

# Attijariwafa bank presentation

Attijariwafa bank

December 2021

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Financial Communication

# 2021



التجاري وفا بنك  
Attijariwafa bank

Croire en vous

# Agenda



## **Overview of macroeconomic environment in AWB's countries of presence**

Liquidity, Capital Adequacy Ratio and Financial Performance

Attijariwafa bank share price performance

Back up

Continued support of customers and communities through Covid-19 crisis



# Macroeconomic environment in Morocco

## Outlook and main indicators

Main indicators	Average 2016-2018	2019	2020	2021	2022 <sup>F</sup>
GDP growth (%)	2.7%	2.7%	-6.1%	7.2%	2.8%
Non agricultural GDP (%)	3.0%	3.9%	-6.0%	5.6%	3.5%
Agricultural GDP (%)	1.1%	-4.6%	-6.9%	17.9%	-1.6%
Domestic consumption	3.5%	1.9%	-4.1%	5.9%	2.8%
Export G&S (%)	6.6%	4.6%	-15.9%	18.7%	-
Import G&S (%)	8.4%	1.5%	-16.5%	22.6%	-
Current account deficit (%GDP)	-4.3%	-4.1%	-1.5%	-2.5%	-5.2%
Foreign currency reserves (months of imports)	6.0	6.9	7.4	6.7	6.1
Budget deficit (%GDP)	-3.9%	-4.1%	-7.6%	-6.6%	-5.9%
Treasury debt (%GDP)	65.1%	65.0%	76.4%	74.9%	78.7%

Internal AWB's forecast; BAM and High Commission for Planning

# **Macroeconomic environment in Morocco** **Outlook and main indicators per sector**

Economic sector		2020	2021
	<b>Agricultural sector</b>		
	Agricultural GDP	▼ -6.9%	▲ +17.9%
	Cereal production	▼ -39%	▲ +221%
	<b>Phosphates &amp; Derivatives Exports</b>	▲ +3.9% 51 MAD bn	▲ +57.1% 80 MAD bn
	<b>Construction industry</b>		
	Cements sales	▼ -10.0%	▲ +14.8%
	Mortgage loans (housing)	▲ +1.6%	▲ +2.9%
	<b>Energy</b>		
	Electrical energy production	▼ -3.9%	▲ +6.1%*
	<b>Industry</b>		
	Production capacity utilization rate	▼ 70.0% (-5 pts)	▲ 72.3%* (+7.9 pts)
	<b>Telecom industry</b>		
	Mobile	▲ +5.9%	▲ +8.2%**
	Internet	▲ +14.7%	▲ +17.8%**
	<b>Transportation sector</b>		
	Airline passengers	▼ 7.1m (-51.5%)	▲ 10,0m (+38.9%)

(\*) Nov 21 – Change vs. 11M 2020

(\*\*) Sept 21 – Change vs. 9M 2020

# Strong recovery of world demand to Morocco

X% CAGR 13-21

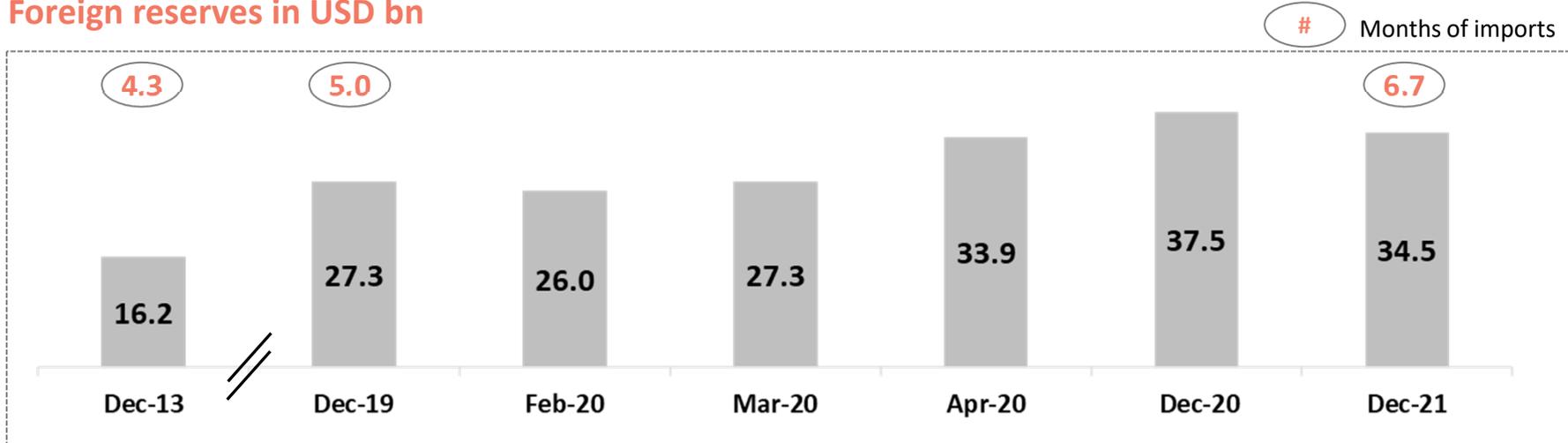
	2013	2019	2020	2021	Change (%) 20/19	Change (%) 21/20
Imports	410.9	527.5	438.3	537.3	-16.9%	+22.6%
Imports excl. Energy	308.6	451.2	388.4	461.7	-13.9%	+18.9%
Exports	222.6	344.8	318.7	387.2	-7.6%	+21.5%
Tourism	57.6	78.8	36.5	34.3	-53.7%	-6.0%
Remittances from MLA	57.9	64.8	68.2	93.3	+5.3%	+36.8%
FDI*	39.1	33.9	27.5	32.2	-18.8%	+17.0%

+3.4%

+7.2%



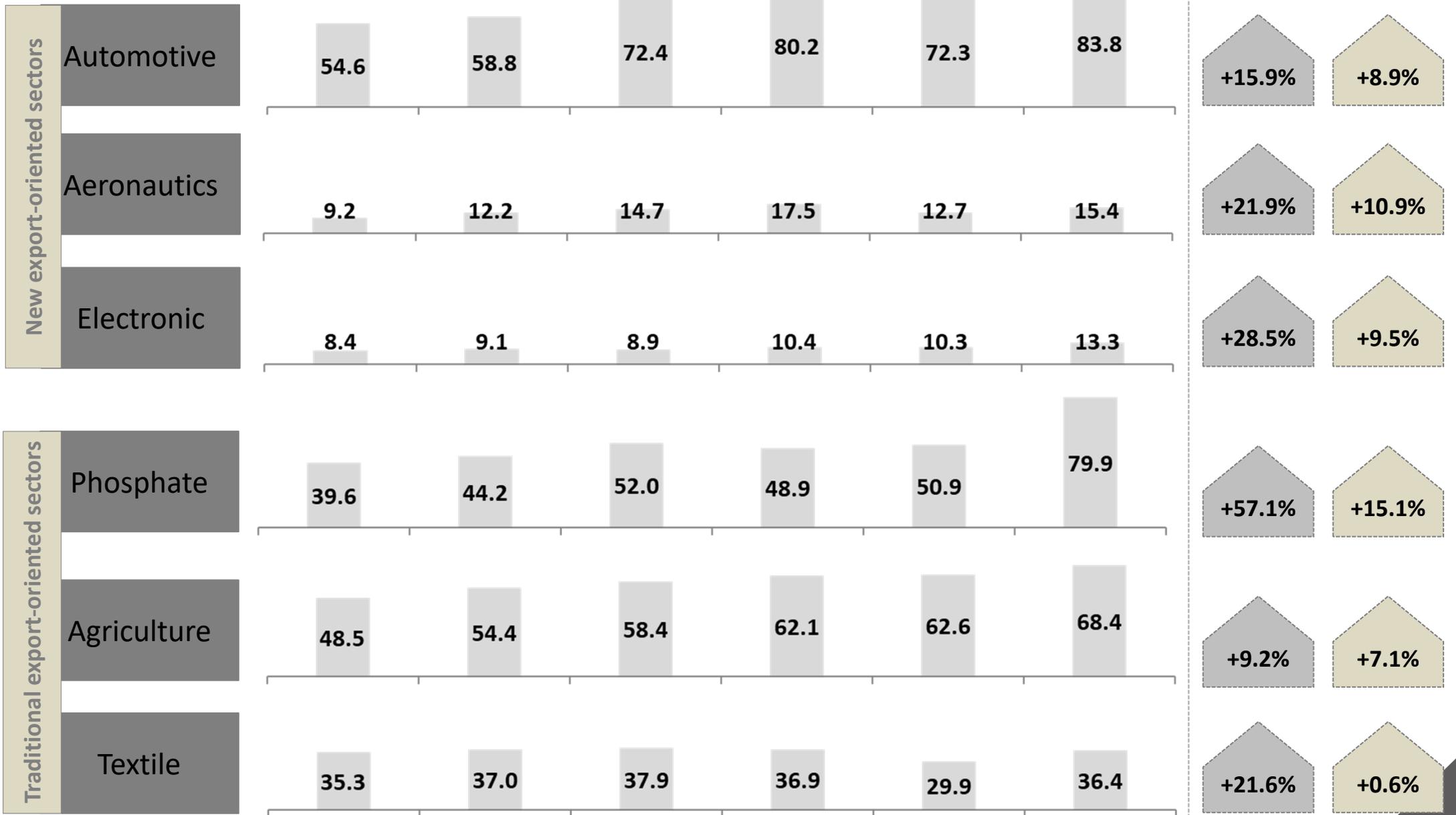
## Foreign reserves in USD bn



	2013	2016	2017	2018	2019	2020	9M 21
Current Account Balance	-7.6%	-4.4%	-3.6%	-5.5%	-4.1%	-1.5%	-2.7%

# Exports: Word businesses of Morocco

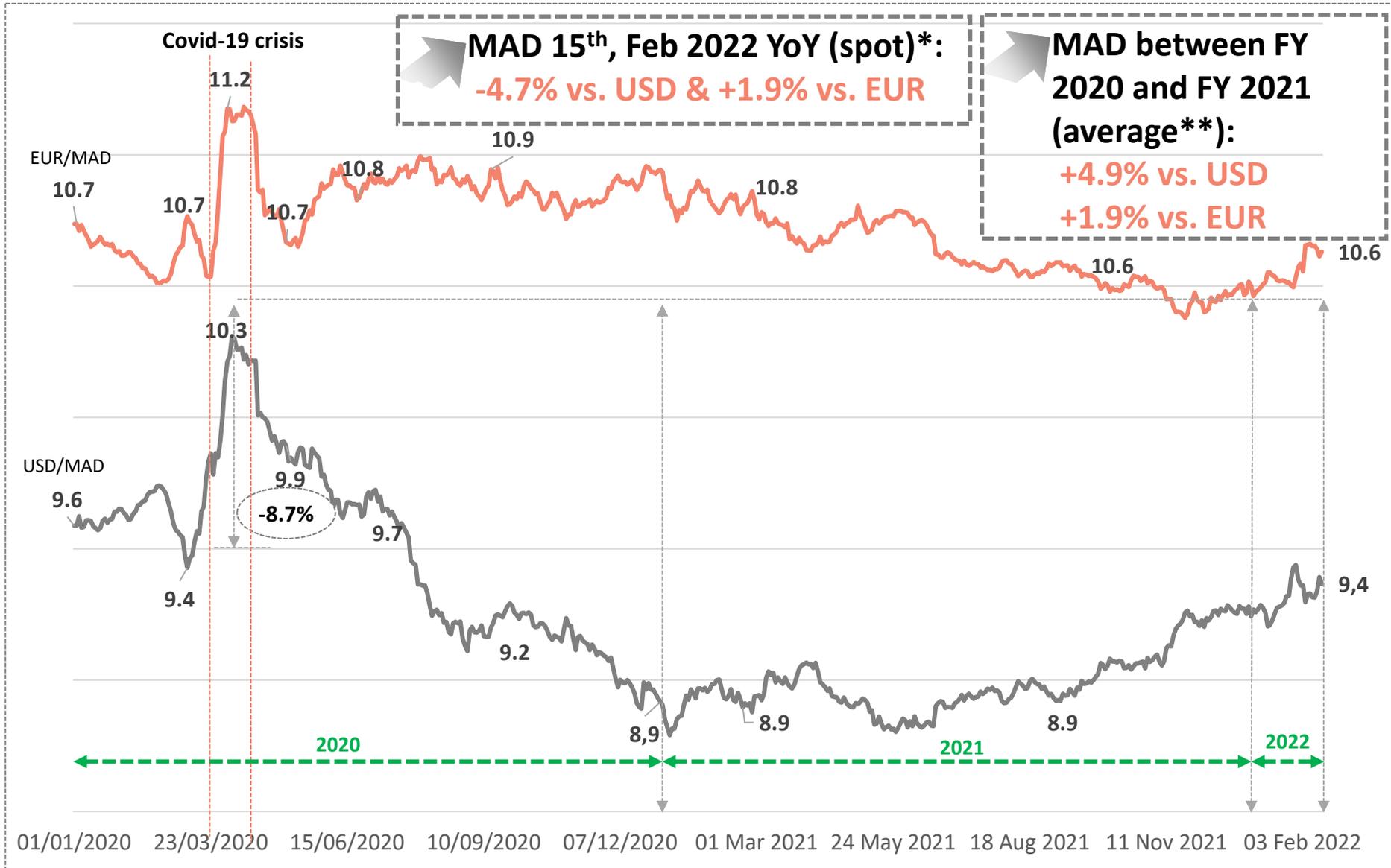
(In MAD bn)



# Exchange rates trend in 2020 and 2021

— EUR/MAD  
— USD/MAD

- **January 2018** : Implementation of a flexible exchange rate regime with an adjustable horizontal band (+/- 2.5%) within which MAD can fluctuate freely based on the interbank market supply and demand law
- **March 2020**: Widening the fluctuation band of the dirham from +/- 2.5% to +/- 5.0% compared to a Central rate set by BAM



(\*) Change spot in 15th February YoY, (\*\*) Average daily exchange rate over the period

# Budget deficit of 7% stimulating the economic recovery in 2021

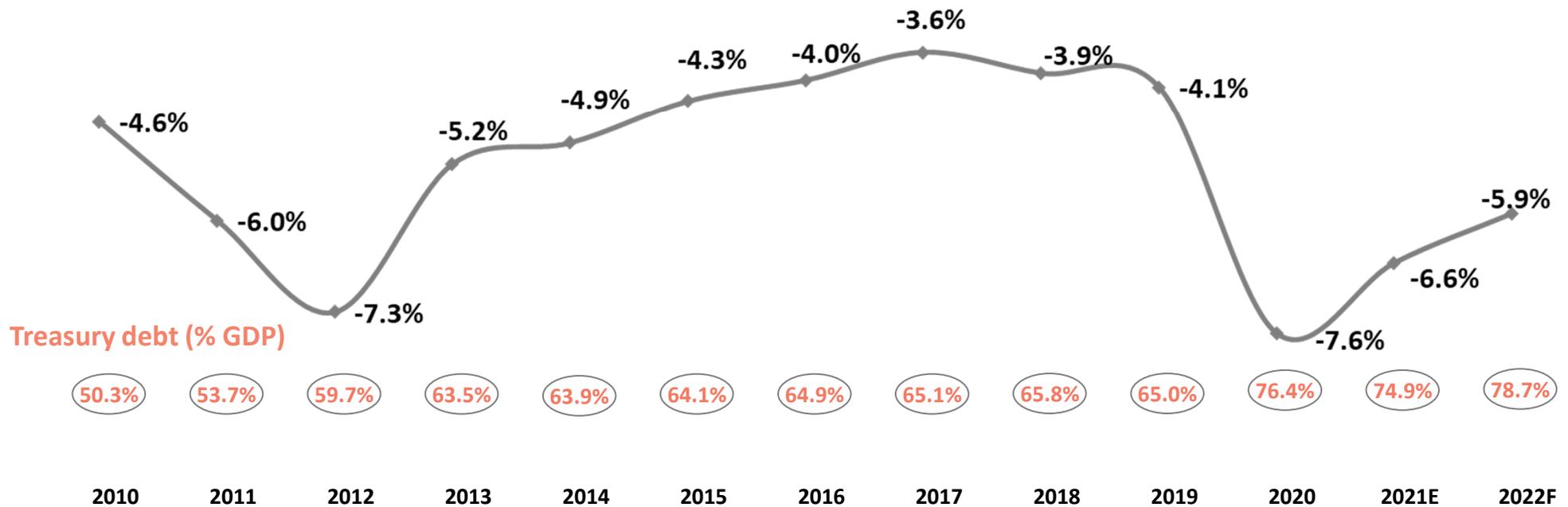
2022/2021



2021/2020



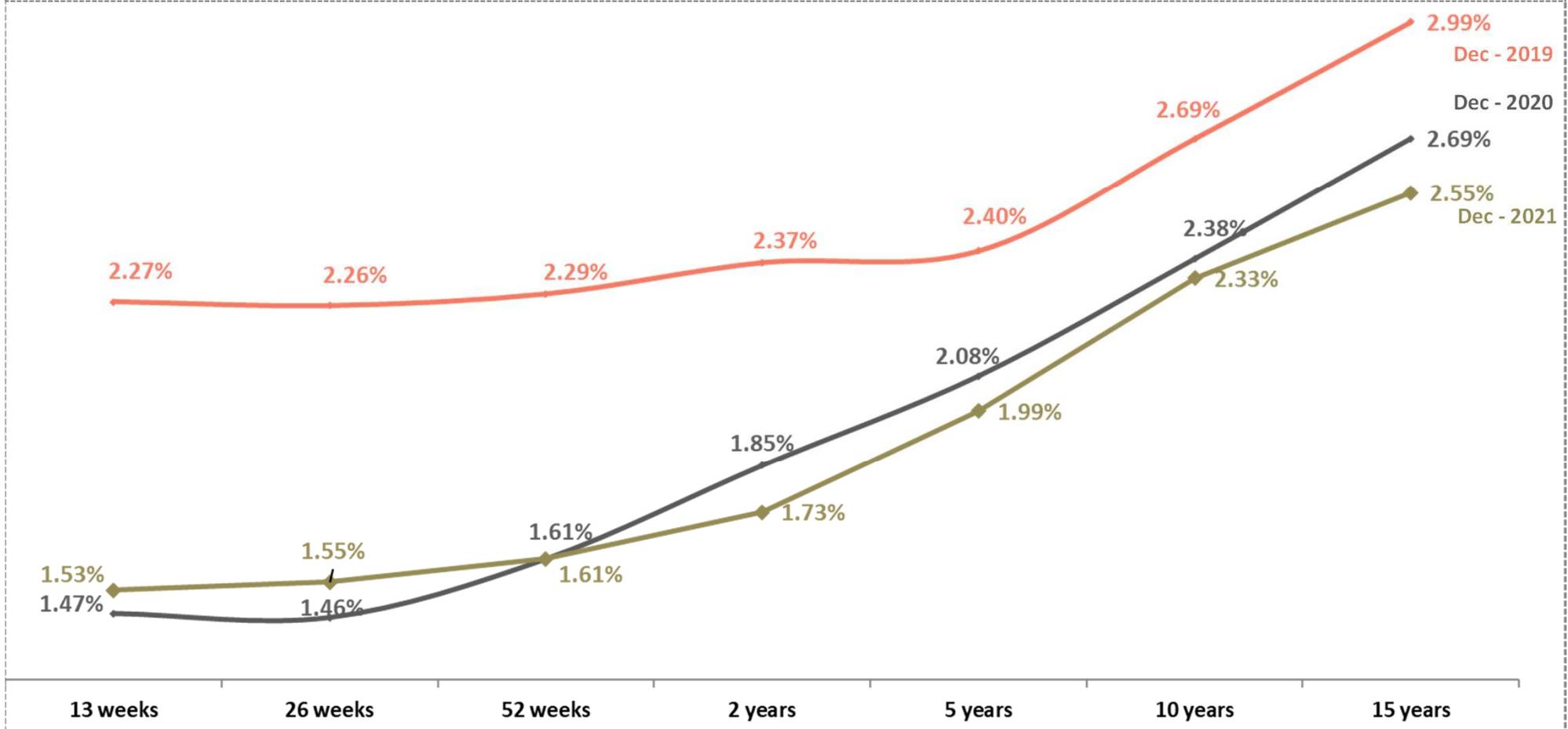
Budget deficit from 2010 to 2022 (in% GDP)



# Sovereign bonds yield curve trend between Dec 2019 and 2021

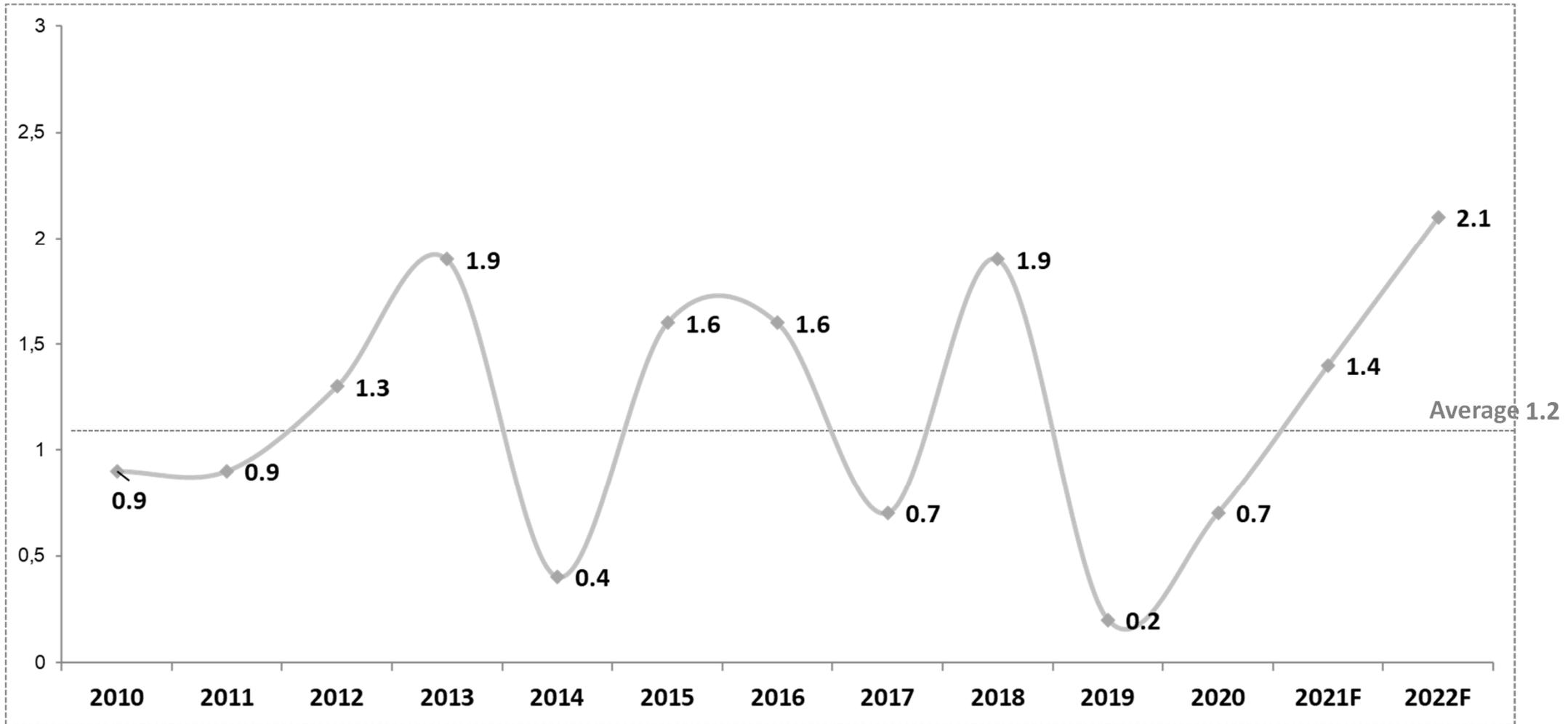
— Dec - 2019  
 — Dec - 2020  
 — Dec - 2021

- 2 successive Cuts in key interest rate **to 1.50%** (25bps in March and 50 bps in June 2020)
- Mandatory cash reserve at **0%** of deposits vs. **2%** before



# Macroeconomic environment in Morocco Outlook and main indicators

## Inflation (%)



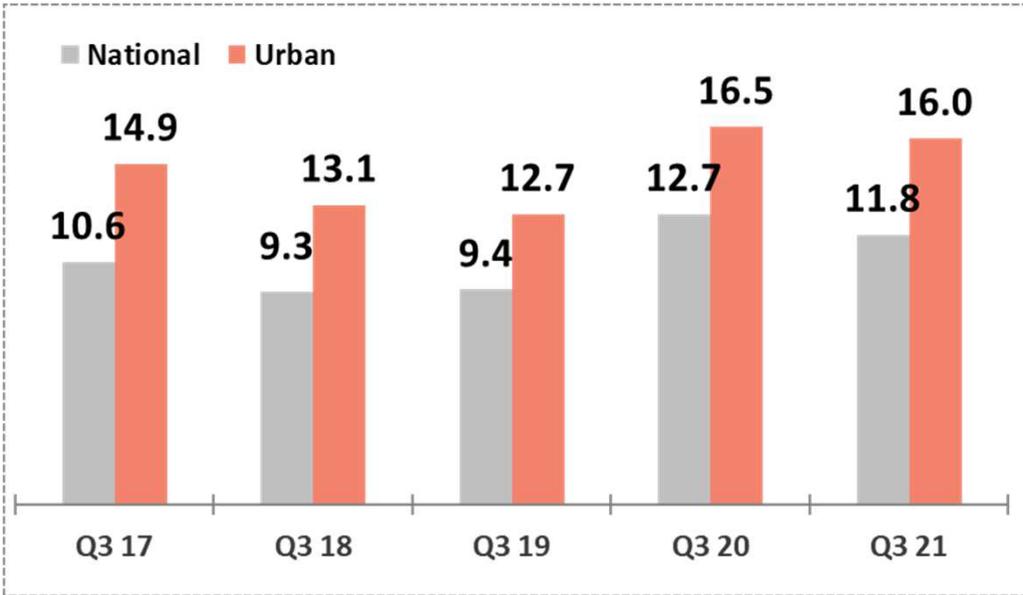
Source: MEF/HCP

# Macroeconomic environment in Morocco

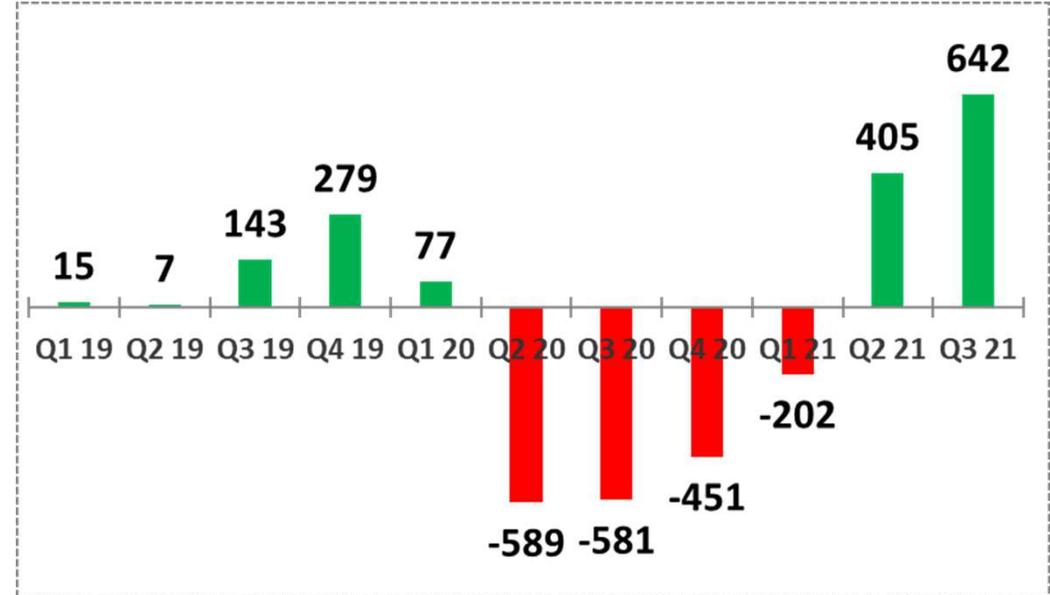
## Outlook and main indicators

**642 000 new jobs  
between Q3 20 & Q3 21**

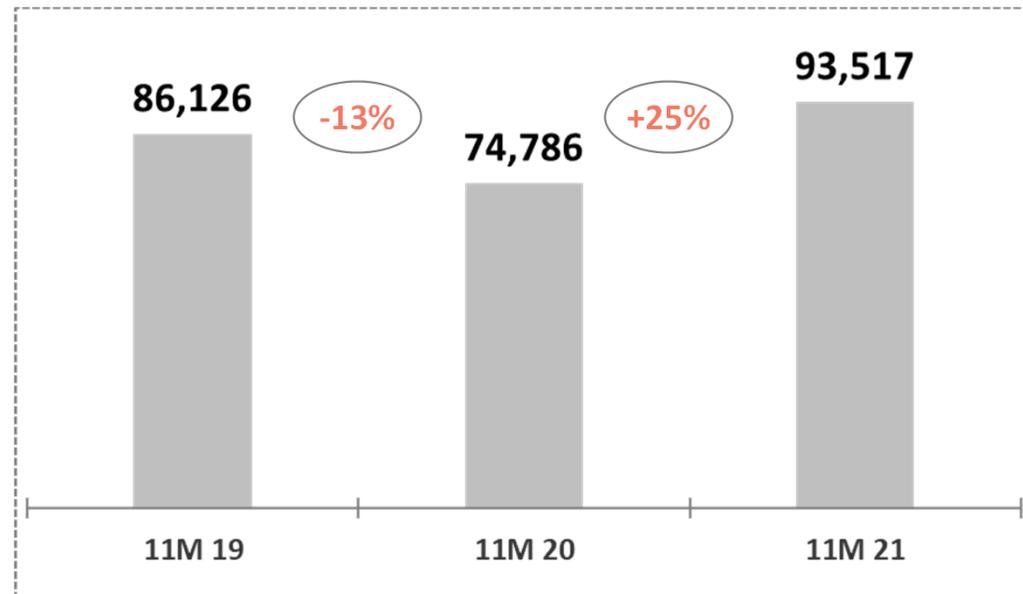
Unemployment rate (%)



Job creation (12 months in million)



Companies' creation



## Macroeconomic environment in AWB's main countries of presence – Focus on economic growth

Real GDP growth (%)	2019	2020	2021 <sup>E</sup>	2022 <sup>F</sup>
 Egypt	5.6%	3.6%	3.3%	5.2%
 Tunisia	1.0%	-8.6%	3.0%	3.3%
 Ivory coast	6.2%	2.0%	6.0%	6.5%
 Senegal	4.4%	1.5%	4.7%	5.5%
 Cameroon	3.7%	-1.5%	3.6%	4.6%

IMF, BAD, BEAC, Internal AWB's forecast

## Monetary policy in AWB's main regions of presence

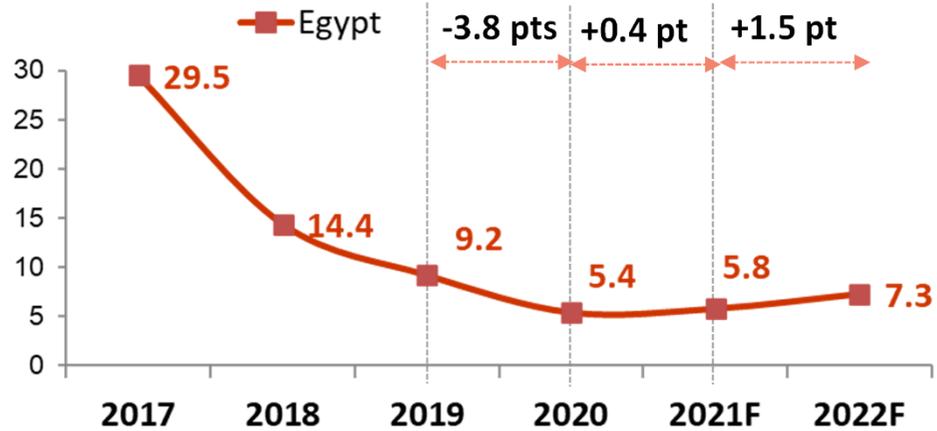
Main countries of presence	Monetary policy after the crisis
 Morocco	<ul style="list-style-type: none"> <li>2 successive cuts in key interest rate to <b>1.50%</b> (<b>25bps</b> in March and <b>50 bps</b> in June 2020)</li> </ul>
 Tunisia	<ul style="list-style-type: none"> <li><b>150 bps cut of key interest rate to 6.25%</b> ( 100 bps in March and 50 bps in October 2020)</li> </ul>
 Egypt	<ul style="list-style-type: none"> <li><b>400 bps cut of key interest rate to 8.75%</b> in 2020 (<b>300 bps</b> in March 2020 and <b>50 bps</b> in September 2020 and <b>50 bps</b> in November 2020) after <b>450 bps decrease</b> in 2019 (<b>100 bps</b> in February 2019 and <b>150 bps</b> in August 2019, <b>100 bps</b> in September 2019 and <b>100 bps</b> in November 2019) and <b>200 bps decrease</b> in 2018 (<b>100 bps</b> in February 2018 and <b>100 bps</b> in April 2018)</li> </ul>
WAEMU <sup>(1)</sup>	<ul style="list-style-type: none"> <li><b>50 bps</b> cut in the main key interest rates to <b>2.00%</b></li> </ul>
EMCCA <sup>(2)</sup>	<ul style="list-style-type: none"> <li><b>25 pbs</b> cut of interest rate for to <b>3.25%</b></li> </ul>

(1) WAEMU: Senegal, Burkina Faso, Mali, Ivory-Coast, Benin, Niger, Togo and Guinea-Bissau.

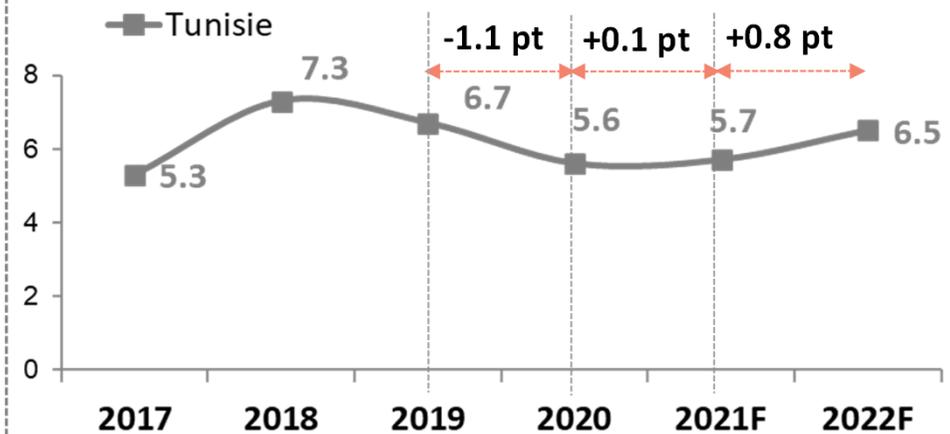
(2) EMCCA: Cameroon, Congo, Gabon, Equatorial Guinea, Central African Republic and Chad

# Inflation rate in AWB's main regions of presence

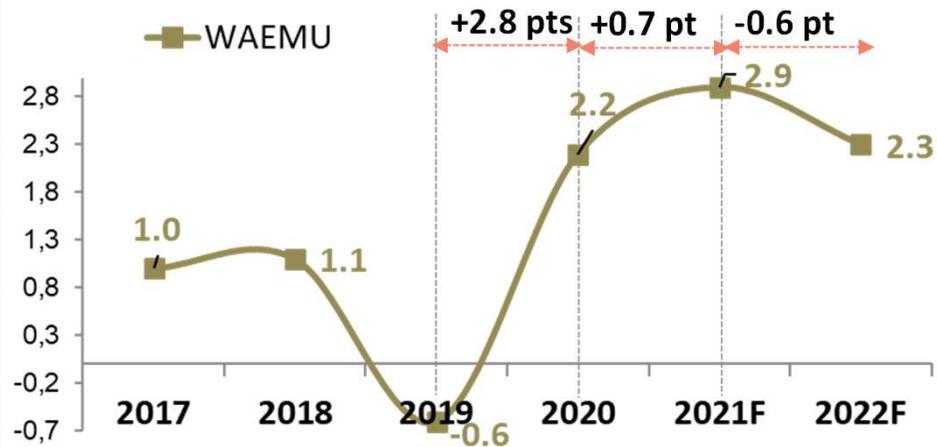
## EGYPT



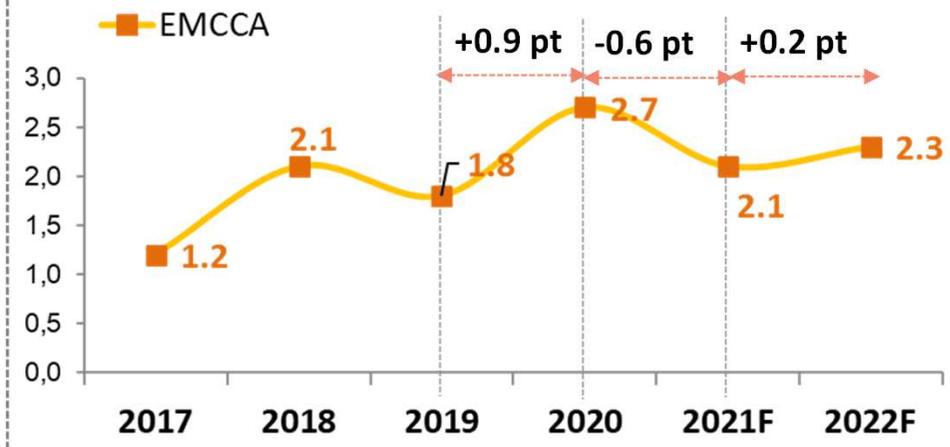
## TUNISIE



## WAEMU



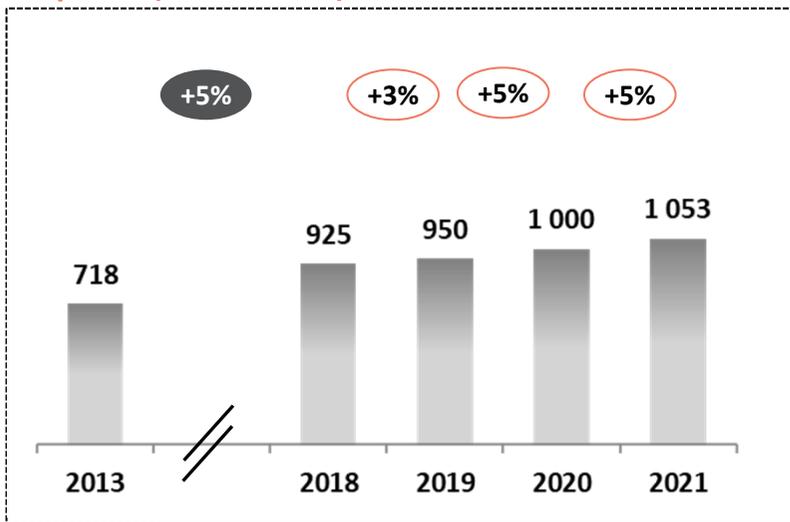
## EMCCA



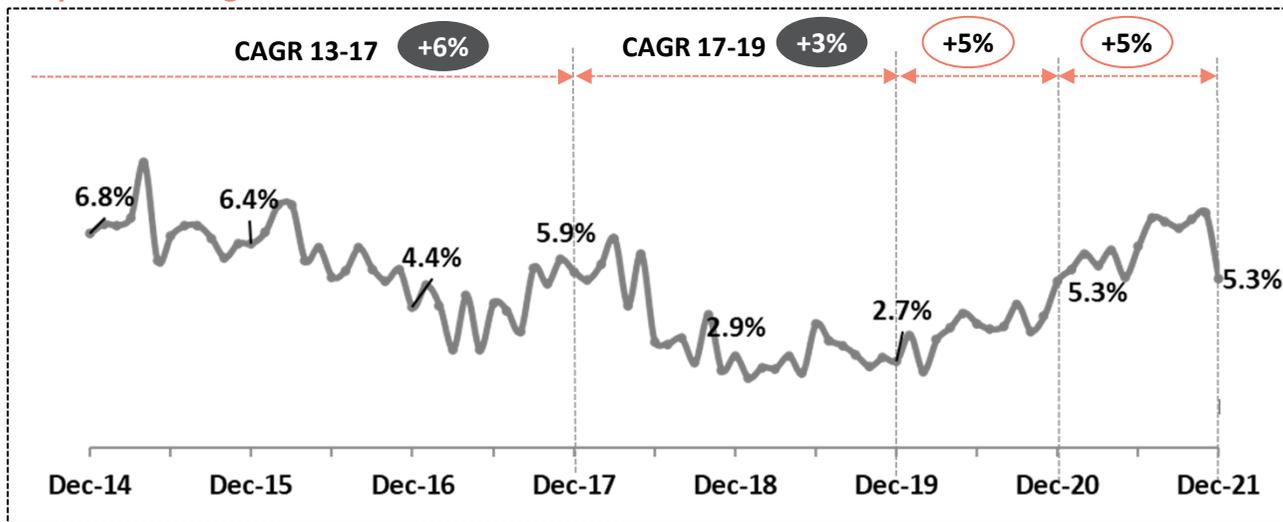
# Moroccan banking sector YoY growth

— YoY growth  
 ● X% CAGR  
 ○ X% Annual change

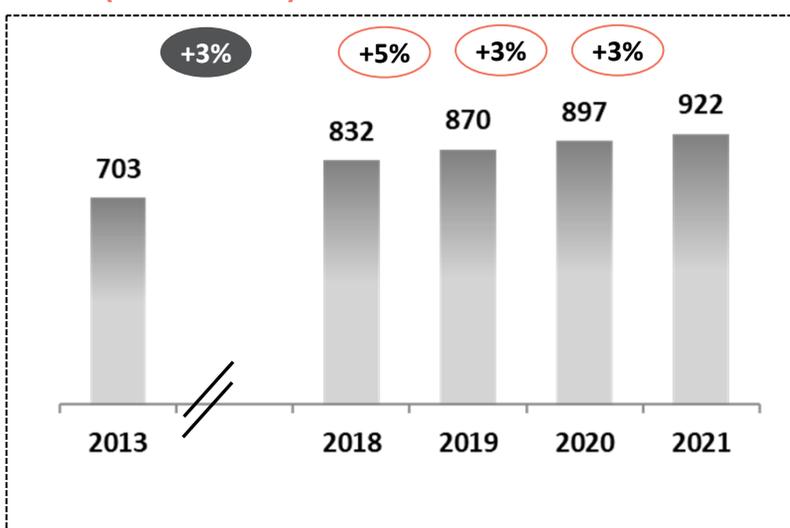
Deposits (MAD billion)



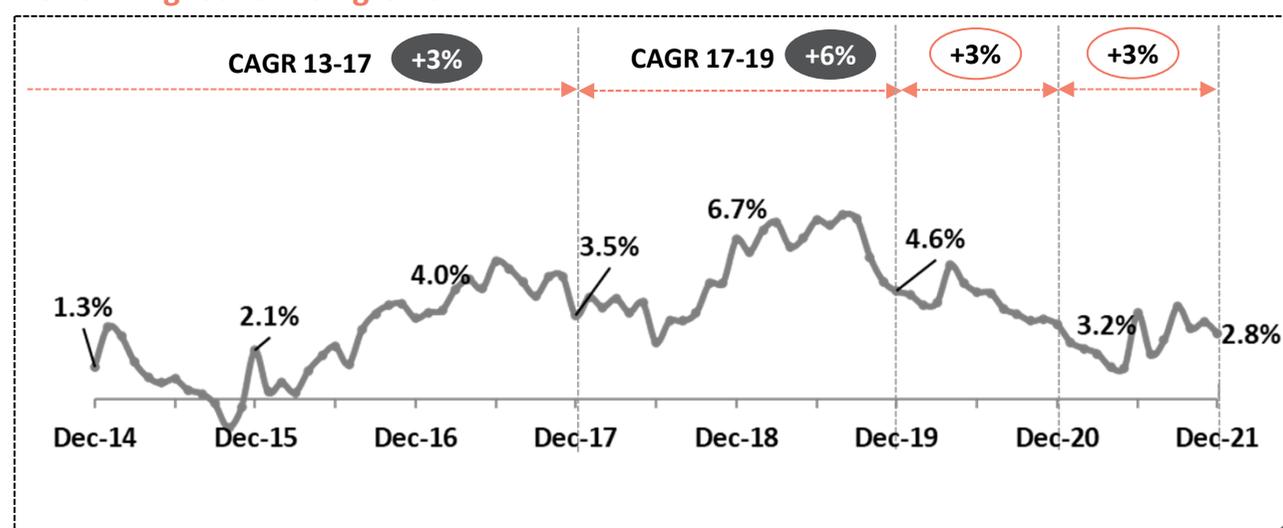
Deposits: YoY growth



Loans (MAD billion)



Performing loans : YoY growth



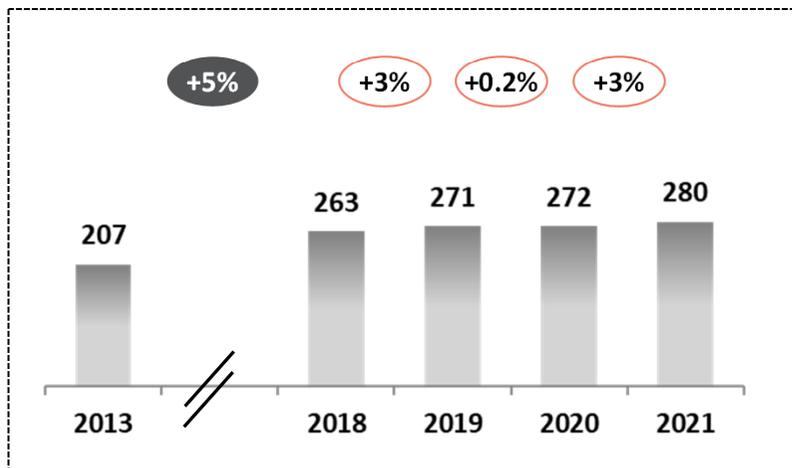
Source : GPBM (the Moroccan banking association)

# Moroccan banking sector

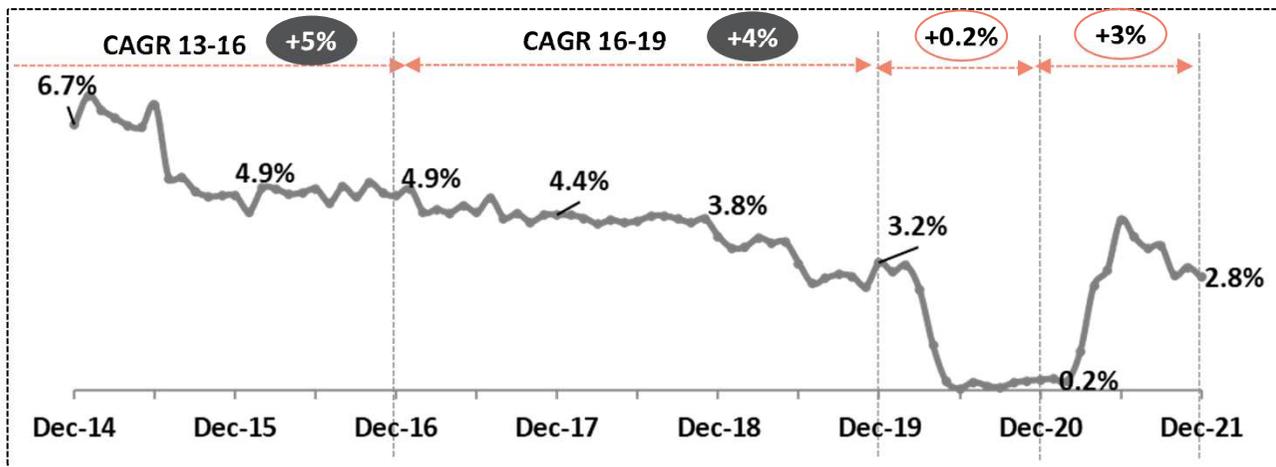
## YoY growth

— YoY growth  
 ● X% CAGR  
 ○ X% Annual change

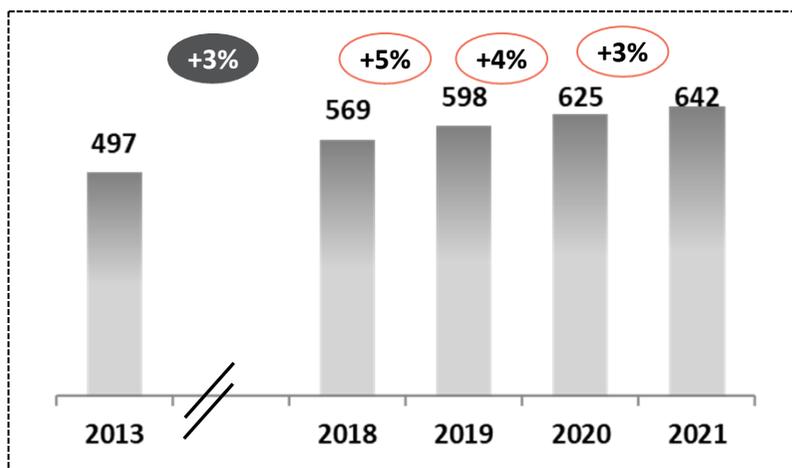
Retail loans <sup>(1)</sup> (MAD billion)



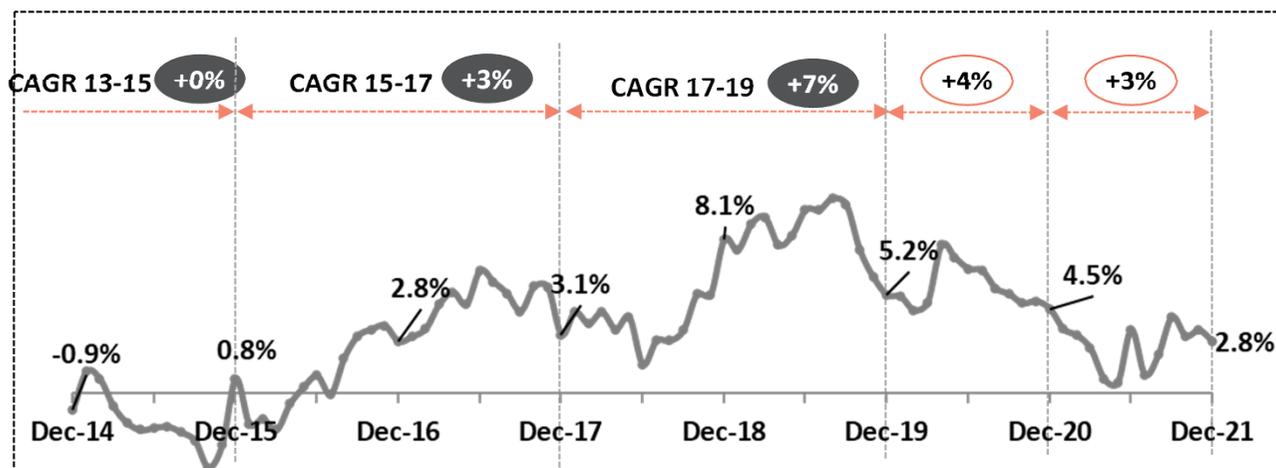
Retail loans: YoY growth



Corporate loans <sup>(2)</sup> (MAD billion)



Corporate loans : YoY growth



(1) Mortgage loans+ consumer loans

(2) Loans to financial institutions + equipment and investment loans + property development loans + short-term and treasury loans + other loans

Source : GPBM (the Moroccan banking association)

# Agenda

Overview of macroeconomic environment in AWB's countries of presence

 **Liquidity, Capital Adequacy Ratio and Financial Performance**

Attijariwafa bank share price performance

Back up

Continued support of customers and communities through Covid-19 crisis

# FY 2021 consolidated P&L

<i>(in MAD million)</i>	FY 2020	FY 2021	Growth Rate	Growth Rate at a constant exchange rate
<b>Net banking income</b>	<b>23,858</b>	<b>24,380</b>	<b>2.2%</b>	<b>3.2%</b>
<i>Net interest income</i>	<i>15,785</i>	<i>16,170</i>	<i>2.4%</i>	<i>3.6%</i>
<i>Net fee income</i>	<i>4,771</i>	<i>5,192</i>	<i>8.8%</i>	<i>10.1%</i>
<i>Income from market activities</i>	<i>3,031</i>	<i>3,546</i>	<i>17.0%</i>	<i>17.6%</i>
<i>Others</i>	<i>271</i>	<i>-529</i>	<i>NA</i>	<i>NA</i>
<b>General operating expenses</b>	<b>12,235</b>	<b>11,289</b>	<b>-7.7%</b>	<b>-6.6%</b>
<b>Gross operating income</b>	<b>11,623</b>	<b>13,090</b>	<b>12.6%</b>	<b>13.6%</b>
<b>Cost of risk</b>	<b>5,454</b>	<b>3,607</b>	<b>-33.9%</b>	<b>-33.1%</b>
<b>Net income</b>	<b>3,705</b>	<b>6,157</b>	<b>66.2%</b>	<b>67.7%</b>
<b>Net income group share</b>	<b>3,018</b>	<b>5,144</b>	<b>70.5%</b>	<b>71.8%</b>
<b>Net income group share*</b>	<b>3,696</b>	<b>5,144</b>	<b>39.2%</b>	<b>40.3%</b>

+0.0% at a constant scope and excluding covid19 contribution in 2020

\* excluding the contribution to COVID-19 special fund in 2020

## FY 2021 key financial indicators

	FY 2019	FY 2020	FY 2021
<b>Net interest margin* (bps)</b>	<b>461</b>	<b>473</b>	<b>469</b>
<b>Cost income ratio</b>	<b>47.8%</b>	<b>51.3%</b> <b>46.5%**</b>	<b>46.3%</b> <span style="border: 1px dashed black; padding: 2px;">45,8% at a constant scope</span>
<b>NPL ratio</b>	<b>6.6%</b>	<b>7.8%</b>	<b>8.1%</b>
<b>Cost of risk</b>	<b>0.46%</b>	<b>1.51%</b>	<b>0.97%</b>
<b>RoA</b>	<b>1.31%</b>	<b>0.65%</b> <b>0.78%**</b>	<b>1.03%</b>
<b>RoE (***)</b>	<b>14.8%</b>	<b>7.3%</b> <b>8.9%**</b>	<b>11.5%</b>
<b>Leverage (****)</b>	<b>11.3x</b>	<b>13.6x</b>	<b>11.1x</b>

(\*) Net interest income / Customer loans

(\*\*) Excl. the contribution to COVID-19 special fund in 2020

(\*\*\*) Net income / (End of period Shareholder equity – Net income)

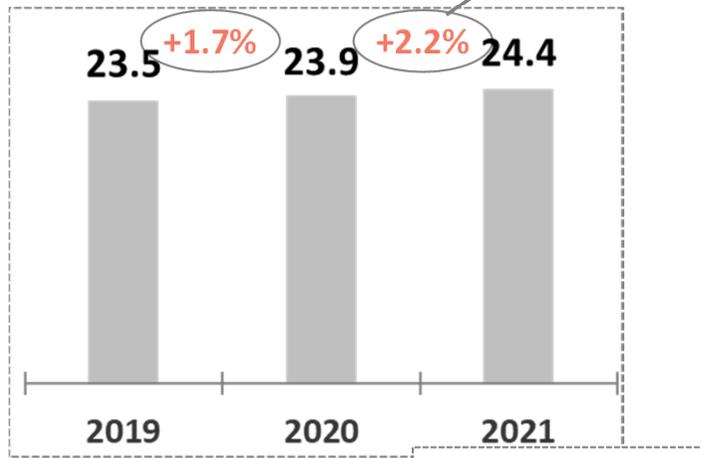
(\*\*\*\*) Total assets / (End of period Shareholder equity – Net income)

# NBI by business line

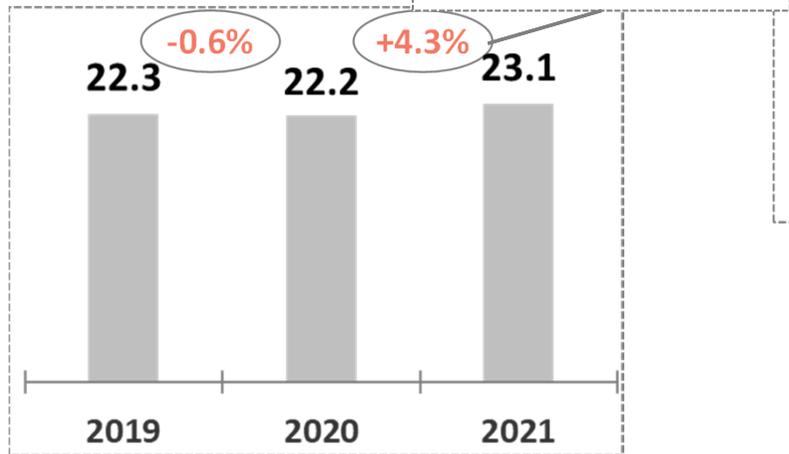
X% Annual change

MAD billion

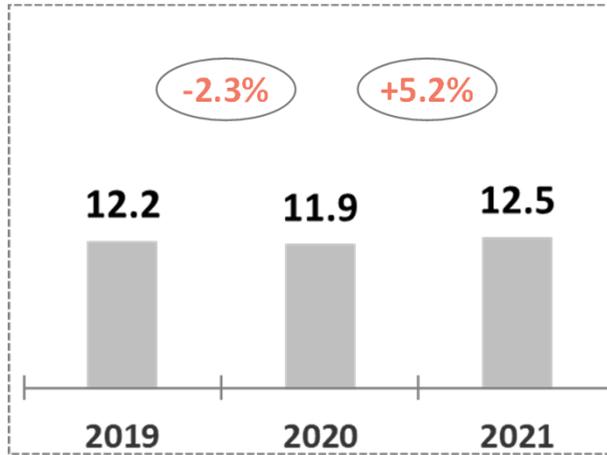
NBI



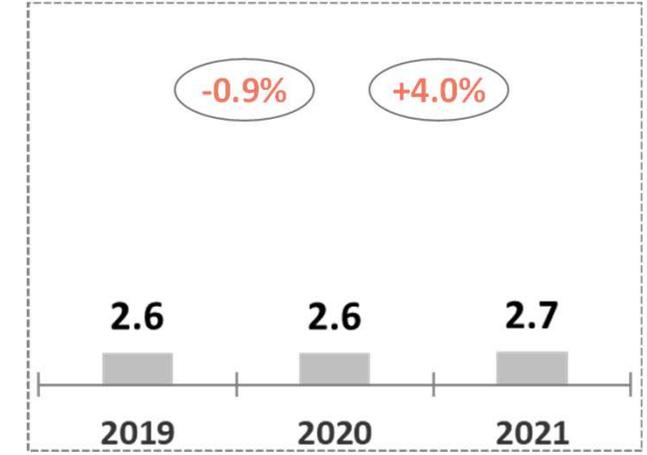
NBI (excl. Insurance)



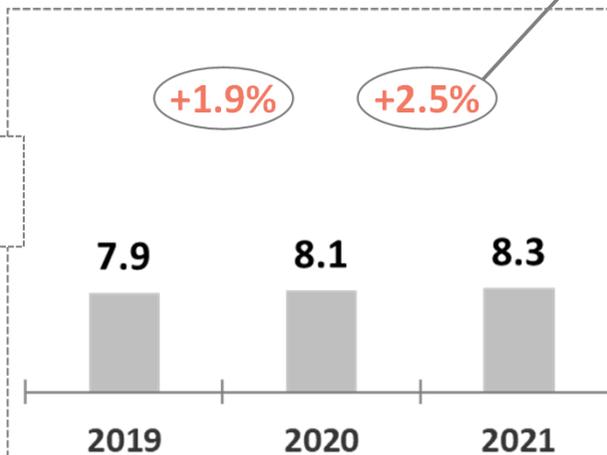
BMET



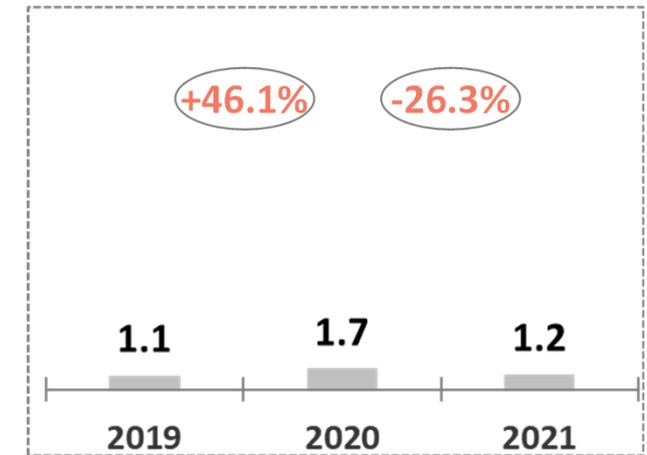
Specialized Financial Companies



International Retail Banking



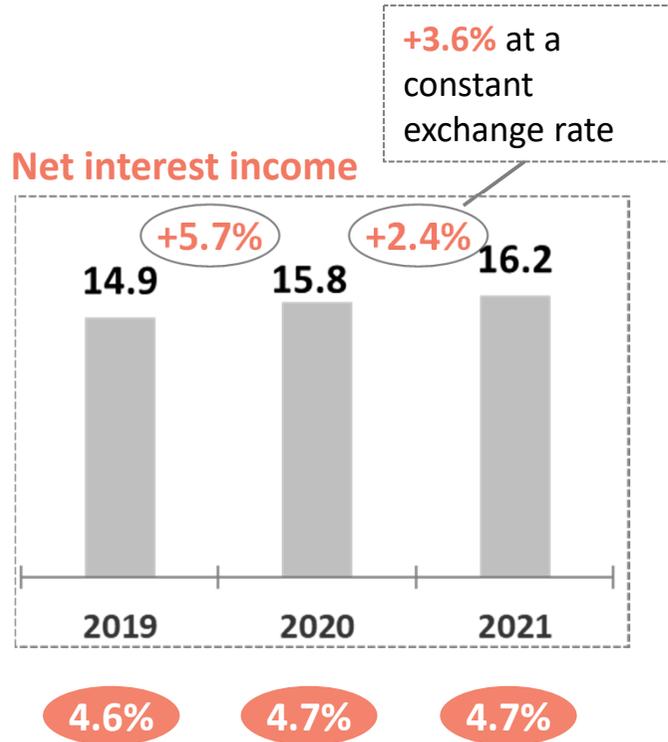
Insurance



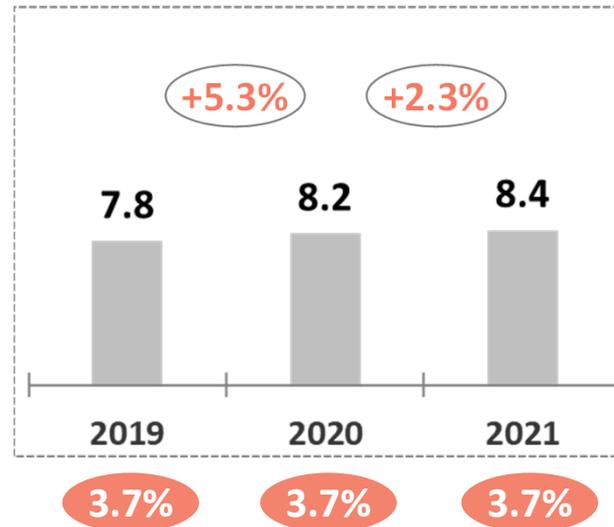
# Net Interest Income by business line

X% Annual change

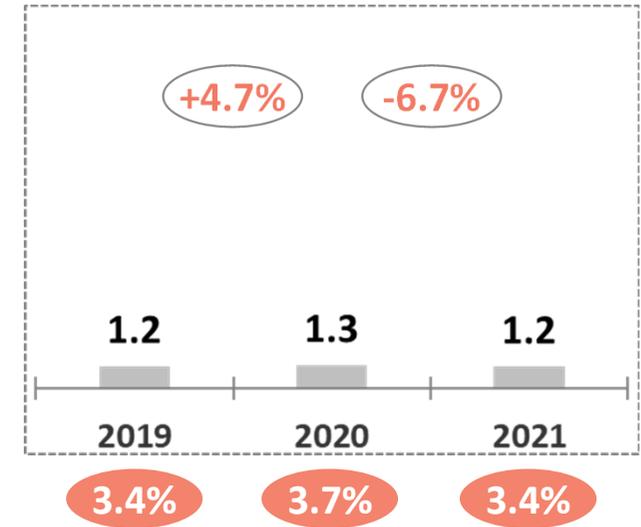
MAD billion



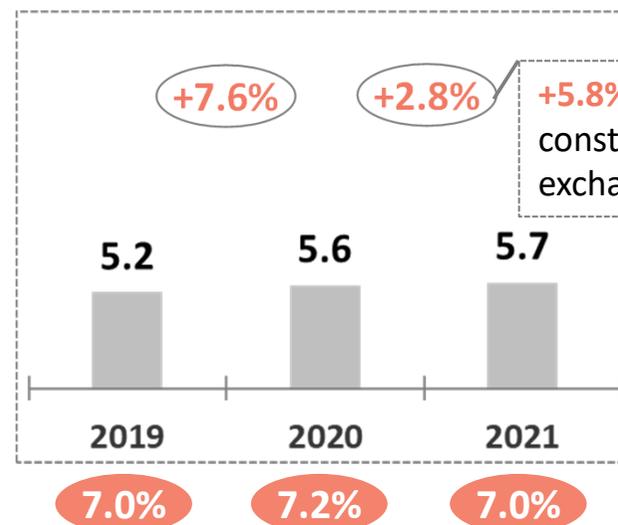
## BMET



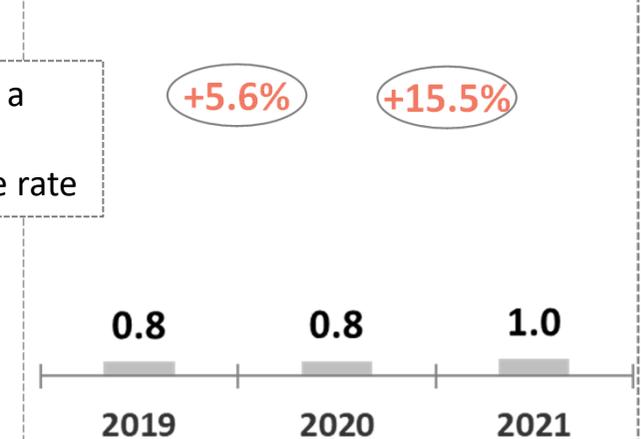
## Specialized Financial Companies



## International Retail Banking



## Insurance



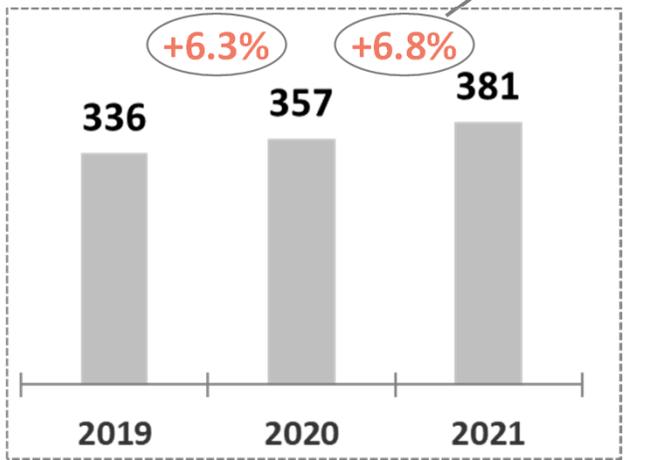
X% Net interest income / Loans

# Deposits by business line

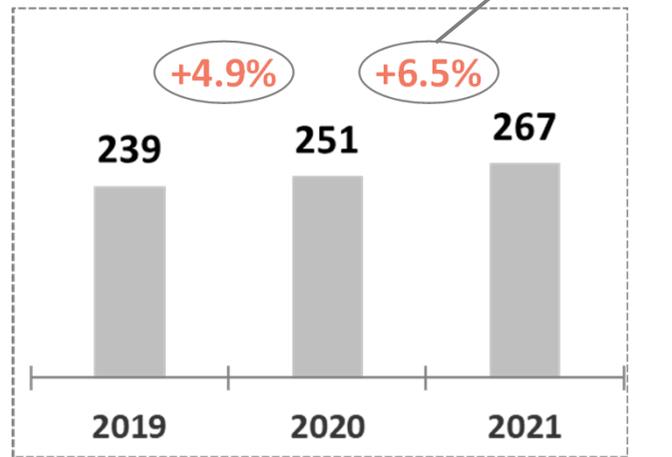
X% Annual change

MAD billion

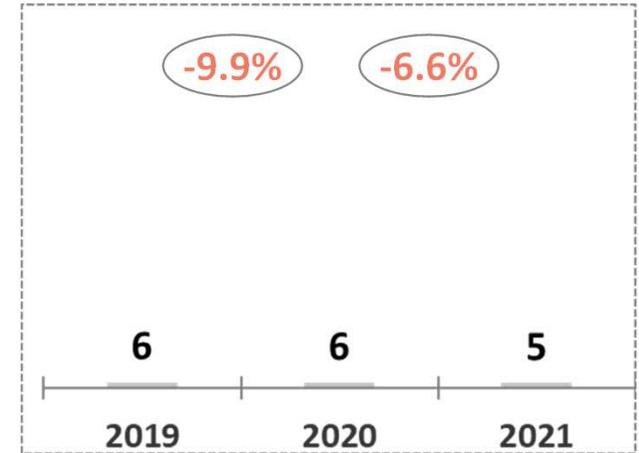
## Deposits



## BMET

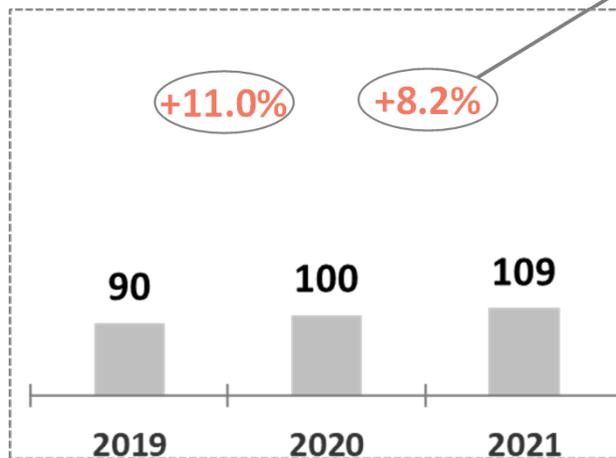


## Specialized Financial Companies

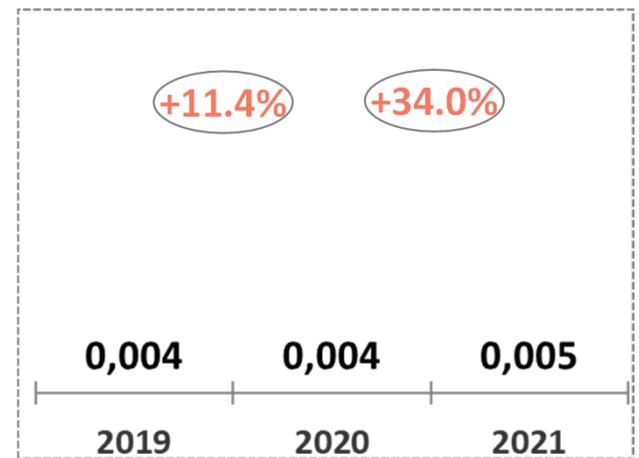


• Free-interest deposits : +18.3%  
• +9.7% at a constant exchange rate

## International Retail Banking



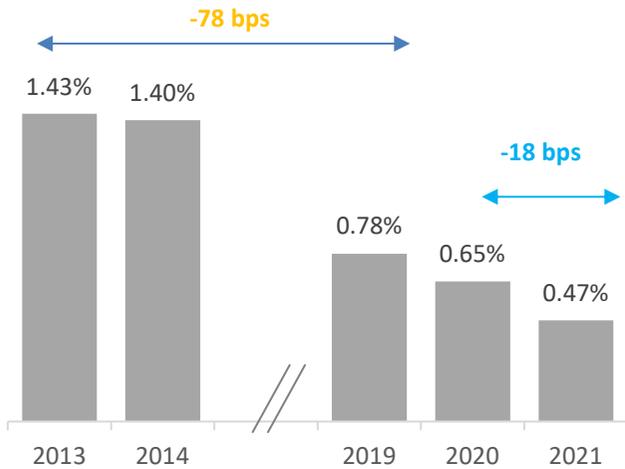
## Insurance



# Cost of funding evolution – Focus on Morocco

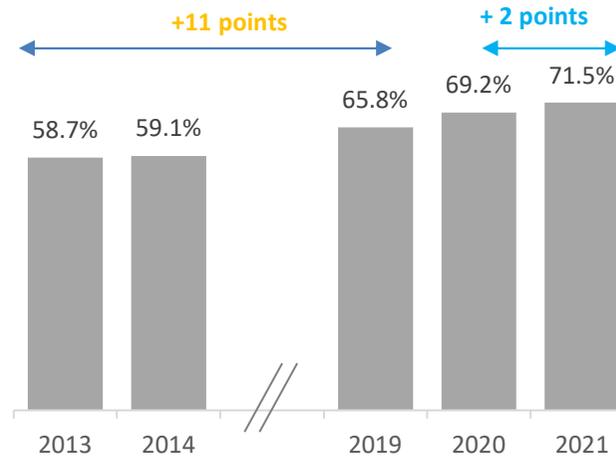
## Cost of funding

**-96 bps**  
between 2013  
and 2021



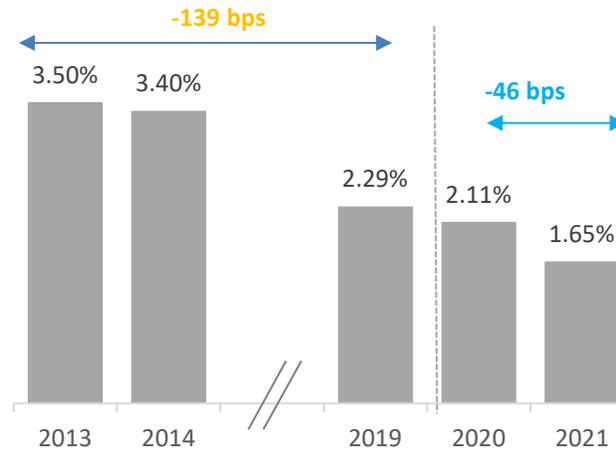
## Deposits structure (% of non bearing interest deposits)

**+13 points**  
between 2013  
and 2021



## Interest bearing deposits cost of funding

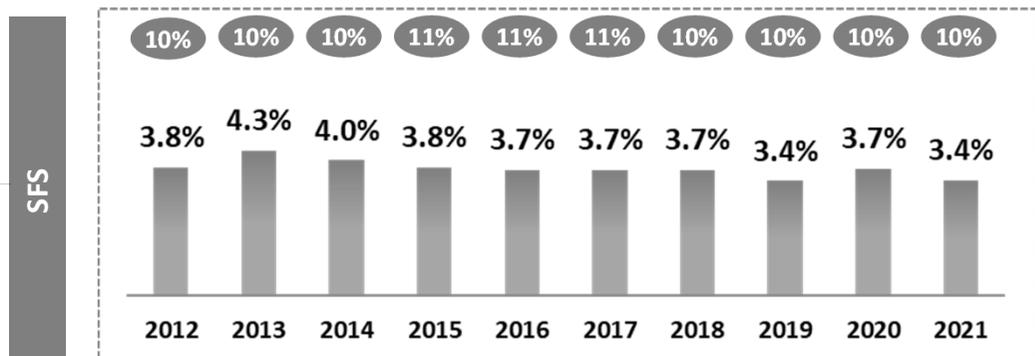
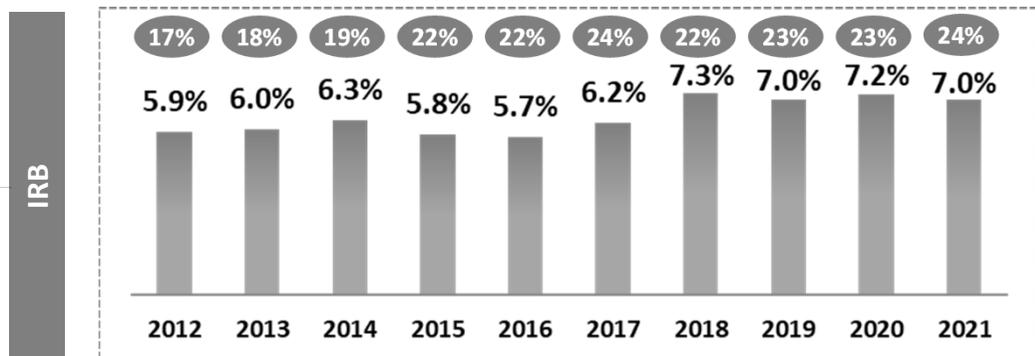
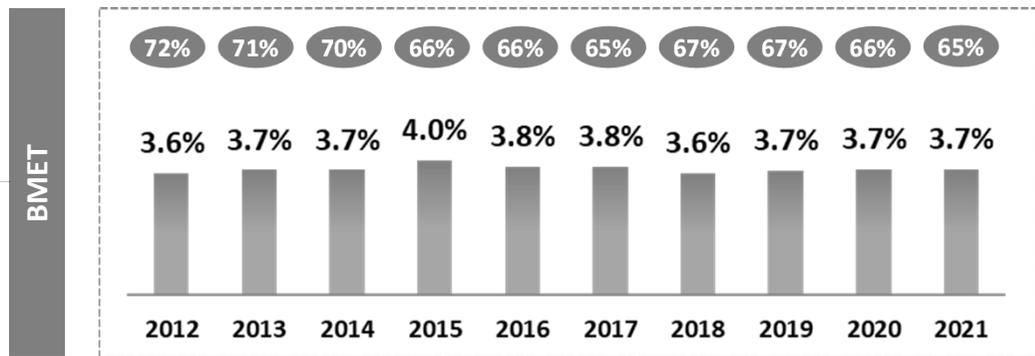
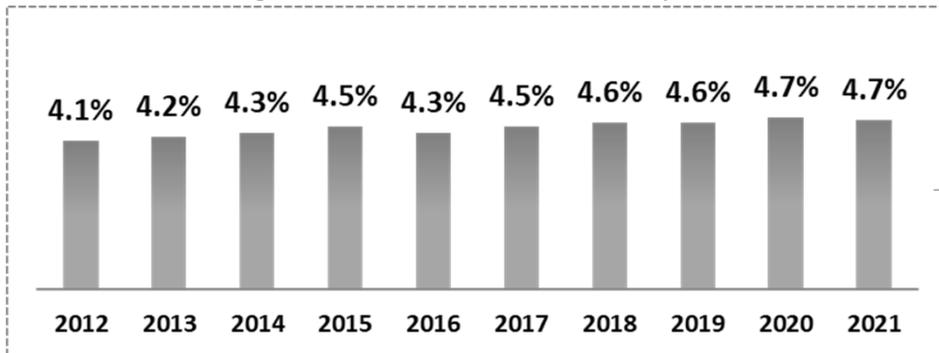
**-185 bps**  
between 2013  
and 2021



# Net interest margin by business line between 2012 and 2021

xx% Contribution to net customer loans (end of period)

Net interest margin/ customer loans (end of period)



Note:

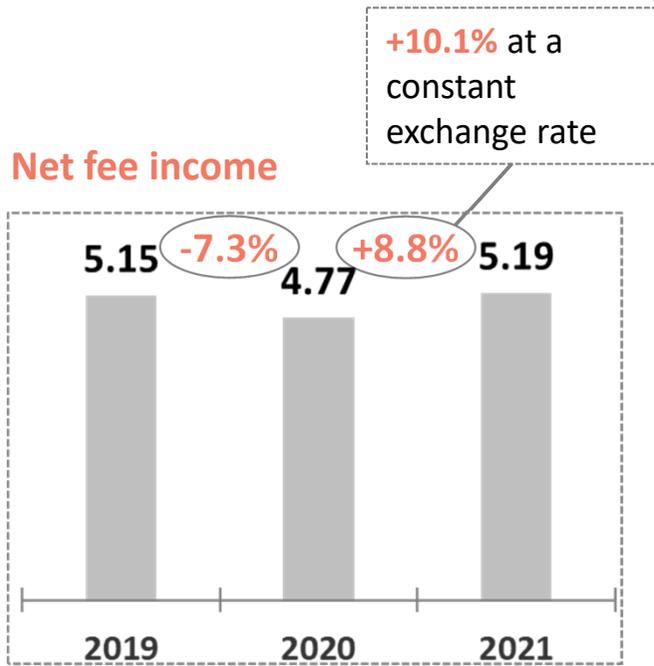
BMET: Banking in Morocco, Europe and Offshore ; IRB: International Retail Banking

SFS: Specialized Financial Subsidiaries

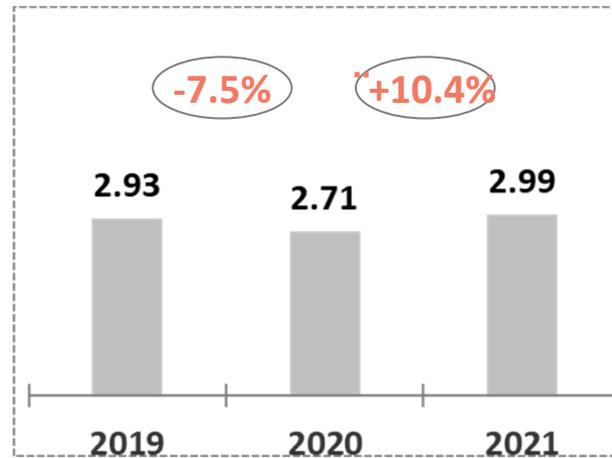
# Fees by business line

X% Annual change

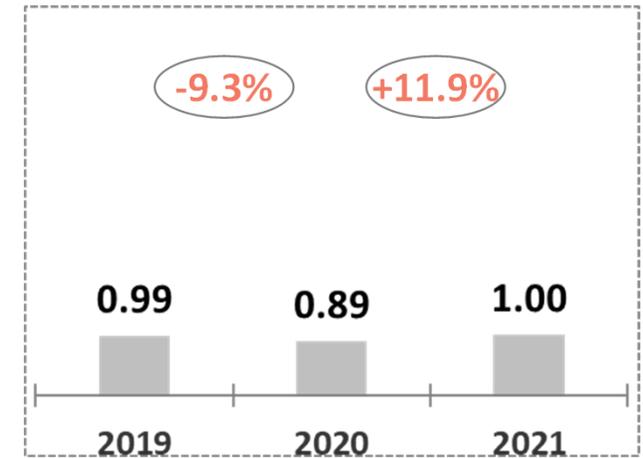
MAD billion



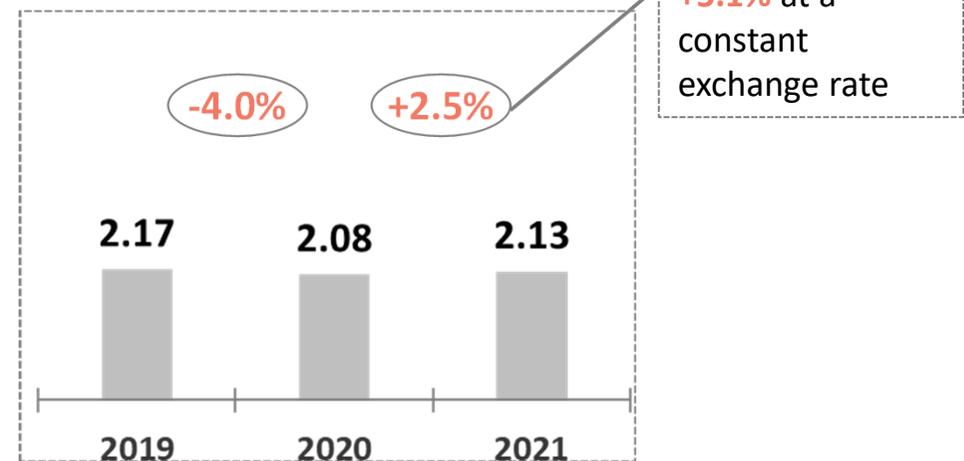
### BMET



### Specialized Financial Companies



### International Retail Banking



# A rigorous cost control based on an ambitious saving plan....

X% Annual change    x% At a constant scope and excluding the contribution to COVID-19 special fund in 2020

MAD million

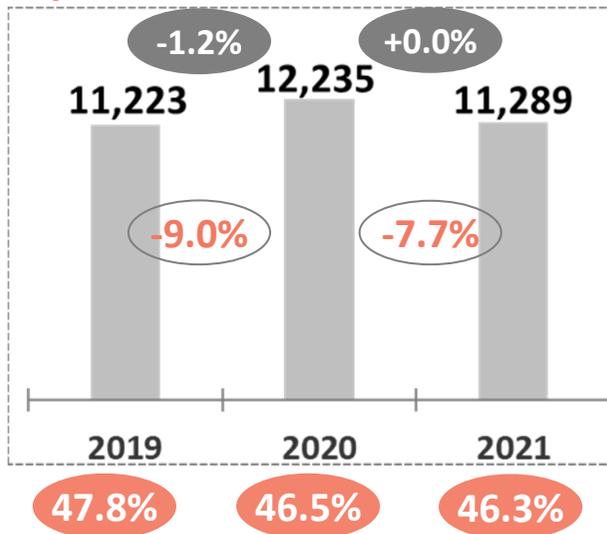
**Cost-Income ratio on a consolidated basis:**

↘ **-1.5pt** between FY 19 and FY 21

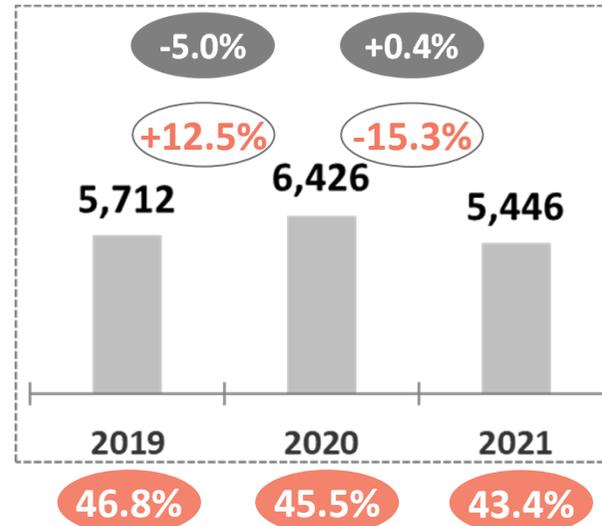
**Cost-Income ratio BMET:**

↘ **-3.4pts** between FY 19 and FY 21

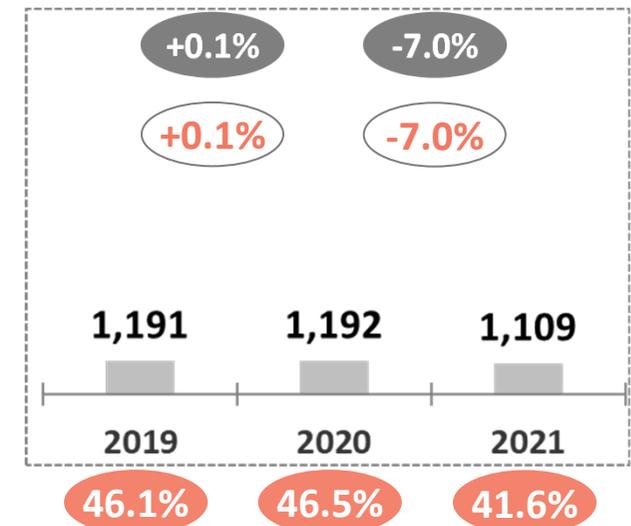
## Expenses



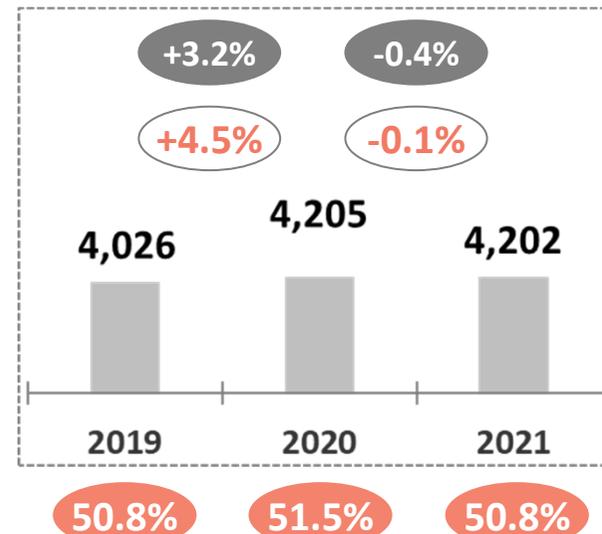
## BMET



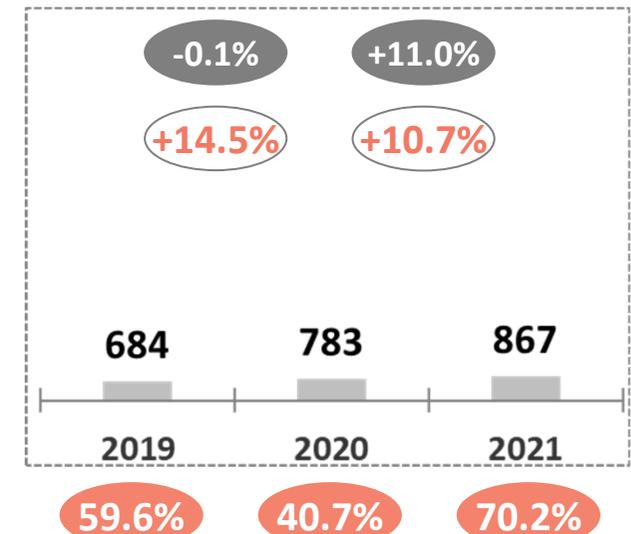
## Specialized Financial Companies



## International Retail Banking



## Insurance



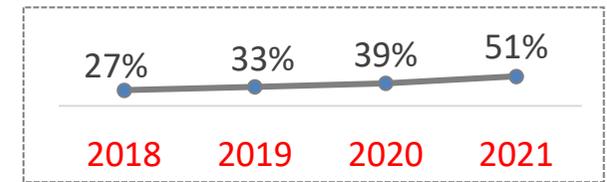
X% Cost-Income ratio excluding the contribution to COVID-19 special fund in 2020

# ...and leveraging on digital transformation

➔ ~51% of active digital customers

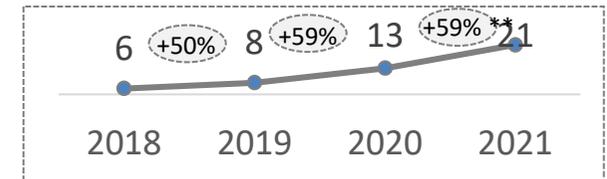


Active digital clients (% of total clients)



➔ More than 21 millions connections per month in 2021 (+59%)

# of connections (million ; on a monthly basis)



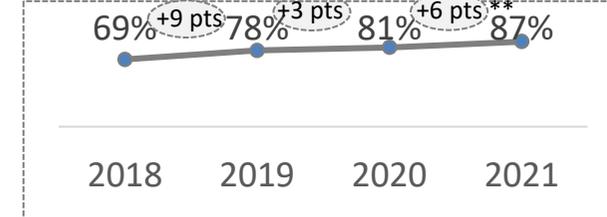
➔ 87% of all transactions\* processed through digital platforms in 2021

# of transactions (million)



➔ 121 K customers acquired by « L'BANKALIK », AWB's full digital Banking platform

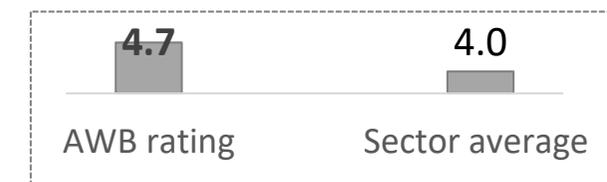
% of total transactions\*



➔ Attijari mobile has the highest rating for banking app in Morocco (between 4.7 according to Android and Apple stores, vs. a sector average of 4.0)



AWB's mobile app rating



➔ 98% customer satisfaction rate for the AWB digital experience

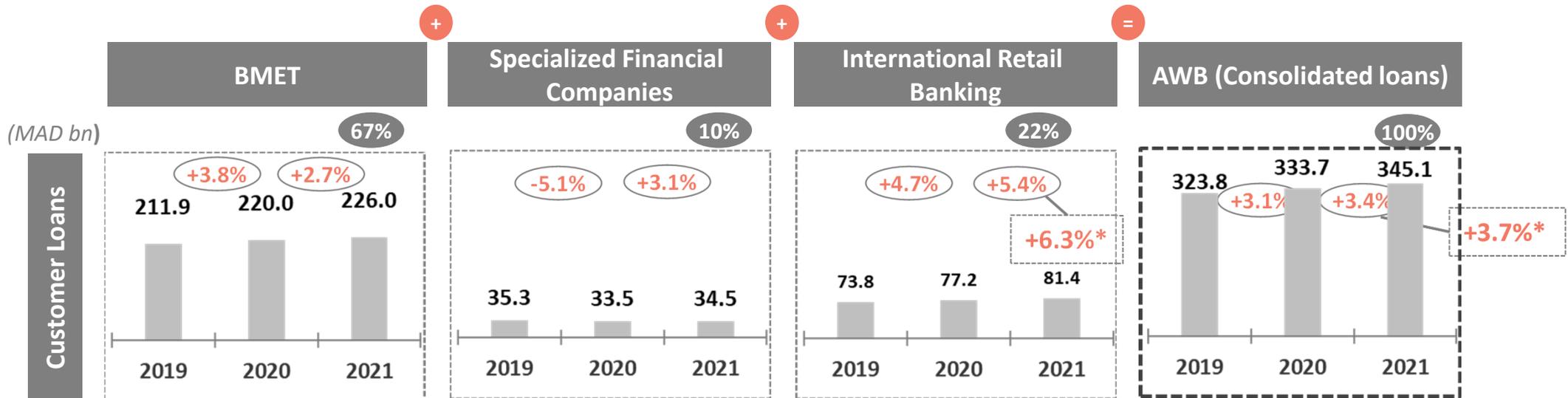
(\*) All available operations on the various digital channels (e.g., transfers, provisions, bill payments) "virements unitaires"

(\*\*) Y to Y

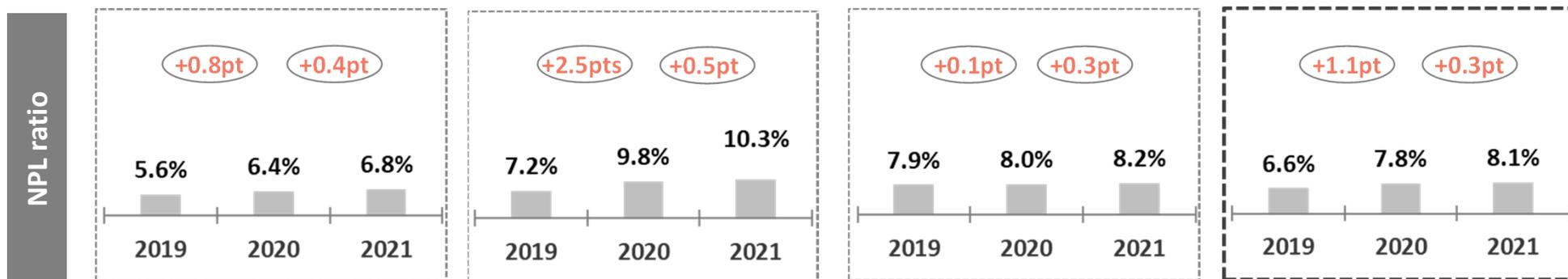
# Growth of customer loans and NPL ratio by business line

X% Annual change

Xx% Contribution to net customer loans (end of period)

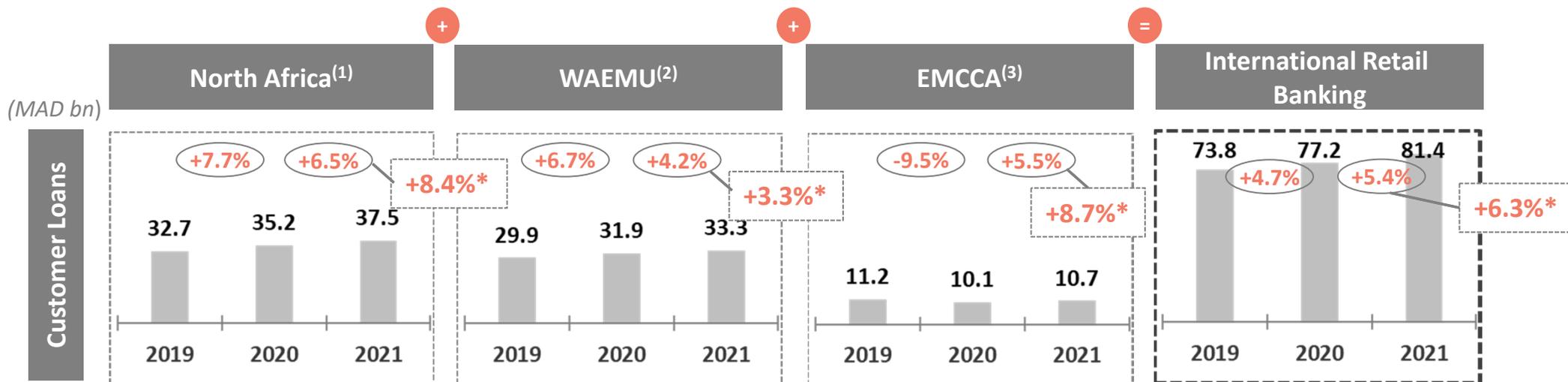


(\*) at a constant exchange rate

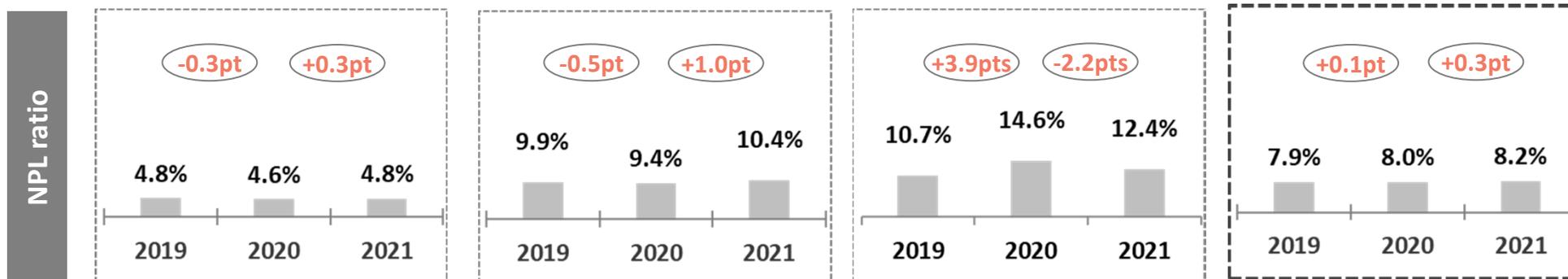


# Growth of customer loans and NPL ratio by business line: Focus on IRB\*

X% Annual change



(\*) at a constant exchange rate



- (1) North Africa: Tunisia, Mauritania and Egypt
- (2) WAEMU: Senegal, Mali, Ivory Coast and Togo
- (3) EMCCA: Cameroon, Congo and Gabon

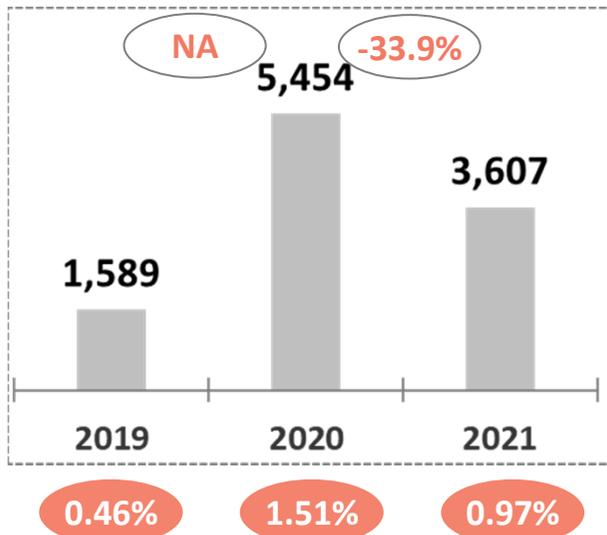
(\*) IRB: International Retail Banking

# Evolution of Cost of Risk by business line

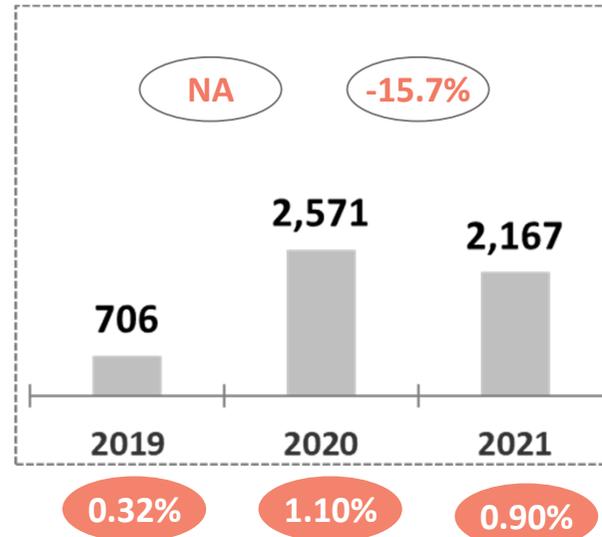
X% Annual change  
X% CoR (%)

MAD million

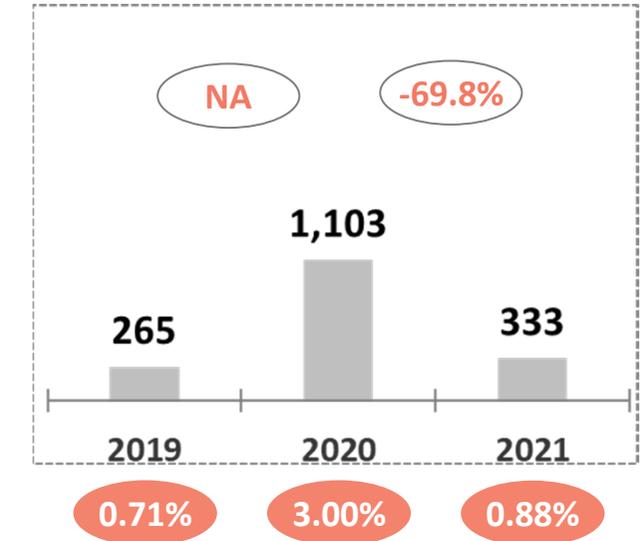
## Cost of Risk



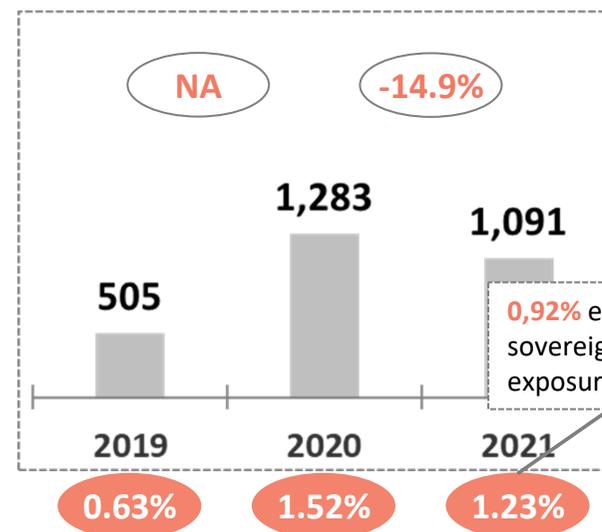
## BMET



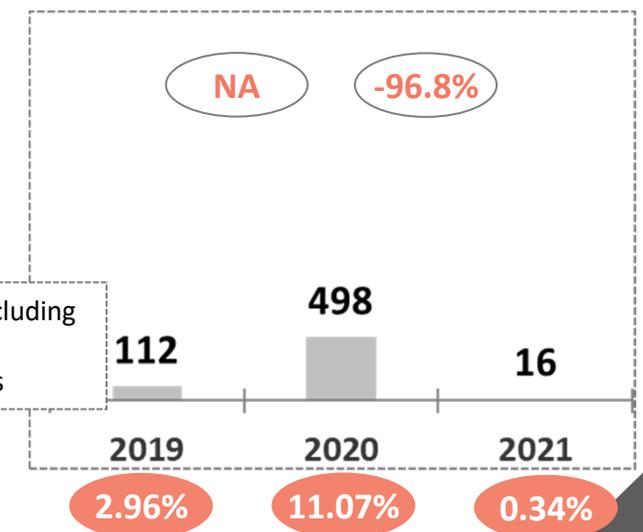
## Specialized Financial Companies



## International Retail Banking



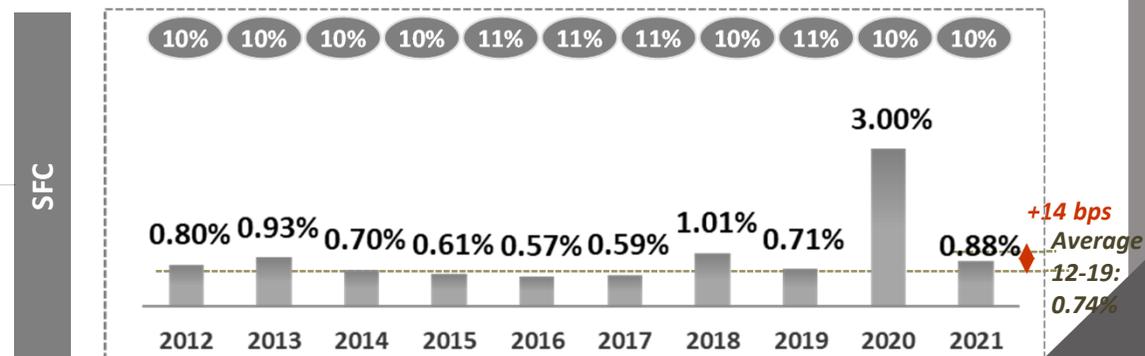
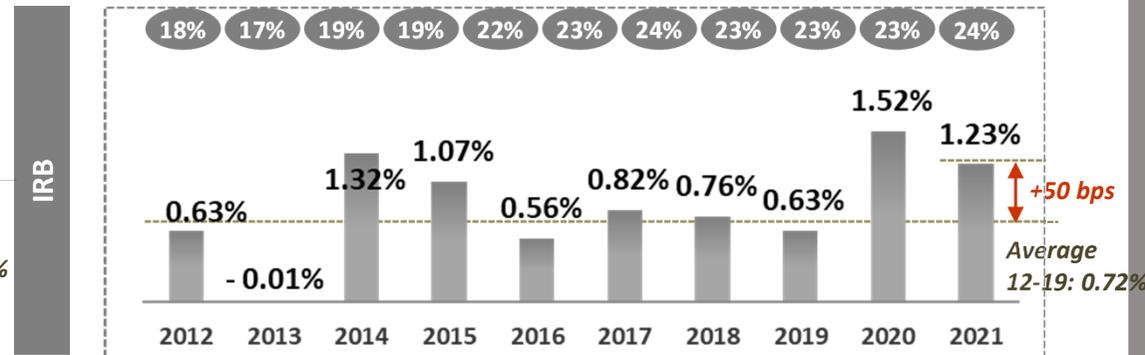
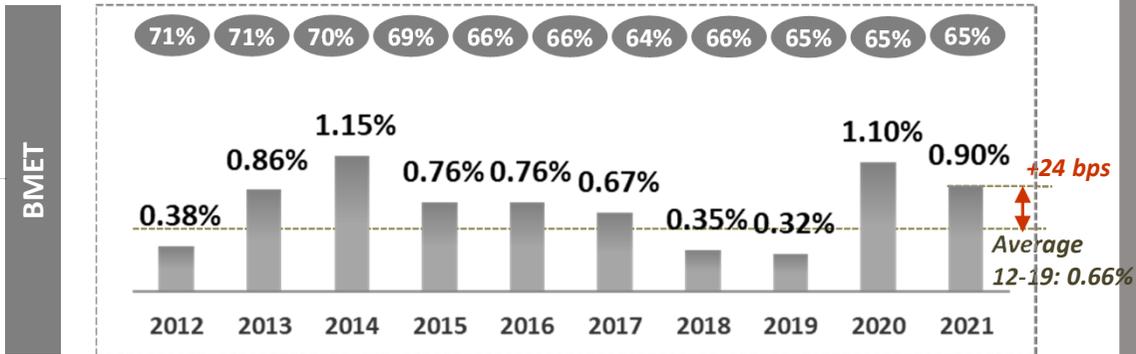
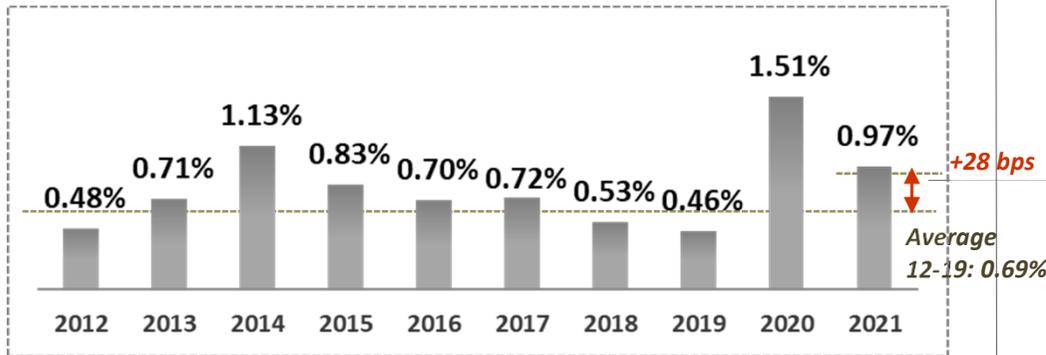
## Insurance



# Cost of risk by business line between 2012 and 2021

xx% Contribution to net customer loans (end of period)

## Cost of risk



Note:  
BMET: Banking in Morocco, Europe and Offshore ; IRB: International Retail Banking  
SFC: Specialized Financial Subsidiaries

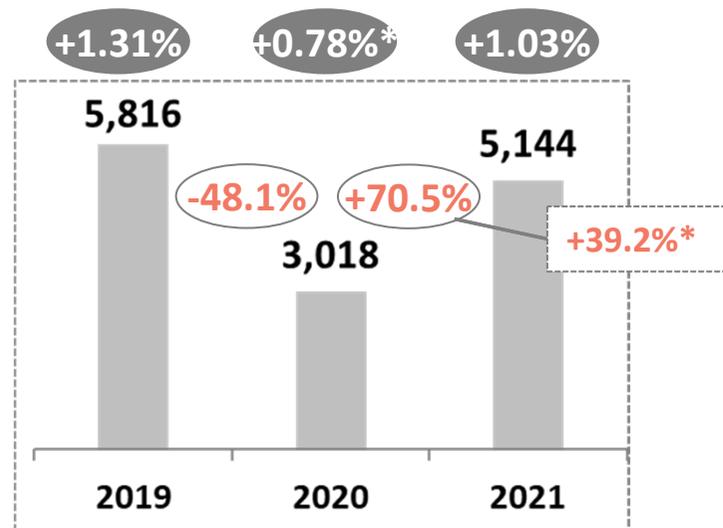
# NIGS by business line

X% Annual change

MAD million

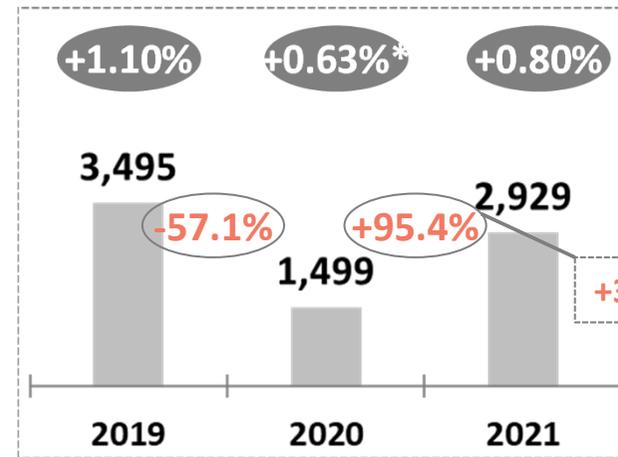
x% RoA

## Net income group share

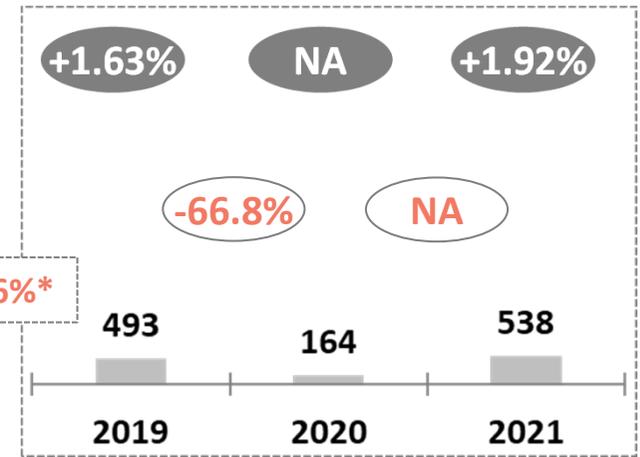


(\* ) excluding the contribution to COVID-19 special fund in 2020

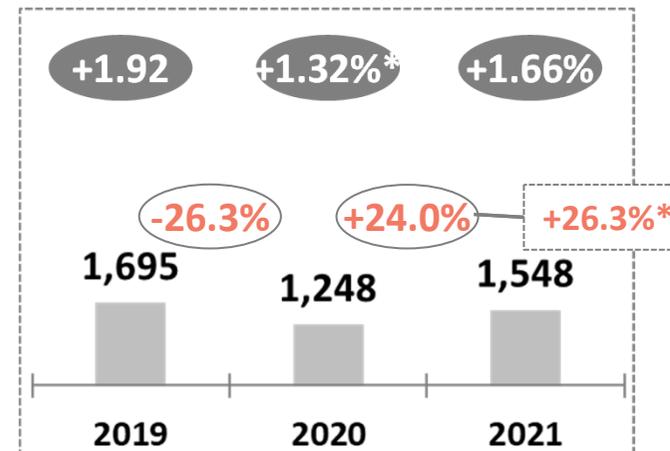
## BMET



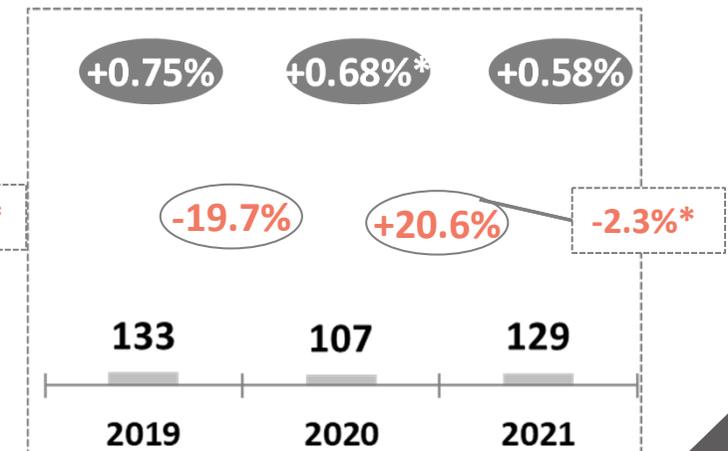
## Specialized Financial Companies



## International Retail Banking



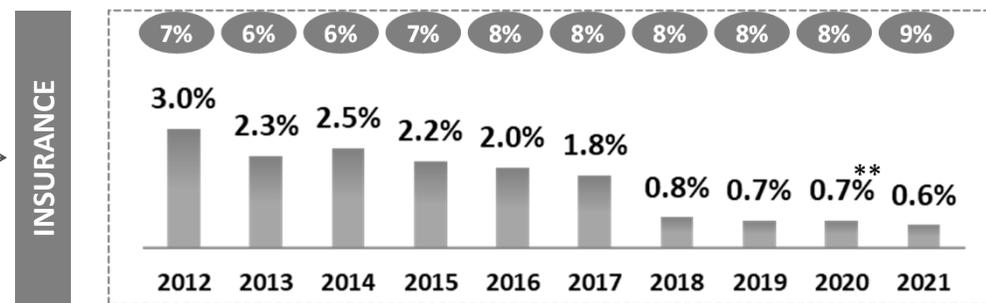
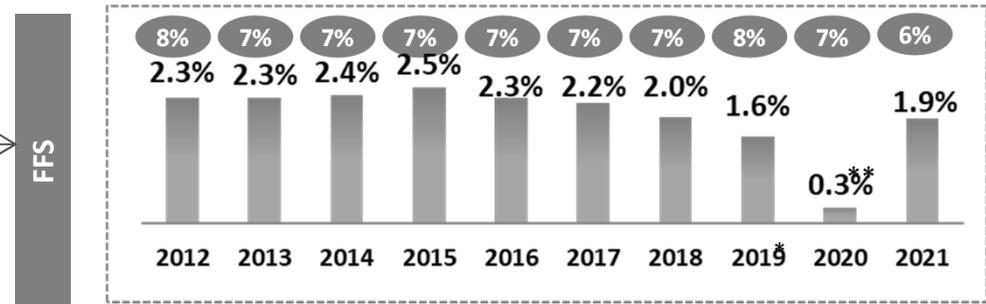
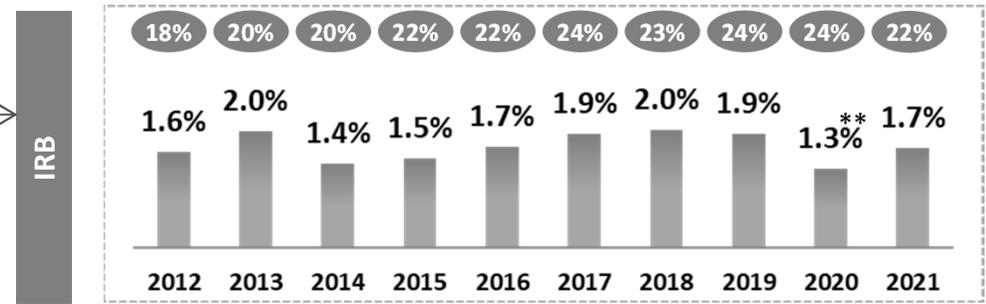
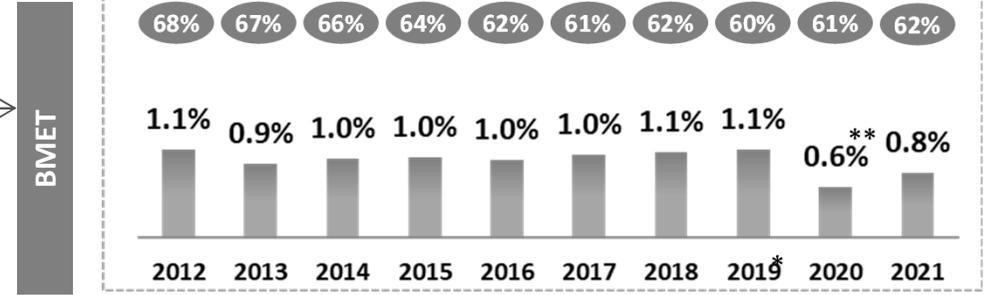
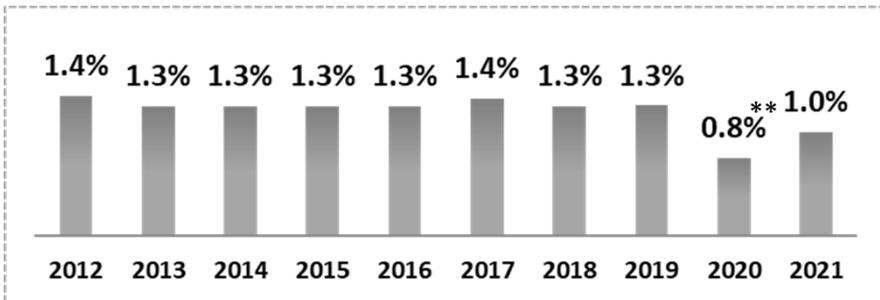
## Insurance



# RoA by business line between 2012 and 2021

xx% Contribution to total assets (end of period)

RoA



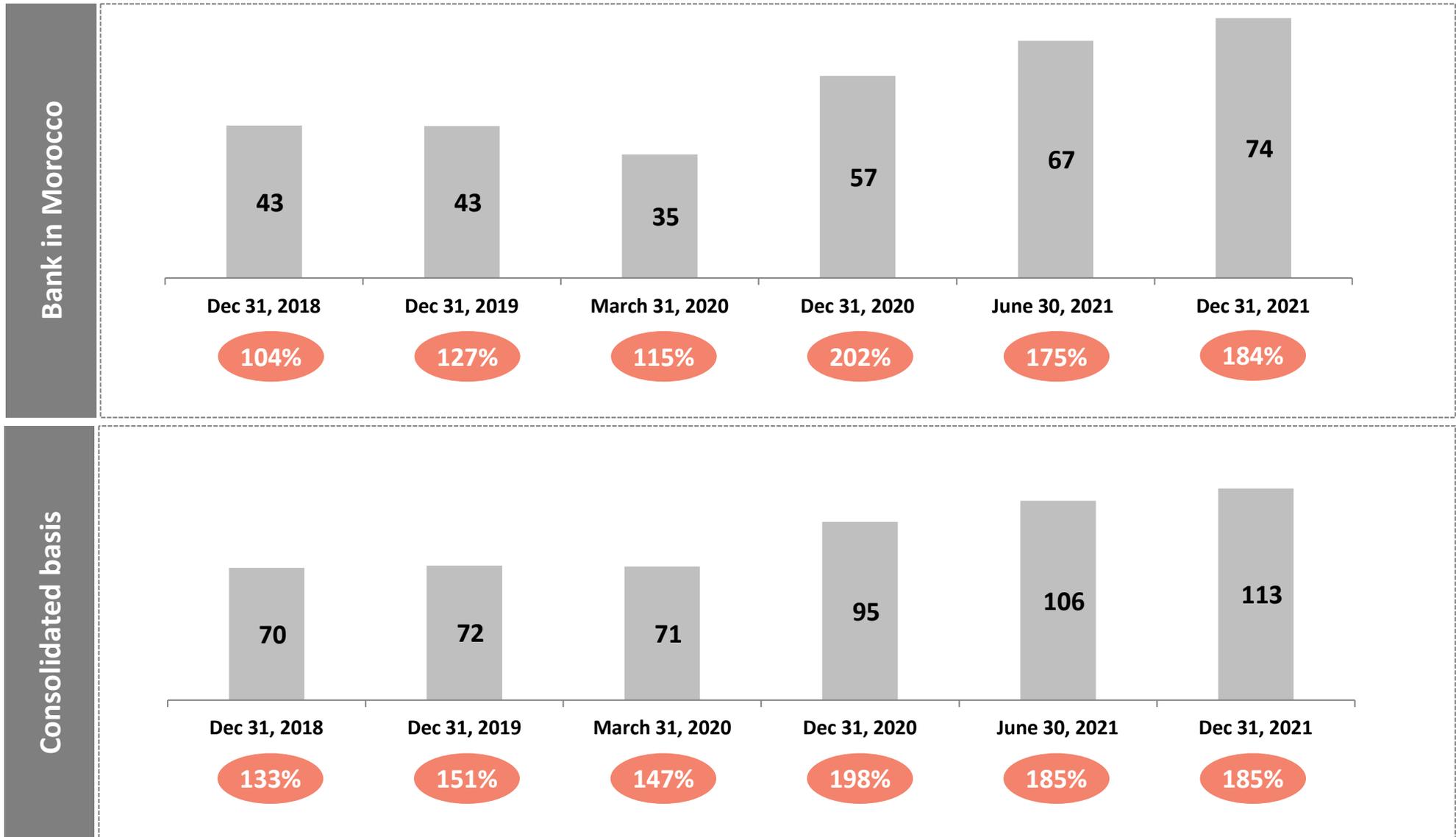
(\*) BMET and SFS proforma: Reclassification of "Bank Assafa" from BMET to SFS  
 (\*\*) excl. the contribution to COVID-19 special fund in 2020

Note:  
 BMET: Banking in Morocco, Europe and Offshore ; IRB: International Retail Banking  
 SFC: Specialized Financial Subsidiaries

# Solid liquidity position

## Liquid and free assets (HQLA)

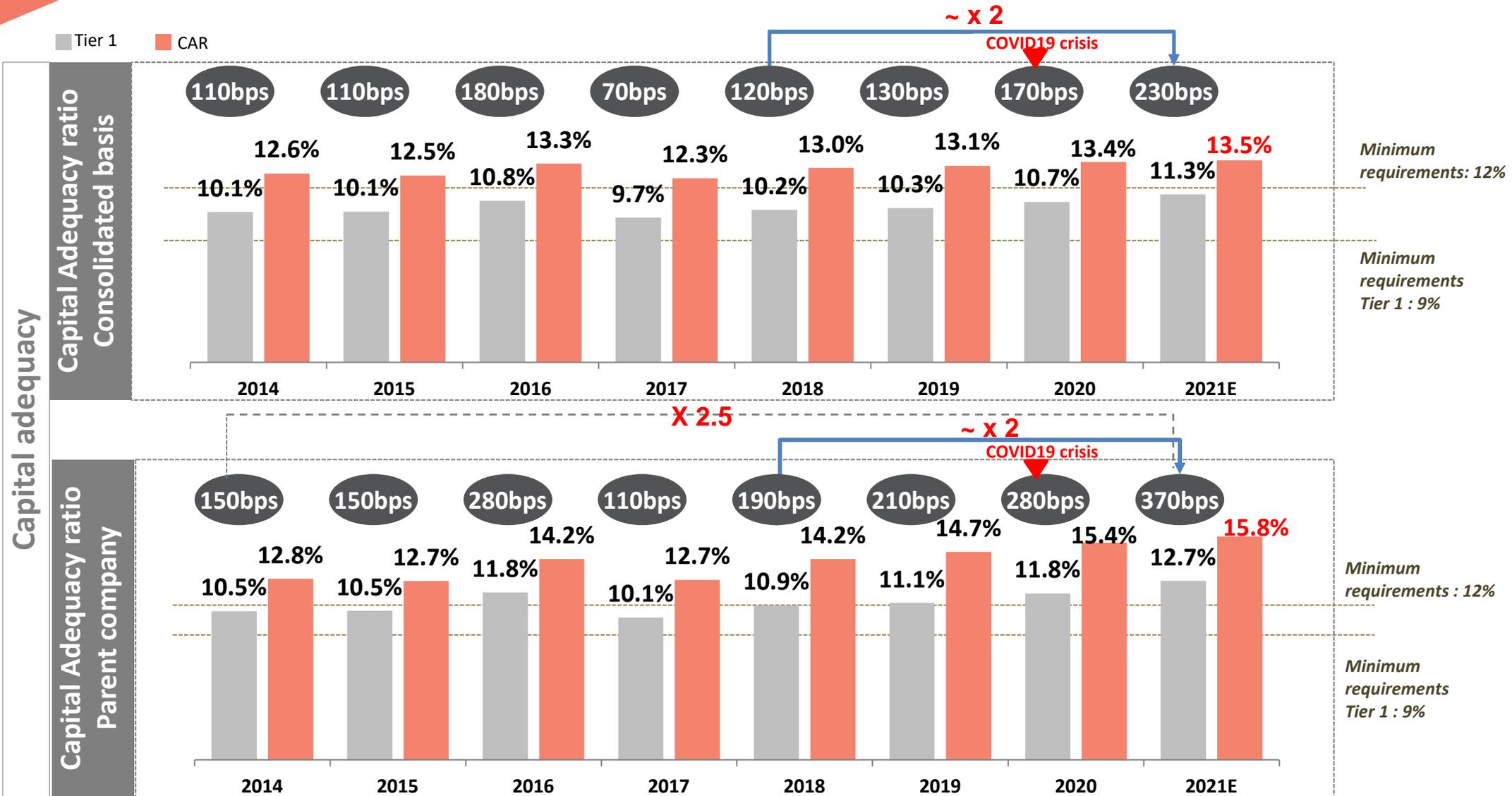
in MAD billion



XX% Liquidity Coverage Ratio (LCR)

# Solid capital position

X% Buffer above Tier 1 regulatory minimum



- **Feb 21 :**
  - Capital increase through conversion of dividends for an amount of **MAD 1.3 bn**
- **August 21 :**
  - Capital increase through conversion of dividends for an amount of **MAD 0.8 bn**

# Agenda

Overview of macroeconomic environment in AWB's countries of presence

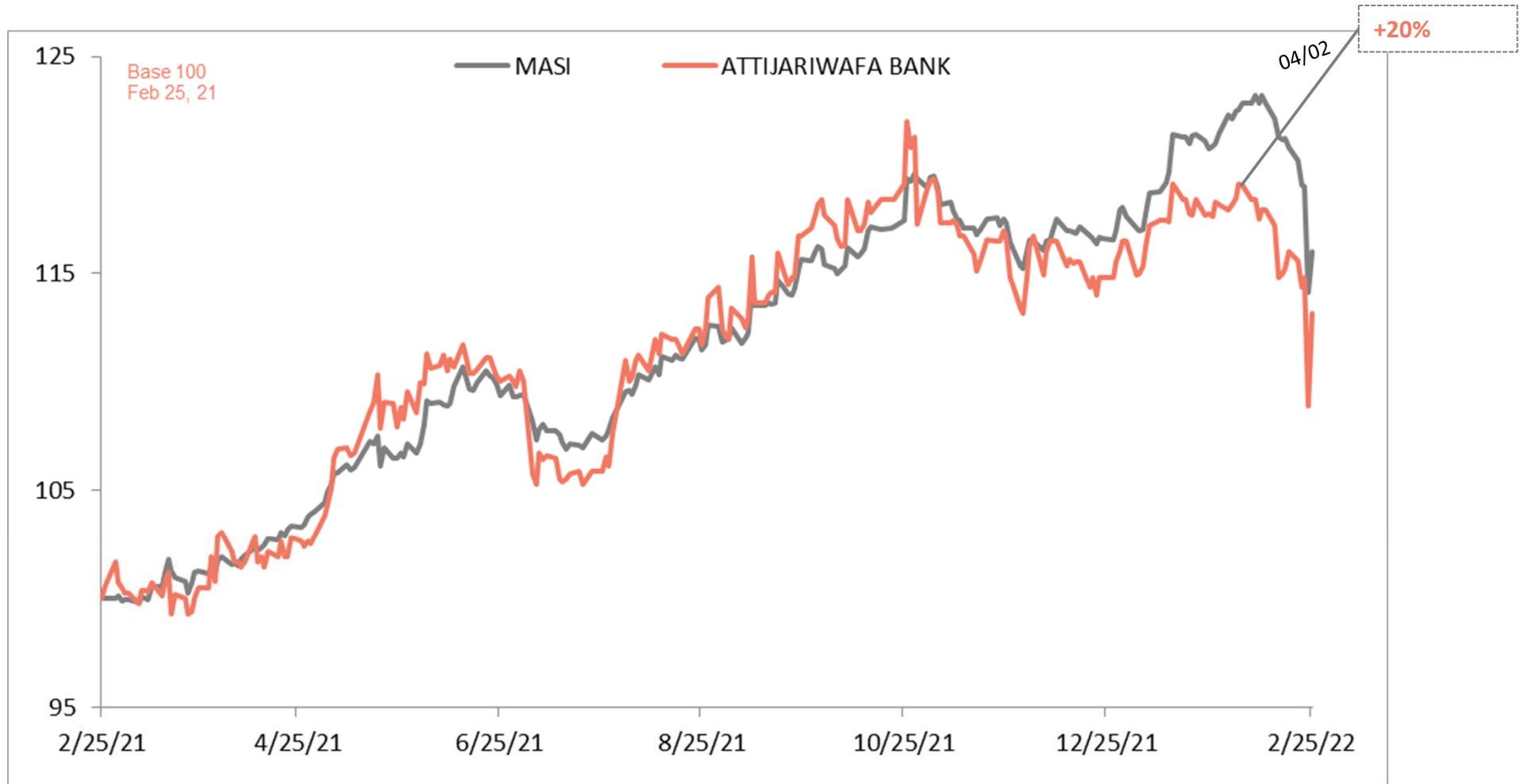
Liquidity, Capital Adequacy Ratio and Financial Performance

 **Attijariwafa bank share price performance**

Back up

Continued support of customers and communities through Covid-19 crisis

## Attijariwafa bank share price performance



### Share price performance

	3 months	6 months	12 months
Attijariwafa bank	-3.0%	1.3%	13.2%
Masi	-1.1%	4.1%	16.0%

25<sup>th</sup> Feb, 2021

25<sup>th</sup> Feb, 2022

### Market capitalization

87.7 MAD bn

101.8 MAD bn (10.8 USD bn)

# A solid, resilient and diversified business model (1/2)

## Main indicators

- Satisfactory growth of the top line and resilient margins

- Strong operating performance & improvement of cost efficiency

- Profitability path to normalization

Net banking income	+3.2%
NIM (%)**	+7 bps compared to 2019
Fees	+11%

Cost-income ratio Group	-2.0 pts compared to 2019
Cost-income ratio BMET	-3.4 pts compared to 2019
Expenses / total assets (Group)	-21 bps compared to 2019 (1.9% in FY 21 vs. 2.1% in FY 19)
Expenses / total assets (BMET)	-25 bps compared to 2019 (1.4% in FY 21 vs. 1.6% in FY 19)

Cost of risk	0.97% in FY 21 (vs. 1.51% in FY 20 and 0.46% in FY 19)
RoA	1.03% in FY 21 (vs. 0.8%* in FY 20 and 1.3% in FY 19)

(\*) Excl. AWB's contribution to COVID-19 special fund in 2020; (\*\*) Net Interest income / Loans

## A solid, resilient and diversified business model (2/2)

■ Sound liquidity and capital position

■ Share price

### *Main indicators*

#### *Bank in Morocco*

LCR	184% (84 pts over minimum)
CAR	16.3%
Tier1	12.7%
Buffer above Tier1 min	370 bps (x2 since 2018)

#### *On a consolidated basis*

LCR	185% (85 pts over minimum)
CAR	13.5%
Tier1	11.3%
Buffer above Tier1 min	230 bps (x2 since 2018)

Share price AWB	<b>+13%</b> YoY
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# Agenda

Overview of macroeconomic environment in AWB's countries of presence

Liquidity, Capital Adequacy Ratio and Financial Performance

Attijariwafa bank share price performance



**Back up**

Continued support of customers and communities through Covid-19 crisis

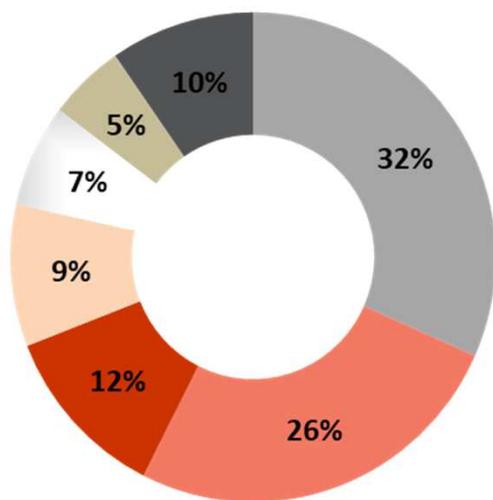
# Political context: a new government in Morocco after September 2021 elections

## Context

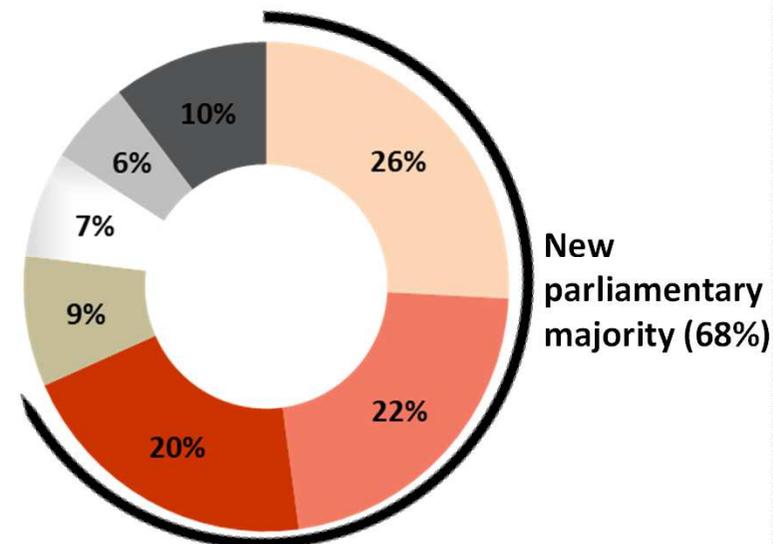
- **July 2011:** New constitution approved by referendum
- **November 2011:** First legislative elections post new constitution leading to a new government with a Chief of Government from the “Justice and Development” party
- **October 2016:** 2<sup>nd</sup> legislative elections won by the “Justice and Development” party
- **September 2021:** 3<sup>rd</sup> legislative elections won by the “Rassemblement National des Indépendants” party

## Parliament composition

2016 - 2021



2021 - 2026



Parti de la Justice et du Développement (PJD)

Parti Authenticité et Modernité (PAM)

Parti de l'Istiqlal (PI)

Rassemblement National des Indépendants (RNI)

Mouvement Populaire (MP)

Union Socialiste des Forces Populaires (USFP)

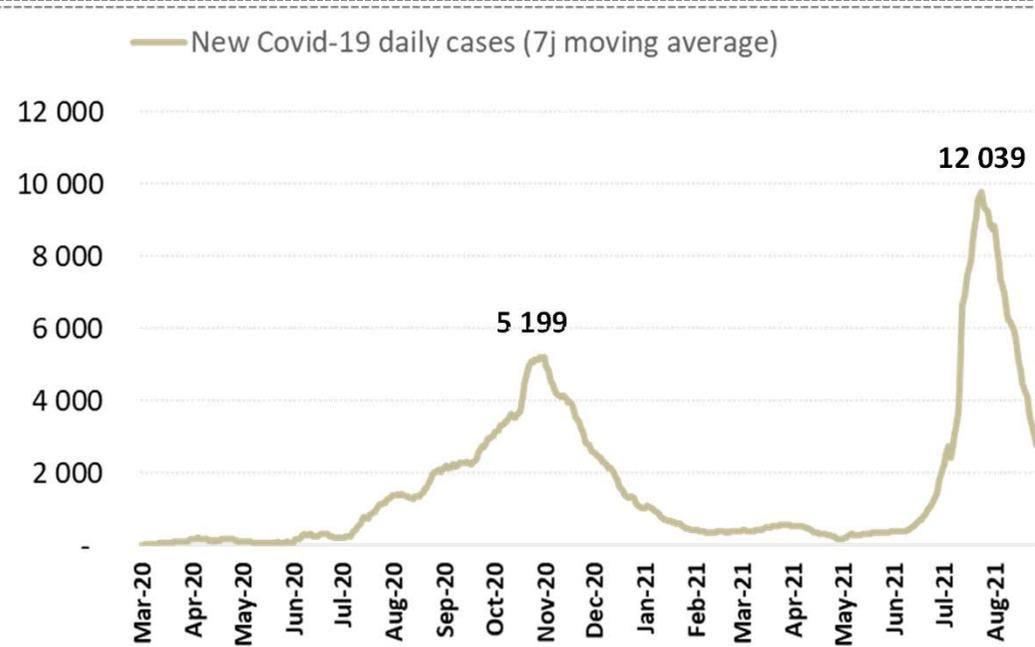
Parti du Progrès et du Socialisme (PPS)

Other political parties

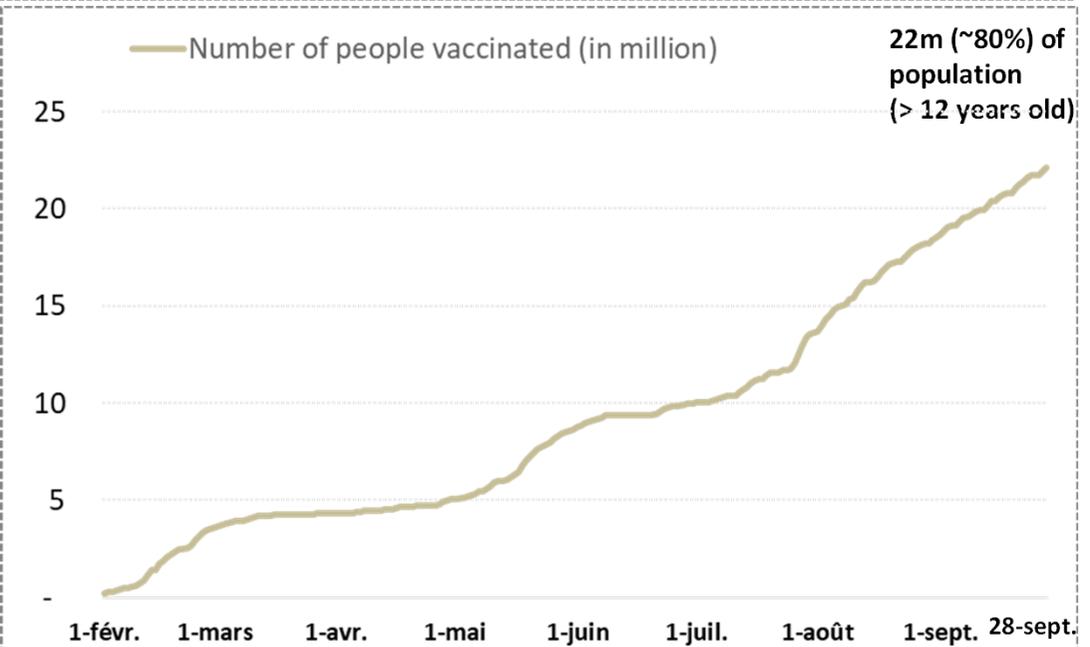
# Positive trend of Covid-19 new cases and vaccination pace

**22m (~80%) of population (> 12 years old)**

Number of Covid-19 new cases (on a daily basis)



Evolution of the vaccination campaign

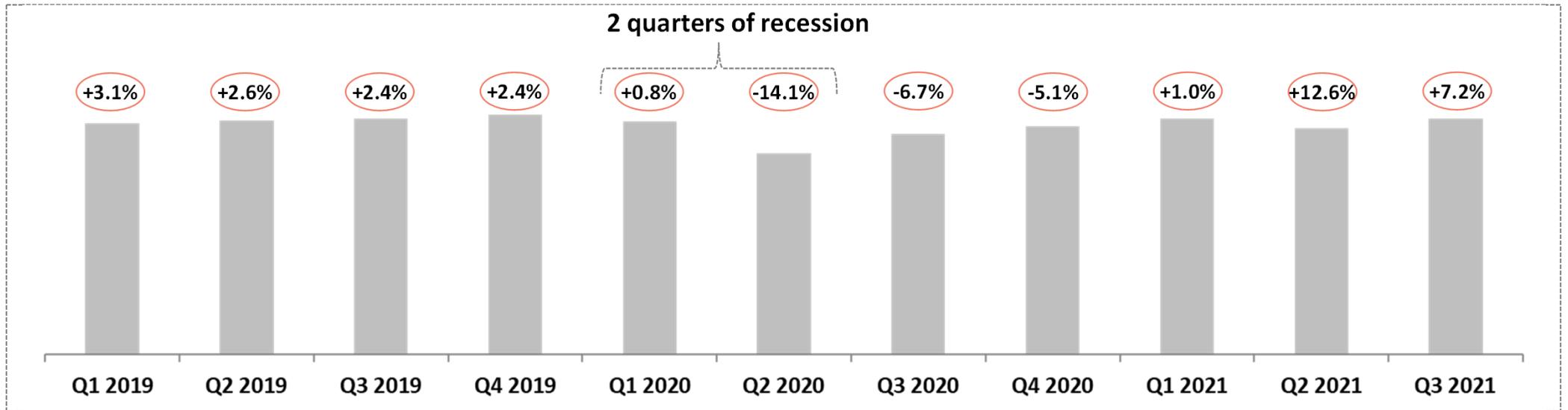




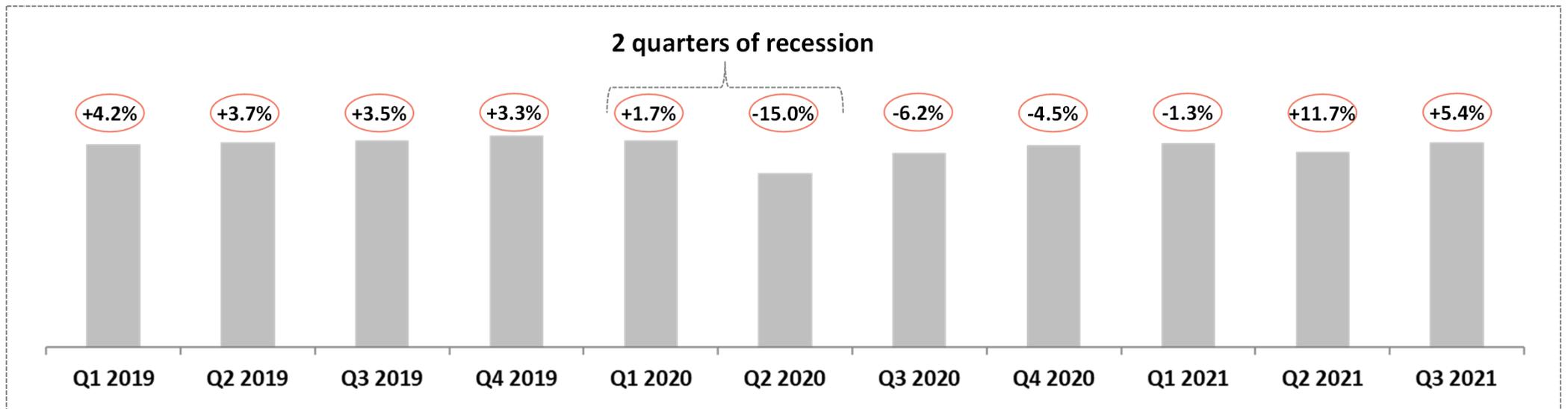
# Macroeconomic environment in Morocco Outlook and main indicators

x% YoY growth

## YoY GDP growth

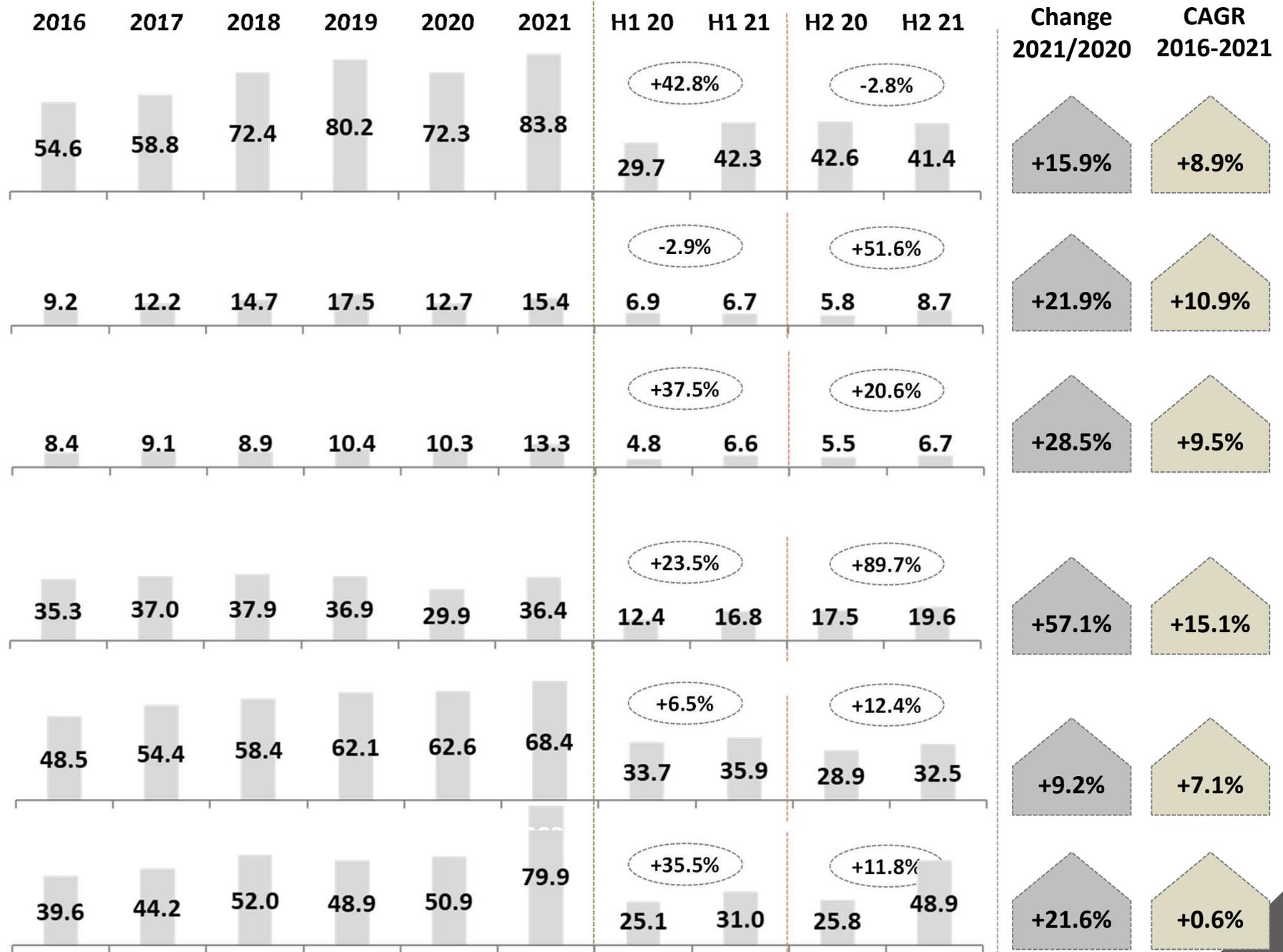


## YoY Non-agricultural GDP growth



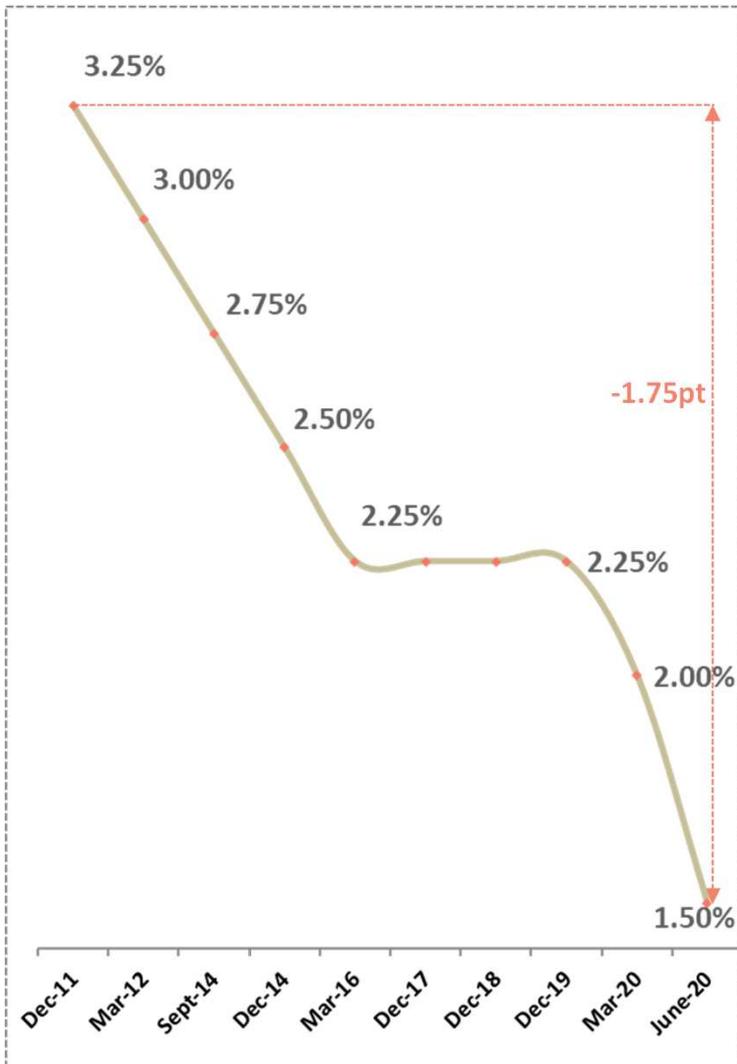
# Exports: Word businesses of Morocco

(In MAD bn)

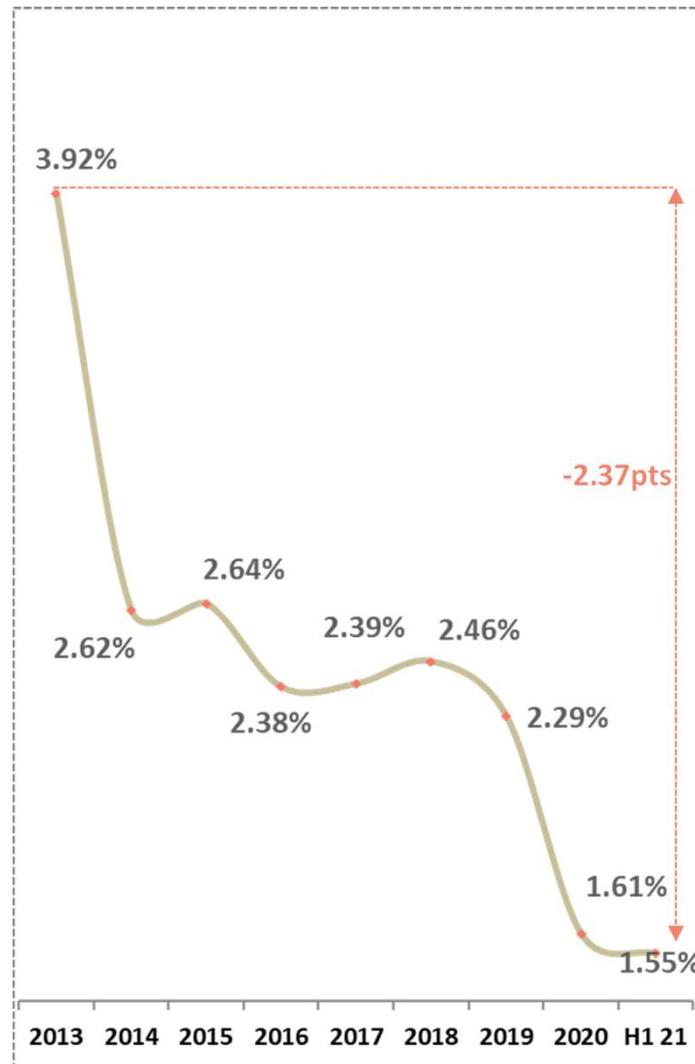


# Sovereign bonds yield curve trend since 2013

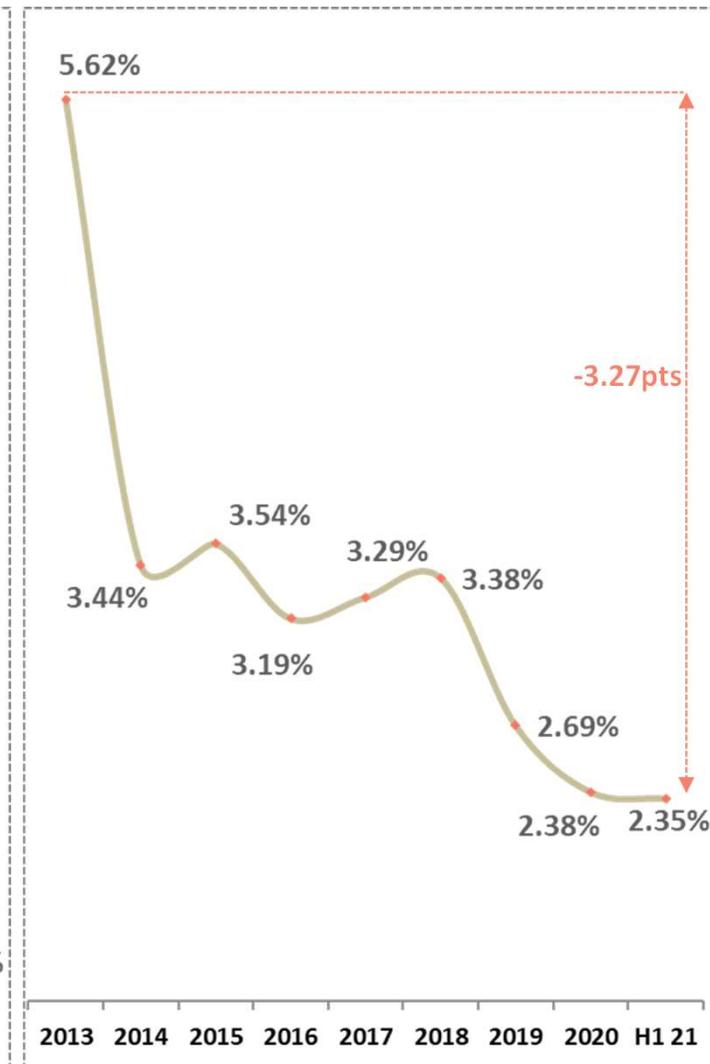
Key interest rate



52w Sovereign bonds



10y Sovereign bonds



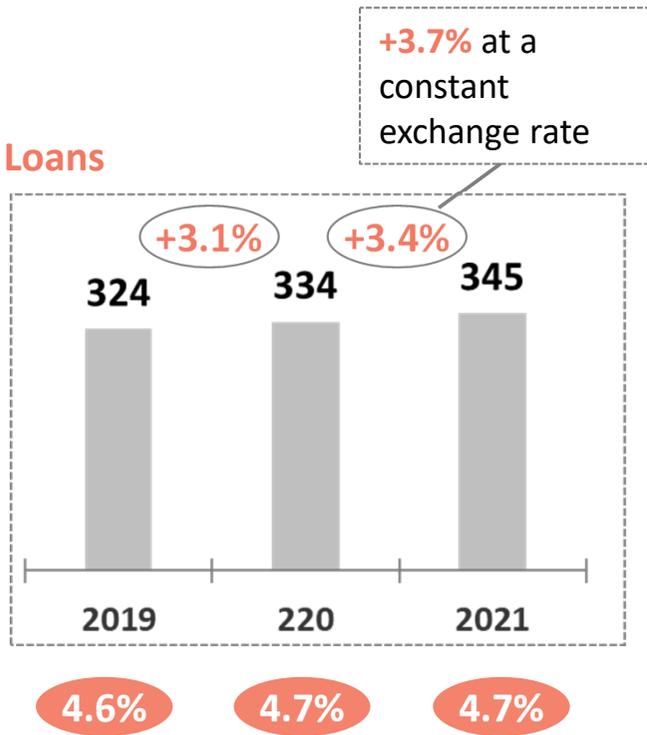
# Loans by business line

X%

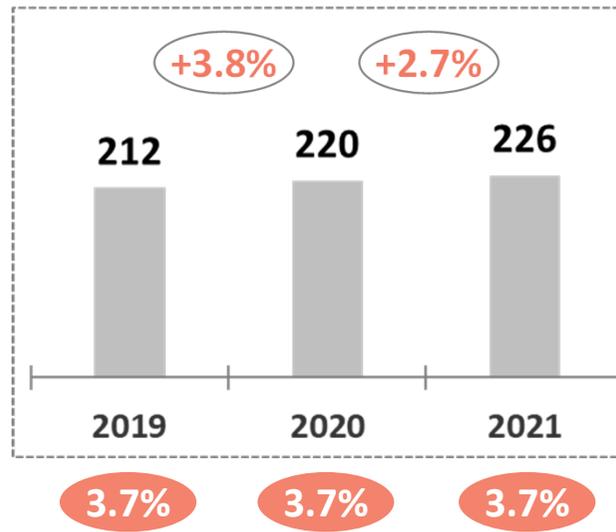
+/-

MAD billion

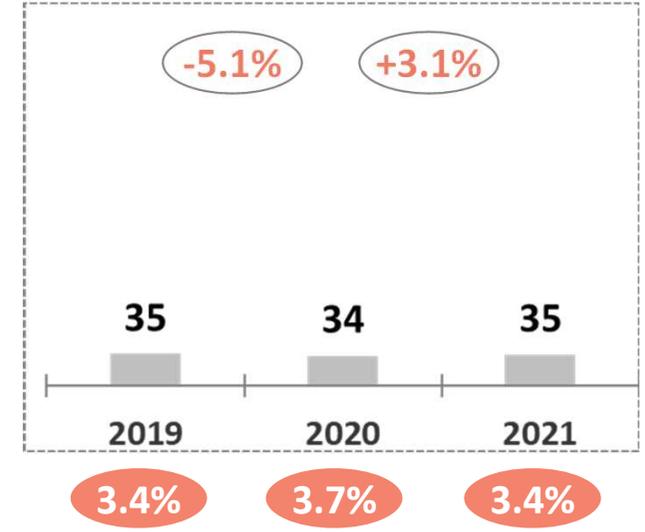
Loans



BMET

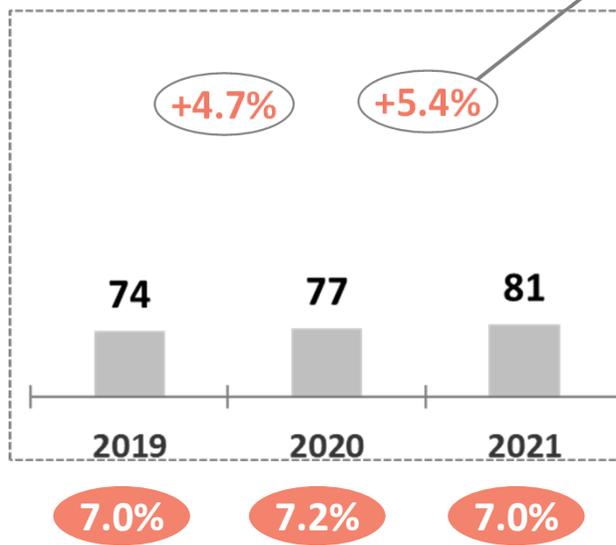


Specialized Financial Companies

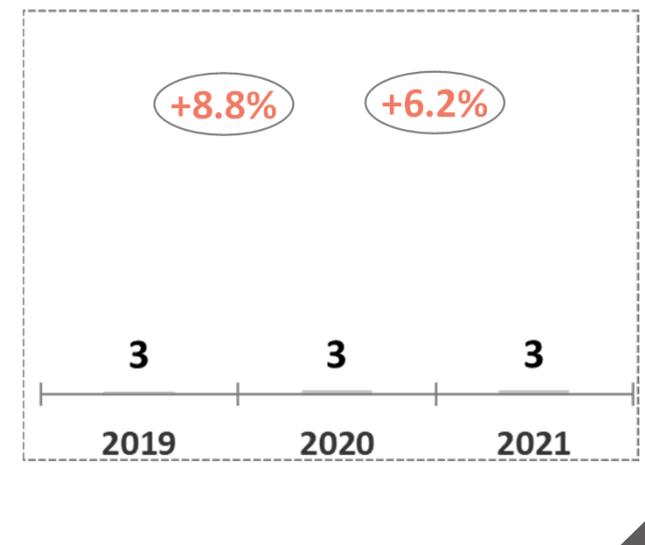


+6.3% at a constant exchange rate

International Retail Banking



Insurance



X% Net interest income / Loans

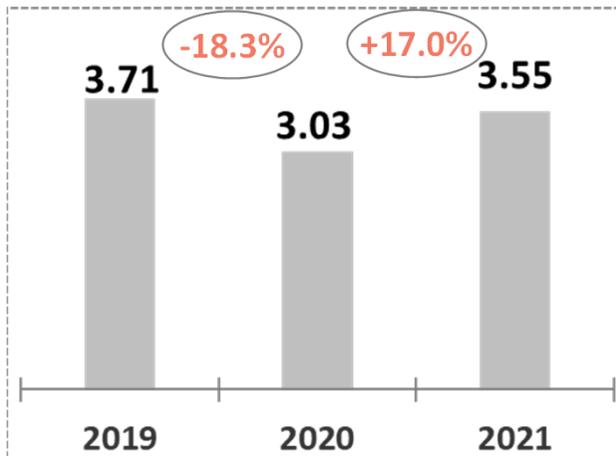
# Income from market activities by business line

X%

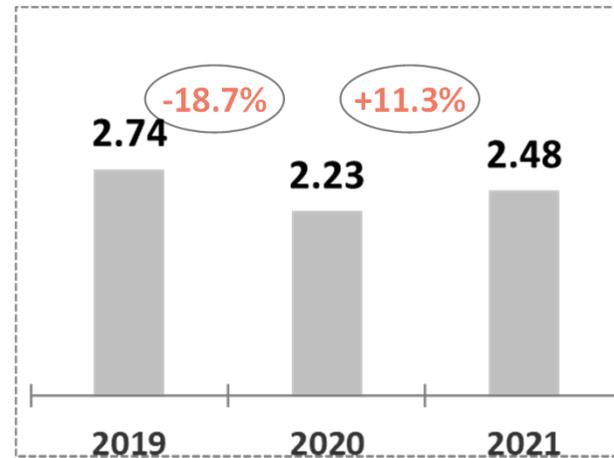
+/-

MAD billion

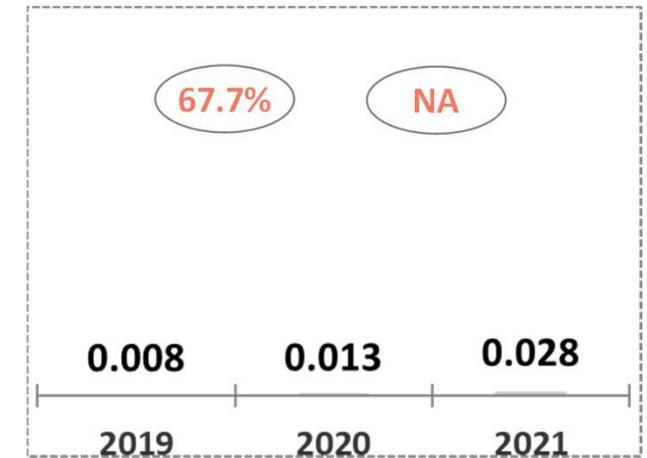
## Income from Market activities



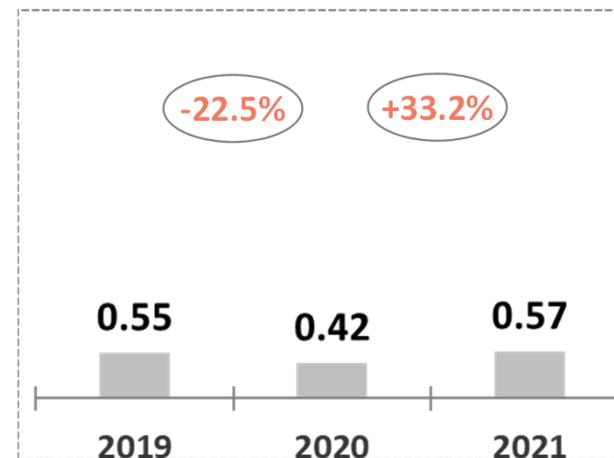
## BMET



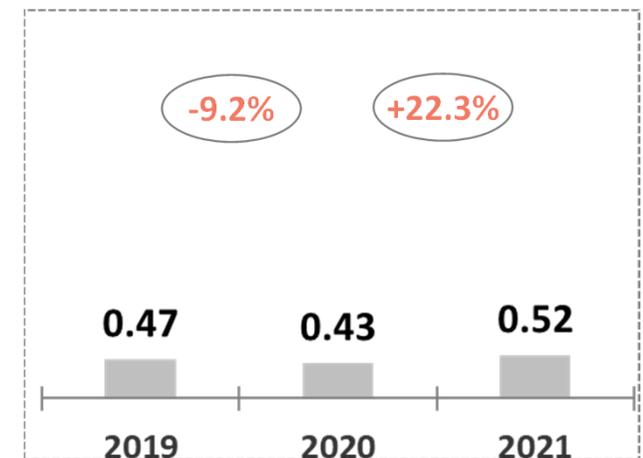
## Specialized Financial Companies



## International Retail Banking



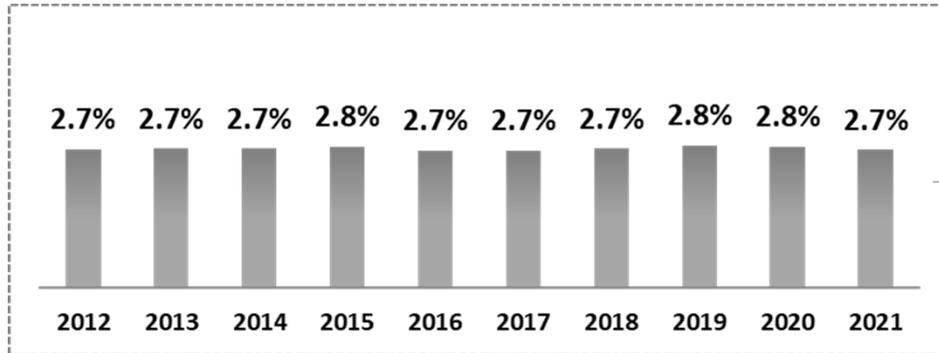
## Insurance



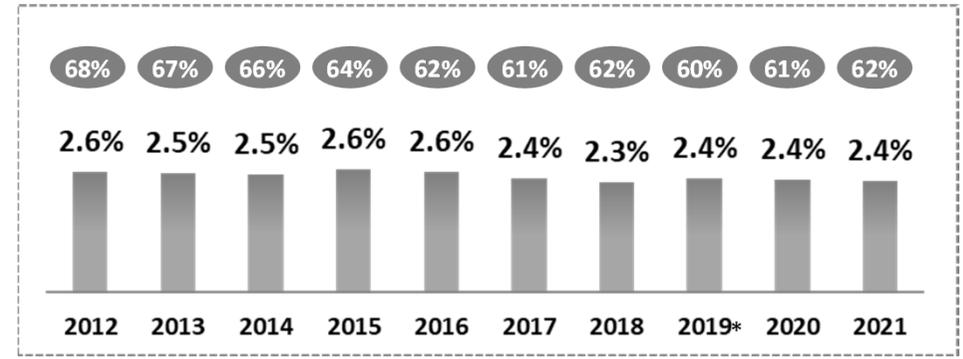
# Net interest margin by business line between 2012 and 2021

xx% Contribution to total assets (end of period)

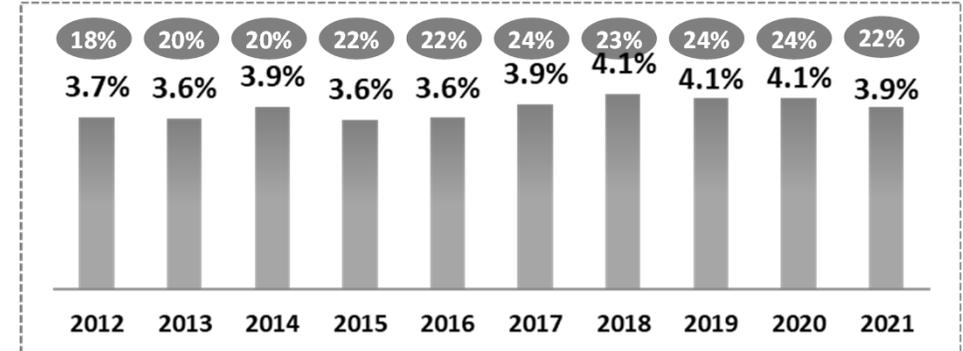
Net interest margin/ Total assets (end of period)



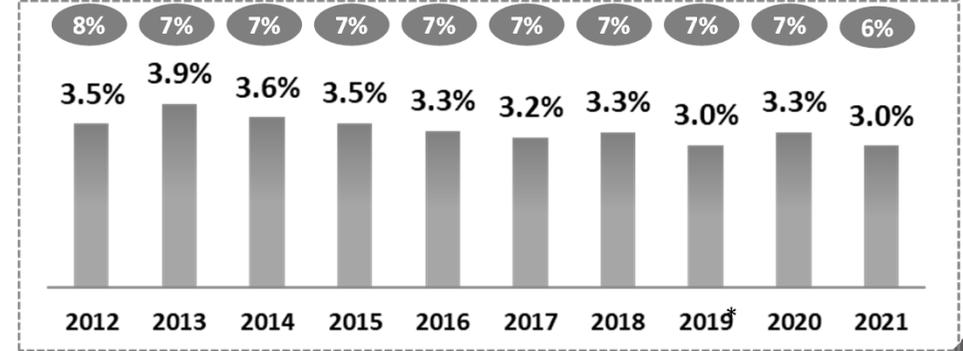
BMET



IRB



SFS



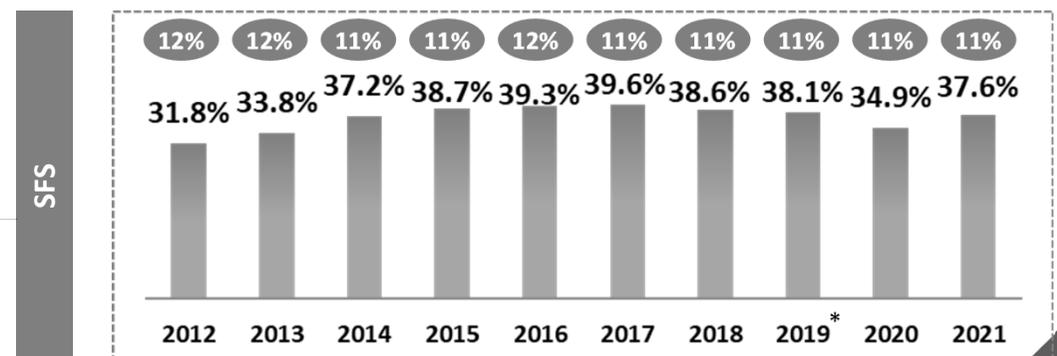
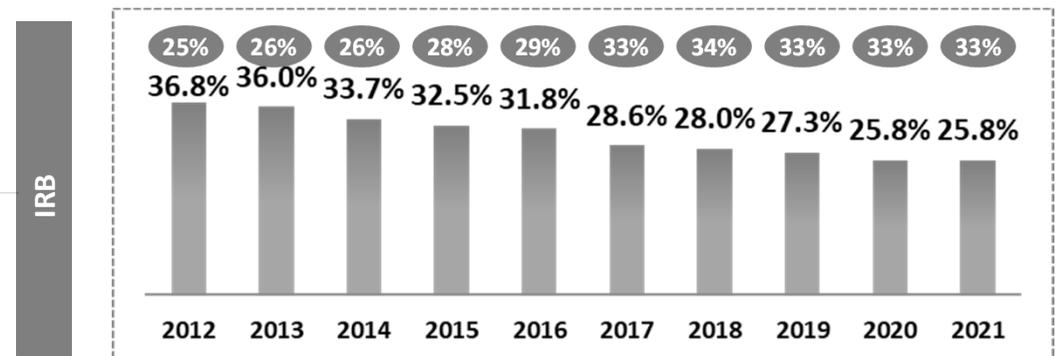
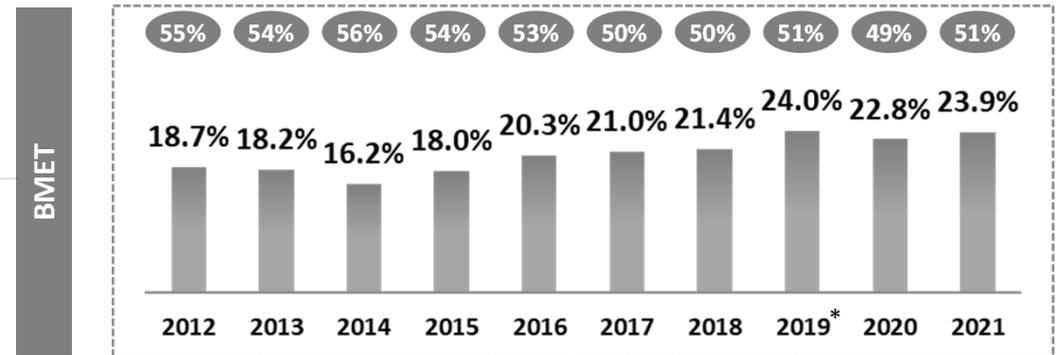
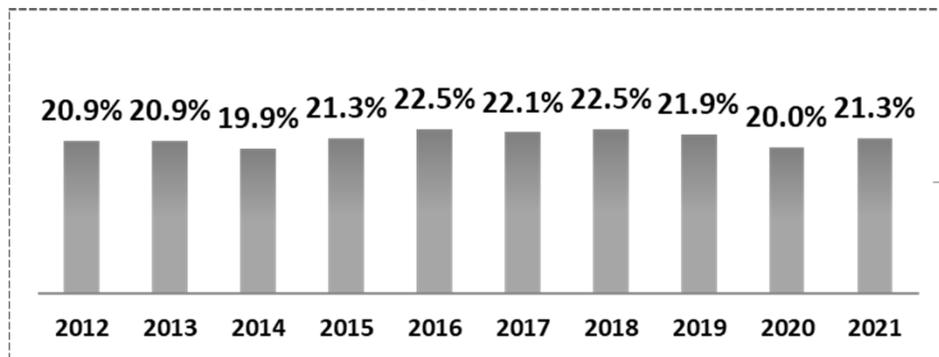
(\*) BMET and SFS proforma: Reclassification of "Bank Assafa" from BMET to SFS

Note:  
 BMET: Banking in Morocco, Europe and Offshore ; IRB: International Retail Banking  
 SFC: Specialized Financial Subsidiaries

# Net fee income by business line between 2012 and 2021

xx% Contribution to net banking income

## Net fee income/ Net banking income



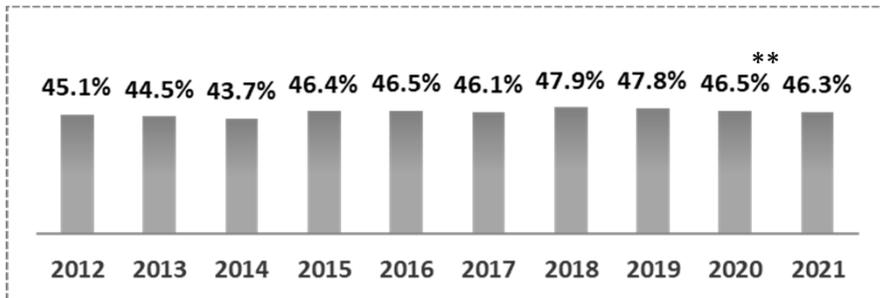
(\*) BMET and SFS proforma: Reclassification of "Bank Assafa" from BMET to SFS

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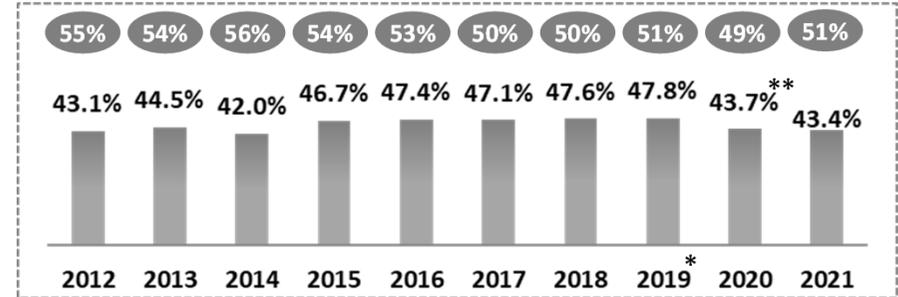
# Cost-Income ratio by business line between 2012 and 2021

xx% Contribution to net banking income

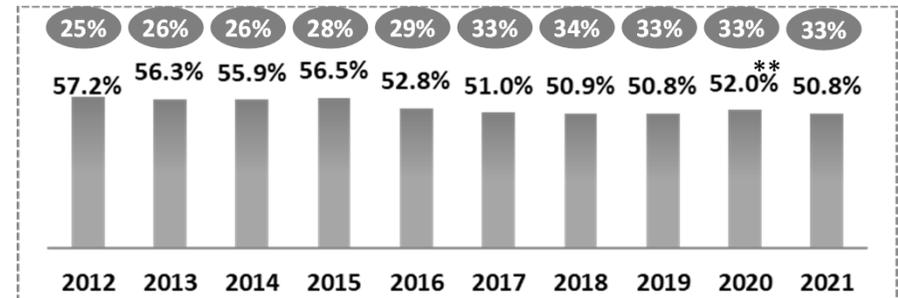
## Cost-Income ratio



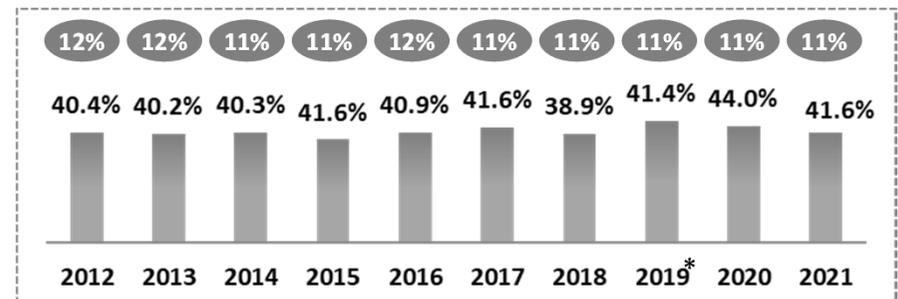
BMET



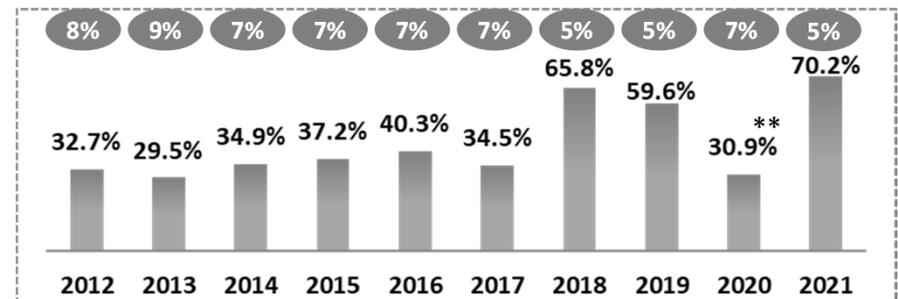
IRB



SFS



INSURANCE



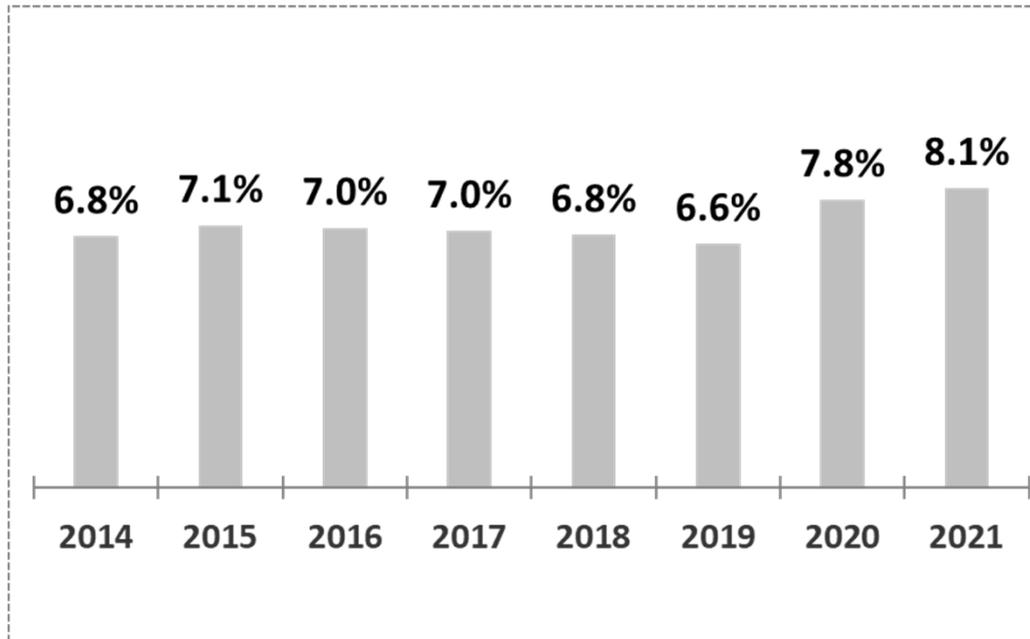
(\*) BMET and SFS proforma: Reclassification of "Bank Assafa" from BMET to SFS  
 (\*\*) excl. the contribution to COVID-19 special fund

Note:  
 BMET: Banking in Morocco, Europe and Offshore ; IRB: International Retail Banking  
 SFC: Specialized Financial Subsidiaries

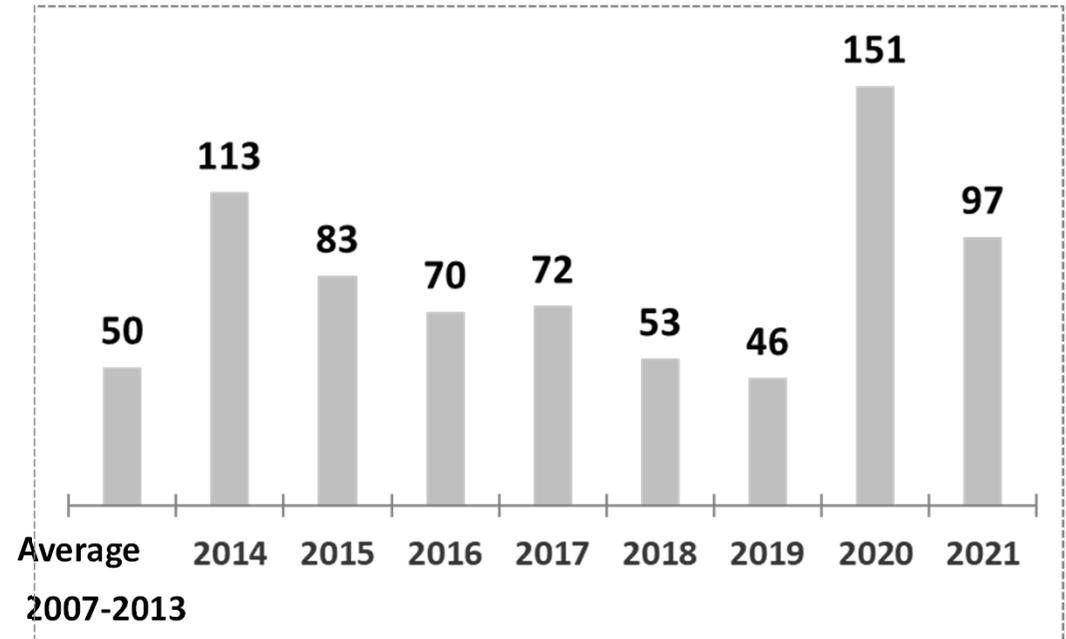
# IFRS consolidated financial statements

## NPLs and cost of risk

### NPL ratio



### Cost of risk (in bps)



# IFRS 9 Provisioning methodology

## Stage 1 – Performing Loans

### Description

- 12 months ECL

$$ECL = EAD \times PD_{1\text{year}} \times LGD$$

## Stage 2 – Performing loans but with significant credit risk deterioration since origination

- Lifetime ECL

$$ECL = EAD \times PD_{\text{Life time}} \times LGD$$

## Stage 3 – NPL (Credit impaired)

- Lifetime ECL

$$ECL = EAD \times LGD$$

- Probability of Default

=

- Probability of Default “Point in Time”

+

- Forward looking

- Forward looking main assumption:

ECL : Expected Credit Loss  
 EAD : Exposure at default  
 PD : Probability of default  
 LGD : Loss given default

# Key measures taken by the Moroccan government and Central Bank to manage the global Covid-19 pandemic and its socio-economic impacts

## Executive Summary

- 1
  - An early declaration of a state of health emergency and 3 months lockdown period in order to **mitigate the pandemic health impacts**
- 2
  - Several economic measures deployed by the government to support Moroccan companies through injection of **MAD 120bn** into the economy (**~11% of GDP**) including **MAD 75bn (~8% 2019 loans)** new government backed loans
- 3
  - Various social measures deployed by the government in order to help and support **~5.5m Moroccan vulnerable households**
- 4
  - **Significant support from Bank Al Maghrib** easing its monetary policy and supporting the banking sector liquidity

# Implementation of a recovery plan

## Injection of MAD 120bn into the economy (~11% of GDP)

Loans guaranteed by the government

- **MAD 75bn** targeting a wide range of economic sectors and business segments
- For all business segments including the business most affected by the crisis:
  - **“DAMANE OXYGENE”** to help VSMEs to finance their expenses during the lockdown period
  - **“DAMANE RELANCE”** to support companies restarting their business after the lockdown: **“DAMANE RELANCE VSE”**, **“DAMANE RELANCE SME”** and **“DAMANE RELANCE HÔTELIER”**

New strategic investment fund

- **MAD 45bn** (MAD 30bn from national and international institutions and MAD 15bn financed by the government - 2020 Finance Law) in order to:
  - Finance investments projects through public-private partnerships
  - Reinforce strategic companies' equity

# Prevention and business continuity plan

*The Group has implemented a series of measures for its COVID-19 prevention plan to ensure business continuity, to reduce the risk of spreading, and to control the risks and impact on its P&L and balance sheet*

## Health safety and protection of employees and customers



- Implementation of a rigorous, strict **health protocol** to limit the transmission/spreading of the virus: restricted access between the various sites for employees and external suppliers, limited access to branches, and measures introduced to ensure social distancing, gel distribution, face masks, etc.
- Introduction of a **specific procedure for hygiene and cleaning**
- **Optimized management of employees and work spaces** at central and network sites (on-site physical presence, remote working, team rotation, paid leave)
- **Suspension** of meetings, events and travel, with **video conferences** encouraged (as from February 24, before the first cases are recorded in countries of operations)
- Establishment of a **protocol for free medical and social services**: availability of PCR tests for all employees, with regularly scheduled targeted testing; free treatment of suspect cases (positive or contact); psychological support for employees; remote working for all fragile employees; special COVID loan for employees whose household has been affected by lower revenues; regular, proactive internal communication, etc.



**Up to 70%** of employees of various headquarters working remotely



**27K PCR tests** administered

On average **2 tests per employee** in the hardest-hit countries (e.g., Morocco)



**~100%** of services maintained in all countries of operations

## Implementation of BCP



- Identification, **duplication** and **distribution of BCP teams** at various sites
- Identification of **critical duties/employees**, separation of teams and **activation of backup sites**
- Identification of **backup teams working** remotely but able to intervene if needed
- **Faster availability of infrastructures and appropriate technological solutions** (IT solutions, VPN, video conferences, etc.) and encouragement to use distance channels and **remote working**
- Implementation of **supervisory and safety procedures** adapted to the new work organization
- Introduction of an interaction policy for **“sensitive” suppliers in terms of business continuity**
- Preparation of **logistics and safety procedures** in the event of **tighter lockdown conditions or extreme scenarios**

# Prevention and business continuity plan

*The Group has implemented a series of measures for its COVID-19 prevention plan to ensure business continuity, to reduce the risk of spreading, and to control the risks and impact on its P&L and balance sheet*

## Financial adaptability



- A **liquidity crisis management unit** was set up after the outbreak of the crisis, with voluntary **actions plans** implemented to **strengthen liquidity buffers** in local and foreign currencies
- Implementation of a **capital reinforcement plan** and use of levers to soften the impact of lower 2020 results on solvency ratios
- **Review of risk appetite framework** favoring customer activities over own-account activities, thereby protecting the P&L against financial market volatility
- Faster implementation of **three-year optimization plan for expenses and investments**



**+100 bps de Tier1** in 2020



**+50 points** liquidity ratio in 2020

## Dialogue with governments and regulatory authorities



- Active member and driving force for proposals on Morocco's **Economic Monitoring Committee**
- Ongoing **dialogue** with **representative institutions** from the private sector (industry associations and federations representing companies, chambers of commerce and industry, etc.), **unions**, the **media** and various **ministerial departments** in the countries of operations
- Ongoing interaction with **central banks**
  - Driving force for proposals concerning regulatory and legal changes (e.g., electronic signature bill in Morocco for faster digital development)

# Supporting and helping our customers and communities in all countries of operations

*Attijariwafa bank has introduced a series of measures to help customers and “communities” in various segments and geographic areas of operations to meet the COVID 19 challenges and its unprecedented socioeconomic effects*

Supporting our customers and communities in all countries of operations



- Introduction of “fast track” procedure for Covid 19 purchases and an **electronic payment system for suppliers**
- Implementation of **nonfinancial aid to help** customers and project initiators during this unprecedented period, especially:
  - Launch of **DigiDam**, a DAM internet platform (training, consulting, B2B, etc.)
  - Regular dialogue with sector federations and professional associations
  - Implementation of quality opinion polls and surveys to understand the impact of the crisis on customers and their needs
  - Organization of a series of thematic **digital conferences** and **webinars** relating to various effects of the COVID 19 health crisis with regard to health, economic, psychologic, social and societal aspects

 **8 days** of extended payment deadlines for suppliers (**-2 days // 2019**)

 **10,000 VSE founded, 2,000 remote meetings held** and **42 B2B** sectors

 **15 meetings** with sector federations

 **5 quality surveys**

 **20 webinars** organized

# Key measures taken by the Bank Al Maghrib (BAM) and impacts on AWB

## Monetary policy

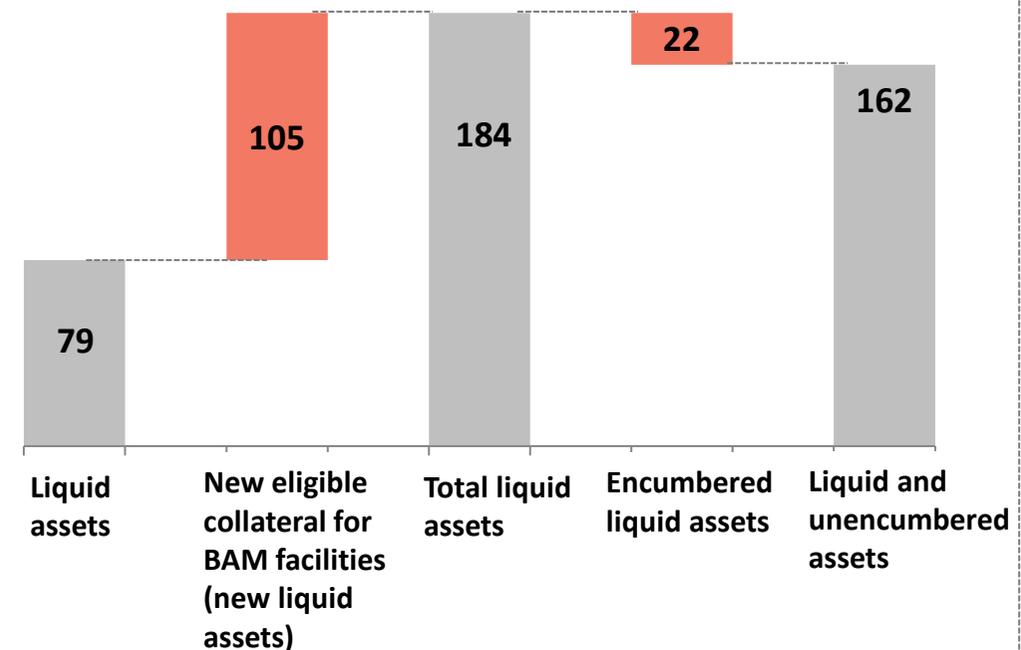
- 2 successive cuts in key interest rate to **1.50%** (25bps in March and 50 bps in June 2020)
- Mandatory cash reserve at **0%** of deposits vs. **2%** before

## Liquidity

### Main measures implemented by BAM

- **New FCY facility** instruments put in place by BAM
  - Foreign currencies funding, guaranteed by an eligible collateral denominated in foreign currency or in dirhams
  - Foreign currency swaps against dirham
- Extension of **assets accepted as collateral with BAM** to include:
  - Debt securities, denominated in dirhams or in foreign currencies, issued by companies and public establishments
  - Debt securities issued by collective investment funds in securitization
  - Bonds issued by finance companies
  - Loans with the Government guarantees
  - Loans on Public Enterprises and Establishments
  - Mortgage backed loans
  - Broadening of VSE (very small enterprises) refinancing program to capital working loans in addition to investment loans
- Authorization of banks, if necessary, to use, during the second quarter of 2020, the liquidity buffers constituted in the form of High Quality Liquid Assets **below the minimum LCR ratio**, noting that the **widening of eligible collateral for operations with BAM is likely to allow banks to best preserve these buffers**
- Promotion of the use of **mobile payments** and reduction of cash currency stock

### Impacts on AWB liquid and free assets (HQLA) in MAD billion, December 31, 2020

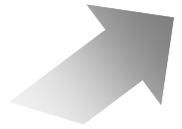


BAM: Moroccan Central Bank

## Business continuity and operational resilience



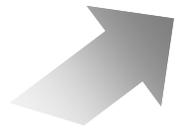
**5,548 branches, 100%** of the distribution network, remained open



**~100% of services** maintained in all geographies



**Up to ~70% of employees** of various headquarters working remotely



**~30 k PCR** test administrated

## Continued support for customers and communities



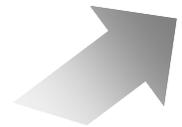
**Financing of 68,700 VSMEs** through disbursement of **MAD 40 bn new loans** in Morocco



**30-35% market share** for Damane loans (with government guarantee)



**Financing of 6,500** young entrepreneurs



**215,000 customers** benefiting from loan moratoria at no additional cost (**MAD 35 bn** or 20% of investment, mortgage and consumer loans) 🔍



**1.2 million** vulnerable households receiving government aid payments through AWB ATMs and branches

# 🔍 Loan moratoria as of 30 June 2020

		<b># cases</b> <i>Thousands of customers</i>	<b>Deferred outstanding loans</b> <i>MAD billion</i>
<b>Attijariwafa bank</b>		42	14
<b>Wafasalaf</b>		68	5
<b>Wafabail</b>		3	6
<b>Total Morocco</b>		<b>113</b>	<b>25</b>
<b>IRB</b>		<b>102</b>	<b>10</b>
<b>Total Group</b>		<b>215,000 customers</b>	<b>MAD 35 billion</b>

20% of investment, mortgage and consumer loans (on a consolidated basis)

# Focus on government backed loans to support VSMEs and Corporates during the crisis

April, 2020

June, 2020

« DAMANE OXYGENE »

« DAMANE RELANCE »

## Purpose

- Working capital loan in order to help VSMEs to finance their expenses (Wages, suppliers) during lockdown period

- Long term loan in order to support companies restarting the business

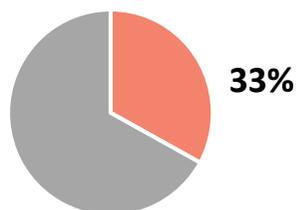
## Main features

- 3 months of current expenses of companies
- Guaranteed up to 95% by the government
- Rate: key interest rate + 200 bps
- Tenor: 9 months (could be transformed to a 5 years loan)

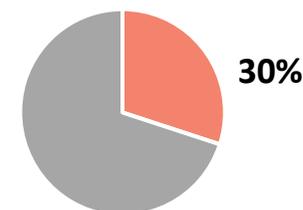
- 1 to 1.5 month of turnover
- Guaranteed for 80%-100% by the government
- Rate: key interest rate + 200 bps
- Tenor: 7 years

## AWB's market share

- Total loan already disbursed MAD17 bn** (AWB's market share: 33% as of 31<sup>st</sup> Dec 2020)



- Loans approved by the banking sector amounted to **MAD 44bn** as of 30<sup>th</sup> June 2021



<b>Cours moyen</b>			
	déc-20	déc-21	var
<b>TND/MAD</b>	<b>3,379</b>	<b>3,239</b>	<b>-4,1%</b>
<b>USD/ MAD</b>	9,473	9,009	-4,9%
<b>TND/USD</b>	0,357	0,360	0,8%

<b>Cours spot</b>			
	déc-20	déc-21	var vs M-12
<b>TND/MAD</b>	<b>3,324</b>	<b>3,227</b>	<b>-2,9%</b>
<b>USD/ MAD</b>	8,905	9,280	4,2%
<b>TND/USD</b>	0,373	0,348	-6,8%

	déc-20	déc-21	var
<b>EGP/MAD</b>	<b>0,600</b>	<b>0,574</b>	<b>-4,3%</b>
<b>USD/ MAD</b>	9,473	9,009	-4,9%
<b>EGP/USD</b>	0,063	0,064	0,6%

	déc-20	déc-21	var vs M-12
<b>EGP/MAD</b>	<b>0,567</b>	<b>0,592</b>	<b>4,5%</b>
<b>USD/ MAD</b>	8,905	9,280	4,2%
<b>EGP/USD</b>	0,064	0,064	0,2%

	déc-20	déc-21	var
<b>EUR/ MAD</b>	10,846	10,644	-1,9%
<b>FCFA/ MAD</b>	0,017	0,016	-1,9%
<b>MRO/ MAD</b>	0,025	0,025	-2,1%

	déc-20	déc-21	var vs M-12
<b>EUR/ MAD</b>	10,935	10,517	-3,8%
<b>FCFA/ MAD</b>	0,017	0,016	-3,8%
<b>MRO/ MAD</b>	0,025	0,026	3,8%