BANK OF AFRICA
BMCE GROUP

# ANNUAL RESULTS

## 31 DECEMBER 2023

# CONTENTS


01 | Highlights 2023

02 | Macroeconomic Environment around the world & in Africa

03 | Macroeconomic Environment in Morocco

04 | Moroccan Banking Industry

05 | Financial Performance 2023

06 | A Socially Responsible Bank

01

# Highlights 2023

BANK OF AFRICA
BMCE GROUP

# Highlights 2023

## Ongoing Innovation Benefiting Customers

Tie-up between BANK OF AFRICA and Royal Air Maroc, the Moroccan member airline of the One world alliance, with the **launch of Pay&Fly in 2024**, an **innovative digital payments offer** giving customers several exclusive benefits with each transaction as well as bolstering synergies between the airline and banking services industries.

**Custody Direct, a vehicle for managing mutual fund portfolios**, integrated with BANK OF AFRICA's Business Online platform as part of a process of digitising business services. As a result, business customers are able to manage their assets online and carry out a series of transactions while enjoying a novel, seamless and secure customer experience.

BANK OF AFRICA to launch **'CapAccess by BOA' in 2024**, a bank loan tied to a subordinated loan, after agreements were signed by the Professional Association of Moroccan Banks, the Mohammed VI Fund for Investment and **Tamwilcom** to enhance the role played by banks in financing the domestic economy.

**BMCE Capital Investments**, the Group's private equity subsidiary, launched **'Capital Croissance'**, its second private equity fund, to support Moroccan companies' development.

Introduction of a **100% online process for opening brokerage accounts by BMCE Capital Bourse**, the first brokerage firm to offer this innovative service, offering clients a seamless and hands-on investor experience.

**Bank Al Karam**, BANK OF AFRICA Group's participatory banking subsidiary given a **new identity** while expanding its branch network with the opening of a new branch in El Jadida. Additional branch openings are scheduled across the Kingdom in 2024.

**Eurafric Information**, BANK OF AFRICA's IT subsidiary, introduced trust platform services which meet current regulatory standards under the **AfricTrust brand**, in response to the national digital strategy for businesses.

# Highlights 2023

## Key Initiatives to stimulate the economy and encourage Investment

**EUR 50 million credit line** extended to BANK OF AFRICA in 2023 from the European Bank for Reconstruction and Development (**EBRD**) to increase financing for small- and medium sized enterprises.

Tie-up between **BANK OF AFRICA** and the **Export-Import Bank of China** to mark the 2023 World Bank Group-International Monetary Fund (IMF) Annual Meetings in Marrakech, aimed at bolstering trade between China and Africa and stimulating the African continent's economic development.

BANK OF AFRICA, in partnership with the **Moroccan Agency for Investment and Export Development (AMDIE)**, hosted a series of meetings in Rabat, Agadir and Tangier about the new Investment Charter.

Partnership bolstered between BANK OF AFRICA and the **IFC to support SMEs in Africa** with the latter extending a USD **171.2 million financing facility** to nine BOA subsidiaries in Benin, Burkina Faso, Côte d'Ivoire, Kenya, Mali, Niger, Senegal, Togo and Uganda.

**BOA Togo's commitment to female entrepreneurship** underlined by signing a strategic partnership agreement with Togo's Association of Women Business Leaders (AFCET), making it easier for women-owned SMEs to access financing, thereby catalysing female entrepreneurial potential in Togo.

Trade finance transaction guarantee issued by **the African Development Bank (AfDB) to BOA Tanzania**, thereby contributing to the growth of Tanzanian businesses by providing easier access to financing and enabling them to develop their overseas business activities.

# 02

# Macroeconomic environment around the world and in Africa

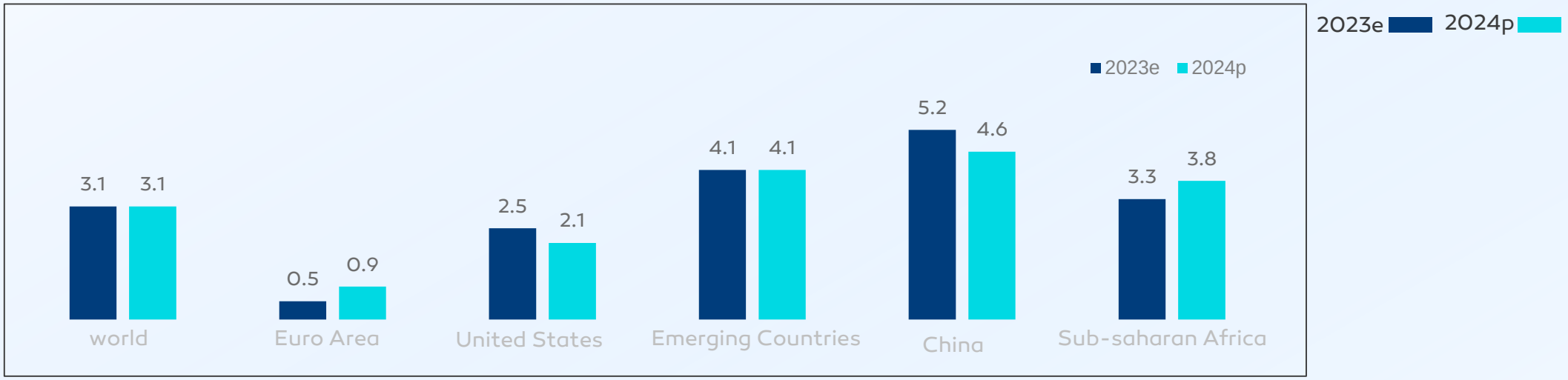
BANK OF AFRICA
BMCE GROUP

# GLOBAL MACROECONOMIC ENVIRONMENT, GLOBAL ECONOMY RESILIENT DESPITE HEADWINDS

BANK OF AFRICA
BMCE GROUP

# Global economy, growth stable despite a highly uncertain environment

## Global economic growth 2023-2024 (%)




*Source: IMF, January 2024*

- Global economic growth is likely to stabilise at +3.1% in 2024 and in line with the trend seen in 2023, underpinned by a resilient US economy and the dynamism of major emerging economies, particularly India, which is likely to register GDP growth of +6.5% in 2023 versus +6.7% the previous year.
- The Euro Area is expected to see growth pick up from +0.5% in 2023 to +0.9% in 2024 and to +1.7% in 2025. China's struggling real estate market together with falling domestic and external demand are proving to be a brake on the economy with the latter forecast to grow by +4.6% in 2024 and +4.1% in 2025 versus +5.2% in 2023.
- Headline inflation is expected to retreat to +5.8% in 2024 compared to +6.8% the previous year, with the result that major central banks are maintaining a hawkish monetary stance ahead of a sustained fall in prices.

# SUB-SAHARAN AFRICA, ECONOMIC PROSPECTS IMPROVE

BANK OF AFRICA
BMCE GROUP

# Sub-Saharan Africa – towards a gradual economic recovery

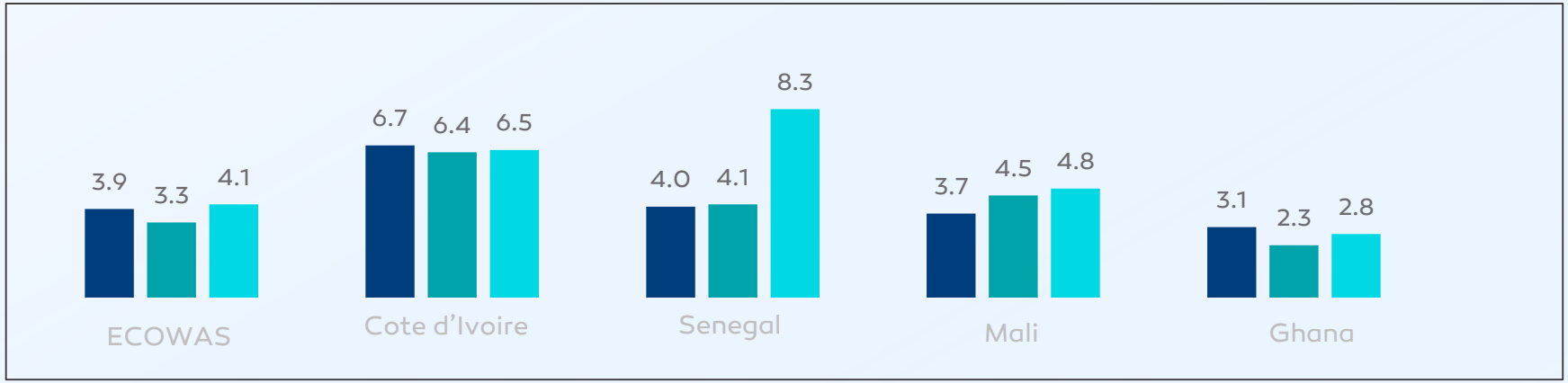
## Real GDP growth in sub-Saharan Africa (%)

*Source: IMF, January 2024*

- After two consecutive years of economic slowdown, growth in sub-Saharan Africa is set to pick up to +3.8% in 2024 versus +3.3% in 2023, before accelerating to +4.1% in 2025, with several countries within the region returning to international capital markets.
- Growth is likely to be underpinned by improved economic prospects for the continent's main economies, Nigeria and South Africa, a solid performance by non-resource-intensive countries and the easing of inflationary pressures (+13.1% in 2024 vs. +15.8% in 2023).
- Public finances across the region are gradually recovering although public debt levels remain higher than before the pandemic, exacerbated by the rise in interest rates and currency devaluations.

# West Africa – economic prospects still positive, underpinned by a regional appeasement strategy

## Real GDP growth in ECOWAS (%)

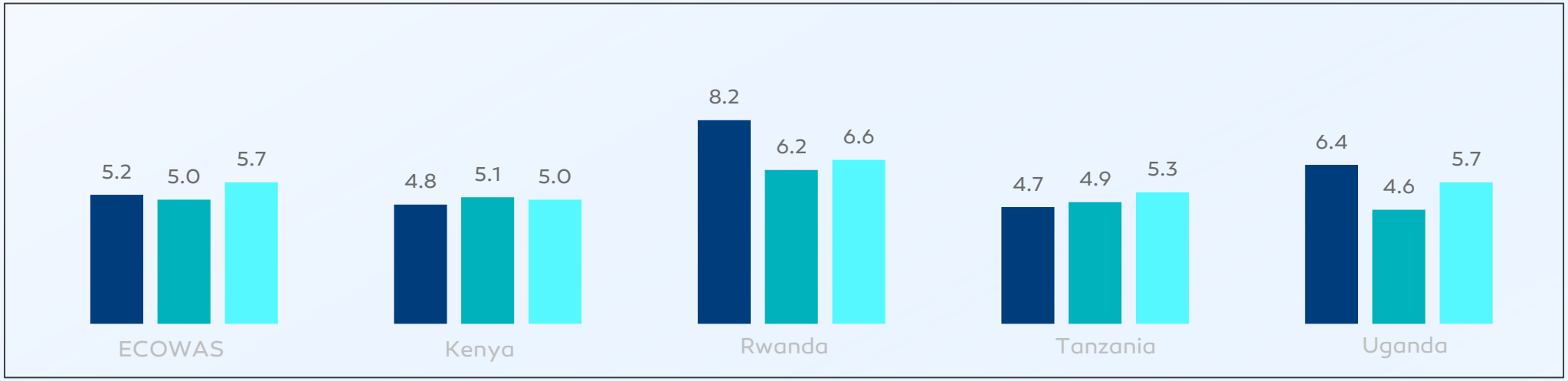



*Source: IMF, 2024*

- GDP growth in ECOWAS is likely to accelerate to +4.1% in 2024 versus +3.3% in 2023 despite inflationary pressures persisting within the sub-region (+17.2% in 2024). This is primarily due to macroeconomic policy reforms and an anticipated increase in oil and gas production in certain countries within the sub-region.
- The decision taken by West African heads of state to lift most of the sanctions imposed on Niger, Guinea and Mali is likely to further bolster prospects by helping to restore trade links and financial transactions within the economic bloc.
- In Senegal, despite election-related unrest, economic growth is projected to be +8.3% in 2024 versus +4.1% in 2023. In Côte d'Ivoire, GDP is set to grow by +6.5% versus +6.4%, while Ghana's economy, benefiting from existing measures to bring public finances back on track, is likely to register growth of +2.8% versus +2.3%.

# East Africa – the continent's best performer

## Real GDP growth in the East African Community (%)

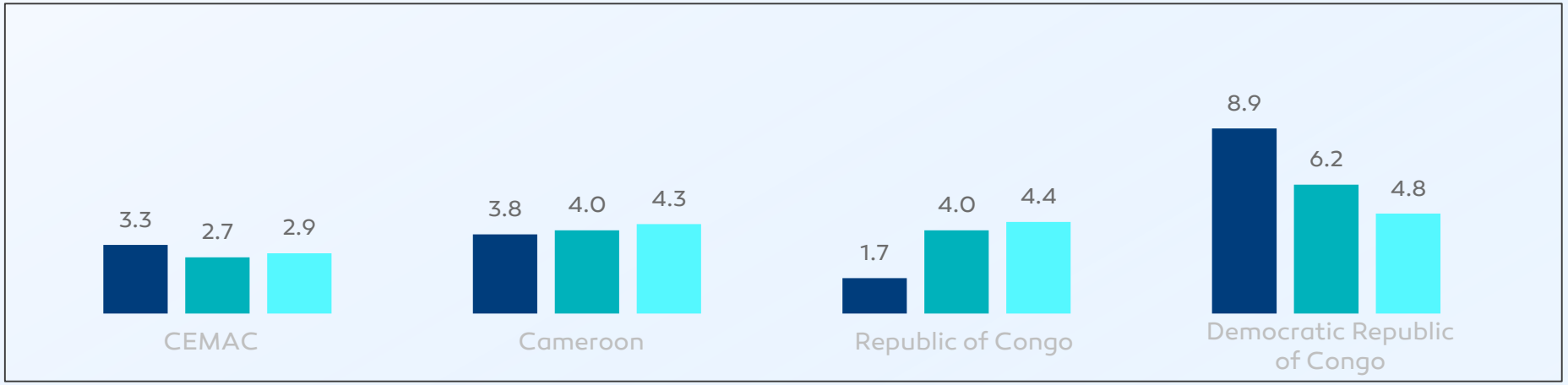



*Source: IMF, 2024*

- East African Community (EAC) member countries are expected to register the continent's best performance in 2024 with economic growth estimated at +5.7%. This is primarily due to an easing in commodity prices, a dynamic services sector and large-scale infrastructure projects.
- These projections conceal disparities within this regional bloc, however. Kenya, which recently issued a fresh USD 1.5 billion Eurobond to finance the redemption of its USD 2 billion bond, is likely to see growth stabilise at +5% in 2024 versus +5.1% in 2023.
- Ethiopia is expected to register GDP growth of +6.2% in 2024 versus +6.1% in 2022 thanks to the performance of its agricultural sector, while Rwanda is set to the deliver the highest rate of growth within the region at an expected +6.6% in 2024 versus +6.2% in 2023.

# Central Africa – growth projections moderate, impacted by Equatorial Guinea's underperformance

## Real GDP growth in Central Africa (%)




*Source: IMF, 2024*

- After slowing to +2.7% in 2023 (versus +3.3% in 2022), economic growth in the CEMAC economic bloc is expected to register a modest recovery in 2024 to +2.9%. Regional economic growth is likely to be tempered by economic recession in Equatorial Guinea (-5.5% in 2024) due to a decline in oil production.
- Economic prospects vary from one country to another, however. Republic of Congo's economy is set to grow by +4.4% in 2024 versus +4% in 2023, boosted primarily by increased oil production.
- At the same time, real GDP growth in the DRC is likely to slow to +4.8% versus +6.2% in 2023 with mining production stabilising and conditions challenging, as illustrated by the Congolese franc's depreciation and the ongoing armed conflict in the country's Eastern region.

# 03

# Macroeconomic environment in Morocco

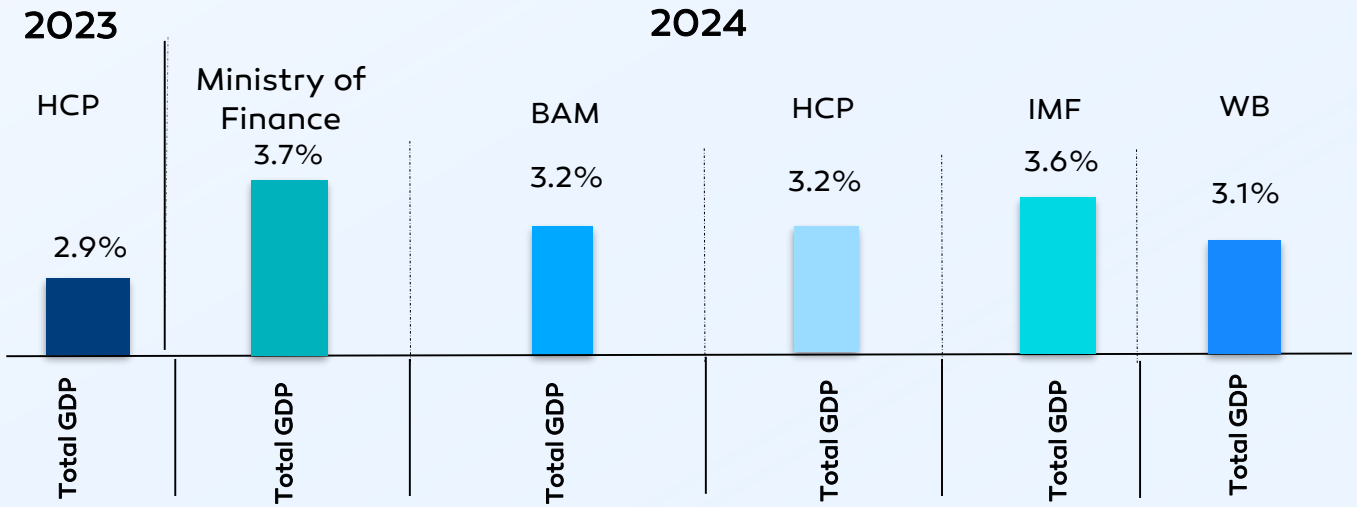
BANK OF AFRICA
BMCE GROUP

# ECONOMIC RECOVERY ONGOING WITH INFLATIONARY PRESSURES ABATING

BANK OF AFRICA
BMCE GROUP

# Morocco – growth recovery still robust although at a more moderate pace

## 2024 domestic economic growth forecasts




- Despite increased water scarcity, the Moroccan economy is expected to continue to grow at the rate of +3.2% in 2024, primarily underpinned by investment, healthy secondary and tertiary activity and a resilient export sector.
- Inflation, which hit a high of +6.6% in 2022, continues to gradually ease, reaching +6.1% in 2023 and a projected +2.4% in 2024, despite the anticipated gradual withdrawal of subsidies on subsidised goods. With inflation continuing to abate, Bank Al-Maghrib left its key interest rate unchanged at 3% on three consecutive occasions in 2023.
- The economic implications of the Al Haouz earthquake are likely to be limited due to the contributions (MAD 19.6 billion) to the Special Earthquake Relief Fund and the support of international partners, especially the IMF.

# Foreign trade – sharp improvement in the trade balance

| MAD billions | Jan-Dec 2023 | Jan-Dec 2022 | Change (%) |
|---|---|---|---|
| Merchandise imports | 715.7 | 737.4 | -2.9 |
| Merchandise exports | 429.3 | 428.6 | +0.2 |
| Trade balance | -286.4 | -308.8 | -7.3 |
| Foreign trade coverage ratio (%) | 60 | 58.1 | - |
| Travel receipts | 104.6 | 63.6 | +11.7 |
| Receipts from Moroccans living abroad | 115.2 | 110.7 | +4.1 |
| Net FDI flows | 10.2 | 21.8 | -53.3 |
| Foreign exchange reserves (ORA) | 359.4 | 337.6 | +6.4% |

*Source: Office des Changes and Bank Al-Maghrib*

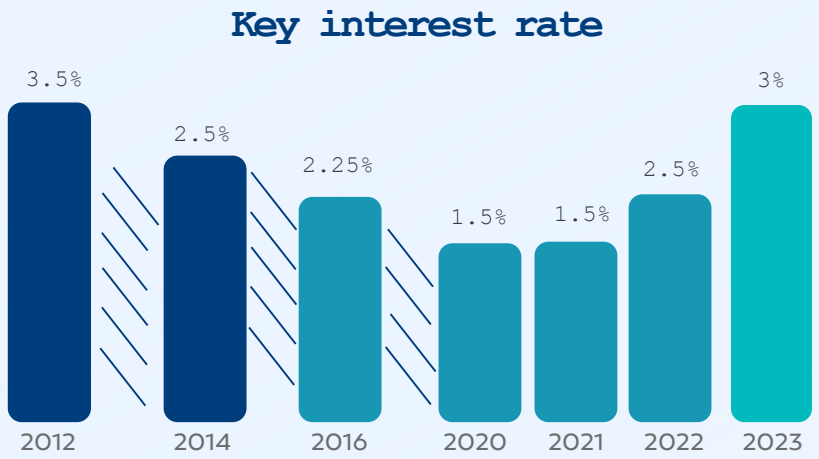
- Morocco's trade deficit contracted by -7.3% in 2023, primarily due to a decline in imports (-2.9%) with exports broadly unchanged (+0.2%). As a result, the foreign trade coverage ratio improved to 60% versus 58.1% in 2022.
- Export growth was largely driven by sales of automobiles (+27.4%) and electronics/electricity (+28.4%), despite a sharp decline in shipments of phosphates and derivatives (-34.1%). The drop in imports was primarily due to a decline in purchases of energy products (-20.4%) and semi-finished products (-10.5%).
- Remittances from Moroccans living abroad rose by +4% to MAD 115.2 billion while tourism receipts grew by almost +12% to about MAD 105 billion. Foreign exchange reserves climbed to MAD 359.4 billion (+6.4%), equivalent to 5 months and 15 days of imports of goods and services.

04

# Moroccan banking industry

BANK OF AFRICA
BMCE GROUP

# Pause in monetary tightening cycle



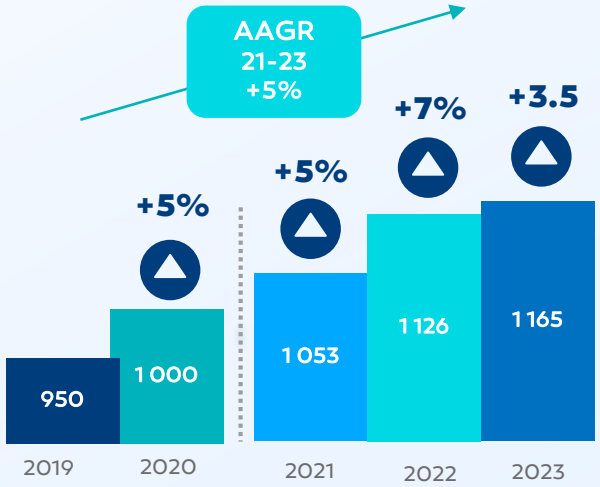

*Source: Bank Al Maghrib*

Ongoing efforts by Bank Al-Maghrib to ensure that liquidity levels within the banking system are comfortable and that reserves are adequate:

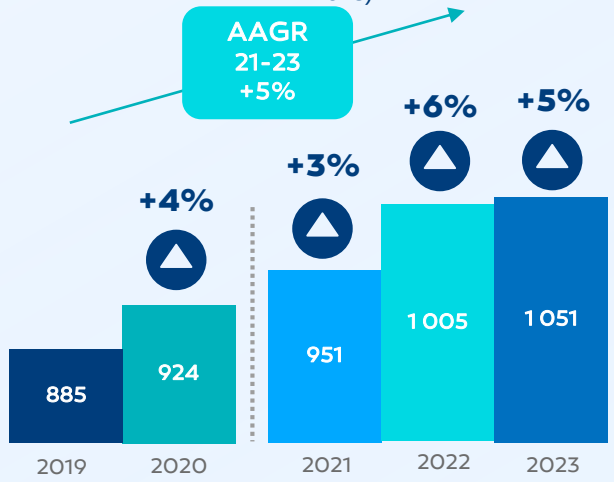
- Key interest rate unchanged at 3% at 31 March 2024 after three consecutive interest rate hikes since September 2022 totalling 150 basis points
- Monetary reserve requirement brought to zero (versus 4% previously)

# Trend in deposits and loans within the banking industry in 2023

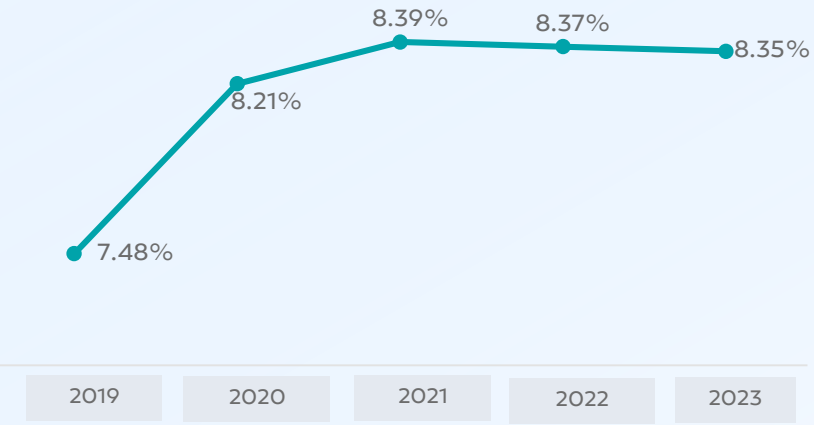
## Customer deposits (MAD millions)




## Customer loans and advances (MAD millions)




## Non-performing loan ratio




*Source: Bank Al Maghrib*

- The banking industry saw customer deposits grow by +3.52% from MAD 1,126 billion at 31 December 2022 to MAD 1,165 billion at 31 December 2023
- Customer loans grew by +5% to MAD 1,051 billion in 2023 versus MAD 1,005 billion the previous year
- Non-performing loan level broadly unchanged in 2023 with the non-performing loan ratio at 8.35% versus 8.37% at 31 December 2022

05

# Financial performance 2023

BANK OF AFRICA
BMCE GROUP

# Solid Results & Financial position

## At the consolidated level

BANK OF AFRICA Group's consolidated net banking income rose by **+9% to MAD 16.9 billion at 31 December 2023**, driven by growth of the core business – fee income +14%, net interest income +4% and income from market operations showing recovery

Significant improvement in the Group's consolidated **cost-to-income ratio, which stood at 50.6% in 2023** versus 53% at 31 December 2022, with growth in the Group's expenses contained at +4% excluding the impact from the contribution to the Earthquake Relief Fund. The ratio has trended down by 8.5 percentage points between 2019 and 2023

**Moderate increase (+4%) to MAD 2.7 billion in the consolidated cost of risk** at 31 December 2023, resulting in a cost-of-risk ratio of 1.23%, unchanged on 2022

**Robust growth of +16% to MAD 2.7 billion in net income attributable to shareholders of the parent company**. Excluding the impact from the contribution to the Earthquake Relief Fund, earnings grew by +22% to MAD 2.8 billion

Significant **contribution from African operations to the Group's earnings in 2023**, accounting for **56%** of Group earnings versus 42% from Moroccan operations

## At the parent company level

**Net banking income at BANK OF AFRICA SA up +8% to MAD 7.2 billion,** driven by all business lines with fee income +5%, net interest income +8% and income from market operations showing recovery

**Positive results from the operational efficiency plan** implemented in 2023, with the parent company's general operating expenses down -1% to MAD 3.7 billion, a level last seen 6 years previously; cost-to-income ratio of 51% at 31 December 2023 versus 55.8% at 31 December 2022

**The Bank's net income up +3% to MAD 1.6 billion** after factoring in the contribution to the Earthquake Relief Fund; excluding this exceptional item, net income posted double digit growth (+12%)

**Healthy commercial performance reflecting loan growth of +6% in Morocco to MAD 134 billion**, primarily due to business loan growth of +7.6%as well as a strong performance by non-interest bearing customer deposits, up +7%

**Improvement in BANK OF AFRICA's share of the loan market to 12.48%** at 31 December 2023 versus 12.35% at 31 December 2022

# CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

BANK OF AFRICA
BMCE GROUP

# Consolidated financial figures at 31 December 2023

## BALANCE SHEET

Total assets
+1% to MAD 388 billion

Customer deposits (excluding repos)
-1.8% to MAD 237 billion

Outstanding loans (excluding resales)
+3% to MAD 201.5 billion

Shareholders' equity attributable to shareholders of the parent company
+6% to MAD 26.7 billion

## INCOME STATEMENT

Net banking income
+9% to MAD 16,953 million

General expenses
+4% to MAD 8.6 billion before contribution

Gross operating income
+14% to MAD 8.4 billion before contribution

Cost of risk
+4% to MAD 2,758 million

Net income attributable to shareholders of the parent company
+16% to MAD 2,662 million after contribution
+22% to MAD 2,800 million before contribution

## REGULATORY CAPITAL RATIOS

Common Equity Tier 1 (CET1) ratio of 9.1%

Tier 1 ratio of 9.5%

Capital adequacy ratio of 12.4%

Liquidity coverage ratio of 125%

Cost-to-income ratio:
50.6% before contribution
51.9% after contribution

# Scope of consolidation: a well-diversified group

| % ownership interest | Dec 2022 | Dec 2023 |
|---|---|---|
| **Consolidation method** | | |
| BMCE CAPITAL | 100% | 100% |
| BMCE CAPITAL GESTION | 100% | 100% |
| BMCE CAPITAL BOURSE | 100% | 100% |
| MAROC FACTORING | 100% | 100% |
| MAGHREBAIL | 52.5% | 52.5% |
| SALAFIN | 62.0% | 62.0% |
| LOCASOM | 97.4% | 97.4% |
| RM EXPERTS | 100% | 100% |
| BANK OF AFRICA UK | 100% | 100% |
| BANK OF AFRICA EUROPE | 100% | 100% |
| BMCE EUROSERVICES | 100% | 100% |
| BOA GROUP | 72.4% | 72.4% |
| LCB BANK | 39.4% | 39.42% |
| OPERATION GLOBAL SERVICES | 100% | 100% |
| FCP OBLIGATION PLUS | 100% | 100% |
| BOA UGANDA | 79.9% | 79.9% |
| **Equity method** | | |
| BANQUE DE DEVELOPPEMENT DU MALI | 32.4% | 32.4% |
| EULER HERMES ACMAR | 20.0% | 20.0% |
| EURAFRICA INFORMATION | 41.0% | 41.0% |
| CONSEIL INGENIERIE ET DEVELOPPEMENT | 38.9% | (2) |
| AFRICA MOROCCO LINK | 51.0% | 51.0% |
| BANK AL KARAM | 56.4% | 100% |

**The Group's scope of consolidation was unchanged overall** between 2022 and 2023

(1) **Bank Al Karam**: fully consolidated and now fully owned by BANK OF AFRICA from 2023
Share capital totalling MAD 70 million issued and paid-up as part of a rights issue reserved for BANK OF AFRICA

(2) **Conseil Ingénierie et Développement**: Deconsolidated in 2023 following the sale of Bank of Africa's entire MAD 90 million holding

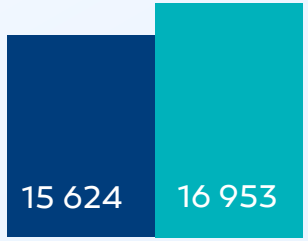
(1)

# Consolidated results (Group) at 31 December 2023 – excluding contribution

| MAD MILLIONS | 31 Dec 2022 | 31 Dec 2023 | YOY CHANGE |
|---|---|---|---|
| NET BANKING INCOME | 15 624 | 16 953 | +9% |
| GENERAL OPERATING EXPENSES | -8 281 | -8 578 | +4% |
| GROSS OPERATING INCOME | 7 343 | 8 375 | +14% |
| COST OF RISK | -2 646 | -2 758 | +4% |
| OPERATING INCOME | 4 679 | 5 617 | +20% |
| PRE-TAX INCOME | 4 870 | 5 737 | +18% |
| CORPORATION TAX | -1 330 | -1 520 | +14% |
| NET INCOME (GROUP) | 3 540 | 4 217 | +19% |
| MINORITY INTEREST | 1 236 | 1 416 | +15% |
| NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY | 2 305 | 2 800 | +22% |

# Growth in consolidated net banking income

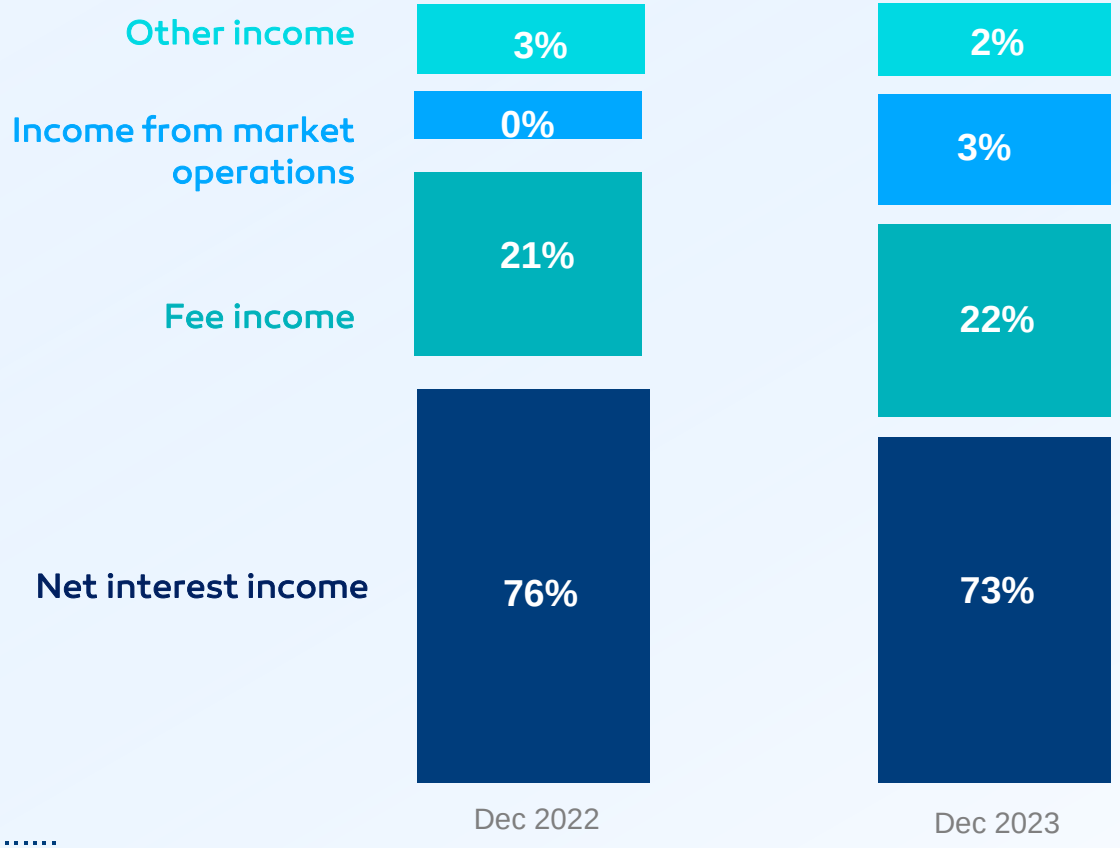
+9%




Net banking income
(MAD millions)
excluding contribution

Consolidated net banking income rose by +9% year-on-year to MAD 16.9 billion at 31 December 2023, driven by growth in net interest income (+4%) and fee income (+14%)

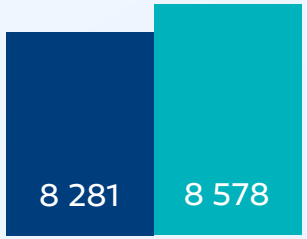
## Breakdown of consolidated net banking income



# Growth in general operating expenses contained

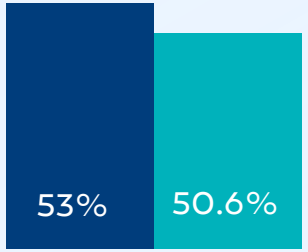
Dec 2022 Dec 2023

+4%




General operating expenses
(MAD millions)

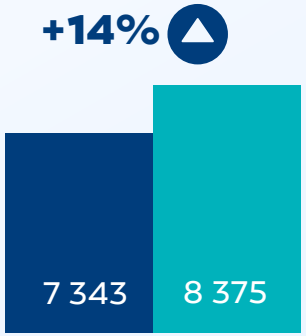
-2.4%



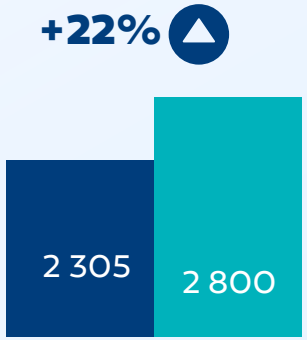

Cost-to-income ratio

- A modest 4% rise in general operating expenses
- Improvement of -2.4% in the consolidated cost-to-income ratio to 50.6% in 2023 versus 53% at 31 December 2022

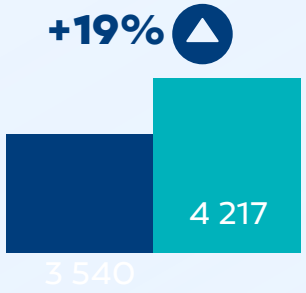
# Positive growth in Group earnings




Gross operating income
(MAD millions)

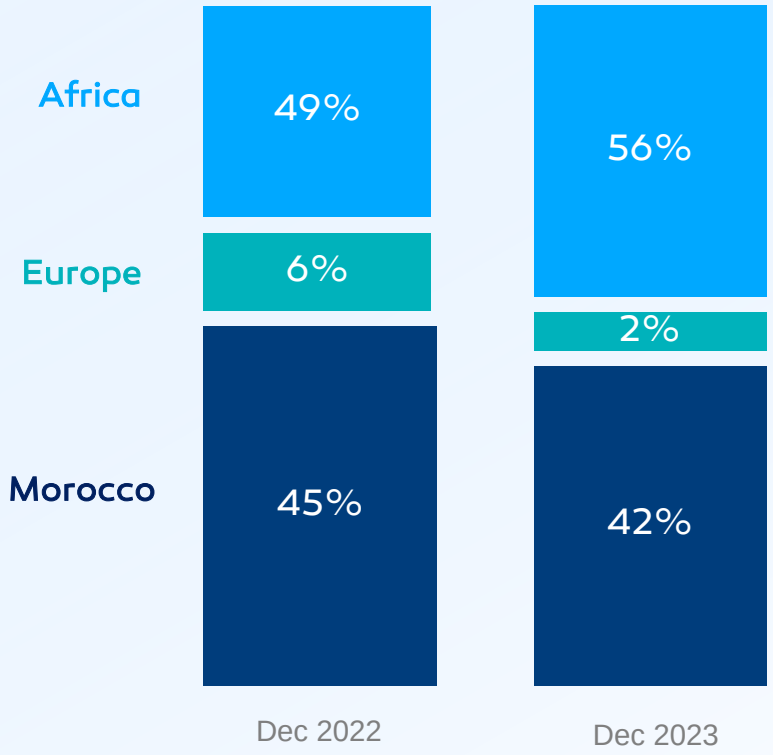



Net income
attributable to shareholders of the parent company
(MAD millions)




Net income (Group)
(MAD millions)

## Net income attributable to shareholders of the parent company by geographical region



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

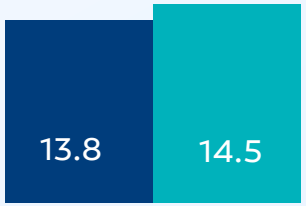
| CONTRIBUTION | Dec 2022 | % | Dec 2023 | % | YOY CHANGE |
|---|---|---|---|---|---|
| MOROCCAN OPERATIONS | 1 049 | 46% | 1 199 | 43% | +14% |
| BANK OF AFRICA | 816 | 35% | 1 007 | 36% | +24% |
| Subsidiaries | 234 | 10% | 192 | 7% | -18% |
| SPECIALISED FINANCIAL SERVICES | 128 | 6% | 119 | 4% | -6% |
| ASSET MANAGEMENT & INVESTMENT BANKING | 86 | 4% | 89 | 3% | +4% |
| OTHERS* | 20 | 1% | -17 | -1% | na |
| INTERNATIONAL OPERATIONS | 1 255 | 54% | 1 601 | 57% | +28% |
| Europe | 131 | 6% | 46 | 2% | -65% |
| Africa | 1 124 | 49% | 1 555 | 56% | +38% |
| NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY | 2 304 | 100% | 2 800 | 100% | +22% |

*Others: Locasom, EAI, CID, AML and Bank Al Karam
Dec 2023 net income attributable to shareholders of the parent company excludes the contribution to the Earthquake Relief Fund

# Trend in risk indicators

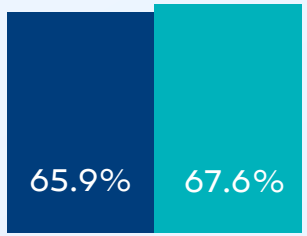
Dec 2022 Dec 2023

**+5%**



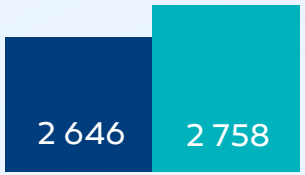

Loan loss provisions
(Bucket 3)
(EMAD billions)

**+1.7%**



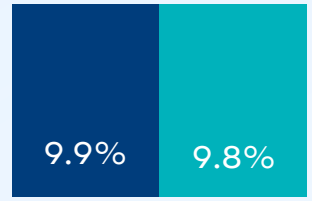

Loan loss coverage ratio
(Bucket 3)

**+4.2%**




Consolidated net cost of risk
(MAD millions)

**Broadly unchanged**




Non-performing loan ratio

- 5% increase in loan loss provisions to MAD 14.5 billion at 31 December 2023
- The loan loss coverage ratio rose to 67.6% and the non-performing loan ratio was broadly unchanged at 9.8%

# PARENT FINANCIAL STATEMENTS AT 31 DECEMBER 2023

BANK OF AFRICA
BMCE GROUP

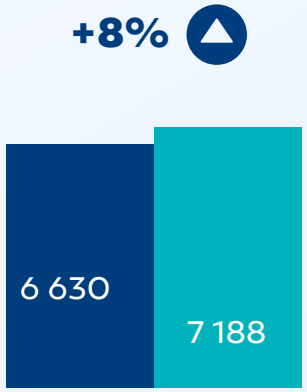
# BANK OF AFRICA S.A financial figures at 31 December 2023

| BALANCE SHEET | INCOME STATEMENT | REGULATORY CAPITAL RATIOS |
|---|---|---|
| Total assets<br>+4% to MAD 256 billion | Net banking income<br>+8% to MAD 7,188 million | Common Equity Tier 1 (CET1) ratio<br>of 9.5% |
| Customer deposits of MAD 148 billion | General operating expenses<br>-1% to MAD 3,665 million | Tier 1 ratio of 11.8% |
| Outstanding loans<br>+6% to MAD 134 billion | Gross operating income<br>+9% to MAD 3,553 million | Capital adequacy ratio of 15.2% |
| | Overall cost of risk of<br>MAD 1,075 million | Liquidity coverage ratio of 112% |
| | Parent net income<br>+12% (before contribution) to MAD 1,703 million<br>+3% (after contribution) to MAD 1,565 million | Cost-to-income ratio of 51%,<br>an improvement of +4.8% |

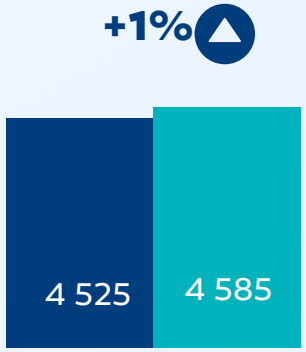
# Parent company revenues

## Key figures – parent company (MAD millions)

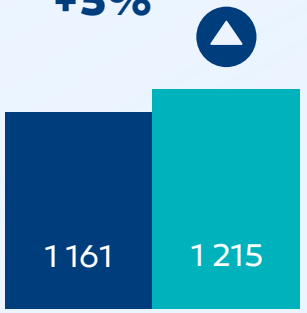
Dec 2022 Dec 2023



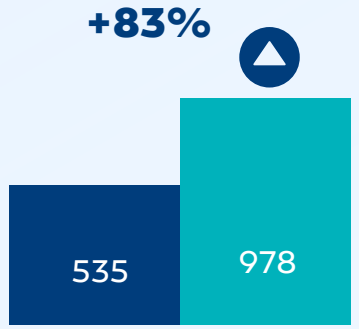

Net Banking Income
(Mad Millions)




Net Interest Income
(Mad Millions)




Fee Income
(Mad Millions)



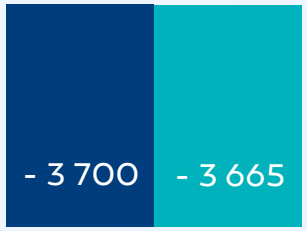

Income from Market Operations
(Mad Millions)

**Parent company net banking income rose by +8% to MAD 7,188 million** at 31 December 2023 versus MAD 6,630 million at 31 December 2022, driven by a **recovery in income from market operations, up +83%, growth in fee income of +5%, driven by a healthy revenue performance across all business lines** and the **contribution from net interest income, up +8%**

# General operating expenses unchanged

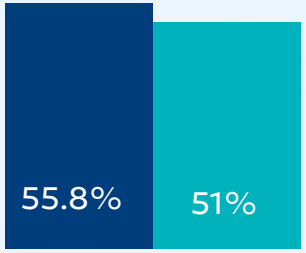
Dec 2022 Dec 2023

-1%




General operating expenses (MAD millions)

-4.8%




Cost-to-income ratio

**General operating expenses broadly unchanged** at just under **MAD 3.7 billion** at 31 December 2023, resulting in a cost-to-income ratio of 51% at 31 December 2023, an improvement of 4.8%

# Modest increase in cost of risk

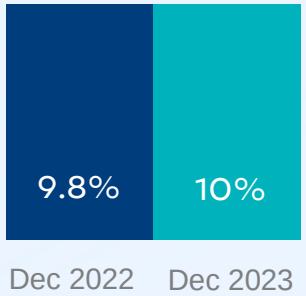
## Net cost of customer risk (MAD millions)

-9%

Net cost of risk fell by -9% to MAD 1,075 million at 31 December 2023

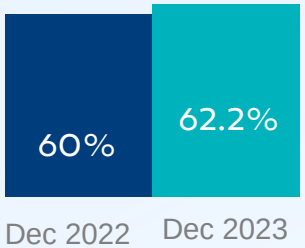
## Non-performing loan ratio

Unchanged




## Loan loss coverage ratio

+2.2%




Improvement in the loan loss coverage ratio in 2023, underlying the Bank's efforts to increase credit loss provisioning

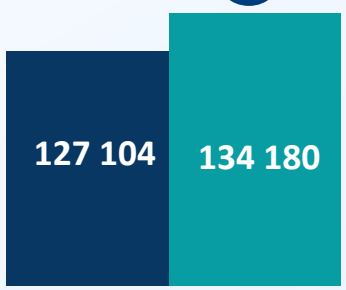
# Breakdown of parent net income

| MAD MILLIONS | Dec 2022 | Dec 2023 | YOY CHANGE |
|---|---|---|---|
| NET BANKING INCOME | 6 630 | 7 188 | +8% |
| GENERAL OPERATING EXPENSES | -3 700 | -3 665 | -1% |
| GROSS OPERATING INCOME | 3 257 | 3 553 | +9% |
| NET COST OF RISK | -1 184 | -1075 | -9% |
| RECURRING INCOME | 2 073 | 2 478 | +20% |
| NON-RECURRING INCOME | -141 | -283 | +101% |
| CORPORATE INCOME TAX | - 407 | - 630 | +55% |
| NET INCOME (INCLUDING IMPACT FROM DONATION) | 1 525 | 1 565 | +3% |

# Share of the loan and deposit markets

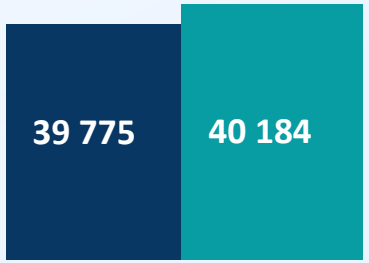
Dec 2022 Dec 2023

+6%



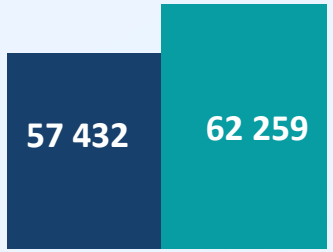

Customer loans

+1%




Retail loans

+8.4%

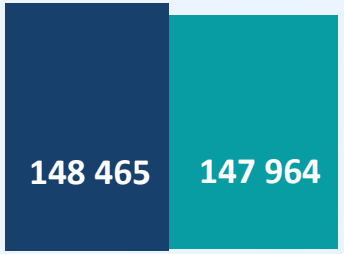



Business loans

Share of the customer loan market

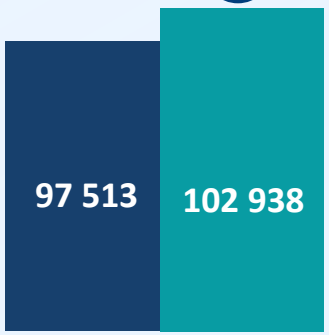
**Branch network – 653 branches at 31 December 2023**

Broadly unchanged




Customer deposits

+5.6%

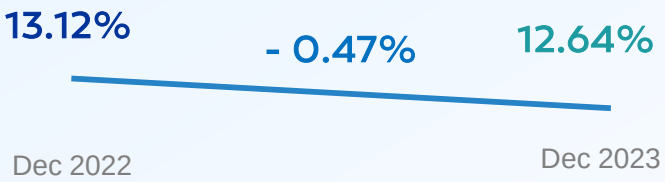



Sight deposit accounts

+2.7%

Savings accounts

Share of the customer deposit market



# INTERNATIONAL OPERATIONS

BANK OF AFRICA
BMCE GROUP

# BOA Holding Key Figures

**Total assets**
**EUR 10.2 billion**

**Shareholders' equity**
**Attributable to shareholders of the parent company**
**EUR 858 million**

**Customer loans**
**EUR 5.2 billion**

**Customer deposits**
**EUR 7.4 billion**

**Net banking income**
**EUR 755 million**

**Net income**
**EUR 180 million**

**17 countries**

**Number of branches**
**530**

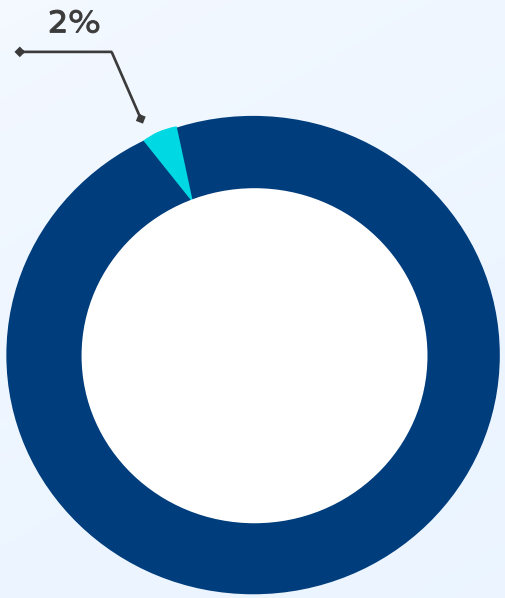
**Employees**
**6 233**

**Number of accounts**
**4.6 million**

# Contrasting performance in Europe

## Contribution to net income

**Attributable to shareholders of the parent company**




## BANK OF AFRICA Europe

**BANK OF AFRICA Europe** saw **parent net income grow by +15% to EUR 17.6 million** at 31 December 2023 versus EUR 15.3 million at 31 December 2022 due to higher net banking income and strong control of operating expenses

## BANK OF AFRICA UK

BANK OF AFRICA UK registered a net loss in 2023 due to higher refinancing costs against a backdrop of rising interest rates

# A Socially Responsible Bank

06

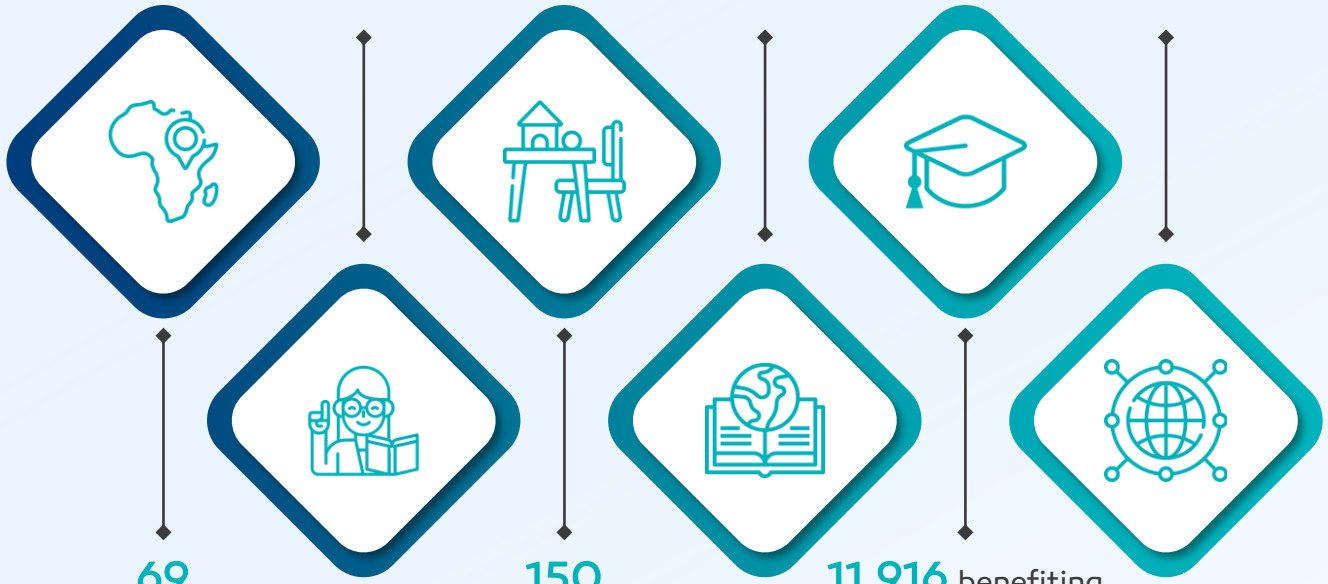
BANK OF AFRICA
BMCE GROUP

# BMCE Bank Foundation – a vehicle for inclusive development

FONDATION BMCE BANK
EDUCATION & ENVIRONNEMENT

**BMCE Bank Foundation** is a non-profit organisation founded in 1995 by Mr Othman Benjelloun and chaired by Dr Leïla Mezian Benjelloun.
The Foundation aims to contribute to Morocco's economic, social and cultural development and that of the African continent via two main missions, primarily via its Medersat.com programme:

- Promote education in rural areas to benefit children from disadvantaged communities
- Protect the environment



**69**
schools, including 6 in sub-Saharan Africa: 2 in Senegal, 1 in Congo Brazzaville, 1 in Mali, 1 in Rwanda and 1 in Djibouti

**557**
total number of teachers across the Medersat.com network

**150**
pre-school classrooms built as part of a national programme to make pre-school education more widely available

**37**
schools awarded the 'Eco-School' label by the Mohammed VI Foundation

**11,916** benefiting from a literacy programme

**32,893**
pupils, 50% of whom are girls, benefiting from services provided by the Medersat.com network

# Commitment Bolstered in favour of social progress & Community Development

**Dr Leïla MEZIAN BENJELLOUN**, BMCE Bank Foundation's Chair, **named 'Woman of the Mediterranean space' by the Regional Government of Andalusia in partnership with the Three Cultures of the Mediterranean Foundation** for her commitment to preserving and promoting history, heritage, language, culture and education in the Mediterranean region as well as inter-Mediterranean cooperation and supporting the most disadvantaged populations, including women and girls in rural areas.

**Cultural cooperation partnership agreement** reached between **BMCE Bank Foundation, Rabat's Mohammed V University and the Confucius Institute** aimed at extending Mandarin Chinese teaching across the Medersat.com network.

Agreement signed between **BMCE Bank Foundation and the ProFuturo Foundation** aimed at developing digital education as a catalyst for social and economic development in Morocco.

# BANK OF AFRICA Holding Foundation, a network of 7 foundations across the continent

BANK OF AFRICA FONDATION
GROUPE BANK OF AFRICA

In 2023, **BOA Foundation invested more than €3 million** in 7 countries on the continent

**Active in 7 countries**

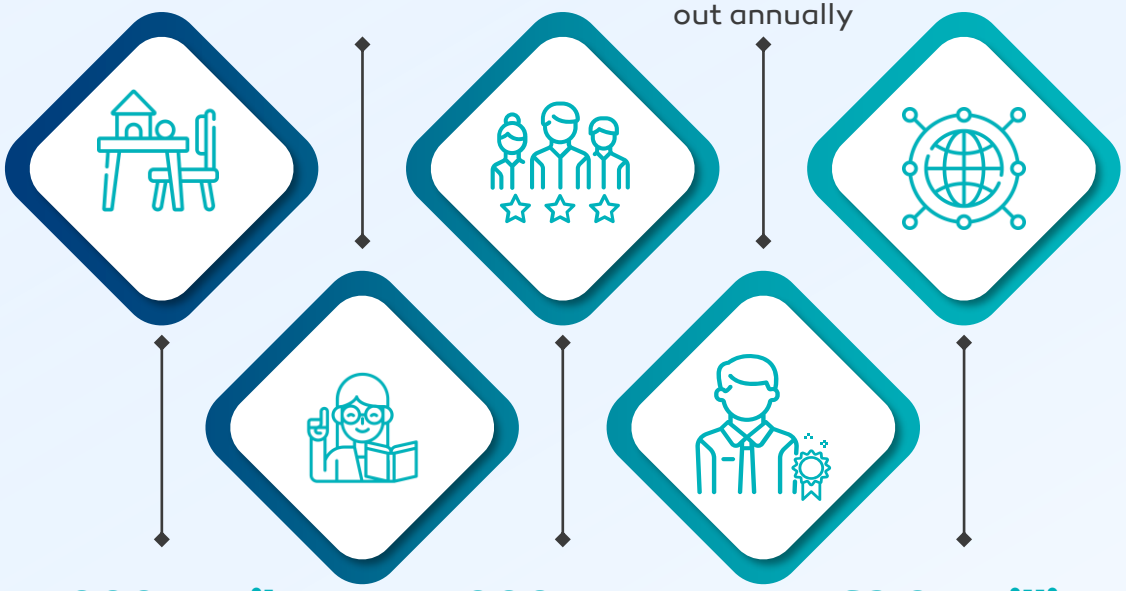
Benin, Burkina Faso, Côte d'Ivoire, Madagascar, Mali, Niger, Senegal

Build infrastructure in schools

Fund healthcare and disease prevention initiatives

**800 pupils**
introduced to digital resources

**12 healthcare centres and maternity clinics**
enabling more than 3,000 consultations to be carried out annually



**5,000 pupils**
benefiting from an improved learning environment in 80 renovated classrooms

**6,000 women**
have participated in female cancer screening campaigns

**€2.9+ million**
allocated to 95 projects to improve access to education, healthcare and the living conditions of thousands of vulnerable families and children

# Responsible Practices for Positive Impact

In response to the terrible earthquake which struck Morocco's Al-Haouz province 8 September 2023, **BANK OF AFRICA Group made every effort to support the victims of disaster areas** as part of relief measures issued by His Majesty King Mohammed VI. The Bank contributed to the Earthquake Relief Fundset up on the instigation of His Majesty King Mohammed VI to manage the earthquake's effects and oversaw the collection of donations via its branch network and digital channels as well as organising blood donation campaigns.

**The Group's ESG Sustainability Strategy was updated in 2023** with the latest version containing five undertakings underpinned by the UN Sustainable Development Goals, manageable at subsidiary and country levels: 1. Proactively integrate **sustainability** into Group Governance and performance management 2. **Innovative offers** and services promoting resilience to climate change and environmental transition 3. **Confidence in human capital** and its ability to create value through the Group's talent 4. Confidence, **customer satisfaction** and market share growth 5. **Catalyst for human and regional development**.

BANK OF AFRICA ranked **first among all listed Moroccan companies by LSEG Data & Analytics**, a subsidiary of the London Stock Exchange, in partnership with the Casablanca Stock Exchange, following a rigorous audit of companies' ESG performance across 10 main themes. The Bank obtained a score of 73 out of 100, placing it in the top 10% of a universe of 11,759 companies rated around the world, all sectors combined.

Pan-African Sustainability and **Impact Finance Chair** launched by BANK OF AFRICA Group, underlining its leadership role in Morocco and Africa in sustainability and impact finance. This innovative initiative brings together a number of academic and research based partner establishments in Morocco including **Marrakesh's Cadi Ayyad University, Fez's Euro-Mediterranean University, Casablanca's Hassan II University**, the **Hassania School of Public Works, Agadir's Ibn Zohr University** and the **ISCAE Group**.

**Regional decarbonisation tours** organised in Casablanca and Tangier following the signing of two agreements in 2022, one with the Moroccan Agency for Energy Efficiency (AMEE) and the other with Cluster EnR, aimed at helping decarbonise the Moroccan economy and adopting a low carbon strategy.

**'SOLIDARITY' card launched by BANK OF AFRICA in partnership with the Women's Solidarity Association (ASF)** as part of the Bank's ongoing commitment to promoting women's rights. This initiative aims to provide financial support to the ASF by remitting some of the fees and commissions earned from the take-up of this new bank card.

# Awards & Certifications (1)

Mr **Othman Benjelloun**, BANK OF AFRICA's Chairman, presented with the Economy and Finance Award in 2024 from Morocco's Diplomatic Foundation at the **3rd Public Diplomacy Awards ceremony**; nine awards presented to non-government-related nominees in recognition of their efforts to enhance Morocco's stature on the international stage and in bolstering relations and cooperation between the Kingdom and other countries.

BANK OF AFRICA one of four Moroccan banking groups to be ranked in the **Forbes MENA list of '50 most valued banks'**

Forbes

**'Most admired financial brand in Morocco'** and in the top 10 in Africa byBrand Africa 100, a report published in conjunction with the African Digital Summit 2023.

AFRICAN DIGITAL SUMMIT

BANK OF AFRICA named **'Best Bank on the African Continent' and 'Best SME Bank in Morocco'** by the prestigious Global Finance Magazine.

GLOBAL FINANCE

**'Best Bank in North Africa in 2023'** by The African Banker'.

AFRICAN BANKER AWARDS

Double recognition at Euromoney's Awards for Excellence with the Bank named **'Best Bank for SMEs in Morocco'** and **'Best Bank for ESG in Morocco'**.

EUROMONEY

BANK OF AFRICA named **'Most Active Partner Bank in Morocco in 2022'** by the European Bank for Reconstruction and Development (EBRD), awarded in 2023.

European Bank for Reconstruction and Development

# Awards & Certifications (2)

Successful follow-up **ISO 45001 certification audits** of BANK OF AFRICA's occupational health and safety management system, ISO 14001 certification of its environmental management system renewed by Bureau Veritas and its energy management system awarded dual certification **ISO 50001** following a joint audit by Bureau Veritas and IMANOR

BANK OF AFRICA an **award-winner in the MENA region's Financial Services category** for the **10th consecutive year** at the 16th Arabia CSR Awards, in recognition of its leadership in corporate social responsibility and sustainability

'**Top Employer Morocco 2024**' by the **Top Employers Institute for the 5th consecutive year** in recognition of its commitment to fostering a high-quality working environment.

'**Best Investment Management and Brokerage Company in Morocco in 2023**' at the BRVM Awards.

'**Trade Finance Bank of the Year 2022**' by two leading organisations, Innovation and Excellence Awards and Ghana Credit Excellence Awards 2022, awarded in 2023.

'**Lipper MENA Markets 2023 Fund Awards**' in the 'Mena Markets' and 'Mena Markets Domestic' categories

'**Best Investment Bank in Morocco in 2023**' by International Investor Magazine.

BANK OF AFRICA
BMCE GROUP

relationsinvestisseurs@bankofafrica.ma

bank-of-africa-bmce-group