFIN's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Messrs Mamoun BELGHITI and Amine BOUABID, members of SALAFIN's Supervisory Board, are also Deputy General Managers of BANK OF AFRICA S.A.
- Messrs Driss BENJELLOUN and Omar TAZI, members of SALAFIN's Supervisory Board, are also Deputy General Managers of BANK OF AFRICA S.A.

Main terms and conditions:

As part of the project for adopting a joint approach to loan recovery, BANK OF AFRICA S.A. and Salafin entered into a framework agreement 15 September 2008, subsequently modified 5 June 2009, which shall define the terms for establishing a dedicated loan recovery system.

The revised loan recovery policy at the commercial level recommends that the banking network becomes involved by assuming responsibility for the first and second missed payments for all types of product.

The purpose of this amendment is to define the new terms and remit of each party.

As far as remuneration is concerned, since 1 July 2015, Salafin will intervene from the third missed payment and will invoice 13% of the amount recovered with a minimum payment of 60 dirhams exclusive of taxes per customer.

A customer file is managed on the Salafin system until all arrears have been recovered or transferred to those entities defined under the recovery strategy. In the event that the number of customers in arrears is halved, the remuneration will be 5% of the amount recovered with a minimum payment of 60 dirhams exclusive of taxes per customer.

Text messages are invoiced at the same rate as for customer files not managed by Salafin.

Amount(s) recognised:

The impact from this agreement is included in the remuneration paid by BANK OF AFRICA S.A. to SALAFIN (cf. 2.38).

2.24 Deed of sale of the current account between ALLIANCES DARNA and BANK OF AFRICA S.A.

Person(s) concerned:

- Mr M'Fadel ELHALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of RIYAD ALNOUR

Main terms and conditions:

Previously, ALLIANCES DARNA held a shareholders' current account with a balance of MAD 250,143 K against RIYAD ALNOUR, a real estate developer in which BANK OF AFRICA S.A. acquired a holding as part of a sale with a buy-back option.

A deed of transfer was signed 21 July 2015 by Alliances Darna and BANK OF AFRICA S.A., as a result of which the latter became owner of the said shareholders' current account.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 5,621 K for the period ended 31 December 2020.

2.25 Services agreement between BANK OF AFRICA S.A. and BMCE CAPITAL

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of BMCE Capital's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.

- Mr Amine BOUABID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.

- Mr Zouheir BENSAID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

BANK OF AFRICA S.A. and BMCE Capital entered into a services agreement 27 November 2015 effective 1 January 2015.

This agreement shall provide for legal and regulatory assistance in carrying out specific transactions within BANK OF AFRICA S.A. and the drawing up of deeds in BANK OF AFRICA S.A.'s name and on its behalf.

This is a one-year automatically renewable agreement.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.26 Shareholders' current account agreement between RIYAD ALNOUR and BANK OF AFRICA S.A.

Person(s) concerned:

• Mr M'Fadel ELHALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of RIYAD ALNOUR

Main terms and conditions:

Under the terms of this agreement entered into 22 December 2015, BANK OF AFRICA S.A. shall agree to provide RIYAD ALNOUR with a shareholders' current account advance of MAD 221,500 K at 2.21% interest. The purpose of this advance is to enable RIYAD ALNOUR to entirely clear its debts towards BANK OF AFRICA S.A. regarding short- and medium-term loans and overdrawn balances. The amount advanced under the shareholders' current account will be fully repaid in fine on exercising the buy-back option.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 4,977 K for the period ended 31 December 2020.

2.27 Addendum to the agreement between BANK OF AFRICA S.A. and BMCE CAPITAL relating to financial market and custody operations

Person(s) concerned:

- Mr Brahim BENJELLOUN TOUIMI, Chairman of BMCE Capital's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Amine BOUABID, a Director of BANK OF AFRICA S.A., is also Member of BMCE Capital's Supervisory Board

- Mr Zouheir BENSAID, a Director of BANK OF AFRICA S.A., is also Member of BMCE Capital's Supervisory Board
- Messrs Driss BENJELLOUN and M'Fadel EL HALAISSI, Deputy General Managers of BANK OF AFRICA S.A., are also Members of BMCE Capital's Supervisory Board

Main terms and conditions:

This addendum, entered into 18 December 2014, amends the terms and conditions for remunerating BMCE Capital in respect of its management of BANK OF AFRICA S.A.'s financial market and custody operations as stipulated in the initial contract of 1999 and in subsequent amendments.

This is a one-year automatically renewable addendum.

Amount(s) recognised:

The impact from this agreement is included in the remuneration paid by BANK OF AFRICA S.A. in respect of the agreement relating to the management of financial market and custody operations (cf 2.20)

2.28 Shareholders' current account advance agreement between BANK OF AFRICA S.A. and BMCE IMMOBILIER (EX MABANICOM)

Person(s) concerned:

- Mr Mounir CHRAIBI, Chairman of the Board of BMCE IMMOBILIER (ex MABANICOM), is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a Director of BMCE IMMOBILIER (ex MABANICOM), is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr Omar TAZI, a Director of BMCE IMMOBILIER (ex MABANICOM), is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of this agreement entered into 13 February 2014, BANK OF AFRICA S.A. shall agree to provide BMCE IMMOBILIER (ex MABANICOM) with a shareholders' current account advance in the total net sum of MAD 38,000,000 at 2.21% statutory interest in respect of the period ended 31 December 2013.

The advance has been agreed for a one-year renewable period and it will be repaid by appropriating income arising on the sale of property units acquired by means of the said advance to the company Pack Energy on a gradual basis.

Entered into for a renewable one-year period, the agreement shall expire when BMCE IMMOBILIER (ex MABANICOM) has repaid BANK OF AFRICA S.A. in full.

Amount(s) recognised:

BMCE IMMOBILIER repaid this advance to BANK OF AFRICA S.A with the proceeds from the sale of real estate units initially acquired by means of the said advance.

2.29 Cooperation agreement between BANK OF AFRICA S.A. and BMCE IMMOBILIER

Person(s) concerned:

- Mr Mounir CHRAIBI, Chairman of the Board of BMCE IMMOBILIER (ex MABANICOM), is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a Director of BMCE IMMOBILIER (ex MABANICOM), is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr Omar TAZI, a Director of BMCE IMMOBILIER (ex MABANICOM), is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Entered into 3 February 2014, the purpose of this agreement is to carry out the following assignments in consideration for remuneration on an individual assignment basis:

- Real estate brokerage services when requested or required by BANK OF AFRICA S.A. in respect of leasing, purchasing or selling real estate assets owned by or on behalf of BANK OF AFRICA S.A. and BMCE Group
- Collecting rents and lease payments due to BANK OF AFRICA S.A. and BMCE Group
- Providing real estate valuation services, researching real estate projects, and notifying the customer of special conditions when requested or required in respect of valuing real estate assets on behalf of BANK OF AFRICA S.A. and BMCE Group

This agreement is for a period of 3 years.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 5,616 K for the period ended 31 December 2020.

2.30 Draft agreement between BANK OF AFRICA S.A. and MEDI TELECOM SA relating to establishing an operational partnership regarding the Mobile Money service

Person(s) concerned:

- Mr Othman BENJELLOUN, Chairman and Chief Executive Officer of BANK OF AFRICA S.A., is also a Director of MEDI TELECOM
- Mr Zouheir BENSAID, a Director of MEDI TELECOM, is also a Director of BANK OF AFRICA S.A.

Main terms and conditions:

This draft agreement entered into 26 June 2012, prior to establishing a definitive contract, shall establish the project's purpose, strategic guidelines and principles for doing business.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.31 Delegated responsibility agreement between BANK OF AFRICA S.A. and BMCE INTERNATIONAL S.A.U relating to the management of BMCE EUROSERVICES

Person(s) concerned:

- Mr Mohamed AGOUMI, Chairman of BMCE International SAU's Board, is also Deputy General Manager of BANK OF AFRICA S.A. and a Director of BMCE EuroServices
- Messrs Azzedine GUESSOUS and Mohammed BENNANI are Directors of BANK OF AFRICA S.A. and of BMCE International SAU
- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA S.A., is also a Director of BMCE International SAU and Chairman of the Board of BMCE EuroServices

Main terms and conditions:

The purpose of this contract, entered into 10 April 2012, is to formalise intra-Group relations between the parties regarding the responsibility assumed by BMCE INTERNATIONAL SAU in relation to services carried out by BMCE EuroServices, its wholly owned subsidiary, under the orders of BANK OF AFRICA S.A., of which the former is indirectly a wholly owned subsidiary.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.32 Management mandate between BANK OF AFRICA S.A. and BOA France

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of BOA Group's Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Azeddine GUESSOUS is a Director of BOA Group and of BANK OF AFRICA S.A.
- Mr Amine BOUABID, Chief Executive Officer of BOA Group, is also a Director of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, a Director of BOA Group, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr Mohamed AGOUMI, a Director of BOA Group, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

This agreement, entered into 6 June 2012 between BANK OF AFRICA S.A. and BOA France, a subsidiary of BOA Group, establishes the terms and conditions by which BANK OF AFRICA S.A. mandates BOA France, in consideration for the payment of fees, to handle on its behalf financial transactions for Moroccan customers living abroad. The contract shall also define the operating terms and conditions of the BANK OF AFRICA S.A. account held in the ledgers of BOA France.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.33 Agreement between BANK OF AFRICA S.A. and BMCE CAPITAL GESTION PRIVÉE to manage structured product margin calls

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of BMCE Capital's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Amine BOUABID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.
- Mr Zouheir BENSAID, a member of BMCE Capital's Supervisory Board, is also a Director of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of BMCE Capital's Supervisory Board, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under this agreement, entered into 29 June 2012, BMCE Capital Gestion Privée shall undertake to monitor the risk of fluctuation in the structured products contracted between the Parties by adopting a margin call system for the said structured products.

Remuneration for margin calls on behalf of BANK OF AFRICA S.A. is based on dirham-denominated money market rates.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised a net expense of MAD 574 K for the period ended 31 December 2020.

2.34 Services contract between BANK OF AFRICA S.A. and RMA

Person(s) concerned:

- Mr Othman BENJELLOUN, Chairman of RMA's Supervisory Board, is also Chairman and Chief Executive Officer of BANK OF AFRICA S.A.
- Mr Zouheir BENSAID is Chairman of RMA's Supervisory Board and a Director of BANK OF AFRICA S.A.
- Mr Brahim BENJELLOUN-TOUIMI is a Member of RMA's Supervisory Board and is Director and General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Entered into in April 2012 effective 1 October 2011, this contract shall define general and specific terms and conditions regarding the provision of premises, miscellaneous services and equipment by BANK OF AFRICA S.A. to RMA.

It also establishes the terms and conditions of use by the latter of the resources made available in consideration for a flat-rate payment.

Amount(s) recognised:

This contract was terminated.

2.35 Technical support agreement between BANK OF AFRICA S.A. and AFH SERVICES

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of BOA Group, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of AFH Services

Main terms and conditions:

Under the terms of this one-year automatically renewable agreement entered into in 2012, BANK OF AFRICA S.A. shall provide intra-Group technical support to AFH aimed at providing BOA Group with business line expertise.

In consideration, AFH will be invoiced for these services on the basis of man days, at a rate of €1,200 exclusive of taxes per man day.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.36 Services agreement between BANK OF AFRICA S.A. and BMCE CAPITAL

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of BMCE Capital's Supervisory Board, is also Deputy Chief Executive of BANK OF AFRICA S.A.
- Mr Amine BOUABID, a Director of BANK OF AFRICA S.A., is also Member of BMCE Capital's Supervisory Board
- Mr Zouheir BENSAID, a Director of BANK OF AFRICA S.A., is also Member of BMCE Capital's Supervisory Board
- Mr Driss BENJELLOUN, Deputy General Managers of BANK OF AFRICA S.A., is also Member of BMCE Capital's Supervisory Board
- Mr M'Fadel EL HALAISSI, Deputy General Managers of BANK OF AFRICA S.A., is also Member of BMCE Capital's Supervisory Board

Main terms and conditions:

Entered into 20 November 2012 effective 1 January 2012, this one-year automatically renewable agreement establishes the terms and conditions by which BANK OF AFRICA S.A. shall remunerate BMCE Capital for technical support provided to BOA Group via its legal division.

Remuneration for the said services, invoiced on an annual basis, is calculated on the basis of man days, at a rate of €100 per man day.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.37 Subordinated loan contract between BANK OF AFRICA S.A. and BMCE BANK INTERNATIONAL (BBI)

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, a Director of BMCE BANK International Plc, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Mohammed AGOUMI, a Director of BMCE BANK International Plc, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of this agreement entered into 30 May 2010, BANK OF AFRICA S.A. shall provide BBI with a subordinated loan in the euro equivalent sum of £15,000,000 at an annual fixed rate of 4% in respect of Tier 2 capital.

The loan's repayment date is ten years after the agreement's effective date under the terms of an amendment entered into 25 July 2012.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 3,972 K for the period ended 31 December 2020.

2.38 Agreements between BANK OF AFRICA S.A. and SALAFIN

Person(s) concerned:

- Mr Brahim BENJELLOUN TOUIMI, Chairman of SALAFIN's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.
- Messrs Mamoun BELGHITI and Amine BOUABID are members of Salafin's Supervisory Board and Directors of BANK OF AFRICA S.A.
- Messrs Omar TAZI and Driss BENJELLOUN are members of Salafin's Supervisory Board and Deputy Chief Executives of BANK OF AFRICA S.A.

- Services contract between BANK OF AFRICA S.A. and SALAFIN

This three-year automatically renewable services contract, entered into in 2009, shall define the terms and conditions by which BANK OF AFRICA S.A. shall provide SALAFIN with a certain number of services and equipment as well as the terms governing usage.

BANK OF AFRICA S.A. shall receive a flat royalty payment of MAD 1,000 inclusive of taxes per desk. Royalties are paid on a quarterly basis in advance.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 96 K for the period ended 31 December 2020.

- Agreement that SALAFIN establishes an on-demand credit compliance control system for BANK OF AFRICA S.A.'s customer files as well as hosting a management system on an ASP basis (via its ORUS subsidiary)

Entered into in 2011, the purpose of this agreement between BANK OF AFRICA S.A. and SALAFIN is to establish a back-office system to ensure customer file compliance, send reminders to the network to correct non-compliant customer files and report on operational risks. The system also centralises and processes customer declarations of death and disability insurance subscriptions and digitises and archives customer loan files that have been transferred to an entity appointed by the Bank.

The agreement also relates to hosting, running and maintaining on a daily basis a customer file management system based on the Immédiat system which is interfaced with the Bank's information systems as well as providing BMCE BANK OF AFRICA with a maintenance centre.

The remuneration paid by BANK OF AFRICA S.A. is calculated on the basis of the number of customer files actually processed by the system based on a pricing structure.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 1,308 K for the period ended 31 December 2020.

- Agreement between BANK OF AFRICA S.A. and SALAFIN relating to services, technical support and application hosting

Entered into 15 January 2009, this agreement concerns the implementation of a recovery service by which SALAFIN shall undertake to carry out the assignments entrusted to it by BANK OF AFRICA S.A. (recovery system support and set-up, provision of a user licence for the management module for attributing portfolios to agents and the telecommunications management module, development of interfaces with BANK OF AFRICA S.A.'s information systems, dedicated hosting and running of the recovery software solution on a daily basis and the provision of a maintenance centre).

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 13,302 K for the period ended 31 December 2020.

- Amendment to the agreement that SALAFIN establishes an on-demand credit compliance control system for BANK OF AFRICA S.A.'s customer files

Entered into 1 July 2011, this amendment to the agreement between BANK OF AFRICA S.A. and SALAFIN modifies the remuneration terms, established by the distribution agreement entered into in 2006, by ensuring joint management by both Parties in respect of new consumer loans distributed to retail customers. As a result, interest income will be split as follows: 80% to the entity which bears the risk and 20% to the other entity. This amendment also specifies the services provided by SALAFIN for all outstandings managed by one or both Parties.

Amount(s) recognised:

In respect of this agreement and its amendment, BANK OF AFRICA S.A. recognised an overall expense of MAD 76,201 K and overall income of MAD 13,703 K for the period ended 31 December 2020.

2.39 Agreements between BANK OF AFRICA S.A. and EURAFRIC INFORMATION (EAI)

- Draft agreement between BANK OF AFRICA S.A. and Eurafric Information (EAI) relating to invoicing software licences and related services

Entered into 2 December 2011, the purpose of this agreement is for EAI to provide BANK OF AFRICA S.A. with a certain number of licences as described in the contract (Briques GRC, E-Banking Cyber Mut, Poste Agence Lot 1) for use by the latter's employees.

In consideration, BANK OF AFRICA S.A. must pay EAI the dirham equivalent of €4,800,370.40 for CRM services, €3,303,063.20 for CRM licences, €201,976.60 for the Poste Agence Lot 1 licence, €729.504 for Poste Agence Lot 1 services, €500,000 for E-Banking licences and €768,672 for E-Banking services. These amounts exclude taxes, to which must be added an additional 10% in respect of a government withholding tax deducted at source.

BANK OF AFRICA S.A. must also pay licence maintenance costs including €545,004.80 for CRM maintenance, €105,694 for the Poste Agence Lot 1 contract and €162,801 for maintenance of E-banking Cyber Mut.

- Amendment No.2 APPENDIX III to the services contract between BANK OF AFRICA S.A. and EAI

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of EAI's Supervisory Board, is also a Director of BANK OF AFRICA S.A.
- Mr Zouheir BENSAID, a Director of BANK OF AFRICA S.A., is also a member of EAI's Supervisory Board
- Messrs Driss BENJELLOUN and Mounir CHRAIBI, Directors of EAI, are also Deputy General Managers of BANK OF AFRICA S.A.

Main terms and conditions:

Entered into 10 March 2011 effective 1 January, this amendment modifies the services provided by EAI to BANK OF AFRICA S.A. as well as the pricing structure and the terms and conditions of payment. The amendment offers the possibility of revising on an annual basis the man-hour rate applicable to services provided under the initial contract.

Amount(s) recognised:

In respect of both these agreements entered into with EAI in 2011, BANK OF AFRICA S.A. recognised the following amounts for the period ended 31 December 2020:

- Recurring services (expenses): MAD 74,692 K
- Maintenance (expenses): MAD 22,716 K
- Non-recurring services: MAD 88,290 K

2.40 Agreement between BANK OF AFRICA S.A. and GLOBAL NETWORK SYSTEMS SA ("GNS") relating to Carte MPOST – PASSPORT

Person(s) concerned:

- Mr Mounir CHRAIBI, Chairman of the Board of GNS Technologies, is also Deputy General Manager of BANK OF AFRICA S.A..
- Messrs M'Fadel EL HALAISSI and Driss BENJELLOUN, Deputy General Managers of BANK OF AFRICA S.A., are also Directors of GNS Technologies

Main terms and conditions:

Entered into 1 February 2011, the purpose of this agreement is for BANK OF AFRICA S.A. to provide GNS with prepaid cards as well as determining the terms for recharging, personalising and using these cards.

For each card delivered, the Bank is credited an amount previously agreed by both Parties.

The cost of recharging the card is debited against the customer's bank account held with BANK OF AFRICA S.A. All other expenses are debited against the card's balance.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA Group's financial statements for the period ended 31 December 2020.

2.41 Services contract between BANK OF AFRICA S.A. and EURAFRIC GED SERVICES

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Chairman of EAI's Supervisory Board, is also Director and General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Entered into in 2011 for an initial three-month automatically renewable period prior to establishing a definitive contract when authorisation is obtained from Bank Al Maghrib, the purpose of this contract is to define the terms and conditions by which BANK OF AFRICA S.A. entrusts to Eurafric GED Services document digitisation services.

Monthly invoices are issued based on volume. The cost is 0.86 dirhams per digitised page, 0.68 dirhams per video-encoded document, 5 dirhams per document for the return of any previously unreturned document to the service provider, 3 dirhams per document communicating the index in the event that the document has been returned to BANK OF AFRICA S.A. (prices quoted exclude taxes).

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 955 K for the period ended 31 December 2020.

2.42 Partnership agreement between BANK OF AFRICA S.A. and BMCE BANK INTERNATIONAL Plc (BBI) relating to sub-contracting clearing services

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, a Director of BMCE BANK International Plc, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Mohammed AGOUMI, a Director of BMCE BANK International Plc, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Under the terms of this agreement entered into 4 October 2011, BMCE BANK International shall provide BANK OF AFRICA S.A. with a number of banking services including:

- Cheques drawn on French- or foreign-domiciled banks
- Inter-bank transfers to BANK OF AFRICA S.A. or its customers
- International SWIFT transfers
- Bills of exchange domiciled with BANK OF AFRICA S.A. and payable in France
- Documentary credit confirmations

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.43 Agreement between BANK OF AFRICA S.A. and BMCE CAPITAL GESTION to promote and market mutual funds via the BANK OF AFRICA S.A. branch network

Person(s) concerned:

- Mr Amine BOUABID, a Director of BMCE Capital Gestion, is also a Director of BANK OF AFRICA S.A.
- Mr Driss BENJELLOUN, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of BMCE Capital Gestion

Main terms and conditions:

Entered into 1 March 2011 for an automatically renewable 12-month period, the purpose of this agreement is to determine the terms and conditions for cooperation between the Parties relating to the marketing by BANK OF AFRICA S.A. of a specific number of BMCE Capital Gestion products via the BANK OF AFRICA S.A. branch network. In this regard, the Parties give a mutual undertaking to allocate the necessary human, material, technical and logistical resources to develop and promote the mutual funds.

BANK OF AFRICA S.A.'s remuneration is calculated on the basis of the volume of subscriptions/redemptions generated by the branch network with BMCE CAPITAL GESTION retroceding a share of the entry/exit fees at the rates set out in an appendix to the agreement.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 548 K for the period ended 31 December 2020.

2.44 Agreements relating to leasing premises

These agreements relate to the leasing of premises or offices to the following companies:

Company	Date	Type	Location	Amount 2020 (MAD K)
BMCE Capital	01/10/2009	Office space	142, avenue Hassan II aux 4th, 7th and 8th floor, Casablanca	**3,253**
MEDITELECOM	01/08/2012	Building patio	Essaouira	**112**
BMCE Capital	01/07/2002	Office space	BANK OF AFRICA S.A. Branch, Agadir Ville	39
EURAFRIC INFORMATION	15/10/2009	279 m² apartment. TF No.36929/C, property known as « GAMECOUR ».	243 Bd Mohamed V, Casablanca	**Not applicable Contract cancelled le 30/09/16**
EURAFRIC INFORMATION	01/10/2016	Office space Block A2 – 3,624m²	Bouskoura green City TF No. 18827/47	**4,357**
EURAFRIC INFORMATION	01/10/2016	Office space Block B2 – 3,822m²	Bouskoura green City, TF No. 18827/47	**4,582**
EURAFRIC INFORMATION	01/01/2017	DATA CENTER 1735 M²	Bouskoura green City, TF No. 18827/47	**2,080 Premises partially occupied**
RM EXPERTS	01/10/2019	Office space	Casa SIDI MAAROUF LOTISSEMENT ATTAOUFIK	**595**
O.G.S.	01/01/2019	Office space	GREEN CITY BOUSKOURA	**5,562**

The leases will be renewed automatically.

2.45 Amendment to the BMCE EDIFIN agreement between BANK OF AFRICA S.A. and GLOBAL NETWORK SYSTEMS GNS), now GNS TECHNOLOGIES SA

Person(s) concerned:

- Mr Mounir CHRAIBI, Chairman of the Board of GNS Holding, is also Deputy General Manager of BANK OF AFRICA S.A.
- Messrs M'Fadel EL HALAISSI and Driss BENJELLOUN, Deputy General Managers of BANK OF AFRICA S.A., are also Directors of GNS Holding

Main terms and conditions:

Entered into 2 April 2010 and effective 1 January 2010, the purpose of this amendment, as part of the Bank's policy to extend BMCE EDIFIN services to all commercial relations and enhance profitability, is to revise the monthly payment for GNS' Value-Added Network services. In this regard, BANK OF AFRICA S.A. shall assume the role of wholesaler as well responsibility for marketing the services acquired from GNS.

A second amendment, entered into 30 December 2011 and effective January 2012, sees the annual payment made by BANK OF AFRICA S.A. to the service provider reduced to MAD 2,750,000 exclusive of taxes which corresponds to the minimum volume that it undertakes to acquire from 2,000,000 transaction entries.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an overall expense of MAD 4,232 K for the period ended 31 December 2020.

2.46 Services contract between BANK OF AFRICA S.A. and RM EXPERTS relating to debt recovery

Person(s) concerned:

- Mr Mamoun BELGHITI, Chairman of the Board of RM EXPERTS, is also a Director of BANK OF AFRICA S.A.
- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA S.A., is also a Director of RM Experts
- Mr M'Fadel EL HALAISSI, Deputy General Manager of BANK OF AFRICA S.A., is also a Director of RM Experts

Main terms and conditions:

Entered into 24 December 2010 between RECOVERY INTERNATIONAL MANAGEMENT AND EXPERTISE (RM EXPERTS) and BANK OF AFRICA S.A., the agreement mandates RM EXPERTS on an exclusive basis to recover the non-performing loans entrusted to it by BANK OF AFRICA S.A..

The contract is for a five-year period which is automatically renewable in subsequent two-year periods.

BANK OF AFRICA S.A. shall undertake to make available to the service provider, on a secondment basis, all staff working in the Remedial Management Division from the contract date. These employees will be paid directly by BANK OF AFRICA S.A.

BANK OF AFRICA S.A. will invoice the service provider for these employees' salaries and other items of remuneration plus a 20% margin.

RM EXPERTS will invoice BANK OF AFRICA S.A. for "managing its human resources".

As part of this agreement, for each customer file for which the amount to be recovered is less than two hundred thousand dirhams, BANK OF AFRICA S.A. will be invoiced for the sum of five hundred dirhams exclusive of taxes in respect of related expenses. RM EXPERTS shall also receive from BANK OF AFRICA S.A. success fees payable on a quarterly basis depending on the sums repaid or recovered.

In the event of non-recovery, BANK OF AFRICA S.A. shall undertake to reimburse RM EXPERTS for all actual costs incurred by the latter.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.47 Agreement between BANK OF AFRICA S.A. and MAGHREBAIL

Person(s) concerned:

- Mr Azeddine GUESSOUS, Chairman of Maghrebail, is a Director of BANK OF AFRICA S.A.
- Messrs Othman BENJELLOUN, Zouheir BENSAID and Brahim BENJELLOUN TOUIMI, Members of the Board of Maghrebail, are respectively Chairman, Directors and Director and General Manager of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a Director of Maghrebail, is also Deputy General Manager of BANK OF AFRICA S.A.

Main terms and conditions:

Entered into 8 May 2009, the purpose of this agreement is to determine the terms and conditions governing BANK OF AFRICA S.A.'s marketing of MAGHREBAIL's formatted lease products, the BMCE Bail product, the BMCE Immobail Entreprise product and standard leasing products, regardless of whether or not they are severally and jointly backed by BANK OF AFRICA S.A..

The terms and conditions of this agreement are as follows:

- MAGHREBAIL shall pay BANK OF AFRICA S.A. agency fees as set out in a price list
- MAGHREBAIL shall undertake to pay quarterly agency fees in respect of BANK OF AFRICA S.A.'s remuneration.
- MAGHREBAIL shall undertake to pay annual success fees calculated on the basis of achieving sales targets that are independently confirmed by a steering committee.
- MAGHREBAIL shall undertake to remunerate BANK OF AFRICA S.A. for its guarantee at the annual rate of interest in respect of formatted products. The rate of interest charged on the guarantee is determined on a case-by-case basis in respect of standard leasing products, regardless of whether or not they are severally and jointly backed; it is calculated annually on the amount of MAGHREBAIL's financial outstandings guaranteed by BANK OF AFRICA S.A. (financial outstandings x proportion of bank guarantee).

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised overall income of MAD 2,511 K for the period ended 31 December 2020.

2.48 Partnership agreement between BANK OF AFRICA S.A. and BUDGET LOCASOM

Person(s) concerned:

- Messrs Driss BENJELLOUN and M'Fadel EL HALAISSI, Deputy General Managers of BANK OF AFRICA S.A. and Mr Azzedine GUESSOUS, a Director of BANK OF AFRICA S.A., are also Directors of Budget Locasom

Main terms and conditions:

Entered into 29 May 2009, the purpose of this agreement is to determine the terms and conditions governing marketing by BANK OF AFRICA S.A. of LOCASOM's BMCE LLD product (a vehicle leasing product for acquiring and managing a fleet of vehicles). Under this agreement, BANK OF AFRICA S.A. will steer its customers towards this product while LOCASOM will follow up with interested customers by providing the necessary support. This product will be marketed via the BANK OF AFRICA S.A. branch network.

The terms and conditions of this agreement are as follows:

- BANK OF AFRICA S.A. shall solely undertake to encourage BMCE LLD customers to make regular lease payments (by directly debiting the customer's account etc.)
- BANK OF AFRICA S.A. shall receive a fee ranging from 0.15% to 0.40% calculated on the basis of the vehicle's budgeted amount and the lease period.

Amount(s) recognised:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2020.

2.49 Services contract between BANK OF AFRICA S.A. and BMCE EUROSERVICES

Person(s) concerned:

- Mr Brahim BENJELLOUN TOUIMI, Chairman of the Board of BMCE EuroServices, is also Director and General Manager of BANK OF AFRICA S.A.
- Mr Omar TAZI, Assistant Director of BMCE EuroServices, is also Deputy General Manager of BANK OF AFRICA S.A.
- Messrs Driss BENJELLOUN, Mohamed AGOUMI and Mounir CHRAIBI, Directors of BMCE EuroServices, are also Deputy General Managers of BANK OF AFRICA S.A.

Main terms and conditions:

The purpose of this contract, entered into in 2013, is to clarify the underlying terms and conditions by which BANK OF AFRICA S.A. will pay half-yearly fees to the Service Provider in consideration for the latter developing the Moroccans living abroad customer segment in Morocco.

Remuneration of Head Office and Branch Offices will be based on two criteria: a percentage of the net banking income earned by BANK OF AFRICA S.A. in the Moroccans living abroad segment and a percentage of the funds transferred to BANK OF AFRICA S.A. accounts in Morocco.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 176,822 K for the period ended 31 December 2020.

2.50 Commercial lease contract between BANK OF AFRICA- BMCE GROUP and GNS TECHNOLOGIES

Person(s) concerned:

- Mr Mounir CHRAIBI, Chairman of the Board of GNS Technologies, is also Deputy General Manager of BANK OF AFRICA S.A.
- Messrs M'Fadel EL HALAISSI and Driss BENJELLOUN, Deputy General Managers of BANK OF AFRICA S.A., are also Directors of GNS Technologies

Main terms and conditions:

Under the terms of this agreement, effective 1 January 2013 for an automatically renewable 3-year period, BANK OF AFRICA S.A. shall lease to GNS Technologies office space on the 2nd floor of a building located at 239 Boulevard Mohammed V in Casablanca whose land title number is No.36.829/C with a surface area of 276 m² whose land title number is in turn No.75.965/C, a property known as “GAMECOUR 4”.

The monthly rental payment relating to this office space is set at MAD 16.6 K for the first year, MAD 19.3 K for the second year and MAD 22 K for the third year. To that is added a local council tax of 10.5% payable monthly as well as rental charges to maintain and manage the building's common areas which are invoiced pro-rata to the surface area rented.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised income of MAD 322 K for the period ended 31 December 2020.

Casablanca, 29 April 2021

The Statutory Auditors

FIDAROC GRANT THORNTON

Faïçal MEKOUAR
Associé

KPMG

Abderrazzak MZOUGUI
Associé

DISCLOSURE OF STATUTORY AUDITORS' FEES

	KPMG					
	Amount per annum			"% of total per annum		
	2020	2019	2018	2020	2019	2018
Statutory audit, certification, audit of the individual and consolidated statements	1 300 000	1 548 000	1 548 000	90%	91%	71%
Other services directly related to the statutory auditors' assignment	140 000	144 000	624 000	10%	9%	29%
Sub-total	1 440 000	1 692 000	2 172 000	100%	100%	100%
Other services provided						
Total	**1 440 000**	**1 692 000**	**2 172 000**	**100%**	**100%**	**100%**

	Ernst and Young (2018-2019) / Fidaroc Grant Thornton (2020)					
	Amount per annum			"% of total per annum		
	2020	2019	2018	2020	2019	2018
Statutory audit, certification, audit of the individual and consolidated statements	1 300 000	1 548 000	1 548 000	96%	81%	40%
Other services directly related to the statutory auditors' assignment	60 000	359 216	2 295 276	4%	19%	60%
Sub-total	1 360 000	1 907 216	3 843 276	100%	100%	100%
Other services provided						
Total	**1 360 000**	**1 907 216**	**3 843 276**	**100%**	**100%**	**100%**

BANK OF AFRICA
BMCE GROUP