



# BANK OF AFRICA

## -BMCE GROUP-

June 2020

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# BANK OF AFRICA OVERVIEW

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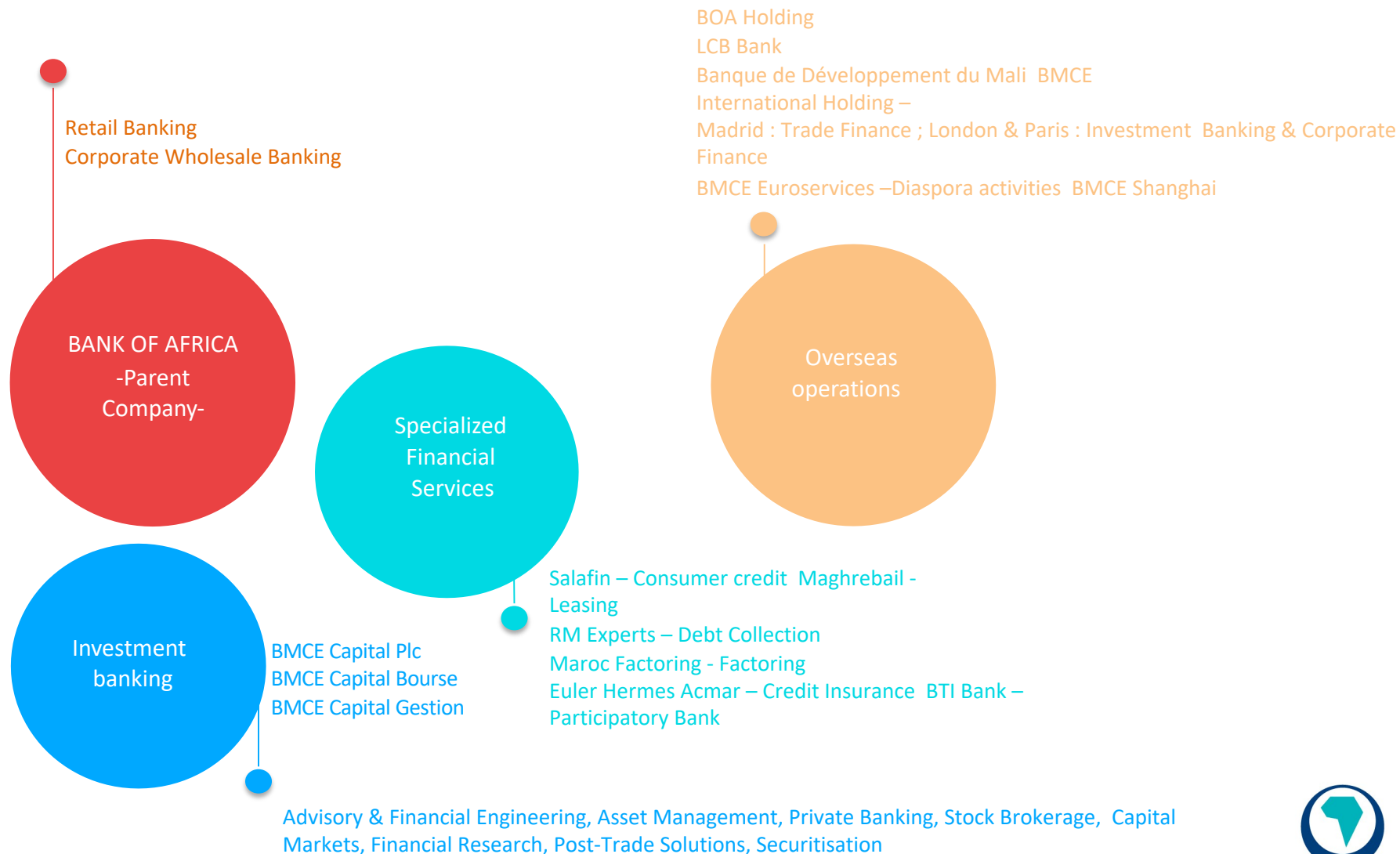
# A new Brand supporting Group's Transformation

The Extraordinary General Meeting, which met on March 5, approves 'BANK OF AFRICA' as a new name, by abbreviation "BOA"

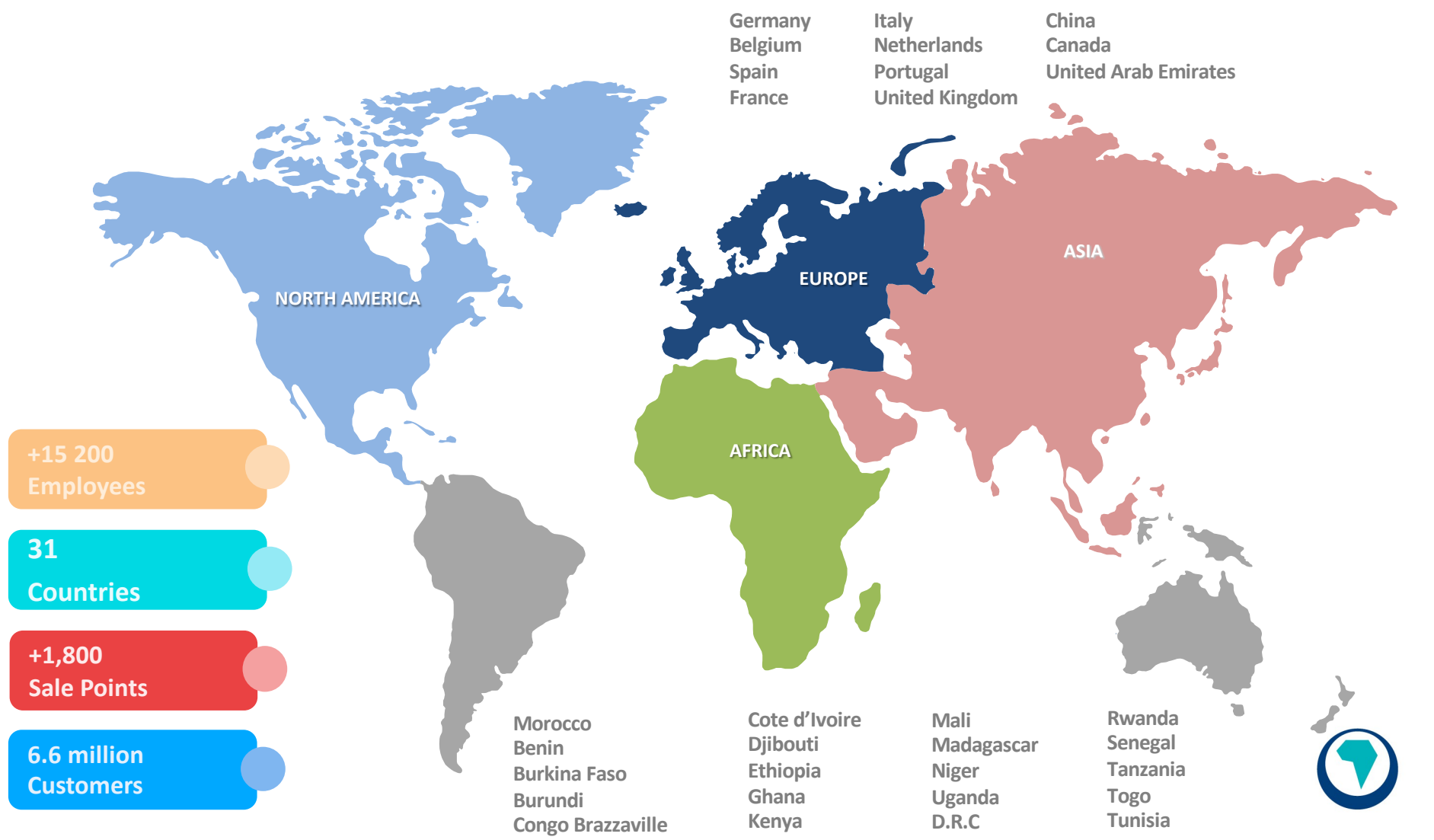
Through this new name, BANK OF AFRICA conveys its international vision, and hope for a long time making Africa the continent of the 21<sup>st</sup> century



# A multi Brand Universal Banking Group



# BANK OF AFRICA across the world



# BANK OF AFRICA key figures

## TOTAL ASSETS

315.7 Bn MAD

29.3 Bn EUR

32.9 Bn USD

## EQUITY ATTRIBUTABLE TO PARENT

18.7 Bn MAD

1.7 Bn EUR

1.9 Bn USD

## NET INCOME ATTRIBUTABLE TO PARENT

1.9 Bn MAD

178.5 M EUR

200.3 M USD

## NET BANKING INCOME

13.9 Bn MAD

1.3 Bn EUR

1.4 Bn USD

## CUSTOMER DEPOSITS

202.8 Mrd DH

18.8 Mrd EUR

21 Mrd USD

## CUSTOMER LOANS

186.6 Bn MAD

17.3 Bn EUR

19.5 Bn USD

(\*) Figures at end of December 2019



# BANK OF AFRICA – Parent Company – Key Figures

## Total Assets

201 Bn MAD  
18.7 Bn EUR  
21 Bn USD

## Gross Operating Income

2,953 M MAD  
274.3 M EUR  
308 M USD

## Net Income

1.4 M MAD  
127.4 M EUR  
143 M USD

## Net Banking Income

6.5 Bn MAD  
601.7 M EUR  
675 M USD

## Customer Deposits

139 Bn MAD  
12.9 Bn EUR  
14.5 Bn USD

## Customer Loans

139 Bn MAD  
12.9 Bn EUR  
14.5 Bn USD

**5,047**  
EMPLOYEES

**732**  
BRANCHES

**~2,5**  
Million  
CUSTOMERS

(\*) Figures at end of December 2019





# BANK OF AFRICA solicited Rating



## Moody's – February 2019

- LT issuer rating : Ba1
- Local currency deposits : Ba1
- Foreign currency deposits : Ba2
- Baseline Credit assessment : b1
- Outlook : Stable



## Fitch Ratings – February 2019

- Local currency deposits : BB+
- Foreign currency deposits : BB+
- Viability Rating(\*) : bb-
- Outlook : Stable



# More than 60 years of Development

**1959-1994**

From a state-owned bank...

**1959: Bank established**

**1972: Opens first overseas operations with Paris branch office**

**1975: Listed on the Stock Exchange**

**1995-2006**

...to a universal bank

**1995: Bank privatised**

**2000: Representative offices opened in London and Beijing**

**2004: First non-European bank in Morocco to be awarded a CSR rating**

**2007-2020**

...and now a multinational Group

**2007: BBI London starts operations**

**2008: Acquires a 35% stake in BOA Holding**

**2013: USD 300 million Eurobond issue**

**2015: - New corporate name adopted, 'BMCE Bank Of Africa', underlining the Group's African credentials**  
- Stakes raised in BOA Holding to 75%, in Banque de Développement du Mali to 32.4% and in LCB Bank to 37%  
- African Entrepreneurship Award programme launched

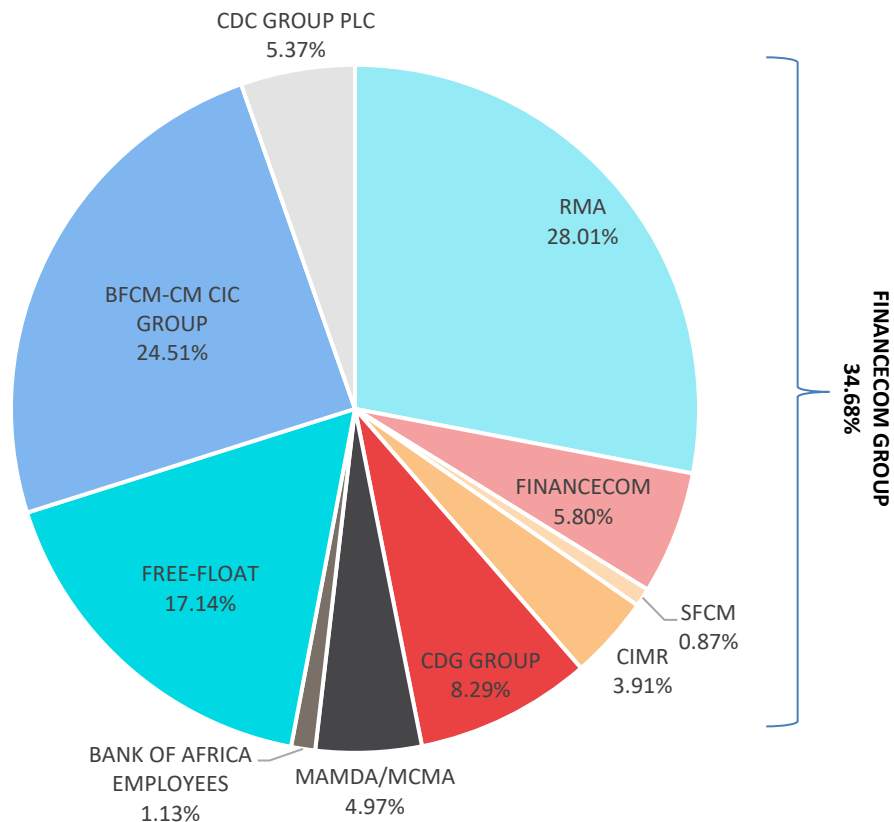
**2016: First bank to issue a green bond at COP 22**

**2019: BMCE Shanghai subsidiary starts operations**

**2020 : BMCE Bank of Africa becomes BANK OF AFRICA**

# Stable & Diversified Shareholding Structure

**December 2019**



## FINANCECOM

Private Moroccan group, leader in the country with a pan African impact. Present in different business areas with a potential economic growth as banking, insurance, telecom, new technologies, asset management, media...

## RMA

A leading player in the insurance market, with an expanded and solid distribution network

## CDG GROUP

Morocco's largest institutional investor and key player in the national economy. Its active include public financing of investment projects, saving management activities...

## BFCM - CM-CIC GROUP

One of the leading retail banks in France, providing financial services to more than 5.1 million clients, pioneer in electronic banking and a major actor in the professional market

## CDC GROUP PLC

Established in 1948, CDC Group Plc is the largest UK Development finance institution in the world, holding an investment portfolio of over \$ 6 billion across Africa & South Asia



# BANK OF AFRICA – GROUP'S STRATEGY

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# Strategic Development Plan 2019-2021 : a new growth era

The **Strategic Development Plan 2019-2021** underlines Bank of Africa's commitment to ensuring that its development is underpinned by sustainable and long-term growth. In Morocco, the **retail banking** and **corporate banking** businesses, particularly the **SME segment**, are expected to experience **a new growth trajectory through Cap TPE 2020** program, as part of the Royal high guidelines to support entrepreneurs

The new plan also envisages the **development of new niche businesses** such as the **'Green' Business** and **participatory banking** via **BTI Bank**. Both these businesses have strong growth potential

A major priority for the Group is to accelerate the **development of digital banking**. The Group is resolutely committed to developing **multichannel banking** and aspires to become a market leader in this area in both Morocco and Africa

On the **international** front, the new Strategic Plan provides for the reconfiguration of the **BMCE International Holding's operations** and those of **BMCE Euroservices** for Moroccans living abroad in addition to bolstering the **Bank's China business** through its new branch in Shanghai

The Group enhances its positioning as a regional Leader in **Sustainable & Impact Finance**, as well as offering an institutional dimension to the various social and societal commitments that it has honored for several decades through **BMCE Bank Foundation** and various initiatives including the Group-wide deployment of the **Sustainability Charter**



# Financial Strengthening in line with BANK OF AFRICA's Growth

3.7 Bn MAD of funds raised

**1 BN MAD**

Public offering, for an amount of MAD 1 billion

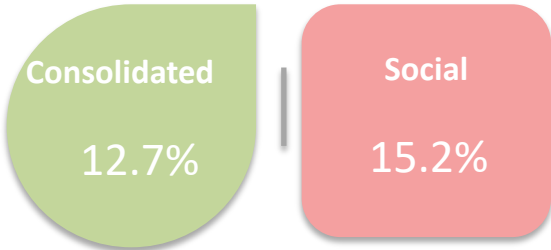
**1.9 BN MAD**

Entry of an international investor, CDC Group Plc in the capital of Bank of Africa to an amount of USD 200 million. CDC Group Plc has 5.37% equity stake in Bank of Africa

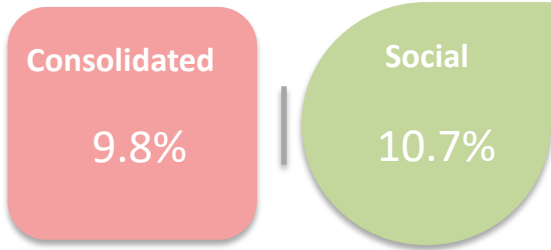
**734 M MAD**

Scrip dividend by optional conversion for 2018

Solvency Ratios



Tier 1



# Growth drivers and future developmental priorities

Bolster the **Retail and Corporate Banking** businesses with a specific focus on **SMEs**, through extra-financial support aimed at facilitating access to financing, creation and animation of a reference ecosystem with more than 40 partners and a network “Blue Space” incubators, the Entrepreneurship Observatory, the SME Club and the Entrepreneurship Club as well as the “Women in Business” line of credit

**Development of new niche businesses** such as the ‘**Green**’ Business and **participatory banking** via **BTI Bank**

Strongly committed to **digitalisation**

The Group’s international operations in **Asia, Africa, Europe**, and **North America**

Leadership in **Impact Finance, Sustainability** and **Corporate Social Responsibility**



# BANK OF AFRICA's Strategic map by geographical area



- Dynamic growth for Retail & Corporate Banking activities, particularly SME segment Through CAP TPE 2020 Program, part of the Royal High Orientations
- Improving operational efficiency for the Bank in Morocco
- Strengthening risk management tools

- Development of new segments, such as Green Business and Participatory Bank - BTI Bank -
- Strengthening Debt Collection activity
- Digitalization Transformation to enhance customer experience and achieve operational efficiency
- Social and societal commitments through BMCE Bank Foundation, Positive Impact Finance and deployment of CSR Charter



- Strategic orientation towards SME market
- Strengthening risk management tools
- Synergies with Group entities in Morocco, Europe and China

- Significant investment in IT infrastructure as part of IT Master Plan
- Digitalization and innovative digital solutions for customers



- Reconfiguration of BMCE International Holding activities and BMCE Euroservices for Moroccans living abroad
- A multi-business platform (Trade Finance, Corporate Finance, Moroccans living abroad ...) for Africa

- Through offices in major European capitals - London, Paris and Madrid, BMCE International Holding - offers its clients banking and financial services in Trade Finance and Project Finance



- Strengthening bank's development in China through its new branch in Shanghai
- Strengthening Correspondent Banking and Trade Finance activities

- The BMCE Bank Shanghai branch objective is to assist Chinese exporting companies, operating in telecommunications, transport and trade sector





## A LARGE PRESENCE IN AFRICA

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# BANK OF AFRICA : Large presence in Africa



~72.5%

2007 : Acquisition of 35% of BOA Holding, a major Pan African banking group present in 18 countries in the African continent. Nowadays, BANK OF AFRICA owns 73% of its shares



37%

2003 : Following a successful restructuring program, BANK OF AFRICA acquired 25% of **LCB Bank** was made. Bank of Africa owns today 37% of LCB, which the first bank in Congo Brazzaville



32,4%

1989 : First Moroccan Bank to be established in sub-Saharan Africa during the end of the 1980s, beyond a successful restructuration of **La Banque de Développement du Mali**. It is the first Bank in the country in which Bank of Africa owns today more than 32%



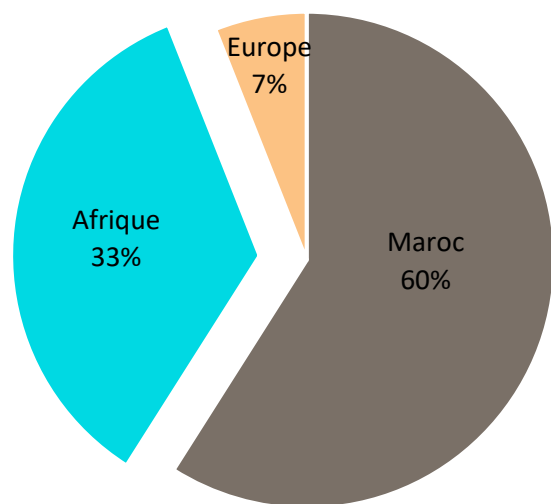
59%

2006 : Launch in 2006 of **Axis Capital** in Tunisia, specialized in asset management, stock brokerage and advisory services

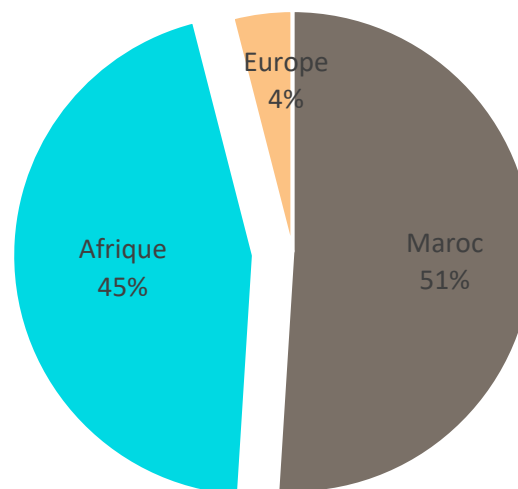


# Africa : First rank contribution to the Group's Results

**Net Income Attributable To Parent  
by Geographical Area  
December 2019**



**Net Banking Income  
by Geographical Area  
December 2019**



# Shareholding' Structure of BOA Holding



- BANK OF AFRICA : First Moroccan bank to be established in sub-Saharan market.
- A network of more than 1,700 sale points worldwide with a foot print in 31 countries include more than 20 in Africa



- PROPARCO : a financial institution jointly owned by Agence Française de Développement (AFD) and private shareholders from developed and developing countries

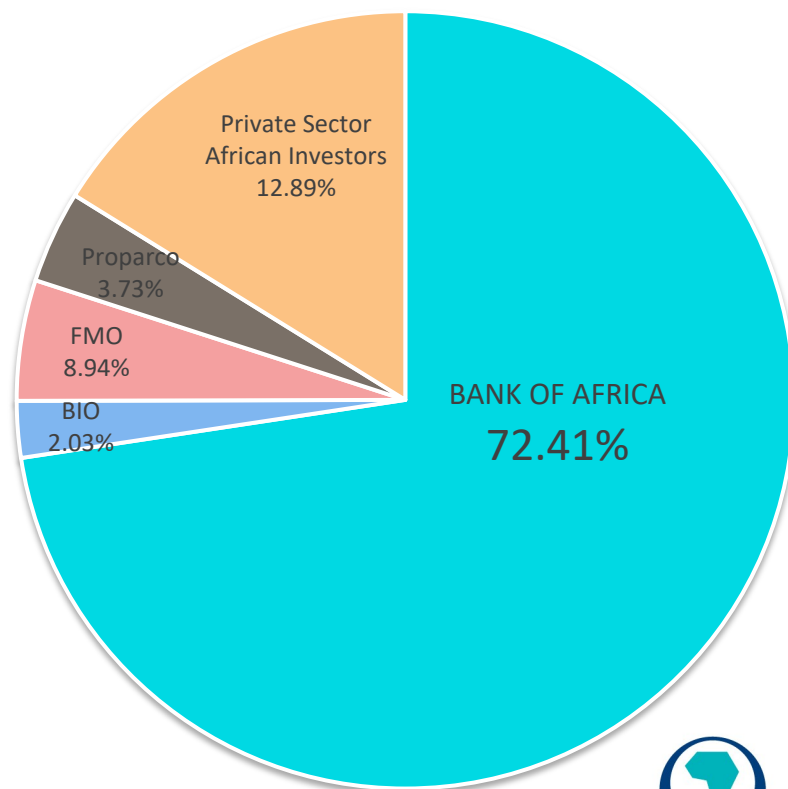


- FMO : Dutch development's agency focused on private sector's financing projects, created in 1970 by the Dutch government which holds 51% of its capital

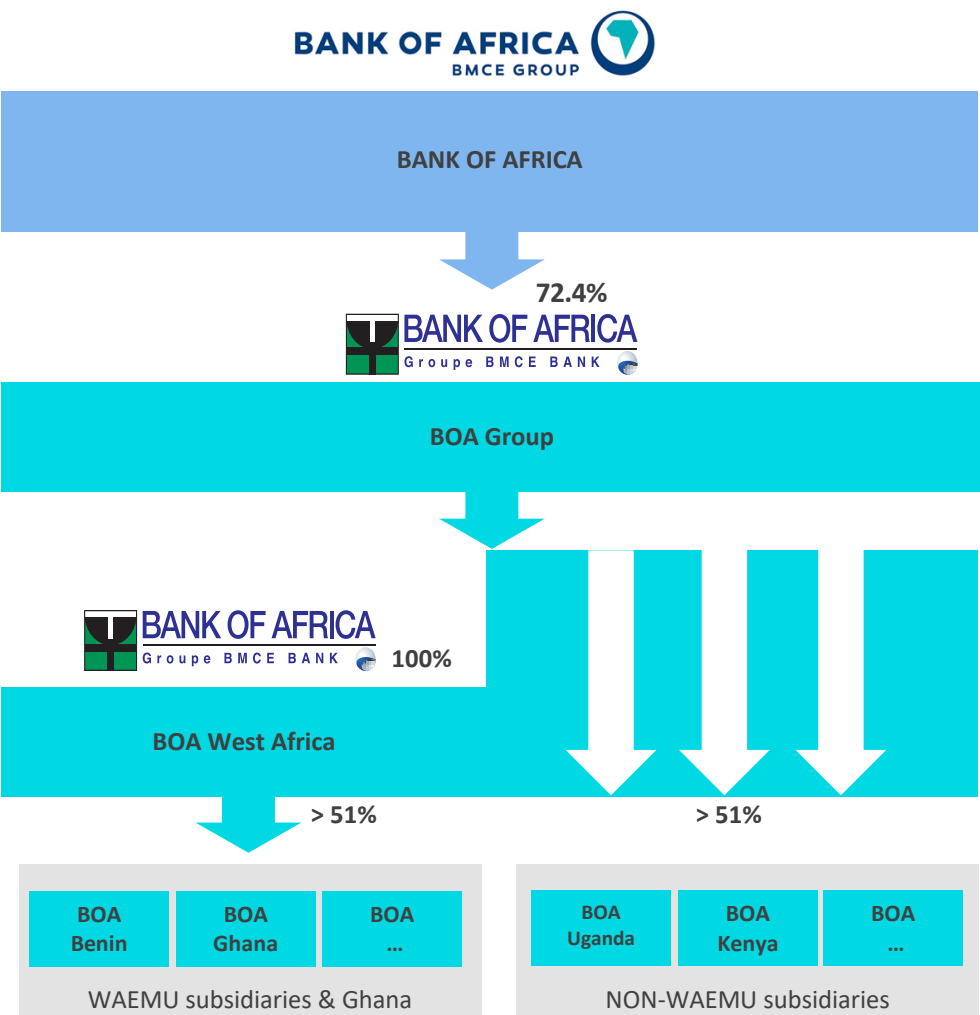


- BIO : a Belgian institution specialized in development finance in 2001 to promote the growth of the private sector in emerging and developing economies

As of December 2019



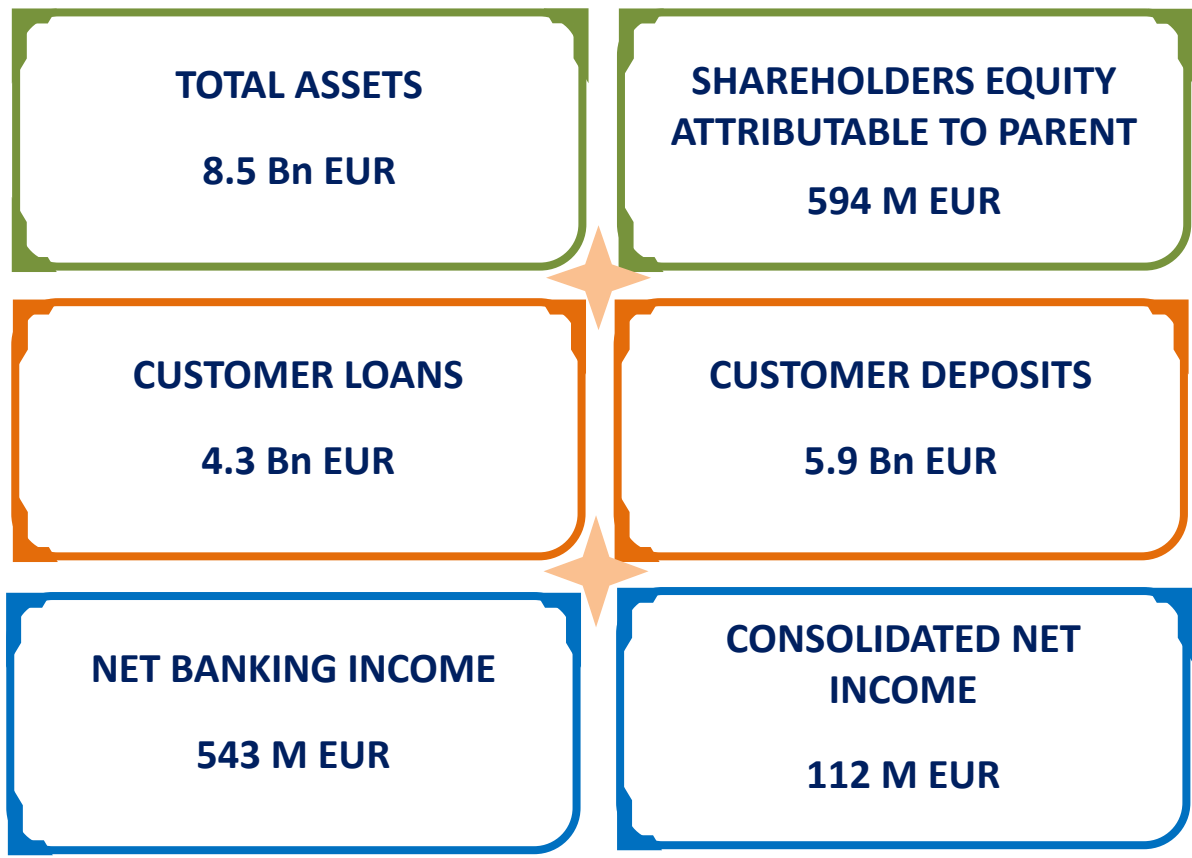
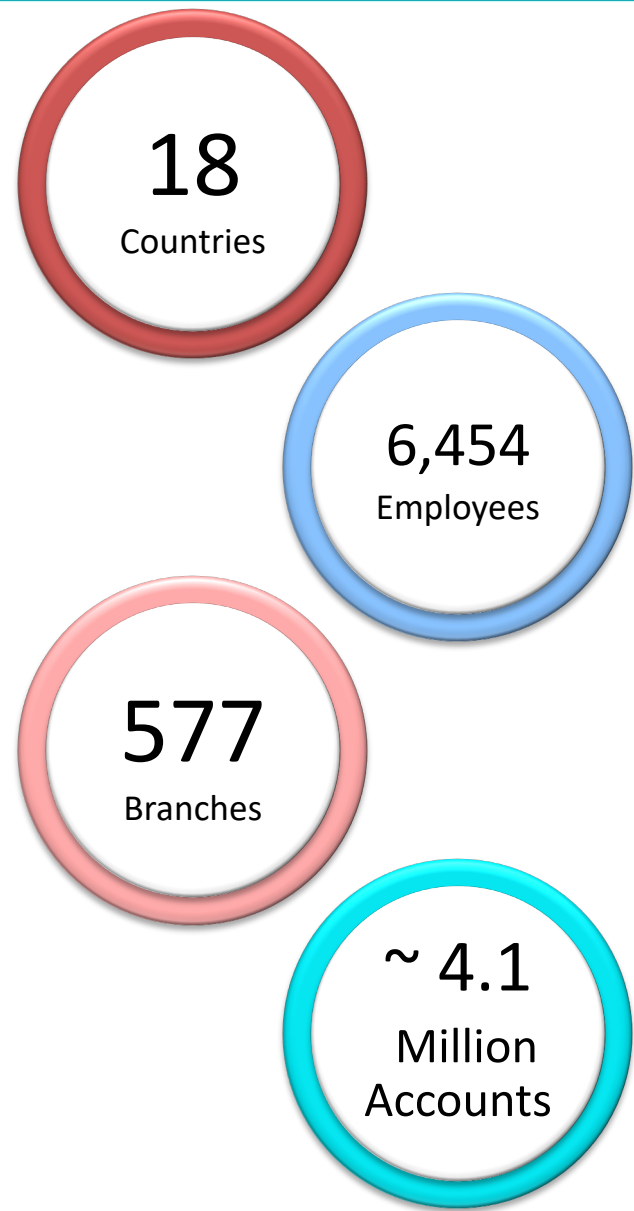
# BOA Holding's Structure



- **BANK OF AFRICA** is the 3<sup>rd</sup> largest commercial bank in Morocco
  - **BANK OF AFRICA's** **Total asset** as of December 2019 amounts **EUR 29.3 Billions** and its **consolidated equity** stands at **EUR 1.7 Billion**
- 
- **BOA Holding** is a Luxembourgian Financial holding controlling **17 Banks in Africa**
  - As of 2019, **Total asset** amounts **EUR 8.5 Billions**, with **EUR 4.3 Billions** of **Customer loans**
  - **WAEMU** and Ghanaian subsidiaries (banks) are under **BOA WEST AFRICA** umbrella, a regulated entity based in Ivory Coast and 100 % owned by BOA Group
- 
- **The Group** is **present in 17 Sub-Saharan countries** and in France where it controls the majority of the stakes and manage the subsidiaries
  - Our subsidiaries are located in the **WAEMU zone**, in the **East-African Community zone**, in **Ghana, DRC, Madagascar and Djibouti**



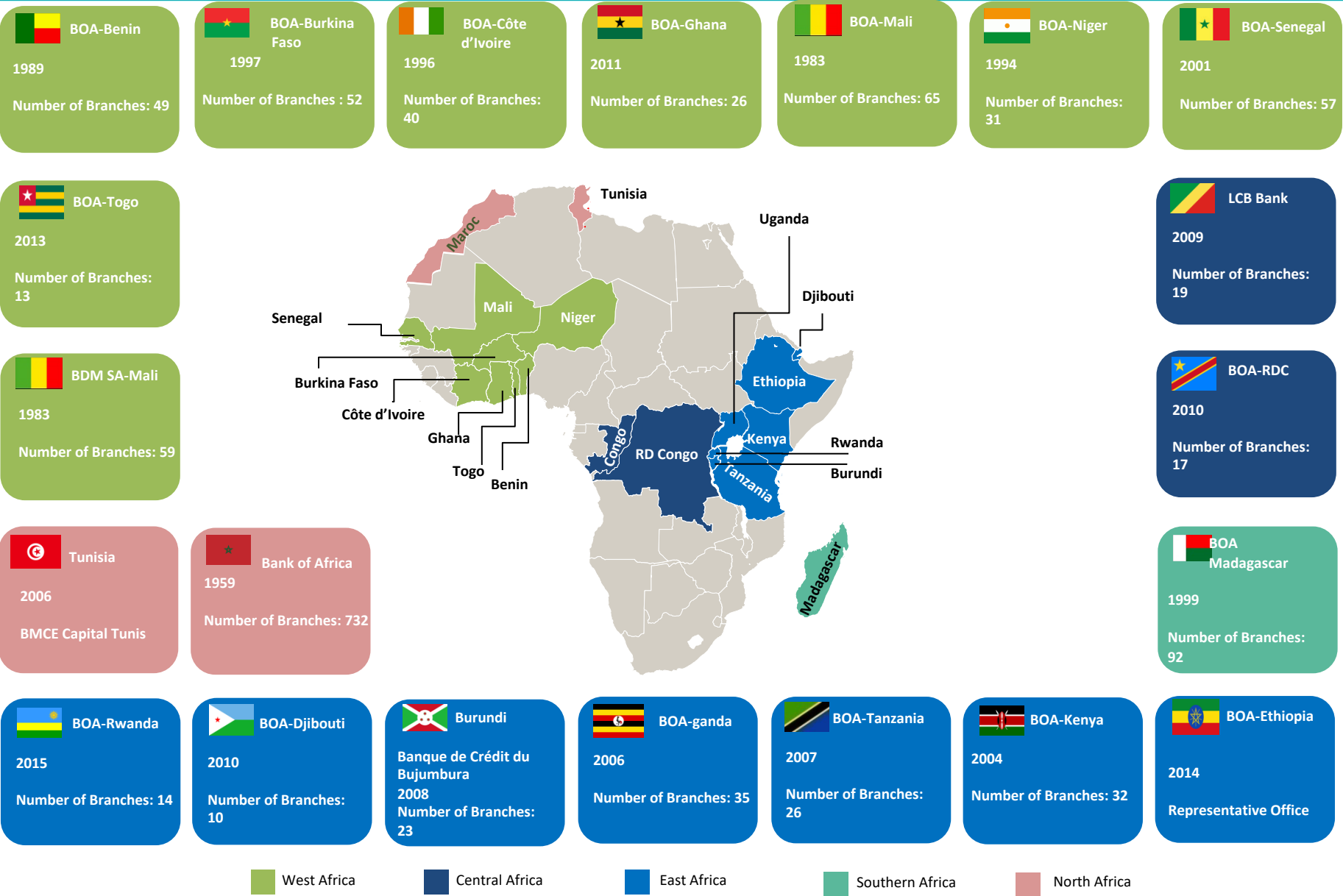
# BOA Holding's consolidated figures



(\*) Figures at end of December 2019



# BOA Holding, the second largest Pan African Group



# BOA Holding Corporate & SME products & Services

**BOA Holding offers companies 6 categories of products & services**

1

## **Working capital financing**

Overdraft facilities, spot credits,  
cash discount, bridge loan

3

## **Trade Finance**

Documentary credit / remittance,  
endorsements and guaranties,  
transfers

5

## **Market activities & Asset management**

Financial structuring, IPO,  
investment strategy

2

## **Investment financing**

Long and mid-term loans, leasing

4

## **Cash Management**

Fundraising, mass transactions,  
investments, hedging

6

## **Digital banking**

Internet banking, cash management





# Intra-Group synergies for Africa Development

## **BOA Holding – BANK OF AFRICA**

Development of synergies in many areas : Finance, Risk Management, General Control, Compliance, IT ...

### **BOA Holding - SALAFIN**

Implementation of a complete platform for automobile financing

Implementation of a management tool for debt collection

### **BOA Holding - BMCE Capital**

Joint-venture with BMCE Capital covering activities of advisory, stock brokerage and asset management

### **BOA Holding - BMCE Euroservices**

Development of synergies between BMCE EuroServices and BOA-France in the money transfer activities

### **BOA Holding - RM EXPERT**

Implementation of a management tool for debt collection

### **BMCE Bank International Holding (Londres, Paris, Madrid)**

Development in Africa as a specialist of Corporate & Investment banking

### **BMCE Shanghai**

Promotion of Chinese investments on the continent through Trade Finance and Project Finance



# Synergies Platform Overview



BMCE Shanghai

Moroccan &  
Chinese customers

French  
customers



Tunisian  
customers



**SYNERGIES  
PLATFORM**

*Based in Dakar*

West  
Africa



East  
Africa



DRC



Ethiopia



Madagascar



Djibouti



# EUROPEAN OPERATIONS

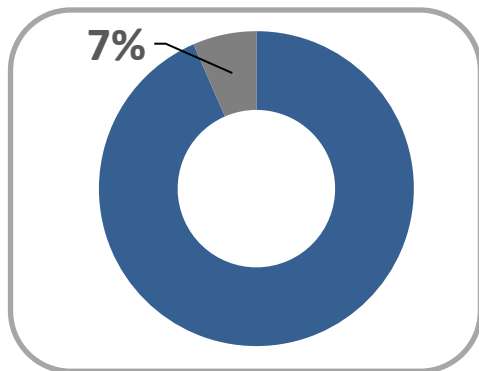
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# Europe based operations Group

Contribution to net income  
attributable to shareholders of the parent company

## BMCE Bank International Holding



**BBI London**  
Corporate Banking & Financial Markets



**BBI Madrid**  
Trade Finance

**BMCE Euroservices**

### Money Transfer at the Service of Moroccans Living Abroad

About 40 Representative Offices across 8 countries – France, Spain, UK, Italy, Germany, Netherlands, Belgium & UAE



# FOCUS ON DIGITAL TRANSFORMATION

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# Digital Programme pursue 3 strategic objectives

Use the Digital in order to create value and develop business opportunities

1

Improve the customer experience across all the bank's channels while developing new revenue sources

- Develop the new customers acquisition, particularly through the Direct Agency
- Establish the branch network as a channel supporting the Digital
- Develop distance selling via remote channels (using the electronic signature,...) in order to meet the new customer's behaviors
- Developing new sources of revenue through digital channels
- Homogenize the user experience across all channels

2

Make Bank of Africa the leading player in digital and innovation

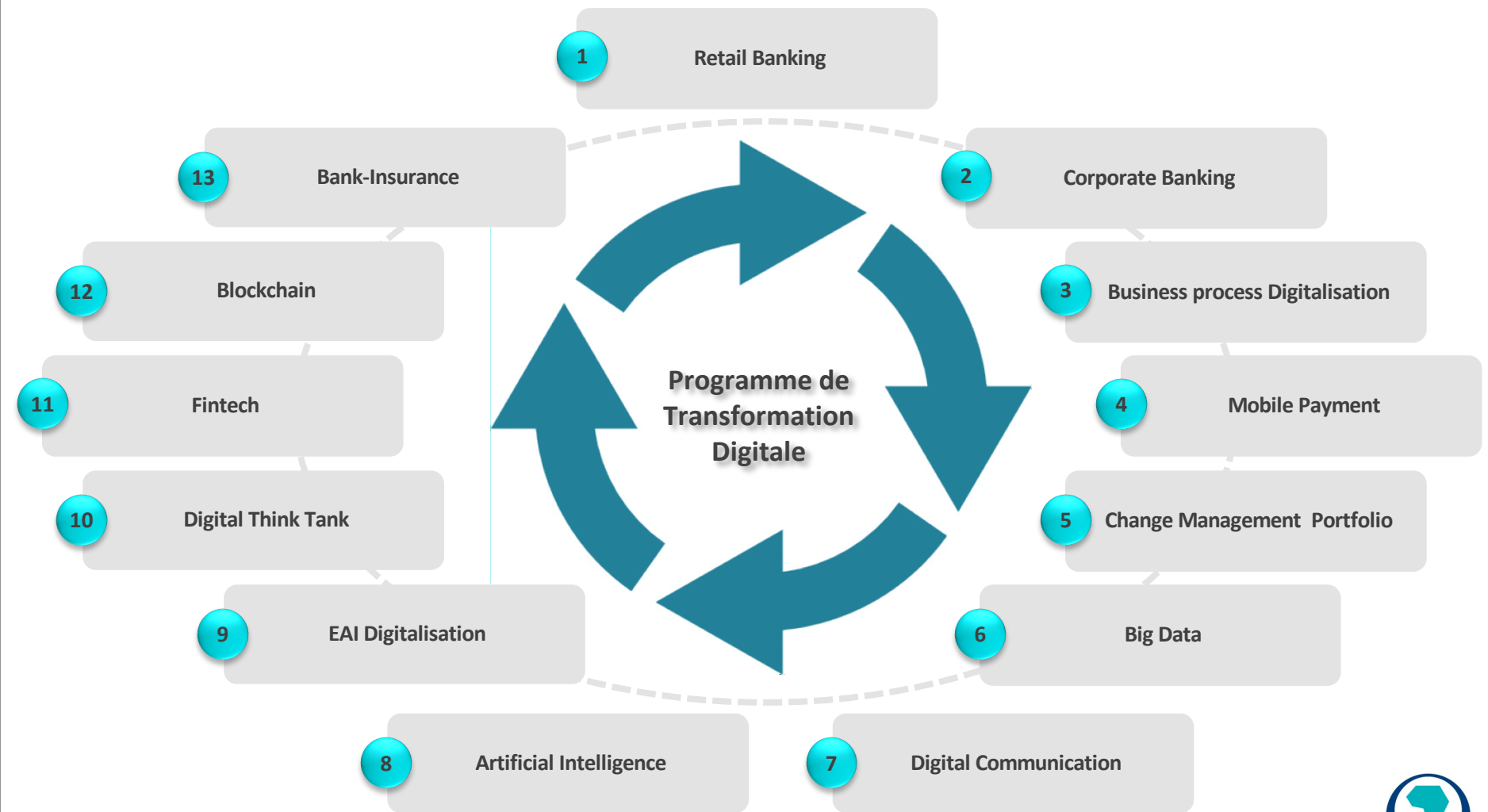
- Invest significantly in social media to build loyalty and attract new customers
- Use new communication channels to be close to an increasingly well-connected customer
- Strengthen Bank of Africa's technological and digital image through a differentiating external communication
- Be the leader in the implementation of technological innovations

3

Digitize front-to-back business processes to improve our operational efficiency

- Re-engineering of front-to-back business processes using digital tools and technological innovations (robotization, artificial intelligence) to improve operational efficiency
- Develop a Paperless approach by developing end-to-end workflows, particularly for all decision-making organizations

# Digital Programme : BANK OF AFRICA's digital transformation on-track



A GROUP COMMITTED TO SUSTAINABLE DEVELOPMENT GOALS AND  
POSITIVE IMPACT FINANCE

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# BMCE Bank Foundation in figures

More Medersat.com schools awarded the Eco-School label from the Mohammed VI Foundation for Environmental Protection, taking the total number of Medersat.com schools designated as Eco-Schools to 25

BMCE Bank Foundation's operations in sub-Saharan Africa bolstered, taking the total number of schools to 6, in Senegal (2), Congo-Brazzaville, Mali, Rwanda, Djibouti and 1 socio-educational centre in Senegal

Nearly 200 units built and fully-equipped, specialising in pre-school and primary education, covering Morocco's 16 regions

62 schools providing a pre-school and primary education to approximately 10,400 pupils from socially disadvantaged backgrounds

500 teachers, 48% of whom are female, supervised and managed

22,000 pupils schooled, 50% of whom are girls and high school diplomas awarded to 1,465 students since 2012

230 hours/year of in-house training for teachers in a variety of disciplines (languages/sciences/pre-school)



# Group Sustainability Charter : 6 Pledges Aligned with Industry Best Practices

## Business Ethics and Responsible Customer Relationship

1

- Fight against corruption, fraud and anti-competitive practices
- Anti-money laundering and terrorist financing
- Security of information and protection of personal data
- Responsible customer relations
- Prevention of over-indebtedness
- Responsible purchasing

## Sustainable & Impact Finance

2

- Environmental, Social and Governance Risk Management (ESG)
- Low carbon economy financing and energy transition
- Positive Impact Finance
- Supporting the growth of MSMEs
- Social Entrepreneurship - Financial Inclusion
- Green and Socially Responsible Investments (SRI)

## Responsible Employer

3

- Diversity and equal opportunities
- Career Management, Training
- Support of transformations and mobility
- Health, safety and quality of life at work
- Collective bargaining and social dialogue

## CREATION OF SHAREHOLDER AND PARTNERSHIP VALUE



## CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

## Governance & Risk Management

4

- Reliability of information to the Board and Specialized Committees
- Risk management and ESG factors
- Independence of the directors
- Sincere and complete financial information
- Respect for the rights of shareholders

## Environment

5

- Mitigation of the environmental footprint of everyday activities
- Reduction of energy consumption, water, waste, and CO2 emissions
- Awareness-raising, training and sharing of good practices

## Community Interest & Stakeholder Dialogue

6

- Education
- Support to microfinance and financial education
- Financial inclusion
- Respect for human rights
- Dialogue with stakeholders

# A Bank Committed to Sustainable Development Goals



BANK OF AFRICA has become one of the founding signatories of UNEP FI's **Principles for Responsible Banking** (PRB), launched at the 2019 UN General Assembly in New York. The PRBs represent a new alliance between the UN and the global banking sector and **BBOA is the 1st Bank in Morocco to join** a community of 130 financial institutions across 49 countries representing \$ 47 trillion in assets, or 1/3 of the global banking sector committing to strategically integrate SDGs across operations



**BANK OF AFRICA is the 1<sup>st</sup> African Bank to support the *Green Investment Principles for the Belt and Road* (GIP).** Launched in November 2018, the GIPs help financial institutions and businesses adopt **best practices in environmental and social risk management, green finance and supply chain management** when investing and doing business within the Belt and Road region



As a member of the ***Climate Action in Financial Institutions*** initiative, **BANK OF AFRICA** was elected to the Coordination Group in 2018, alongside EBRD, AFD, YES BANK, HSBC, IDB and BOAD, to represent commercial banks from developing countries



BANK OF AFRICA is the **first African Bank to support the recommendations of the TCFD, the G20's Climate Task Force** on Climate-related financial communication



**UN Global Compact** : BANK OF AFRICA is a **Lead Partner of the local Morocco Network created in March 2018**, as part of an alliance with the patronal association CGEM, bringing together some ten companies committed to strengthening the consideration of social and environmental impacts in their corporate strategy



# Bank of Africa : A Key Player in impact Finance

## CAP ENERGY

Energy Efficiency /  
Renewable Energy

- **Financing facility for Energy Efficiency / Renewable Energy in Morocco** under the "MorSEFF" program - *Moroccan Sustainable Energy Financing Facility*. 55 M Euros of SME loans including free technical assistance and cash-back incentive to clients amounting 10% of the loan
- **1<sup>st</sup> Green Bond** by Public Offering amounting **500 M MAD**, labelled as "**Positive Impact Bond**"
- **MORSEFF & GEFF "Green Economy Financing Facility"** extension for a total amount of 10 million euros

## CAP BLEU Wastewater Treatment & Sanitation

**Financing facility for Adaptation to Climate Change to finance waste water treatment and sanitation**, in partnership with the AFD and the EIB; 20 M Euros to finance wastewater treatment for both public and private companies in Morocco. Includes free technical assistance and cash-back incentive

## CAP VALORIS

Circular Economy / Waste  
Management

**Financing facility for the Circular Economy** in Africa in partnership with FMO and EIB; 20 M Euros to finance recycling and solid waste management companies in Morocco, including free technical assistance, a client program in the Netherlands, and a cash-back incentive

## SRI FUND

Socially Responsible  
Investment

**1<sup>st</sup> SRI - Socially Responsible Fund - in Morocco: "FCP Capital SRI"** invests in companies selected based on their social responsibility practices. The extra financial rating agency VIGEO selects company based on CSR/Sustainability criteria

## WOMEN IN BUSINESS Financial Inclusion

**Financing Facility for Women Entrepreneurs in Morocco** includes a support program in partnership with the EBRD in Morocco; 20 M Euros with free technical assistance and mentoring



# Key Impact indicators

CARBON FOOTPRINT\*  
(TONNES EST. CO2/EMPLOYEE)

5.16

PERCENTAGE OF WOMEN EMPLOYED BY THE  
BANK

40%

GREENHOUSE GAS EMISSIONS AVOIDED -GREEN  
BOND-  
(T CO2 /YEAR)

45 000

PERCENTAGE OF LOCAL COMPANIES USED IN ALL  
OUTSOURCED PROJECTS

95%

ENERGY SAVINGS  
(ISO 50001 PROJECT)

14%

250 000 T CO2  
AVOIDED DUE TO THE WASTE RECYCLING  
PROGRAMME AND THE TRAVEL OPTIMIZATION  
STRATEGY



# Awards & Distinctions



**"Top CSR Performer 2019"** trophy awarded by the international extra-financial rating agency Vigeo Eiris for the 6<sup>th</sup> year. BANK OF AFRICA ranks first in the emerging market banking sector (1<sup>st</sup> out of 101 Banks). 897 in the region and 65<sup>th</sup> in the world



Awarded in 2019 in Dubai by the *Arabia CSR Awards* for the 6<sup>th</sup> year, Bank of Africa emerged a Winner in the category of Financial Services, as well as a runner-up for Partnerships and Collaborations



**"2018 Social Responsible Bank of the Year"** for the second time, awarded by the African Banker Awards 2018



**ISO 37001 international Certification** obtained in 2019 for **Anti-Corruption Management System**



First Bank certified **OHSAS 18001 in Morocco**, in the field of Occupational Health, Safety and well-being at work, after obtaining **ISO 14001 certification** in 2011 and **ISO 50001 certification** for energy in 2016



**ISO 9001 version 2015 certification in the purchasing management activity** for the implementation of a structured quality management system



**"2020 Top Employer"** for the 3<sup>rd</sup> year, certification by Top Employers Institute, an international certification body, an international distinction that confirms the Bank's excellent HR practices



For the third year in a row, BANK OF AFRICA has been awarded the prestigious title **"Elected Customer Service of the Year Morocco 2020"**, in the "Banking" category



**BANK OF AFRICA obtains "Golden Award" - Best Bank in Africa 2018 Africa Investments Forum & Award**