



**ANNUAL
FINANCIAL
REPORT**

2022

BANK OF AFRICA
BMCE GROUP





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PRESENTING BANK OF AFRICA GROUP

BANK OF AFRICA, A MULTI-BUSINESS BANKING GROUP WITH A GLOBAL OUTLOOK

Established in 1959 by Royal Decree as 'Banque Marocaine du Commerce Extérieur', the Group's original vocation was to develop Morocco's international trade. Under the influence of its principal shareholder, O Capital Group, chaired by Mr Othman BENJELLOUN, the Bank has undergone a gradual transformation from being a corporate bank to becoming a universal banking group, adopting a new corporate identity in 2020 as 'BANK OF AFRICA'. For more than 60 years, BANK OF AFRICA has leveraged its expertise and innovation capabilities in support of Morocco's and Africa's development.

BANK OF AFRICA, A UNIVERSAL BANKING GROUP

BANK OF AFRICA is today one of the continent's main pan-African financial groups with one of Africa's most extensive networks. With a variety of brands and subsidiaries, BANK OF AFRICA is a universal banking group with multiple business lines, including commercial banking, investment banking and participatory banking as well as specialised financial services such as leasing, factoring and consumer credit.

A SOLID SHAREHOLDER BASE

BANK OF AFRICA's main shareholder is O Capital Group, a Moroccan private group with a portfolio of diversified businesses in a number of high-growth industries. Its regional and international ambitions are primarily focused on 5 divisions: finance, insurance, real estate, telecommunications and tourism.

BANK OF AFRICA's shareholder base comprises a number of renowned domestic and international groups.

AN INTERNATIONAL BANK WITH A PAN-AFRICAN VOCATION

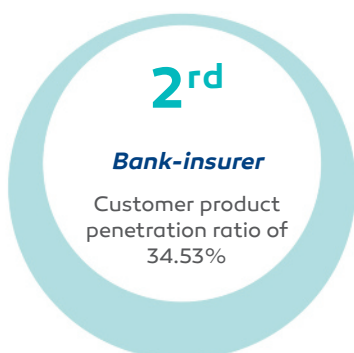
BANK OF AFRICA is today one of Morocco's leading banking groups in terms of international exposure with operations in 32 countries in Africa, Europe, Asia and North America and with one of the most comprehensive networks across the African continent. The Group serves 6.6 million customers around the world, acting as a bridgehead for global trade between Africa and the rest of the world.

COMPLEMENTARY FINANCE-RELATED BUSINESS LINES

Over the past 60 years, consistent with its original vocation, BANK OF AFRICA has built a portfolio of complementary and high valued-added banking and financial business lines. The Group has also continued to develop its overseas operations, first in Europe, then in Africa and, more recently, in China. BANK OF AFRICA is now a leading domestic and international banking group with an extensive footprint in Morocco and across the rest of the African continent.



Retail Banking
Corporate Wholesale Banking



BANK OF AFRICA, A MEMBER OF ONE OF THE REGION'S LEADING BUSINESS GROUPS

BANK OF AFRICA is a subsidiary of O CAPITAL Group, a Moroccan private group with a portfolio of diversified businesses in the finance, insurance, real estate, telecommunications and tourism industries.

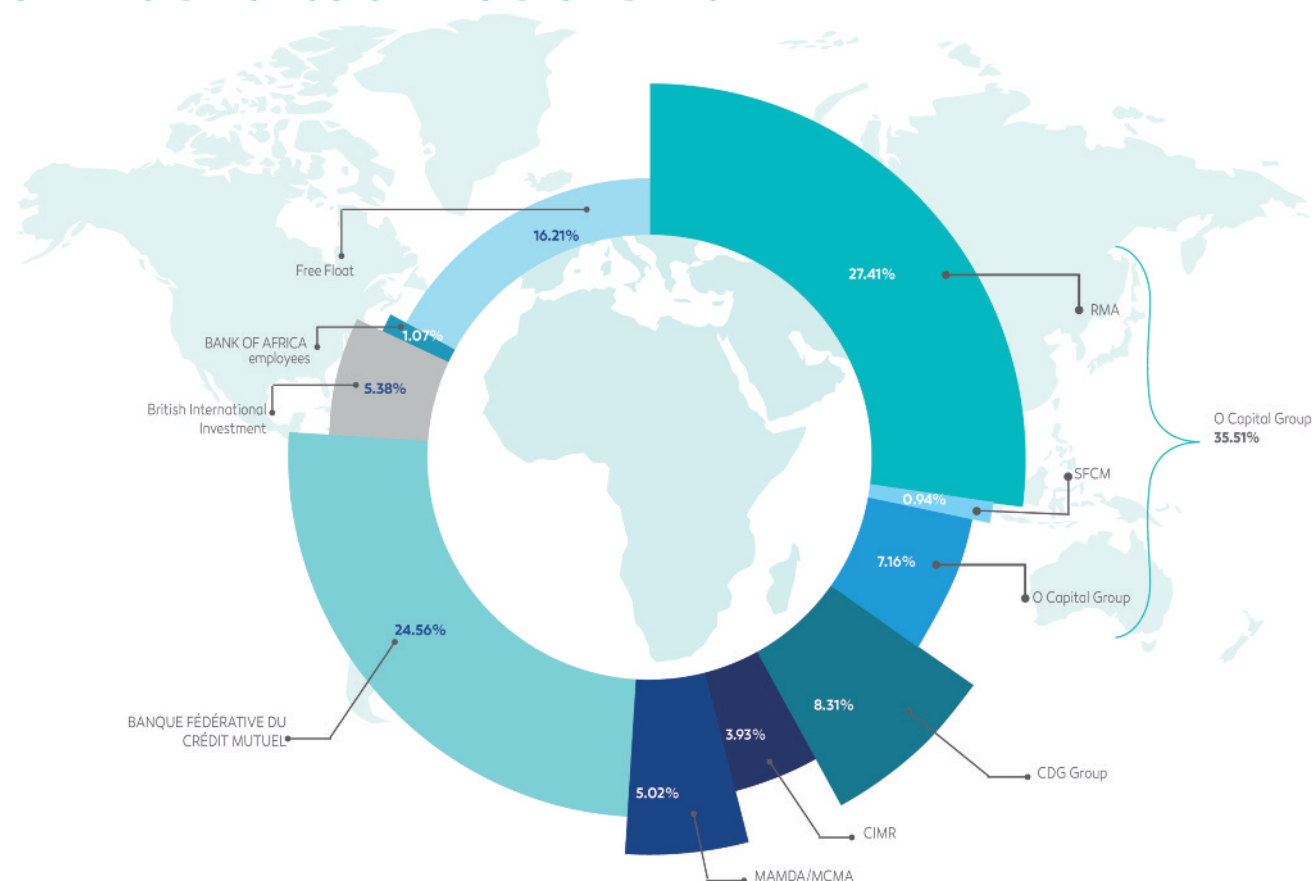
O CAPITAL Group is structured as follows:

CORE BUSINESS	GROWTH DRIVERS	PRIVATE EQUITY	REAL ESTATE & INVESTMENTS	INTERNATIONAL
RMA Established following a merger between Royale Marocaine d'Assurances and Al Wataniya in January 2005, RMA is Morocco's second largest insurance company in terms of premiums written. BANK OF AFRICA Morocco's third private-sector banking group with operations in more than thirty countries and a strong pan-African presence, particularly via the BOA Holding network.	MEDITELCOM Established in 1999, MEDI TELECOM is a telecoms operator with a range of customers which includes retail customers, SMEs and large enterprises. Since December 2016, MEDI TELECOM's products and services have been marketed under the Orange brand. CTM Industry leader in Morocco's passenger transport and messaging sectors and the first to be floated on the Casablanca Stock Exchange in 1993. RANCH ADAROUCHE Africa's largest breeder of Santa Gertudis beef cattle with around 3,233 heads as at end-December 2022. Cattle are raised extensively over an area of more than 11,000 hectares. GREEN OF AFRICA Resulting from the acquisition of Green of Africa Development by Green of Africa Investment in 2022, Green of Africa is a company specialising in project development, financing, building and operating renewable power plants.	FINATECH Group A major player in energy and digital information and communication technologies, established in June 2007, FINATECH Group is a leading systems integrator providing global solutions and infrastructure from design and production to maintenance and operations. AIR ARABIA MAROC Morocco's leading low-cost airline established in 2019 in partnership with Air Arabia and Holmarcom. BRICO INVEST DIY equipment and home improvement retail chain based in several towns across the Kingdom and trading under the Mr Bricolage brand.	ARGAN INVEST Argan Invest is an investment company specialising in real estate management. It owns 100% of Actif Invest and 50% of Colliers International Maroc. CAP ESTATE O Capital Group's real estate subsidiary. COLLIERS INTERNATIONAL MAROC Subsidiary established in partnership with Colliers International Group specialising in delegated project management. REVLV'S A joint venture holding company between O Capital Group and Aman Resort owning the Amanjena Hotel. RISMA Listed on the Casablanca Stock Exchange, RISMA manages Accor's hotel chain in Morocco comprising the Sofitel, SuiteHotel Pullman, Novotel and Ibis brands. O TOWER Joint venture between BANK OF AFRICA, RMA and O Capital Group, overseeing the tower construction project in Rabat's Bouregreg Valley. VILLAJENA Joint venture holding company with AMAN Group owning land reserves within the Amelkis golf resort site with a view to developing Aman-branded luxury villas.	O CAPITAL EUROPE (formerly FinanceCom International) Luxembourg-registered company specialising in strategic advisory services and private wealth management for ultra-high-net-worth individuals and families. O Capital France Subsidiary providing support and strategic coordination to O Capital Group's main international development businesses in Africa, the Middle East and Europe. FCOMI-L GLOBAL CAPITAL European multi-strategy management fund.



BANK OF AFRICA, A STABLE AND WELL-DIVERSIFIED SHAREHOLDER BASE

SHAREHOLDER STRUCTURE AT 31 DECEMBER 2022



INTRODUCING THE GROUP'S MAIN SHAREHOLDERS

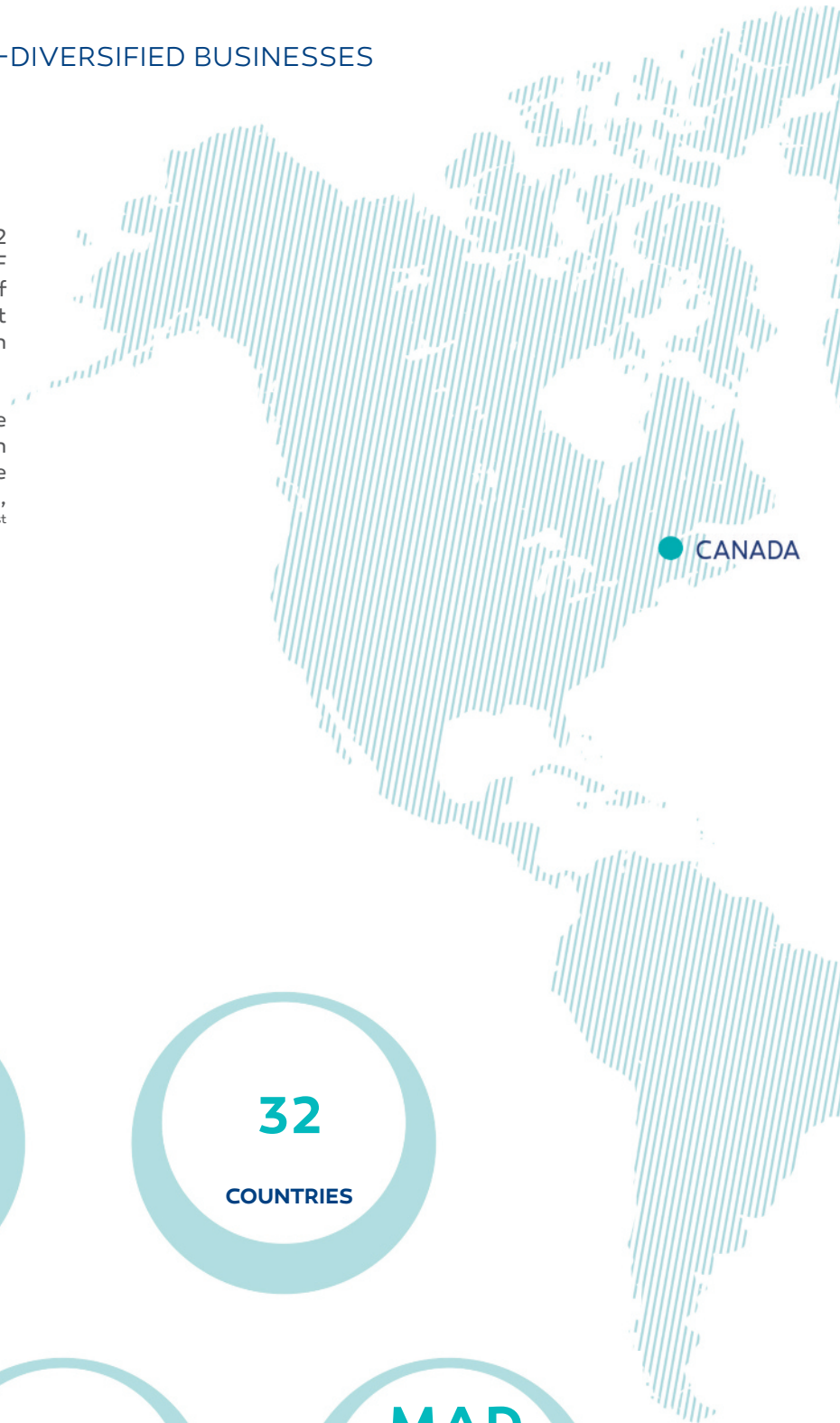
O Capital Group	RMA	CDG GROUP	BFCM – CRÉDIT MUTUEL GROUP – ALLIANCE FÉDÉRALE	BRITISH INTERNATIONAL INVESTMENT
O Capital Group, established in 2021 after Holding Benjelloun Mezian acquired FinanceCom, is a leading Moroccan industrial and financial group with operations in a variety of high growth sectors.	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.	A Moroccan state-owned institution whose purpose is to invest in and support large-scale projects, aimed at bolstering Morocco's economic development and infrastructure.	BFCM is a leading banking group with operations in France and overseas and businesses ranging from retail banking, bank-insurance to bank card operations.	Founded in 1948, British International Investment, formerly CDC Group plc, is the UK's development finance institution and impact-investing fund. It works to promote sustainable economic, social and environmental development in the countries in which it operates by investing capital to support private sector growth and innovation.

BANK OF AFRICA, A WORLDWIDE GROUP WITH WELL-DIVERSIFIED BUSINESSES

A POWERFUL NETWORK IN MOROCCO AND OVERSEAS

With more than 2,000 points of sale across 32 countries, including 20 in Africa, BANK OF AFRICA is a genuine 'made-in-Morocco' model of international development. It was also the first Moroccan bank to open a representative office in China in 2000.

Consistent with its pan-African vocation, the Group has fostered particularly strong ties with the African continent. Partnering some of the continent's most important investment projects, the Bank has endeavoured to ensure that the 21st century belongs to Africa.



14,825

EMPLOYEES, 43.6%
OF WHOM ARE
WOMEN

32

COUNTRIES

2,000

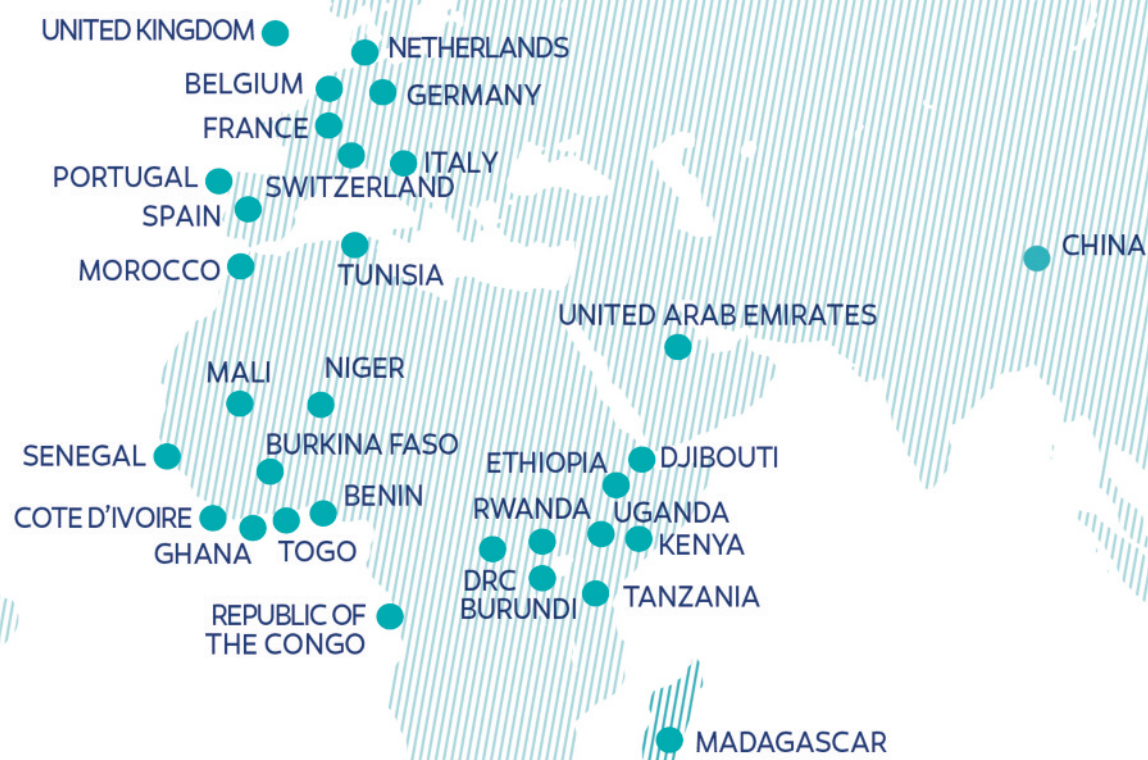
POINTS OF SALE

6.6

MILLION
CUSTOMERS

**MAD
383**

BILLION TOTAL
CONSOLIDATED
ASSETS



A+
**NON-FINANCIAL
RATING**



**BA1,
STABLE
OUTLOOK**



**BB,
STABLE
OUTLOOK**

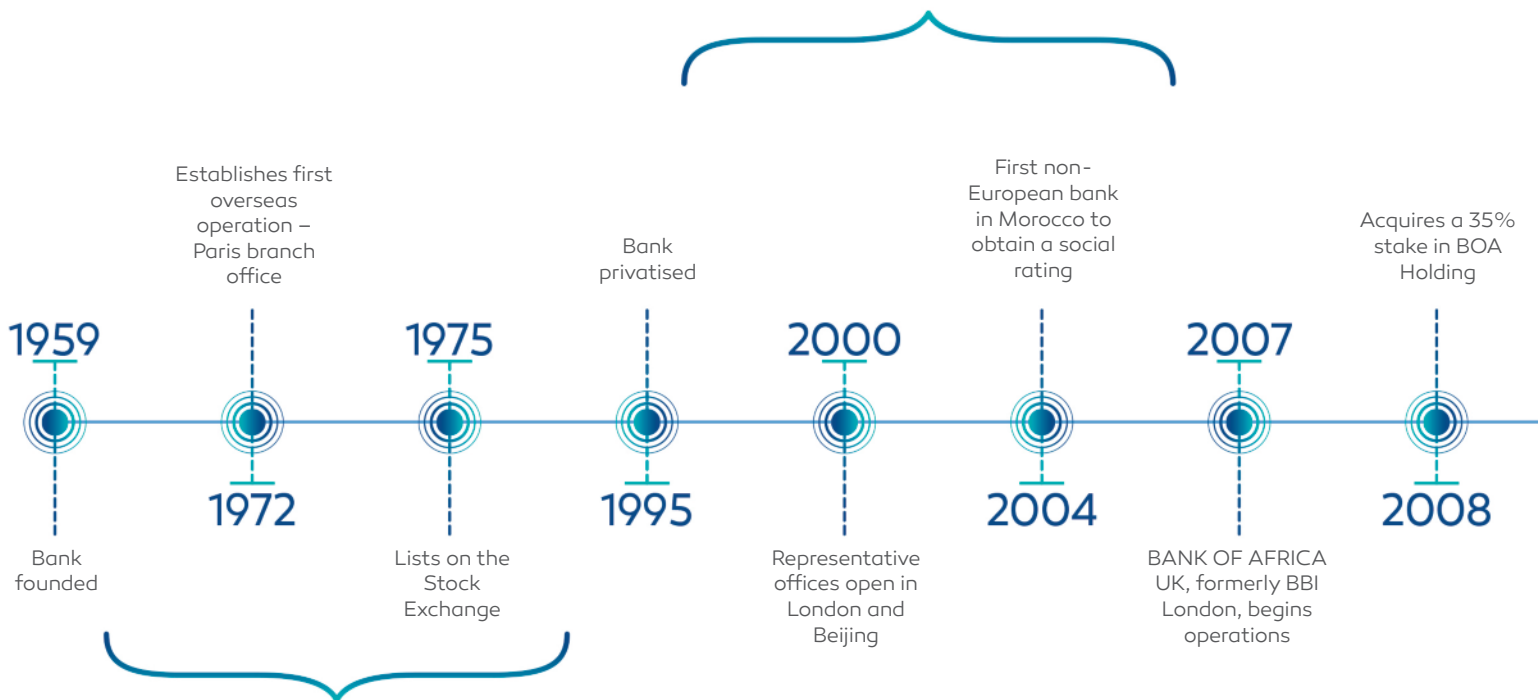
BANK OF AFRICA, SERVING DEVELOPMENT CAUSES FOR MORE THAN 60 YEARS

BANK OF AFRICA, which was founded more than 60 years ago to develop Morocco's overseas trade, is today regarded as the country's most internationally-oriented banking group. The Group remains on a growth trajectory and, as one of Africa's key economic and financial institutions, acts as a bridgehead between the African continent and the rest of the world.

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.



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 to develop Morocco's overseas trade.



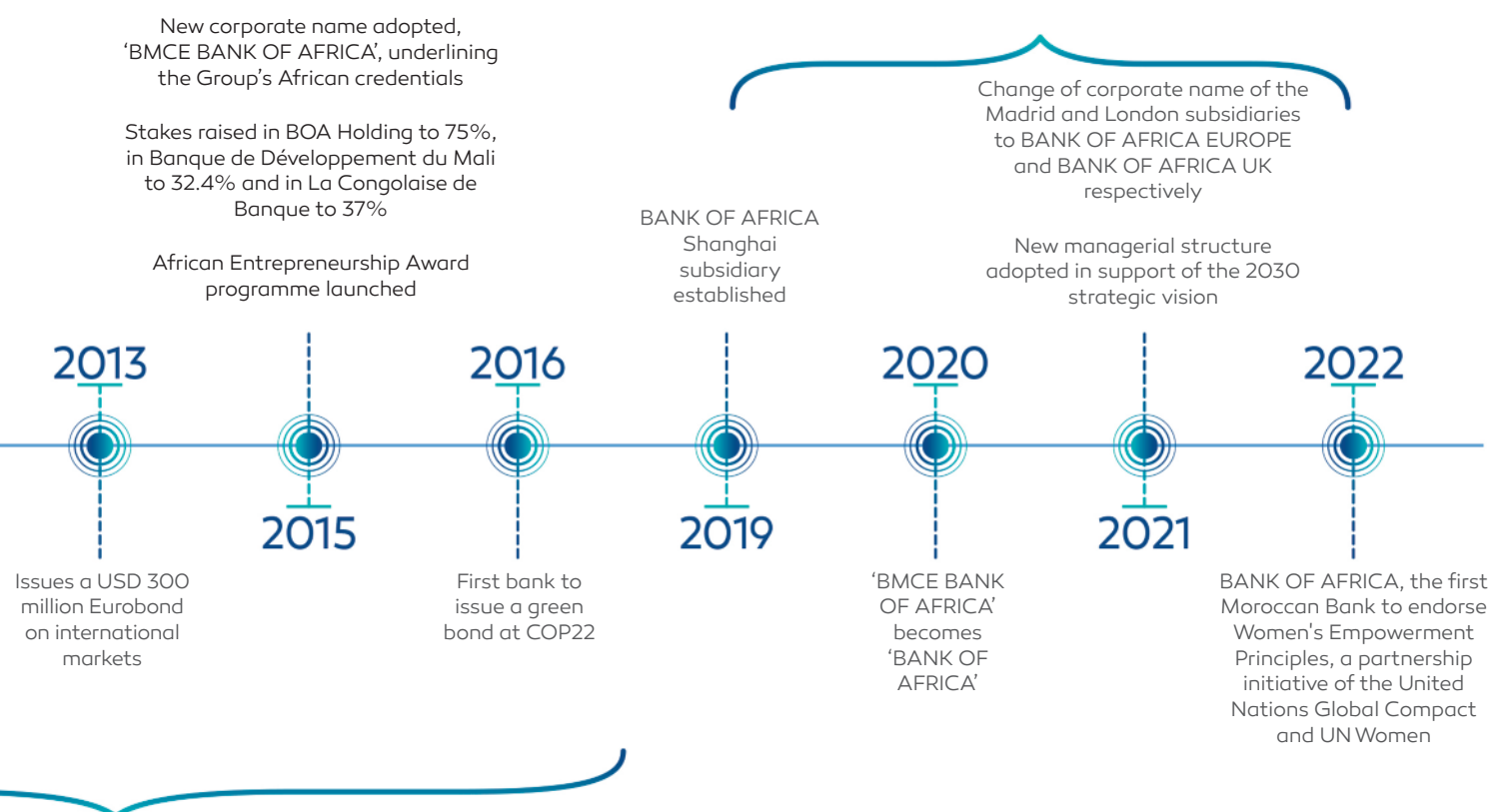
2017-2022

NEW HORIZONS WITH THE 'BANK OF AFRICA' CORPORATE NAME

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. Its most recent corporate strategic plan is underpinned by 4 strategic growth priorities:

Digitising business operations, adopting a customer-centric approach, accelerating its development in Africa and continuing to enhance its reputation in impact finance.

BANK OF AFRICA has emerged as one of Africa's key economic and financial institutions with a powerful network and operations in 20 African countries, covering the continent's five main regions.



2007-2016

FRESH IMPETUS, PAN-AFRICAN AND INTERNATIONAL AMBITIONS

BANK OF AFRICA rapidly expanded its international operations by establishing a large number of subsidiaries in Africa and Europe.

With the African continent showing significant ongoing growth potential, BANK OF AFRICA fulfilled its aspirations of becoming a pan-African bank with an international outlook. Other acquisitions followed, underlining its longstanding commitment to becoming a major player on the continent.

BANK OF AFRICA, A PAN-AFRICAN VOCATION

BANK OF AFRICA

Established: 1959
Number of branches: 700

BOA-MALI

Established: 1983
Number of branches: 35

BDM SA-MALI

Established: 1989
Number of branches: 59

BOA-BENIN

Established: 1990
Number of branches: 49

BOA-NIGER

Established: 1994
Number of branches: 31

BOA-CÔTE D'IVOIRE

Established: 1996
Number of branches: 39

BOA-KENYA

Established: 2004
Number of branches: 24

TUNISIA

Established: 2006
BMCE Capital Tunisia

BURUNDI

Banque de Crédit du
Bujumbura: 2008
Number of branches: 25

BOA-DRC

Established: 2010
Number of branches: 16

BOA-TOGO

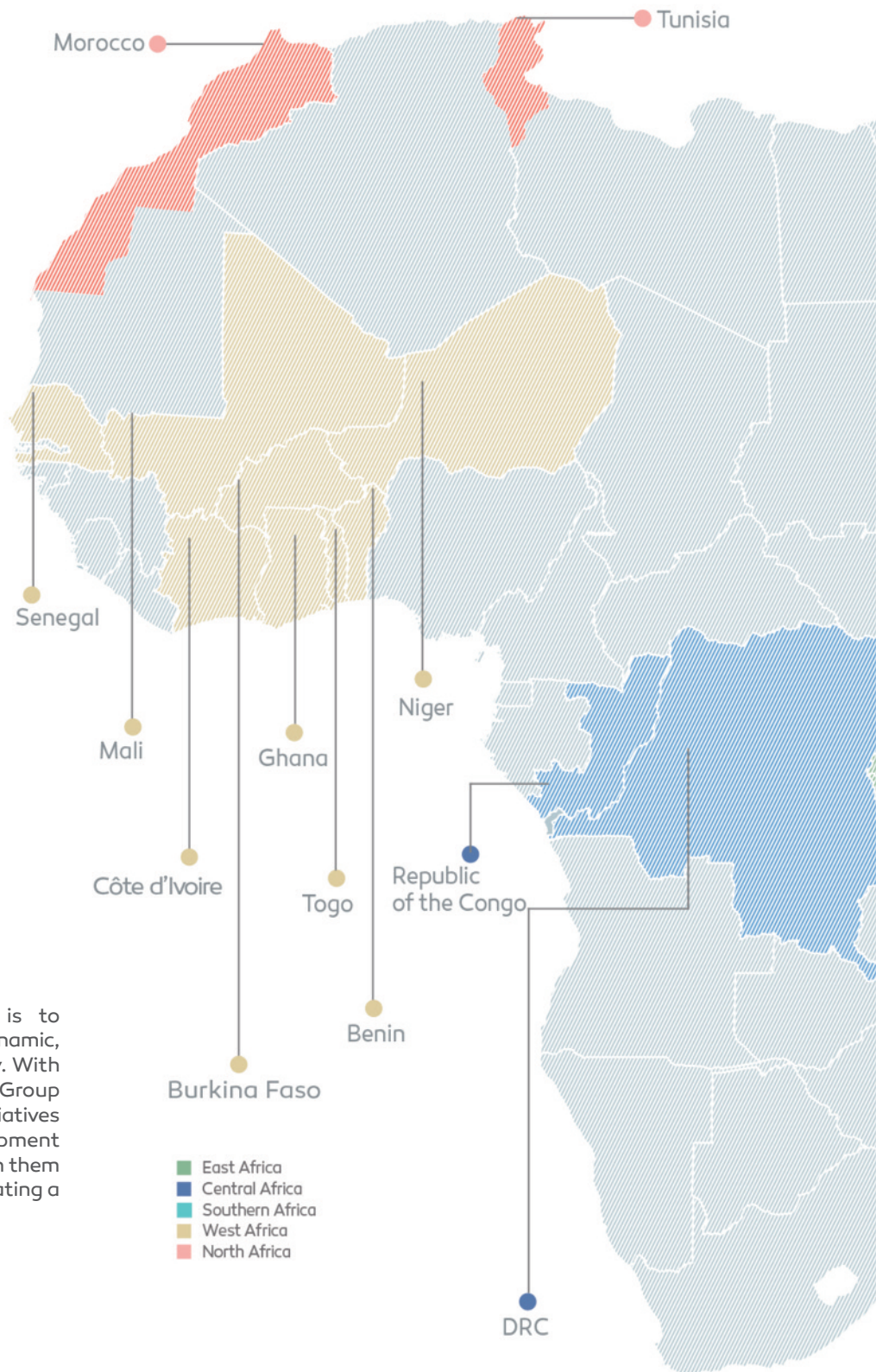
Established: 2013
Number of branches: 14

BOA-RWANDA

Established: 2015
Number of branches: 14

2ND PAN-AFRICAN GROUP IN TERMS OF GEOGRAPHICAL COVERAGE

One of BANK OF AFRICA's goals is to contribute proactively to developing a dynamic, resilient and inclusive African economy. With operations in 20 African countries, the Group has launched a number of innovative initiatives aimed at supporting countries' development programmes and bolstering ties between them and the rest of the world, thereby generating a positive social impact.





BOA-BURKINA FASO

Established: 1997
Number of branches: 52

BOA MADAGASCAR

Established: 1999
Nombre d'agences : 97

BOA-GHANA

Established: 2011
Number of branches: 26

BOA-SENEGAL

Established: 2001
Number of branches: 52

BOA-UGANDA

Established: 2006
Number of branches: 34

BOA-TANZANIA

Established: 2007
Number of branches: 20

LCB BANK

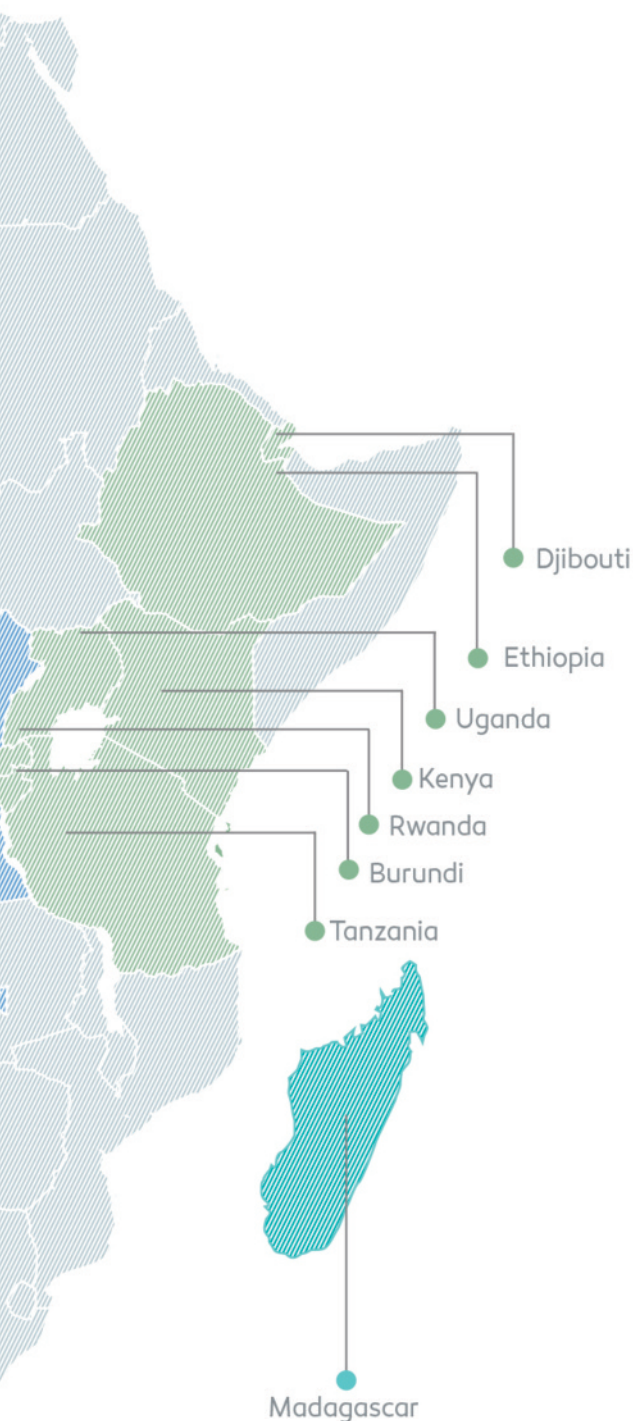
Established: 2004
Number of branches: 19

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
Holding, Banque de
Développement du
Mali and LCB Bank

609

bank branches
(outside Morocco)

6,830

employees (outside
Morocco)

BANK OF AFRICA, A SOCIALLY RESPONSIBLE AND ENGAGED BANKING GROUP

For more than 25 years, BANK OF AFRICA has demonstrated a strong commitment to the environment and to social and societal responsibility to achieve a more sustainable and more inclusive world. The Group's activism began when it set up its BMCE Bank Foundation which endeavours to promote educational and environmental causes as well as supporting African start-ups.

In addition, The BOA Foundation has implemented social responsibility initiatives for disadvantaged communities aimed at improving access to healthcare as well as the quality of care provided in every region of the seven countries in which it has operations.

BANK OF AFRICA ensures that environmental and social criteria are fully embedded within its decision-making processes. Playing an active role in major sustainable development international initiatives, BANK OF AFRICA applies the highest international standards in this respect. It is not surprising, therefore, that it has acquired a reputation as a leader and pioneer in ESG in Morocco and around the world.

BANK OF AFRICA, COMMITTED TO SUSTAINABLE DEVELOPMENT AND CSR FOR MORE THAN 25 YEARS

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»

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 it 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.
- 
»

The first African bank to support China's '**Green Investment Principles for the Belt and Road (GIP)**' initiative.
- 
»

We4She's Gender Diversity Corporate Charter signed within the framework of the Africa CEO Forum.
- 
»

The first Moroccan Bank to endorse **Women's Empowerment Principles**, a partnership initiative of the United Nations Global Compact and UN Women, as a universal banking group with multiple business lines.



BANK OF AFRICA,

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

In Morocco and overseas, BANK OF AFRICA has continued to earn distinction in a number of noteworthy rankings as well as seeing its certifications renewed by globally-recognised certification bodies.

Global Finance



BANK OF AFRICA named '**Best SME Bank in Morocco**' and '**Best Bank on the African Continent**' in October 2022 by the prestigious **Global Finance Magazine**, in recognition of its commitment to entrepreneurship, its expertise in this market segment, its range of products and services and its ongoing innovation.



Named '**Most Active Issuing Bank in Morocco in 2021**' in May 2022 by the **European Bank for Reconstruction and Development (EBRD)** in recognition of the productive partnership forged between the two institutions in overseas trade finance.



BANK OF AFRICA an award-winner in the MENA region's **Financial Services category** for the 9th consecutive year at the **15th Arabia CSR Awards**, for its leadership in corporate social responsibility and sustainability.

Forbes Middle East



BANK OF AFRICA ranked among the **top 30 of the MENA region's most important banks** in **Forbes Middle East's 2022 ranking**.

The Banker



BANK OF AFRICA ranked among the **top 500 banks in the world**, based on a report by **Brand Finance**, a UK-based brand valuation and strategy consultancy, published in The Banker magazine.

African Business



BANK OF AFRICA ranked among the **top 20 of Africa's most powerful banks** at end-2021, in the most recent annual ranking of Africa's 100 best banks by African Business magazine.



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



Receives the award for **Best Annual Sustainability Report** within the financial services industry for the 2nd consecutive year from the Casablanca Stock Exchange, with a score of 97%.



SMAC ISO 37001 certification of BANK OF AFRICA's **anti-bribery management system** successfully renewed.

The Bank's energy management system awarded **dual certification – NM-50001 and ISO 50001:2018** – by IMANOR and Bureau Veritas.



BMCE Capital Gestion compliant with the **ISAE 3402 Type II Standard** published by the **International Auditing and Assurance Standards Board (IAASB)** following an audit by Mazars, an advisory firm, and sees its **services commitments and ISO 9001:2015 certifications renewed** following an external audit by **Bureau Veritas Morocco**.



Eurafric Information named '**Top Employer**' for the 4th consecutive year and receives the **European Identity and Cloud (EIC) 2022 award** in the Identity Fabrics & IDaaS category from KuppingerCole Analysts AG, a consulting firm.





ACTIVITY REPORT

BANK OF AFRICA, SUPPORTING THE AFRICAN CONTINENT'S DEVELOPMENT

MOROCCAN ECONOMY FACED WITH A CHALLENGING GLOBAL CONTEXT AND ADVERSE WEATHER CONDITIONS

In 2022, the Moroccan economy suffered from the double whammy of drought coupled with soaring commodity prices due to the fallout from the war in Ukraine. Real GDP growth fell from +7.9% in 2021 to +1.3% in 2022.

Despite the highly uncertain global environment, Morocco's growth rate is expected to pick up, however, to +3.3% in 2023 (HCP), primarily due to a rebound in primary sector activity.

The sharp rise in global energy and food prices has contributed to heightened inflationary pressures (+6.6% vs. +1.4% in 2021), obliging the central bank to tighten monetary policy.

Strong tax revenues and tourism receipts together with a solid performance from phosphate exports and those sectors in which Morocco is globally competitive as well as sharply higher remittances from the Moroccan diaspora have gone some way to mitigating the negative impacts which are both domestic and global.

POSITIVE GROWTH IN BANK OF AFRICA'S FINANCIAL INDICATORS

In 2022, BANK OF AFRICA Group's financial results improved sharply despite the challenging economic environment due to the engagement of its human capital and the various initiatives undertaken to support businesses, assist customers and create shared value.

Net income attributable to shareholders of the parent company grew by +15% to MAD 2.3 billion while parent net income increased by +2% to MAD 1.5 billion.

Consolidated net banking income rose by +7% to MAD 15.6 billion in 2022, driven by growth of the core business – fee income +18% and net interest income +9% – despite a drop in income from market operations.

Parent company net banking income was broadly unchanged, after restating exceptional items booked in 2021, at MAD 6.6 billion, driven by the Bank's core business lines with fee income +11% and net interest income +4%, offsetting the drop in income from market operations.

In 2022, costs remained firmly in check with the rise in general operating expenses contained at +1% to MAD 3.7 billion at the parent level and +4% to MAD 8.3 billion on a consolidated basis.

The Group registered strong business performance with consolidated customer loans, excluding resales, up +7.4% to MAD 196 billion at 31 December 2022. In Morocco, customer loans grew by +4%, resulting in a 12.35% share of the loan market at 31 December 2022.

Consolidated customer deposits, excluding repurchases, grew by +10% to MAD 241 billion at 31 December 2022 versus MAD 219 billion at 31 December 2021.

Similarly, parent customer deposits rose by +6.6% to MAD 148 billion, resulting in a 13.31% share of the market at 31 December 2022.

The consolidated cost of risk fell by -10% to MAD 2.6 billion at 31 December 2022, resulting in a cost-of-risk ratio on customer loans of 1.1%. In Morocco, the cost of risk rose by +7% to MAD 1 billion.

Lastly, BANK OF AFRICA's shareholders' equity was bolstered to the tune of +6% in 2022 after the Bank issued a MAD 1 billion subordinated note and a MAD 500 million perpetual subordinated note containing a loss-absorption and coupon-cancellation provision.

ROBUST ECONOMIC SUPPORT INITIATIVES

The Group tied up strategic partnerships with SANAD for a EUR 25 million finance line and with International Finance Corporation (IFC) for a USD 154 million loan facility to support small and medium-sized enterprises, which form the bedrock of the Moroccan economy.

Given its vital role in promoting domestic economic growth, BANK OF AFRICA continued to proactively implement initiatives aimed at supporting and financing businesses, particularly young entrepreneurs:

- Ongoing support for the INTELAKA programme saw almost 3,000 applications approved and more than MAD 700 million disbursed in the year ended 31 December 2022, up +11.3%. The introduction of an online application facility via a dedicated website and mobile app has made it easier for customers to access this finance and support package on very attractive terms.





- More than 4,000 small businesses and self-employed entrepreneurs (auto-entrepreneurs) have been assisted since the Entrepreneurship Club was launched, targeting the Kingdom's 12 regions. This initiative has helped generate 500 jobs.

- More than 12,000 young people have been made aware about entrepreneurship as part of the SMART Bank Open Innovation Regional Programme organised across the entire Kingdom with 200 hours of training given to more than 500 entrepreneurs in 12 regions; the 2022 programme, in its 5th year, focused on specific regional themes and brought together 23 partner organisations including training establishments, OFPPT institutes' regional divisions, regional investment centres, regional councils and the CISE Cluster.

- The Blue Space network, launched in partnership with ISCAE Group, UEMF and Aïn Chock's Faculty of Legal, Economic and Social Sciences, has seen more than 120 projects incubated since it was launched, resulting in 7 company formations, 3 patents and 4 go-to-market strategies.

BANK OF AFRICA has also launched an integrated programme promoting regional investment via a series of regional investment seminars and training sessions to improve investors' entrepreneurial skills in addition to a series of online conferences, 'Entrepreneurship Meetings', attended by more than 2,700 participants.

CUSTOMER SERVICE AND FINANCIAL TRANSACTION SECURITY ENHANCED THROUGH INNOVATION

As part of a customer-centric approach, digital innovation is a major business growth driver for the Bank. The ways in which customers use digital channels are changing rapidly, so too, their expectations. As a result, efforts to constantly improve its digital offering have underpinned the Bank's digital transformation in recent years.

2022 saw a large number of innovations which further enhanced the Bank's digital offering:

- A new version of BANK OF AFRICA's Agence Directe platform was launched, resulting in an enhanced customer experience across its digital applications: BMCE Direct, Agence Directe, Daba Transfer, Crédit Daba, Crédit Habitat, Business Online and Crédit Business. This new version enables customers to open their account remotely without needing to go into a branch.

- BANK OF AFRICA launched DabaPay Pro, an innovative solution for storekeepers and professionals, which sees the Bank enhance its range of mobile payment services.

- Damane Pay, a connected bank card, was launched by Damane Cash as well as a fintech payments service, after a tie-up with Paysend, a UK-based fintech, to simplify money transfers to Morocco.

- Blockchain technology was adopted by BANK OF AFRICA to facilitate customers' international transactions and make them more secure. In 2022, BMCE Capital launched BK TradeChain, a pioneering blockchain-based solution for processing OTC transactions in financial markets. NetGuardians' fraud prevention technology was also adopted by BANK OF AFRICA for trade finance operations after a tie-up with Dltledgers, a Singaporean software company.

- Ties were bolstered with Moroccan Citizens of the World through a range of digital products and services, facilities for accessing high added value financing as well as support programmes and other local initiatives as part of the Marhaba nationwide programme.

A DYNAMIC INVESTMENT BANK

In 2022, BMCE Capital, BANK OF AFRICA's Investment Banking Division, continued to improve the quality of services provided to customers and enhance its reputation as a project development accelerator in Morocco, Tunisia and West Africa.

In 2022, BANK OF AFRICA's Investment Banking Division launched a number of initiatives to boost growth, including the Capital Venture fund, the first private equity mutual fund launched by BMCE Capital Investments in support of Morocco's start-up ecosystem and BK TradeChain. As part of ongoing efforts to bolster its control and quality processes, BMCE Capital obtained ISAE 3402 Type II certification for the securities business within BMCE Capital Solutions and conducted ISO 9001:2015 renewal audits for the Markets & Services, Asset Management, Support and BMCE Capital Securities divisions.

The Investment Bank further enhanced its reputation for innovation by organising the first EquityVirtual Summit, an event organised jointly by BMCE Capital Bourse and BMCE Capital Global Research, alongside their partner, AVIOR. In 2022, a feasibility study was carried out to explore the possibility of expanding the asset management business within the CEMAC zone and Ghana, while a strategic evaluation of all business lines and geographical regions until 2025 was initiated.

ONGOING GROWTH IN INTERNATIONAL OPERATIONS

European operations: BANK OF AFRICA Europe contributing 5.6% to net income attributable to shareholders of the parent company

BANK OF AFRICA Europe delivered exceptional performance in 2022 despite an uncertain environment resulting from the challenging geopolitical situation in Europe, the pandemic in China, galloping inflation as well as the deterioration in the risk outlook in a number of countries.

Business activity and profitability indicators rose across the board in line with annual forecasts. Net banking income increased by +35% year-on-year to EUR 28 million and net income by +40% year-on-year to EUR 15.3 million at 31 December 2022, with the cost of risk well contained.

This strong financial performance was due to positive growth in both foreign trade volumes (+15%) and external financing (+7%), with the impact from higher interest rates on funding costs mitigated by the deposits collected.

BOA Europe continued to improve IT security and bolster its compliance system.

BANK OF AFRICA UNITED KINGDOM (BOA UK)

Against a backdrop of (i) interest rate hikes by the Federal Reserve and the European Central Bank in 2022 and (ii) downgrades in the credit ratings of the main African countries due to the effects of the pandemic, BOA UK adopted a new business model which is focused on trade finance and project finance while reducing fixed income activities. Similarly, BOA UK's marketing strategy will seek to generate additional Group synergies and further diversify loan exposure. In the meantime, BOA UK intends to improve operational efficiency through cost reduction initiatives.

BOA UK continues to benefit from the support of the parent company in implementing its IT transformation programme. The latter will continue to steer and monitor the process of bolstering risk management and control systems.

AFRICAN OPERATIONS: CONTRIBUTING 49% TO NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY

BOA Holding

Against a backdrop of moderate economic growth and high inflation, BOA Group banks saw their total assets grow by +9.3% year-on-year in 2022. As far as financial performance was concerned, cumulative net banking income rose by +12.8% year-on-year to EUR 681.4 million in 2022 due to an improvement in the net interest margin and a strong performance from fee income.

As a result of the cost control programme initiated in 2020, the cost-to-income ratio stood at 52.4% in December 2022, on a downward trend since 2018. The cost of risk to average outstanding loan ratio was 1.5% in 2022 versus 1.9% in 2021.

BOA GROUP – KEY FIGURES



BOA Group's consolidated net income stood at EUR 216.6 million in 2022, up 31.7% versus 2021.

Other subsidiaries in sub-Saharan Africa

Banque de Développement du Mali, a Group subsidiary for more than 25 years, posted a solid performance in 2022 with net income of EUR 25.1 million. Turning to the central African business, the Group's LCB Bank subsidiary, a banking industry leader in Congo-Brazzaville, registered an improved performance with net income of EUR 0.2 million versus a loss of EUR 0.4 million in 2021.

BANK OF AFRICA SHANGHAI

2022 was marked by the most serious outbreak of COVID-19 in China, particularly in Shanghai, since the pandemic began, together with the euro's decline against the US dollar. Despite the challenging environment, the Shanghai Branch was able to continue to function after implementing its Business Continuity Plan which ensured that it was able to fully comply with government regulations and internal rules, perform well financially and represent the Group among Chinese state-owned and private sector enterprises wishing to invest in the African market. In addition, a number of major strategic partnership agreements were signed.

BANK OF AFRICA Shanghai Branch achieved every one of its goals for 2022. Net banking income rose by +11% to USD 753 Million in 2022. Furthermore, after factoring in subsidies and investment expenditure reimbursement from the parent company, the branch generated positive net income for the first time, amounting to MAD 6.6 million in 2022 versus a loss of MAD 5 million the previous year.

A STRONG PERFORMANCE FROM SPECIALISED FINANCIAL SERVICES

SALAFIN

The new strategic roadmap and organisational structure adopted by Salafin in 2021 enabled it to bolster its position in the consumer credit market in 2022. Salafin rolled out a number of new commercial offerings as well as carrying out various initiatives aimed at generating synergies with BANK OF AFRICA and the latter's African subsidiaries.

Net production rose by +15.6% year-on-year to MAD 1.3 billion in 2022, approaching pre-pandemic levels. This positive trend in loan production was driven by personal and revolving loan production from the 'Salafin network' (+33%) and by the auto finance business, up +17.6% year-on-year, in a market which saw cumulative new vehicle sales fall by -8% compared to 2021.

In what was a highly competitive environment resulting in upward pressure on rates from banks as well as specialised finance companies, Salafin registered reasonable growth. Net banking income stood at MAD 399 million in 2022, up +2.6% on the previous financial year, while the cost of risk remained broadly unchanged year-on-year. Net income rose by +1.2% to MAD 85.7 million in 2022 versus MAD 84.7 million in 2021.



MAGHREBAIL

Maghrebail registered strong top-line and profit growth in 2022. Production increased by +9.1% year-on-year to MAD 3,707 million excluding taxes versus an increase of +8.5% at industry level. In conjunction with BANK OF AFRICA, overall production by the banking network increased by +23.3%, resulting in +5.8% year-on-year growth in the net carrying value of outstanding loans to MAD 11.8 billion excluding taxes in 2022, outperforming the leasing market which grew by +4.81%. In terms of 2022 earnings, Maghrebail's net banking income rose by +21.4% year-on-year to MAD 440.7 million in 2022. Strong ongoing control of expenditure and loan recovery initiatives enabled Maghrebail to generate net income of MAD 118.9 million in 2022, up +20.1% year-on-year and +10% ahead of earnings estimates.

MAROC FACTORING

2022 was marked by major disruption, particularly due to the outbreak of the Russo-Ukrainian conflict, one of the main consequences of which was a surge in inflationary pressure (+8.8% versus +4.7% in 2021) and the resulting prospect of recession. Against such a backdrop, thanks to several joint initiatives implemented with the Group and its subsidiaries, Maroc Factoring saw net banking income rise by +8% to MAD 32.6 million in 2022 versus MAD 30.3 million the previous year, in line with estimates.

In 2022, for the second consecutive year, Maroc Factoring's expertise was recognised by the FCI, the global representative body for factoring and financing of open account domestic and international trade receivables. Maroc Factoring brilliantly carried off the 'Import and Export Factor of the Year Award – Africa and the Middle East' by Factors Chain International (FCI).

BTI BANK

Bank Al-Tamweel Wa Al-Inma (BTI Bank), the Group's participatory bank, working closely with other Group businesses, maintained the strong growth momentum in its commercial performance seen in 2021. As a result of this strategy, it was able to post positive growth in both financing arrangements and deposits as well as an improvement in net income. Net banking income increased by +18.6% to MAD 12.1 million in 2022.

BTI Bank's healthy outstanding financings, consisting entirely of Murabaha financing arrangements, rose by +15% to MAD 322.7 million in 2022. The bank's total deposits stood at MAD 369 Million at 31 December 2022 versus MAD 223.4 million at 31 December 2021.

In addition, to meet growing demand for Sharia-compliant Islamic finance products, BTI Bank and Wafa Takaful signed a partnership agreement enabling Wafa Takaful products to be marketed across the BTI Bank network.





ESG REPORT

SUSTAINABILITY AND POSITIVE IMPACT DRIVING BUSINESS DEVELOPMENT

CSR STRATEGY UNDERPINNED BY 6 UNDERTAKINGS

For more than 25 years, one of BANK OF AFRICA's distinguishing traits has been its strong commitment to pioneering initiatives in environmental protection and social and societal responsibility. Its aim is to contribute to a more sustainable and inclusive world.

The Group's activism started more than 25 years ago with its BMCE Bank Foundation which, since 1995, has endeavoured to promote education in rural areas and environmental causes.

To maximise its positive impact, BANK OF AFRICA formally adopted a Social Responsibility Charter embodying its CSR strategy. This Charter is underpinned by 6 undertakings promoting environmental protection and social and human development:



CSR Charter roll-out extended to other subsidiaries

Since 2018, the Group's CSR policy has been rolled out to 24 subsidiaries and is now implemented by 80% of BANK OF AFRICA Group subsidiaries.



BMCE BANK FOUNDATION, COMMITTED TO EDUCATION AND THE ENVIRONMENT FOR MORE THAN 25 YEARS

BANK OF AFRICA Group is committed to the Kingdom's development and is convinced that education plays a vital role in economic, social and cultural development. Established in 1995, the primary aim of its Foundation is to support government initiatives in promoting literacy in rural areas and combating pupil drop-out, especially young girls' non-attendance at school.

BMCE Bank Foundation for Education and the Environment provides pragmatic and long-term solutions to the challenges of providing education in the Kingdom's rural areas and in those countries in which the Group has operations. Its actions are aimed at improving access to education and combating insecurity as a result of educational inequality through its flagship Medersat.com rural community schools programme which focuses on pre-school and primary education. Each year, more than 12,000 children in Morocco benefit from the Medersat.com programme while pupils in five sub-Saharan Africa countries – Senegal, Congo- Brazzaville, Mali, Rwanda and Djibouti – also benefit from the same programme.

On the educational side, the Foundation has opted for an innovative concept by teaching in three languages – Arabic, French and Tamazight – from preschool age. Learning Mandarin Chinese in Years 5 and 6 at primary school enables

pupils to develop an openness to other cultures. The use of new information and communication technologies across the network improves educational outcomes for pupils as well as enhancing pupil motivation and is regarded as one of the Medersat.com model's most innovative educational aspects.

BMCE Bank Foundation is fully embracing the digital era through a 21st century educational model which leverages new information and communication technologies – interactive whiteboards, computer rooms in each school – across its schools network. In addition, the Foundation has gradually introduced educational robotics into its schools which provide additional benefits for pupil learning such as enhanced pupil motivation and improved educational outcomes.

BMCE Bank Foundation's environmental vocation is further highlighted through the Eco-Schools programme, run in partnership with the Mohammed VI Foundation for Environmental Protection. As well as integrating environmental considerations into schools' construction, the Eco-Schools programme is an educational tool which raises children's awareness about environmental protection from as early as pre-school and encourages them to adopt eco-friendly behaviour.

BMCE BANK FOUNDATION IN FIGURES



BMCE BANK FOUNDATION'S STRATEGIC GOALS

As a socially-responsible citizen, BMCE Bank Foundation is committed and determined to contribute to developing tomorrow's citizens. This is reflected in 8 strategic goals promoting education, school attendance and respect for the environment.





A BRIEF HISTORY OF BMCE BANK FOUNDATION

- BMCE Bank Foundation for Education and the Environment established

1995

1998

- Medersat.com programme launched

- First schools in rural communities set up

2000

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

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

2014

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

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

2017

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
- Dr Leila Mezian-Benjelloun, BMCE Bank Foundation's Chair, awarded the Officer medal of the French Republic's Légion d'Honneur
- Partnership agreement signed with the French Institute of Morocco to enhance the quality of French language teaching at primary level throughout the Medersat.com network
- African-ness Award presented to Dr Leila Mezian Benjelloun, BMCE Bank Foundation's Chair
- Medersat.com Academy, a virtual training institute, established

2020

2021

- 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

2022

- Educational robotics introduced into teaching in Foundation schools as a complementary educational tool
- Celebrating two decades of initiatives promoting education
- Tribute paid to Dr Leila MEZIAN BENJELLOUN, BMCE Bank Foundation's Chair, by the Bouabate Fez Association, with the award of the Fez Gate Trophy and the title of 'Woman of the Year' in the Social Action category
- Dr Leila Mezian-Benjelloun named 'Woman of the Mediterranean space' by the Three Cultures Foundation
- New agreement signed with the French Institute of Morocco as part of the Foundation's support for the *Bibliotobiss* project
- Partnership with Teach For Morocco to extend Middle Section year group teaching to almost every Medersat.com school

BMCE BANK FOUNDATION IN 2022

SERVING EDUCATION FOR MORE THAN 25 YEARS

As part of the strategic partnership with the Ministry of National Education, Pre-school and Sport, the Minister, Mr Chakib Benmoussa, accompanied by Dr Leila Mezian Benjelloun, Foundation Chair, visited two Medersat.com network schools, one in Bouskoura, Nouaceur province and the other in Ouahdana, Nador province.

This highlights the particular interest shown by the nation's decision-makers in the Medersat.com educational model and underlines the Foundation's status as an 'advanced laboratory' for Morocco's education system over the past 25 years.

A number of key characteristics underpin this educational model – welcoming and well-equipped schools, multilingualism from an early age, qualified teachers, the use of new technologies, education in civics and citizenship and a flexible mode of governance. BMCE Bank Foundation was the first institution to introduce Tamazight from pre-school age and is a nationwide pioneer in digitising its classes.

BMCE Bank Foundation has tirelessly pursued initiatives enabling the largest possible number of children in rural areas to gain an education. In 2022, as part of the nationwide programme to make preschool education widely accessible, BMCE Bank Foundation built, equipped and delivered 16 pre-school units within state schools to the Fez-Meknes and Tangier-Tetouan-Al Hoceima local education authorities.

Particular emphasis is also placed on school infrastructure to ensure that the learning environment is amenable. In 2022, five Medersat.com schools were renovated.

An inventory was carried out of Medersat.com network's IT resources – hardware and software – to optimise and make better use of information technology in educational learning. As a result, an equipment maintenance, repair and replacement plan was drawn up as part of the schools renovation and maintenance programme.

FOUNDATION PROJECTS BOLSTERED BY A SERIES OF WELL-TARGETED PARTNERSHIPS

The French Institute of Morocco will continue to partner the Foundation after an agreement was signed to enhance cooperation between both parties. A second specific agreement was also signed as part of the Foundation's ongoing support for the Bibliotobiss project. This digital cultural caravan continued its regional tour, visiting 4 network schools and benefiting nearly 3,400 pupils.

The partnership with Teach For Morocco has enabled the Middle Section of preschool to be extended to new schools within the Medersat.com network with the former providing qualified educators to BMCE Bank Foundation. In 2022, as many as 1,454 pupils aged 4-5 years, compared to 500 in 2021, benefited from this education. Their enrolment in

school has enabled women in rural areas to free up time for training and develop income-generating activities.

The particular importance placed on new information technologies in education is embodied in the partnership with the ProFuturo Foundation. Under the terms of the agreement with BMCE Bank Foundation, the latter will provide 16 schools with IT equipment, enabling pupils and teachers to access a platform of offline educational resources.

2022 also saw the Mandarin Chinese teaching project extended to new schools on either a face-to-face basis or by distance learning. The Confucius Institutes and their host universities, which are proactively contributing to this ambitious project, now supervise more than 1,400 pupils in 7 Medersat.com network schools.

STRONGLY COMMITTED TO ENVIRONMENTAL CAUSES

By signing UNEP FI's Statement of Commitment by Financial Institutions on the Environment and Sustainable Development, BANK OF AFRICA Group is demonstrably committed to environmental causes. Through its Foundation and, within the framework of the Medersat.com programme as well as projects initiated in partnership with local authorities or NGOs, the Group is responding to specific needs at grassroots level.

Agreements have been signed with various organisations including the High Commission for Water and Forests, Rabat Zoo, the National Library of the Kingdom of Morocco and others.

A strategic agreement is also in place between BMCE Bank Foundation and the Mohammed VI Foundation, which oversees the Eco-Schools environmental programme. The aim of this programme is to instil in pupils an awareness of sustainable development issues and eco-friendly behaviour through six themes: energy, waste, water, biodiversity, food and solidarity.

As part of this partnership and, as a result of teacher and pupil engagement, in 2022, 6 more Medersat.com network schools obtained Green Pavilion status, the Eco-Schools Label awarded by the Mohammed VI Foundation. At the end of the 2021-22 academic year, a total of 37 Medersat.com schools had been certified i.e. 50% of the network. BMCE Bank Foundation's aim is for all schools within the network to obtain this award.



KEY PARTNERSHIPS BOLSTERED

ONGOING TRANSFORMATION TOWARDS A 21ST CENTURY EDUCATIONAL MODEL

The pandemic has disrupted learning modes and has accelerated technological development within schools and businesses. BMCE Bank Foundation is embracing changes in information technologies and their impact on teaching methods. It has therefore embarked on a process of gradually transforming Medersat.com's educational model to improve learning outcomes and appraisals.

One of the pillars of this innovation-based educational strategy is the teaching of robotics programming. Following a successful pilot scheme in 3 schools in 2021, BMCE Bank Foundation began to equip a further 10 network schools this year. Its aim is to extend the programme to all network schools within the next 3 years.

In addition, Medersat.com Academy, BMCE Bank Foundation's virtual training institute, which was inaugurated at the end of 2020, continued its annual training programme for teaching staff by organising several distance learning sessions. Face-to-face sessions were also organised.

The programme's high educational quality, grassroots support, the level of dedication shown by teachers and the co-curricular activities organised throughout the year ensured that pupils obtained excellent results: for pupils attending Medersat.com schools, at the end of the 2021-22 academic year, the overall progression pass rate was 98% (compared to 95% the previous year) while the high school diploma pass rate was 79% (62.5% were girls), with 59% of high school diploma holders obtaining a commendation.

BMCE Bank Foundation is regularly invited to share its experience and discuss its initiatives in education and the environment. As a result, it took part in the Casablanca-Settat Regional Conference organised by Hassan II University of Casablanca regarding the ESRI 2030 PACT, a national plan to accelerate the transformation of the higher education, scientific research and innovation ecosystem.

The Medersat.com model and its results were highlighted. Thanks to its ability to continuously develop innovative educational and teaching models, the Medersat.com network enables children in the most disadvantaged rural and peri-urban areas to genuinely benefit from equal opportunities.

98%

Overall grade progression rate
(vs. 95% in 2021)

79%

High school diploma pass rate

62.5%

Percentage of girls among high school diploma holders

59%

Percentage of high school diploma holders achieving a commendation



Consistent with the recommendations of the new development model, the ESRI 2030 PACT aims to provide the Kingdom with a university model that can be adapted to current socio-economic, environmental and technological changes, thereby promoting socio-economic inclusion, competence and academic excellence.

GOVERNANCE SYSTEM ADAPTED TO ENSURE THAT CSR POLICY IS IMPLEMENTED

BANK OF AFRICA's CSR policy is fully endorsed by the Chairman and Chief Executive Officer and implemented across the Group's entire business.

As a socially responsible organisation within its industry, BANK OF AFRICA was one of the first institutions to draw up its own Governance Charter in accordance with Bank Al-Maghrib's regulatory provisions. This Charter outlines the governance system adopted by the Group and defines the powers of each body, where those powers stop, their prerogatives and how they interact. The Charter enables BANK OF AFRICA to organise how its most important bodies and decision-making processes – the Annual General Meeting of Shareholders, the Board of Directors and the Specialised Committees – can function more effectively.

As one of the various Specialised Committees responsible for ensuring that the Group's corporate strategy is properly implemented, the Environmental and Social Sustainability Committee (ESS) ensures that CSR governance is bolstered within the Group and that sustainability is embedded within its organisational structure.

The ESS Committee's main 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 2022, the Environmental and Social Sustainability Committee continued its work which consisted of tackling four new issues: (i) the Bank's Positive Impact approach (ii) the Green Climate Fund's accreditation (iii) implementing the national Financial Inclusion strategy and (iv) the Bank's approach to diversity and inclusion.

Board Member and Deputy Chief Executive Officer

Deputy Chief Executive Officer responsible for Group Governance and Development

Deputy Chief Executive Officer responsible for Group Human Capital

Heads of Group Risks

Head of Economic Intelligence and Sustainable Development

Head of Partnerships & Sustainable Development

5 representatives of the COO responsible for CIB & Morocco (Corporates/SMEs/Investment/International/Personal & Professional Banking)

Head of Group Diversity & Inclusion

Secretary General, BOA Group

Group Head of Environmental and Social Risks, BOA Group

Head of Social and Environmental Responsibility, British International Investment

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



First CSR-ESG seminar for Directors

An information seminar for Directors was held in 2022. The seminar focused on the regulatory requirements of BAM circulars and the Group's Strategic Vision 2030, with a strong emphasis on impact finance/CSR within the SME segment to enable the latter to access innovative and cost-competitive financing as well as maximising the potential for sustainable finance for corporates in key sectors e.g. integrating CSR into their core business – infrastructure, energy, sanitation, health, education, transport, engineering, manufacturing.

The seminar's themes focused on:

- 1- Latest trends in the standardised framework and best practice in integrating ESG aspects into governance and risk management systems within the banking industry – overseas and in Morocco
- 2- Roles and responsibilities of Boards of Directors
- 3- BANK OF AFRICA's positioning in CSR and impact-based sustainable finance by highlighting its existing strengths and areas for improvement.

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

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

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 (Moody's ESG Solutions) and benchmarks
 Draw up, input and share the SD & CSR table of indicators for each undertaking
 Prepare non-financial reporting aspects

COMPLIANCE AS A PILLAR OF RESPONSIBLE DEVELOPMENT AT BANK OF AFRICA

As a responsible financial institution, BANK OF AFRICA attaches great importance to business ethics, integrity and protecting its customers' interests. The Bank is therefore committed to rigorously applying the principles required by domestic and international banking regulations and adopting best professional practices. The Compliance function therefore works closely with the Bank's entities and regulatory authorities to design and implement systems for combating money laundering and terrorism financing, complying with international sanctions, preventing

corruption and fraud, preventing conflicts of interest and market abuse, protecting personal data, protecting customers' interests and complying with tax transparency laws. These systems are designed to meet the expectations of regulatory authorities and maintain the integrity of the financial system while promoting communities' socio-economic development.

Know Your Customer (KYC)

As the cornerstone of the Bank's anti-money laundering and counter-terrorism financing strategy, the KYC system established by the Group Compliance Division consists of properly identifying customers and knowing their profile. The level of due diligence carried out on customers and the frequency with which KYC is updated are proportionate to the level of risk associated with each customer.

Market integrity

To guarantee financial market integrity in those countries in which BANK OF AFRICA – BMCE Group has operations and to increase investor confidence in these markets, the Group Compliance Division has adopted a set of measures to prevent, detect and mitigate the risks associated with market abuse by combating insider trading, market manipulation and the dissemination of false or misleading information. The aim is to create, within the framework of combating market abuse, fair conditions of competition among all economic agents and ensure that the Group's reputation is protected on global financial markets.

Personal data protection

BANK OF AFRICA places considerable importance on protecting the personal data entrusted to it by its customers, employees and partners. The Group Compliance Division, working closely with the business units in question, ensures that appropriate measures are taken to process personal data in accordance with Morocco's Act No. 09-08 and the EU's General Data Protection Regulation.

Tax transparency

BANK OF AFRICA is committed to complying with international tax transparency laws, particularly US FATCA legislation. The Group Compliance Division has established a system for complying with legal requirements by identifying customers who are 'US persons' and helping them complete the requisite procedures as well as the filings required by the US tax authorities.

MAIN
COMPON
OF COMPL
SYSTEM



ETHICS AND PROFESSIONAL CONDUCT COMPLIANCE

BANK OF AFRICA has a Code of Ethics and Professional Conduct which sets out the principles and guidelines applicable to BANK OF AFRICA Group entities in terms of professional conduct and business ethics.

As part of a process of ongoing improvement, the Group Compliance Division updated its Code of Ethics and related procedures with a view, among other things, to bolstering requirements regarding rules of conduct relating to combating money laundering and terrorism financing, protecting customers' interests, managing persons with insider knowledge as well as the whistleblowing channel.

In terms of capital markets integrity, the Group Compliance Department duly filed its ethics activity reports with the Moroccan Capital Markets Authority (AMMC).

As part of its anti-corruption remit, BANK OF AFRICA's Anti-Bribery Management System (SMAC) saw its ISO 37001 certification successfully renewed following a

comprehensive supervisory audit of a number of the Bank's functions by an external certifying body, coordinated by the Group Compliance Division.

Given that this is an ongoing process, BANK OF AFRICA has launched a number of initiatives to improve its Anti-Bribery Management System. These include bolstering related internal control procedures, organising various training sessions, reviewing corruption risk mapping, raising employee awareness about corruption risks, particularly those related to so-called exposed functions, publishing a guide about best practices and procedures related to preventing corruption, updating service agreements and setting up Know Your Supplier (KYS) instructions, which set out the principles and guidelines to be applied by entities involved in the purchasing process for knowing and appraising service providers.

At Group level, the roll-out of the Anti-Bribery Management System has begun, with awareness training sessions provided to subsidiaries and pilot sites chosen. The latter will be prioritised when it comes to obtaining ISO 37001 certification.

Anti-money laundering and counter-terrorism financing

The Group Compliance Division has developed an anti-money laundering and counter-terrorism financing system inspired by best practice in this area. It ensures, through a risk-based approach, that appropriate measures are implemented to prevent, detect and mitigate the money laundering and terrorism financing risks to which the bank is exposed. The system adopted includes policies, procedures, IT systems for monitoring transactions, reporting, controls, training, awareness and a specific organisational set-up.

International sanctions and embargoes

The Group Compliance Division has adopted the necessary measures for complying with the international sanctions and embargoes in place against countries, states, territories, entities and individuals with a view to combating transnational organised crime, terrorism, the proliferation of weapons of mass destruction and their financing, as well as coercion in response to serious human rights violations or peace-threatening acts.

Protecting customers' interests

Within the framework of its various activities and range of products and services, BANK OF AFRICA prioritises customers' interests. The Bank ensures that customers are treated in a transparent, impartial and fair manner and that its products and services meet their needs by providing them with clear and precise information about every contractual clause as well as related pricing. There are a variety of channels available to customers by which they may make a complaint. Complaints are handled by specialised staff and are reported within a reasonable timeframe to the business unit in question.

Combating corruption

BANK OF AFRICA was the first bank in Africa to obtain ISO 37001 certification for its Anti-Bribery Management System. This certification, which underlines the effectiveness of the Bank's anti-bribery system, is subject to an independent external audit every year.

COMPLIANCE DIVISION IN AN ONGOING DIALOGUE WITH ITS PARTNERS AND ITS ECOSYSTEM

In carrying out the various tasks entrusted to it, Compliance holds regular discussions with its partners.

The Group Compliance Division has continued to fulfil its role in combating money laundering and terrorism financing, in complying with Act 09-08 governing personal data protection, complying with FATCA legislation and ensuring that ethical standards and professional conduct are upheld. As such, Group Compliance has maintained an ongoing dialogue with its internal and external partners – Bank Al-Maghrib, the ANRF, the AMMC, the CNDP, the IRS (US tax authorities), its foreign banking correspondents as well as its network of branches and business centres.

Compliance investigated requests for information and bank account searches from the National Authority for Financial Intelligence (ANRF) and filed suspicious transaction reports within the required deadlines for transactions which appear unjustified.

The Group Compliance Division filed its annual reports in respect of the 2022 financial year with Bank Al-Maghrib, including the annual AML-CFT questionnaire and reports relating to its assessment of money laundering and terrorism financing risks. In addition, the Group Compliance Division provided Bank Al-Maghrib with the information and data required as part of audit assignments or ad hoc supervisory requests.

Regarding foreign correspondent banks, Compliance processed requests to update KYC files and the AML questionnaires received as well as reviewing the KYC records of client correspondent banks.

As part of its ongoing relationship with the distribution network, the Compliance function is always 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, investigating unusual reported transactions or advising on account openings etc.

ONGOING IMPROVEMENTS IN THE KYC VALUE CHAIN

A revamp of the KYC business value chain, which involved extending OGS back-office controls to the entire network in 2021, provided a much-needed fillip to the KYC process, resulting in a significant improvement in KYC indicators.

In 2022, complying with KYC requirements remained a major challenge for BANK OF AFRICA. To ensure compliance with existing regulations, Group Compliance has made a series of improvements to its procedures handbook. The latter sets out the rules and processes to be followed for identifying business relationships,

beneficial owners and ad hoc customers, collecting the required information and checking it. By regularly updating the handbook, the Bank is able to constantly adapt to legislative and regulatory changes.

Training and awareness-raising initiatives were prioritised in 2022 to ensure that the entire BANK OF AFRICA network complied with KYC requirements. The Bank's employees received training in the rules and processes to be followed to check customers' identity based on existing regulations.

Group Compliance has also assumed responsibility for steering all KYC activity, in particular, by carrying out operational processing including screening customers against international sanctions lists, politically exposed persons and negative media, monitoring to ensure that KYC records are reliable and validating high-risk customers' KYC records.

Lastly, the KYC checking process carried out by the OGS back office is a key element in ensuring compliance with KYC requirements. As such, following the revamp of the KYC value chain with OGS back-office controls extended to the entire network in 2021, the OGS subsidiary, in 2022, helped to implement KYC checks on all initial customer contacts and updates entered into the Bank's information systems in the form of scanned documents and third-party customer data.

This provided a welcome boost to the KYC process with a noticeable improvement in the quality of customer records in accordance with regulatory requirements.

MONITORING AND APPRAISING MONEY LAUNDERING AND TERRORISM FINANCING RISKS

In accordance with existing regulations, BANK OF AFRICA uses transaction filtering and profiling tools to monitor customers and their transactions to mitigate money laundering and terrorism financing risks.

Similarly, the Group Compliance Division conducts a regular appraisal of money laundering and terrorism financing risks for different customer categories, countries or geographic regions as well as products, services, operations and distribution channels. In conducting this analysis, all relevant risk factors are assessed with a view to applying a risk-based approach which encourages resources to be allocated optimally as a function of the Group's level of exposure to money laundering and terrorism financing risks.

COMPLIANCE WITH FATCA LEGISLATION

In 2022, BANK OF AFRICA implemented a series of initiatives, as a result of which its FATCA compliance system obtained 'Compliance' certification status without any 'Event Of Default' (unconditional certification). FATCA-eligible subsidiaries filed their declarations end-June 2022 in respect of the 2021 financial year.



ONGOING EFFORTS IN PERSONAL DATA PROTECTION

One of BANK OF AFRICA's priorities since 2020 has been to ensure that it fulfils General Data Protection Regulation (GDPR) requirements. After receiving assistance from a consulting firm in 2020 in upgrading systems at both the parent and subsidiary levels, the Bank appointed a Data Protection Officer (DPO), as required by regulatory requirements, and implemented a compliance action plan. The final phase of the GDPR compliance project, now underway, consists of rolling-out a compliance kit within a pilot entity of the Bank. The aim is to test the intended system and, if necessary, adjust it.

Regarding the system's impending roll-out at subsidiary level, an approach has been chosen which includes a preliminary GAP analysis phase consisting of collecting information via questionnaires sent to subsidiaries about their existing practices and the extent to which the latter comply with existing laws and regulations. Specific action plans are being drawn up. This will be followed by a roll-out phase at pilot sites before being extended to all subsidiaries.

Since personal data protection is also a legal requirement in Morocco, in 2022, the Compliance function assisted the Bank's various entities in complying with Act 09-08 regarding personal data protection. The Bank also filed applications with the CNDP regarding various projects which involve personal data processing.

SUPPORTING BANK ENTITIES TO ENSURE THAT NEW PRODUCTS AND SERVICES ARE COMPLIANT

Group Compliance is also tasked with assessing whether new products, services, activities and technologies comply with legal and regulatory requirements in every aspect related to combating money laundering and terrorism financing, personal data protection and preventing corruption. As such, it supported the Bank's entities regarding the launch of new products and/or reviewing various projects, particular those related to digital transformation, establishing partnerships with external entities and new activities of the Bank or of one of its subsidiaries.

Group Compliance discusses ongoing projects with the entities in question and makes recommendations, even about the design phase, to ensure that they comply with legal and regulatory requirements.

GROUP-WIDE COMPLIANCE-RELATED VIGILANCE

In its task of mitigating and managing non-compliance risks, the Group Compliance Division continued its efforts at improving and bolstering Compliance-related systems at subsidiary level in Morocco and overseas.

In 2022, a number of subsidiaries acquired new software for monitoring customers and transactions or revamped existing systems to make controls more relevant. Group Compliance provided these subsidiaries and intermediary holding companies with the necessary technical and functional support.

As far as Group-wide vigilance is concerned, Group Compliance launched a number of cornerstone projects as a result of the requirements of Bank Al-Maghrib's new directive. These include establishing strong functional links with subsidiaries, introducing a 'sensitive customer' portal, monitoring Correspondent Banking at Group level, escalating high-risk transactions, automating AML-CFT reporting as well as centralising transaction monitoring at Group level.

A number of Group-wide vigilance projects were rolled-out at pilot sites prior to their being implemented more widely. These include a workflow system for centralising management of Correspondent Banking relations, an online portal for sensitive customers and automating AML-CFT reporting with published performance indicators sent to subsidiaries and intermediary holding companies.

BANK OF AFRICA' Group Compliance Division also provided assistance and support to all subsidiaries in bolstering their customer and transaction monitoring system or provided help with any other compliance-related matter.

Group Compliance also dealt with a number of requests from subsidiaries following consultations on a variety of matters such as pending transactions, high-risk customers or customers which have a relationship with more than one Group entity, replies to questionnaires from regulatory authorities, service provider agreements or following-up on post-supervisory audit action plans.

Projects initiated include support for subsidiaries in introducing FATCA compliance systems, monitoring the certification renewal calendar and IRS reporting. Others under implementation include the GDPR and the Anti-Bribery Management System.

Lastly, to meet Bank Al-Maghrib's regulatory requirements regarding implementing stricter supervision and steering of the AML-CFT system at Group level, a roadmap comprising around fifteen vigilance-related projects was drawn up, projects initiated, and regular monitoring carried out by the Bank's governance bodies to ensure that the work is advancing according to the scheduled deadlines.

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

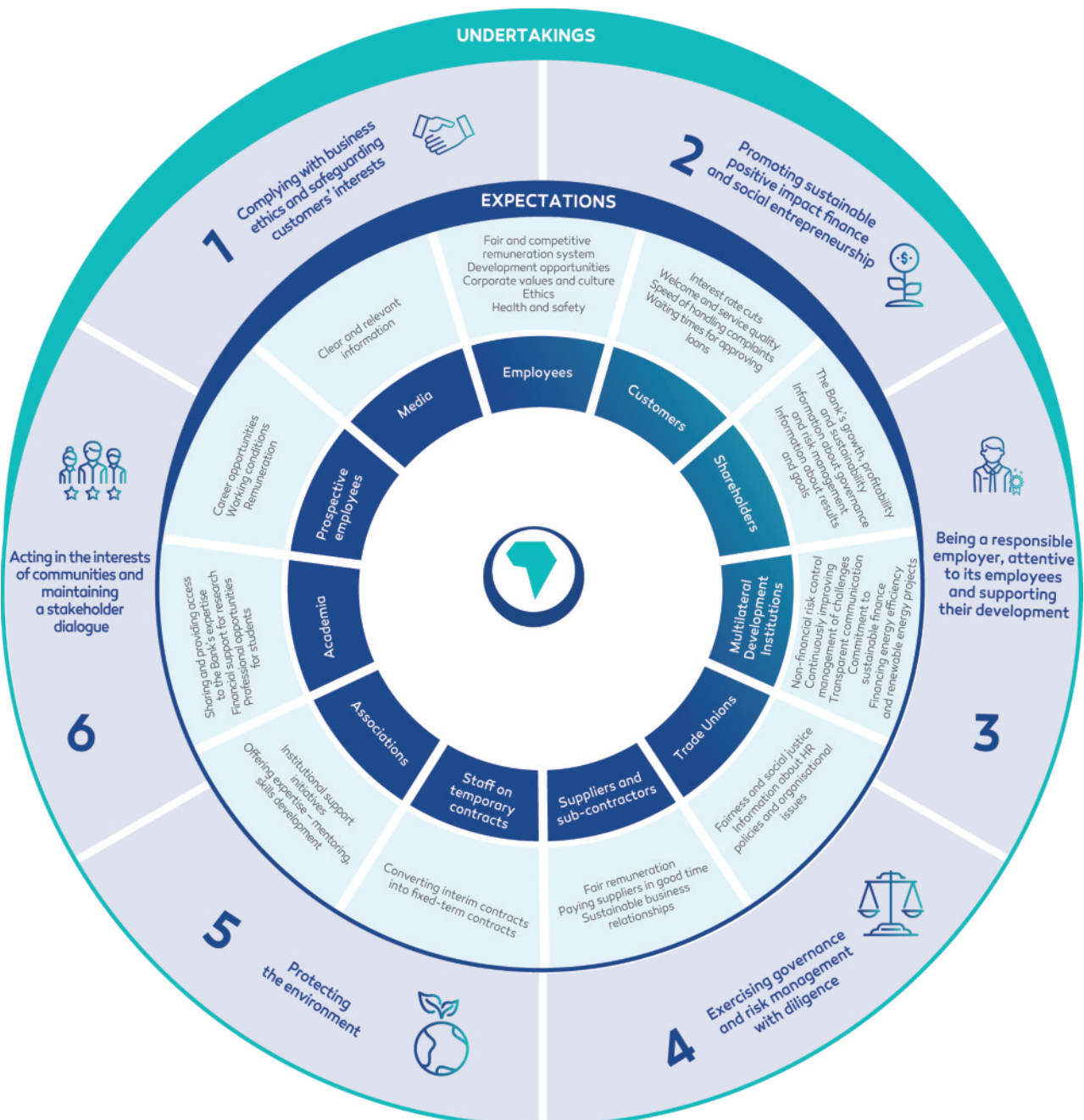
BANK OF AFRICA remains at the forefront of banking institutions in Morocco and Africa in ensuring that its CSR undertakings are a growth driver and a vehicle for creating shared value.

STRATEGY UNDERPINNED BY 6 UNDERTAKINGS

To underline the vitally important role played by corporate social responsibility initiatives in its day-to-day operations, BANK OF AFRICA decided to adopt a formal approach to its CSR undertakings in the form of a Corporate Social

Responsibility Charter. The latter is underpinned by 6 strategic initiatives which enable the Group to respond to the ethical, environmental and social challenges faced by each of its stakeholders.

The Corporate Social Responsibility Charter also enables the Bank to reflect on these challenges from a long-term and Group-wide perspective by encouraging each subsidiary to make an effective contribution which takes into account the interests of all stakeholders:



¹ Customer Relations Centre

² Energy efficiency and renewable energy



BANK OF AFRICA'S ESG PERFORMANCE REGULARLY MONITORED

Implementation of the Group's social responsibility and sustainability undertakings is monitored internally and is a key component in helping the Group to enhance its operational performance, safeguard its reputation and foster closer ties with its stakeholders, including multilateral development institutions, regulatory authorities, rating agencies etc.

As such, BANK OF AFRICA's Sustainable Development team conducted the Group's 4th annual CSR self-appraisal campaign in 2022.

This system enable each entity to report to its Board of Directors on its own performance and evaluate its progress with regard to the undertakings made by the Group.

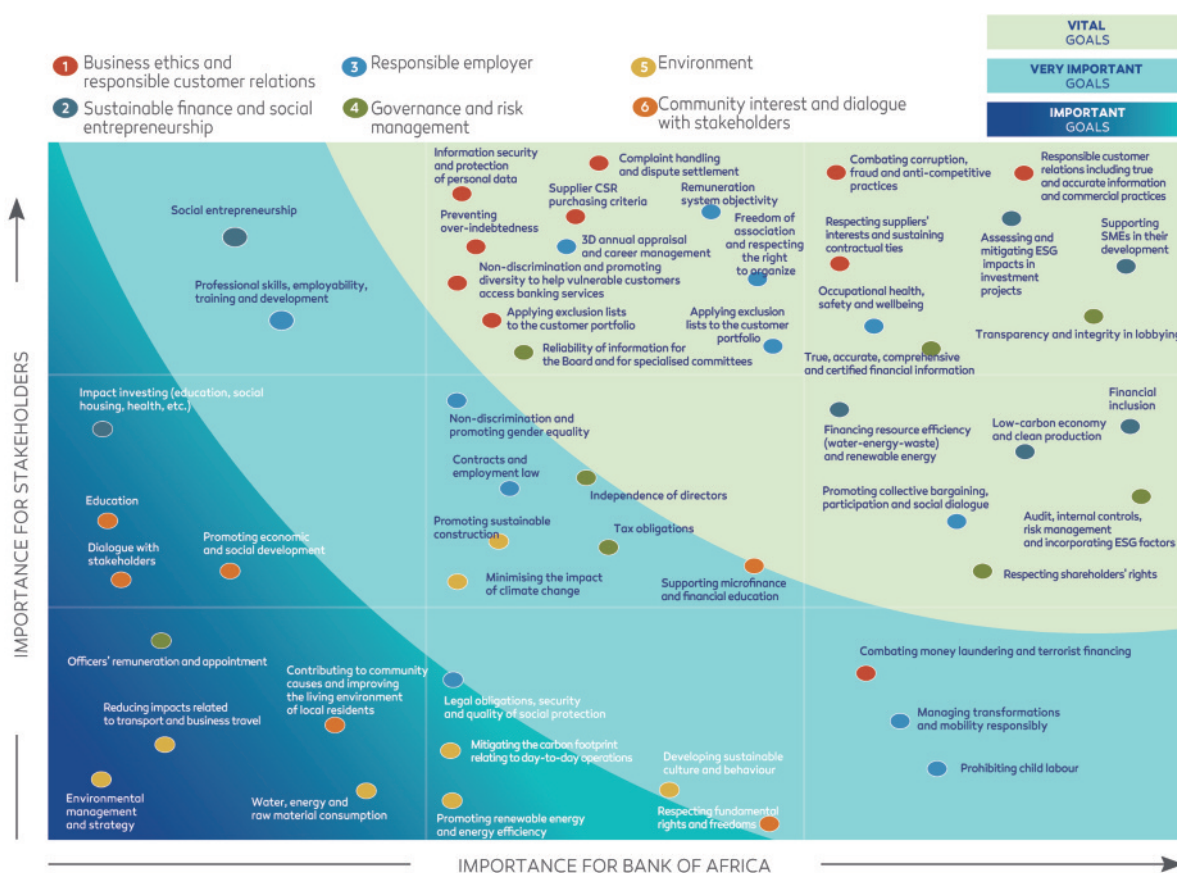
By consolidating the results, the Group is able to identify priority areas requiring improvement as well as the achievements and positive aspects, which constitute a portfolio of best practice and success.

Effective and ongoing dialogue with stakeholders is a fundamental component of the Group's CSR policy. In addition, as a socially responsible and engaged banking group, international frameworks such as the United Nations' Sustainable Development Goals, Principles for Responsible Banking and Principles for Responsible Investment also play an integral role in CSR policy. BANK OF AFRICA has

Conducting materiality analysis is an essential step in formulating its CSR strategy. It enables the Group to identify those environmental, social and governance issues of most relevance while taking into account the expectations of its different stakeholders and the issues inherent in its own activities.



This process of consulting, listening, partnering and engaging with internal entities, non-financial performance experts and independent third parties, has enabled the Group to map 51 major CSR issues, ranked by 3 levels of importance and broken down under 6 strategic priorities. These 6 undertakings form the backbone of BANK OF AFRICA's CSR strategy.



In 2022, an extensive review of all issues was carried out without any major change to the materiality matrix.



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS: 13 PRIORITY ISSUES UNDERPINNING BANK OF AFRICA'S CSR STRATEGY

The Group is heavily involved in a variety of international sustainable development bodies while maintaining an ongoing dialogue with its stakeholders. Its social and societal responsibility undertakings are underpinned by internationally recognised frameworks such as the United Nations Global Compact, the UN Sustainable Development Goals, Principles for Responsible Banking and Principles for Responsible Investment. BANK OF AFRICA's CSR strategy responds to 13 of the 17 United Nations Sustainable Development Goals (SDGs).



The Sustainable Development Goals (SDGs) define 17 priorities for socially equitable, environmentally safe, economically prosperous, inclusive and predictable development by 2030. They were adopted in September 2015 by the UN as part of the 2030 Agenda.

2022 PERFORMANCE CONSISTENT WITH UNDERTAKINGS



Compliance with rules of integrity, fairness in business dealings and transparency are key principles for BANK OF AFRICA. The Group takes every step to prevent corruption and conflicts of interest, comply with competition rules and combat fraud. Its ethics-based undertaking also encompasses combating tax evasion as well as money laundering and terrorism financing.

An integrated approach to Compliance

While 2021 saw a significant increase in requests for support from the Group Compliance Division and the launch of a number of cornerstone projects, in 2022, Group Compliance, tasked with preventing and managing non-compliance risks, continued efforts at improving and bolstering Compliance-related systems at both the parent and subsidiary levels in Morocco and overseas.

At parent company level, Group Compliance ensured that the Bank continued to comply with regulations through operational processing in compliance-related areas, regulatory monitoring, training initiatives, awareness training, updating the body of standards, appraising and mapping non-compliance risks, evaluating whether new products and services were compliant as well as reporting. Indeed, 2022 was marked by a significant increase in compliance-related operational processing, particularly regarding financial security and KYC. Implementation of business and IT projects already initiated was also accelerated.

At Group level, a variety of cornerstone projects initiated in response to BAM introducing Directive No. 6/W/2021 regarding procedures for applying Group-wide vigilance measures are now operational or in test phase at a number of subsidiaries prior to being adapted ahead of implementation.



Compliance skillset bolstered

Following an impact study of new regulatory requirements, certain projects have been prioritised, which has resulted in a tangible transfer of skills and competencies to not only subsidiaries but also the hub. These included upgrading subsidiaries' body of standards and mastering new software.

Assistance and close support was provided in 2022 to all subsidiaries in response to subsidiaries' requests for advice and consultations, often within the framework of post-regulatory audit remediation plans.



Know Your Customer or 'KYC' is a procedure implemented by banks to check the identity of their customers – either individuals or legal entities – in accordance with existing customer due diligence regulations.

2 PROMOTING SUSTAINABLE FINANCE AND SOCIAL ENTREPRENEURSHIP

- Managing social and environmental risks
- Financing resource efficiency -water, energy, waste-
- Low-carbon economy and cleaner production
- Supporting the growth of SMEs and small businesses
- Social entrepreneurship
- Financial inclusion
- Positive impact investing



BANK OF AFRICA – a key player in positive impact finance

BANK OF AFRICA Group was the first African bank to sign the UNEP FI's Statement of Commitment by Financial Institutions on the Environment and Sustainable Development prior to becoming one of the founding members of the United Nations' Principles for Responsible Banking (PRB) in 2019. Within the framework

of these international undertakings, the Group has implemented a number of cornerstone projects to ensure that the Principles for Positive Impact Finance are embedded in its business model over the long-term. In 2020, the Bank embarked on a maiden initiative in this regard by becoming the first institution in the Arab world to publish a report on sustainable finance, 'Promoting Sustainable Finance and Climate in the Arab Region'.



2000 BANK OF AFRICA the **first African signatory** of UNEP FI's Statement of Commitment by Financial Institutions on the Environment and Sustainable Development



2008 **Environmental and Social (E&S) Risk Management System** adopted in conjunction with the IFC



2010 **Equator Principles (EP)** voluntarily adopted



2016 UN Global Compact signed, underlining the Bank's support for the ten principles relating to **human rights, social and labour standards, environmental protection and combating corruption**



2016 Commitment to climate action underlined by joining the '**Mainstreaming Climate Action within Financial Institutions**' initiative



2017 **Founding member of Principles for Positive Impact Finance**



2018 **First African Bank to endorse the TCFD**



2019 **Founding member of Principles for Responsible Banking**



2019 **First African bank to support China's 'Green Investment Principles for the Belt and Road (GIP)' initiative**



BANK OF AFRICA's commitment to sustainable finance is also reflected in its accreditation to the Green Climate Fund (in progress since 2022). This financial mechanism helps developing countries limit or reduce their greenhouse gas (GHG) emissions and adapt to climate change by integrating the concept of climate risk into the investment financing and credit approval process. BANK OF AFRICA's commitment is consistent with the Kingdom's carbon neutral policy which has established Nationally Determined Contributions (NDC) as a means of reducing greenhouse gas emissions, as well as its National Sustainable Development Strategy (SNDD 2030) and National Climate Plan (PCN 2030).

In 2022, a cooperation agreement was signed between BANK OF AFRICA and the European Bank for Reconstruction and Development (EBRD) to develop a sustainable finance framework for green, social and sustainable bond issues.

BANK OF AFRICA has also secured EUR 13 million of funding from the European Bank for Reconstruction and Development, with the support of the Green Climate Fund (GCF) and the European Union (EU), to encourage Moroccan companies to transition to a green economy and help SMEs to invest in clean technologies.

Similarly, BANK OF AFRICA signed two agreements, one with the Moroccan Agency for Energy Efficiency (AMEE) and the other with Cluster EnR, aimed at helping Morocco decarbonise its economy and adopt a low-carbon strategy as well as organising the 2nd Industrial Decarbonisation Conference in Tangier.

BANK OF AFRICA also provided funding to repower the Koudia El Baida wind farm in the Tangier-Tetouan region. At a cost of EUR 44 million, this investment is designed to double the wind farm's existing capacity to 100 MW. The wind farm is Africa's oldest large-scale wind farm and Morocco's first independent renewable energy producer.

BANK OF AFRICA is a founding member of the African Business Leaders Coalition (ABLC), which is sponsored by the United Nations. In 2022, at COP27, the Group signed the African Business Leaders' Climate Statement, inspired by the Paris Agreement's goals, the United Nations' SDGs and the ten principles of the United Nations Global Compact. This coalition of African business leaders, established by the United Nations Global Compact, aims to advance sustainable growth, prosperity, and development in Africa.

To ensure that sustainable finance is properly integrated at Group level, during 2020 and 2021, the Bank, in partnership with the IFC, became the first Moroccan bank to carry out a climate impact assessment of its project finance portfolio.

BANK OF AFRICA also participates in a number of international initiatives and working groups:

- Mainstreaming Climate Action within Financial Institutions' initiative: (i) BANK OF AFRICA's sustainability profile has been updated on the website of this initiative, launched at COP26 and (ii) the Bank has been re-elected to the Coordination Group alongside DFIs and IDFC.
- Future of Sustainable Data Alliance (FoSDA): launched in Davos in 2021, FoSDA brings together key players in sustainable finance and strives to fill ESG data gaps and holes.
- Network for Greening the Financial System (NGFS)/Banque de France: report submitted by BANK OF AFRICA to the working group on climate-related risks.
- Participation in events such as COP26, UNEP-FI Roundtable for Africa and the Middle East, ESG Reporting Roundtable with IFC-AMMC, Climate Action with IFC and the Green Climate Fund and the G20 Sustainable Finance Working Group.
- Contributed to the Impact Investing Ecosystem in Morocco study published in 2021 by the UNDP.

In 2022, BANK OF AFRICA's presence was keenly felt at COP27 due to it participating on several panels and events including (i) the Mainstreaming Climate Action in Financial Institutions initiative, (ii) the annual Uniting Business Africa event, and (iii) a side event to COP27 organised by the GPBM about the challenges and opportunities of Climate Finance. As an adjunct to COP27, BANK OF AFRICA was appointed co-chair of the newly-established Africa bureau for China's Green Investment Principles for the Belt & Road initiative with the aim of contributing to a new era of sustainable finance across the continent.

Today, BANK OF AFRICA's green and sustainable investments, which currently amount to almost MAD 4 billion, aim to promote energy transition, particularly renewable energy, energy efficiency, waste management and recovery, sanitation and wastewater treatment projects as well as female entrepreneurship and African SMEs.

Innovative products for businesses

Through its various partnerships and initiatives in sustainable finance, BANK OF AFRICA has been able to develop genuine expertise in this area and design and market a series of financing solutions with strong environmental, social and climate impact. The Group is preparing to launch, in 2023, its first social bond to finance social investment in health, education and housing.

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.

NEW 'GEFF II' AGREEMENT

BANK OF AFRICA renewed its commitment to supporting sustainable finance by signing a fresh Green Economy Financing Facility (GEFF II) agreement with the EBRD. This is a EUR 25 million sustainable finance line promoting funding for energy efficient or renewable energy projects, water conservation projects, sustainable land management and high environmental quality (HEQ) buildings.

GVC

Green Value Chain, launched in partnership with the EBRD, for financing energy-efficient and small-scale renewable energy projects as well as conservation and waste recovery projects for SMEs operating within a value chain.

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.

SUSTAINABLE AGRICULTURE

BANK OF AFRICA, in partnership with the GREEN FOR GROWTH FUND (GGF), initiated a study to promote sustainable agriculture which it presented at a webinar attended by 67 participants, including 30 companies from the agri-food industry.

POSITIVE IMPACT PROJECT

Supported by UNEP-FI, BANK OF AFRICA has integrated impact analysis within its credit approval process and across its portfolio. 30.46% of total business customer loans in Morocco are positive impact loans. As well as being a profitable financial strategy at the operating level, this has allowed the Bank to adopt formal commercial targets for its entire portfolio, which are now consistent with SDGs and the specific needs of Morocco and Africa.

In 2022, to help businesses to reach their decarbonisation goals, BANK OF AFRICA introduced two new innovative and competitive financing solutions, *Cap Industrie Verte* and *Cap Energie*.



CAP Energie is a turnkey solution developed by BANK OF AFRICA to help businesses to better manage their resources – energy saving, water saving, waste management, etc. This financing solution enables businesses to fund the purchase of equipment or modernise their production facilities while integrating next-generation green technologies.



CAP Industrie Verte helps small businesses to decarbonise their manufacturing operations consistent with His Majesty's guidelines for developing a green economy and promoting energy efficiency and sustainable development. The solution enables small businesses to successfully transition to a low-carbon business model through an integrated system.



Inaugural regional decarbonisation conference

Decarbonisation will soon be a condition for gaining access to the European market. This new reality will have a significant impact on the Moroccan business sector as 65% of Moroccan exports are to Europe. In response to the Green Deal and its carbon border adjustment mechanism and, to honour the commitments made in 2015 under the Paris Agreement, industrial decarbonisation and green growth are Morocco's top priorities.

Decarbonisation should provide Moroccan companies with excellent short-, medium- and long-term opportunities. In the short term, it reduces resource and energy wastage, thereby increasing profitability by lowering costs. In the medium to long term, this approach enables a business to innovate and become more competitive when faced with increases in the price of natural resources and energy, changes in customer demand and stricter regulatory requirements.

BANK OF AFRICA is determined to support companies in making this ecological shift which is required if they are to be competitive. Organising the first and second regional decarbonisation conferences, held in Casablanca and Tangier respectively, is just one way in which the Group has demonstrated its commitment.

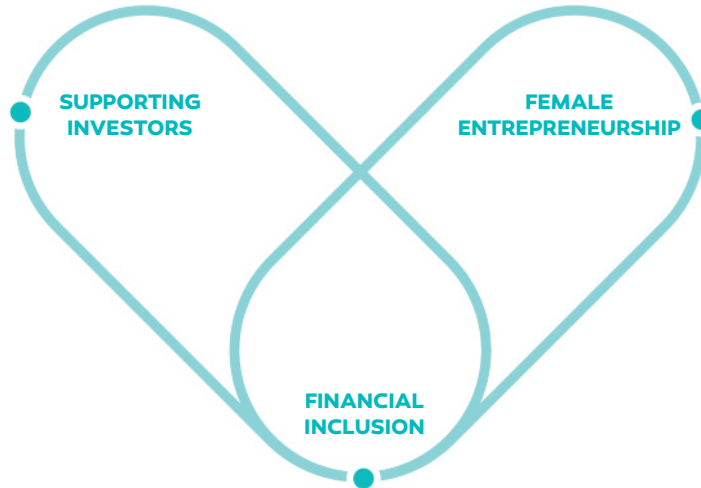
Green projects in Morocco – the EBRD grants BANK OF AFRICA a EUR 13 million financing line

BANK OF AFRICA was granted a EUR 13 million financing line from the European Bank for Reconstruction and Development (EBRD), its major partner for more than 10 years, with the support of the Green Climate Fund (GCF) and the European Union. This new line is an extension of the EUR 25 million financing facility granted in September 2021 by the EBRD under the Green Economy Financing Facility (GEFF). The main goal of this line is to help Moroccan companies to transition to a green economy. This loan primarily aims to support small- and medium-sized enterprises (SMEs) by enabling them to invest in clean technologies. The Bank, as well as its leasing subsidiary, Maghrebail, will continue to offer loans as well as helping customers to prepare, implement and monitor projects. In addition, capacity-building and awareness sessions will be organised on climate change mitigation and adaptation technologies.

BANK OF AFRICA

A LEADING PLAYER IN SOCIAL ENTREPRENEURSHIP

BANK OF AFRICA's commitment extends to every sector of the economy, as can be seen from its *Damane Relance* and *CAP TPE* loan packages. BANK OF AFRICA, as one of the Kingdom's major financial intermediaries, has again shown a willingness and readiness to support the domestic economy.



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 endorsed by His Majesty King Mohammed VI, which is also a major priority for the Bank, BANK OF AFRICA has responded robustly through its INTELAKA programme.

Sensitive to the needs of would-be entrepreneurs

The financial inclusion strategy promoted by His Majesty King Mohammed VI has been a major priority for BANK OF AFRICA since its launch. In 2022, the Bank continued its efforts to make it easier for entrepreneurs to access funding, particularly through its INTELAKA offering for eligible would-be entrepreneurs or its START TPE offering, an interest-free unsecured loan for existing TAMWIL INTELAKA customers, enabling them to fund start-up working capital.

To make it easier to access these offerings, BANK OF AFRICA has digitalised its INTELAKA loan application process via the Crédit Business Online portal. In 2022, 3,000 applications were approved totalling MAD 700 million.

To support small and medium-sized enterprises, BANK OF AFRICA tied up strategic partnerships with SANAD for a EUR 25 million financing line and with International Finance Corporation (IFC) for a USD 154 million loan facility.

In 2022, BANK OF AFRICA also organised the SMART Bank Open Innovation Regional Programme, now in its 5th year, with key partner organisations which include training establishments, OFPPT institutes' regional divisions, regional investment centres, regional councils and the CISE Cluster. This programme aims to encourage young start-ups and those with ideas to generate innovative solutions in response to issues raised by the various stakeholders in the Kingdom's 12 regions.

More than 12,000 young people have been made aware about entrepreneurship with 200 hours of training given to more than 500 entrepreneurs.

Since the Entrepreneurship Club was launched, targeting the Kingdom's 12 regions, more than 4,000 small businesses and self-employed persons have received support for their projects, with 25 partners involved. 500 jobs have been created as a result.

BANK OF AFRICA's commitment to financial inclusion and its support for the economy are also reflected in its ongoing support for the Blue Space network, launched in



partnership with ISCAE Group, UEMF and Aïn Chock's Faculty of Legal, Economic and Social Sciences. More than 120 projects have been incubated as a function of entrepreneurs' respective goals and project status, resulting in 7 company formations, 3 patents and 4 go-to-market strategies.

BANK OF AFRICA has also launched an integrated programme promoting regional investment via a series of regional investment seminars and training sessions to improve investors' entrepreneurial skills in addition to a series of online conferences, 'Entrepreneurship Meetings', attended by more than 2,700 participants.



Access to banking and financial services democratised

Digitisation is a key driver of banking inclusion. In a world transformed by technological developments and evolving consumer habits, BANK OF AFRICA has underlined its goal of being a leader in digital innovation within the banking industry by launching a new version of *Agencedirecte.ma*, its online banking site. This new version enables customers to open their account remotely via a 100% online process without needing to go into a branch.

Through the *Agence Directe* app, BANK OF AFRICA also offers a number of exclusive free-of-charge packages comprising essential banking services to meet the needs of different customer profiles e.g. youngsters, employees, civil servants, senior citizens, Moroccans living abroad etc.

In addition to *Agence Directe*, BANK OF AFRICA offers a number of online banking platforms: the BMCE Direct app and platform for accessing accounts and subscribing to products and services, the *DabaPay* app for mobile payment transactions, the *credithabitat.ma* property loan platform, the *creditdaba.ma* consumer loan platform and the *DabaTransfer* app for transferring money from Europe to Morocco. These different portals provide a response to customers' new consumer behaviour as they look for a more mobile and instantaneous banking relationship.

A new mobile payments solution, *Dabapay Pro*, was launched in 2022 on every bus line in the cities of Nador and Safi, enabling bus users to use their smartphone to pay for tickets. This pilot experiment was carried out in partnership with Vectalia, a transport company running local public bus services in a number of Moroccan cities. Through this partnership, BANK OF AFRICA is helping to promote the mobile payments ecosystem with the aim of digitising in-store payment transactions. As a result, it is striving to encourage the widespread use of digital technology as a payment means and as an alternative to cash and help to promote financial inclusion in Morocco.

BANK OF AFRICA's banking digitisation strategy together with its extensive range of digital products and services underlines its status as a Bank which is closely in tune with its environment and its ability to adapt to the constantly evolving technological landscape by developing bespoke solutions for all customer types.

Supporting female entrepreneurship

BANK OF AFRICA, which is strongly committed to women and gender parity, encourages and supports female entrepreneurship through its Women in Business programme, set up in partnership with the EBRD. This programme is a MAD 200 million financing facility offering women entrepreneurs an all-inclusive solution. It has now been extended to women's associations and cooperatives in rural areas to promote their development and encourage them to adopt a more formal approach to their activity.

Non-financial support for small businesses

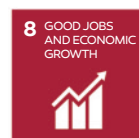
BANK OF AFRICA was one of the first banks to respond positively to requests from the government to provide better support for small businesses, with the latter accounting for 95% of the Kingdom's economy. In response to His Majesty's speech of October 2019, the Bank accelerated the process of designing specialised packages for entrepreneurs – sole traders, micro-entrepreneurs or legal entities – regardless of whether they are setting up or developing their business. BANK OF AFRICA's product range encompasses a broad spectrum of products and services that are adapted to the specific needs of each category, including micro-entrepreneurs and young entrepreneurs. It also includes a support mechanism for small retailers to help them officialise and develop their activity and ensure that they are fully integrated and included within the wider nationwide mobile payments network.

BANK OF AFRICA is also able to leverage the capabilities of its Entrepreneurship Observatory, established in 2009. The latter adopts a three-pronged approach to offering non-financial support in the form of training, mentoring and networking, as well as raising awareness about entrepreneurship. The ODE is able to support 14,000 young people, business start-ups and entrepreneurs each year.



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

- Diversity and equal opportunity between women and men
- Career management and training
- Supporting career change and internal mobility
- Occupational health, safety and wellbeing
- Collective bargaining and social dialogue
- Positive impact investing



BANK OF AFRICA's men and women are its greatest asset. Performance is conditional on their engagement. The Group encourages this by fostering a working environment which promotes well-being and health in the workplace, staff diversity and professional development for everyone. The high level of commitment shown by staff is also a result of the priority placed by the Group on their professional development and the importance that it attaches to each employee, regardless of their background, education or profession.

The Group's human resources policy ensures that a socially ethical approach frames its every action, underpinned by a strong corporate culture which aligns employees around a set of core values – respect, trust, team spirit, creativity, fair treatment and equal opportunity.



Career management for every employee

Effective career management and mobility help to develop an employee's skillset and performance. In the context of human capital management, BANK OF AFRICA encourages internal mobility for all employees or the possibility of developing their career through overseas opportunities. This approach also enables BANK OF AFRICA to anticipate the changing needs of individual business lines in terms of skills, endeavour to retain talented individuals and develop a strong corporate culture.

Regardless of whether their role is generalist or specialist, each employee is entrusted with clearly-defined tasks and responsibilities. Individual goals are set which are personally rewarding as well as serving the wider interests of the Group. These goals foster cooperation, team spirit and resource sharing. An in-company jobs portal frequently publishes the needs of the Group's various entities, with the latter carrying out regular staff appraisal interviews. In 2022, 1,210 internal transfers were recorded, resulting in either a change in business line or post, in what was a sideways move or a promotion i.e. 24.3% of BANK OF AFRICA's Morocco-based workforce, compared to 19.9% as of 31 December 2021.

Recruitment policy promoting diversity and equal opportunity

With the labour market tightening both in Morocco and overseas, new employee recruitment is a key issue for BANK OF AFRICA if the latter is to continue to grow its business.

The Group pursues a policy of actively recruiting and integrating tomorrow's talent within its core businesses. Its recruitment process complies fully with regulatory requirements and best practices while ensuring equal opportunity and non-discrimination when it comes to economic or socio-demographic criteria such as age and gender. Good recruitment requires successful onboarding. The Group's recruitment policy encourages a constructive approach to integrating new employees by providing them with everything that they need and immersing them in BANK OF AFRICA's corporate culture, which promotes employee engagement around a common set of values.

Human Capital supports business line and human resources managers with their ambitious recruitment goals. It endeavours to promote diversity when recruiting by advertising on social media and job boards as well as participating in job caravans and recruitment forums in Morocco and overseas. Digital solutions are also used to identify both experienced professionals and recently-qualified graduates.

Ongoing support for skills development

BANK OF AFRICA places considerable importance on employees developing their skillset to meet the ever-changing needs of their respective business line. An individualised training plan is drawn up each year in concertation with business line managers. Employees also have access to an e-learning training platform during the year while the Group's own training centre, the BANK OF AFRICA ACADEMY, organises ongoing training programmes for all business lines.

Skills development therefore meets the needs of both employees and the Bank itself. Skills development, which concerns every employee, is adapted to the challenges encountered and the goals set. A variety of approaches are implemented and means invested to improve each employee's skillset. These include professional training, attending conferences, supervision, learning alongside managers, professional forums, experience-sharing with colleagues, self-study in day-to-day management situations and new assignments, as well as in all situations conducive to exchanging best practices.

In 2022, 69% of staff benefited from at least one training course. More than one hundred training initiatives were carried out, resulting in 13,557 training days versus 6,115 training days in 2021, a year which was severely disrupted due to a series of lockdowns.

Fairness and performance, pillars of the remuneration policy

BANK OF AFRICA is dependent on its human capital to realise its vision and fulfil its obligations. It is therefore essential for the Group to attract and retain the best candidates. To achieve its goals, BANK OF AFRICA offers its employees a remuneration package that rewards their performance and their contribution to results. This policy, which takes into account each employee's training, skills and professional experience, is underpinned by values of fairness and transparency.

HR policy encouraging the hiring of youngsters and integrating people with disabilities

BANK OF AFRICA considers that diversity is an asset and a performance driver. The Group wants all its employees to succeed, regardless of their gender, background, education or profession. BANK OF AFRICA's HR policy excludes any form of discrimination and the Group is committed to ensuring that everyone is given equal opportunity. Through its HR policy, BANK OF AFRICA is also committed to employing recently qualified graduates and strives to make it easier for them to get their first job, primarily through internships. Each year, BANK OF AFRICA welcomes more than 2,000 interns from higher education institutions, training institutes and national and international universities. To ensure that persons with disabilities are fully integrated, BANK OF AFRICA's premises are fitted out accordingly. The Bank also participates regularly in events and forums specifically organised for persons with disabilities.

Promoting equality between women and men

As part of its societal commitment to promoting women's employment, BANK OF AFRICA pays particular attention to ensuring that the ratio of female staff employed by its various entities in Morocco and overseas continues to rise.

Consistent with its sustainable development and CSR undertakings, to promote gender parity, BANK OF AFRICA has endorsed the Women's Empowerment Principles (WEP) initiative. BANK OF AFRICA's commitment to gender parity is also reflected in it signing We4She's Gender Diversity Corporate Charter at the Africa CEO Forum. After becoming a signatory to the



charter, a gender action plan was adopted to provide the Group's entire workforce with the necessary resources to promote gender diversity and increase the number of women on its management bodies – Executive Committee – Morocco and International, Operating Committee, Environmental and Social Sustainability Committee – by 2025. BANK OF AFRICA's diversity policy has already seen the proportion of women in the

workforce in Morocco rise to 41.5% as of 31 December 2022 versus 40% in 2020. At Group level, women account for 43.6% of the workforce, up +1.1 percentage points versus 31 December 2021. Women also account for 30.6% of middle management positions and 16.7% of Board members.

BANK OF AFRICA MOROCCO'S HUMAN CAPITAL INDICATORS

Year	2019	2020	2021	2022
No. of employees	5 047	4 987	4 985	4 671
Of whom women	2 027	2 014	2 076	1 940
By contract type				
Permanent	4 929	4 858	4 741	4 574
Fixed term	118	129	244	97
By category				
Managers	3 203	3 149	3 269	3 124
Employees	1 434	1 428	1 183	1 073
Graded	94	98	144	57
Unclassified	316	312	389	417
By length of service				
Fewer than 5 years	25%	18.8%	18%	13.6%
5-10 years	12%	13.9%	15.1%	17.3%
10-20 years	47%	49.9%	48.7%	50%
More than 20 years	17%	17.3%	18.2%	19%
Recruits & departures				
Recruits	98	181	262	59
Resignations	217	138	149	207
Redundancies	46	28	26	32
Employee-related disputes				10
Social dialogue				
Number of days lost due to strikes	0	0	0	0
No. of employee representatives	146	138	176	171
Full members	84	84		87
Replacement members	62	54		84
Occupational health and safety				
Number of occupational accidents	59	62	46	63
Training				
Budget as % of the payroll	0.39%	0.58%	0.33%	0.6%



4 EXERCISING GOVERNANCE AND RISK MANAGEMENT WITH DILIGENCE

- Ensuring that the information provided to the Board and Specialised Committees is reliable
- Risk management and inclusion of ESG factors
- Directors' independence
- Certified, comprehensive and true and fair financial information
- Respect for shareholders' rights

BANK OF AFRICA has adopted a robust governance system which endeavours to address every legal requirement issued by domestic and international regulatory authorities. Given its strategic role within the Moroccan economy and in those countries in which it has operations, BANK OF AFRICA is under an obligation to have a governance and risk management system which ensures that its operations are entirely secure.

A robust governance system is also required to protect the interests of all stakeholders.

BANK OF AFRICA's system is underpinned by a number of decision-making and supervisory bodies as well as specialised committees:

- 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 12 directors, including 2 female directors, 1 of whom is independent
- The Strategy Task Force is a committee which is responsible for overseeing implementation of the Group's 2030 strategy and, prior to that, implementing the new governance system.
- 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.

Consistent with the Group's strategic vision for 2030, in 2021, the Board of Directors voted in favour of implementing a new governance system to more closely integrate core functions across the Group. These include steering the Group's subsidiaries, risk management, synergies, skills pooling and a more efficient commercial approach and increased value creation.

A number of entities continues to report directly to the Chairman such as BMCE Bank Foundation, the Chairman's personal office and special assignments for which the Chief Executive Officer is responsible, given their inherent importance or since they fall within the Chairman's remit. The CEO oversees a number of head office functions such as Compliance and those delegated to him by the Chairman such as Human Capital and Communications or functions related to Corporate Governance steering, CSR, partnerships and institutional relations.

Group Risks and Group General Control report directly to the Chairman and Chief Executive Officer:

- The Group Risks Division encompasses Risk Management, Loan Commitments Analysis, Loan Commitments Monitoring and Africa Counterparty Risks and Transversal Projects.
- Group General Control oversees implementation of internal control policies and procedures. Group General Control's remit includes all BANK OF AFRICA's subsidiaries and branches in Morocco and abroad.

The Chairman's Committee is responsible for steering Group strategy. It is chaired by the Chairman and Chief Executive Officer, so too, the Senior Credit Committee, which reviews and approves credit applications made by those customers of the Bank and the Group which fall within its remit.

Tighter managerial structure underpinned by three Executive General Managers

The new governance system adopted in 2021 has seen the managerial structure tightened around three Executive General Managers.

Executive General Manager responsible for Morocco and CIB

The department reporting to the COO responsible for CIB and Banking in Morocco encompasses commercial bank's financial intermediation operations and disintermediated investment banking under the BMCE Capital brand. These commercial activities are provided to a variety of customer segments – retail customers, professionals, SMEs and large companies, from both the public and private sectors, based in Morocco and overseas, excluding Africa. Regional Divisions in Morocco, banking subsidiaries, the payments institution, European representative offices and the Middle East and Asia businesses also fall within this department's remit, to which is also attached the division responsible for managing Litigation and Pre-litigation cases in addition to specific assignments.



Executive General Manager responsible for Africa

The department reporting to the COO responsible for Africa oversees the activities carried out on the African continent, excluding Morocco, through twenty or so subsidiaries in sub-Saharan Africa operating under the BANK OF AFRICA, LCB and Banque de Développement du Mali brands.

Executive General Manager responsible for Group Functions and Operations

The department reporting to the Executive General Manager responsible for Group Functions and Operations encompasses the head office Finance function as well as transversal functions related to Technology, Processes and Organisation, Quality, Logistics and Legal, as well as overseeing those subsidiaries which are an extension of these businesses.

The ultimate goal underlying BANK OF AFRICA Group's revamped organisational structure is to reinforce the solid reputation that the Group enjoys in terms of professionalism, innovation, corporate culture and the quality of the men and women who are its true strength and wealth.

Risk Management

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

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



2 PROMOTING SUSTAINABLE FINANCE AND SOCIAL ENTREPRENEURSHIP

- Managing social and environmental risks
- Financing resource efficiency -water, energy, waste-
- Low-carbon economy and cleaner production
- Supporting the growth of SMEs and small businesses
- Social entrepreneurship
- Financial inclusion
- Positive impact investing



For many years, BANK OF AFRICA has been committed to progressively reducing the direct environmental impact from its day-to-day operations. A proactive action plan was launched across the entire Group to actively manage energy and resource consumption as well as improving its processes and monitoring measures.

Waste management and disposal measures

The Bank has adopted various waste management and disposal measures. For toners, it has chosen a subsidiary specialising in reconditioning for reuse. IT equipment is recycled and treated by the Al Jiser Association, which then donates it to state-run educational establishments.

A training-based approach to raising awareness about sustainable development

A collective effort involving the entire workforce is crucial to realising the Group's vision.

BANK OF AFRICA is committed to raising awareness among staff across all business lines about sustainable development issues. Training initiatives and in-company awareness campaigns are regularly carried out to encourage employees to adopt good habits and eco-friendly behaviour.

ISO 50001 certification

BANK OF AFRICA is the first bank in Africa to have been awarded dual certification for its energy management system, by the Moroccan Institute for Standardisation (IMANOR) and by Bureau Veritas. This certification adds further credibility to the Bank's environmental commitment, particularly the question of reducing energy consumption to reduce its carbon footprint and of controlling energy resources efficiently.



Assessment of BANK OF AFRICA MOROCCO's environmental impact

	2021	2022
Energy consumption in kWh	26 803 092.03	22 875 886.05
Water usage (m ³)	335 195.56	311 928.26
CO ₂ emissions per employee in T CO ₂ eq.	4.11	5.44
Waste assessment		
Paper and archives (t)	182	177
IT equipment (units)	1 422	774
Cooking oils (kg)	116	170
Cartridges (kg)	2 894	2 672
Maintenance (kg)	0	586



6

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

- Education
- Supporting microfinance and financial education
- Financial inclusion
- Respect for human rights
- Stakeholder dialogue



Each year, BANK OF AFRICA maintains an ongoing commitment to both stakeholders and communities. This is best illustrated by BMCE Bank Foundation's various educational initiatives or those of BOA Foundation and its subsidiaries. BANK OF AFRICA and its subsidiaries also directly support numerous events as a socially engaged institution which is committed to each of its stakeholders.

Combating cancer in women

Each year, BANK OF AFRICA organises Pink October, a major campaign to screen for women's cancers – breast and cervical cancer. The Pink October campaign targets

the Group's female employees as well as women in underprivileged communities in those countries in which the Group has operations. 6,000 women have been screened each year in five of the African countries in which the Group has operations.



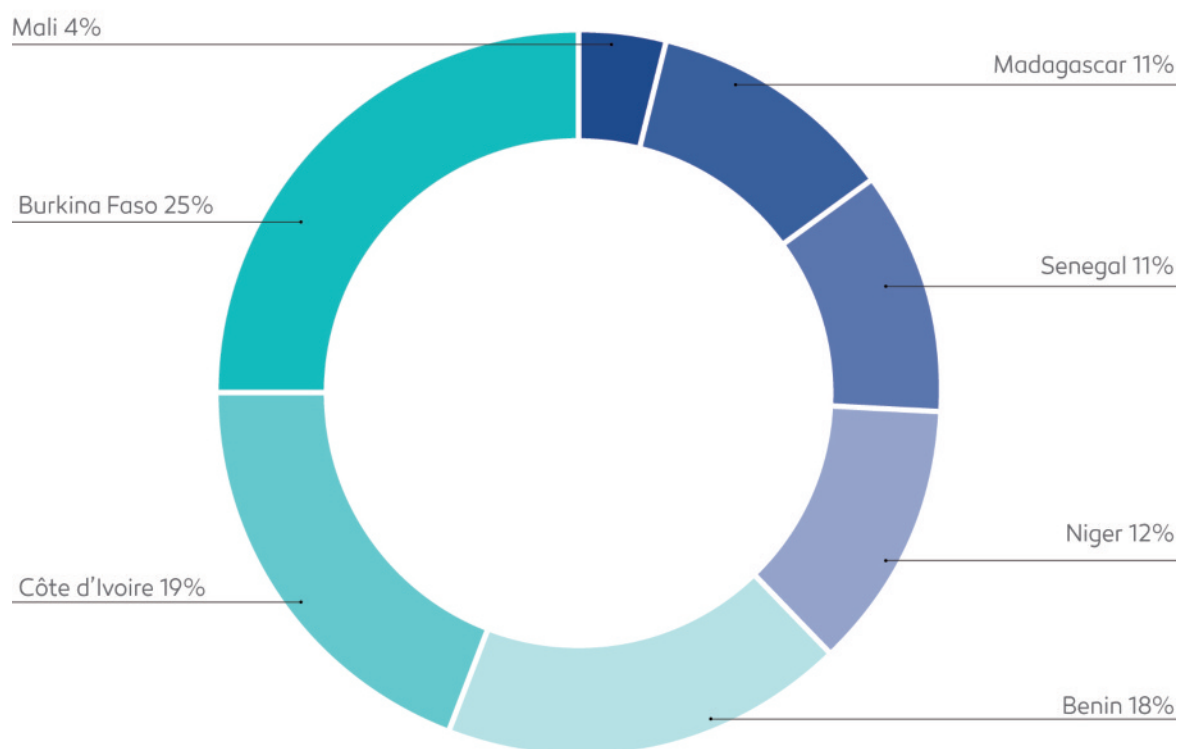


BANK OF AFRICA Foundation, an ongoing commitment to education in Africa

Nearly 95 social and societal projects were carried out in 2022, equally split between education and healthcare projects. More than 80 classrooms accommodating 5,000 children were renovated in 7 countries. Nearly 1,000 children were introduced to new technologies with 7 rural primary schools in Benin also provided with an introduction thanks to mobile digital classrooms. Six new classrooms were also built and equipped by BOA Foundation in Niger while two school buildings were built in Côte d'Ivoire.

In terms of healthcare, 12 health centres and rural maternity clinics were built and equipped in 5 countries, thereby helping to prevent illness and reduce maternal and infant mortality, with up to 3,000 consultations given per year. These centres have also enabled 6,000 women to be screened for cancer.

Breakdown of BANK OF AFRICA Foundation's 2022 budget by country



Solutions for persons with disabilities

To improve accessibility to its facilities and solutions for persons with disabilities, BANK OF AFRICA is working closely with associations to better understand their constraints and needs. As a result, the Bank has adopted a roadmap to: (i) equip its branches to host persons with reduced mobility; (ii) translate its materials into sign

language and implement a voice assistant app for visually impaired people commensurate with international standards, especially web content accessibility guidelines; and (iii) develop, in partnership with the GPBM and BAM, a code of practice for customers with a physical disability or a visual or hearing impairment, whilst respecting their dignity, autonomy and independence.





GOVERNANCE

BANK OF AFRICA – BMCE Group

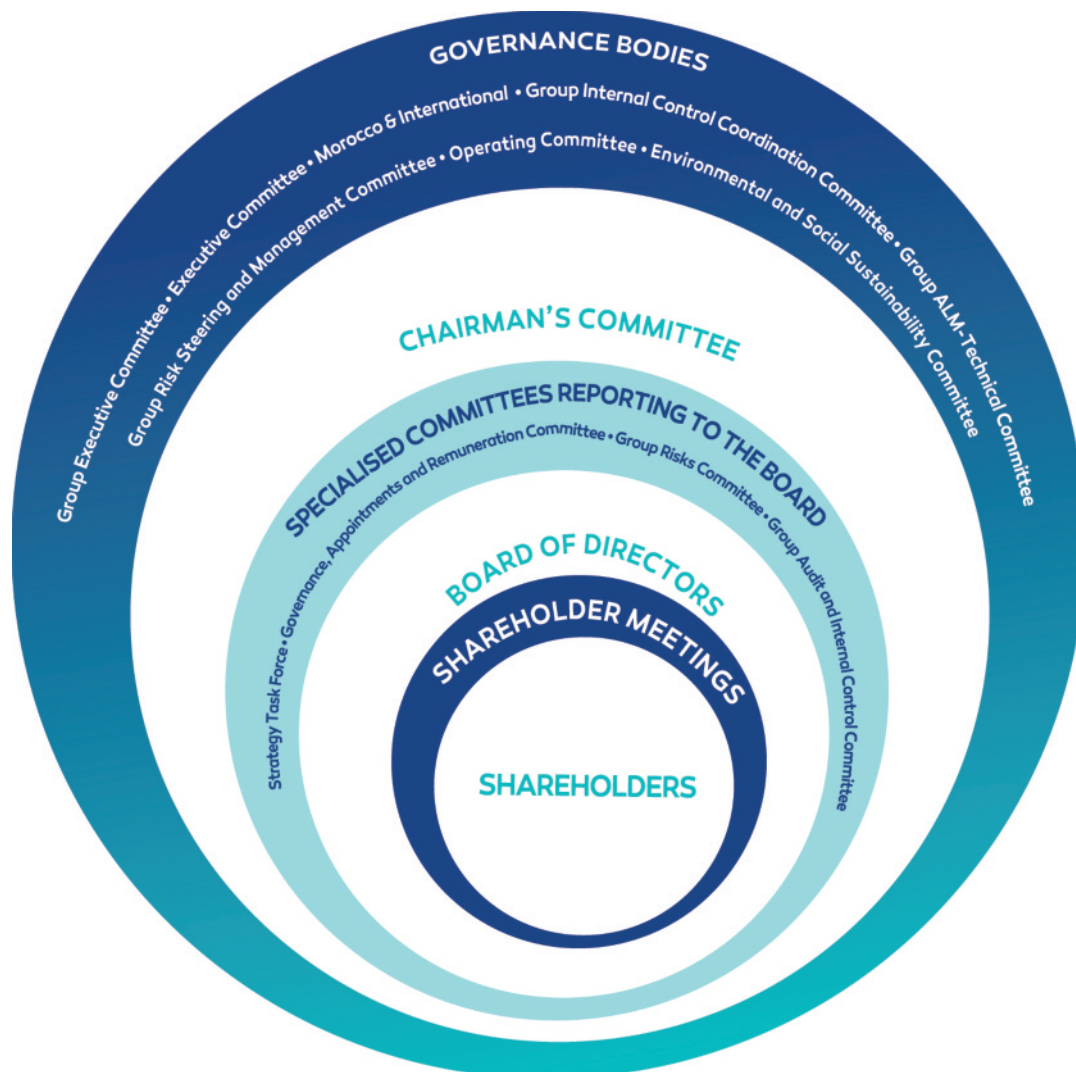
A ROBUST AND ENGAGED GOVERNANCE SYSTEM

Given the challenges faced, its ambitions and its various commitments in terms of sustainable development, BANK OF AFRICA has developed a robust governance system that it is fully compliant with domestic and international statutory requirements, driven by a determination to continuously improve.

Given its strategic role within the Moroccan and African economies, the interests of all its stakeholders remain a major priority for the Group.

BANK OF AFRICA has adopted a rigorous governance system and effective control mechanisms to ensure that its business model is sustainable.

BANK OF AFRICA's governance system is underpinned by a number of decision-making and supervisory bodies as well as specialised committees responsible for drawing up the Group's main strategic and operational policies.





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 its collegial approach to decision making and its mix of domestic and international banking and finance experts.

Like other international listed banking groups, BANK OF AFRICA has adopted Internal Rules which define the Board of Directors' *modus operandi*, thereby enhancing the Bank's credibility and stature vis-à-vis 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)

BANK OF AFRICA GROUP'S BOARD OF DIRECTORS COMPRISES 12 DIRECTORS, TWO OF WHOM ARE INDEPENDENT DIRECTORS AND TWO ARE WOMEN

OTHMAN BENJELLOUN

- BANK OF AFRICA Group's Chairman and Chief Executive Officer
- Date initially appointed¹: 1995
- Current term of office: 2019-2025

RMA

- Represented by Mr Azeddine Guessous²
- Date initially appointed: 1994
- Current term of office: 2019-2025

BANQUE FÉDÉRATIVE DU CREDIT MUTUEL - CRÉDIT MUTUEL GROUP - ALLIANCE FÉDÉRALE

- Represented by Mr Lucien Miara
- Date initially appointed: 2005
- Current term of office: 2020-2026

CAISSE DE DÉPÔT ET DE GESTION

- Represented by Mr Khalid Zafir
- Date initially appointed³: 2010
- Current term of office: 2022-2028

O CAPITAL GROUP

- Represented by Mr Hicham El Amrani
- Date initially appointed³: 2001
- Current term of office: 2021-2027

AZEDDINE GUESSOUS⁷

- *Intuitu Personae*
- Date initially appointed⁴: 2017
- Current term of office: 2017-2023

BRITISH INTERNATIONAL INVESTMENT (CDC LIMITED)

- Represented by Mr Marc Beaujean
- Date initially appointed: 2019
- Current term of office: 2019-2024

MOHAMED KABBAJ

- Independent Director
- Date initially appointed⁵: 2021
- Current term of office: 2021-2027

NEZHA LAHRICHI

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

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: 2022-2028

MYRIEM BOUAZZAOUI

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

- Adviser to the Chairman

Mr BRIAN C. MCK. HENDERSON

⁽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⁾ 31 January 2023, RMA informed BANK OF AFRICA of a change in its permanent representative with the appointment of Mr Azeddine Guessous

⁽³⁾ 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.

⁽⁴⁾ O Capital Group resulted from the acquisition, in May 2021, of FinanceCom by Holding Benjelloun Mezian. FinanceCom was a Director of the Bank from 2001 until 2021.

⁽⁵⁾ 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. In January 2023, he was reappointed as RMA's permanent representative.

⁽⁶⁾ Mr Mohamed KABBAJ was a Director of the Bank between 1997 and 2000

⁽⁷⁾ A proposal will be made to the next Annual General Meeting to renew the appointment of Mr Azeddine Guessous as an *Intuitu Personae* Director

BOARD OF DIRECTORS – MAIN INDICATORS 2022

No. of Board members	12
No. of Board meetings	8
Overall attendance rate	96%

INDEPENDENCE CRITERIA

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

DIRECTORS' FEES

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

No other form of remuneration, permanent or otherwise, other than that mentioned here, may be allocated to the Directors, unless they are bound to the Company by an employment contract or a special temporary mandate in accordance with the law.

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

Directors' fees

	31/12/2022*			31/12/2021*		
	GROSS amount	Tax withheld at source	Net amount paid	GROSS amount	Tax withheld at source	Net amount paid
Morocco-domiciled individuals and legal entities	9 613	2 563	7 050	3 771	971	2 800
Foreign-domiciled individuals and legal entities	3 823	573	3 250	4 118	618	3 500
TOTAL	13 436	3 136	10 300	7 888	1 588	6 300

(*) Previous year's Directors' fees

BOARD OF DIRECTORS' APPRAISAL PROCESS

A self-appraisal regarding the structure, powers, remit and functioning of the Board of Directors is carried out annually 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 non-executive Directors, through an appraisal of the work of the Board and the Specialised Committees based on an individual questionnaire comprising thirty or so questions. These questions relate to the composition of the Board and the Specialised Committees, meeting frequency, the quality of the minutes, Board discussions, the documentation made available to the Directors and timeframes and the choice of items on the agenda including CSR-related matters.

On completing the self-appraisal process, a summary report of the results of the appraisal is submitted to the Board of Directors.

The self-appraisal questionnaire 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

Specialised Committees reporting to the Board of Directors		
Group Risks Committee	No. of meetings	4
	No. of members	5
	Independence	20%
	Attendance rate	100%
Group Audit and Internal Control Committee	No. of meetings	4
	No. of members	4
	Independence	50%
	Attendance rate	96%
Governance, Appointments and Remuneration Committee	Number of meetings	2
	Independence	-



STRATEGY TASK FORCE

COMPOSITION

Chairman

Mr Mohamed Kabbaj,
Independent Director

Members

Mr Azeddine Guessous,
Intuitu Personae Director

BII (CDC Ltd), represented by **Mr Marc Beaujean,**
Non-Executive Director

Mr Brahim Benjelloun-Touimi,
Director and General Manager

Mr Brian Henderson, Adviser to the Chairman

Invited Members

The Strategy Task Force may invite members of the executive management team or any other member to participate in its work.

Secretary

Mrs Salma Tazi, Deputy Managing Director, STF
Coordinator and Secretary

Work of the Strategy Task Force Committee in respect of 2022

In 2022, the Strategy Task Force worked on the framework of the Bank's Strategic Development Plan in the context of implementing 'Vision 2030'. The main issues dealt with included the Group's financial goals, business line development and closer integration of Group functions. Pre-determined strategic projects were prioritised and closely monitored. In 2022, the Committee met on a regular basis. With the Chairman and Chief Executive Officer and the Executive General Managers sometimes attending, discussions focused on cross-functional issues which would have been dealt with by the Chairman's Committee.

GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE

COMPOSITION

Chairman

Mr Azeddine Guessous, *Intuitu Personae* Director

Standing Members

BII (CDC Ltd), represented by **Mr Marc Beaujean**

Mr Brian Henderson, Adviser to the Chairman

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.

Secretary

Mr Brahim Benjelloun-Touimi,
Director and General Manager

Work of the Governance, Appointments and Remuneration Committee in respect of 2022

Given the overlap between the composition of the Governance, Appointments and Remuneration Committee and that of the Strategy Task Force – Messrs Guessous and Beaujean – and the heavy workload in relation to 'Vision 2030', in 2022, priority was given to the major task of bolstering the Group's governance system. This included the process of implementing the Group's strategic integration programme, which is monitored by the Strategy Task Force. In addition, in 2022, discussions between members of the Governance, Appointments and Remuneration Committee focused on the work of the Environmental and Social Sustainability Committee, particularly the Group's gender policy, accessibility for people with disabilities and issues related to finance and sustainable development.

GROUP RISKS COMMITTEE

COMPOSITION

Chairman

Mr Hicham El Amrani, Non-Executive Director⁸

Members

RMA, represented by **Mr Azeddine Guessous**, Non-Executive Director²

O Capital Group represented by **Mr Hicham El Amrani**, Non-Executive Director

Mr Azeddine Guessous, *Intuitu Personae* Director

BII (CDC Ltd), represented by **Mr Marc Beaujean**, Non-Executive Director

Mr Nezha Lahrichi, Independent Director

Mr Brian Henderson, Adviser to the Chairman

Associate Members

Mr Brahim Benjelloun-Touimi, Director and General Manager

Mr Mounir Chraïbi, Executive General Manager responsible for Group Functions and Operations

Mr Khalid Nasr, Executive General Manager responsible for Morocco & CIB⁹

Mr Amine Bouabid, Executive General Manager responsible for Africa⁹

Mr Moulay Bouraqadi Saadani, Group General Controller

Mr Zouhair El Kaissi, Deputy Managing Director responsible for Group Finance

Mrs Assia Berrada, Deputy Managing Director responsible for Group Compliance

Messrs Omar Lahbabi and Radouane Anoua, Heads of Group Risks Division¹⁰

Invited Members

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

Secretary

Group Risks Division

Work of the Group Risks Committee in respect of 2022

The Group Risks Committee met on 4 occasions in 2022. Its work focused on monitoring risk indicators – credit, market, country, and operating risk, BANK OF AFRICA-BMCE Group's regulatory ratios and those of its subsidiaries, reviewing and approving overall risk limits – by sector, country, sovereign debt and business group, monitoring the government bond portfolio and the 2022 credit policy. The Committee also reviewed the Watch List¹¹, the situation surrounding a number of subsidiaries and the progress made in revamping risk management-related IT solutions.

In accordance with regulatory requirements, the Committee approved the Internal Disaster Recovery Plan (PRCI) and the Internal Capital Adequacy Assessment Process (ICAAP) report for 2022.

The Committee was also briefed about the Russo-Ukrainian crisis as well as the international sanctions imposed against Russia.

The Committee also regularly monitors the progress made in implementing the recommendations from previous Committee meetings.

⁽⁹⁾ Or his designated representative

⁽¹⁰⁾ Mr Khalid Laâbi, Deputy Chief Executive Officer responsible for Group Risks until 31 December 2022, when he took retirement

⁽¹¹⁾ The Watch List groups together all accounts identified as 'sensitive' which need to be closely monitored. These are healthy assets which (i) either show a deterioration in asset quality as measured against quantitative criteria (ii) or there are warning indicators of a potential deterioration in asset quality as measured against qualitative criteria.



GROUP AUDIT AND INTERNAL CONTROL COMMITTEE

COMPOSITION

Chairman

Mrs Nezha Lahrichi, Independent Director

Members

RMA, represented by **Mr Azeddine Guessous²**, Non-Executive Director

Mr Azeddine Guessous, *Intuitu Personae* Director

Mr Mohamed Kabbaj, Independent Director

Mr Brian Henderson, Adviser to the Chairman

Associate Members

Mr Brahim Benjelloun-Touimi, Director and General Manager

Mr Mounir Chraïbi, Executive General Manager responsible for Group Functions and Operations

Mr Moulay Bouraqadi Saadani, Group General Controller

Mr Zouhair El Kaissi, Deputy Managing Director responsible for Group Finance

Mrs Assia Berrada, Deputy Managing Director responsible for Group Compliance

Messrs Omar Lahbabi and Radouane Anoua, Heads of Group Risks Division¹⁰

Invited Members

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

Secretary

Mr Moulay Bouraqadi Saadani,
Group General Controller

Work of the Group Audit and Internal Control Committee in respect of 2022

The Group CACI met on 4 occasions in 2022. The main issues dealt with by this Committee focused on BANK OF AFRICA Group's consolidated and parent financial performance in 2021, the 2022 budget and actual results for 2022, 2023 budgetary items as well as reviewing the Statutory Auditors' Report.

As far as internal control was concerned, the Committee reviewed Group General Control's activity report while the 2022 Audit Plan and the latter's progress were reviewed, as were the Group General Control function's development prospects and developments regarding the internal control system. In addition, the Group CACI reviewed the Statutory Auditors' Report on internal control, the annual report on internal control and the main points of interest resulting from Group General Control's assignments. It also followed up to ensure that recommendations made at previous Committee meetings were implemented.

On the compliance front, the Group CACI reviewed the Bank's anti-bribery management system, particularly with reference to the most recent guide published by Bank Al-Maghrib on the matter as well as the system's certification renewal. Lastly, the Committee monitored the progress made by a number of the Group's subsidiaries.

CORPORATE GOVERNANCE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr Othman Benjelloun

Mr Brahim Benjelloun-Touimi

Director and General Manager

Mr Mounir Chraïbi

Executive General Manager responsible for Group
Functions and Operations

Mr Khalid Nasr

Executive General Manager responsible for Morocco & CIB

Mr Amine Bouabid

Executive General Manager responsible for Africa



CHAIRMAN'S COMMITTEE

COMPOSITION

Chairman

Mr Othman Benjelloun
Chairman and Chief Executive Officer

Members

Mr Azeddine Guessous¹²
Intuitu Personae Director

Mr Brahim Benjelloun Touimi

Director and General Manager

Mr Mounir Chraïbi

Executive General Manager responsible for Group
Functions and Operations

Mr Khalid Nasr

Executive General Manager responsible for Morocco & CIB

Mr Amine Bouabid

Executive General Manager responsible for Africa

Work of the Chairman's Committee in respect of 2022

The cross-functional issues for which the Chairman's Committee is responsible were dealt with by the Strategy Task Force Committee, attended by the Chairman and Executive General Managers.

⁽¹²⁾ Mr Azeddine Guessous, Board Director, supervises the work of the Chairman's Committee in the absence of the Chairman.

GROUP EXECUTIVE COMMITTEE

COMPOSITION

Chairman

Meetings chaired by one of three Executive General Managers

Members

Mr Mounir Chraïbi

Executive General Manager responsible for Group Functions and Operations

Mr Khalid Nasr

Executive General Manager responsible for Morocco & CIB

Mr Amine Bouabid

Executive General Manager responsible for Africa

Work of the Group Executive Committee in respect of 2022

In 2022, the work of the Group Executive Committee focused on potential levers for optimising the balance sheet, on following up on discussions with Bank Al-Maghrib following a meeting with the College of Supervisors, reviewing BOA Holding's exposure to government bonds, BOA Luxembourg's acquisition-led growth strategy and BMCE EuroServices' cash clearing services.

EXECUTIVE COMMITTEE – MOROCCO AND INTERNATIONAL

COMPOSITION

Chairman

Meetings chaired alternatively every 3 months by one of two Executive General Managers

Members

Mr Mounir Chraïbi

Executive General Manager responsible for Group Functions and Operations

Mr Khalid Nasr

Executive General Manager responsible for Morocco & CIB

Mr Zouhair El Kaissi

Deputy Managing Director responsible for Group Finance

Messrs Omar Lahbabi and Radouane Anoua,
Heads of Group Risks Division¹⁰

Committee Secretary

Mrs Houda Sbihi,

Deputy Managing Director, Group Governance and CSR Division

Associate Members (depending on the agenda)

Mr Saad Benjelloun

Deputy Managing Director responsible for Group Human Capital

Mrs Assia Berrada

Deputy Managing Director responsible for Group Compliance

The Committee may invite any person who is a member of BANK OF AFRICA Group's management, outside sub-Saharan Africa, depending on the items for discussion on the Committee's agenda.

Work of the Executive Committee – Morocco and International in respect of 2022

In 2022, the Committee's work focused on issues identified as presenting major strategic challenges for the Bank and for the Group. These included, more specifically, (i) the sustainability of the Group's activities at the commercial and financial levels (ii) risk profile optimisation at the parent and consolidated levels and (iii) structuring the supervisory framework for the new Strategic Development Plan while taking into account project implementation aimed at improving operational efficiency.

The Bank's main financial figures and prudential indicators highlight (i) a strong performance by the Bank's core business in line with the 2022 budget, good cost control, the mitigated impact from higher interest rates on capital markets operations as well as (ii) capital adequacy ratios which complied with regulatory requirements. Other issues which the Committee addressed included closely monitoring the situation surrounding a number of Group subsidiaries in Morocco and sub-Saharan Africa, implementation of the Compliance roadmap 2022-2024, head office's contribution to a REIT at end-2022, reviewing Group Permanent Control's Transformation Action Plan and ongoing monitoring of employee health and safety risk during first half 2022.



GROUP INTERNAL CONTROL COORDINATION COMMITTEE

COMPOSITION

Chairman

Deputy Chief Executive Officer, and, in his absence, the Group General Controller

Standing Members

Executive General Manager responsible for Group Functions and Operations

Group General Controller

Deputy Managing Director responsible for Group Finance

Deputy Managing Director responsible for Group Compliance

Heads of Group Risks Division¹⁰

Head of Group Permanent Control

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 CSR 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

Committee Secretary

Group Compliance Division¹³

Work of the Group Internal Control Coordination Committee in respect of 2022

2022 saw 'Vision 2030' begin to be implemented under the supervision of the Strategy Task Force. One of the major drivers of this strategic development plan is to bolster Group integration, a process which began with the Convergence Programme, particularly in relation to ad hoc control, permanent control, risk management and compliance. In this respect, in 2022, work focused on reviewing the systems of the above-mentioned core functions, as sanctioned by the Chairman himself in his notes to bolster the internal control framework, managing the latter's performance and developing synergies. Responsibility for internal control, an important business driver, has been assumed by the committees reporting to the Board, in particular, the Strategy Task Force and the Group CACI, while in 2023, the baton was to be handed over to the Group Internal Control Coordination Committee, a body responsible for monitoring implementation of the Risk, Permanent Control and Compliance systems, as well as the Finance and HR systems.

⁽¹³⁾ From 2023, secretarial responsibility will be assumed by the Group Governance and CSR Division

GROUP ALM-TECHNICAL COMMITTEE

COMPOSITION

Chairman

Executive General Manager responsible for Group Functions and Operations

Standing Members

Deputy Managing Director responsible for Finance & Financial Investments and Group Tax Steering

Head of Group ALM

Head of Group Risk Management

Representative of Africa Counterparty Risks and Cross-functional Projects

Representative of Morocco & CIB

Director of ALM and Market Risk at BOA Africa

Director of Cash Management at BOA Africa

Invited Members

Heads of Group subsidiaries or their designated representatives, depending on the items for discussion on the agenda.

The Committee may invite any other person, depending on the items for discussion on the Committee's agenda.

Committee Secretary

Head of Group ALM

Work of the Group ALM-Technical Committee in respect of 2022

In 2022, the work of the Group ALM-Technical Committee focused on bolstering interest rate and liquidity risk management at both the parent and consolidated levels in terms of the risk management system, governance, risk-mapping, IT and steering tools. The Committee also reviewed the interest rate, liquidity and foreign exchange risk profile in addition to focusing on BOA Africa's government bond exposure. Other issues addressed by the Committee included trends in BOA Morocco's bank intermediation margin on customer activity, projected funding costs, the economic and financial situation in Ghana and the impact of the crisis on BOA Ghana.



GROUP RISK STEERING AND MANAGEMENT COMMITTEE

COMPOSITION

Chairman

Heads of Group Risks Division¹⁰

Standing Members

Executive General Manager responsible for Morocco & CIB

Group General Controller

Deputy Managing Director responsible for Group Finance

Representative of the Executive General Manager responsible for Morocco & CIB

Representative of the Executive General Manager responsible for Africa

Invited Members

The Chairmen and Chief Executive Officers of the subsidiaries in question

Any other person in connection with the item for discussion by the Committee

Committee Secretary

Head of Group Risk Management

Work of the Group Risk Steering and Management Committee in respect of 2022

The Group Risk Steering and Management Committee met as an offshoot of the Executive Committee – Morocco & International in 2022, as preparation for the Group Risks Committee.

The main issues dealt with at its meetings included reviewing trends in credit risk indicators at the parent and consolidated levels at end-2021, parent and consolidated prudential ratios in 2021, adherence to sector limits in 2021, proposing risk limits by business sector and country and exposure to government bonds for 2022, general guidelines relating to the credit approval process for Large Enterprises, SMEs and Personal Banking customers for 2022.

The Committee reviewed a number of other major issues including projected bond issuance for the period 2022-24, actual capital adequacy ratios at end-2022 and subsidiaries' prudential ratios.

OPERATING COMMITTEE

COMPOSITION

Chairman

Head of Group Technologies, Processes and Organisation Division

Standing Members

Personal and Professional Banking and Banking for Moroccans Living Abroad

SME Banking

Group Risks

Group Permanent Control

Greater Casablanca Regional Division

Global Services Operations

Corporate

Governance and CSR

Associate Members

Group Human Capital

Group Finance

Group Quality

Group Legal

Group Compliance

Central-Atlantic Regional Division

Central-Southern Regional Division

All other divisional heads are to be considered as Associate Members and may attend meetings as members in their own right to discuss items on the agenda that they have submitted to the Operating Committee for deliberation.

Committee Secretary

Head of Organisation Division

Work of the Operating Committee in respect of 2022

The main projects dealt with included the process for delivering mortgage releases, optimising the branch and business centre network, introducing key risk indicators and alert thresholds and revamping processes for handling mortgage discharges on customer mortgage guarantees.



ENVIRONMENTAL AND SOCIAL SUSTAINABILITY COMMITTEE

COMPOSITION

Chairman

Deputy Chief Executive Officer

Standing Members

BANK OF AFRICA

Deputy Managing Director responsible for Group Governance and CSR Division

Deputy Managing Director responsible for Group Human Capital

Heads of Group Risks Division

Head of Economic Intelligence & Sustainable Development

Head of Group Partnerships and Development

5 representatives of the Executive General Managers responsible for Morocco & CIB

(Corporates/SMEs/Investment/International/Personal & Professional Banking)

Head of Group Diversity & Inclusion

BOA Group

Secretary General (Group)

Head of Social and Environmental Risks (Group)

British International Investment (CDC Group)

Head of Social and Environmental Responsibility

Committee Secretary

Head of the Economic Intelligence Centre & Sustainable Development

Work of the Environmental and Social Sustainability Committee in respect of 2022

In 2022, the work of the ESS Committee focused on (i) bolstering BANK OF AFRICA's blended finance offering (ii) partnerships promoting sustainable finance, with the Bank endeavouring to gain accreditation to the Green Climate Fund and (iii) bolstering financial inclusion with the ongoing implementation of the Disability Accessibility action plan in terms of staff recruitment and physical and digital accessibility, as well as (iv) the Diversity & Inclusion action plan. In addition, initiatives to raise awareness about sustainable development and CSR issues were shared within the Group.

⁽¹⁾ Since December 2021

REMUNERATION OF THE MAIN OFFICERS

(MAD thousands)	31/12/2022	31/12/2021
Short-term benefits	9 782	26 579
Post-retirement benefits	263	915
Other long-term benefits	2 746	6 522

It is worth noting that short-term employee benefits correspond to the fixed remuneration, inclusive of employer social security contributions, received by Officers in 2022.

Post-retirement benefits correspond to the reimbursement of outstanding leave if that employee were to 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

(MAD thousands)	31/12/2022	31/12/2021
A. Short-term outstanding loans	34 467	58 975
B. Outstanding property loans	4 487	20 560
Total outstandings	38 954	79 535



BIOGRAPHIES

Mr Othman Benjelloun, Chairman & Chief Executive Officer

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 O CAPITAL GROUP 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 of BANK OF AFRICA
- Chairman and Chief Executive Officer of O CAPITAL GROUP
- Chairman and Chief Executive Officer of O CAPITAL AFRICA
- Chairman and Chief Executive Officer of Cap Estate
- Chairman and Chief Executive Officer of Internationale de Financement et de Participation (Interfina)
- Chairman and Chief Executive Officer of O Tower
- Chairman and Chief Executive Officer of Ranch Adarouch
- Chairman and Chief Executive Officer of Société Financière du Crédit du Maghreb (S.F.C.M.)
- Chairman and Chief Executive Officer of BAB Consortium
- Chairman of the Board of Directors of BMCE International Holding (B.I.H.)
- Chairman of the Board of Directors of Medi Telecom
- Chairman of the Board of Directors of MBT
- Chairman of the Board of Directors of Revly's Marrakech
- Chairman of the Board of Directors of RMA
- Chairman of the Board of Directors of RMA Alternative Investments
- Chairman of the Board of Directors of RMA Asset Management
- Chairman of the Board of Directors of RMA Capital
- Chairman of the Board of Directors of RMA Mandates
- Chairman of the Board of Directors of Société d'Aménagement Tanger Tech
- Chairman of the Board of Directors of Sensyo Pharmatech
- Chairman and Chief Executive Officer of Financière Yacout
- Chairman of the Board of Directors of O CAPITAL EUROPE
- Director of Argan Invest
- Director of Casablanca Finance City Authority
- Director of Maghrebail
- Director of Medi 1 Radio, O CAPITAL Group's representative
- Director of the Moroccan Bank Deposit Guarantee Management Company
- Chairman of the Professional Association of Moroccan Banks (GPBM)
- Chairman of the Othman Benjelloun Foundation
- Sole partner of Cap Chiadma

**Mr Lucien Miara,
Banque Fédérative du Crédit Mutuel's
Permanent Representative**

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

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 then became Chairman of Fédération du Crédit Mutuel Méditerranéen and Caisse Régionale du Crédit Mutuel Méditerranéen.

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

APPOINTMENTS LIST

Director of BANK OF AFRICA, Banque Fédérative du Crédit Mutuel's representative



Mr Khalid Safir

Caisse de Dépôt et de Gestion's Permanent Representative

Mr Khalid Safir was born 13 December 1967 in Settât, Morocco.

After graduating from Paris' Ecole Polytechnique in 1991 and then Paris' National School of Statistics and Economic Administration in 1993, Mr Khalid Safir began his career at the Office d'Exploitation des Ports in the same year as head of the Port of Casablanca's financial management division. He then joined the Ministry of Finance in 1995 as a research officer before becoming Director of Remuneration and Pensions Payments within the same department in 1998, then Director of Modernisation, Resources and Information Systems at the General Treasury of the Kingdom from 2004 to 2006.

In 2006, His Majesty the King appointed Mr Khalid Safir as Governor of the district prefecture of Al-Fida-Mers-Sultan, then Governor of the district prefecture of Casablanca-Anfa in 2009, prior to being appointed, in 2011, as Secretary General of the Ministry of Economy and Finance.

15 October 2013, Mr Khalid Safir was appointed by His Majesty the King as Wali of the Greater Casablanca region and Governor of Casablanca prefecture, then, 13 October 2015, as Wali of the Casablanca-Settât region and Governor of Casablanca prefecture following changes to prefecture boundaries across the Kingdom.

25 June 2017, Mr Khalid Safir was appointed by His Majesty the King as Wali, Chief Executive of Local Authorities.

13 July 2022, Mr Khalid was appointed by His Majesty the King as Chief Executive Officer of Caisse de Dépôt et de Gestion.

APPOINTMENTS LIST

- Director of CIH Bank
- Director of BANK OF AFRICA, Caisse de Dépôt et de Gestion's permanent representative
- Chairman of the Board of Directors of Société Centrale De Réassurance (SCR)
- Director of Casablanca Finance City Authority (CFCA)
- Director of Barid Al-Maghrib (BAM)
- Director of Al Barid Bank (ABB), CDG's permanent representative
- Chairman of the Board of Directors of CDG Invest
- Chairman of the Board of Directors of CDG Capital
- Director of Fonds Marocain de Placement (FMP)
- Vice-Chairman of Société Marocaine de Valorisation des Kasbahs (SMVK)
- Director of International University of Rabat (UIR)
- Chairman of the Board of Directors of CDG Foundation
- Chairman of the Board of Directors of AHLY Foundation
- Director of Medi Telecom (Orange)
- Member of the Supervisory Board of Tangier Mediterranean Special Agency (TMSA)
- Chairman of the Board of Directors of CDG Développement
- Chairman of the Board of Directors of CGI
- Vice-Chairman of the Board of Directors of SONADAC
- Chairman of the Board of Directors of AUDA
- Chairman of the Board of Directors of SAZ
- Chairman of the Board of Directors of Société de Développement de Saidia (SDS)
- Chairman of the Board of Directors of Société d'Aménagement et de Promotion de la Station de Taghazout (SAPST)
- Chairman of the Board of Directors of MADAEF
- Director of Al Akhawayn University
- Member of the Board of Directors of Al Omrane Holding Company
- Director of Euro-Mediterranean University of Fez
- Director of the Professional Association of Moroccan Banks (GPBM)

Mr Hicham El Amrani, O Capital Group's Permanent Representative

Mr Hicham EL AMRANI has more than 27 years' experience of private equity investment, financing, and corporate strategy across a wide range of industries.

When FinanceCom, now O CAPITAL GROUP, 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 Chief Executive Officer 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 Telefonica 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 BANK OF AFRICA, RMA, O TOWER, CTM, RISMA, Air Arabia Morocco, Finatech, Colliers International Morocco, Othman BENJELLOUN Foundation, Brico-Invest and Chairman of the Audit Committee of Air Arabia Morocco, Medi Telecom-Orange, 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

- Director of BANK OF AFRICA, O CAPITAL GROUP's permanent representative
- Director of BANK OF AFRICA, O CAPITAL GROUP's permanent representative and Member of the Group Risks Committee
- Director and Chairman of the Audit Committee of AIR ARABIA MAROC, INTERFINA's permanent representative
- Chairman and Chief Executive Officer of ARGAN INVEST
- Director of BLACKPEARL FINANCE
- Director of BRICO-INVEST, INTERFINA's permanent representative
- Director of CAP D'ARGENT, FINANCIERE YACOUT's permanent representative
- Director and Deputy Chief Executive Officer of CAP ESTATE, O CAPITAL GROUP's representative
- Director of COLLIERS INTERNATIONAL MOROCCO
- Director and Chairman of the Strategy Committee, Member of the Audit Committee and of the HR Committee of CTM
- Director of CTM MESSAGERIE
- Director and Vice-Chairman of the Board of Directors of DBM MEDIA GROUP (ex-Africa Teldis & Communication)
- Member of the Executive Board of FINANCIERE YACOUT
- Director of FINATECH GROUP
- Founder Member and Director of the Othman BENJELLOUN Foundation
- Director and Chairman of the Audit Committee, Member of the Strategy Committee and of the HR Committee of MEDITELECOM (Orange)
- Director and Deputy Chief Executive Officer of INTERFINA
- Director of O CAPITAL AFRICA
- Director of O CAPITAL EUROPE
- Director and Deputy Chief Executive Officer of O CAPITAL GROUP (main post)
- Director of O TOWER, O CAPITAL GROUP's permanent representative
- Director of REVLY'S, INTERFINA's permanent representative
- Member of the Supervisory Board and Member of the Audit Committee of RISMA
- Director, Member of the Audit Committee and Chairman of the Strategy Committee of RMA
- Director of SFCM, O CAPITAL GROUP's permanent representative



Mr Azeddine Guessous, RMA's Permanent Representative and *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 (ex-BMCE Bank), BOA Group, BANK OF AFRICA Europe (ex-BMCE Bank International Madrid), Sonasid and Imperial Tobacco Morocco. He is also a director of Al Akhawayn University.

Until recently, he was also a member of the Board of Directors of Al Mada and Lydec.

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 2010 and 2012, Mr GUESSOUS was also Chairman of Risma's Supervisory Board.

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 been awarded 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

- *Intuitu Personae* Director of BANK OF AFRICA, RMA's permanent representative
- Director of BANK OF AFRICA EUROPE (ex BMCE International Madrid)
- Director of BOA Group
- Director of RMA
- Director of LOCASOM
- Director of SETTAVEX
- Director of SONASID
- Director of RISMA
- Director of CFG
- Director of MAROCAINE DES TABACS
- Director of ALMA PACK
- Director of ALMA BAT
- Director of AL AKHAWAYN

**Mr Marc Beaujean,
British International Investment's Permanent
Representative (CDC Ltd)**

Mr Marc BEAUJEAN is the founder, in 2019, and principal partner of Beaujean & Partners, a firm executing mandates and providing strategic consulting advice in banking and insurance.

From 1993 to 2012, he was a Senior Partner and Director at McKinsey & Co, with responsibility for developing customer relationships in Africa, particularly 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 Blue Orchard, now one of the world's leading institutions 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.

Since 2019, he has been a Director of Broptimize (Belgium), a rapidly-growing start-up which advises businesses on energy optimisation.

Since 2021, he has been a Director of Arab International Bank of Tunisia (BIAT) in Tunis, where he is also Chairman of the Risk Committee and responsible for the Bank's strategic task force.

Since 2022, he has been a Director of Enabling Qapital Luxembourg S.A., an investment fund specialising in impact finance and ethical investment.

From 2019 to 2021, via his consulting firm, he advised CBP Quilvest (Luxembourg), a Luxembourg-based bank, assuming the role of Executive General Manager (2019-2020), as well as Atlantic Financial Group (Luxembourg) as interim CEO (2021).

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 of BOA Group SA, BRITISH INTERNATIONAL INVESTMENT's representative (CDC Ltd)
- Independent Director, Arab International Bank of Tunisia
- Director, Broptimize (Belgium)
- Director, Enabling Qapital Luxembourg S.A.



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 that resulted 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 4 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-Saïss, 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.

APPOINTMENTS LIST

- Independent Director of BANK OF AFRICA¹

⁽¹⁾ Chairman of the Strategy Task Force Committee and Member of the Group Audit and Internal Control Committee

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 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, and her recent articles are available on her website www.nezhalahrichi.com.

APPOINTMENTS LIST

- Independent Director of BANK OF AFRICA¹

⁽¹⁾ Chair of the Audit and Internal Control Committee and Member of the Group Risks Committee



Mr Abdou Bensouda, *Intuitu Personae Director*

Mr BENSOU DA 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 O Capital Europe, a company which steers O Capital Group's overseas asset management and investment advisory operations.

Since 2008, Mr BENSOU DA has held a number of positions of responsibility within O Capital 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 BENSOU DA 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 of Olkad Group
- Chairman of O Capital IM
- Chairman of O Capital France
- Vice-Chairman of O Capital Green Investments
- Director of O Capital Europe¹
- Director of BANK OF AFRICA
- Director of Africa Investments Holdings
- Director of Bridges for Africa
- Director of Finatech Group
- Director of Argan Infrastructure Fund
- Director of Decrow Capital
- Director of Infra Invest
- Director of Argan Infra
- Director of Green of Africa
- Director of Dounia Productions
- Director of Hoche Participations
- Director of O Capital Group
- Director of Moroccan Aerospace Investment Company
- Director of Valyans Consulting
- Director of BAB Consortium
- Director of Sensyo Pharmartech
- Manager of FCOMI-L
- Manager of SCI O Capital Group
- Manager of Global Strategic Holdings
- Manager of B4 Advisory

⁽¹⁾ Deputy

Mr Brahim Benjelloun-Touimi, Director and General Manager

Mr Brahim Benjelloun Touimi is a Director and General Manager of BANK OF AFRICA. As such, he is Member of the Strategy Task Force, an offshoot of the Board of Directors, responsible for assisting the latter in determining the Group's medium- and long-term strategy and overseeing implementation of its strategic development plans. He is also a Member of the Chairman's Committee, the body responsible for steering Group strategy.

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 either Chairman or Director of a number of Group companies in Morocco in investment banking, specialised financial services.

Within the framework of strategic partnerships with reference shareholders, Mr Brahim BENJELLOUN-TOUIMI is a Director of RMA, an insurance company and O Capital Group, its holding company.

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

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

- Director and General Manager of BANK OF AFRICA
- Chairman of BOA GROUP Luxembourg
- Chairman of BOA WEST AFRICA
- Director of RMA
- Director of O CAPITAL GROUP
- Director of BMCE Bank FOUNDATION
- Director of EURO INFORMATION France
- Chairman of the Supervisory Board of BMCE CAPITAL
- Chairman of the Board of Directors of BMCE ASSURANCES
- Vice-Chairman of the Board of Directors of BTI BANK
- Director of BOA UK
- Director of BMCE INTERNATIONAL HOLDINGS
- Director of BOA EUROPE
- Director of MAGHREBAIL
- Director of O'TOWER
- Director of PROPARCO, BANK OF AFRICA 's permanent representative
- Director of the CASABLANCA STOCK EXCHANGE, BANK OF AFRICA's representative



Mrs Myriem Bouazzaoui, *Intuitu Personae Director*

After obtaining a science-based high school diploma with honours in 1993 from 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 BANK OF AFRICA 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 as Managing Director of BMCE Capital Gestion, taking over the management of BMCE Capital's Asset & Wealth Management division.

APPOINTMENTS LIST

- Director of BANK OF AFRICA
- Director and Chief Executive Officer of BMCE Capital Gestion
- Member of the Executive Board of BMCE Capital
- Director of BMCE Capital Gestion Privée
- Director of BMCE Capital Solutions
- Director of BMCE Capital Investments
- Director of BMCE Capital Holding
- Director of BMCE Capital Securities (Tunisia)
- Director of BOA Capital Asset Management (Côte d'Ivoire)
- Director of BMCE Capital Research, BMCE Capital Gestion's representative
- Director of BMCE Capital Gestion sous Mandat, BMCE Capital Gestion's representative
- Director of BMCE Capital Titrisation, BMCE Capital Gestion's representative
- Director of BMCE Capital Gestion Privée International, BMCE Capital Gestion Privée's permanent representative
- Chair of the Board of Directors of BMCE Capital Asset Management (Tunisia)

Mr Brian Mck Henderson, Adviser to the Chairman

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.



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.

The 'Shareholder Meetings' page on the Bank's website, www.ir-bankofafrica.ma, is specifically designed 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, with 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 and 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.

Ad hoc information mainly comprises financial and non-financial press releases regarding 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 are also posted online.

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 2022

Press release regarding the 2021 financial results
Press release confirming online publication of the Annual Financial Report 2021
Press release regarding fourth quarter 2021 indicators
Press release regarding first quarter 2022 indicators
Press release regarding second quarter 2022 indicators
Press release regarding first-half 2022 financial results
Press release regarding third quarter 2022 indicators
Press release following the results of BANK OF AFRICA's perpetual subordinated debt issue with a loss-absorption and interest payment cancellation provision
Press release regarding reference document registration and annual updating of the information pack regarding the CD issuance programme
Press release regarding AMMC visa approval of the prospectus regarding BANK OF AFRICA's subordinated debt issue
Press release following the results of BANK OF AFRICA's subordinated debt issue
Notice of share capital increase and resulting amendment to the Memorandum and Articles of Association
Press release regarding AMMC visa approval of the prospectus regarding BANK OF AFRICA's perpetual subordinated debt issue with a loss-absorption and interest payment cancellation provision
Notice to convene bondholders' AGM 29 November 2022
Post-bondholders' AGM press release 29 November 2022
Press release regarding updates to the reference document in respect of financial year 2022
Notice to convene AGM 28 June 2022
Post-AGM press release 28 June 2022







RISK MANAGEMENT

NOTE ON RISKS

RISK MANAGEMENT SYSTEM

Risk categories

Credit risk

Credit risk, inherent in banking activity, is the risk of customers not repaying their obligations toward the Bank in full or within the allotted time, resulting in potential losses for the Bank. It is the broadest risk category and may be correlated with other risk categories.

Market risk

Market risk is the risk of a financial instrument losing value due to adverse fluctuations in market parameters, volatility or correlations between them. The parameters in question include exchange rates, interest rates and the prices of securities (stocks or bonds), commodities, derivatives or any other asset.

Overall liquidity and interest rate risk

Interest rate risk lies in an institution's financial position being vulnerable to an adverse change in interest rates.

Liquidity risk is the risk of the institution being unable to meet its cash or collateral obligations when they become due and at a reasonable cost.

Operational risk

Operational risk may be defined as the risk of loss due to inadequate or failing internal procedures, employee error, systems failure or external events. This definition includes legal risk but excludes strategic risk and reputational risk.

Country risk

Country risk comprises political risk as well as transfer risk. Political risk generally arises from action taken by a country's government such as nationalisation or expropriation or an independent event such as war or revolution, which may affect a customer's ability to honour its obligations.

Transfer risk may be defined as the risk of a resident customer being unable to acquire foreign currency in its country to be able to honour its overseas commitments.

Risk management organisation

Risk control bodies

• Group Risks Division

One of the Group Risks Division'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.

The Group Risks Division comprises five units:

- Group Risk Management

- Loan Commitments Monitoring
- Loan Commitments Analysis
- Africa Counterparty Risk and Transversal Projects
- Group Permanent Control

Governance Bodies

• Group Risks Committee

BANK OF AFRICA Group's Risks Committee is a body reporting directly to its 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 of the Group, the degree of risk aversion, its systemic importance, its size and its capital base.

• Audit and Internal Control Committee

BANK OF AFRICA Group's Audit and Internal Control Committee is a body reporting directly to its 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.

• Executive Committee

The Group Executive 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 Executive Committee, the Group Risk Steering and Management Committee assists in managing and monitoring, at the operational level, the risk steering policy of the Group – 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 – European subsidiaries and the Shanghai branch office – within its delegated powers. Operating rules and powers differ depending on the level of risk incurred and the character of the credit portfolio segment in question – Business, Corporate or Personal & Professional Banking customers. It assesses and makes risk-taking decisions with regard to certain counterparties or counterparty groups across the banking portfolio for Moroccan, European and Asian operations and for individual counterparties based on thresholds predefined by each subsidiary.

• Group Extended Credit Committee (CEEG)

The CCEG is a decision-making body which rules on whether to decline or approve credit applications from BOA Group's Luxembourg subsidiaries, over and above the delegated powers and restrictions of the Head Office Extended Credit Committee (CCESC). The CCEG handles all applications which exceed the levels of delegation set at the CCESC by subsidiary group.

• 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 – head office CSE and regional CSE – meets on a monthly basis to follow up on the various initiatives undertaken to regularise, recover and clean-up accounts showing anomalies. The Committee also reviews customer loans 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 function 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

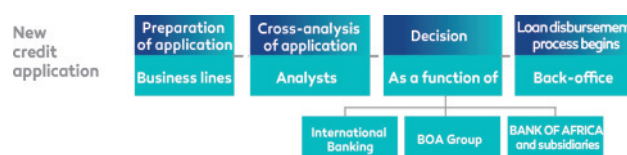
General principles

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, in the very 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 applications assigned by delegating powers at the local as well as head office levels as part of a multi-level pyramid structure. Should both functions fail to find a consensus, the application 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 diagram provides an overview of the credit approval process:



- Responsibility for putting together the credit application is incumbent on the Commercial function due to it having a commercial relationship with the customer
- A cross-examination of the credit application 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 must adhere to the single decision principle.

Credit decisions are either taken by circulating the application or by holding a Credit Committee, either in person or digitally.

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

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, the format of which is defined in conjunction with the relevant Commercial and Risk functions and in coordination with Group Risks.

A credit application 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 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 is also responsible for its contents.

The credit application 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.

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 counter party 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.

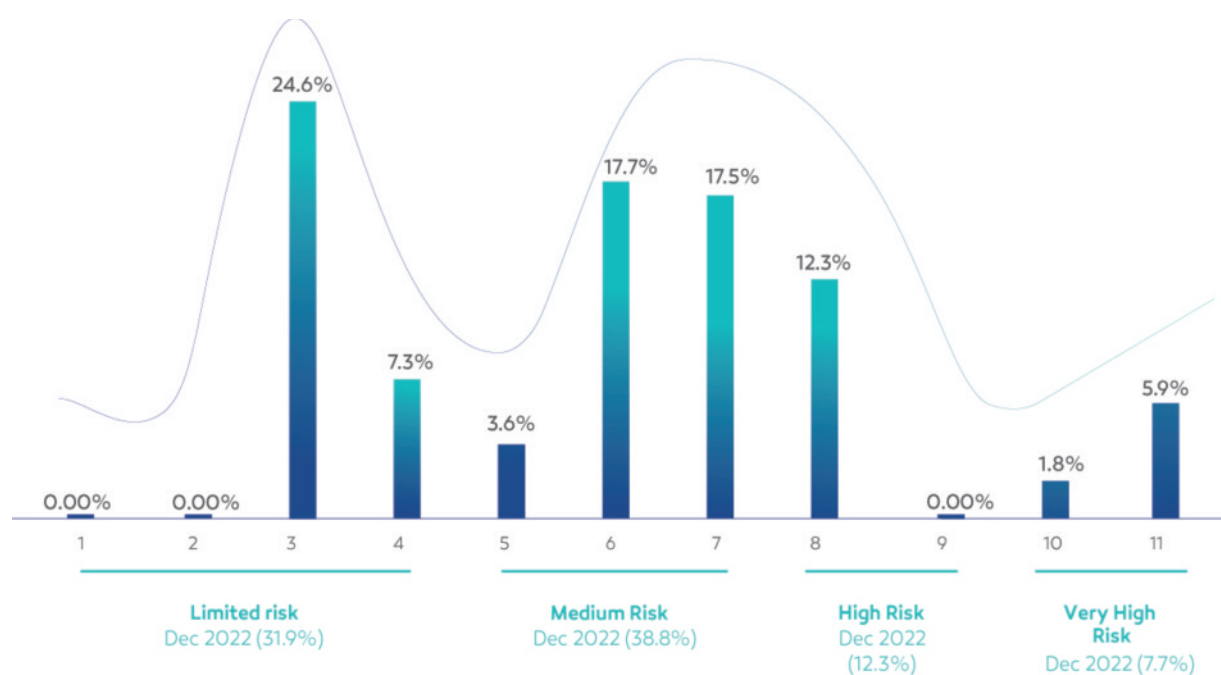
Ratings scale

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 withstand small 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 economic and 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 2022:



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	High risk
E-	
F	Very high risk
F-	
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.



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.

CREDIT RISK CONTROL AND MONITORING PROCEDURE

The procedure 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 the Group Risks Division.

The checks carried out by the various entities reporting to the Group Risks Division 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 the Group Risks Division, 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 the Group Risks Division.

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 of its subsidiaries is steered using a number of risk indicators relating to credit approval risks as well as those arising during the loan's duration.

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 of its subsidiaries 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. 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 customer loans 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 as stipulated in Bank Al-Maghrib's 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 customer loan 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.

Concentration limits

Credit Risk Management has adopted a policy of analysing business line strategies from a risk perspective, especially in respect of new activities or product launches, by setting formal limits on these risks. Credit concentration risk incurred by BANK OF AFRICA Group can arise from exposure to:

- Individual counterparties
- Interest groups
- Counterparties belonging to the same industry or country.

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 2022:

December 2022		
	Amount disbursed	% of the total
Commitments to 10 largest customers	19 757	15.54%
Commitments to 20 largest customers	27 035	21.27%
Commitments to 100 largest customers	47 162	37.11%

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 Bank Al-Maghrib's 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).

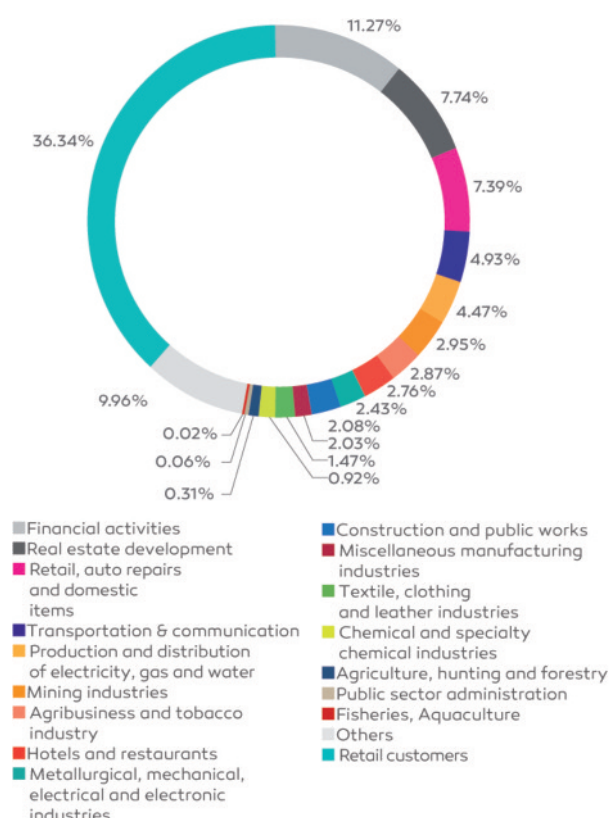
The goal is to model the probability of default by using appropriate econometric techniques and a dependent random variable whose value is derived from the number of default occurrences.

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 2022:



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 to assess the Bank's resilience in the face of unexpected, extreme events. Practically, 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 provisioning 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 based on the objectives set for conducting stress tests and whenever 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.

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 which generate risks for the Bank.

It establishes management standards and rules 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.

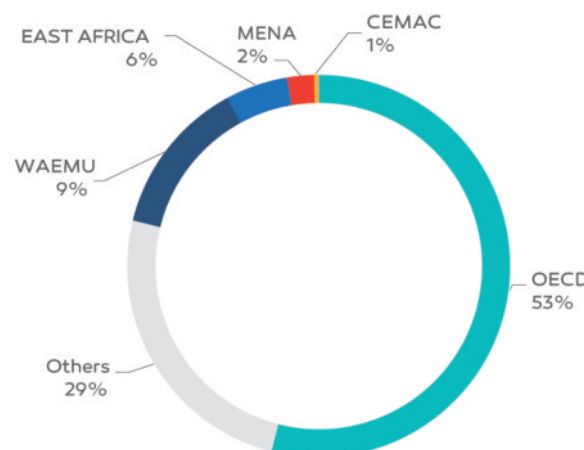
Identifying cross-border risks

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 region at 31/12/2022:



Consolidation

Country risk commitments are identified in such a way as to establish a position for the parent company, for each subsidiary and for 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 existing levels of decision-making powers.

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.

RISK MANAGEMENT SYSTEM ROLL OUT AT OVERSEAS SUBSIDIARIES

In 2023, the Group Risks Division continued to focus its efforts on dealing with the pandemic. Adaptability was order of the day with the constantly evolving situation requiring close monitoring to be able to proactively adjust the risk management and control system to ensure that the Group remained resilient and that its risk profile was consistent with Group strategy.

Market risk management system

The roll-out of the market risk management system was completed at the Group's French-speaking subsidiaries. The roll-out is now being completed at the Group's remaining subsidiaries.

Country risk management system

A country risk management roll-out kit has been prepared and roll-out is expected to begin in 2023.

ICRP and ICAAP system

A roll-out kit has also been prepared in relation to the Internal Crisis Recovery Plan (ICRP) and Internal Capital Adequacy Assessment Process (ICAAP) systems and has been conveyed to BOA HOLDING.

MANAGEMENT OF GROUP RISK TRANSVERSAL PROJECTS

In 2022, work focused on a number of major cornerstone risk projects in line with BANK OF AFRICA Group's Risk Management Department strategy:

- The roll-out of the latest version of the Group Loan Commitments Database (BEG) was completed at BOA, Moroccan and European subsidiaries.
- Enhancements were made to the solution for calculating capital requirements and producing 'Risk Authority' regulatory declarations at BANK OF AFRICA.
- Work continued on a number of projects relating to the roll-out of software solutions for recovery of sub-standard and non-performing loans, IFRS9 and internal ratings.

Risk projects portfolio

The Group Risk Management Department's project portfolio consists of around twenty projects grouped together under 3 headings: Transformation Projects, Regulatory Projects and Transversal Projects.

LIQUIDITY AND INTEREST RATE RISK MANAGEMENT SYSTEM

BANK OF AFRICA has adopted a system for steering balance sheet risks such as liquidity and interest rate risks to enable it to continuously monitor their development as a function of financial market trends and their impact on the Bank's operations.

In order to maintain balance sheet stability over the medium to long term, the liquidity and interest rate risk management system is designed to:

- Ensure earnings stability when interest rates change, thereby maintaining net interest income and optimising the economic value of equity
- Ensure an adequate level of liquidity, thereby enabling the Bank to meet its obligations at any given time and protect it from any eventual crisis
- Ensure that the risk inherent in its foreign exchange positions does not have a negative impact on the Bank's profit margins
- Steer the Bank's strategy in such a way as to be able to take full advantage of any possible growth opportunities.

The Bank has established an ALCO committee to ensure that these targets are met. The main tasks of this committee are as follows:

- Set asset-liability policy
- Organise and steer asset-liability sub-committees
- Possess in-depth knowledge of the types of risk inherent in the Bank's operations and keep abreast of any changes in these risks as a function of financial market trends, risk management practices and the Bank's operations
- Review and approve procedures aimed at mitigating the risks inherent in the Bank's operations in terms of credit approval, investments, trading and other significant activities and products
- Master the reporting systems that measure and control the main risk sources on a daily basis
- Regularly review and approve risk limits as a function of any eventual change in the Group's strategy, approve new products and react to significant changes in market conditions
- Ensure that the different business lines are properly managed by HR and that the latter possesses an appropriate level of competence, experience and expertise in relation to the activities that they oversee.

Responsibilities of the different departments involved in interest rate and liquidity risk management



Every department within the Bank is involved in ensuring short- and medium-term balance sheet stability with the responsibilities of each party clearly defined in respect of interest rate and liquidity risk management.

In this regard, each of the Bank's entities will have its own budget and medium-term goals, approved by the Executive Committee. This enables the relevant bodies to monitor and control, in an orderly manner, implementation of the three-year plan whilst ensuring balance sheet stability and compliance with regulatory capital requirements.

The ALM department regularly monitors developments in the Bank's balance sheet structure by comparison with the plan and will signal any divergence at ALCO Committee meetings, attended by representatives of each entity, to ensure that any required corrective measures are taken.

Liquidity risk

The Bank's strategy in terms of liquidity risk management aims to ensure that its financing mix is adapted to its growth ambitions to enable it to successfully expand its operations in a stable manner.

Liquidity risk is the risk of the Bank being unable to fulfil its commitments in the event of unforeseen cash or collateral requirements by using its liquid assets.

Such an event may be due to reasons other than liquidity, for example, significant losses that result from defaulting counterparties or due to adverse changes in market conditions.

There are two major sources of liquidity risk:

- The institution's inability to raise the required funds to deal with unexpected situations in the short term, such as a massive deposit withdrawal or a maximum drawdown of off- balance sheet commitments
- A mismatch of assets and liabilities or the financing of medium- or long-term assets by short-term liabilities.

An acceptable liquidity level is a level that enables the Bank to finance asset growth and to fulfil its commitments when they are due, thereby protecting the Bank from any eventual crisis.

Two indicators are used to evaluate the Bank's liquidity profile:

- The Liquidity Coverage Ratio (LCR), which stood at 180% on a consolidated basis at 31 December 2022 and above the regulatory requirement of 100% set by Bank Al Maghrib
- The Bank's cumulative gap profile – this method of periodic or cumulative gaps in dirhams and in foreign currencies helps measure the level of liquidity risk incurred by the Bank over the short, medium and long term.

This method is used to estimate net refinancing needs over different time periods and to determine an appropriate hedging strategy.

Interest rate risk

Interest rate risk is the risk that future changes in interest rates have a negative impact on the Bank's profitability.

Changes in interest rates also impact the net present value of expected cash flows. The extent to which the economic value of assets and liabilities is impacted will depend on the sensitivity of the various components of the balance sheet to changes in interest rates.

Interest rate risk is measured by conducting simulation-based stress tests under a scenario in which interest rates are raised by 200 basis points as recommended by the Basel Committee.

The Bank's strategy in terms of interest rate risk management is aimed at ensuring earnings stability when interest rates change, thereby maintaining net interest income and optimising the economic value of equity.

Changes in interest rates may negatively impact net interest income and result in the Bank significantly undershooting its initial projections.

In order to counter such risks, the ALM department regularly steers the Bank's strategy by establishing rules for matching assets and liabilities by maturity and by defining a maximum tolerance departure threshold for net interest income by comparison with projected net banking income.

The method of periodic or cumulative gaps in dirhams and in foreign currencies helps measure the level of interest rate risk incurred by the Bank over the short, medium and long term.

This method is used to estimate asset-liability mismatches over different time periods and determine an appropriate hedging strategy.

Sensitivity in the value of the banking portfolio

Simulation-based stress tests are carried out to assess the impact from a change in interest rates on net interest income and on the economic value of equity.

At 31 December 2022, with the trading book portfolio excluded, the impact from a 200-basis points change in interest rates on net interest income was an estimated at MAD -0.023 billion or -0.52% of projected net interest income (and + MAD 0.018 billion for an interest rate variation of -200 basis points, i.e. +0.41% of projected net interest income).

The change in the economic value of shareholders' equity in the event of a 200-basis points shock was an estimated MAD 1.213 billion or 8.92% of regulatory capital.

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:

Fixed income products	I- Corporate and interbank loans/borrowings
	Fixed rate (MAD and foreign currencies)
	Floating rate (MAD and foreign currencies)
	II-Treasury bonds and negotiable debt securities
	II-1 Sovereign bonds
	Fixed rate (MAD and foreign currencies)
	Floating rate (MAD and foreign currencies)
	II-2 Securities issued by credit institutions and companies
	Fixed rate (MAD and foreign currencies)
	Floating rate (MAD and foreign currencies)
	III-Securities lending/borrowing
	Securities lending/borrowing
	Repos/Reverse Repos
	IV-Interest rate derivatives (MAD and foreign currencies)
Mutual funds	Interest rate swaps
	Interest rate futures
	Forward rate agreements
	Money market mutual funds
	Bond mutual funds
Foreign exchange products	Equity mutual funds
	Composite mutual funds
	I- Foreign exchange
	FX spot
	FX forwards
Equity products	II-FX derivatives
	FX swaps
	FX options
Commodity products	Equities
	Equity/index derivatives
	Commodity futures
	Commodity options
	Commodity swaps

Market risk management policy

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.

Description of 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

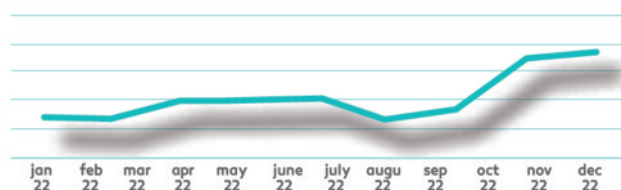
A variety of risk indicators, reflecting the level of exposure to market risk, are used by BANK OF AFRICA Group:

• 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, foreign exchange risk and equity risk on the trading portfolio are outlined below.

a- Fixed income portfolio

1st scenario: A 25 basis point parallel shift in the yield curve.

This scenario would result in a MAD 60 billion impact on the P&L.

2nd scenario: A 50 basis point parallel shift in the yield curve.

This scenario would result in a MAD 120 billion impact on the P&L.

b- Equity portfolio

1st scenario: A 15% fall in the value of the equity portfolio.

This scenario would result in a MAD 9 billion impact on the P&L.

2nd scenario: A 25% fall in the value of the equity portfolio.

This scenario would result in a MAD 15 billion impact on the P&L.

c- Foreign exchange

1st scenario: A 2.5% rise or fall in the value of the dirham.

This scenario would result in a MAD 53 billion 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 107 billion 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 2022 were as follows:

RISK TYPE	31 December 2022
Fixed income risk	621 287
Equity risk	94 728
FX risk	37 926
Total capital required in terms of market risk	753 941
Total market risk-weighted assets	9 424 263

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.

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.

Operational risk management policy

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

BANK OF AFRICA's share capital stands at MAD 2,087,698,270 made up of 208,769,827 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 2022, fixed maturity subordinated debt stood at almost MAD 7.4 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	24 664 882
Items to be included in Tier 1 capital	28 102 130
Share Capital	2 087 698
Consolidated reserves, including premiums related to share capital and not included in hidden reserves	19 881 633
Retained earnings	12 766
Net income for the previous period	2 304 075
Minority interests	3 815 958
Items to be deducted from Tier 1 capital	3 437 247
Goodwill	1 032 114
Other adjustments to CET1	1 502 071
Non-current assets	873 671
Other deductions	29 390
Additional core capital	2 500 000
Perpetual subordinated debt	2 500 000
Tier 2 capital	6 994 262
Perpetual subordinated debt	6 126 684
Revaluation differences	675 932
Hidden reserves	191 646
Total	34 159 144

Capital Requirements by Risk Type	December 2022
Risk-weighted credit risks	247 753 270
Risk-weighted market risks	9 424 268
Risk-weighted operational assets	26 412 784
Total risk-weighted assets	283 590 322
Tier 1 Capital	27 164 882
Tier 1 Capital ratio	9.6%
Total admissible capital	34 159 144
Capital adequacy ratio	12.0%

18-month forward-looking ratios:

Parent company	Dec 22	Jun 23	Dec 23	Jun 24
Regulatory Capital	13 960	13 766	13 572	14 116
Tier 1 Capital	16 460	17 266	17 072	18 616
Tier 2 Capital	22 390	22 645	21 902	22 932
Risk-weighted assets	147 909	150 911	153 384	156 415
CET1 Ratio	9.4%	9.1%	8.8%	9.0%
Tier 1 Capital Ratio	11.1%	11.4%	11.1%	11.9%
Capital Adequacy Ratio	15.1%	15.0%	14.3%	14.7%

Consolidated	Dec 22	Jun 23	Dec 23	Jun 24
Regulatory Capital	24 665	26 219	27 269	29 417
Tier 1 Capital	27 165	29 719	30 769	33 917
Tier 2 Capital	34 159	36 164	36 663	39 298
Risk-weighted assets	283 583	291 085	298 042	305 651
CET1 Ratio	8.7%	9.0%	9.1%	9.6%
Tier 1 Capital Ratio	9.6%	10.2%	10.3%	11.1%
Capital Adequacy Ratio	12.0%	12.4%	12.3%	12.9%





MANAGEMENT REPORT

MANAGEMENT REPORT

DRAFT BOARD OF DIRECTORS' MANAGEMENT REPORT TO THE COMBINED GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders, Ladies and Gentlemen,

We are honoured to invite you to the Combined General Meeting of Shareholders in accordance with BANK OF AFRICA's Memorandum and Articles of Association, the amended and completed Act 17-95 relating to limited companies and Articles 29 et seq. of the Memorandum and Articles of Association to report on BANK OF AFRICA's business activity and results for the period ended 31 December 2022 and its future prospects and to submit, for your approval, the balance sheet and annual financial statements for the said period as well as submitting, for your approval, an increase in share capital by incorporating reserves and issuing bonus shares.

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 383 billion at 31 December 2022, an increase of 11% compared to 31 December 2021.

BANK OF AFRICA Group's shareholders' equity attributable to shareholders of the parent company stood at MAD 25.2 billion, an increase of 6% versus 31 December 2021.

Regulatory capital was also bolstered after successfully issuing MAD 1 billion of subordinated debt in first half 2022 as well as MAD 500 million of AT1 capital with a loss-absorption provision in second half 2022, thereby boosting Tier 1 capital.

Consolidated outstanding customer loans rose by 6.3% from MAD 197 billion in 2021 to MAD 209 billion in 2022. Excluding resales, customer loans increased by 7.4%.

Customer deposits increased by 12.4% over the same period to MAD 246 billion versus MAD 219 billion at 31 December 2021.

As far as the Group's consolidated financial performance was concerned, net banking income rose by 7% year-on-year to MAD 15.6 billion in 2022.

Gross operating income was MAD 7.3 billion, up 10.4% compared to 2021.

The consolidated cost of risk declined by 9.5% to MAD 2.6 billion at 31 December 2022 versus MAD 2.9 billion the previous year with the cost of risk in 2021 impacted by a downgrade to Burkina Faso's credit rating, which therefore required significant additional provisioning under IFRS.

Net income attributable to shareholders of the parent company rose by 15% year-on-year to MAD 2,305 million at 31 December 2022.

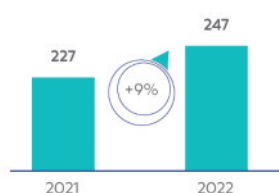
The Group's net income amounted to MAD 3,540 million, up 24% year-on-year.



RESULTS AND CONTRIBUTIONS FROM BANK OF AFRICA SA'S OPERATIONS

The Bank's total assets rose by almost 9% to MAD 247 billion at 31 December 2022 versus MAD 227 billion at 31 December 2021.

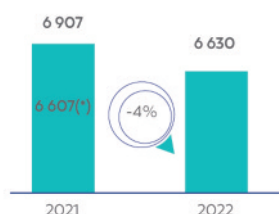
Total assets (MAD billions)



The Bank's net banking income, restated for exceptional dividend income from European subsidiaries in 2021, was broadly unchanged on the previous year at MAD 6,630 million in 2022, due to a combination of:

- A 4% year-on-year increase in net interest income, primarily driven by:

Net banking income (MAD millions)

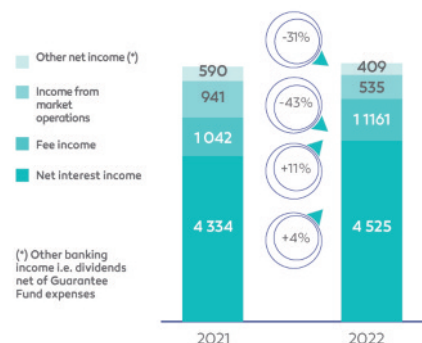


(*) +0%, restated for exceptional dividend income from European subsidiaries in 2021

(i) 3% growth in average outstanding loans, primarily due to short-term loans to corporates and (ii) Growth of almost 5% in outstanding deposits, primarily driven by a 9% increase in average non-interest-bearing deposits, enabling the Bank to optimise its funding costs.

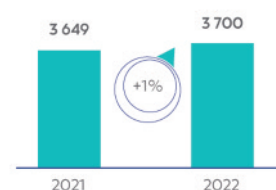
- Robust growth of 11% in fee income due to a recovery in international operations (currency exchange, overseas trade, bank cards etc.).
- A decline in the value of the investment portfolio due to a 20% fall in the stock market and a 100 basis points increase in the key lending rate, which impacted the Treasury yield curve, resulting in a 200 basis points steepening.
- A 24% fall in dividend income following exceptional dividend income from European subsidiaries in 2021 (MAD 300 million)

Breakdown of net banking income (MAD millions)



General expenses were contained at MAD 3,700 million at 31 December 2022, up 1%, due to strong cost control measures despite inflationary pressure on costs.

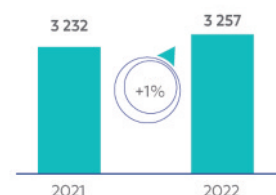
General operating expenses (MAD millions)



The cost-to-income ratio stood at 55.8% in 2022 versus a restated cost-to-income ratio of 55.2% at 31 December 2021.

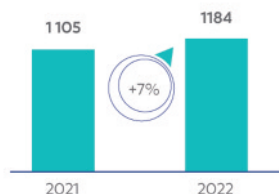
Gross operating income grew by 1% to MAD 3,257 million at 31 December 2022.

Gross operating income (MAD millions)



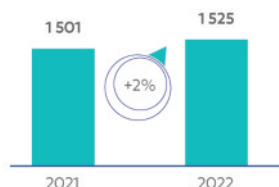
The overall cost of risk rose by 1% to MAD 1,184 million at 31 December 2022 versus MAD 1,105 million at 31 December 2021, after factoring in a cost of risk on customer loans of MAD 956 million gross versus MAD 928 million in 2021. As a result, the cost of risk as a percentage of average outstanding loans to customers stood at 0.8%, unchanged on the previous year.

Overall cost of risk (MAD millions)



BANK OF AFRICA SA's net income was MAD 1,525 million at 31 December 2022 versus MAD 1,501 million at 31 December 2021, up 2%.

Parent net income (MAD millions)



HIGHLIGHTS OF THE BANK'S MOROCCAN OPERATIONS

The Bank's funding sources

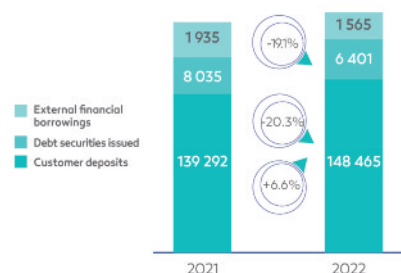
In 2022, the Bank's funding sources increased by 4.7% year-on-year to MAD 156 billion at 31 December 2022, primarily driven by a 10.4% increase in non-interest-bearing deposits in 2022. The Bank's share of the funding market was 13.31% at 31 December 2022.

Share of the customer deposit funding market



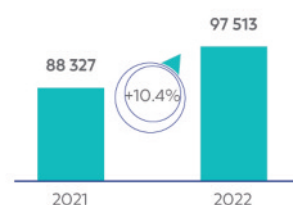
As far as a breakdown of the Bank's funding sources was concerned, the share of non-interest-bearing deposits improved, accounting for 66% of total funding sources at 31 December 2022 versus 63% at 31 December 2021.

Funding sources (MAD millions)



Sight deposit accounts in credit grew by 10.4% to MAD 97 billion at 31 December 2022, driven by (i) an 8.3% or MAD 5.2 billion increase in cheque account outstandings to MAD 68 billion at 31 December 2022 and (ii) a 15.4% or MAD 4 billion rise in current account outstandings to MAD 30 billion.

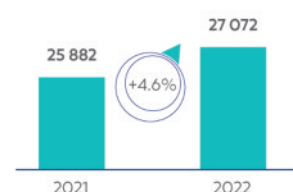
Sight deposit accounts in credit (MAD millions)



The Bank's share of sight deposit accounts in credit increased by 0.16 percentage points to 12.76% at 31 December 2022 versus 12.60% at 31 December 2021.

Passbook savings account outstandings grew by 4.6% to MAD 27 billion at 31 December 2022. The Bank's share of passbook savings accounts rose by 0.23 percentage points from 14.92% at 31 December 2021 to 15.15% at 31 December 2022.

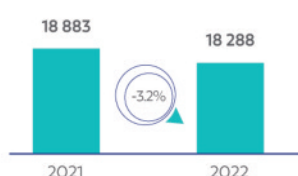
Savings accounts (MAD millions)





Term deposits stood at almost MAD 18 billion at 31 December 2022 versus MAD 19 billion at 31 December 2021, a proactive reduction in line with industry trends (-3.2%). The Bank's share of term deposits stood at 13.69% at 31 December 2022, broadly unchanged on 31 December 2021.

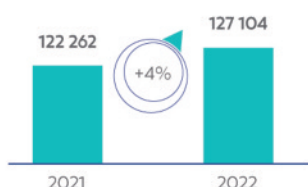
Term deposits (MAD millions)



Loans and advances to customers (*)

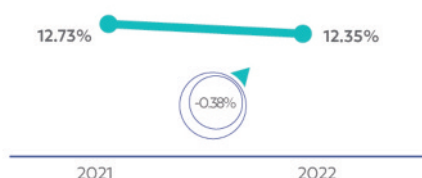
Loans and advances to customers, including finance companies, remained on an upward trend, up 4% to MAD 127 billion at 31 December 2022 versus MAD 122 billion at 31 December 2021. This was primarily due to growth in short-term loans to corporates.

Loans and advances to customers (MAD millions)



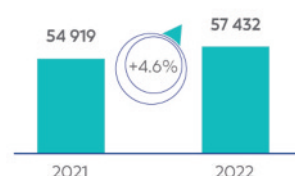
The Bank's share of the loan market contracted by 0.38 percentage points from 12.73% at 31 December 2021 to 12.35% at 31 December 2022.

Share of the loan market



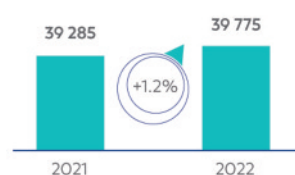
Corporate loans registered growth of 4.6% to almost MAD 57 billion at 31 December 2022, primarily driven by 9.6% growth in operating loans. The Bank's share of the corporate loan market contracted by 0.42% to 9.60% at 31 December 2022.

Corporate loans (MAD millions)



Retail loans grew by 1.2% to almost MAD 40 billion at 31 December 2022, due to a combination of a 3.3% increase in consumer loans and 0.8% growth in home loans. The Bank's share of the home loan market stood at 14.32% at 31 December 2022, down 0.09 percentage points.

Retail loans (MAD millions)



NET BANKING INCOME

Net banking income stood at MAD 6,630 million at 31 December 2022 versus MAD 6,907 million at 31 December 2021. Restated for exceptional dividend income from European subsidiaries in 2021, net banking income was broadly unchanged despite the challenging interest rate environment.

(*) including finance companies

Net interest income

Net interest income rose by almost 4% to MAD 4,525 million at 31 December 2022 versus MAD 4,334 million at 31 December 2021, driven by.

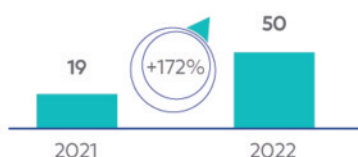
- i) An increase of almost 5% year-on-year or MAD 6.4 billion in average deposits at 31 December 2022, driven primarily by non-interest-bearing deposits which rose by 8.6% or nearly MAD 7.2 billion, with cheque account outstandings up almost MAD 4 billion and current account outstandings ahead by MAD 3 billion. The fact that sight deposits account for a large proportion of the Bank's funding sources enables the Bank to optimise its cost of funding.
- ii) 3% growth in average outstanding loans, primarily short-term loans to corporates.

Fee income

Fee income rose by 11.5% to MAD 1,161 million at 31 December 2022, primarily driven by a strong performance from international operations:

- Growth of 172% in OTC currency exchange consistent with a 189% increase in OTC currency exchange volumes with borders fully reopened in 2022.

OTC currency exchange (MAD millions)



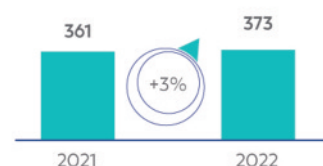
- 17% growth in overseas trade fees due to an increase in transaction volumes, primarily outgoing transfers (+60%), incoming transfers (+28%) and import documentary collections (+34%).

Overseas trade fees (MAD millions)



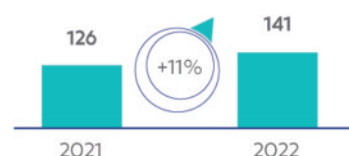
- A 3% increase in fees on packages and account management fees due to a combination of:
- A 7% increase in fees on packages in 2022, driven by a rise of almost 12% in the overall number of packages with 81,653 new packages subscribed.

Account management fees and fees on packages (MAD millions)



- A decline in account management fees as a result of account consolidation.
- Growth of almost 11% in bank card fees due to growth of 33% in international bank card products and 16% in Morocco.

Bank card fees (MAD millions)





Income from Market Operations

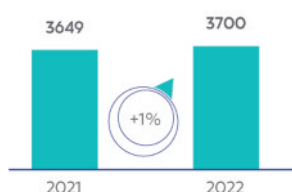
Reported income from market operations, excluding net interest margin, stood at MAD 536 million at 31 December 2022 versus MAD 941 million at 31 December 2021. Overall income from market operations, including interest on fixed income securities, fell by 10% compared to 2021 in line with estimates. This was due to:

- The impact of rising interest rates and a steepening of the yield curve across all maturities (almost +200 basis points), which impacted the value of the mutual fund portfolio in 2022.
- A 20% fall in the stock market which also impacted the equity mutual fund portfolio, resulting in a capital loss for the year ended 31 December 2022.
- 55% growth in foreign exchange income to MAD 626 million in 2022 versus MAD 405 million in 2021, driven by a 35% increase in commercial volumes and a 100% rise in bank note transfer volumes, which went some way to offsetting the challenging environment faced by the fixed income business.

GENERAL OPERATING EXPENSES

General operating expenses stood at MAD 3,700 million at 31 December 2022, broadly unchanged compared to 2021, resulting in a cost-to-income ratio of 55.8% in 2022 versus a restated cost-to-income ratio of 55.2% at 31 December 2021.

General operating expenses (MAD millions)



- Employee expenses rose by 4% to MAD 1,736 million in 2022 versus MAD 1,674 million in 2021 after factoring in staff redundancy costs as part of a head office staff rationalisation plan resulting in 314 full-time equivalent employees (-6%) being made redundant.
- Other operating expenses fell by 1% to MAD 1,964 million as part of a cost optimisation process which has seen either growth being curtailed or a reduction in day-to-day expenditure.

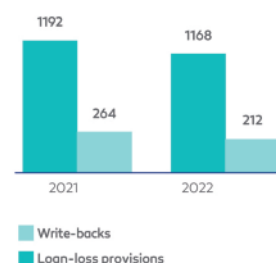
COST OF RISK

The overall cost of risk stood at MAD 1,184 million at 31 December 2022 versus MAD 1,105 million at 31 December 2021.

Loan-loss provisions on customer accounts stood at MAD 1,168 million at 31 December 2022 versus MAD 1,192 million at 31 December 2021.

Cost of risk as a percentage of average outstanding loans to customers stood at 0.8% or MAD 956 million gross versus MAD 928 million in 2021.

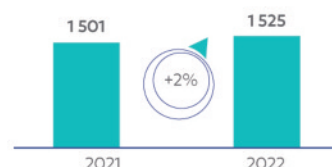
Loan-loss provisions and write-backs (MAD millions)



NET INCOME

BANK OF AFRICA S.A.'s net income stood at MAD 1,525 million at 31 December 2022 versus MAD 1,501 million at 31 December 2021, up 2%.

Parent company net income (MAD millions)



SPECIALISED FINANCIAL SERVICES

Contribution	SFS		Salafin		Maghrébaïl		M.Factoring		RM Experts		Euler Hermes Acmar	
MAD millions	D 22	D 21	D 22	D 21	D 22	D 21	D 22	D 21	D 22	D 21	D 22	D 21
Consolidated net banking income	701	641	312	300	374	328	14	11	0.8	1.2	na	na
Change		9%		4%		14%		18%		-36%		
General expenses	-259.9	-259.9	-140	-135	-70	-80	-22.2	-21.2	-27.2	-24.1	na	na
Change		0.0%		4%		-12%		5%		13%		
Cost of risk	-267	-213	-102	-100	-159	-111	-6.2	-2.3	na	na	na	na
Change		26%		2%		44%		172%				
Net income attributable to shareholders of the parent company	128	131	54	58	66	61	0.5	3.6	0.9	0.7	6.3	6.9
Change		-2%		-8%		9%		-85%		35%		-9%

The contribution from Specialised Financial Services to net income attributable to shareholders of the parent company fell by 2% from MAD 131 million at 31 December 2021 to MAD 128 million at 31 December 2022.

Salafin's parent net income rose by a modest 1% to MAD 85.8 million in 2022 versus MAD 84.7 million in 2021. SALAFIN continued to see strong top-line growth with net banking income 3% higher, underpinned by a 15% year-on-year increase in production due to a strong performance from two market segments – car loans and personal loans.

Maghrebail's parent net income increased by 20% to MAD 119 million. This was primarily driven by an increase in net banking income which reached MAD 441 million. This subsidiary performed strongly at the commercial level with production growing by 9% to MAD 3.7 billion. Maghrebail is ranked just behind WAFABAIL with a 24% share of the market.

Maroc Factoring's net banking income rose by 8% to MAD 33 million. In 2022, this subsidiary booked exceptional provisions as a result of an ongoing tax audit. The cost of risk was bolstered by an additional provision of MAD 3.7 million versus MAD 1.8 million in 2021. Maroc Factoring closed 2022 with net income of MAD 0.5 million versus MAD 3.6 million in 2021.

RM Experts registered parent net income of MAD 4.2 million in 2022 versus MAD 2.2 million in 2021, an increase of 94%.

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	D 22	D 21	D 22	D 21	D 22	D 21	D 22	D 21
Consolidated net banking income	345.9	362.1	174.3	184.7	18.4	20.4	153.2	157.0
Change		-4%		-6%		-10%		-2%
General expenses	-287.9	-282.7	-230.3	-224.3	-14.4	-15.6	-43.2	-42.7
Change		2%		3%		-7%		1%
Cost of risk	0.0	-7.2	0.0	0.0	0.0	0.9	0.0	-8.0
Change								
Net income attributable to shareholders of the parent company	85.7	94.9	29.9	38.3	-1.2	0.4	57.1	56.2
Change		-10%		-22%				2%



The contribution to net income from the Investment Banking & Asset Management business fell by 10% year-on-year to MAD 85.7 million in 2022.

BMCE Capital's parent net income stood at MAD 30.6 million at 31 December 2022, down 19% on the previous period.

BMCE Capital Bourse registered a loss of MAD 1.3 million in 2022 versus a profit of MAD 0.5 million in 2021. Against a backdrop of rising interest rates and with the MASI registering a 20% fall, securities brokerage firms were impacted by both a drop in volumes and market liquidity.

BMCE Capital Gestion posted positive growth in net income which rose by 2% year-on-year to MAD 57.3 million in 2022.

OTHER MOROCCAN OPERATIONS

BANK OF AFRICA Group's 'Other operations' comprise Locasom, EurAfric Information (EAI), CID, AML and BTI, the majority of which are consolidated under the equity method.

Contribution	Others		Locasom		EAI		CID		AML		bti Bank	
MAD millions	D 22	D 21	D 22	D 21	D 22	D 21	D 22	D 21	D 22	D 21	D 22	D 21
Consolidated net banking income	163	144	163	144	na	na	na	na	na	na	na	na
Change		13%		13%								
General expenses	-119.6	-111	-119.6	-111	na	na	na	na	na	na	na	na
Change		8%		8%								
Cost of risk	-1.08	-0.8	-1.08	-0.8	na	na	na	na	na	na	na	na
Change		-31%		-31%								
Net income attributable to shareholders of the parent company	20.3	-23.1	11.8	11	-1.7	-1.3	6.5	4.7	23	-16.1	-19.3	-21.5
Change				7%		-34%		39%				10%

Locasom, a specialist vehicle leasing subsidiary, posted parent net income of MAD 20 million in 2022, broadly unchanged compared to 2021.

EAI, a technology subsidiary, saw turnover grow by 51% to MAD 406 million and registered net income of MAD 2.4 million in 2022 versus MAD 2.9 million in 2021.

CID, an engineering company specialising in civil engineering, building, transport, and hydraulic projects, posted net income of MAD 16.8 million in 2022 versus MAD 12 million in 2021, an increase of 39%.

Africa Morocco Link ('AML'), a subsidiary specialising in maritime transport, posted exceptional profit of MAD 45 million in 2022 after registering a loss of MAD 31.6 million in 2021. The maritime transport industry was an obvious beneficiary of reduced incidence of COVID-19 and the reopening of borders. AML operated two boats during 2022 and chartered an additional vessel in the summer for Operation MARHABA. As far as business activity was concerned, turnover rose sharply (+92%) to MAD 530 million.

Bank Al-Tamweel Wa Al-Inma ('BTI'), the Group's participatory bank, was restructured in 2022 and implemented a change in corporate strategy, resulting in shareholder ABG selling its stake in the bank in 2023. The focus of BTI's new strategic plan is to generate immediate gains by working more closely with the BANK OF AFRICA network. The bank envisages a return to net profit by 2026 by bolstering capital and introducing specialist wakala financing arrangements. In 2022, net banking income increased by +18% to MAD 12 million versus MAD 10 million in 2021 with participatory financing arrangements up 13%. General operating expenses, despite falling by 8% in 2022, continue to negatively impact the bottom line. There was some improvement, however, in 2022 with the bank posting a net loss of MAD 35 million in 2022 versus a loss of MAD 41 million in 2021.

RESULTS AND CONTRIBUTIONS FROM OVERSEAS OPERATIONS

Contribution	International		Europe		Africa	
MAD millions	D 22	D 21	D 22	D 21	D 22	D 21
Consolidated net banking income	8 232	7 239	637	554	7 595	6 685
Change		14%		15%		14%
General expenses	-4 309	-3 958	-310	-268	-3 999	-3 691
Change		9%		16%		8%
Cost of risk	-1 035	-1 388	-36	-20	-999	-1 367
Change		-25%		79%		-27%
Net income attributable to shareholders of the parent company	1 256	988	131	175	1 125	813
Change		27%		-25%		38%

In 2022, the contribution from overseas operations to consolidated net income attributable to shareholders of the parent company rose by 27% from MAD 988 million to MAD 1,256 million. Africa accounted for 49% of overall net income attributable to shareholders of the parent company and Europe 6%.

EUROPEAN OPERATIONS

BANK OF AFRICA EUROPE posted parent net income of EUR 15.3 millions in 2022 versus MAD 10.9 million in 2021. Despite the unstable worldwide economic and financial environment, BOA Europe delivered an exceptional performance in terms of top-line growth and profitability in 2022.

Net banking income rose sharply to EUR 27.8 million in 2022 versus almost EUR 20 million in 2021 due to a strong performance from the trade finance portfolio.

BANK OF AFRICA UK registered a loss of GBP 0.9 million in 2022 versus a profit of GBP 5.6 million in 2021. The challenging global economic environment impacted both trading and profitability against a backdrop of commodity price inflation, rising interest rates in emerging markets and a decline in income from financial market operations after the decision was taken to shrink the fixed income portfolio. Net banking income stood at GBP 19.9 million in 2022 versus GBP 24.6 million in 2021.

AFRICAN OPERATIONS

Contribution	Africa		BOA		LCB		BDM	
MAD millions	D 22	D 21	D 22	D 21	D 22	D 21	D 22	D 21
Consolidated net banking income	7 595	6 685	7 343	6 472	252	213	na	na
Change		14%		13%		19%		
General expenses	-3 999	-3 691	-3 796	-3 505	-203	-186	na	na
Change		8%		8%		9%		
Cost of risk	-999	-1 367	-883	-1 381	-116	13	na	na
Change		-27%		-36%				
Net income attributable to shareholders of the parent company	1 125	813	1 058	720	-23	14	90	79
Change		38%		47%				15%

BOA Africa's net banking income rose by 10.4% to EUR 689 million in 2022 versus EUR 624 million the previous year.

BOA's net income attributable to shareholders of the parent company increased by 18% year-on-year to EUR 217 million, driven by positive earnings growth across its entire subsidiary bank network, particularly within the WAEMU zone.

This performance was achieved despite a downgrade to Ghana's credit rating in the wake of that country's deteriorating economic and financial indicators. In response, the Group was obliged to recognise EUR 26 million of additional provisioning for exposure to Ghana's government bonds.

LCB Bank registered a profit of EUR 0.2 million versus a loss of EUR 0.4 million in 2021. Its contribution to net income attributable to shareholders of the parent company went from positive MAD 14 million in 2021 to negative MAD 23 million in 2022, due to a EUR 68 million increase in its exposure to Congo, resulting in a EUR 5 million increased cost of risk under IFRS.



Banque de Développement du Mali, accounted for under the equity method, saw its net income rise by 14% year-on-year to EUR 27.7 million in 2022, whilst its contribution to net income attributable to shareholders of the parent company increased to MAD 90 million versus MAD 79 million the previous year.

THE BANK'S GROWTH PROSPECTS

In 2022, BANK OF AFRICA Group focused on drawing up and implementing the new Strategic Plan up to 2024. This plan reflects the Group's growth ambitions although amendments have been needed to reflect the changing economic landscape, characterised by (i) changes in the global environment – war in Ukraine, inflation, interest rate hikes, etc. and (ii) tighter regulatory constraints.

Against such a backdrop, the Strategic Plan is underpinned by the following goals:

In Morocco, by:

- Improving the Network's business model as part of a customer-centric approach aimed at being more commercially efficient.
- Initiating an operational efficiency programme aimed at reducing business line and support costs and improving cost management.
- Building an innovation-based bank which leverages digital transformation.

And overseas, by:

- Accelerating the operational efficiency programme – rationalising operations and costs, integrating digital technology and bolstering Group synergies.
- Optimising the functioning of the Group's European operations.

The Group has identified the following strategic priorities to achieve its 2024 goals:

- Improve performance by (i) boosting net banking income (ii) rationalising operations and costs, particularly through technological innovation.
- Ensure the long-term viability of the existing African portfolio, establish global business lines and explore targeted expansion in the continent's most attractive countries
- Become a more integrated bank to improve performance management, better manage risk and generate additional synergies.

In addition, to support its development, in 2022, the Bank bolstered shareholders' equity by issuing a MAD 1 billion subordinated note and a MAD 500 million perpetual subordinated note containing a loss-absorption and coupon-cancellation provision.

LIQUIDITY AND INTEREST RATE RISK MANAGEMENT SYSTEM

BANK OF AFRICA has adopted a system for steering balance sheet risks such as liquidity and interest rate risks to enable it to continuously monitor changes as a function of financial market trends and their impact on the Bank's operations.

In order to maintain balance sheet stability over the medium to long term, the liquidity and interest rate risk management system is designed to:

- Ensure earnings stability when interest rates change, thereby maintaining net interest income and optimising the economic value of equity
- Ensure an adequate level of liquidity, thereby enabling the Bank to meet its obligations at any given time and protect it from any eventual crisis
- Ensure that the risk inherent in its foreign exchange positions does not have a negative impact on the Bank's profit margins
- Steer the Bank's strategy in such a way as to be able to take full advantage of any possible growth opportunities.

The Bank has established an ALCO committee to ensure that these targets are met. The main tasks of this committee are as follows:

- Set asset-liability policy
- Organise and steer asset-liability sub-committees
- Possess in-depth knowledge of the types of risk inherent in the Bank's operations and keep abreast of any changes in these risks as a function of financial market trends, risk management practices and the Bank's operations

- Review and approve procedures aimed at mitigating the risks inherent in the Bank's operations in terms of credit approval, investments, trading and other significant activities and products
- Master the reporting systems that measure and control the main risk sources on a daily basis
- Regularly review and approve risk limits as a function of any eventual change in the Group's strategy, approve new products and react to significant changes in market conditions
- Ensure that the different business lines are properly managed by HR and that the latter possesses an appropriate level of competence, experience and expertise in relation to the activities that they oversee.

Responsibilities of the different departments involved in interest rate and liquidity risk management

Every department within the Bank is involved in ensuring short- and medium-term balance sheet stability with the responsibilities of each party clearly defined in respect of interest rate and liquidity risk management.

In this regard, each of the Bank's entities will have its own budget and medium-term goals, approved by the Executive Committee – Morocco & International. This enables the relevant bodies to monitor and control, in an orderly manner, implementation of the three-year plan whilst ensuring balance sheet stability and compliance with regulatory capital requirements.

The ALM department regularly monitors developments in the Bank's balance sheet structure by comparison with the plan and will signal any divergence at ALCO committee meetings, attended by representatives of each entity, to ensure that any required corrective measures are taken.

Liquidity risk

The Bank's strategy in terms of liquidity risk management aims to ensure that its financing mix is adapted to its growth ambitions to enable it to successfully expand its operations in a stable manner.

Liquidity risk is the risk of the Bank being unable to fulfil its commitments in the event of unforeseen cash or collateral requirements by using its liquid assets.

Such an event may be due to reasons other than liquidity, for example, significant losses that result from defaulting counterparties or due to adverse changes in market conditions.

There are two major sources of liquidity risk:

- The institution's inability to raise the required funds to deal with unexpected situations in the short term, such as a massive deposit withdrawal or a maximum drawdown of off- balance sheet commitments
- A mismatch of assets and liabilities or the financing of medium- or long- term assets by short-term liabilities.

An acceptable liquidity level is a level that enables the Bank to finance asset growth and to fulfil its commitments when they are due, thereby protecting the Bank from any eventual crisis.

Two indicators are used to evaluate the Bank's liquidity profile:

- The Liquidity Coverage Ratio (LCR), which stood at 171% on a consolidated basis at 30 June 2021 and above the regulatory requirement of 100% set by Bank Al Maghrib
- The Bank's cumulative gap profile – this method of periodic or cumulative gaps in dirhams and in foreign currencies helps measure the level of liquidity risk incurred by the Bank over the short, medium and long term.

This method is used to estimate net refinancing needs over different time periods and to determine an appropriate hedging strategy.

Interest rate risk

Interest rate risk is the risk that future changes in interest rates have a negative impact on the Bank's profitability.

Changes in interest rates also impact the net present value of expected cash flows. The extent to which the economic value of assets and liabilities is impacted will depend on the sensitivity of the various components of the balance sheet to changes in interest rates.

Interest rate risk is measured by conducting simulation-based stress tests under a scenario in which interest rates are raised by 200 basis points as recommended by the Basel Committee.

The Bank's strategy in terms of interest rate risk management is aimed at ensuring earnings stability when interest rates change, thereby maintaining net interest income and optimising the economic value of equity.

Changes in interest rates may negatively impact net interest income and result in the Bank significantly undershooting its initial projections.



In order to counter such risks, the ALM department regularly steers the Bank's strategy by establishing rules for matching assets and liabilities by maturity and by defining a maximum tolerance departure threshold for net interest income by comparison with projected net banking income.

The method of periodic or cumulative gaps in dirhams and in foreign currencies helps measure the level of interest rate risk incurred by the Bank over the short, medium and long term.

This method is used to estimate asset-liability mismatches over different time periods and determine an appropriate hedging strategy.

Sensitivity in the value of the banking portfolio

Simulation-based stress tests are carried out to assess the impact from a change in interest rates on net interest income and on the economic value of equity.

At 31 December 2022, 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 negative MAD 0.023 billion or -0.52% of projected net interest income. The impact from a -200-basis points change was estimated to be positive MAD 0.018 billion or +0.41% of projected net interest income.

The change in the economic value of equity, if the trading book portfolio were excluded, in the event of a 200-basis points shock, was estimated to be MAD 1.213 billion or 8.92% of regulatory capital.

CONTRIBUTION FROM SUBSIDIARIES TO NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY

CONTRIBUTIONS (MAD millions)	dec. 22	% breakdown	dec. 21	% breakdown	Change
MOROCCAN OPERATIONS	1 049	46%	1 019	51%	3%
BANK OF AFRICA	816	35%	816	41%	0%
SUBSIDIARY OPERATIONS	234	10%	202	10%	15%
SPECIALISED FINANCIAL SERVICES	128	6%	131	7%	-2%
SALAFIN	54	2%	58	3%	
MAGHREBAIL	66	3%	61	3%	
MAROC FACTORING	0.5	0.0%	3.6	0.2%	
RM EXPERTS	0.9	0.0%	0.7	0.03%	
EULER HERMES ACMAR	6.3	0.3%	6.9	0.3%	
INVESTMENT BANKING & ASSET MANAGEMENT	86	4%	95	5%	-10%
BMCE CAPITAL	30	1%	38	2%	
BMCE CAPITAL BOURSE	-1.2	-0.1%	0.4	0.0%	
BMCE CAPITAL GESTION	57	2%	56	3%	
OTHERS	20	1%	-23	-1.2%	
LOCASOM	12	1%	11	0.5%	
EURAFRIC INFORMATION	-1.69	0%	-1.26	-0.1%	
AML	23.0	1%	-16.1	-0.8%	
Bti bank	-19	-1%	-21	-1.1%	
CID	6.5	0.3%	4.7	0.2%	
OVERSEAS OPERATIONS					
EUROPE	131	6%	175	9%	-25%
AFRICA	1 125	49%	813	41%	38%
BOA	1 058	46%	720	36%	47%
LCB Bank	-23	-1%	14	0.7%	
Banque de Développement du Mali	90	4%	79	4%	15%
NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY	2 305	100%	2 007	100%	14.8%

LIST OF APPOINTMENTS OF BANK OF AFRICA'S DIRECTORS

Othman Benjelloun, Chairman and Chief Executive Officer of BANK OF AFRICA

- Chairman and Chief Executive Officer of BANK OF AFRICA
- Chairman and Chief Executive Officer of O CAPITAL GROUP
- Chairman and Chief Executive Officer of O CAPITAL AFRICA
- Chairman and Chief Executive Officer of Cap Estate
- Chairman and Chief Executive Officer of Internationale de Financement et de Participation (Interfina)
- Chairman and Chief Executive Officer of O Tower
- Chairman and Chief Executive Officer of Ranch Adarouch
- Chairman and Chief Executive Officer of Société Financière du Crédit du Maghreb (S.F.C.M.)
- Chairman and Chief Executive Officer of BAB Consortium
- Chairman of the Board of Directors of BMCE International Holding (B.I.H.)
- Chairman of the Board of Directors of Medi Telecom
- Chairman of the Board of Directors of MBT
- Chairman of the Board of Directors of Revly's Marrakech
- Chairman of the Board of Directors of RMA
- Chairman of the Board of Directors of RMA Alternative Investments
- Chairman of the Board of Directors of RMA Asset Management
- Chairman of the Board of Directors of RMA Capital
- Chairman of the Board of Directors of RMA Mandates
- Chairman of the Board of Directors of Société d'Aménagement Tanger Tech
- Chairman of the Board of Directors of Sensyo Pharmatech
- Chairman of the Supervisory Board of Financière Yacout
- Chairman of the Board of O CAPITAL EUROPE
- Director of Argan Invest
- Director of Casablanca Finance City Authority
- Director of Maghrebail
- Director of Medi 1 Radio, O CAPITAL Group's representative
- Director of the Moroccan Bank Deposit Guarantee Management Company
- Chairman of the Professional Association of Moroccan Banks (GPBM)
- Chairman of the Othman Benjelloun Foundation
- Sole partner of Cap Chiadma



**Mr Zouheir Bensaid,
Representative of RMA**

- Director of Air Arabia
- Director of AKWA AFRICA
- Director of Argan Invest
- Director, representative of RMA, BANK OF AFRICA
- Board Member, representative of RMA, BMCI LEASING
- Director of Cap Estate
- Board Member, representative of RMA, CAT
- Director, representative of BANK OF AFRICA, CFG
- Director of CTM
- Director, representative of O Capital Group, DBM Media Group
- Director of Decrow Capital
- Director of EurAfric Information
- Director of Finatech
- Supervisory Board Member, representative of RMA, FONCIERE EMERGENCE
- Supervisory Board Member of Risma
- Board Member, representative of O Capital Group, HANOUTY SHOP
- Chairman of the Board of Directors of Infra Invest
- Director of Lydec
- Director of Maghrebail
- Chief Operating Officer of MBT
- Chairman and Chief Executive Officer and Director, representative of RMA, Medium Finance
- Director of Mutandis
- Director of Mutandis Automobile
- Director of Mutatis
- Director of O Capital France
- Director of O Capital Group
- Director of O Tower
- Director, representative of RMA, Revly's
- Director of Risma
- Chief Operating Officer of RMA
- Chief Operating Officer of RMA Alternative Investments
- Chief Operating Officer of RMA Asset Management
- Chairman of the Board of Directors of RMA Assistance

- Chief Operating Officer of RMA Capital
- Chairman of RMA Capital International
- Chairman and Chief Executive Officer of RMA Elan
- Chairman of the Board of Directors of RMA Investment Partners
- Chief Operating Officer of RMA Mandates
- Director of Saemog
- Director of Tanger Med Zones
- Director of Villa Roosevelt
- Chairman of the Board of Directors of IMMO FUND OF AFRICA - REIT
- Chairman of the Board of Directors of CORPO IMMO - REIT
- Chairman of the Board of Directors of REAL ESTATE RENDEMENT - REIT
- Chairman of the Board of Directors of RESILIENCE IMMO - REIT
- Director of TANGER AUTOMOTIVE CITY
- Director of TANGER FREE ZONE

**Mr Lucien Miara,
Representative of Banque Fédérative du Crédit Mutuel**

- Director of BANK OF AFRICA, Banque Fédérative du Crédit Mutuel's representative

**Mr Khalid Safir,
Permanent representative of Caisse de Dépôt et de Gestion**

- Director of CIH Bank
- Director of BANK OF AFRICA, Caisse de Dépôt et de Gestion's permanent representative
- Chairman of the Board of Directors of Société Centrale De Réassurance (SCR)
- Director of Casablanca Finance City Authority (CFCA)
- Director of Barid Al-Maghrib (BAM)
- Director of Al Barid Bank (ABB), CDG's permanent representative
- Chairman of the Board of Directors of CDG Invest
- Chairman of the Board of Directors of CDG Capital
- Director of Fonds Marocain de Placement (FMP)
- Vice-Chairman of Société Marocaine de Valorisation des Kasbahs (SMVK)
- Director of International University of Rabat (UIR)
- Chairman of the Board of Directors of CDG Foundation
- Chairman of the Board of Directors of AHLY Foundation
- Director of Medi Telecom (Orange)
- Member of the Supervisory Board of Tanger Mediterranean Special Agency (TMSA)



- Chairman of the Board of Directors of CDG Développement
- Chairman of the Board of Directors of CGI
- Vice-Chairman of the Board of Directors of SONADAC
- Chairman of the Board of Directors of AUDA
- Chairman of the Board of Directors of SAZ
- Chairman of the Board of Directors of Société de Développement de Saidia (SDS)
- Chairman of the Board of Directors of Société d'Aménagement et de Promotion de la Station de Taghazout (SAPST)
- Chairman of the Board of Directors of MADAEF
- Director of Al Akhawayn University
- Member of the Board of Directors of Al Omrane Holding Company
- Director of Euro-Mediterranean University of Fez
- Director of the Professional Association of Moroccan Banks (GPBM)

Mr Hicham El Amrani, Representative of O Capital Group

- Director of BANK OF AFRICA, O CAPITAL GROUP's permanent representative
- Director of BANK OF AFRICA, O CAPITAL GROUP's permanent representative and Member of the Group Risks Committee
- Director and Chairman of the Audit Committee of AIR ARABIA MAROC, INTERFINA's permanent representative
- Chairman and Chief Executive Officer of ARGAN INVEST
- Director of BLACKPEARL FINANCE
- Director of BRICO-INVEST, INTERFINA's permanent representative
- Director of CAP D'ARGENT, FINANCIERE YACOUT's permanent representative
- Director and Deputy Chief Executive Officer of CAP ESTATE, O CAPITAL GROUP's representative
- Director of COLLIERS INTERNATIONAL MOROCCO
- Director and Chairman of the Strategy Committee, Member of the Audit Committee and of the HR Committee of CTM
- Director of CTM MESSAGERIE
- Director and Vice-Chairman of the Board of Directors of DBM MEDIA GROUP (ex-Africa Teldis & Communication)
- Member of the Executive Board of FINANCIERE YACOUT
- Director of FINATECH GROUP
- Founder Member and Director of the Othman BENJELLOUN Foundation
- Director and Chairman of the Audit Committee, Member of the Strategy Committee and of the HR Committee of MEDITELECOM (Orange)
- Director and Deputy Chief Executive Officer of INTERFINA
- Director of O CAPITAL AFRICA

- Director of O CAPITAL EUROPE
- Director and Deputy Chief Executive Officer of O CAPITAL GROUP (main post)
- Director of O TOWER, O CAPITAL GROUP's permanent representative
- Director of REVLY'S, INTERFINA's permanent representative
- Member of the Supervisory Board and Member of the Audit Committee of RISMA
- Director, Member of the Audit Committee and Chairman of the Strategy Committee of RMA
- Director of SFCM, O CAPITAL GROUP's permanent representative

**Mr Azeddine Guessous,
Intuitu Personae Director and Permanent Representative of RMA**

- Intuitu Personae Director of BANK OF AFRICA, RMA's permanent representative
- Director of BANK OF AFRICA EUROPE (ex-BMCE International Madrid)
- Director of BOA Group
- Director of RMA
- Director of LOCASOM
- Director of SETTAVEX
- Director of SONASID
- Director of RISMA
- Director of CFG
- Director of MAROCAINE DES TABACS
- Director of ALMA PACK
- Director of ALMA BAT
- Director of AL AKHAWAYN

**Mr Marc Beaujean,
Representative of British International Investment (CDC Ltd)**

- Director of BOA Group SA, BRITISH INTERNATIONAL INVESTMENT's representative (CDC Ltd)
- Independent Director, Arab International Bank of Tunisia
- Director, Broptimize (Belgium)
- Director, Enabling Qapital Luxembourg S.A.

**Mr Mohamed Kabbaj,
Independent Director**

- Independent Director of BANK OF AFRICA
- Chairman of the Strategy Task Force Committee of BANK OF AFRICA
- Member of the Group Audit and Internal Control Committee of BANK OF AFRICA



**Mrs Nezha Lahrichi,
Independent Director**

- Independent Director of BANK OF AFRICA

**Mr Abdou Bensouda,
Intuitu Personae Director**

- Chairman of the Board of Directors of Olkad Group
- Chairman of O Capital IM
- Chairman of O Capital France
- Vice-Chairman of O Capital Green Investments
- Director of O Capital Europe
- Director of BANK OF AFRICA
- Director of Africa Investments Holdings
- Director of Bridges for Africa
- Director of Finatech Group
- Director of Argan Infrastructure Fund
- Director of Decrow Capital
- Director of Infra Invest
- Director of Argan Infra
- Director of Green of Africa
- Director of Dounia Productions
- Manager of FCOMI-L
- Manager of SCI O Capital Group
- Manager of Global Strategic Holdings
- Manager of B4 Advisory
- Director of Hoche Participations
- Director of O Capital Group
- Director of Moroccan Aerospace Investment Company
- Director of Valyans Consulting
- Director of BAB Consortium
- Director of Sensyo Pharmartech

**Mr Brahim Benjelloun-Touimi,
Director and General Manager**

- Director and General Manager of BANK OF AFRICA
- Chairman of BOA Group Luxembourg
- Chairman of BOA WEST AFRICA
- Director of RMA
- Director of O CAPITAL GROUP
- Director of BMCE Bank Foundation
- Director of EURO INFORMATION France
- Chairman of the Supervisory Board of BMCE CAPITAL
- Chairman of the Board of Directors of BMCE ASSURANCES
- Vice-Chairman of the Board of Directors of BTI BANK
- Director of BOA UK
- Director of BMCE INTERNATIONAL HOLDINGS
- Director of BOA EUROPE
- Director of MAGHREBAIL
- Director of O'TOWER
- Director of PROPARCO, BANK OF AFRICA's permanent representative
- Director of the CASABLANCA STOCK EXCHANGE, BANK OF AFRICA's representative



**Mrs Myriem Bouazzaoui,
Intuitu Personae Director**

- Director of BANK OF AFRICA
- Chief Executive Officer of BMCE Capital Gestion
- Member of the Executive Board of BMCE Capital
- Director of BMCE Capital Gestion Privée
- Director of BMCE Capital Solutions
- Director of BMCE Capital Investments
- Director of BMCE Capital Holding
- Director of BMCE Capital Securities (Tunisia)
- Director of BOA Capital Asset Management (Côte d'Ivoire)
- Director of BMCE Capital Research, BMCE Capital Gestion's representative
- Director of BMCE Capital Gestion sous Mandat, BMCE Capital Gestion's representative
- Director of BMCE Capital Titrisation, BMCE Capital Gestion's representative
- Director of BMCE Capital Gestion Privée International, BMCE Capital Gestion Privée's permanent representative
- Chair of the Board of Directors of BMCE Capital Asset Management (Tunisia)





CONSOLIDATED FINANCIAL STATEMENTS



7 Boulevard Driss Slaoui, 20160
Casablanca
Maroc



23, rue Brahim Lemtouni - Quartier Oasis
20410 - Casablanca - Maroc

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 2022

Qualified opinion

We have audited the attached consolidated financial statements of BANK OF AFRICA and its subsidiaries (the 'Group'), which comprise the consolidated financial position at 31 December 2022, 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 2022 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 31,841,759 K, including consolidated net income of MAD 3,540,174 K.

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 2022, as well as its consolidated financial performance and consolidated cash flows for the period ended 31 December 2022, 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, amounting to MAD 5 billion at 31 December 2022. Pursuant to the regulatory provisions in force, uncertainty exists regarding the realisable value of MAD 1 billion of these assets.

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.

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. 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 2022, total gross customer loan exposure to credit risk amounted to MAD 227,298 million whilst total impairment amounted to MAD 17,828 million. 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 2022 (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 2022, the net carrying amount of goodwill recognised in the Group's consolidated financial statements was MAD 1,032 million or 3.2% 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 the consolidated financial statements. As indicated in the notes to the 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. In addition:

- We 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.
- We 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- We reach a conclusion about 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.
- We 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.
- We 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, 28 April 2023

Statutory auditors

FIDAROC GRANT THORNTON
FIDAROC GRANT THORNTON
Membre du Collège des Commissaires
7 Bd. Oud-Saleh - Casablanca
Tél : 05 22 94 46 99 - Fax : 05 22 29 06 70
Faïçal MEKOUAR
Associé

BDO Audit, Tax & Advisory S.A.
BDO s. a.
Audit, Tax & Advisory
23, rue de la Liberté - Casablanca
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SIREN : 15080400001
Mostafa FRAIHA
Associé

I. BALANCE SHEET, CONSOLIDATED INCOME STATEMENT, STATEMENT OF NET INCOME, STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, CASH FLOW STATEMENT AND SUMMARY OF ACCOUNTING POLICIES

1.1. CONSOLIDATED BALANCE SHEET

(MAD thousands)

ASSETS under IFRS	Note	31/12/2022	31/12/2021
Cash and balances at central banks, the Public treasury and postal cheque centre	4.1	18 425 856	19 737 051
Financial assets at fair value through profit or loss		-	-
- Financial assets held for trading purposes	4.2	42 305 151	35 604 594
- Financial assets at fair value through profit or loss	4.2	1 555 980	807 037
Derivative hedging instruments		-	-
Financial assets at fair value through other comprehensive income		-	-
- Debt instruments at fair value through other comprehensive income (recyclable)	4.3	553 274	1 708 897
- Equity instruments at fair value through other comprehensive income (non-recyclable)	4.3	5 575 246	4 969 163
Securities at amortised cost	4.4	51 299 202	38 926 888
Loans and advances to credit and similar institutions at amortised cost	4.5	26 324 021	21 001 481
Loans and advances to customers at amortised cost	4.5	209 469 232	197 020 207
Revaluation adjustment for portfolios hedged against interest rate risk		-	-
Financial investments from insurance operations		-	-
Current tax assets	4.8	1 290 422	981 203
Deferred tax assets	4.8	2 443 684	2 466 604
Prepayments, accrued income and other assets	4.9	8 377 263	6 497 978
Non-current assets held for sale		-	-
Investments in companies accounted for using the equity method	4.10	1 215 549	1 003 557
Investment property	4.11	3 434 112	3 560 318
Property, plant and equipment	4.11	8 560 774	8 517 859
Intangible assets	4.11	1 292 679	1 222 904
Goodwill	4.12	1 032 114	1 032 114
TOTAL ASSETS UNDER IFRS		383 154 559	345 057 854

(MAD thousands)

LIABILITIES under IFRS		31/12/2022	31/12/2021
Amounts due to central banks, the Public treasury and postal cheque centre			
Financial liabilities measured using the fair value option through profit or loss			
- Financial liabilities held for trading purposes		-	-
- Financial liabilities at fair value through profit or loss		-	-
Derivative hedging instruments			
Debt securities issued	4.7	9 167 945	11 828 034
Amounts due to credit and similar institutions	4.5	65 731 476	60 283 987
Amounts due to customers	4.6	246 179 646	218 973 241
Revaluation adjustment on portfolios hedged against interest rate risk		-	-
Current tax liabilities	4.8	1 551 727	1 357 479
Deferred tax liabilities	4.8	1 179 479	1 187 570
Accruals, deferred income and other liabilities	4.9	13 942 922	9 717 696
Liabilities related to non-current assets held for sale		-	-
Liabilities under insurance contracts		-	-
Provisions	4.13	1 458 938	1 613 520
Subsidies - public funds and special guarantee funds		-	-
Subordinated debt	4.7	12 100 668	10 597 210
TOTAL LIABILITIES		351 312 800	315 558 737
Shareholders' equity			
Share capital and related reserves		19 975 690	19 292 416
Consolidated reserves		-	-
- Attributable to shareholders of the parent company		2 253 001	1 920 836
- Non-controlling interests		4 878 592	4 357 111
Gains and losses recognised directly in equity		-	-
- Attributable to shareholders of the parent company		671 763	587 204
- Non-controlling interests		522 540	492 175
Net income for the period		-	-
- Attributable to shareholders of the parent company		2 304 613	2 007 213
- Non-controlling interests		1 235 561	842 162
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY		31 841 759	29 499 117
TOTAL LIABILITIES UNDER IFRS		383 154 559	345 057 854



1.2. CONSOLIDATED INCOME STATEMENT UNDER IFRS

(MAD thousands)

CONSOLIDATED INCOME STATEMENT		Dec-22	Dec-21
Interest and similar income		16 863 155	15 633 205
Interest and similar expenses		-4 940 870	-4 723 235
Net interest income	2,1	11 922 285	10 909 970
Fees received		4 323 156	3 270 301
Fees paid		-1 026 342	-482 732
Fee income	2,2	3 296 814	2 787 569
Net gains or losses resulting from net hedging positions		-	-
Net gains or losses on financial instruments at fair value through profit or loss	2,3	-172 119	295 267
Net gains or losses on trading assets/liabilities		-281 121	201 082
Net gains or losses on other assets/liabilities at fair value through profit or loss		109 002	94 185
Net gains or losses on financial instruments at fair value through other comprehensive income	2,4	201 412	206 498
Net gains or losses on debt instruments through other comprehensive income			
Remuneration of equity instruments (dividends) through other comprehensive income (non-recyclable)		201 412	206 498
Net gains or losses from the derecognition of financial assets at amortised cost			
Net gains or losses from reclassifying financial assets at amortised cost as financial assets at fair value through profit or loss			
Net gains or losses from reclassifying financial assets through other comprehensive income as financial assets at fair value through profit or loss			
Net income from insurance activities			
Net income from other activities	2,5	1 073 630	1 007 557
Expenses from other activities	2,5	- 697 614	-599 779
Net banking income		15 624 409	14 607 082
General operating expenses	2,6	-7 318 762	-6 908 034
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2,6	-962 165	-1 048 117
Gross operating income		7 343 481	6 650 932
Cost of risk	2,7	-2 646 347	-2 924 731
Operating income		4 697 135	3 726 201
Share of earnings of companies accounted for using the equity method		142 334	84 710
Net gains or losses on other assets	2,8	30 841	23 920
Changes in value of goodwill			-
Pre-tax income		4 870 310	3 834 831
Corporate income tax	2,9	-1 330 135	-985 455
Income net of tax from discontinued operations			
Net income		3 540 174	2 849 376
Non-controlling interests		1 235 561	842 162
Net income attributable to shareholders of the parent company		2 304 613	2 007 214

1.3 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2022

(MAD thousands)

	Share Capital	Reserves related to stock capital	Treasury stock	Reserves & consolidated earnings	Total assets and liabilities recognised directly through other comprehensive income	Shareholder's Equity attributable shareholders of the parent company	Non-controlling interests	Total
Opening adjusted shareholders' equity at 31 December 2020	2 056 066	17 568 565	0	3 341 182	-406 386	22 559 427	5 421 103	27 980 530
Changes in accounting policies								
Opening shareholders' equity at 1 January 2021	2 056 066	17 568 565	0	3 341 182	-406 386	22 559 427	5 421 103	27 980 530
Corporate actions		-332 215		332 215		0		0
Share-based payment arrangements						0		0
Treasury stock transactions						0		0
Dividends				-1 028 033		-1 028 033	-516 561	-1 544 594
Net Income				2 007 213		2 007 213	842 162	2 849 376
Changes in assets and liabilities recognised directly in other comprehensive income					19 582	19 582	-38	19 544
Exchange differences					-35 036	-35 036	-73 617	-108 653
Unrealised or deferred gains or losses	0	0	0	0	-15 454	-15 454	-73 655	-89 109
Changes in the scope of consolidation						0		0
Other				284 516		284 516	18 399	302 915
Closing shareholders' equity at 31 December 2021	2 056 066	17 236 350	0	4 937 094	-421 840	23 807 669	5 691 448	29 499 117
Recognition of expected credit losses (on financial instruments)								
Opening shareholders' equity at 1 January 2022	2 056 066	17 236 350	0	4 937 094	-421 840	23 807 669	5 691 448	29 499 117
Corporate actions	31 632	651 642		-683 274		0		0
Share-based payment arrangements						0		0
Treasury stock transactions						0		0
Dividends				-817 552		-817 552	-580 526	-1 398 078
Net Income				2 304 613		2 304 613	1 235 561	3 540 174
Changes in assets and liabilities recognised directly in other comprehensive income					-75 009	-75 009		-75 009
Exchange differences					80 796	80 796	280 538	361 334
Unrealised or deferred gains or losses	0	0	0	0	5 787	5 787	280 538	286 325
Changes in the scope of consolidation						0		0
Other				-95 451		-95 451	9 672	-85 779
Closing shareholders' equity at 31 December 2022	2 087 698	17 887 992	0	5 645 429	-416 053	25 205 066	6 636 693	31 841 759

1.4 STATEMENT OF NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN OTHER COMPREHENSIVE INCOME

(MAD thousands)

	Dec-22	Dec-21
Net income	3 540 174	2 849 376
Gains or losses recognised directly in other comprehensive income that will be subsequently reclassified under profit or loss	469 987	-196 974
Exchange differences	469 987	-196 974
Financial assets at fair value through other comprehensive income (recyclable)		
Revaluation adjustments		
Gains or losses recognised directly in other comprehensive income that will not be subsequently reclassified under profit or loss	-94 553	34 274
Actuarial gains or losses on defined benefit plans		
Items recognised at fair value through other comprehensive income (non-recyclable)	-94 553	34 274
Share of gains or losses recognised directly through other comprehensive income of companies accounted for using the equity method		
Total gains or losses recognised directly in other comprehensive income	375 434	-162 700
Net income and gains or losses recognised directly through other comprehensive income	3 915 608	2 686 676
Attributable to shareholders of the parent company	2 325 854	1 951 892
Non-controlling interests	1 589 754	734 783



1.5 STATEMENT OF CASH FLOWS

(MAD thousands)

	NOTE	31/12/2022	31/12/2021
Pre-tax income		4 870 310	3 834 831
+/- Net depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2,6	712 693	1 057 794
+/- Net impairment of goodwill and other non-current assets		-	
+/- Net impairment of financial assets	2,7	15 527	154 474
+/- Net provisions	2,7	1 865 924	1 941 416
+/- Share of earnings of companies accounted for using the equity method	4.10	-142 334	-84 710
+/- Net gain/loss from investing activities		-811 191	152 304
+/- Net gain/loss from financing activities		-	-
+/- Other movements		79 891	-570 699
Total non-cash items included in pre-tax income and other adjustments		1 720 508	2 650 578
+/- Flows related to transactions with credit and similar institutions		- 310 746	-209 918
+/- Flows related to transactions with customers		8 897 944	10 969 470
+/- Flows related to other transactions affecting financial assets or liabilities		-11 435 915	-17 712 835
+/- Flows related to other transactions affecting non-financial assets or liabilities		2 065 565	9 710 108
+/- Taxes paid		- 1 387 781	-829 786
Net increase/decrease in assets and liabilities from operating activities		-2 170 933	1 927 039
Net cash flow generated by operating activities		4 419 885	8 412 448
+/- Flows related to financial assets at fair value through other comprehensive income		-2 005 313	-2 338 997
+/- Flows related to investment property		126 205	31 317
+/- Flows related to plant, property and equipment and intangible assets		-584 446	-996 818
Net cash flow related to investing activities		-2 463 553	-3 304 499
+/- Cash flows from or to shareholders		-2 239 621	846 700
+/- Other net cash flows from financing activities		-1 159 965	-1 102 283
Net cash flow related to financing activities		-3 399 586	-255 584
Effect of exchange rate changes on cash and cash equivalents		729 444	-440 672
Net increase/decrease in cash and cash equivalents		-713 810	4 411 694
Cash and cash equivalents at beginning of year		22 679 565	18 267 870
Cash and balances at central banks, the Public treasury and postal cheque centre (assets and liabilities)	4.1	19 737 051	16 291 624
Sight deposits (assets and liabilities) and loans/borrowings with credit institutions		2 942 513	1 976 247
Cash and cash equivalents at end of year		21 965 754	22 679 565
Cash and balances at central banks, the Public treasury and postal cheque centre (assets and liabilities)	4.1	18 425 856	19 737 051
Sight deposits (assets and liabilities) and loans/borrowings with credit institutions		3 539 898	2 942 513
Net change in cash and cash equivalents		-713 811	4 411 694

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 2021, 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.

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 2021, 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-by- case 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 reinstated under 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 2021, 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 assessed 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

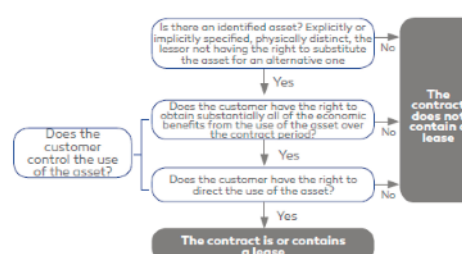
IFRS 16 'Leases' will supersede IAS 17 from 1 January 2019. It will change the way in which leases are accounted for.

For all lease agreements, the lessee will be required to recognise a right-of-use 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 right-of-use asset and the interest expense on the lease liability. This treatment, which is currently applied by lessees to finance lease 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 first-time application (01/01/2019) with a right-of-use 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 contract does not contain a lease

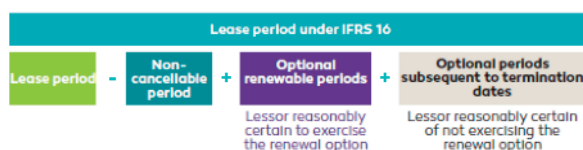
The Group has adopted two simplification measures provided for under IFRS 16 regarding short-term contracts (up to 12 months) and contracts whose underlying assets are of limited value. The IASB recommends a guideline threshold of USD 5,000 or less.

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 2021, 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 performance-based 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-to-maturity 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.

II. NOTES TO THE INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

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.

MAD thousands

	Income	Dec-22 Expense	Net	Income	Dec-21 Expense	Net
Customer transactions	11 028 835	2 901 832	8 127 003	10 712 204	2 957 334	7 754 870
Deposits, loans and borrowings	10 354 978	2 861 887	7 493 091	10 051 571	2 934 828	7 116 743
Repurchase agreements	0	39 945	-39 945	0	22 506	-22 506
Finance leases	673 857	0	673 857	660 633	0	660 633
Interbank transactions	1 156 604	1 335 517	-178 913	638 021	1 017 289	-379 268
Deposits, loans and borrowings	1 143 133	1 005 231	137 902	633 913	790 789	-156 876
Repurchase agreements	13 471	330 286	-316 815	4 108	226 500	-222 392
Debt issued by the Group		703 521	-703 521		748 611	-748 611
Financial instruments at fair value through other comprehensive income			0			0
Debt instruments	4 677 716		4 677 716	4 282 980		4 282 980
TOTAL INTEREST INCOME/(EXPENSE)	16 863 155	4 940 870	11 922 285	15 633 205	4 723 235	10 909 970

2.2 NET FEE INCOME

MAD thousands

	Income	Dec-22 Expense	Net	Income	Dec-21 Expense	Net
Net fees on transactions	3 457 864	418 568	3 039 296	2 528 517	176 181	2 352 336
With credit institutions			-			-
With customers	2 081 485		2 081 485	1 808 981		1 808 981
In securities	223 752	64 947	158 805	220 158	84 677	135 481
In foreign exchange	1 152 627	353 621	799 006	499 378	91 504	407 873
In financial futures and off balance sheet transactions			-			-
Provision of banking and financial services	865 292	607 774	257 518	741 783	306 550	435 233
Net income from mutual fund management			-			-
Net income from means of payment	498 031	129 109	368 922	416 362	99 990	316 372
Insurance			-			-
Other	367 261	478 665	- 111 404	325 421	206 560	118 861
NET FEE INCOME	4 323 156	1 026 342	3 296 814	3 270 301	482 732	2 787 569

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.

MAD thousands

	Trading assets	Dec-22 Other assets at fair value through profit or loss	Total	Trading portfolio	Dec-21 Portfolio measured using the fair value option	Total
Fixed income and variable income securities	-331 591	109 002	-222 589	272 829	94 185	367 014
Derivative instruments	50 470		50 470	-71 747		-71 747
Repurchase agreements						
Loans						
Borrowings						
Revaluation of interest rate risk hedged portfolios						
Revaluation of foreign exchange positions						
TOTAL	-281 121	109 002	-172 119	201 082	94 185	295 267

2.4 REMUNERATION FROM EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME (NON-RECYCLABLE)

MAD thousands

	Dec-22	Dec-21
Remuneration from equity instruments (dividends) through other comprehensive income (non-recyclable)	201 412	206 498
TOTAL	201 412	206 498

2.5 INCOME AND EXPENSES FROM OTHER ACTIVITIES

MAD thousands

	Dec-22			Dec-21		
	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	286 542	117 770	168 772	260 314	111 152	149 162
Net income from real estate development activities	0	0	0	0	0	0
Other banking income and expenses	446 671	527 034	-80 363	458 715	375 014	83 700
Other non-banking income from operations	340 417	52 810	287 607	288 528	113 613	174 915
TOTAL NET INCOME FROM OTHER ACTIVITIES	1 073 630	697 614	376 016	1 007 557	599 779	407 777

2.6 GENERAL OPERATING EXPENSES

MAD thousands

	Dec-22	Dec-21
Employee expenses	4 135 071	3 950 023
Taxes	288 265	269 381
External expenses	2 677 657	2 520 879
Other general operating expenses	217 769	167 751
Impairment and provisions for intangible assets and property, plant and equipment	962 165	1 048 117
General Operating Expenses	8 280 927	7 956 150

2.7 COST OF RISK

	31/12/2022	31/12/2021
Net impairment	-1 601 496	-1 744 050
Bucket 1	-409 793	-509 350
Including loans and advances to credit and similar institutions	4 849	9 589
Including loans and advances to customers	-161 375	-11 099
Including off-balance sheet commitments	-2 253	5 823
Including debt instruments	-251 014	-513 663
Including debt instruments at fair value through other comprehensive income (recyclable)		
Bucket 2	53 411	224 143
Including loans and advances to credit and similar institutions	-1 690	329
Including loans and advances to customers	55 108	222 520
Including off-balance sheet commitments	-7	1 294
Including debt instruments		
Including debt instruments at fair value through other comprehensive income (recyclable)		
Bucket 3	-1 245 114	-1 458 843
Including loans and advances to credit and similar institutions	-2 401	-2 602
Including loans and advances to customers	-1 162 182	-1 397 630
Including off-balance sheet commitments	-80 531	-58 610
Including debt instruments		
Including debt instruments at fair value through other comprehensive income (recyclable)		
Amounts recovered on loans and advances	133 919	68 849
Losses on irrecoverable loans and advances	-895 980	-892 273
Other	-282 790	-357 257
Cost of risk	-2 646 347	-2 924 731

2.8 NET GAINS AND LOSSES ON OTHER ASSETS

(MAD thousands)

	Dec-22	Dec-21
Property, plant and equipment and intangible assets used in business operations	30 841	21 122
Capital gains on disposal	30 841	21 122
Capital losses on disposal		
Other		2 798
Net gains or losses on other assets	30 841	23 920



2.9 CORPORATE INCOME TAX

2.9.1 CURRENT AND DEFERRED TAX

(MAD thousands)

	Dec-22	Dec-21
Current tax	1 290 422	981 203
Deferred tax	2 443 684	2 466 604
Current and deferred tax assets	3 734 106	3 447 807
Current tax	1 551 727	1 357 479
Deferred tax	1 179 479	1 187 570
Current and deferred tax liabilities	2 731 205	2 545 049

2.9.2 NET CORPORATE INCOME TAX EXPENSE

(MAD thousands)

	Dec-22	Dec-21
Current tax expense	-1 190 118	-1 146 929
Net deferred tax expense for the year	-140 017	161 474
Net corporate income tax expense	-1 330 135	-985 455

2.9.3 EFFECTIVE TAX RATE

(MAD thousands)

	Dec-22	Dec-21
Pre-tax income	4 870 310	3 834 831
Corporate income tax expense	-1 330 135	-985 455
Average effective tax rate	27,3%	25,7%

III. BUSINESS SEGMENT INFORMATION

The Group is composed of four core business activities for accounting and financial information purposes:

- Banking in Morocco : BANK OF AFRICA;
- 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 : BANK OF AFRICA UK, BANK OF AFRICA EUROPE, Banque de Développement du Mali, LCB Bank and BOA Group.

3.1 INCOME BY BUSINESS SEGMENT

(MAD thousands)

	Dec-22						Dec-21					
	Banking in Morocco	Asset Management and Investment Banking	Specialised Financial Services	Others Operations	International Operations	Total	Banking in Morocco	Asset Management and Investment Banking	Specialised Financial Services	Others Operations	International Operations	Total
Net interest income	5 380 072	14 428	647 955	-5 392	5 885 222	11 922 285	5 001 647	-1 913	602 005	-4 691	5 312 925	10 909 972
Fee income	1 196 321	169 444	37 329	0	1 893 720	3 296 814	1 096 598	171 535	22 799	0	1 496 637	2 787 569
Net banking income	6 182 770	345 909	700 557	163 378	8 231 795	15 624 409	6 220 469	362 145	640 694	144 469	7 239 306	14 607 082
General operating expenses and impairment	-3 304 538	-287 853	-259 881	-119 576	-4 309 079	(8 280 927)	-3 344 240	-282 656	-259 892	-110 973	-3 958 390	(7 956 151)
Gross operating income	2 878 231	58 056	440 676	43 802	3 922 716	7 343 481	2 876 229	79 489	380 801	33 496	3 280 916	6 650 932
Corporate income tax	-553 111	-54 330	-163 823	-6 091	-552 780	(1 330 135)	-523 605	-60 381	-151 475	-6 247	-243 746	(985 455)
Net income attributable to shareholders of the parent company	815 696	85 711	127 626	20 280	1 255 299	2 304 613	816 443	94 850	130 607	-23 111	988 423	2 007 213

3.2 ASSETS AND LIABILITIES BY BUSINESS SEGMENT

(MAD thousands)

	Dec-22						Dec-21					
	Banking in Morocco	Asset Management and Investment Banking	Specialised Financial Services	Others Operations	International Operations	Total	Banking in Morocco	Asset Management and Investment Banking	Specialised Financial Services	Others Operations	International Operations	Total
TOTAL ASSETS	233 204 554	843 156	16 976 188	168 540	131 962 121	383 154 559	212 670 867	974 889	16 397 075	112 191	114 902 832	345 057 853
ASSETS												
Financial assets at fair value through other comprehensive income	3 901 919	8 809	24 725	5 028	2 188 039	6 128 520	3 401 795	13 468	22 987	5 028	3 234 782	6 678 060
Loans and advances to customers at amortised cost	133 434 271	0	15 836 020	1	60 198 941	209 469 233	129 816 529	0	15 575 842	1	51 627 835	197 020 207
Financial assets at fair value through profit or loss	42 301 200	103 052	861	0	1 456 019	43 861 132	35 604 594	127 606	861	0	678 570	36 411 631
Securities at amortised cost	12 637 870	0	0	0	38 661 333	51 299 202	8 940 604	0	0	0	29 986 285	38 926 888
LIABILITIES												
Amounts due to customers	155 264 736	0	647 357	0	90 267 553	246 179 646	140 432 011	0	681 183	0	77 860 047	218 973 241
Shareholder's Equity	20 040 335	492 999	1 537 563	(236 899)	10 007 762	31 841 759	19 445 454	454 028	1 603 473	(241 601)	8 237 763	29 499 117



IV. NOTES TO THE BALANCE SHEET AS OF 31 DECEMBER 2022

4.1 CASH AND BALANCES AT CENTRAL BANKS, THE PUBLIC TREASURY AND POSTAL CHEQUE CENTRE

(MAD thousands)

	Dec-22	Dec-21
CASH AND BALANCES	4 942 621	4 035 720
CENTRAL BANKS	13 467 863	15 677 912
PUBLIC TREASURY	10 695	18 655
POSTAL CHEQUE CENTRE	4 677	4 765
CENTRAL BANKS, PUBLIC TREASURY, POSTAL CHEQUE CENTRE	13 483 235	15 701 332
Cash and balances at central banks, the Public treasury and postal cheque centre	18 425 856	19 737 051

4.2 FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(MAD thousands)

	31/12/2022			31/12/2021		
	Financial assets/ liabilities held for trading purposes	Other assets/ liabilities at fair value through profit or loss	Total	Financial assets/ liabilities held for trading purposes	Other assets/ liabilities at fair value through profit or loss	Total
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS						
Negotiable debt securities	34 223 390	-	34 223 390	23 624 711	-	23 624 711
Treasury bills and other marketable assets mobilised with central banks	32 004 837		32 004 837	21 830 202		21 830 202
Other negotiable debt securities	2 218 554		2 218 554	1 794 508		1 794 508
Bonds	1 792 635	-	1 792 635	845 949	-	845 949
Government bonds	807 312		807 312	489 311		489 311
Other bonds	985 322		985 322	356 638		356 638
Equities and other variable income securities	6 314 522	1 555 980	7 870 502	11 082 442	807 037	11 889 479
Repurchase agreements	-	-	-	-	-	-
Loans	-	-	-	-	-	-
To credit institutions			0			0
To corporate customers			0			0
To retail customers			0			0
Financial derivative instruments for trading purposes	-25 396	0	-25 396	51 492	0	51 492
Currency derivative instruments	-25 396		-25 396	51 492		51 492
Interest rate derivative instruments			0			0
Equity derivative instruments			0			0
Credit derivative instruments			0			0
Other derivative instruments			0			0
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	42 305 151	1 555 980	43 861 131	35 604 594	807 037	36 411 631
Of which securities on loan						
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						
Financial derivative instruments for trading purposes						
Currency derivative instruments						
Interest rate derivative instruments						
Equity derivative instruments						
Credit derivative instruments						
Other derivative instruments						
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS						

4.3 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(MAD thousands)

	31/12/2022			31/12/2021		
	Balance Sheet Value	Unrealized gains	Unrealized losses	Balance Sheet Value	Unrealized gains	Unrealized losses
Debt instruments at fair value through other comprehensive income (recyclable)	553 274	-	- 99 328	1 708 897	12 459	- 109 407
Equity instruments at fair value through other comprehensive income (non-recyclable)	5 575 246	1 703 095	- 608 159	4 969 163	1 618 324	- 589 865

4.4 SECURITIES AT AMORTISED COST

(MAD thousands)

	31/12/2022	31/12/2021
Treasury bills and other marketable assets mobilised with central banks	9 547 421	5 289 826
Treasury bills and other marketable assets mobilised with central banks	8 795 435	4 489 117
Other negotiable debt securities	751 986	800 709
Bonds	42 943 467	34 572 774
Government bonds	38 626 994	31 424 962
Other bonds	4 316 473	3 147 812
Impairment	-1 191 686	-935 711
TOTAL DEBT INSTRUMENTS AT AMORTISED COST	51 299 202	38 926 888

4.5 INTERBANK TRANSACTIONS, AMOUNTS DUE TO AND FROM CREDIT INSTITUTIONS

LOANS AND ADVANCES TO CREDIT INSTITUTIONS AT AMORTISED COST

(MAD thousands)

	31/12/2022	31/12/2021
Sight deposits	11 922 968	9 832 598
Loans	14 349 694	11 116 163
Of which overnight loans	490 274	338 224
Repurchase agreements	133 014	137 872
TOTAL LOANS AND ADVANCES TO CREDIT INSTITUTIONS BEFORE IMPAIRMENT	26 405 676	21 086 633
Impairment of loans and advances to credit institutions	-81 655	-85 152
TOTAL LOANS AND ADVANCES TO CREDIT INSTITUTIONS NET OF IMPAIRMENT	26 324 021	21 001 481

AMOUNTS DUE TO CREDIT INSTITUTIONS

(MAD thousands)

	31/12/2022	31/12/2021
Sight deposits	7 209 171	5 788 333
Borrowings	30 825 986	28 605 406
Of which overnight loans	1 507 129	1 428 135
Repurchase agreements	27 696 319	25 890 248
TOTAL	65 731 476	60 283 987



4.6 AMOUNTS DUE TO AND FROM CUSTOMERS

LOANS AND ADVANCES TO CUSTOMERS AT AMORTISED COST

(MAD thousands)

	31/12/2022	31/12/2021
Overdrawn accounts	21 434 885	21 271 250
Customer loans	176 367 379	163 038 442
Repurchase agreements	13 636 192	14 644 680
Finance leases	15 859 122	14 959 186
TOTAL LOANS AND ADVANCES TO CUSTOMERS BEFORE IMPAIRMENT	227 297 577	213 913 559
Impairment of loans and advances to customers	-17 828 345	-16 893 353
TOTAL LOANS AND ADVANCES TO CUSTOMERS NET OF IMPAIRMENT	209 469 232	197 020 206

BREAKDOWN OF LOANS AND ADVANCES TO CUSTOMERS BY BUSINESS SEGMENT

(MAD thousands)

	31/12/2022	31/12/2021
Banking in Morocco	133 434 271	129 816 529
Specialised Financial Services	15 836 020	15 575 842
International Operations	60 198 941	51 627 835
Asset Management	0	0
Other Operations	1,00	1,00
TOTAL - PRINCIPAL	209 469 232	197 020 206
Accrued interest		
BALANCE SHEET VALUE	209 469 232	197 020 206

BREAKDOWN OF LOANS AND ADVANCES TO CUSTOMERS BY GEOGRAPHICAL REGION

(MAD thousands)

	31/12/2022	31/12/2021
Morocco	149 270 291	145 392 371
Africa	56 585 407	47 550 569
Europe	3 613 534	4 077 266
TOTAL - PRINCIPAL	209 469 232	197 020 207
Accrued interest		
BALANCE SHEET VALUE	209 469 232	197 020 207

BREAKDOWN OF LOANS AND ADVANCES AND IMPAIRMENT BY BUCKET

(MAD thousands)

	31/12/2022							
	Receivables and commitments				Depreciation			
	BUCKET 1	BUCKET 2	BUCKET 3	TOTAL	BUCKET 1	BUCKET 2	BUCKET 3	TOTAL
Financial assets at fair value through other comprehensive income	563 824	-	-	563 824	10 550	-	-	10 550
Debt instruments at fair value through other comprehensive income (recyclable)	563 824			563 824	10 550			10 550
Financial assets at amortised cost	267 881 614	17 383 920	20 928 606	306 194 140	2 842 458	2 437 599	13 821 627	19 101 685
Loans and advances to credit institutions	26 295 784	104 048	5 844	26 405 676	73 053	2 897	5 704	81 655
Loans and advances to customers	189 094 943	17 279 872	20 922 762	227 297 577	1 577 719	2 434 702	13 815 923	17 828 345
Debt securities	52 490 888			52 490 888	1 191 686			1 191 686
Total assets	268 445 438	17 383 920	20 928 606	306 757 964	2 853 008	2 437 599	13 821 627	19 112 234
Total off-balance sheet	52 677 148	202 590	218 191	53 097 929	203 766	728	198 529	403 023

	31/12/2021							
	Receivables and commitments				Depreciation			
	BUCKET 1	BUCKET 2	BUCKET 3	TOTAL	BUCKET 1	BUCKET 2	BUCKET 3	TOTAL
Financial assets at fair value through other comprehensive income	1 728 503	-	-	1 728 503	19 606	-	-	19 606
Debt instruments at fair value through other comprehensive income (recyclable) 1 728 503				1 728 503	19 606			19 606
Financial assets at amortised cost	235 322 843	19 728 446	19 811 502	274 862 792	2 437 089	2 488 478	12 988 649	17 914 216
Loans and advances to credit institutions	21 039 082	41 369	6 182	21 086 634	79 576	539	5 037	85 152
Loans and advances to customers	174 421 162	19 687 077	19 805 320	213 913 559	1 421 802	2 487 939	12 983 612	16 893 353
Debt securities	39 862 599			39 862 599	935 711	-		935 711
Total assets	237 051 346	19 728 446	19 811 502	276 591 295	2 456 695	2 488 478	12 988 649	17 933 822
Total off-balance sheet	47 468 431	178 786	129 624	47 776 841	201 288	947	120 387	322 622

AMOUNTS DUE TO CUSTOMERS

(MAD thousands)

	31/12/2022	31/12/2021
Accounts in credit	148 874 854	132 539 204
Fixed term accounts	33 787 630	31 794 130
Savings accounts	45 962 805	42 213 080
Certificates of deposit	3 483 733	4 004 929
Repurchase agreements	4 882 677	159 156
Other accounts in credit	9 187 946	8 262 741
TOTAL LOANS AND RECEIVABLES DUE TO CUSTOMERS	246 179 646	218 973 241

BREAKDOWN OF AMOUNTS DUE TO CUSTOMERS BY BUSINESS SEGMENT

(MAD thousands)

	31/12/2022	31/12/2021
Banking in Morocco	155 264 736	140 432 011
Specialised Financial Services	647 357	681 183
International Operations	90 267 553	77 860 047
Asset Management	0	0
Other Operations	0	0
TOTAL - PRINCIPAL	246 179 646	218 973 241
Accrued interest		
BALANCE SHEET VALUE	246 179 646	218 973 241

BREAKDOWN OF AMOUNTS DUE TO CUSTOMERS BY GEOGRAPHICAL REGION

(MAD thousands)

	31/12/2022	31/12/2021
Morocco	155 912 093	141 113 194
Africa	89 366 493	76 420 029
Europe	901 060	1 440 017
TOTAL - PRINCIPAL	246 179 646	218 973 241
Accrued interest		
BALANCE SHEET VALUE	246 179 646	218 973 241

4.7 DEBT SECURITIES, SUBORDINATED DEBT AND SPECIAL GUARANTEE FUNDS

(MAD thousands)

	31/12/2022	31/12/2021
Other debt securities	9 167 945	11 828 034
Negotiable debt securities	9 167 945	11 828 034
Bonds		
Subordinated debt	12 100 668	10 597 210
Subordinated loans	12 100 668	10 597 210
Fixed maturity	9 100 668	7 597 210
Perpetual	3 000 000	3 000 000
Subordinated securities	0	0
Fixed maturity		
Perpetual	0	0
Public funds and special guarantee funds		
TOTAL	21 268 613	22 425 244



4.8 CURRENT AND DEFERRED TAX

(MAD thousands)

	31/12/2022	31/12/2021
Current tax	1 290 422	981 203
Deferred tax	2 443 684	2 466 604
Current and deferred tax assets	3 734 106	3 447 807
Current tax	1 551 727	1 357 479
Deferred tax	1 179 479	1 187 570
Current and deferred tax liabilities	2 731 205	2 545 049

4.9 ACCRUED INCOME, OTHER ASSETS AND LIABILITIES

(MAD thousands)

	31/12/2022	31/12/2021
Guarantee deposits and bank guarantees paid	174 881	176 286
Settlement accounts relating to corporate actions	65 557	133 348
Cheque-cashing accounts	483 576	399 022
Reinsurers' share of technical provisions		
Accrued income and prepaid expenses	1 340 040	1 548 872
Other debtors	6 059 844	3 983 177
Liaison accounts	253 365	257 273
TOTAL ACCRUED INCOME AND OTHER ASSETS	8 377 263	6 497 977
Guarantee deposits received	19 935	6 297
Settlement accounts relating to corporate actions	2 803 337	147 509
Cheque-cashing accounts	1 429 559	1 593 413
Accrued expenses and deferred income	1 844 722	1 357 115
Other creditors and miscellaneous liabilities	7 845 367	6 613 363
TOTAL ACCRUED EXPENSES AND OTHER LIABILITIES	13 942 921	9 717 696

4.10 INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

(MAD thousands)

	31/12/2022	31/12/2021
ACMAR	27 172	27 312
Banque de Développement du Mali	702 404	629 469
Eurafric	-25 053	- 23 337
AFRICA MOROCCO LINKS	61 919	6 559
Société Conseil Ingenierie et Développement	149 604	145 843
Bank Al Tamwil wal Inmaa	133 143	92 351
Investments in companies accounted for using the equity method at BOA	166 361	125 359
Investments in companies accounted for using the equity method	1 215 549	1 003 557

FINANCIAL DATA PUBLISHED IN ACCORDANCE WITH LOCAL ACCOUNTING STANDARDS BY THE MAIN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

(MAD thousands)

	Total Assets at 31 Dec 2022	Net Banking income or Revenue at 31 Dec 2022	Subsidiary's earnings	Contribution to net income attributable to shareholders of the parent company at 31 Dec 2022
ACMAR	566 549	173 479	31 497	6 299
Banque de Développement du Mali	22 349 541	885 870	291 296	90 551
AFRICA MOROCCO LINKS	331 990	530 027	45 000	22 950
Eurafric	298 476	517 083	2 449	-1 686
Société Conseil Ingenierie et Développement	577 750	235 436	16 778	6 527
Bank Al Tamwil wal Inmaa	700 302	12 073	-34 242	-19 326

4.11 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS USED IN OPERATIONS, INVESTMENT PROPERTY

(MAD thousands)

	31/12/2022			31/12/2021		
	Gross carrying amount	Accumulated depreciation and impairment	Net Carrying Amount	Gross carrying amount	Accumulated depreciation and impairment	Net Carrying Amount
Property, plant and equipment	17 982 888	9 422 114	8 560 774	17 029 325	8 511 467	8 517 858
Land and buildings	5 699 703	1 504 559	4 195 144	5 624 844	1 368 653	4 256 191
Equipment, furniture and fixtures	5 157 588	3 551 025	1 606 563	4 922 622	3 408 838	1 513 785
Plant and equipment leased as lessor under operating leases	0	0	0	0	0	0
Other property, plant and equipment	7 125 597	4 366 530	2 759 067	6 481 859	3 733 977	2 747 882
Intangible Assets	2 798 281	1 505 602	1 292 679	3 164 734	1 941 830	1 222 904
Purchased software	2 072 821	1 297 062	775 758	2 422 268	1 746 005	676 264
Internally-developed software	0	0	0	0	0	0
Other intangible assets	725 460	208 539	516 921	742 466	195 826	546 640
Investment Property	3 918 104	483 991	3 434 112	3 878 551	318 233	3 560 318

TABLE OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT

(MAD thousands)

	31/12/2022	31/12/2021
NET VALUE at 1 January	8 517 858	8 945 177
Acquisitions during the year	731 637	535 746
First-time consolidation	-	-
Depreciation, amortisation and impairment	(723 938)	(480 423)
Disposals during the year	92 987	(329 024)
Other changes	(57 770)	(153 618)
NET VALUE AT END OF YEAR	8 560 774	8 517 858

TABLE OF CHANGES IN INTANGIBLE ASSETS

(MAD thousands)

	31/12/2022	31/12/2021
NET VALUE at 1 January	1 222 904	1 310 014
Acquisitions during the year	466 799	420 407
First-time consolidation	-	-
Depreciation, amortisation and impairment	(144 050)	(214 030)
Disposals during the year	(608 547)	(85 803)
Other changes	355 574	(207 684)
NET VALUE AT END OF YEAR	1 292 679	1 222 904

TABLE OF CHANGES IN INVESTMENT PROPERTY

(MAD thousands)

	31/12/2022	31/12/2021
NET VALUE at 1 January	3 560 318	3 684 810
Acquisitions during the year	45 137	9 350
First-time consolidation	-	-
Depreciation, amortisation and impairment	(171 344)	(188 468)
Disposals during the year	-	(19 247)
Other changes	-	73 873
NET VALUE AT END OF YEAR	3 434 112	3 560 318



LEASE EXPENSES

	31/12/2022	31/12/2021
Interest expense on lease liabilities	-58 822	-55 985
Depreciation expenses on right-of-use assets	-292 281	-251 602

RIGHT-OF-USE ASSETS

	31/12/2022	31/12/2021
Property, plant and equipment	8 560 774	8 517 858
Of which rights of use	1 176 079	1 232 526

LEASE LIABILITIES

	31/12/2022	31/12/2021
Accruals, deferred income and other liabilities	13 942 922	9 717 696
Of which lease liability	1 220 525	1 259 985

4.12 GOODWILL

(MAD thousands)

	31/12/2022	31/12/2021
Gross carrying amount at start of period	1 032 114	1 032 114
Accumulated impairment at start of period		
Net carrying amount at start of period	1 032 114	1 032 114
Acquisitions		
Disposals		
Impairment recognised during the period		
Exchange differences		
Subsidiaries previously accounted for using the equity method		
Other movements		
Gross carrying amount at end of period	1 032 114	1 032 114
Accumulated impairment at end of period		
NET CARRYING AMOUNT AT END OF PERIOD	1 032 114	1 032 114

THE FOLLOWING TABLE PROVIDES A BREAKDOWN OF GOODWILL

(MAD thousands)

	Net carrying amount 31/12/2022	Net carrying amount 31/12/2021
Maghrébaïl	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
Bank Of Africa	711 976	711 976
LOCASOM	98 725	98 725
CID	14 555	14 555
TOTAL GROUPE	1 032 114	1 032 114

SENSITIVITY TO CHANGES IN ASSUMPTIONS

(MAD thousands)

	BOA Group	SALAFIN	LOCASOM
Discount rate	19,00%	13,50%	7,00%
Unfavourable 50 basis point change	-543 030	-33 870	-58 323
Favourable 50 basis point change	263 592	36 908	70 537

4.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(MAD thousands)

	31/12/2022	31/12/2021
TOTAL PROVISIONS AT START OF PERIOD	1 613 520	1 407 895
Additional provisions	372 212	708 868
Write-backs	-473 333	-334 954
Other movements	-53 461	-168 289
TOTAL PROVISIONS AT END OF PERIOD	1 458 938	1 613 520

	Legal and tax risk	Post- employment benefit obligations	Loan guarantees	Loss-making contracts	Other provisions	Total carrying amount
Opening balance	79 966	526 965	319 854	0	686 736	1 613 520
Provisions	49 154	23 972	82 791	0	216 296	372 212
Amounts used	-26 181	0	-43 690	0	-403 462	-473 333
Other movements	1 772	-74 294	41 525	0	-22 465	-53 461
Closing balance	104 711	476 643	400 480	0	477 105	1 458 938

4.14 FAIR VALUE
4.14.1 FAIR VALUE OF ASSETS AND LIABILITIES AT AMORTISED COST

(MAD thousands)

	31/12/2022		31/12/2021	
	Balance sheet value	Estimated market value	Balance sheet value	Estimated market value
ASSETS				
Loans and advances to credit and similar institutions at amortised cost	26 324 021	26 333 333	21 001 481	21 012 477
Loans and advances to customers at amortised cost	209 469 232	210 397 910	197 020 207	198 167 351
Securities at amortised cost	51 299 202	50 527 202	38 926 888	39 154 223
Investment property	3 434 112	3 503 752	3 560 318	3 629 958
LIABILITIES				
Amounts due to credit and similar institutions	65 731 476	65 731 476	60 283 987	60 283 987
Amounts due to customers	246 179 646	246 179 646	218 973 241	218 973 241
Debt securities issued	9 167 945	9 167 945	11 828 034	11 828 034
Subordinated debt	12 100 668	12 100 668	10 597 210	10 597 210



4.14.2 BREAKDOWN BY VALUATION METHOD FOR FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE IN ACCORDANCE WITH IFRS 7 RECOMMENDATIONS

(MAD thousands)

	31/12/2022			31/12/2021				
	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 purposes	43 861 132	-	-	43 861 132	36 411 631	-	-	36 411 631
- Financial assets at fair value for trading purposes	42 305 151			42 305 151	35 604 594			35 604 594
- Financial assets at fair value through profit or loss	1 555 980			1 555 980	807 037			807 037
Financial assets at fair value through other comprehensive income	884 366	-	5 244 154	6 128 520	2 020 920	-	4 657 140	6 678 060
- Debt instruments at fair value through other comprehensive income (recyclable)	553 274			553 274	1 708 897			1 708 897
- Equity instruments at fair value through other comprehensive income (non-recyclable)	331 092		5 244 154	5 575 246	312 023		4 657 140	4 969 163
FINANCIAL LIABILITIES								
Financial instruments at fair value through profit or loss held for trading purposes							-	-
Financial instruments measured using the fair value option through profit or loss							-	-
Derivative hedging instruments								

4.14.3 FAIR VALUE HIERARCHY OF ASSETS AND LIABILITIES AT AMORTISED COST

(MAD thousands)

	31/12/2022			31/12/2021				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
ASSETS								
Loans and advances to credit and similar institutions			26 333 333	26 333 333			21 012 477	21 012 477
Loans and advances to customers			210 397 910	210 397 910			198 167 351	198 167 351
Securities at amortised cost			50 527 202	50 527 202			39 154 223	39 154 223
LIABILITIES								
Amounts due to credit and similar institutions			65 731 476	65 731 476			60 283 987	60 283 987
Amounts due to customers			246 179 646	246 179 646			218 973 241	218 973 241
Debt securities issued			9 167 945	9 167 945			11 828 034	11 828 034
Subordinated debt			12 100 668	12 100 668			10 597 210	10 597 210

	31/12/2022							31/12/2021						
	On demand	From overnight to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Indefinite maturity	Total	On demand	From overnight to 3 months	From 3 months to 1 year	From 1 year to 5 years	More than 5 years	Indefinite maturity	Total
Cash and balances at central banks, the Public treasury and postal cheque centre		18 426						18 426	19 737					19 737
Financial assets at fair value through profit or loss							0							0
- Financial assets held for trading purposes							42 305	42 305					35 605	35 605
- Financial assets at fair value through profit or loss						1 556	1 556						807	807
Derivative hedging instruments						0	0						0	0
Financial assets at fair value through other comprehensive income							0							0
- Debt instruments at fair value through other comprehensive income (recyclable)			51	109	393		553						1 709	1 709
- Equity instruments at fair value through other comprehensive income (non-recyclable)							5 575	5 575					4 969	4 969
Securities at amortised cost		3 473	6 714	23 469	17 644		51 299	12 03	2 586	24 801	10 337			38 927
Loans and advances to credit and similar institutions at amortised cost	13 846	930	602	6 959	2 839	1 149	26 324	11 702	723	516	5 386	2 078	597	21 001
Loans and advances to customers at amortised cost	20 212	37 788	29 281	53 728	53 604	14 856	209 469	20 974	35 161	24 684	49 655	50 309	16 237	197 020
Revaluation adjustment for portfolios hedged against interest rate risk							0							0
Financial investments from insurance operations							0							0
Current tax assets						1 290	1 290						981	981
Deferred tax assets						2 443	2 443						2 467	2 467
Prepayments, accrued income and other assets						8 377	8 377						6 498	6 498
Investments in companies accounted for using the equity method						1 216	1 216						1 004	1 004
Investment property						3 434	3 434						3 560	3 560
Property, plant and equipment						8 561	8 561						8 518	8 518
Intangible assets						1 293	1 293						1 223	1 223
Goodwill						1 032	1 032						1 032	1 032
TOTAL ASSETS	52 484	42 242	36 706	84 550	74 086	93 087	383 154	52 413	37 087	27 786	79 842	62 723	85 207	345 058
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	10 040	41 854	5 296	8 445	96		65 731	7 704	41 862	5 018	4 663	1 037		60 284
Amounts due to customers	204 631	18 081	22 743	715		10	246 179	181 414	9 825	25 818	1 896		19	218 972
Debt securities issued		1 467	2 434	5 267			9 168		585	3 427	7 816			11 828
Payable tax liabilities						1 552	1 552						1 357	1 357
Deferred tax liabilities						1 179	1 179						1 188	1 188
Adjustment accounts and other liabilities						13 943	13 943						9 718	9 718
Provisions						1 459	1 459						1 614	1 614
Subordinated debt and special guarantee funds		1 201		5 400	5 500		12 101				6 200	4 397		10 597
Equity						31 841	31 841						29 500	29 500
TOTAL LIABILITIES	214 671	62 603	30 472	19 827	5 596	49 984	383 154	189 118	52 272	34 263	20 575	5 434	43 396	345 058
LIQUIDITY GAPS	-162 187	-20 362	6 234	64 723	68 490	43 103	0	-136 705	-15 185	-6 477	59 267	57 289	41 811	0



V. FINANCING AND GUARANTEE COMMITMENTS

5.1 FINANCING COMMITMENTS

(MAD thousands)

	31/12/2022	31/12/2021
Financing commitments given	20 503 847	18 579 858
To credit institutions	1 466 539	2 121 021
To customers	19 037 308	16 458 837
Credit lines opened		
Other commitments given to customers		
Financing commitments received	1 416 417	1 349 237
From credit institutions	1 416 417	1 349 237
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

(MAD thousands)

	31/12/2022	31/12/2021
Guarantee commitments given	32 594 082	29 196 984
To credit institutions	10 438 991	8 226 174
To customers	22 155 091	20 970 810
Sureties provided to administrative and tax authorities and other sureties		
Other guarantees given to customers		
Guarantee commitments received	107 493 452	105 479 486
From credit institutions	103 586 844	101 912 528
From government and other guarantee institutions	3 906 608	3 566 958

» 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, among others, 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 OF PROVISIONS AND DESCRIPTION OF EXISTING SCHEMES

6.2.1 PROVISIONS IN RESPECT OF POST-EMPLOYMENT AND OTHER LONG-TERM BENEFITS PROVIDED TO EMPLOYEES

(MAD thousands)

	31/12/2022	31/12/2021
Provision for retirement and similar benefits	476 642	526 965
Provision for special long service award		
Other provisions		
TOTAL	476 642	526 965

NB: The provision for employee benefits is measured in accordance with IAS 19 and recognised under 'Provisions, Contingent Liabilities and Contingent Assets'.

6.2.2. BASIC ASSUMPTIONS UNDERLYING CALCULATIONS

The following table provides an analysis of sensitivity to the two main actuarial assumptions used to calculate the cost of benefit schemes (post-employment benefits and long service awards) at 31 December 2022:

End-of-career bonus	-50 bp rate change	+50 bp rate change
Discount rate	10 183	-9 352
Wage growth	-10 012	10 826

Long-service award	-50 bp rate change	+50 bp rate change
Discount rate	12 902	-12 047
Wage growth	-14 755	15 720

Economic assumptions	30/06/2022
Discount rate	2.43%
Long-term wage growth (inflation included)	2%
Growth in employer's social security contributions	10.96%

Demographic assumptions	
Retirement terms	Voluntary retirement
Retirement age	60
Mortality table	Male 60/64 - Female 60/64

The discount rate used is based on the secondary market benchmark rate (Treasury yield) with a duration of approximately 22 years.

6.2.3 COST OF POST-EMPLOYMENT BENEFIT SCHEMES

(MAD thousands)

	31/12/2022	31/12/2021
Standard expense for the period	-37 663	-9 192
Interest expense	-11 550	-13 498
Funds' expected rate of return		
Additional benefits		
Other	53 547	
Net cost for the period	4 334	-22 690
Of which expense related to retirement and similar benefits		
Other		

6.2.4 CHANGES IN THE PROVISION RECOGNISED ON THE BALANCE SHEET

(MAD thousands)

	31/12/2022	31/12/2021
Actuarial liability at start of period	526 965	504 275
Standard expense for the period	32 499	-26 867
Interest expense	11 550	13 498
Actuarial gains/losses	-53 547	
Other actuarial differences	-45 988	
Amortisation of net gains/losses		
Benefits paid	-20 077	36 059
Additional benefits		
Other	25 241	
Actuarial liability at end of period	476 643	526 965
Of which expense related to retirement and similar benefits		
Other		



VII. ADDITIONAL INFORMATION

7.1 CHANGES IN SHARE CAPITAL AND EARNINGS PER SHARE

7.1.1 EARNINGS PER SHARE

(MAD thousands)

	31/12/2022	31/12/2021
SHARE CAPITAL (MAD)	2 087 698 270	2 056 066 480
Number of ordinary shares outstanding during the year	208 769 827	205 606 648
Net income attributable to shareholders of the parent company (MAD)	2 304 612 879	2 007 214 033
Earnings per share (MAD)	11,04	9,76
Diluted earnings per share (MAD)	11,04	9,76

7.1.2 CHANGES IN SHARE CAPITAL

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.

SHARES IN ISSUE	Number	Nominal value	MAD
Number of shares in issue at 31 December 2018	179 463 390	10	1 794 633 900
Number of shares in issue at 31 December 2019	199 820 500	10	1 998 205 000
Number of shares in issue at 31 December 2020	205 606 648	10	2 056 066 480
Number of shares in issue at 31 December 2021	205 606 648	10	2 056 066 480
Number of shares in issue at 31 December 2022	208 769 827	10	2 087 698 270

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

Name	Business sector	Controlling interest (%)	Ownership (%)	Consolidation method
BANK OF AFRICA	Banking			Parent Company
BMCE CAPITAL	Investment banking	100,00%	100,00%	Fully consolidated
BMCE CAPITAL GESTION	Asset management	100,00%	100,00%	Fully consolidated
BMCE CAPITAL BOURSE	Securities brokerage	100,00%	100,00%	Fully consolidated
MAROC FACTORING	Factoring	100,00%	100,00%	Fully consolidated
MAGHREBAIL	Leasing	52,47%	52,47%	Fully consolidated
SALAFIN	Consumer lending	61,96%	61,96%	Fully consolidated
BMCE EUROSERVICES	Financial institution	100,00%	100,00%	Fully consolidated
LCB Bank	Banking	39,42%	39,42%	Fully consolidated
BMCE BANK INTERNATIONAL HOLDING	Banking	100,00%	100,00%	Fully consolidated
BANK OF AFRICA EUROPE	Banking	100,00%	100,00%	Fully consolidated
BOA GROUP	Bank holding company	72,41%	72,41%	Fully consolidated
LOCASOM	Car rental	100,00%	97,39%	Fully consolidated
RM EXPERTS	Debt collection	100,00%	100,00%	Fully consolidated
OPERATION GLOBAL SERVICE	Back-office banking services	100,00%	100,00%	Fully consolidated
FCP OBLIGATIONS PLUS	Mutual fund management	100,00%	100,00%	Fully consolidated
BOA UGANDA	Banking	92,24%	78,63%	Fully consolidated
BANQUE DE DEVELOPPEMENT DU MALI	Banking	32,38%	32,38%	Equity method
EULER HERMES ACMAR	Insurance	20,00%	20,00%	Equity method
EURAFRIC INFORMATION	IT services	41,00%	41,00%	Equity method
CONSEIL INGENIERIE ET DEVELOPPEMENT	Engineering consultancy	38,90%	38,90%	Equity method
AFRICA MOROCCO LINKS	Shipping	51,00%	51,00%	Equity method
BANK AL TAMWIL WAL INMAA	Participatory banking	56,40%	56,40%	Equity method

BANK OF AFRICA holds 37% of LCB Bank'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.

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 DIRECTORS' REMUNERATION

7.3.1 DETAILS OF DIRECTORS' REMUNERATION

	31/12/2022	31/12/2021
Short-term benefits	9 782	26 579
Post-employment benefits	263	915
Other long-term benefits	2 746	6 522

It is worth noting that short-term employee benefits correspond to the fixed remuneration, inclusive of employer social security contributions, received by Officers in 2022.

Post-retirement benefits correspond to the reimbursement of outstanding leave if that employee were to leave the company, while termination benefits include end-of-career bonuses and long-service awards payable to those in question on leaving the company."

7.3.2 LOANS GRANTED TO DIRECTORS

	31/12/2022	31/12/2021
A. Short-term loans	34 467	58 975
B. Mortgage loans	4 487	20 560
TOTAL	38 954	79 535

7.3.3 ATTENDANCE FEES PAID TO MEMBERS OF THE BOARD OF DIRECTORS

	31/12/2022			31/12/2021		
	Gross amount	Withholding tax	Net amount paid	Gross amount	Withholding tax	Net amount paid
Individuals and legal entities resident in Morocco	9 613	2 563	7 050	3 771	971	2 800
Non-resident individuals and legal entities	3 823	573	3 250	4 118	618	3 500
TOTAL	13 436	3 136	10 300	7 888	1 588	6 300



7.4 RELATED PARTIES

7.4.1 RELATIONSHIP BETWEEN THE GROUP'S CONSOLIDATED COMPANIES

(MAD thousands)

	Parent company	Sister companies	Companies consolidated using the equity method	Fully consolidated companies
Assets				
Loans, advances and securities	120 072	2 405 600	116 593	14 219 857
Current accounts	120 072	483 248	104 171	1 565 192
Loans		719 865	12 422	10 513 192
Securities		1 202 487		2 141 473
Finance leases				
Miscellaneous assets				25 308
TOTAL	120 072	2 405 600	116 593	14 245 165
Liabilities				
Deposits	-	41 262	2 273	12 078 370
Current accounts		41 262	2 273	1 565 182
Other borrowings				10 513 188
Debt securities				2 141 168
Miscellaneous liabilities				25 627
TOTAL	-	41 262	2 273	14 245 165
Financing and guarantee commitments				
Commitments given			2 031	544 942
Commitments received				544 942

7.4.2 RELATED PARTY PROFIT AND LOSS ITEMS

(MAD thousands)

	Parent company	Sister companies	Companies consolidated using the equity method	Fully consolidated companies
Interest and similar income		41 246	- 354	-334 726
Interest and similar expenses				394 558
Fees (income)		-50 599		-289 018
Fees (expenses)				76 064
Services provided				
Services procured	48 809			
Lease income		-29 434	- 8 488	-283 655
Other		88 466		436 778

1 - FUNDAMENTAL ACCOUNTING PRINCIPLES

- 1.1- Credit institutions are obliged to publish financial statements each financial year which give a true and fair view of their assets, financial position and results.
- 1.2- Providing a true and fair view will necessarily depend on compliance with seven fundamental accounting principles recommended under General Accounting Standards.
- 1.3- When transactions, events and positions are accounted for in compliance with fundamental accounting principles and recommendations from Accounting Standards for Credit Institutions, the financial statements are presumed to give a true and fair view of the credit institution's assets, financial position, assumed risks and results.
- 1.4- In the event that, after applying these principles, the financial statements do not give a true and fair view, the credit institution is obliged to provide all necessary information in the additional information statement so as to be able to give a true and fair view.
- 1.5 In the exceptional event that, after strictly applying one of these principles or recommendations, the financial statements do not give a true and fair view, the credit institution is obliged to depart from established accounting principles.

Any eventual departure must be mentioned in the additional information statement and must be duly justified. It must also indicate the impact on the credit institution's assets, financial position, assumed risks and results.

- 1.6- The main fundamental accounting principles adopted are listed hereafter:
 - Going concern principle
 - Consistency principle
 - Historical cost principle
 - Time period principle
 - Prudence principle
 - Objectivity principle
 - Materiality principle

2.1. Presentation

The financial statements comprise:

- Head office accounts
- The accounts of domestic branches
- The accounts of overseas branches and representative offices (Paris branch, Shanghai, Tangier Offshore)

Any transactions or balances between group entities are eliminated on consolidation.

2.2 General principles

The financial statements have been prepared in accordance with generally accepted accounting principles applicable to credit institutions.

The presentation of Bank of Africa's financial statements complies with Accounting Standards for Credit Institutions.

2.3 Amounts due from credit institutions and customers and signature loans

General presentation of amounts due

- Amounts due from credit institutions and customers are classified on the basis of their initial maturity or economic purpose:
 - Demand or term deposits in the case of credit institutions;
 - Operating loans, equipment loans, consumer loans, property loans and other loans in the case of customers.
- Off-balance sheet signature loans relate to irrevocable funding commitments and guarantees.
- Repurchase agreements involving securities are recognised under the relevant receivables entry (credit institutions, customers).
- Values awaiting collection, which are only credited to the remitter on actual receipt or after a contractual period, are not recognised on the balance sheet but are accounted for materially.
- Accrued interest on these receivables is recognised under "Related receivables" through the income statement.

Non-performing customer loans

- Non-performing customer loans and advances are recognised and measured in accordance with applicable banking regulations.
- The main applicable provisions can be summarised as follows:
 - Non-performing loans and advances are, depending on the level of risk, classified as "substandard", "doubtful" or "irrecoverable".
 - After deducting the proportion of the guarantee required under current legislation, provisions are recognised as follows:
 - 20% in the case of substandard loans;
 - 50% in the case of doubtful loans;
 - 100% in the case of irrecoverable loans.

Impairment provisions for credit risks on assets are deducted from the assets' carrying amount.

- On downgrading healthy loans and advances as non-performing loans, interest thereon is no longer calculated and recognised. It is only recognised as income when received.
- Losses on irrecoverable loans are recognised when the possibility of recovering non-performing loans is deemed to be nil.
- Provision write-backs for non-performing loans are recognised when the latter undergo an improvement, are effectively repaid or restructured with partial or total loan repayment.



2.4 Amounts owing to credit institutions and customers

Amounts owing to credit institutions and customers are classified in the financial statements on the basis of their initial maturity or type:

- Demand or term deposits in the case of credit institutions;
- Demand accounts in credit, savings accounts, term deposits and other customer accounts in credit.

Included under these various headings, depending on the category of counterparty, are repurchase agreements involving securities or movable assets.

Interest accrued on these payables is recognised under “Related payables” through the income statement.

2.5 Securities Portfolio

2.5.1 General presentation

Securities transactions are recognised and measured in accordance with the provisions of the Credit Institutions Accounting Plan.

Securities are classified according to their legal type (debt security or equity security) as well as the purpose for which they were acquired (trading securities, available-for-sale securities, held-to-maturity securities and long-term investment securities).

2.5.2 Trading securities

Securities are considered to be Trading securities if they are:

- Bought or sold with the express intention of selling them or repurchasing them in the near future to make a profit;
- Held by the credit institution in the context of its role as market-maker, their classification as trading securities being conditional on them seeing significant trading volume as a function of market conditions;
- Acquired or sold in the context of specialised portfolio management activity comprising derivative instruments, securities or other instruments managed together with recent evidence that a short-term profit-taking approach has been adopted;
- The subject of a sales undertaking in the context of arbitrage activity.

Trading securities are recognised at cost less dealing charges plus accrued interest, where applicable. Dealing charges are recognised directly through the income statement. Securities that have been sold are valued on the basis of the same rules.

2.5.3 Available-for-sale securities

Fixed income or floating rate securities are considered to be Available-for-sale securities if they are acquired with a view to being held for an indefinite period and that the institution may decide to sell them at any time.

By default, this category includes securities that fail to satisfy the criteria for recognition under another category of securities.

Available-for-sale securities are recognised at cost plus charges and accrued interest.

Securities transferred from the “Portfolio securities” and “Equity securities and Investments in related companies” categories are valued either prior to or at the time of transfer based on the rules relating to their original category. They are reclassified under Available-for-sale securities on the basis of this carrying amount.

Securities transferred from the “Held-to-maturity securities” category are reclassified at their net carrying amount at the time of transfer.

2.5.4 Held-to-maturity securities

Held-to-maturity securities are debt securities which are acquired or which have been transferred from another category of securities for the purpose of being held until maturity in order to generate regular income over the long-term.

These securities are recognised ex-coupon at the time of acquisition.

At each balance sheet date, the securities are valued at cost, regardless of their market value. Accordingly, unrealised profit or loss is not recognised.

2.5.5 Long-term investment securities

This category comprises securities whose long-term ownership is deemed useful to the Bank. These securities are categorised according to the provisions established by Accounting Standards for Credit Institutions as follows:

- Equity securities;
- Investments in related companies;
- Portfolio securities
- Other similar assets.

At each balance sheet date, they are valued on the basis of generally-accepted criteria such as utility value, share of net assets, future earnings prospects and share price performance. Impairment provisions are booked for unrealised losses on a case by case basis.

2.5.6 Repurchase agreements

Securities delivered under repurchase agreements are recognised on the balance sheet. The amount received, which represents the liability to the transferee, is recognised on the balance sheet under liabilities.

Securities received under reverse repos are not recognised on the balance sheet, although the amount received, which represents the receivable due from the transferor, is recognised on the balance sheet under assets.

2.6. Foreign currency-denominated transactions

Receivables, amounts owing and signature loans denominated in foreign currencies are translated into dirhams at the average exchange rate prevailing at the balance sheet date.

Foreign currency differences on contributions from overseas branches and on foreign currency borrowings hedged against exchange rate risk are recorded on the balance sheet under other assets or other liabilities as appropriate. Any translation gains and losses arising from the translation of non-current securities acquired in a foreign currency are recorded as

translation differences under the category of securities in question.

Foreign currency differences on other accounts held in foreign currencies are recognised through the income statement.

Income and expenses in foreign currency are translated at the exchange rate prevailing on the day they are recognised.

2.7. Translation of financial statements denominated in foreign currencies

The 'closing rate' method is used to translate financial statements denominated in foreign currencies.

Translation of balance sheet and off-balance sheet items

All assets, liabilities and off-balance sheet items of the foreign entity (Paris Branch) are translated based on the exchange rate prevailing at the closing date.

Shareholders' equity (excluding net income for the financial year) is measured at different historical rates (additional charges) and constitutes reserves. The difference arising from this correction (closing rate less historical rate) is recorded under "Translation differences" under shareholders' equity.

Translation of income statement items except for depreciation and amortisation expenses and provisions, which are translated at the closing rate, are translated at the average exchange rate for the financial year. However, income statement items have been translated at the closing rate since this method does not result in any material difference by comparison with the average exchange rate method.

2.8. General risk provisions

These provisions are booked, at the discretion of the management, to address future risks relating to banking operations which cannot be currently identified or accurately measured.

Provisions booked are added back for taxation purposes.

2.9. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are recognised on the balance sheet at cost less accumulated amortisation and depreciation, calculated using the straight line method over the estimated life of the assets in question.

Intangible assets are categorised under operating and non-operating non-current assets and are amortised over the following periods:

Category	Amortisation period
Lease rights	Non-amortisable
Patents and brands	For the period under patent protection
Research & development assets	1 year
IT software	5 years
Other goodwill items	Non amortisable

Plant, property and equipment are categorised under operating and non-operating non-current assets and are amortised over the following periods:

Category	Amortisation period
Land	Non amortisable
Operating premises:	
Built before 1986	20 years
Built after 1986	40 years
Office furniture	10 years
IT hardware	5 years
Vehicles	5 years
Fixtures, fittings and equipment	10 years
Shares in non-profit companies	Non amortisable

2.10. Deferred charges

Deferred charges comprise expenses which, given their size and nature, are likely to relate to more than one financial year.

2.11. Statutory provisions

Statutory provisions, particularly those relating to taxation, are booked in application of statutory or regulatory requirements. The decision as to whether or not to book such provisions is effectively a management decision motivated, in particular, by a desire to derive a tax benefit.

If the criteria for booking and utilising such provisions are met and they have been booked to be able to benefit from a definite tax break, statutory provisions, with the exception of accelerated amortisation reserves, are treated as tax-free reserves.

2.12. Recognition of interest income and fee income on the income statement

Interest income

Income and expenditure earned on capital actually lent or borrowed are considered as interest income.

Income and expenditure earned on an accruals basis, which remunerates risk, are considered as interest equivalent. This category includes fees on guarantee and financing commitments (guarantees, collateral etc.).

Interest accrued on capital actually lent or borrowed is recognised under related receivables and payables accounts through the income statement.

Interest equivalent is immediately recognised through the income statement upon invoicing.

Fee income

Income and expenditure, calculated on a flat-rate basis, which remunerate a service provided, are recognised as fees upon invoicing.

2.13 Non-recurring income and expenditure

This consists exclusively of income and expenditure arising on an exceptional basis. Such items are rare, in principle, as they are unusual by nature and occur infrequently.

2.14 Retirement obligations

Retirement obligations (Wissam Al Choghl, compensation payments for early retirement) not covered by pension schemes and managed by external independent providers (non-mandatory) are not provisioned.







PARENT COMPANY FINANCIAL STATEMENTS



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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 2022

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 at 31 December 2022, the off-balance sheet statement, the income statement, the management accounting statement, the cash flow statement, and the additional information statement. These financial statements show shareholders' equity and equivalent of MAD 33,601,517 K, including net income of MAD 1,525,093 K.

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 2022 and of the financial position and assets of BANK OF AFRICA S.A. at 31 December 2022 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 5 billion at 31 December 2022. Pursuant to the regulatory provisions in force, uncertainty exists regarding the realisable value of MAD 1 billion of these assets.

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 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.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the period in question. Our audit procedures relating to these matters were designed in the context of our audit of the 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 2022, total gross customer loan outstandings, including invoice factoring, amounted to MAD 140,177 million, whilst the total amount of loan loss provisions set aside for non-performing loans amounted to MAD 7,469 million. 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.

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 as well as for the internal control process that it deems necessary, to ensure that, in terms of preparation, the financial statements 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 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. In addition:

- We 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.
- We 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- We reach a conclusion about 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 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.



- We evaluate the overall presentation, structure, and content of the financial statements, including the information provided in the additional information statement, and assess 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 and ensured that the information provided in the Board of Directors' Management Report for shareholders provided a true and fair view and was consistent with the company's financial statements.

Casablanca, 28 April 2023

Statutory auditors

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FIDAROC GRANT THORNTON
Membre du réseau Grant Thornton
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Mostafa FRAIHA
Associé

PARENT COMPANY BALANCE SHEET

(MAD thousands)

ASSETS	31/12/2022	31/12/2021
Cash and balances at central banks, the Public treasury and postal cheque centre	5 872 022	7 323 591
Loans and advances to credit and similar institutions	26 718 136	20 167 359
Sight	5 579 695	4 768 697
Fixed-term	21 138 441	15 398 662
Loans and advances to customers	129 962 437	126 845 452
Cash and consumer loans and participatory financing arrangements	42 284 899	41 888 548
Equipment loans and participatory financing arrangements	21 174 518	20 664 448
Mortgage loans and participatory financing arrangements	41 291 221	41 207 258
Other loans and participatory financing arrangements	25 211 799	23 085 198
Factoring receivables	2 745 439	2 954 347
Trading and available-for-sale securities	44 009 829	37 687 594
Treasury bonds and similar assets	27 732 651	14 923 138
Other debt securities	188 547	231 115
Equity securities	16 068 557	22 493 714
Sukuk certificates	20 074	39 627
Other assets	8 073 212	7 831 620
Investment securities	12 644 762	8 936 596
Treasury bonds and similar assets	8 630 225	4 812 092
Other debt securities	4 014 537	4 124 504
Sukuk certificates	-	-
Investments in associates and similar assets	12 942 537	11 639 853
Investments in related companies	9 585 309	9 199 560
Other equity securities and similar assets	3 357 228	2 440 293
Mudarabah and Musharakah securities	-	-
Subordinated loans	199 866	195 925
Investment deposits given	-	-
Leased and rented assets	369 854	167 733
Ijara assets	-	-
Intangible assets	439 757	714 004
Property, plant and equipment	2 749 665	2 637 210
TOTAL ASSETS	246 727 516	227 101 284

(MAD thousands)

LIABILITIES	31/12/2022	31/12/2021
Amounts due to central banks, the Public treasury and postal cheque centre	-	-
Amounts due to credit and similar institutions	41 534 120	40 581 191
Sight	4 094 472	3 010 935
Fixed-term	37 439 648	37 570 256
Customer deposits	155 887 985	141 554 206
Sight deposit accounts in credit	101 020 870	91 396 132
Savings accounts	27 127 818	25 927 402
Term deposits	23 421 263	19 469 487
Other accounts in credit	4 318 034	4 761 185
Amounts due to customers on participatory products	-	-
Debt securities issued	6 473 177	8 117 463
Negotiable debt securities	6 473 177	8 117 463
Bonds	-	-
Other debt securities issued	-	-
Other liabilities	7 513 296	3 766 248
Provisions, contingent liabilities	1 447 348	1 294 922
Statutory provisions	270 073	396 735
Subsidies, public funds and special guarantee funds	-	-
Subordinated debt	12 100 668	10 597 210
Investment deposits received	-	-
Revaluation reserve	-	-
Reserves and premiums related to capital	17 887 993	17 236 350
Share capital	2 087 698	2 056 066
Shareholders, unpaid share capital (-)	-	-
Retained earnings (+/-)	65	20
Net income to be appropriated (+/-)	-	-
Net income for the year (+/-)	1 525 093	1 500 873
TOTAL LIABILITIES	246 727 516	227 101 284



OFF-BALANCE SHEET

(MAD thousands)

OFF-BALANCE SHEET	31/12/2022	31/12/2021
COMMITMENTS GIVEN	31 016 880	27 361 678
Financing commitments given to credit and similar institutions	200 370	239 827
Financing commitments to customers	8 921 779	6 840 594
Guarantees given to credit and similar institutions	5 370 037	4 455 476
Guarantee commitments given to customers	11 176 454	10 385 685
Securities purchased with repurchase agreement	-	-
Other securities to be delivered	5 348 239	5 440 096
COMMITMENTS RECEIVED	23 304 312	24 690 635
Financing commitments received from credit and similar institutions	-	-
Guarantees received from credit and similar institutions	19 518 360	21 169 699
Guarantee commitments received from government and other guarantee institutions	3 785 953	3 342 275
Securities sold with repurchase agreement	-	-
Other securities to be received	0	178 661
Mudarabah and Musharakah securities to be received	-	-

INCOME STATEMENT

(MAD thousands)

	31/12/2022	31/12/2021
OPERATING INCOME FROM BANKING OPERATIONS	12 058 179	10 625 860
Interest, remuneration and similar income from transactions with credit institutions	754 638	253 901
Interest, remuneration and similar income from transactions with customers	5 390 943	5 498 366
Interest and similar income from debt securities	716 932	619 182
Income from equity securities (1) and Sukuk certificates	706 987	883 776
Income from Mudarabah and Musharakah securities	-	-
Income from lease-financed non-current assets	32 102	23 052
Income from Ijarah assets	-	-
Fee income	1 302 447	1 187 270
Other banking income	3 154 130	2 160 313
Transfer of expenses on investment deposits received	-	-
OPERATING EXPENSES ON BANKING OPERATIONS	5 427 813	3 718 456
Interest and expenses on transactions with credit and similar institutions	909 412	609 909
Interest and expenses on transactions with customers	882 199	851 876
Interest and similar expenses on debt securities issued	554 762	578 119
Expenses on Mudarabah and Musharakah securities	-	-
Expenses on lease-financed non-current assets	23 553	20 169
Expenses on Ijarah assets	-	-
Other banking expenses	3 057 887	1 658 383
Transfer of income on investment deposits received	-	-
NET BANKING INCOME	6 630 366	6 907 404
Non-banking operating income	357 589	165 316
Non-banking operating expenses	31 896	133 670
GENERAL OPERATING EXPENSES	3 700 071	3 648 638
Employee expenses	1 736 291	1 673 566
Taxes other than on income	77 991	80 689
External expenses	1 646 434	1 566 034
Other general operating expenses	8 000	9 287
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	231 355	319 062
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	1 743 887	1 637 721
Provisions for non-performing loans and signature loans	1 203 887	982 064
Losses on irrecoverable loans	325 674	350 559
Other provisions	214 326	305 098
WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	561 270	473 658
Write-backs for non-performing loans and signature loans	456 252	276 070
Amounts recovered on impaired loans	17 665	18 879
Other write-backs	87 353	178 709
INCOME FROM ORDINARY OPERATIONS	2 073 371	2 126 349
Non-recurring income	131 353	128 676
Non-recurring expenses	272 729	244 682
PRE-TAX INCOME	1 931 995	2 010 343
Corporate income tax	406 902	509 470
NET INCOME FOR THE YEAR	1 525 093	1 500 873

(-) signifies 'minus'

(+) signifies 'plus'

MANAGEMENT ACCOUNTING STATEMENT

(MAD thousands)

	31/12/2022	31/12/2021
(+) Interest and similar income	6 862 513	6 371 449
(-) Interest and similar expenses	2 346 373	2 039 904
NET INTEREST INCOME	4 516 140	4 331 545
(+) Income from participatory finance arrangements	-	-
(-) Expenses on participatory finance arrangements	-	-
NET INCOME FROM PARTICIPATORY FINANCE ARRANGEMENTS	-	-
(+) Income from lease-financed non-current assets	32 102	23 052
(-) Expenses on lease-financed non-current assets	23 554	20 169
NET INCOME FROM LEASING AND RENTAL TRANSACTIONS	8 548	2 883
(+) Income from Ijarah assets	-	-
(-) Expenses on Ijarah assets	-	-
NET INCOME FROM IJARA TRANSACTIONS (1)	-	-
(+) Fees received	1 939 622	1 394 397
(-) Fees paid	778 180	352 655
NET FEE INCOME (1)	1 161 442	1 041 742
(+) Income from trading securities transactions	-165 608	570 615
(+) Income from available-for-sale securities transactions	74 530	-34 444
(+) Income from foreign exchange transactions	575 397	476 379
(+) Income from derivatives transactions	50 470	-71 747
Income from market transactions (1)	534 789	940 803
(+/-) Income from Mudarabah and Musharakah securities transactions	-	-
(+) Other banking income	707 038	883 816
(-) Other banking expenses	297 591	293 388
(+/-) Share of income from investment account holders' deposits	-	-
NET BANKING INCOME	6 630 366	6 907 401
(+) Income from long-term investments (2)	8 872	-89 779
(+) Other non-banking operating income	347 378	165 240
(-) Other non-banking operating expenses	29 406	102 464
(-) General operating expenses	3 700 071	3 648 638
GROSS OPERATING INCOME	3 257 139	3 231 760
(+) Net provisions for non-performing loans and signature loans	-1 055 644	-1 037 673
(+) Other net provisions	- 128 123	-67 739
INCOME FROM ORDINARY OPERATIONS	2 073 372	2 126 348
NON-RECURRING INCOME	- 141 377	-116 005
(-) Corporate income tax	406 902	509 470
NET INCOME FOR THE YEAR	1 525 093	1 500 873

	31/12/2022	31/12/2021
(+) NET INCOME FOR THE YEAR	1 525 093	1 500 873
(+) Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	231 355	319 062
(+) Provisions for impairment of long-term investments (1)	-	89 015
(+) General provisions	153 074	162 178
(+) Statutory provisions	-	-
(+) Extraordinary provisions	4 691	10 706
(-) Write-backs (1)	195 502	228 341
(-) Capital gains on disposal of intangible assets and property, plant and equipment	287 516	70 562
(+) Losses on disposals of intangible and tangible fixed assets	552	1 194
(-) Capital gains on disposal of long-term investments (1)	10 211	76
(+) Losses on disposal of long-term investments (1)	2 488	31 206
(-) Write-backs of investment subsidies received	-	-
(+) TOTAL CASH EARNINGS	1 424 024	1 815 255
(-) Distributed earnings	822 427	1 028 033
(+) NET CASH EARNINGS	601 597	787 222



TABLE OF CASH FLOWS

(MAD thousands)

	31/12/2022	31/12/2021
(+) Operating income from banking operations	11 255 316	9 807 055
(+) Amounts recovered on impaired loans	17 665	18 879
(+) Non-banking operating income	52 484	104 145
(-) Operating expenses on banking operations	7 201 958	5 289 409
(-) Non-banking operating expenses	31 896	133 670
(-) General operating expenses	3 468 715	3 336 989
(-) Corporate income tax	406 902	509 470
I. Net cash flows from income statement	215 994	660 540
Change in:		
(+) Loans and advances to credit and similar institutions	-6 550 777	-18 744
(+) Loans and advances to customers	-2 908 077	-873 600
(+) Trading and available-for-sale securities	-6 322 235	-6 756 053
(+) Other assets	-456 303	170 371
(-) Mudarabah and Musharakah securities	-	-
(+) Lease-financed non-current assets	-202 121	23 083
(+) Ijara assets	-	-
(+) Investment deposits deposited with credit and similar institutions	-	-
(+) Amounts due to credit and similar institutions	952 929	3 546 692
(+) Customer deposits	14 333 779	6 761 685
(+) Amounts due to customers on participatory financing arrangements	-	-
(+) Debt securities issued	-1 644 286	-48 942
(+) Other liabilities	3 353 031	270 093
II. Balance of changes in operating assets and liabilities	555 940	3 074 585
III. NET CASH FLOWS FROM OPERATING ACTIVITIES (I + II)	771 933	3 735 125
(+) Income from the disposal of long-term investments (1) (4)	271 989	-
(+) Income from the disposal of intangible assets and property, plant and equipment (4)	800 989	103 168
(-) Acquisition of long-term investments (1)	3 743 482	782 803
(-) Acquisition of intangible assets and property, plant and equipment	658 837	911 630
(+) Interest received	108 119	98 566
(+) Dividends received	595 287	785 919
IV. NET CASH FLOWS FROM INVESTING ACTIVITIES	-2 625 935	-706 781
(+) Subsidies, public funds and special guarantee funds received	-	-
(+) Subordinated debt issuance	1 500 000	1 000 000
(+) Investment deposits received	-	-
(+) Equity issuance	-	-
(-) Repayment of shareholders' equity and similar	-	-
(-) Investment deposits repaid (2)	-	-
(-) Interest paid	275 141	377 008
(-) Remuneration paid on investment deposits (3) (4)	-	-
(-) Dividends paid	822 427	1 028 033
V. NET CASH FLOWS FROM FINANCING ACTIVITIES	402 433	-405 041
VI. NET CHANGE IN CASH AND CASH EQUIVALENTS (III + IV + V)	-1 451 569	2 623 303
VII. CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	7 323 591	4 700 288
VIII. CASH AND CASH EQUIVALENTS AT END OF THE YEAR	5 872 022	7 323 591

(1) Other than Mudarabah and Musharakah securities

(2) Including use of Investment Risk Reserve

(3) Including use of Profit Equalisation Reserve

(4) Other than those resulting from net cash flows from the income statement

LOANS AND ADVANCES TO CREDIT AND SIMILAR INSTITUTIONS

(MAD thousands)

	Bank AL-Maghrib, Public treasury and postal cheque centre	Banks in Morocco	Other credit and similar institutions in Morocco	Credit institutions overseas	TOTAL 31/12/2022	TOTAL 31/12/2021
Current accounts in debit	3 908 972	94 777	428 255	4 709 228	9 141 232	12 088 372
Repurchase agreements	-	127 524	-	-	127 524	120 180
Overnight	-	-	-	-	-	-
Fixed-term	-	127 524	-	-	127 524	120 180
Cash loans	-	4 001 090	1 850 916	1 663 274	7 515 280	5 167 347
Overnight	-	300 000	-	-	300 000	-
Fixed-term	-	3 701 090	1 850 916	1 663 274	7 215 280	5 167 347
Financial loans	-	5 464 283	7 656 215	208 954	13 329 452	9 709 110
Other loans and advances	-	458 766	-	-	458 766	378 622
Accrued interest receivable	-	54 854	-	-	54 854	27 319
Non-performing loans	-	-	-	-	-	-
TOTAL	3 908 972	10 201 294	9 935 386	6 581 456	30 627 108	27 490 950

LOANS AND ADVANCES TO CUSTOMERS

(MAD thousands)

	Public Sector	Private Sector		TOTAL	TOTAL
		Financial companies	Non-financial companies	Other customers	31/12/2021
Cash loans	1 518 986	1 267 584	29 123 178	2 207 685	33 939 331
Sight deposit accounts in debit	158 748	1 267 584	11 363 111	1 715 245	15 280 093
Commercial loans within Morocco	14 560	-	3 994 475	3 922	3 856 578
Export loans	-	-	437 247	275 015	712 262
Other cash loans	1 345 678	-	13 328 345	213 503	13 867 729
Consumer loans	-	-	28 800	7 841 020	7 636 441
Equipment loans	5 945 233	297 516	13 425 662	1 229 748	20 898 159
Mortgage loans	412 061	-	8 418 867	32 379 524	41 130 802
Other loans	1 800 000	17 612 693	704 369	120 586	18 532 714
Factoring receivables	2 047 243	-	687 790	10 406	2 954 347
Accrued interest receivable	61 037	32 109	431 113	135 184	668 225
Non-performing loans	810	-	2 754 957	2 213 734	4 969 501
Sub-standard loans	-	-	1 540	577 732	504 895
Doubtful loans	-	-	836 886	544 464	1 381 350
Impaired loans	810	-	1 916 531	1 091 538	2 672 810
TOTAL	11 785 370	19 209 882	55 574 736	46 137 888	129 799 799



BREAKDOWN OF TRADING, AVAILABLE-FOR-SALE AND INVESTMENT SECURITIES BY ISSUER CATEGORY

(MAD thousands)

	Credit and similar Institutions	Public sector Issuers	Private sector issuers		TOTAL 31/12/2022	TOTAL 31/12/2021
			Financial companies	Non-financial companies		
Listed securities	-	4 427 612	-	1 522 355	5 949 968	4 357 169
Treasury bonds and similar assets	-	3 731 976	-	-	3 731 976	4 202 183
Bonds	-	695 636	-	1 522 355	2 217 991	-
Other debt securities	-	-	-	-	-	147 881
Equity securities	-	-	-	-	-	7 105
Sukuk certificates	-	-	-	-	-	-
Unlisted securities	49 850	33 312 401	15 006 660	2 335 714	50 704 624	42 267 022
Treasury bonds and similar assets	-	32 314 627	-	-	32 314 627	15 525 257
Bonds	-	681 500	864 835	209 435	1 755 770	4 190 163
Other debt securities	49 850	-	-	75 726	125 576	-
Equity securities	-	-	14 070 891	1 926 733	15 997 624	22 486 609
Sukuk certificates	-	-	-	20 073	20 073	39 627
Accrued interest	-	316 274	70 933	103 747	490 954	25 366
TOTAL	49 850	37 740 013	15 006 660	3 858 069	56 654 592	46 624 191

BREAKDOWN OF TRADING, AVAILABLE-FOR-SALE AND INVESTMENT SECURITIES BY VALUE

(MAD thousands)

	Gross carrying amount	Current value	Redemption price	Unrealised capital gains	Unrealised capital losses	Provisions
Trading securities	42 788 658	42 788 658	-	-	-	-
Treasury bonds and similar assets	26 759 851	26 759 851	-	-	-	-
Bonds	62 971	62 971	-	-	-	-
Other debt securities	49 850	49 850	-	-	-	-
Equity securities	15 895 911	15 895 911	-	-	-	-
Sukuk certificates	20 075	20 075	-	-	-	-
Available-for-sale securities	1 226 423	1 221 174	1 221 174	-	-	5 250
Treasury bonds and similar assets	977 918	972 801	972 801	-	-	5 117
Bonds	-	-	-	-	-	-
Other debt securities	75 726	75 726	75 726	-	-	-
Equity securities	172 779	172 647	172 647	-	-	132
Investment securities	12 644 762	12 644 762	10 072 247	181 898	2 754 413	-
Treasury bonds and similar assets	8 630 225	8 630 225	8 113 347	-	516 878	-
Bonds	4 014 537	4 014 537	1 958 900	181 898	2 237 535	-
Other debt securities	-	-	-	-	-	-
TOTAL	56 659 844	56 654 593	11 293 421	181 898	2 754 413	5 250

DETAILS OF OTHER ASSETS

(MAD thousands)

ASSETS	31/12/2022	31/12/2021
Options purchased	-29 347	-3 309
Miscellaneous securities transactions	113 154	348 759
Miscellaneous accounts receivable	1 542 557	1 203 147
Amounts due from government	1 352 634	1 008 847
Amounts due from pensions and life insurance providers	-	-
Miscellaneous amounts due from employees	138 682	129 269
Amounts due from customers for non-banking services	-	-
Other miscellaneous accounts receivable	51 241	65 032
Other miscellaneous assets	3 231 775	3 173 392
Accrual accounts	3 215 072	3 109 629
Adjustment accounts for off-balance sheet transactions	242 683	154 462
Equivalence off-balance sheet foreign exchange position account	242 683	154 462
Equivalence off-balance sheet derivative instrument position account	-	-
Equivalence off-balance sheet securities position account	-	-
Foreign currency and securities exchange differences accounts	419	258
Derivative hedging instruments	-	-
Expenses deferred over a number of years	90 390	121 869
Liaison accounts between head office, branch offices and branches in Morocco	253 280	257 193
Accrued income and prepaid expenses	898 920	1 076 467
Accrued income	461 431	431 124
Prepaid expenses	437 489	645 343
Clearing account for accounts receivable	1 729 380	-
Other accrual accounts	-	1 499 380
Non performing loans on miscellaneous transactions	-	-
TOTAL	8 073 211	7 831 618

SUBORDINATED DEBTS

(MAD thousands)

	Amount			Including associates and related Companies	
	Gross	31/12/2022 Provisions	Net	31/12/2021 Net	31/12/2022 Net
Subordinated loans to credit and similar institutions	199 866		199 866	195 925	199 866
Subordinated loans to customers	0		-		
TOTAL	0		199 866		



INVESTMENTS IN ASSOCIATES AT 31 DECEMBER 2022

(MAD thousands)

Issuing company name	Business sector	Number of shares	Share capital	Equity interest (%)	Overall acquisition price	Provisions	Net carrying amount
INVESTMENTS IN ASSOCIATES							
TANGER MED ZONES	Development company	821 877	906 650 000	9.06	82 188	-	82 188
RADIO MEDITERRANEE	Audio-visual	708 260	196 650 000	36.02	70 827	-	70 827
CASABLANCA FINANCE CITY AUTHORITY	Casablanca Financial Centre management company	500 000	500 000 000	10.00	50 000	-	50 000
ECOPARC DE BERRECHID	Development company	120 000	55 000 000	21.82	12 000	-	12 000
CENTRE MONETIQUE INTERBANCAIRE	Electronic payments management company	109 990	98 200 000	11.20	11 000	-	11 000
Fonds de garantie de la commande publique	Investment fund	100 000	115 000 000	8.70	10 000	-	10 000
MOROCCAN INFORMATION TECHNO PARC CIE	Real estate management	55 500	46 000 000	12.28	5 650	-	5 650
BAB CONSORTIUM	Pharmaceutical company	33 332	10 000 000	33.33	3 333	-	3 333
BMCE Capital Real Estate	Real estate management	12 495	5 000 000	24.99	1 250	-	1 250
MARTKO (MAGHREB ARAB TRADING C')	Financial institution	12 000	600 000 USD	20.00	971	971	0
MITC CAPITAL	MNF Fund manager	4 000	2 000 000	20.00	400	400	0
STE RECOURS	Debt collection	3 750	2 500 000	15.00	375	375	0
311 INVESTMENTS IN ASSOCIATES					247 988	1 746	246 242
INVESTMENTS IN RELATED COMPANIES							
BOA Group	Foreign credit institution	435 192	93 154 535 €	72.41	3 021 844	-	3 021 844
BANK OF AFRICA UK	Foreign credit institution	102 173 261	102 173 261 £	100.00	1 286 259	-	1 286 259
O TOWER	Consumer loans	9 600 000	2 000 000 000	48.00	960 000	-	960 000
BANK OF AFRICA EUROPE	Real estate	666 149	40 635 089.00	100.00	892 736	-	892 736
STE SALAFIN	Leasing	1 935 692	312 411 900	61.96	707 410	-	707 410
LITTORAL INVEST	Vehicle leasing	26 000	2 600 000	100.00	450 000	-	450 000
MAGHREBAIL	Shipping	726 220	138 418 200	52.47	370 770	-	370 770
OCCASOM	Development company	784 768	83 042 900	94.50	336 882	-	336 882
BANK AL-TAMWEEL WA AL-INMA - BTI	Participatory banking	2 540 000	450 000 000	56.44	254 000	-	254 000
AFRICA MOROCCO LINKS	Foreign credit institution	2 346 000	460 000 000	51.00	234 600	30 000	204 600
BOA UGANDA	Foreign credit institution	22 176 454	46 775 206 000 UGX	47.41	155 519	-	155 519
BANQUE DE DEVELOPPEMENT DU MALI	Real estate	121 726	50 000 268 220 FCFA	100.00	140 751	-	140 751
SOCIETE D'AMENAGEMENT TANGER TECH - SA-TT	Investment banking	1 249 996	500 000 000	25.00	125 000	-	125 000
HANOUTY	Engineering consultancy	93 624	20 399 000	45.90	123 529	123 529	0
BMCE CAPITAL	Foreign credit institution	100 000	100 000 000	100.00	100 000	-	100 000
STE CONSEIL INGENIERIE ET DEVELOPPEMENT	Hospitality	155 437	40 000 000	38.85	90 192	-	90 192
RYAD ALNOUR	Development company	5 000	500 000	100.00	78 367	-	78 367
LCB BANK	Factoring	565 300	14 940 000 000 FCFA	39.42	111 618	-	111 618
BMCE CASH	Data processing	369 996	37 000 000	99.99	53 000	-	53 000
MAROC FACTORING	Financial institution	450 000	45 000 000	100.00	51 817	-	51 817
GLOBAL NETWORK SYSTEMS HOLDING	Financial institution	116 000	11 600 000	100.00	46 591	-	46 591
BMCE EUROSERVICES	Real estate investment	3 768	4 891 000 €	76	42 048	-	42 048
BMCE IMMOBILIER	Debt collection	200 000	20 000 000	100.00	29 700	-	29 700
RM EXPERT	Services	200 000	20 000 000	100.00	20 000	-	20 000
DOCPURINT (STA)	Insurance and services	50 000	5 000 000	100.00	19 000	-	19 000
ACHAR	Securities brokerage	100 000	50 000 000	20.00	10 001	-	10 001
BMCE CAPITAL BOURSE (maroc inter titres)	Financial institution	67 500	10 000 000	67.50	6 750	-	6 750
BMCE CAPITAL GESTION (marfin)	Mutual fund management	250 000	25 000 000	100.00	6 443	-	6 443
STE FINANCIERE Italie	IT services	600 000	600 000 EURO	100.00	6 696	6 696	0
OPERATION GLOBAL SERVICES SA OGS	Insurance	50 000	5 000 000	100.00	5 000	-	5 000
Eurafic Information	Back-office services	41 000	10 000 000	41.00	4 100	-	4 100
BMCE ASSURANCES	IT services	15 000	1 500 000	100.00	3 025	-	3 025
IT International service	Real estate development	3 100	31 000 EURO	100.00	346	346	0
AKENZA IMMO	Real estate development	100	10 000	100.00	10	-	10
SAISS IMMO NEJMA	Real estate development	100	10 000	100.00	10	-	10
SUX HILL PRIMERO	Real estate development	100	10 000	100.00	10	-	10
SUX HILL SECONDO	Real estate development	100	10 000	100.00	10	-	10
SUX HILL TERCIO	Real estate development	100	10 000	100.00	10	-	10
NOUACER CITY IMMO	Real estate development	100	10 000	100.00	10	-	10
MOHIT IMMO	Real estate development	100	10 000	100.00	10	-	10
PARACHA IMMO	Real estate development	100	10 000	100.00	10	-	10
KRAKER IMMO	Real estate development	100	10 000	100.00	10	-	10
BERLY IMMO	Real estate development	100	10 000	100.00	10	-	10
ERRAHA NAKHIL	Real estate development	100	10 000	100.00	10	-	10
GOLÉPRIME IMMO	Real estate development	100	10 000	100.00	10	-	10
JASPE IMMO	Real estate development	100	10 000	100.00	10	-	10
MAADEN SECONDO	Real estate development	100	10 000	100.00	10	-	10
MONET IMMO	Real estate development	100	10 000	100.00	10	-	10
SALAM PRIMERO	Real estate development	100	10 000	100.00	10	-	10
VILLASUGAN IMMO	Real estate development	100	10 000	100.00	10	-	10
DENIM PRIMERO 1	Real estate development	100	10 000	100.00	10	-	10
IKAMAT TILILA	Real estate development	1 000	100 000	100.00	0	-	0
512 INVESTMENTS IN RELATED COMPANIES					9 744 166	180 570	9 563 596
INVESTMENT SECURITIES							
PROPARCO	International credit institution	1 263 425	984 373 280 EUR	2.05	179 044	-	179 044
E.S.F.G.	Foreign credit institution	923 105	207 075 338 EUR	0.45	177 926	177 926	0
E.S.I	Foreign credit institution	467 250	500 400 000 EUR	0.93	153 165	-	153 165
UBAE ARAB ITALIAN BANK	Foreign credit institution	63 032	261 185 870 EUR	2.65	73 922	19 177	54 745
AMETHIS FINANCE Luxembourg	Private equity	3 644	173 797 226 EUR	2.10	40 651	-	40 651
BOURSE DE CASABLANCA	Private equity	310 014	387 517 900	8.00	21 373	-	21 373
BANQUE MAGHREBINE D'INVEST ET DU COMMERCE EXT	Stock exchange	6 000	150 000 000 USD	4.00	31 343	-	31 343
AMETHIS II	Investment fund	2 503	193 305 120 EUR	1.33	40 124	-	40 124
MAROC NUMERIC FUND	Investment fund	63 785	25 514 000	20.00	12 000	6 897	5 103
FONDS D'INVESTISSEMENT DE L'ORIENTAL	Credit institution	107 500	150 000 000	7.17	10 750	5 395	5 355
MAROC NUMERIC FUND II	Credit institution	156 862	80 000 000	19.61	13 725	-	13 725
SEAF MOROCCO GROWTH FUND	Investment fund	114 623	180 000 000	6.37	10 318	-	10 318
INMAA SA	Services	53 333	20 000 000	26.67	5 333	2 323	3 010
AFREXIM BANK (African Import Export)	Foreign credit institution	30	583 524 000 USD	0.020	3 222	-	3 222
FONDS MONETAIRE ARABE (ARAB TRADE FINANCING PROGRAM)	Financial institution	50	986 635 000 USD	0.03	3 134	-	3 134
AZUR FUND	Investment fund	96 279	226 000 000	4.26	3 487	-	3 487
PIROGEST	Investment fund	2 500	2 000 000	12.50	250	-	250
SOCIETE MAROCAINE DE GESTION DES FONDS	Guarantee fund management company	1 987	3 380 000	5.88	59	-	59
DE GARANTIE BANCAIRE					789 890	964 864	484 946
OTHER INVESTMENTS							
CFG GROUP	Investment banking	285 065	559 173 300	5.10	103 997	-	103 997
Mutandis SCA	Investment fund	832 458	799 673 700	10.41	96 807	-	96 807
Mutandis AUTOMOBILE SCA	Car dealership	846 892	630 000 000	13.44	91 359	74 238	17 122
ROYAL BANCHES MARRAKECH	Real estate development and tourism	106 667	800 000 000	13.33	60 000	-	60 000
SOGEPOS	Development company	46 216	35 000 000	13.20	4 622	-	4 622
LA CELLULOSE DU MAROC	Pulp and paper	52 864	700 484 000	0.75	3 393	3 393	0
SMAEX	Insurance and services	22 563	50 000 000	4.51	1 690	-	1 690
FRUMAT	Agribusiness	4 000	13 000 000	3.08	1 450	1 450	0
STE IMMOBILIERE SIEGE GPBM	Real estate	12 670	19 005 000	6.67	1 267	-	1 267
STE D'AMENAGEMENT DU PARC INDUSTRIE MAROCCLEAR	Development company	10 000	60 429 000	1.65	1 000	-	1 000
Central custodian		803	100 000 000	4.02	803	-	803
STE IPE	Printing and publishing	8 013	10 000 000	8.01	801	-	801
CASABLANCA PATRIMOINE S.A	Local development	5 000	31 000 000	1.61	500	-	500
DECOTEX	Manufacturing	5 000	10 000 000	5.00	500	500	0
SOCIETE ALLICOM MAROC	Manufacturing	5 000	20 000 000	2.50	500	500	0
PORNET	IT services	1 800	11 326 800	1.59	180	-	180
SINCOMAR	Agribusiness	494	37 440 000	0.13	49	49	0
SWIFT	Services	23	434 020 000 EUR	0.01	24	-	24
DYAR AL MADINA	Real estate	640	20 000 000	0.32	3	-	3
RMA	Insurance	5	1796 170 800	0.00	2	-	2
RISMA	Tourism	10	1 432 694 700	0.00010	2	-	2
518-6 OTHER INVESTMENTS					368 966	80 191	288 775
ASSOCIATES CURRENT ACCOUNTS							
BAB CONSORTIUM					782 504	-	782 504
RYAD ENNOUR					501 301	-	501 301
O TOWER					371 121	-	371 121
PARACHA IMMO					306 718	-	306 718
KRAKER IMMO					117 523	-	117 523
SAISS IMMO NEJMA					115 963	-	115 963
IT International Service ITIS					53 564	53 564	0
SUX HILL SECONDO					51 131	-	51 131
SUX HILL TERCIO					46 999	-	46 999
GOLÉPRIME IMMO					37 892	-	37 892
SUX HILL PRIMERO					25 904	-	25 904
SUX HILL TERCIO					17 257	-	17 257
GOLÉPRIME IMMO					10 730	-	10 730
MOHIT IMMO					5 629	-	5 629
ECO PARC					4 738	-	4 738
BMCE CASH					2 500	-	2 500
MARTCO					1 500	1 500	0
Siege GPBM					723	-	723
ALLICOM MAROC					552	552	0
NOUACER CITY IMMO					65	-	65
MONET IMMO					32	-	32
SALAM PRIMERO					32	-	32
ERRAHA NAKHIL					32	-	32
DENIM PRIMERO 1					32	-	32
VILLASUGAN IMMO					32	-	32
BERLY IMMO					32	-	32
MAADEN SECONDO					32	-	32
514 SIMILAR INVESTMENTS					2 464 690	65 616	2 399 074
TOTAL					19 806 484	682 947	19 123 537

LEASED AND RENTED ASSETS WITH PURCHASE OPTION

(MAD thousands)

	Gross amount at beginning of the year	Acquisitions during the year	Disposals or withdrawals during the year	Adjustment	Gross Amount at end of year	Amortisation for the year	Depreciation Amortisation for the year	Provisions Write-backs	Accumulated provisions	Net amount at end of year
Leased and rented assets with purchase option	238 508	210 660	1 060	5 302	453 409	12 780	83 555	-	-	369 855
Leased intangible assets	6 310	-	-	386	6 696	816	3 314	-	-	3 381
Leasing of movable assets	79 595	209 600	-	342	289 537	2 616	54 944	-	-	284 592
Movable assets under lease	5 595	-	-	342	5 937	-	-	-	-	5 937
Leased movable assets	74 000	209 600	-	-	283 600	2 616	54 944	-	-	228 656
Unleased movable assets after cancellation	-	-	-	-	-	-	-	-	-	-
Leasing of immovable assets	151 543	-	-	4 574	156 117	9 349	25 296	-	-	130 821
Immovable assets under lease	-	-	-	-	-	-	-	-	-	-
Leased immovable assets	151 543	-	-	4 574	156 117	9 349	25 296	-	-	130 821
Unleased immovable assets after cancellation	-	-	-	-	-	-	-	-	-	-
Rent pending receipt	1 060	1 060	1 060	-	1 060	-	-	-	-	1 060
Restructured rents	-	-	-	-	-	-	-	-	-	-
Rent arrears	-	-	-	-	-	-	-	-	-	-
Non-performing loans	-	-	-	-	-	-	-	-	-	-
Assets leased under operating leases	-	-	-	-	-	-	-	-	-	-
Movable property under operating leases	-	-	-	-	-	-	-	-	-	-
Immovable property under operating leases	-	-	-	-	-	-	-	-	-	-
Rent pending receipt	-	-	-	-	-	-	-	-	-	-
Restructured rents	-	-	-	-	-	-	-	-	-	-
Rent arrears	-	-	-	-	-	-	-	-	-	-
Non-performing loans	-	-	-	-	-	-	-	-	-	-
TOTAL	238 508	210 660	1 060	5 302	453 409	12 780	83 555	-	-	369 855

INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

(MAD thousands)

	Gross amount at beginning of year	Gross reclassification during the year / Other changes	Acquisitions during the year	Disposals or withdrawals during the year	Gross amount at end of year	Amortisation and/or provisions at beginning of year	Amortisation reclassification during year / Other changes	Amortisation for the year	Provisions removed asset	Accumulated amortisation	Net amount at end of year
Intangible assets	1 445 955	664	327 535	821 344	952 810	731 951	646	44 693	264 238	513 052	439 757
Lease rights	97 050	61	-	650	96 460	-	-	-	-	-	96 460
Research and development	-	-	-	-	-	-	-	-	-	-	-
Other intangible assets used in operations	1 348 905	603	327 535	820 694	856 349	731 951	646	44 693	264 238	513 052	343 297
Intangible assets not used in operations	-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment used in operations	6 927 267	746	331 302	136 832	7 122 482	4 290 057	649	186 662	104 552	4 372 817	2 749 666
Buildings used in operations	2 181 588	-	186 822	94 714	2 273 697	407 233	-	30 129	79 015	358 348	1 915 349
Land used in operations	232 947	-	54	3 124	229 878	-	-	-	-	-	229 878
Buildings used in operations - Offices	1 948 641	-	186 768	91 590	2 043 819	407 233	-	30 129	79 015	358 348	1 685 472
Buildings used in operations - Staff accommodation	-	-	-	-	-	-	-	-	-	-	-
Movable property and equipment used in operations	2 033 528	494	103 823	5 779	2 132 005	1 796 659	347	57 481	1 723	1 852 765	279 241
Office furniture used in operations	525 606	231	52 892	3 326	575 404	422 832	234	13 734	1 300	435 500	139 903
Office equipment used in operations	225 471	59	5 146	-	230 676	213 093	57	6 069	-	219 219	11 457
IT equipment	1 093 081	143	45 569	38	1 138 756	1 000 559	56	30 060	26	1 030 648	108 108
Vehicles used in operations	81 765	-	122	2 416	79 472	64 972	-	5 325	397	69 901	9 571
Other equipment used in operations	107 604	-	94	-	107 698	95 204	-	2 293	-	97 497	10 201
Other property, plant and equipment not used in operations	2 166 116	343	29 655	36 340	2 159 775	1 823 859	302	80 188	23 814	1 880 535	279 240
Property, plant and equipment not used in operations	546 035	-31	11 001	-	557 004	262 306	-	18 863	-	281 169	275 835
Land not used in operations	711 29	-	-	-	711 29	-	-	-	-	-	71 129
Buildings not used in operations	325 501	-	-	-	325 501	137 792	-	13 696	-	151 488	174 013
Movable property and equipment not used in operations	66 616	-	3 352	-	69 968	55 825	-	2 118	-	57 943	12 025
Other property, plant and equipment not used in operations	82 789	-31	7 649	-	90 407	68 688	-	3 049	-	71 738	18 669
TOTAL	8 373 222	1 409	658 837	958 176	8 075 292	5 022 008	1 295	231 355	368 790	4 885 869	3 189 423



GAINS OR LOSSES ON THE DISPOSAL OR WITHDRAWAL OF PROPERTY, PLANT OR EQUIPMENT

(MAD thousands)

Sale or withdrawal date	Type	Gross amount	Accumulated depreciation / amortisation	Net carrying amount	Income from disposals	Capital gain on disposals	Capital losses on disposal
31/03/2022	Leaseback – All IT programmes and solutions	747 359	264 238	483 122	483 122	-	-
31/08/2022	Contribution in kind REIT	124 534	97 685	26 849	311 768	284 919	-
05/12/2022	Sale-leaseback	4 798	4 211	587	200	-	387
11/11/2022	Retail store	1 599	932	667	1 900	1 237	4
26/04/2022	Operating equipment	1 300	1 300	- 0	130	130	-
31/07/2022	Rolling stock	1 171	217	954	954	-	-
30/06/2022	Rolling stock	1 100	178	922	921	-	1
28/09/2022	Sale-leaseback	500	-	500	350	-	150
19/09/2022	Retail store	272	1	272	1 500	1 228	-
01/01/2022	Rolling stock	52	0	51	52	0	-
10/01/2022	IT equipment	38	27	11	-	-	11
27/05/2022	Rolling stock	16	-	16	16	-	-
11/04/2022	Rolling stock	14	-	14	14	-	-
03/01/2022	Rolling stock	13	1	12	13	1	-
17/06/2022	Rolling stock	12	-	12	12	-	-
26/08/2022	Rolling stock	11	-	11	11	-	-
03/01/2022	Rolling stock	9	0	9	9	0	-
30/09/2022	Rolling stock	9	-	9	9	-	-
27/05/2022	Rolling stock	6	-	6	6	-	-
18/02/2022	Rolling stock	4	-	4	4	-	-
TOTAL		882 816	368 790	514 026	800 989	287 516	553

AMOUNTS DUE TO CREDIT AND SIMILAR INSTITUTIONS

(MAD thousands)

Accounts payable	Bank Al-Maghrib Public Treasury and postal cheque centre	Banks in Morocco	Other credit and similar institutions in Morocco	Credit institutions overseas	TOTAL 31/12/2022	TOTAL 31/12/2021
Current accounts in credit	-	94 610	722 099	2 053 905	2 870 614	1 960 442
Repurchase agreements	20 278 695	1 399 982	4 336 467	1 353 763	27 368 907	25 887 789
Overnight	-	-	144 902	-	144 902	-
Fixed-term	20 278 695	1 399 982	4 191 565	1 353 763	27 224 005	25 887 789
Cash borrowings	2 059 000	4 455 691	375 000	2 761 165	9 650 856	10 078 749
Overnight	-	703 955	375 000	-	1 078 955	1 078 733
Fixed-term	2 059 000	3 751 736	-	2 761 165	8 571 901	9 000 016
Financial borrowings	-	87 332	15 790	1 317 601	1 420 723	2 309 147
Other debts	9 306	398	139 131	-	148 835	317 062
Accrued interest payable	45 990	15 899	5 857	6 439	74 186	28 003
TOTAL	22 392 991	6 053 913	5 594 344	7 492 872	41 534 120	40 581 191

CUSTOMER DEPOSITS

(MAD thousands)

	Public sector	Financial companies	Private sector Non financial companies	Other companies	TOTAL 31/12/2022	TOTAL 31/12/2021
Sight deposit accounts in credit	6 428 756	2 555 837	21 961 491	70 059 310	101 005 394	91 384 760
Saving accounts	-	-	-	27 072 118	27 072 118	25 882 621
Fixed-term deposits	2 649 358	4 812 867	2 944 469	12 827 244	23 233 938	19 219 191
Other accounts in credit	172 040	206 367	2 655 996	1 283 631	4 318 034	4 761 185
Accrued interest payable	25 277	43 905	31 904	157 415	258 501	306 449
TOTAL	9 275 431	7 618 976	27 593 860	111 399 718	155 887 985	141 554 206

DEBT SECURITIES ISSUED

(MAD thousands)

Issue	Issue date	Maturity	Interest rate	Volume
CD BOA	16/01/2020	16/01/2023	2,72%	200 000,00
CD BOA	26/04/2021	26/04/2023	1,99%	865 000,00
CD BOA	26/04/2021	26/04/2024	2,13%	1 050 000,00
CD BOA	06/05/2021	06/05/2023	2,00%	420 000,00
CD BOA	06/05/2021	06/05/2024	2,13%	420 000,00
CD BOA	18/10/2021	18/10/2023	2,03%	325 100,00
CD BOA	18/10/2021	18/10/2024	2,18%	107 500,00
CD BOA	18/10/2021	18/10/2026	2,48%	613 700,00
CD BOA	25/01/2022	24/01/2023	1,84%	400 000,00
CD BOA	26/04/2022	25/04/2023	1,91%	1 000 000,00
CD BOA	30/11/2022	01/03/2023	3,00%	1 000 000,00
			TOTAL	6 401 300

DETAILS OF OTHER LIABILITIES

(MAD thousands)

LIABILITIES	31/12/2022	31/12/2021
Options sold	- 26 653	25 140
Miscellaneous securities transactions	2 881 203	87 235
Miscellaneous accounts payable	1 736 268	1 450 905
Amounts due to government	1 407 887	1 184 536
Amounts due to pensions and life insurance providers	56 031	48 798
Miscellaneous amounts due to employees	211 216	188 410
Miscellaneous amounts due to shareholders and associates	44	35
Amounts due to providers of goods and services	- 69 534	- 48 285
Other miscellaneous accounts payable	130 625	77 411
Accrual accounts	2 922 478	2 202 967
Adjustment accounts for off-balance sheet transactions	216 467	165 401
Foreign currency and securities exchange differences accounts	-	-
Derivative hedging instruments	-	-
Liaison accounts between head office, branch offices and branches in Morocco	289 847	9 507
Accrued expenses and deferred income	530 575	376 077
Other accrual accounts	1 885 588	1 651 982
TOTAL	7 513 296	3 766 247



PROVISION

(MAD thousands)

	Outstandings 31/12/2021	Additional provisions	Write- back	Other changes	Outstanding 31/12/2022
Provisions deducted from Assets:	7 439 223	1 207 895	534 819	28 559	8 140 858
Loans and advances to credit and similar institutions	5	-	5	-	-
Loans and advances to customers	6 721 621	1 202 644	456 076	794	7 468 983
Bank charges for loan repayment arrears	3 676	-	-	-	3 676
Available-for-sale securities	73 488	5 251	77 589	4 101	5 251
Investments in associates and similar assets	640 433	-	1 149	23 664	662 948
Lease-financed non-current assets	-	-	-	-	-
Investment securities	-	-	-	-	-
Provisions recorded under Liabilities	1 691 657	220 260	194 648	152	1 717 421
Provisions for signature loan execution risk	25 738	1 243	170	-	26 811
Provisions for foreign exchange risk	-	-	-	-	-
General provisions	1 170 403	153 074	63 000	-	1 260 477
Provisions for pension and similar obligations	-	-	-	-	-
Other provisions	98 781	61 252	125	152	160 060
Statutory provisions	396 735	4 691	131 353	-	270 073
TOTAL	9 130 880	1 428 155	729 467	28 711	9 858 279

SUBORDINATED DEBTS

(MAD thousands)

Issuing Currency	Amount issued	Exchange rate	Interest rate	Term	Early redemption clause, ranking and convertibility	Amount issued in local currency (equivalent value in MAD K)
MAD	150 000	1	6,95%	Perpetual		150 000
MAD	850 000	1	4,30%	Perpetual		850 000
MAD	950 000	1	3,75%	Perpetual		950 000
MAD	50 000	1	5,30%	Perpetual		50 000
MAD	200 000	1	7,05%	Perpetual		200 000
MAD	800 000	1	5,01%	Perpetual		800 000
MAD	910 000	1	4,58%	Perpetual		910 000
MAD	90 000	1	4,63%	Perpetual		90 000
MAD	500 000	1	5,09%	Perpetual		500 000
MAD	160 000	1	6,18%	10 years		160 000
MAD	50 000	1	6,18%	10 years		50 000
MAD	790 000	1	2,84%	10 years		790 000
MAD	154 500	1	5,64%	10 years		154 500
MAD	845 500	1	3,27%	10 years		845 500
MAD	626 000	1	4,74%	10 years		626 000
MAD	1 374 000	1	2,86%	10 years		1 374 000
MAD	447 200	1	3,74%	10 years		447 200
MAD	78 900	1	3,74%	10 years		78 900
MAD	1 473 900	1	2,66%	10 years		1 473 900
MAD	400 000	1	3,74%	10 years		400 000
MAD	1 000 000	1	2,57%	10 years		1 000 000
						11 900 000

SHAREHOLDER'S EQUITY

(MAD thousands)

	Outstandings 31/12/2021	Appropriation of income	Other changes	Outstanding 31/12/2022
Revaluation reserve	-	-	-	-
Reserves and premiums related to share capital	17 236 350	-	651 643	17 887 993
Statutory reserve	460 306	-	-	460 306
Other reserves	7 674 078	-	50 639	7 724 716
Additional paid-in capital	9 101 966	-	601 004	9 702 970
Share capital	2 056 066	-	31 632	2 087 698
Called-up share capital	2 056 067	-	31 631	2 087 698
Uncalled share capital	-	-	-	-
Investment certificates	-	-	-	-
Fund for general banking risk	-	-	-	-
Shareholders - unpaid share capital	-	-	-	-
Retained earnings (+/-)	20	-	45	65
Net income awaiting appropriation (+/-)	-	-	-	-
Net income for the year (+/-)	1 500 873	-	-	1 525 093
TOTAL	20 793 309	-	-	21 500 849

FINANCING AND GUARANTEE COMMITMENTS

(MAD thousands)

COMMITMENTS	31/12/2022	31/12/2021
Financing and guarantee commitments given	25 668 611	21 921 582
Financing commitments given to credit and similar institutions	200 370	239 827
Import documentary credits	-	-
Payment undertakings and acceptances	-	-
Confirmed credit line openings	200 370	239 827
Substitution commitments on securities issuance	-	-
Irrevocable leasing commitments	-	-
Other financing commitments given	-	-
Financing commitments given to customers	8 921 779	6 840 594
Import documentary credits	3 694 350	2 491 675
Payment undertakings and acceptances	1 432 161	1 629 932
Confirmed credit line openings	2 909 233	1 316 652
Substitution commitments on securities issuance	-	-
Irrevocable leasing commitments	-	-
Other financing commitments given	886 035	1 402 335
Guarantee commitments given to credit and similar institutions	5 370 037	4 455 476
Confirmed export documentary credits	431 554	6 968
Payment undertakings and acceptances	74 323	4 231
Loan guarantees given	-	-
Other sureties, pledges and guarantees given	501 682	558 253
Non-performing commitments	4 362 477	3 886 024
Guarantee commitments given to customers	11 176 425	10 385 685
Loan guarantees given	-	-
Sureties and guarantees given to government bodies	7 255 691	6 310 446
Other sureties and guarantees given	3 920 734	4 075 238
Non-performing commitments	-	-
Financing and guarantee commitments received	23 304 312	24 511 984
Financing commitments received from credit and similar institutions	-	-
Confirmed credit line openings	-	-
Substitution commitments on securities issuance	-	-
Other financing commitments received	-	-
Guarantee commitments received from credit and similar institutions	19 518 360	21 169 699
Loan guarantees	9 303 915	9 795 872
Other guarantees received	10 214 444	11 373 826
Guarantee commitments received from government and other guarantee institutions	3 785 953	3 342 285
Loan guarantees	3 785 953	3 342 285
Other guarantees received	-	-

SECURITIES COMMITMENTS

(MAD thousands)

	Amount
Given commitments	5 348 239
Securities acquired under a repurchase agreement	-
Other securities to be delivered	5 348 239
Received commitments	-
Securities sold under a repurchase agreement	-
Other securities to be received	-



FORWARD FOREIGN EXCHANGE TRANSACTIONS AND COMMITMENTS ON DERIVATIVES PRODUCTS

(MAD thousands)

	Holding transaction		Other transaction	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Forward foreign exchange transactions	44 002 596	30 233 137	-	-
Foreign currencies to be received	11 398 738	8 513 170	-	-
Dirhams to be delivered	3 646 291	2 788 722	-	-
Foreign currencies to be delivered	18 380 892	12 349 729	-	-
Dirhams to be received	10 576 675	6 581 517	-	-
<i>Of which currency swaps</i>	-	-	-	-
Commitments on derivatives products	2 831 586	3 526 854	-	-
Commitments on regulated interest rate markets	-	-	-	-
Commitments on OTC interest rate markets	2 272 035	2 765 690	-	-
Commitments on regulated foreign exchange markets	-	-	-	-
Commitments on OTC foreign exchange markets	6 757	49 516	-	-
Commitments on regulated markets for other instruments	97 669	246 520	-	-
Commitments on OTC markets for other instruments	455 125	465 129	-	-

ASSETS AND SURETIES RECEIVED AND GIVEN AS GUARANTEE

(MAD thousands)

Assets and sureties received as guarantee	Net carrying amount	Asset or Off-balance sheet entries in which loans and signature loans are given	Value of hedged loans and signature loans given
Treasury bonds and similar instruments	13 540 986		-
Other securities	7 136 372		-
Mortgages	114 973 498		-
Other forms of collateral	278 628 555		-
TOTAL	414 279 411		-

Assets and sureties given as guarantee	Net carrying amount	Asset or Off-balance sheet entries in which loans and signature loans are received	Value of hedged loans and signature loans received
Treasury bonds and similar instruments	22 337 695		-
Other securities	-		-
Mortgages	-		-
Other forms of collateral	776 934		-
TOTAL	23 114 629		-

BREAKDOWN OF ASSETS AND LIABILITIES BY RESIDUAL MATURITY

(MAD thousands)

	D < 1 month	1 month < D < 3 month	3 month < D < 1 year	1 an < D < 5 year	D > 5 year	TOTAL
ASSETS						
Loans and advances to credit and similar institutions	8 515 707	795 571	100 000	5 338 542	-	14 749 820
Loans and advances to customers	26 885	257 020	5 094 160	18 640 967	1 635 150	25 654 182
Leasing and similar	-	-	3 017 153	49 850	-	3 067 003
Debt securities	-	-	-	-	-	-
Subordinated loans	-	-	-	-	-	-
TOTAL	8 542 592	1 052 591	8 211 313	24 029 359	1 635 150	43 471 005
LIABILITIES						
Amounts due to credit and similar institutions	14 415 898	-	-	-	-	14 415 898
Amounts due to customers	-	-	420 025	-	-	420 025
Debt securities issued	-	-	-	-	-	-
Subordinated borrowings	-	-	-	-	-	-
TOTAL	14 415 898	-	420 025	-	-	14 835 923

CONCENTRATION RISK TO A SINGLE COUNTERPARTY

(MAD thousands)

Number of counterparties	Total amount of risks	Amount of risk exceeding 5% of capital		
		Disbursed loans	Signature loans	Amount of securities held of the beneficiary's share capital
17	54 412 282	40 752 762	5 741 688	607 074

BREAKDOWN OF TOTAL ASSETS, LIABILITIES AND OFF-BALANCE SHEET IN FOREIGN CURRENCY

(MAD thousands)

	AMOUNT
ASSETS	
Cash and balances at central banks, the Public treasury and postal cheque centre	288 020
Loans and advances to credit and similar institutions	29 116 041
Loans and advances to customers	10 872 556
Trading securities, available-for-sale securities and investment securities	6 580 438
Other assets	234 891
Investments in associates and similar assets	6 192 318
Subordinated loans	197 518
Leased and rented assets	76 207
Intangible assets and property, plant and equipment	1 602
LIABILITIES	38 479 367
Amounts due to central banks, the Public treasury and postal cheque centre	-
Amounts due to credit and similar institutions	29 074 846
Customer deposits	9 209 771
Debt securities issued	-
Other liabilities	194 750
Subsidies, public funds and special guarantee funds	-
Subordinated debt	-
OFF-BALANCE SHEET	13 188 535
Commitments given	8 114 542
Commitments received	5 073 993



NET INTEREST INCOME

(MAD thousands)

	31/12/2021	31/12/2020
Interest received	6 862 513	6 371 449
Interest and similar income from transactions with credit institutions	754 638	253 901
Interest and similar income from transactions with customers	5 390 943	5 498 366
Interest and similar income from debt securities	716 932	619 182
Interest paid	2 346 373	2 039 904
Interest and similar expenses from transactions with credit institutions	909 412	609 909
Interest and similar expenses from transactions with customers	882 199	851 876
Interest and similar expenses from debt securities	554 762	578 119

NON-PERFORMING CUSTOMER LOANS AT PARENT COMPANY LEVEL

(MAD thousands)

	31/12/2022		31/12/2021	
	Loans	Provisions	Loans	Provisions
Sub-standard loans	632 503	53 231	554 183	49 288
Doubtful loans	2 452 011	1 070 662	2 590 452	1 212 012
Impaired loans	9 353 969	6 345 090	8 133 135	5 460 325
TOTAL	12 438 483	7 468 982	11 277 770	6 721 626

INCOME FROM EQUITY SECURITIES

(MAD thousands)

SECURITIES TYPE	31/12/2022	31/12/2021
Investments in associates	8 219	7 716
Investments in related companies	596 715	796 052
Trading portfolio securities	6 720	146
Similar assets	95 333	79 861
TOTAL	706 987	883 775

FEES

(MAD thousands)

	31/12/2022	31/12/2021
Fees received	1 939 622	1 394 397
On transactions with credit institutions	-	-
On transactions with customers	449 884	435 013
On foreign exchange transactions	637 175	207 126
On primary market securities transactions	46 213	44 645
On derivatives products	-	-
On transactions in securities under management and custody	25 760	20 488
On means of payment	497 490	415 809
On other advisory and assistance services	-	-
On the sale of insurance products	50 537	53 169
On other services	232 562	218 146
Fees paid	778 180	352 655
On transactions with credit institutions	-	-
On transactions with customers	-	-
On foreign exchange transactions	278 865	102 309
On primary market securities transactions	-	-
On derivatives products	218	190
On transactions in securities under management and custody	370 653	150 633
On means of payment	128 444	99 523
On other advisory and assistance services	-	-
On the sale of insurance products	-	-
On other services	-	-

INCOME FROM MARKET TRANSACTIONS

(MAD thousands)

INCOME AND EXPENSES	31/12/2022	31/12/2021
Income	2 516 903	1 953 144
Gains on trading securities	1 020 527	1 012 074
Capital gains on disposal of available-for-sale securities	28 946	4 392
Impairment write-backs on available-for-sale securities	77 589	39 187
Gains on derivatives products	258 903	97 062
Gains on foreign exchange transactions	1 130 939	800 430
Expenses	1 982 114	1 012 341
Losses on trading securities	1 186 135	441 459
Capital losses on disposal of available-for-sale securities	26 755	4 534
Provisions for impairment of available-for-sale securities	5 251	73 488
Losses on derivatives products	208 433	168 809
Losses on foreign exchange transactions	555 541	324 051
NET INCOME FROM MARKET TRANSACTIONS	534 789	940 803

GENERAL OPERATING EXPENSES

(MAD thousands)

EXPENSES	31/12/2022	31/12/2021
Employee expenses	1 736 291	1 673 566
Taxes	77 991	80 689
External expenses	1 654 434	1 575 321
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	231 355	319 062

OTHER INCOME AND EXPENSES

(MAD thousands)

	31/12/2022	31/12/2021
Income and expenses		
Other banking income and expenses	96 245	501 930
Other banking income	3 154 130	2 160 313
Other banking expenses	3 057 885	1 658 383
Non-banking operating income and expenses	325 693	31 646
Non-banking operating income	357 589	165 316
Non-banking operating expenses	31 896	133 670
Other expenses		
Provisions and losses on irrecoverable loans	1 743 887	1 637 721
Other income		
Write-backs and amounts recovered on impaired loans	561 270	473 658



RECONCILIATION OF NET INCOME FOR ACCOUNTING AND TAX PURPOSES

(MAD thousands)

	Montant
I- Net income for accounting purposes	1 525 093
<i>Net profit</i>	
<i>Net loss</i>	
II- Tax write-backs	682 539
1- Current	275 636
Non-deductible expenses	125 636
General provisions	150 000
2- Non-current	406 903
Corporate income tax	406 903
Provision for REIT tax	-
III- Tax deductions	1 099 834
1- Current	
Dividends	620 562
2- Non-current	
PV REIT	479 272
VI- Net income for tax purposes	1 107 797
Corporate income tax	406 903
VI- Net income for tax purposes	

DETERMINING INCOME AFTER TAX FROM ORDINARY ACTIVITIES

(MAD thousands)

I- DETERMINING INCOME FROM ORDINARY ACTIVITIES	Montant
Income from ordinary activities as stated in the income statement	2 073 372
(+) Tax write-backs on ordinary activities	275 636
(-) Tax deductions on ordinary activities	620 562
(=) Theoretical taxable income from ordinary activities	1 728 445
(-) Theoretical tax on income from ordinary activities	639 525
(=) Income after tax from ordinary activities	1 433 847
II. SPECIFIC TAX TREATMENT AND BENEFITS GRANTED UNDER INVESTMENT CODES OR SPECIFIC LEGAL PROVISIONS	

DETAILS ABOUT VALUE ADDED TAX

(MAD thousands)

TYPE	Balance at beginning of year (1)	Transactions liable to VAT during the year (2)	VAT declarations for the year (3)	End-of-year closing balance (4=1+2-3)
A. VAT collected	90 597	716 917	718 725	88 790
B. Recoverable VAT	40 432	438 527	464 154	14 805
On expenses	20 758	349 133	355 604	14 287
On non-current assets	19 674	89 394	108 549	519
C. VAT due or VAT credit (A-B)	50 165	278 390	254 571	73 985

BREAKDOWN OF SHARE CAPITAL

Share capital:	2 087 698 270 DIRHAMS
Unpaid share capital:	-
Securities' nominal value:	10 DIRHAMS

(MAD thousands)

Name of the main shareholders or associates	Address	Number of shares		Voting rights (%)
		Preivous year	Current year	
A- MOROCCAN SHAREHOLDERS				
ROYALE MAROCAINE				
D'ASSURANCES	83, avenue des FAR 20000 - Casablanca	56 347 727	57 214 824	27,41%
O CAPITAL GROUP	Avenue Californie	14 840 339	14 955 000	7,16%
SOCIETE FINANCIERE	67, avenue de l'Armée Royale			
DU CREDIT DU MAGHREB	20000 - Casablanca	1 810 717	1 953 191	0,94%
CAISSE INTERPROFESSIONNELLE	100, Boulevard Abdelmoumen			
MAROCAINE DE RETRAITES	-20340- Casablanca	8 088 808	8 213 256	3,93%
CAISSE DE DEPOT ET DE GESTION	Place Moulay El Hassan			
	- ex Piétri -BP 408 - Rabat	17 108 805	17 351 202	8,31%
MAMDA/MCMA GROUP	Angle Avenue Mohammed VI			
	et rue Houmane El Fatouaki - Rabat	10 310 563	10 469 117	5,02%
BANK OF AFRICA EMPLOYEES		2 210 244	2 231 883	1,07%
CASABLANCA STOCK EXCHANGE AND OTHER		33 341 200	33 886 214	16,21%
TOTAL (1)		144 058 403	146 274 687	70,06%
B- FOREIGN SHAREHOLDERS				
BANQUE FEDERATIVE	4 rue Frédéric-Guillaume			
DU CREDIT MUTUEL	Raiffeisen, 67000 Strasbourg - France	50 492 025	51 268 825	24,56%
CDC GROUP PLC	123, Victoria Street, Londres			
	SW1E 6DE, Royaume-Uni	11 056 220	11 226 315	5,38%
TOTAL (2)		61 548 245	62 495 140	29,94%
TOTAL (1) + (2)		205 606 648	208 769 827	100,00%

APPROPRIATION OF INCOME EARNED DURING THE YEAR

(MAD thousands)

A. Origin of appropriated income	Amount	B. Appropriation of income	Amount
Decision of: 28 june 2022			
Retained earnings	20	To statutory reserves	-
Net income awaiting appropriation	-	To dividends	822 427
Net income for the year	1 500 872	Other allocations	678 465
Deduction from earnings	-		
Other deductions	-		
TOTAL A	1 500 892	TOTAL B	1 500 892



INCOME AND OTHER ITEMS FOR THE LAST THREE YEARS

(MAD thousands)

	31/12/2022	31/12/2021	31/12/2020
Shareholders' equity and similar	33 601 517	31 390 520	29 943 306
Transactions and income for the year	-	-	-
Net banking income	6 630 368	6 907 404	6 300 631
Pre-tax income	1 931 997	2 010 343	998 994
Corporate income tax	406 902	509 470	274 812
Dividend distribution	822 427	1 028 033	999 102
Undistributed income (allocated to reserves or awaiting appropriation)	678 465	-	372 800
Per share information (MAD)	-	-	-
Earnings per share	7	7	4
Dividend per share	4	5	5
Staff	-	-	-
Gross remuneration for the year	1 736 291	1 673 566	1 553 520
Average number of staff employed during the year	4 671	4 985	5 038

KEY DATES AND EVENTS AFTER THE REPORTING PERIOD

(MAD thousands)

I- DATATION	
Balance sheet date (1)	31/12/2022
Date for drawing up the financial statements (2)	
(1) Reason in the event of any change to the balance sheet date	
(2) Reason in the event that the statutory 3-month period for drawing up the financial statements is exceeded	
II. EVENTS AFTER THE END OF THE REPORTING PERIOD UNRELATED TO THIS FINANCIAL YEAR KNOWN PRIOR TO INITIAL PUBLICATION OF THE FINANCIAL STATEMENTS	
Dates	Indications des événements
	Favorables
	Défavorables

STAFF NUMBERS

(In number)

	31/12/2022	31/12/2021
Salaried staff	4 671	4 985
Staff in employment	4 671	4 985
Equivalent full-time staff	4 671	4 985
Administrative and technical staff (full-time equivalent)	-	-
Banking staff (full-time equivalent)	-	-
Managerial staff (full-time equivalent)	4 614	4 841
Other staff (full-time equivalent)	57	144
Of which overseas staff	55	56

SECURITIES AND OTHER ASSETS UNDER MANAGEMENT OR CUSTODY

(MAD thousands)

	Number of accounts		Amounts	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Securities for which the institution is custodian	41 601	39 946	232 769 376	267 640 740
Securities managed under a discretionary mandate	-	-	-	-
Mutual fund securities for which the institution is custodian	92	93	106 634 093	133 494 580
Mutual fund securities managed under a discretionary mandate	-	-	-	-
Other assets for which the institution is custodian	-	-	-	-
Other assets managed under a discretionary mandate	-	-	-	-

BRANCH NETWORK

(In number)

	31/12/2022	31/12/2021
Permanent counters	681	703
Occasional counters	-	-
Cash dispensers and ATMs	835	846
Overseas branches	27	36
Overseas representative offices	5	5

CUSTOMER ACCOUNTS

(In number)

	31/12/2022	31/12/2021
Current accounts	138 325	132 559
Checking accounts of Moroccans living abroad	185 682	192 860
Other checking accounts	1 301 673	1 285 185
Factoring accounts	-	-
Savings accounts	756 104	779 709
Fixed-term accounts	5 910	7 451
Certificates of deposit	174	876
Other deposit accounts	-	-



TANGIER OFFSHORE FINANCIAL STATEMENTS - BALANCE SHEET

(MAD thousands)

ASSETS	31/12/2022	31/12/2021
Cash and balances at central banks, the Public treasury and postal cheque centre	1 944	2 033
Loans and advances to credit and similar institutions	9 750 606	7 631 717
Sight	1 188 991	1 314 630
Fixed-term	8 561 615	6 317 087
Loans and advances to customers	5 326 539	4 731 725
Cash and consumer loans and participatory financing arrangements	349 189	552 154
Equipment loans and participatory financing arrangements	4 977 350	4 179 571
Mortgage loans and participatory financing arrangements	-	-
Other loans and participatory financing arrangements	-	-
Factoring receivables	-	-
Trading and available-for-sale securities	807 312	489 311
Treasury bonds and similar assets	659 765	401 004
Other debt securities	-	-
Equity securities	147 547	88 307
Sukuk certificates	-	-
Other assets	709 561	606 639
Investment securities	2 237 535	2 315 197
Treasury bonds and similar assets	-	-
Other debt securities	2 237 535	2 315 197
Sukuk certificates	-	-
Investments in associates and similar assets	-	-
Investments in related companies	-	-
Other equity securities and similar assets	-	-
Mudarabah and Musharakah securities	-	-
Subordinated loans	-	-
Investment deposits given	-	-
Leased and rented assets	76 207	77 423
Ijara assets	-	-
Intangible assets	1 566	1 880
Property, plant and equipment	36	154
TOTAL ASSETS	18 911 306	15 856 079

(MAD thousands)

LIABILITIES	31/12/2022	31/12/2021
Amounts due to central banks, the Public treasury and postal cheque centre	-	-
Amounts due to credit and similar institutions	15 395 651	13 312 044
Sight	932 000	649 121
Fixed-term	14 463 651	12 662 923
Customer deposits	2 316 795	1 703 395
Sight deposit accounts in credit	1 866 310	1 483 632
Savings accounts	-	-
Term deposits	420 996	167 901
Other accounts in credit	29 489	51 862
Amounts due to customers on participatory products	-	-
Debt securities issued	-	-
Negotiable debt securities	-	-
Bonds	-	-
Other debt securities issued	-	-
Other liabilities	816 035	613 259
Provisions, contingent liabilities	3 045	2 893
Statutory provisions	-	-
Subsidies, public funds and special guarantee funds	-	-
Subordinated debt	-	-
Investment deposits received	-	-
Revaluation reserve	-	-
Reserves and premiums related to capital	119 101	109 192
Share capital	5 224	4 640
Shareholders, unpaid share capital (-)	-	-
Retained earnings (+/-)	-	-
Net income to be appropriated (+/-)	-	-
Net income for the year (+/-)	255 455	110 658
TOTAL LIABILITIES	18 911 306	15 856 079

TOS

(MAD thousands)

OFF-BALANCE SHEET	31/12/2022	31/12/2021
COMMITMENTS GIVEN	1 061 051	839 535
Financing commitments given to credit and similar institutions	-	-
Financing commitments to customers	2 028	1 839
Guarantees given to credit and similar institutions	990 976	787 273
Guarantee commitments given to customers	68 047	50 423
Securities purchased with repurchase agreement	-	-
Other securities to be delivered	-	-
COMMITMENTS RECEIVED	5 073 993	4 702 687
Financing commitments received from credit and similar institutions	-	-
Guarantees received from credit and similar institutions	2 722 298	2 865 430
Guarantee commitments received from government and other guarantee institutions	2 351 695	1 837 257
Securities sold with repurchase agreement	-	-
Other securities to be received	-	-
Mudarabah and Musharakah securities to be received	-	-



TANGIER OFFSHORE FINANCIAL STATEMENTS - INCOME STATEMENT

(MAD thousands)

	31/12/2022	31/12/2021
OPERATING INCOME FROM BANKING OPERATIONS	1 272 186	641 251
Interest, remuneration and similar income from transactions with credit institutions	345 077	113 777
Interest, remuneration and similar income from transactions with customers	179 547	146 195
Interest and similar income from debt securities	102 690	86 336
Income from equity securities (1) and Sukuk certificates	3 468	2 593
Income from Mudarabah and Musharakah securities	-	-
Income from lease-financed non-current assets	6 909	7 312
Income from Ijarah assets	-	-
Fee income	14 611	11 692
Other banking income	619 884	273 347
Transfer of expenses on investment deposits received	-	-
OPERATING EXPENSES ON BANKING OPERATIONS	846 592	421 774
Interest and expenses on transactions with credit and similar institutions	282 998	102 570
Interest and expenses on transactions with customers	25 629	5 259
Interest and similar expenses on debt securities issued	-	-
Expenses on Mudarabah and Musharakah securities	-	-
Expenses on lease-financed non-current assets	5 948	6 057
Expenses on Ijarah assets	-	-
Other banking expenses	532 017	307 888
Transfer of income on investment deposits received	-	-
NET BANKING INCOME	425 594	219 476
Non-banking operating income	-	-
Non-banking operating expenses	1 664	3 701
GENERAL OPERATING EXPENSES	7 736	7 546
Employee expenses	4 325	4 167
Taxes other than on income	-	-
External expenses	2 833	2 429
Other general operating expenses	-	-
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	578	950
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	2	26 742
Provisions for non-performing loans and signature loans	-	-
Losses on irrecoverable loans	2	24 410
Other provisions	-	2 332
WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	-	-
Write-backs for non-performing loans and signature loans	-	-
Amounts recovered on impaired loans	-	-
Other write-backs	-	-
INCOME FROM ORDINARY OPERATIONS	416 192	181 487
Non-recurring income	-	-
Non-recurring expenses	8 841	7 134
PRE-TAX INCOME	407 351	174 353
Corporate income tax	151 896	63 695
NET INCOME FOR THE YEAR	255 455	110 658

(-) signifies 'minus'

(+) signifies 'plus'

TANGIER OFFSHORE FINANCIAL STATEMENTS - MANAGEMENT ACCOUNTING STATEMENT

(MAD thousands)

	31/12/2022	31/12/2021
(+) Interest and similar income	627 315	346 307
(-) Interest and similar expenses	308 627	107 829
NET INTEREST INCOME	318 688	238 478
(+) Income from participatory finance arrangements	-	-
(-) Expenses on participatory finance arrangements	-	-
NET INCOME FROM PARTICIPATORY FINANCE ARRANGEMENTS	-	-
(+) Income from lease-financed non-current assets	6 909	7 312
(-) Expenses on lease-financed non-current assets	5 948	6 057
NET INCOME FROM LEASING AND RENTAL TRANSACTIONS	961	1 254
(+) Income from Ijarah assets	-	-
(-) Expenses on Ijarah assets	-	-
net income from Ijara transactions (1)	-	-
(+) Fees received	15 165	11 950
(-) Fees paid	237	1 007
NET FEE INCOME (1)	14 928	10 942
(+) Income from trading securities transactions	- 60	- 26
(+) Income from available-for-sale securities transactions	74 530	-34 444
(+) Income from foreign exchange transactions	-5 842	-2 833
(+) Income from derivatives transactions	19 642	3 565
Income from market transactions (1)	88 270	-33 739
(+/-) Income from Mudarabah and Musharakah securities transactions	-	-
(+) Other banking income	3 468	2 593
(-) Other banking expenses	720	52
(+/-) Share of income from investment account holders' deposits	-	-
NET BANKING INCOME	425 595	219 476
(+) Income from long-term investments (2)	-	-
(+) Other non-banking operating income	-	-
(-) Other non-banking operating expenses	1 665	3 701
(-) General operating expenses	7 736	7 546
GROSS OPERATING INCOME	416 194	208 229
(+) Net provisions for non-performing loans and signature loans	-2	-24 410
(+) Other net provisions	-	-2 332
INCOME FROM ORDINARY OPERATIONS	416 192	181 487
NON-RECURRING INCOME	-8 841	-7 134
(-) Corporate income tax	151 896	63 695
NET INCOME FOR THE YEAR	255 455	110 658

	31/12/2022	31/12/2021
(+) NET INCOME FOR THE YEAR	255 455	110 658
(+) Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	578	950
(+) Provisions for impairment of long-term investments	-	-
(+) General provisions	-	-
(+) Statutory provisions	-	-
(+) Extraordinary provisions	-	-
(-) Write-backs	-	-
(-) Capital gains on disposal of intangible assets and property, plant and equipment	-	-
(+) Losses on disposals of intangible and tangible fixed assets	-	-
(-) Capital gains on disposal of long-term investments	-	-
(+) Losses on disposal of long-term investments	-	-
(-) Write-backs of investment subsidies received	-	-
(+) TOTAL CASH EARNINGS	256 033	111 608
(-) Distributed earnings	-	-
(+) NET CASH EARNINGS	256 033	111 608



AGGREGATED FINANCIAL STATEMENTS - BALANCE SHEET

(MAD thousands)

ASSETS	31/12/2022	31/12/2021
Cash and balances at central banks, the Public treasury and postal cheque centre	5 872 022	7 323 591
Loans and advances to credit and similar institutions	26 718 136	20 167 359
Sight	5 579 695	4 768 697
Fixed-term	21 138 441	15 398 662
Loans and advances to customers	129 962 437	126 845 452
Cash and consumer loans and participatory financing arrangements	42 284 899	41 888 548
Equipment loans and participatory financing arrangements	21 174 518	20 664 448
Mortgage loans and participatory financing arrangements	41 291 221	41 207 258
Other loans and participatory financing arrangements	25 211 799	23 085 198
Factoring receivables	2 745 439	2 954 347
Trading and available-for-sale securities	44 009 829	37 687 594
Treasury bonds and similar assets	27 732 651	14 923 138
Other debt securities	188 547	231 115
Equity securities	16 068 557	22 493 714
Sukuk certificates	20 074	39 627
Other assets	8 073 212	7 831 620
Investment securities	12 644 762	8 936 596
Treasury bonds and similar assets	8 630 225	4 812 092
Other debt securities	4 014 537	4 124 504
Sukuk certificates	-	-
Investments in associates and similar assets	12 942 537	11 639 853
Investments in related companies	9 585 309	9 199 560
Other equity securities and similar assets	3 357 228	2 440 293
Mudarabah and Musharakah securities	-	-
Subordinated loans	199 866	195 925
Investment deposits given	-	-
Leased and rented assets	369 854	167 733
Ijara assets	-	-
Intangible assets	439 757	714 004
Property, plant and equipment	2 749 665	2 637 210
TOTAL ASSETS	246 727 516	227 101 284

AGGREGATED FINANCIAL STATEMENTS - BALANCE SHEET

(MAD thousands)

LIABILITIES	31/12/2022	31/12/2021
Amounts due to central banks, the Public treasury and postal cheque centre	-	-
Amounts due to credit and similar institutions	41 534 120	40 581 191
Sight	4 094 472	3 010 935
Fixed-term	37 439 648	37 570 256
Customer deposits	155 887 985	141 554 206
Sight deposit accounts in credit	101 020 870	91 396 132
Savings accounts	27 127 818	25 927 402
Term deposits	23 421 263	19 469 487
Other accounts in credit	4 318 034	4 761 185
Amounts due to customers on participatory products	-	-
Debt securities issued	6 473 177	8 117 463
Negotiable debt securities	6 473 177	8 117 463
Bonds	-	-
Other debt securities issued	-	-
Other liabilities	7 513 296	3 766 248
Provisions, contingent liabilities	1 447 348	1 294 922
Statutory provisions	270 073	396 735
Subsidies, public funds and special guarantee funds	-	-
Subordinated debt	12 100 668	10 597 210
Investment deposits received	-	-
Revaluation reserve	-	-
Reserves and premiums related to capital	17 887 993	17 236 350
Share capital	2 087 698	2 056 066
Shareholders, unpaid share capital (-)	-	-
Retained earnings (+/-)	65	20
Net income to be appropriated (+/-)	-	-
Net income for the year (+/-)	1 525 093	1 500 873
TOTAL LIABILITIES	246 727 516	227 101 284

AGGREGATED FINANCIAL STATEMENTS - BALANCE SHEET

(MAD thousands)

OFF-BALANCE SHEET	31/12/2022	31/12/2021
COMMITMENTS GIVEN	31 016 880	27 361 678
Financing commitments given to credit and similar institutions	200 370	239 827
Financing commitments to customers	8 921 779	6 840 594
Guarantees given to credit and similar institutions	5 370 037	4 455 476
Guarantee commitments given to customers	11 176 454	10 385 685
Securities purchased with repurchase agreement	-	-
Other securities to be delivered	5 348 239	5 440 096
COMMITMENTS RECEIVED	23 304 312	24 690 635
Financing commitments received from credit and similar institutions	-	-
Guarantees received from credit and similar institutions	19 518 360	21 169 699
Guarantee commitments received from government and other guarantee institutions	3 785 953	3 342 275
Securities sold with repurchase agreement	-	-
Other securities to be received	0	178 661
Mudarabah and Musharakah securities to be received	-	-



AGGREGATED FINANCIAL STATEMENTS - INCOME STATEMENT

(MAD thousands)

	31/12/2022	31/12/2021
OPERATING INCOME FROM BANKING OPERATIONS	12 058 179	10 625 860
Interest, remuneration and similar income from transactions with credit institutions	754 638	253 901
Interest, remuneration and similar income from transactions with customers	5 390 943	5 498 366
Interest and similar income from debt securities	716 932	619 182
Income from equity securities (1) and Sukuk certificates	706 987	883 776
Income from Mudarabah and Musharakah securities	-	-
Income from lease-financed non-current assets	32 102	23 052
Income from Ijarah assets	-	-
Fee income	1 302 447	1 187 270
Other banking income	3 154 130	2 160 313
Transfer of expenses on investment deposits received	-	-
OPERATING EXPENSES ON BANKING OPERATIONS	5 427 813	3 718 456
Interest and expenses on transactions with credit and similar institutions	909 412	609 909
Interest and expenses on transactions with customers	882 199	851 876
Interest and similar expenses on debt securities issued	554 762	578 119
Expenses on Mudarabah and Musharakah securities	-	-
Expenses on lease-financed non-current assets	23 553	20 169
Expenses on Ijarah assets	-	-
Other banking expenses	3 057 887	1 658 383
Transfer of income on investment deposits received	-	-
NET BANKING INCOME	6 630 366	6 907 404
Non-banking operating income	357 589	165 316
Non-banking operating expenses	31 896	133 670
GENERAL OPERATING EXPENSES	3 700 071	3 648 638
Employee expenses	1 736 291	1 673 566
Taxes other than on income	77 991	80 689
External expenses	1 646 434	1 566 034
Other general operating expenses	8 000	9 287
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	231 355	319 062
PROVISIONS AND LOSSES ON IRRECOVERABLE LOANS	1 743 887	1 637 721
Provisions for non-performing loans and signature loans	1 203 887	982 064
Losses on irrecoverable loans	325 674	350 559
Other provisions	214 326	305 098
WRITE-BACKS AND AMOUNTS RECOVERED ON IMPAIRED LOANS	561 270	473 658
Write-backs for non-performing loans and signature loans	456 252	276 070
Amounts recovered on impaired loans	17 665	18 879
Other write-backs	87 353	178 709
INCOME FROM ORDINARY OPERATIONS	2 073 371	2 126 349
Non-recurring income	131 353	128 676
Non-recurring expenses	272 729	244 682
PRE-TAX INCOME	1 931 995	2 010 343
Corporate income tax	406 902	509 470
NET INCOME FOR THE YEAR	1 525 093	1 500 873

(-) signifies 'minus'

(+) signifies 'plus'

AGGREGATED FINANCIAL STATEMENTS - MANAGEMENT ACCOUNTING STATEMENT

(MAD thousands)

	31/12/2022	31/12/2021
(+) Interest and similar income	6 862 513	6 371 449
(-) Interest and similar expenses	2 346 373	2 039 904
NET INTEREST INCOME	4 516 140	4 331 545
(+) Income from participatory finance arrangements	-	-
(-) Expenses on participatory finance arrangements	-	-
NET INCOME FROM PARTICIPATORY FINANCE ARRANGEMENTS	-	-
(+) Income from lease-financed non-current assets	32 102	23 052
(-) Expenses on lease-financed non-current assets	23 554	20 169
NET INCOME FROM LEASING AND RENTAL TRANSACTIONS	8 548	2 883
(+) Income from Ijarah assets	-	-
(-) Expenses on Ijarah assets	-	-
NET INCOME FROM IJARA TRANSACTIONS (1)	-	-
(+) Fees received	1 939 622	1 394 397
(-) Fees paid	778 180	352 655
NET FEE INCOME (1)	1 161 442	1 041 742
(+) Income from trading securities transactions	-165 608	570 615
(+) Income from available-for-sale securities transactions	74 530	-34 444
(+) Income from foreign exchange transactions	575 397	476 379
(+) Income from derivatives transactions	50 470	-71 747
INCOME FROM MARKET TRANSACTIONS (1)	534 789	940 803
(+/-) Income from Mudarabah and Musharakah securities transactions	-	-
(+) Other banking income	707 038	883 816
(-) Other banking expenses	297 591	293 388
(+/-) Share of income from investment account holders' deposits	-	-
NET BANKING INCOME	6 630 366	6 907 401
(+) Income from long-term investments (2)	8 872	-89 779
(+) Other non-banking operating income	347 378	165 240
(-) Other non-banking operating expenses	29 406	102 464
(-) General operating expenses	3 700 071	3 648 638
GROSS OPERATING INCOME	3 257 139	3 231 760
(+) Net provisions for non-performing loans and signature loans	-1 055 644	-1 037 673
(+) Other net provisions	-128 123	-67 739
INCOME FROM ORDINARY OPERATIONS	2 073 372	2 126 348
NON-RECURRING INCOME	-141 377	-116 005
(-) Corporate income tax	406 902	509 470
NET INCOME FOR THE YEAR	1 525 093	1 500 873



AGGREGATED FINANCIAL STATEMENTS - MANAGEMENT ACCOUNTING STATEMENT

(MAD thousands)

	31/12/2022	31/12/2021
(+) NET INCOME FOR THE YEAR	1 525 093	1 500 873
(+) Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	231 355	319 062
(+) Provisions for impairment of long-term investments (1)	-	89 015
(+) General provisions	153 074	162 178
(+) Statutory provisions	-	-
(+) Extraordinary provisions	4 691	10 706
(-) Write-backs (1)	195 502	228 341
(-) Capital gains on disposal of intangible assets and property, plant and equipment	287 516	70 562
(+) Losses on disposals of intangible and tangible fixed assets	552	1 194
(-) Capital gains on disposal of long-term investments (1)	10 211	76
(+) Losses on disposal of long-term investments (1)	2 488	31 206
(-) Write-backs of investment subsidies received	-	-
(+) TOTAL CASH EARNINGS	1 424 024	1 815 255
(-) Distributed earnings	822 427	1 028 033
(+) NET CASH EARNINGS	601 597	787 222

AGGREGATED FINANCIAL STATEMENTS - TABLE OF CASH FLOWS

(MAD thousands)

	31/12/2022	31/12/2021
(+) Operating income from banking operations	11 255 316	9 807 055
(+) Amounts recovered on impaired loans	17 665	18 879
(+) Non-banking operating income	52 484	104 145
(-) Operating expenses on banking operations	7 201 958	5 289 409
(-) Non-banking operating expenses	31 896	133 670
(-) General operating expenses	3 468 715	3 336 989
(-) Corporate income tax	406 902	509 470
I. NET CASH FLOWS FROM INCOME STATEMENT	215 994	660 540
Change in:		
(+) Loans and advances to credit and similar institutions	-6 550 777	-18 744
(+) Loans and advances to customers	-2 908 077	-873 600
(+) Trading and available-for-sale securities	-6 322 235	-6 756 053
(+) Other assets	-456 303	170 371
(-) Mudarabah and Musharakah securities	-	-
(+) Lease-financed non-current assets	-202 121	23 083
(+) Ijara assets	-	-
(+) Investment deposits deposited with credit and similar institutions	-	-
(+) Amounts due to credit and similar institutions	952 929	3 546 692
(+) Customer deposits	14 333 779	6 761 685
(+) Amounts due to customers on participatory financing arrangements	-	-
(+) Debt securities issued	-1 644 286	-48 942
(+) Other liabilities	3 353 031	270 093
II. Balance of changes in operating assets and liabilities	555 940	3 074 585
III. NET CASH FLOWS FROM OPERATING ACTIVITIES (I + II)	771 933	3 735 125
(+) Income from the disposal of long-term investments (1) (4)	271 989	-
(+) Income from the disposal of intangible assets and property, plant and equipment (4)	800 989	103 168
(-) Acquisition of long-term investments (1)	3 743 482	782 803
(-) Acquisition of intangible assets and property, plant and equipment	658 837	911 630
(+) Interest received	108 119	98 566
(+) Dividends received	595 287	785 919
IV. NET CASH FLOWS FROM INVESTING ACTIVITIES	-2 625 935	-706 781
(+) Subsidies, public funds and special guarantee funds received	-	-
(+) Subordinated debt issuance	1 500 000	1 000 000
(+) Investment deposits received	-	-
(+) Equity issuance	-	-
(-) Repayment of shareholders' equity and similar	-	-
(-) Investment deposits repaid (2)	-	-
(-) Interest paid	275 141	377 008
(-) Remuneration paid on investment deposits (3) (4)	-	-
(-) Dividends paid	822 427	1 028 033
V. NET CASH FLOWS FROM FINANCING ACTIVITIES	402 433	-405 041
VI. NET CHANGE IN CASH AND CASH EQUIVALENTS (III + IV + V)	-1 451 569	2 623 303
VII. CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	7 323 591	4 700 288
VIII. CASH AND CASH EQUIVALENTS AT END OF THE YEAR	5 872 022	7 323 591

(1) Other than Mudarabah and Musharakah securities

(2) Including use of Investment Risk Reserve

(3) Including use of Profit Equalisation Reserve

(4) Other than those resulting from net cash flows from the income statement



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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 2022

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 2022

1.1 Cooperation agreement between BANK OF AFRICA and Maghrebail

This agreement was authorised by the Board of Directors 24 September 2021.

Person(s) concerned:

- Mr Azeddine GUESSOUS, Chairman and Chief Executive Officer of Maghrebail, is also a Director of BANK OF AFRICA S.A.
- Messrs Khalid NASR and Omar TAZI, Directors of Maghrebail, are also Deputy Chief Executive Officers of BANK OF AFRICA S.A. (at the date at which the contract was signed)



Main terms and conditions:

The purpose of this agreement is to define co-financing terms, with risk pertaining to rights and guarantees shared proportionally to each party's participation in financing investment projects. This co-financing arrangement should not be confused with the concept of a consortium or joint financing arrangement, each party retaining its independence with respect to the arranged financing rather than acting jointly and severally.

BANK OF AFRICA and Maghrebail mutually undertake to give the other party priority, up to the amount of the transfer proceeds, for the guarantees available to it in respect of the co-financed project, in the context of this agreement and in accordance with the terms agreed by the Parties, proportionally to each Party's participation in the co-financing, subject to any subrogation granted in accordance with the existing agreements to guarantor organisations such as the Caisse Centrale de Garantie or any substituting organisation.

This agreement is for a one-year period from the contract date and will be automatically renewed.

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 2022.

1.2 Advisory agreement between BANK OF AFRICA, Banque Centrale Populaire, BMCE Capital Conseil and Upline Corporate Finance

This agreement was authorised by the Board of Directors 24 March 2023.

Person(s) concerned:

- Mr Khalid NASR, Deputy Chief Executive Officer of BANK OF AFRICA S.A., is also a Director of BMCE Capital Conseil

Main terms and conditions:

The agreement relates to an advisory mandate between BANK OF AFRICA and Banque Centrale Populaire on the one hand and BMCE Capital Conseil and Upline Corporate Conseil on the other regarding the restructuring of the Ritz Carlton tourism project in Rabat by setting up a new project development company to replace the previous one.

As project sponsors, BANK OF AFRICA and BCP will invest in this new project development company, thereby becoming reference shareholders.

BMCE Capital Conseil and Upline Corporate Finance will issue a monthly invoice to BANK OF AFRICA and Banque Centrale Populaire in the sum of MAD 1.5 million, split equally, for the financial advice provided.

This agreement is for a 24-month period with effect from the contract date. It will be automatically renewed for further 12-month periods.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 786 K for the period ended 31 December 2022.



1.3 Services contract between BANK OF AFRICA and BMCE EuroServices governing joint use of the Agence Directe platform

This agreement was authorised by the Board of Directors 23 September 2022.

Person(s) concerned:

- Mr Omar TAZI, Deputy Chief Executive Officer of BANK OF AFRICA S.A., is also a Director of BMCE EuroServices

Main terms and conditions:

In the context of BMCE EuroServices' digital transformation, an agreement has been entered into between BANK OF AFRICA and BMCE EuroServices to define the scope, terms and conditions by which the *Agence Directe* platform will be used by BMCE EuroServices on a white-label basis. This platform will enable BMCE EuroServices' clientele to carry out remote payment transactions via the app and subscribe to the services available.

The shared use of the platform will be free of charge for a period of one year from the contract date. Beyond this initial period, the monthly cost to BMCE EuroServices has been set at MAD 41,644.52 exclusive of taxes.

The agreement will take effect from the date that it is signed by both Parties and will remain in force for a 3-year period. At the end of this period, it will be automatically renewed.

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 2022.

1.4 Addendum No.3 amending the financial terms for the services contract between BANK OF AFRICA and BMCE EuroServices

This agreement was authorised by the Board of Directors 23 September 2022.

Person(s) concerned:

- Mr Mounir Chraïbi, Deputy Chief Executive Officer of BANK OF AFRICA S.A., is also a Director of BMCE EuroServices

Main terms and conditions:

Given the impact from the pandemic on the Bank's funding costs, an amendment has been entered into regarding the fees paid by BANK OF AFRICA S.A. to BMCE EuroServices in respect of non-interest-bearing deposits and funds transfers.

The Bank will retain exclusive ownership of property rights in respect of those customers dealt with in the context of executing the contract, with BMCE EuroServices having only limited right of use.

Amount(s) recognised:

This is an addendum to the agreements referred to below in Paragraphs 2.15 et 2.54.



1.5 Partnership agreement between BMCE Capital Gestion and BANK OF AFRICA

This agreement was authorised by the Board of Directors 24 March 2023.

Person(s) concerned:

- Mrs Myriem Bouazzaoui, Chief Executive Officer of BMCE Capital Gestion, is also a Director of BANK OF AFRICA

Main terms and conditions:

The purpose of the agreement between BMCE Capital Gestion and BANK OF AFRICA is to agree on the arrangements for organising the 'Temps Fort UCITS' sales campaign during fourth quarter 2022 and the corresponding sales goals. The marketing campaign will last for 2 months.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 59 K offset by an equivalent amount (income) paid by BMCE Capital Gestion.

1.6 Addendum to the agreement to promote and markets mutual funds across the network

This agreement was authorised by the Board of Directors 24 March 2023.

Person(s) concerned:

- Mrs Myriem Bouazzaoui, Chief Executive Officer of BMCE Capital Gestion, is also a Director of BANK OF AFRICA

The purpose of the addendum to this sales agreement is to establish the terms and conditions for remunerating BANK OF AFRICA's branch network in relation to the latter promoting and marketing mutual funds during the period ended 31 December 2022.

The agreement will remain in force for the period ended 31 December 2022.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 163 K offset by an equivalent amount (income) received from BMCE Capital Gestion.

2. AGREEMENTS ENTERED INTO IN PREVIOUS YEARS WHICH REMAINED IN FORCE DURING 2022

2.1 Agreement mandating Salafin to recover BANK OF AFRICA's loans

This agreement was authorised by the Board of Directors 26 March 2021.

Person(s) concerned:

- Mr Brahim BENJELLOUN TOUIMI, Chairman of SALAFIN's Supervisory Board, is also Director and General Manager of BANK OF AFRICA.
- Messrs Driss BENJELLOUN, M'fadel EL HALAISSI, Omar TAZI and Khalid LAABI, members of SALAFIN's Supervisory Board, are also Deputy Chief Executive Officers of BANK OF AFRICA.



Main terms and conditions:

The purpose of this agreement is to establish the terms and conditions by which BANK OF AFRICA mandates Salafin to manage, on its behalf, the process of recovering a portion of its loans, as stipulated in the contract and in compliance with the regulations in force.

The scope and terms and conditions for assigning responsibility for recovering substandard loans are described in the agreement and the customer files deemed sensitive are managed by the Bank.

Salafin's remuneration will be indexed to the amounts recovered and the time elapsed since the loans were contracted.

The agreement, entered into 1 January 2021, covers the period from 1 January to 30 June 2021. At the end of this period, the latter may be extended by further 3-month periods.

Amount(s) recognised:

Addendum to Agreement 2.43, Point 3.

2.2 Framework agreement with BTI Bank

This agreement was authorised by the Board of Directors 24 September 2021.

Person(s) concerned:

- Mr Brahim BENJELLOUN-TOUIMI, Director and General Manager of BANK OF AFRICA, is also Vice-Chairman and Chief Executive Officer of BTI Bank
- Messrs Driss BENJELLOUN, Mounir CHRAIBI and Khalid LAABI, Deputy Chief Executive Officers of BANK OF AFRICA, are also Directors of BTI Bank.

Main terms and conditions:

As part of the Group's intra-group synergy policy, a draft agreement has been drawn up for the purpose of establishing the terms and conditions of cooperation between BANK OF AFRICA and BTI Bank to enable the parent company to act as a business lead provider in marketing the participatory products and services offered by BTI Bank, the Group's participatory subsidiary, to its existing and prospective customers.

Under the terms of this agreement, BTI Bank undertakes to provide the parent company with details of its sales and marketing strategy, provide appropriate training to BANK OF AFRICA network staff and pay agency fees.

In consideration, BANK OF AFRICA undertakes to make every effort to provide business leads regarding specifically identified customers interested in participatory products, without in any way interfering in the contractual process.

The remuneration paid to the Bank in consideration for its commercial performance will be based on a fee schedule established in line with industry norms (corporate or personal & professional banking), the relevant product category (financing or deposits) and beneficiary (business manager, Business Centre Director, Group Director, etc.).

This agreement is for a one-year period and will be automatically renewed.

**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 2022.

2.3 Agreements with BMCE Cash

These agreements were authorised by the Board of Directors 24 September 2021.

Person(s) concerned:

- Mr Mounir CHRAIBI, Deputy Chief Executive Officer of BANK OF AFRICA, is also Chairman of Damane Cash's Supervisory Board
- Mr Omar TAZI, Deputy Chief Executive Officer of BANK OF AFRICA, is also member of Damane Cash's Supervisory Board

(i) Assigning the lease on BANK OF AFRICA's Mohamed Sedki bank branch

BANK OF AFRICA shall transfer to BMCE Cash the lease for business premises, specifically, the Mohamed Sedki branch for a fixed price of MAD 2,500 K inclusive of taxes and all charges.

The assignment shall take effect from the contract date, 22 February 2021.

(ii) Sub-leasing BANK OF AFRICA's Hay Masjid bank branch

Main terms and conditions:

BANK OF AFRICA shall sub-let to BMCE Cash commercial premises located at Avenue 2 March, Casablanca, having a total floor area of 125 m² and consisting of a ground floor and a mezzanine.

The agreement corresponds to the lease's contractual period, commencing 4 November 2020, at a fixed monthly rent of MAD 1,550 inclusive of taxes and all charges.

The agreement was signed 15 September 2021.

The rent is payable quarterly in advance from the 1st and no later than the 10th of the first month of the current quarter.

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 2022.

2.4 Special temporary appointment

This agreement was authorised by the Board of Directors 19 November 2021.

Person(s) concerned:

- Mr Othman BENJELLOUN is Chairman and Chief Executive Officer of BANK OF AFRICA
- Mr Mohamed KABBAJ is an Independent Director of BANK OF AFRICA.



Main terms and conditions:

Pursuant to Article 55 of the Public Limited Companies Act, Mr Mohamed Kabbaj, in his capacity as an Independent Director, has been given a special temporary assignment, as part of the Strategy Task Force Committee (STF) responsible for overseeing implementation of BANK OF AFRICA Group's 2030 strategy.

Under the terms of his appointment, Mr Mohamed Kabbaj will ensure that the STF Committee does its utmost to fulfil the various tasks assigned to it, as well as overseeing the work of the specialist team set up to provide support to this Committee. He will receive annual remuneration of MAD 1 million.

This agreement was entered into 20 November 2021.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 1,429 K for the period ended 31 December 2022.

2.5 Agreements relating to the securitisation of mortgage-backed securities

These agreements were authorised by the Board of Directors 22 November 2021.

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 BENSALD, 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of BMCE Capital's Supervisory Board, is also Deputy Chief Executive Officer of BANK OF AFRICA S.A.

Main terms and conditions:

These agreements relate to the securitisation of BANK OF AFRICA's portfolio of mortgage-backed securities by BMCE Capital Titrisation.

To achieve this, a securitisation fund has been set up by BMCE Capital Titrisation for the purpose of acquiring mortgage loans from BANK OF AFRICA.

In this regard, the agreements listed below stipulate the terms and conditions for transferring mortgage loans:

- Loan transfer agreement, signed 6 August 2021
- Recovery account agreement, signed 6 August 2021
- Fund accounts agreement, signed 6 August 2021
- Custodian agreement, signed 12 July 2021



- Subscription agreement, signed 14 July 2021
- Recovery agreement, signed 6 August 2021
- Subscription for residual units agreement, signed 12 July 2021
- Liquidity facility agreement, signed 6 August 2021

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 2022.

2.6 Loan recovery services agreement between BANK OF AFRICA and RM EXPERTS

This agreement was authorised by the Board of Directors 25 March 2021.

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 Chief Executive Officer of BANK OF AFRICA S.A., is also Chairman and Chief Executive Officer of RM EXPERTS
- Mr Khalid LAABI, Deputy Chief Executive Officer 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 shall 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 effective for recovering the amounts due and (ii) RM EXPERTS shall assist BANK OF AFRICA in establishing an efficient entity responsible for recovering non-performing loans from its customers.

This agreement, signed 30 April 2021, shall cover the costs incurred by RM Experts over the period from 1 January 2020 to 31 December 2021 in carrying out loan recovery on BANK OF AFRICA's behalf.

The said agreement, which was for a fixed period ending 31 December 2021, was extended into 2022.

Amount(s) recognised:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense of MAD 35,035 K for the period ended 31 December 2022.

2.7 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 Chief Executive Officer 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 186,550 K for the period ended 31 December 2022.

2.8 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
- Mr Driss BENJELLOUN, a member of Maroc Factoring's Supervisory Board, is also Deputy Chief Executive Officer of BANK OF AFRICA
- Mr M'Fadel EL HALAISSI, a member of Maroc Factoring's Supervisory Board, is also Deputy Chief Executive Officer of BANK OF AFRICA
- Mr Omar TAZI, a member of Maroc Factoring's Supervisory Board, is also Deputy Chief Executive Officer of BANK OF AFRICA
- Mr Khalid LAABI, a member of Maroc Factoring's Supervisory Board, is also Deputy Chief Executive Officer of BANK OF AFRICA

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 timeframe, 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. 2.17).



2.9 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 Chief Executive Officers 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 clients have a stronger appetite for financing than for deposit-taking, 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 2022.

2.10 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 Chief Executive Officer 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 2022.

2.11 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 BENSALD, 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 Chief Executive Officer 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 be 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 1,505 K for the period ended 31 December 2022.



2.12 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 Chief Executive Officer of BANK OF AFRICA S.A.
- **Subordinated loan contract between BANK OF AFRICA S.A. and BMCE BANK INTERNATIONAL (BBI)**

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 addendum entered into 25 July 2012.

- **Addendum to the subordinated loan contract between BANK OF AFRICA S.A. and BMCE BANK INTERNATIONAL**

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 3,527 K for the period ended 31 December 2022.

2.13 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 Chief Executive Officer 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 64,220 K for the period ended 31 December 2022

2.14 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Messrs Driss BENJELLOUN, Mohamed AGOUMI and Mounir CHRAIBI, Directors of BMCE EuroServices, are also Deputy Chief Executive Officers 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:

This is an addendum to the agreement referred to below in Paragraph 2.54 and complemented by the addendum referred to above in Paragraph 1.4.

2.15 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of Maroc Factoring's Supervisory Board, is also Deputy Chief Executive Officer 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 22,714 K for the period ended 31 December 2022.

2.16 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 Chief Executive Officer 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 129 K for the period ended 31 December 2022. This contract was cancelled 30 September 2022.

2.17 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Messrs M’Fadel EL HALAISSI and Omar TAZI, Directors of Damane Cash, are also Deputy Chief Executive Officers 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, with effect from the contract date. 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 2022.

2.18 Shareholders' current account advance agreement between BANK OF AFRICA S.A. and FARACHA IMMO

Person(s) concerned:

- Mr Mounir CHRAIBI, co-manager of FARACHA IMMO, is also Deputy Chief Executive Officer 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 2022.

2.19 Shareholders' current account advance agreement between BANK OF AFRICA S.A. and KRAKER IMMO

Person(s) concerned:

- Mr Mounir CHRAIBI, co-manager of NEJIMI IMMO, is also Deputy Chief Executive Officer 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 to 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 2022.

2.20 Addendum 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 Chief Executive Officer 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 addendum, 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 2022.

2.21 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, Deputy Chief Executive Officer of BANK OF AFRICA S.A., is also a Director of GNS Technologies
- Mr Omar TAZI, Deputy Chief Executive Officer 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 on providing the Rapido service as well as fees in relation to 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:

In respect of this agreement, BANK OF AFRICA S.A. recognised an expense (cf.2.50).

2.22 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a Director of Damane Cash, is also Deputy Chief Executive Officer of BANK OF AFRICA S.A.
- Mr Omar TAZI, a Director of Damane Cash, is also Deputy Chief Executive Officer 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 2022.



2.23 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 Chief Executive Officer 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 110,598 K for the period ended 31 December 2022.

2.24 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 2022.

2.25 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of BMCE Capital's Supervisory Board, is also Deputy Chief Executive Officer 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 with effect from the contract date 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 2022.

2.26 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI a member of BMCE Capital's Supervisory Board, is also Deputy Chief Executive Officer 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 as far as its sizeable real estate assets are concerned.

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 transferring 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 with effect from the contract date. 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 2022.

2.27 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 BENSALD, 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI a member of BMCE Capital's Supervisory Board, is also Deputy Chief Executive Officer 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 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, over and above 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 60,260 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 2022.

This is an addendum to the agreement referred to in Paragraph 2.35.



2.28 Agreement 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 BENSALD is 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 assist the former 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 an expense of MAD 48,757 K for the period ended 31 December 2022.

2.29 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 Directors of BANK OF AFRICA S.A.
- Messrs Driss BENJELLOUN and Omar TAZI, members of SALAFIN's Supervisory Board, are also Deputy Chief Executive Officers 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, defining 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 addendum 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. 2.43).

2.30 Deed of transfer of current account from ALLIANCES DARNA to BANK OF AFRICA S.A.

Person(s) concerned:

- Mr M’Fadel ELHALAISSI, Deputy Chief Executive Officer 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:

This agreement did not have any impact on BANK OF AFRICA S.A.’s financial statements for the period ended 31 December 2022.

2.31 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M’Fadel EL HALAISSI, a member of BMCE Capital’s Supervisory Board, is also Deputy Chief Executive Officer 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 2022.

2.32 Shareholders' current account agreement between RIYAD ALNOUR and BANK OF AFRICA S.A.

Person(s) concerned:

- Mr M'Fadel EL HALAISSI, Deputy Chief Executive Officer 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:

This agreement did not have any impact on BANK OF AFRICA S.A.'s financial statements for the period ended 31 December 2022.

2.33 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 Chief Executive Officers 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 addenda.

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. 2.29).

2.34 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a Director of BMCE IMMOBILIER (ex-MABANICOM), is also Deputy Chief Executive Officer of BANK OF AFRICA S.A.
- Mr Omar TAZI, a Director of BMCE IMMOBILIER (ex-MABANICOM), is also Deputy Chief Executive Officer 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 8,508 K for the period ended 31 December 2022.

2.35 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 2022.

2.36 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 Chief Executive Officer of BANK OF AFRICA S.A. and a Director of BMCE EuroServices
- Messrs Azeddine 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, as instructed by 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 2022.

2.37 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr Mohamed AGOUMI, a Director of BOA Group, is also Deputy Chief Executive Officer 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 2022.

2.38 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Mr M'Fadel EL HALAISSI, a member of BMCE Capital's Supervisory Board, is also Deputy Chief Executive Officer 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 an expense of MAD 1,553 K and income of MAD 63 K for the period ended 31 December 2022.

2.39 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 Chief Executive Officer 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 2022.

2.40 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 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 Chief Executive Officers of BANK OF AFRICA S.A., is also Member of BMCE Capital's Supervisory Board
- Mr M'Fadel EL HALAISSI, Deputy Chief Executive Officers of BANK OF AFRICA S.A., is also Member of BMCE Capital's Supervisory Board

Main terms and conditions:

Entered into 20 November 2012 and 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 2022.

2.41 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 their conditions of use.

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 84 K for the period ended 31 December 2022.

- **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 704 K for the period ended 31 December 2022.

- **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 21,250 K for the period ended 31 December 2022. This agreement is complemented by the addendum referred to in Paragraph 2.1.



- Addendum 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 addendum 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 addendum 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 addendum, BANK OF AFRICA S.A. recognised an overall expense of MAD 72,445 K and overall income of MAD 15,299 K for the period ended 31 December 2022.

2.42 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.

- Addendum 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 Director and General Manager 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 Chief Executive Officers of BANK OF AFRICA S.A.

Main terms and conditions:

Entered into 10 March 2011 effective 1 January, this addendum 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 by providing the option 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 2022:

- Recurring services (expenses): MAD 81,581 K
- Maintenance (expenses): MAD 22,813 K
- Non-recurring services: MAD 103,253 K

2.43 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Messrs M'Fadel EL HALAISSI and Driss BENJELLOUN, Deputy Chief Executive Officers 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 2022.

2.44 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 once 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 Eurafri 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 1,219 K for the period ended 31 December 2022.

2.45 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 Chief Executive Officer 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 2022.

2.46 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 Chief Executive Officer 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:

The impact is included in the agreement referred to above in Paragraph 1.6.

2.47 Agreements relating to leasing premises

These agreements relate to the leasing of premises or offices to the following companies:

Company	Date	Type	Location	Amount 2022 (MAD K)
BMCE Capital	01/10/2009	Office space	142, avenue Hassan II aux 4 th , 7 th and 8 th floor, Casablanca	3,578
MEDITELECOM	01/08/2012	Building patio	Essaouira	119
BMCE Capital	01/07/2002	Office space	BANK OF AFRICA S.A. Branch, Agadir Ville	40
EURAFRIC INFORMATION	15/10/2009	279 m ² apartment. TF No.36929/C, property known as « GAMECOUR ».	243 Bd Mohamed V, Casablanca	Not applicable, contract cancelled 30/09/16
EURAFRIC INFORMATION	01/10/2016	Office space Block A2 – 3,624m ²	Bouskoura Green City TF No.18827/47	4,357
EURAFRIC INFORMATION	01/10/2016	Office space Block B2 – 3,822m ²	Bouskoura Green City TF No.18827/47	4,582
EURAFRIC INFORMATION	01/01/2017	DATA CENTER 1,735 M ²	Bouskoura Green City TF No.18827/47	2,080 Premises partially occupied
RM EXPERTS	01/01/2019	Office space	Casa SIDI MAAROUF LOTISSEMENT ATTAOUFIK	322, cancelled 15/07/2022
O.G.S.	01/01/2019	Office space	GREEN CITY BOUSKOURA	5,562

The leases will be renewed automatically.

2.48 Addendum 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 Technologies, is also Deputy Chief Executive Officer of BANK OF AFRICA S.A.
- Messrs M'Fadel EL HALAISSI and Driss BENJELLOUN, Deputy Chief Executive Officers of BANK OF AFRICA S.A., are also Directors of GNS Technologies

Main terms and conditions:

Entered into 2 April 2010 and effective 1 January 2010, the purpose of this addendum, 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 addendum, 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 3,170 K for the period ended 31 December 2022.

2.49 Loan recovery services contract between BANK OF AFRICA S.A. and RM EXPERTS

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 Chief Executive Officer of BANK OF AFRICA S.A., is also a Director of RM Experts

Main terms and conditions:

This agreement, entered into 24 December 2010 between RECOVERY INTERNATIONAL MANAGEMENT AND EXPERTISE (RM EXPERTS) and BANK OF AFRICA S.A., 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 2022.



2.50 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, Director, and Director and General Manager of BANK OF AFRICA S.A.
- Mr M’Fadel EL HALAISSI, a Director of Maghrebail, is also Deputy Chief Executive Officer 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 Immobilier 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 charged for 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 12,763 K for the period ended 31 December 2022.

2.51 Partnership agreement between BANK OF AFRICA S.A. and BUDGET LOCASOM

Person(s) concerned:

- Messrs Driss BENJELLOUN and M’Fadel EL HALAISSI, Deputy Chief Executive Officers 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 2022.

2.52 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Messrs Driss BENJELLOUN, Mohamed AGOUMI and Mounir CHRAIBI, Directors of BMCE EuroServices, are also Deputy Chief Executive Officers 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 145,722 K for the period ended 31 December 2022.



2.53 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 Chief Executive Officer of BANK OF AFRICA S.A.
- Messrs M'Fadel EL HALAISSI and Driss BENJELLOUN, Deputy Chief Executive Officers 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 354 K for the period ended 31 December 2022.

Casablanca, 28 April 2023

The Statutory Auditors

FIDAROC GRANT THORNTON
FIDAROC GRANT THORNTON
Membre du Collège des Commissaires
7 Bd. Oudjda, Casablanca
Tél : 05 22 54 45 00 - Fax : 05 22 29 06 70
Faiçal MEKOUAR
Associé

BDO Audit, Tax & Advisory S.A.
BDO S.A.
Membre du Collège des Commissaires
73, rue Lyautey, Casablanca
Tél : 05 22 54 45 00 - Fax : 05 22 29 06 70
N° d'identification : 1325 22 26 33 06
N° de registre : 051520004000001
Mostafa FRAIHA
Associé



DISCLOSURE OF STATUTORY AUDITORS' FEES

BDO AUDIT, TAX & ADVISORY S.A. (EX KPMG)

	Amount per annum			"% of total per annum		
	2022	2021	2020	2022	2021	2020
Statutory audit, certification, audit of the individual and consolidated statements	1 400 000	1 400 000	1 300 000	98%	100%	90%
Other services directly related to the statutory auditors' assignment	30 000		140 000	2%	10%	
Sub-total	1 430 000		1 440 000	100%	100%	100%
Other services provided						
Total	1 430 000	1 400 000	1 440 000	100%	100%	100%

FIDAROC GRANT THORNTON

	Amount per annum			"% of total per annum		
	2022	2021	2020	2022	2021	2020
Statutory audit, certification, audit of the individual and consolidated statements	1 400 000	1 400 000	1 300 000	77%	68%	96%
Other services directly related to the statutory auditors' assignment	45 000	45 000	60 000	3%	2%	4%
Sub-total	1 445 000	1 445 000	1 360 000	80%	70%	100%
Other services provided	368 000	622 000		20%	30%	
Total	1 813 000	2 067 000	1 907 216	100%	100%	100%

