

Attijariwafa bank presentation

Attijariwafa bank

June 2021

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

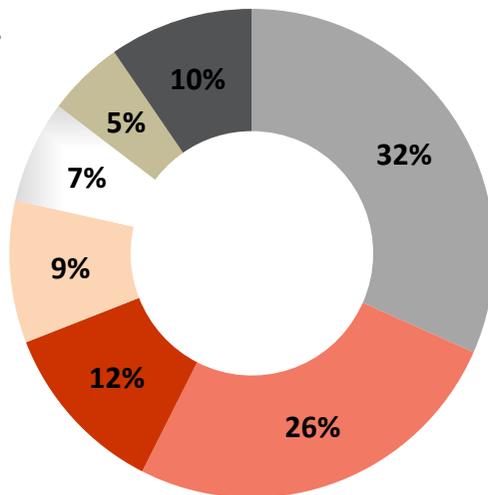
Political context: a new government in Morocco after September 2021 elections

Context

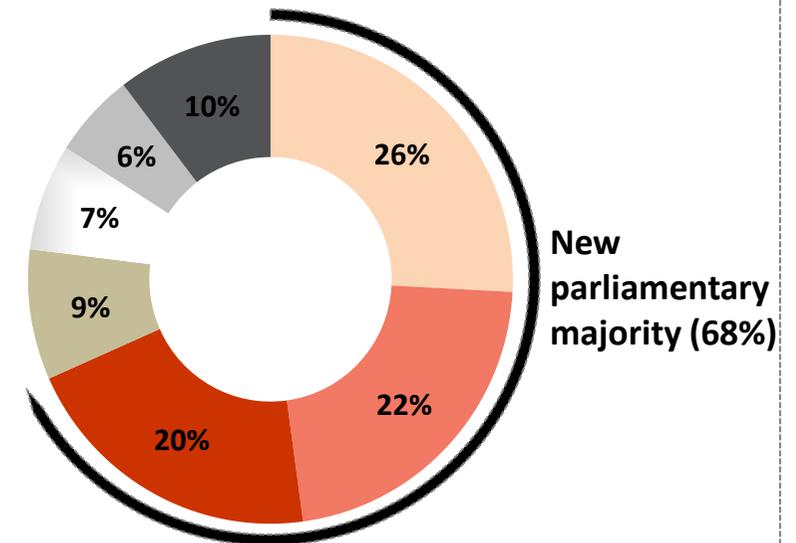
- **July 2011:** New constitution approved by referendum
- **November 2011:** First legislative elections post new constitution leading to a new government with a Chief of Government from the “Justice and Development” party
- **October 2016:** 2nd legislative elections won by the “Justice and Development”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

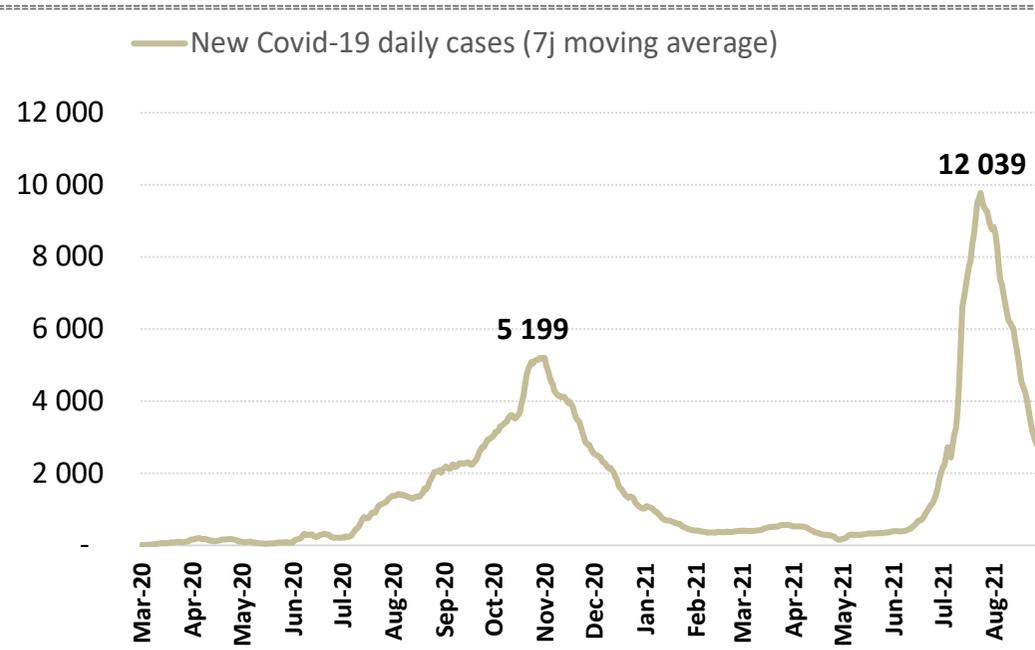
Parti du Progrès et du Socialisme (PPS)

Other political parties

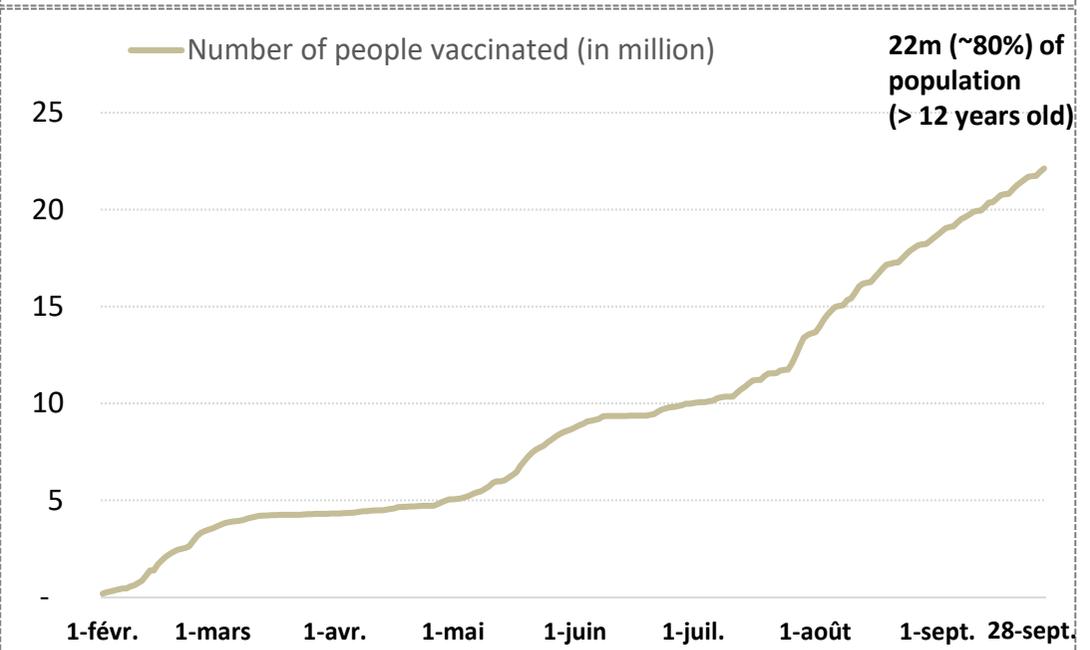
Positive trend of Covid-19 new cases and vaccination pace

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

Main indicators	Average 2016-2018	2019	2020	2021 ^F	2022 ^F
GDP growth (%)	2.7%	2.6%	-6.3%	5.3%	3.3%
Non agricultural GDP (%)	3.0%	3.3%	-5.8%	3.6%	3.8%
Agricultural GDP (%)	1.1%	-4.3%	-8.6%	17.6%	-2.0%
Domestic consumption	3.5%	3.3%	-2.5%	3.7%	2.9%
Export G&S (%)	6.6%	4.2%	-15.9%	14.5%* 13.3%** (7M)	5.6%*
Import G&S (%)	8.4%	1.2%	-16.5%	16.6%* 19.3%** (7M)	3.0%*
Current account deficit (%GDP)	-4.3%	-4.1%	-1.5%	-3.8%	-2.6%
Foreign currency reserves (months of imports)	6.0	5.0	7.3	6.9	6.3
Budget deficit (%GDP)	-3.9%	-4.1%	-7.6%	-7.1%	-6.6%
Treasury debt (%GDP)	65.1%	65.0%	76.4%	77.3%	79.0%

Internal AWB's forecast; BAM

(*) Imports and exports of goods; (**) 7M 2021 compared to 7M 2020

Macroeconomic environment in Morocco Outlook and main indicators per sector

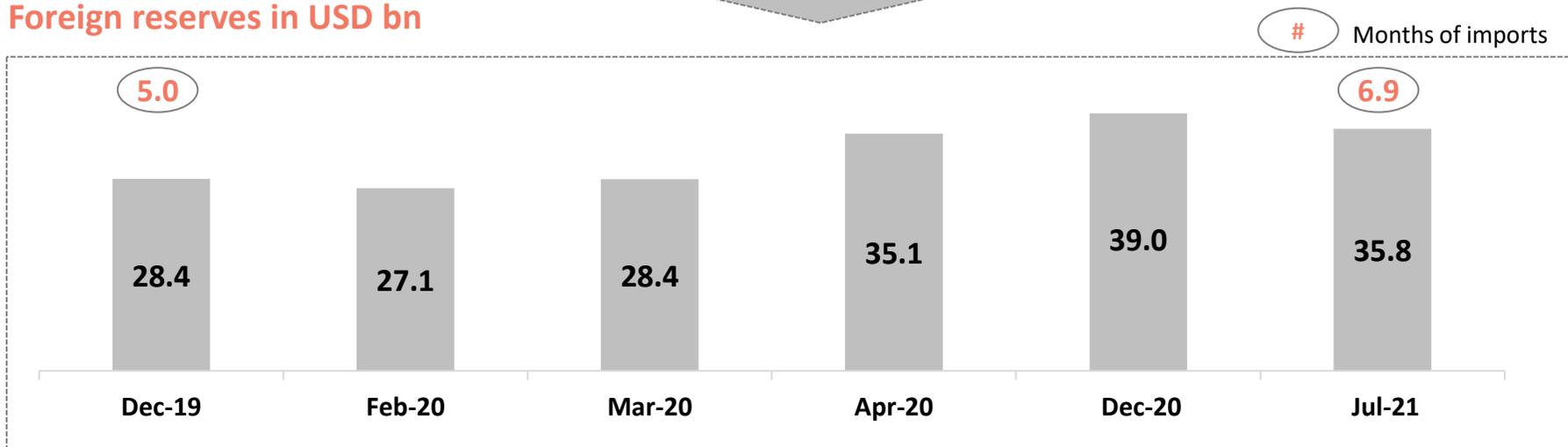
Economic sector		July 2020 (7M) <i>Change vs. 7M 2019</i>	July 2021 (7M) <i>Change vs. 7M 2020</i>
	Agricultural sector		
	Agricultural GDP	▼ -8.6%	▲ +17.6%
	Cereal production	▼ -39%	▲ +221%
	Phosphates & Derivatives Exports	▼ -4.2% 29 MAD bn	▲ +30.3% 38 MAD bn
	Construction industry		
	Cements sales	▼ -18.9%	▲ +17.7%
	Mortgage loans (housing)	▲ +1.2%	▲ +4.5%
	Energy		
	Electrical energy production	▼ -6.6%	▲ +6.9%
	Industry		
	Production capacity utilization rate	▼ 61.9% (-13 pts)	▲ 72.3% (+10 pts)
	Telecom industry		
	Mobile	▲ +0.7%	▲ +8.2%
	Internet	▲ +15.4%	▲ +15.1%
	Transportation sector		
	Airline passengers	▼ 5m (-50%) in H1 20	▲ 4,0 m (x8) between June 15 th and August 31 st

Strong recovery of world demand to Morocco

	2019	2020	Change (%) 20/19	July 19	July 20	July 21	Change (%) 21/20
Imports	527.5	440.5	-16.5%	308.8	251.9	300.4	+19.3%
Imports excl. Energy	451.2	390.7	-13.4%	263.6	221.2	261.8	+18.4%
Exports	423.4	356.1	-15.9%	245.9	197.5	223.8	+13.3%
Exports excl. phosphates	374.5	305.3	-18.5%	215.8	168.7	186.2	+10.4%
Exports of goods	237.1	225.8	-4.8%	141.2	120.4	151.4	25.7%
Tourism	78.8	36.4	-53.8%	41.5	22.8	13.0	-42.8%
Remittances from MLA	64.8	68.0	+5.0%	37.3	37.1	54.0	+45.6%
FDI*	33.9	26.4	-22.3%	20.4	15.7	17.3	+10.5%

YoY on a monthly basis +144% (opening of borders on June 15th)

Foreign reserves in USD bn

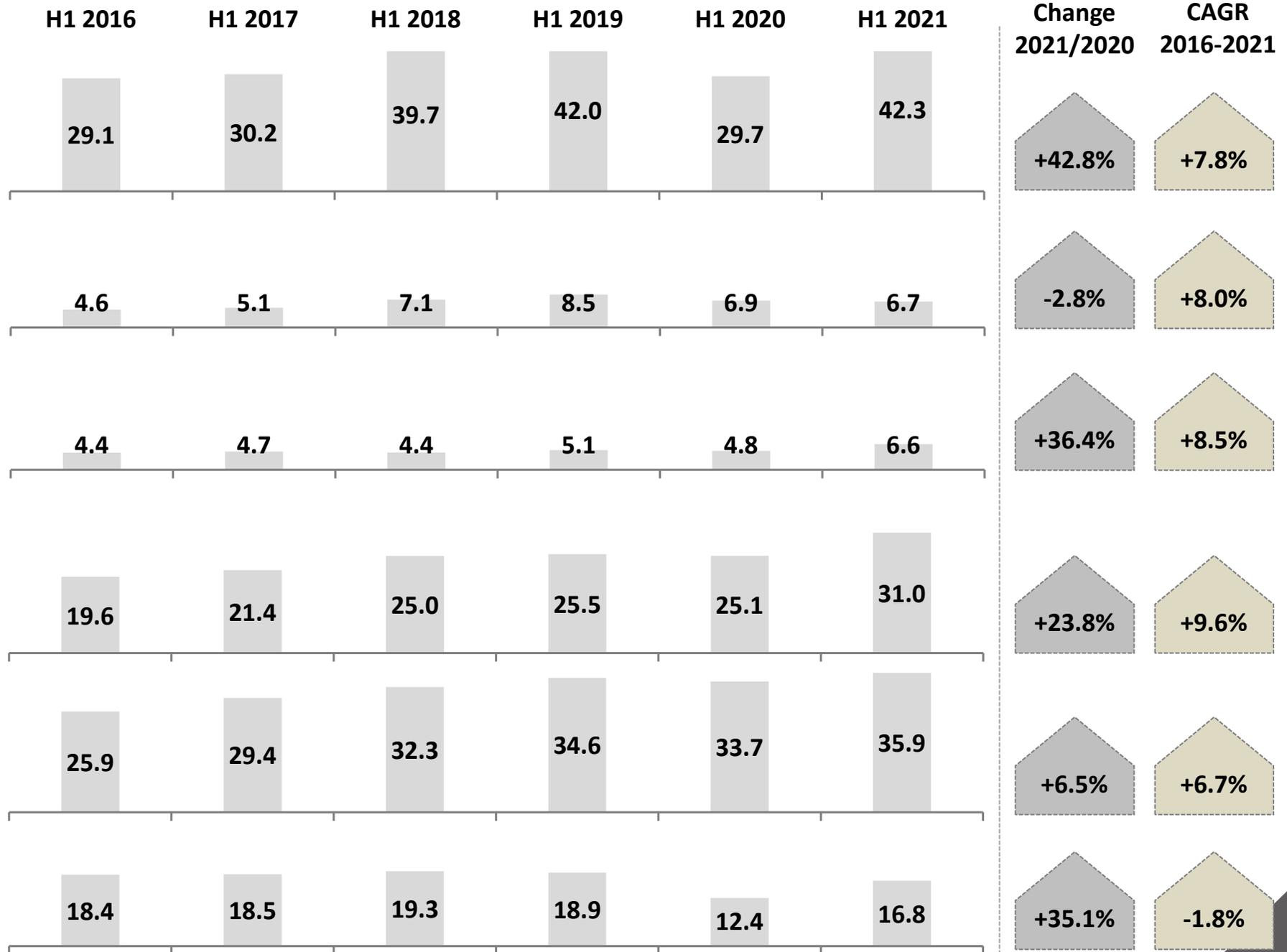


	2016	2017	2018	2019	2020	Q1 21
Current Account Balance	-4.4%	-3.6%	-5.5%	-4.1%	-1.5%	-3.9%
Capital and Financial Transactions Account	6.2%	1.7%	3.5%	4.5%	6.5%	-0.7%

(*) Foreign Direct Investments

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

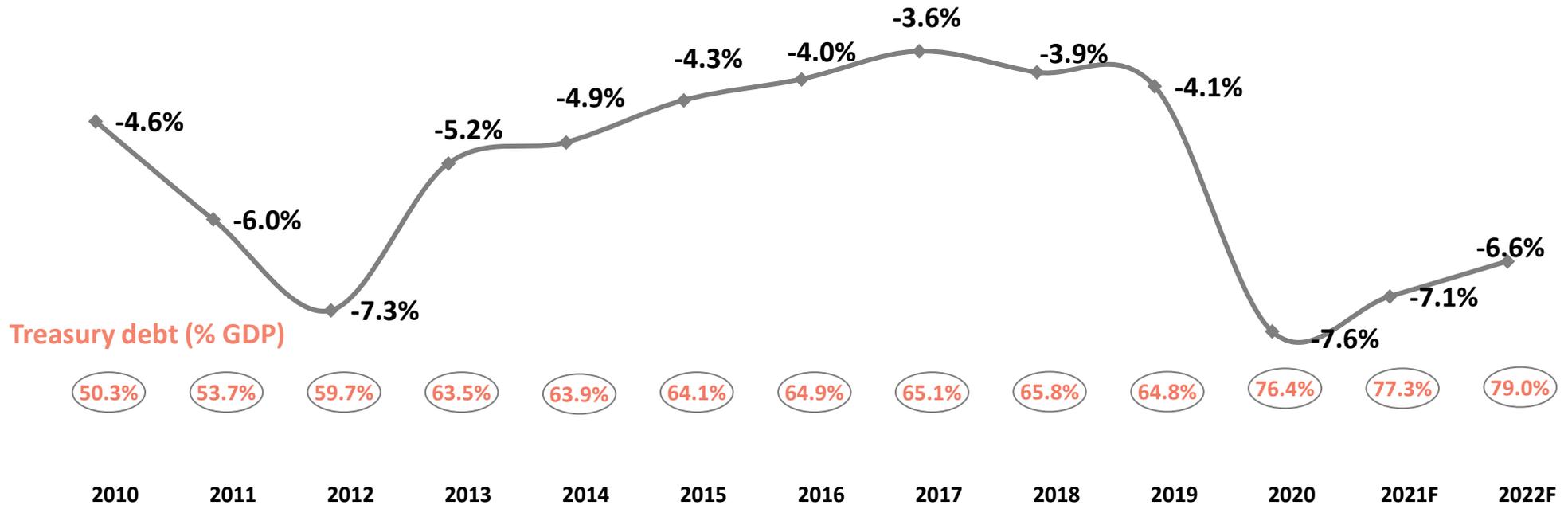


(*) Average daily exchange rate over the period

Budget deficit of 7% stimulating the economic recovery



Budget deficit from 2010 to 2022 (in% GDP)

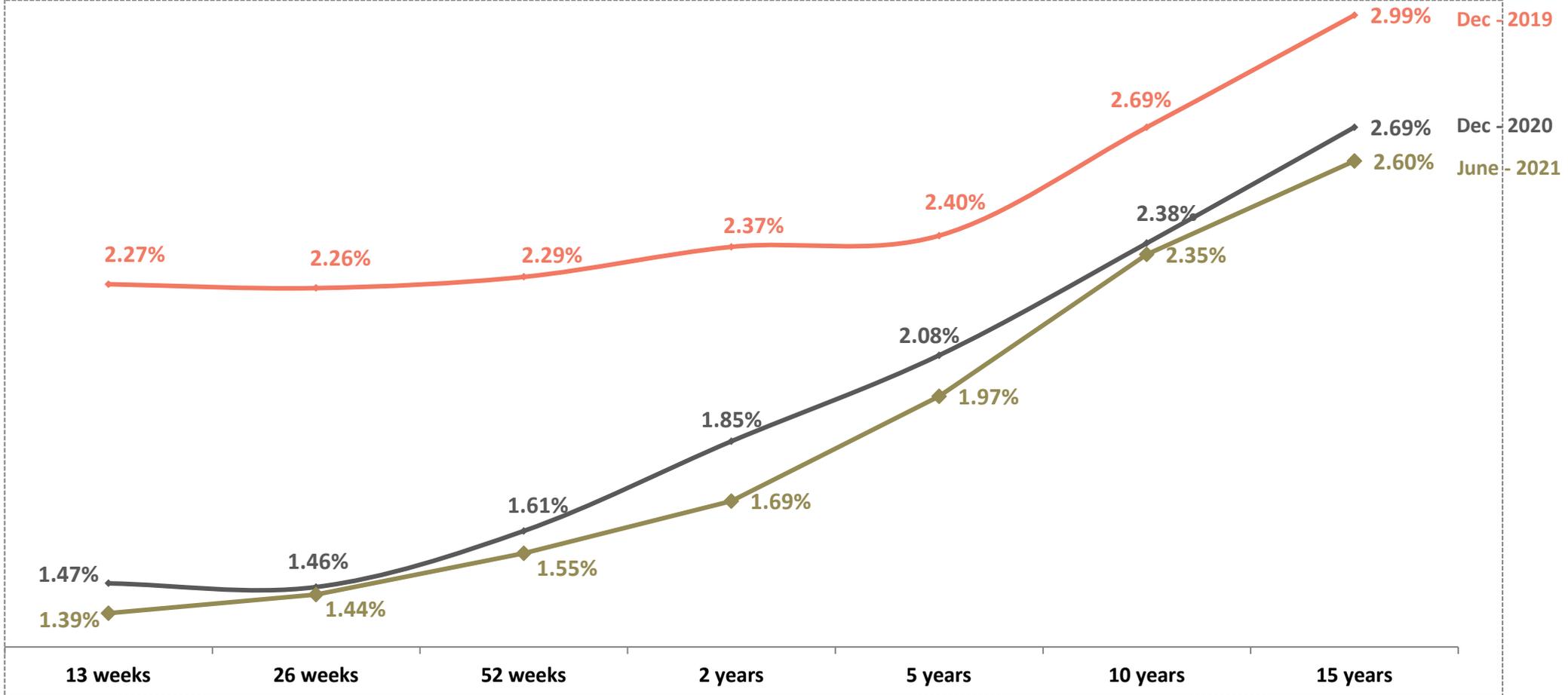


(*) 8M 2021 compared to 8M 2020

Sovereign bonds yield curve trend between Dec 2019 and June 2021

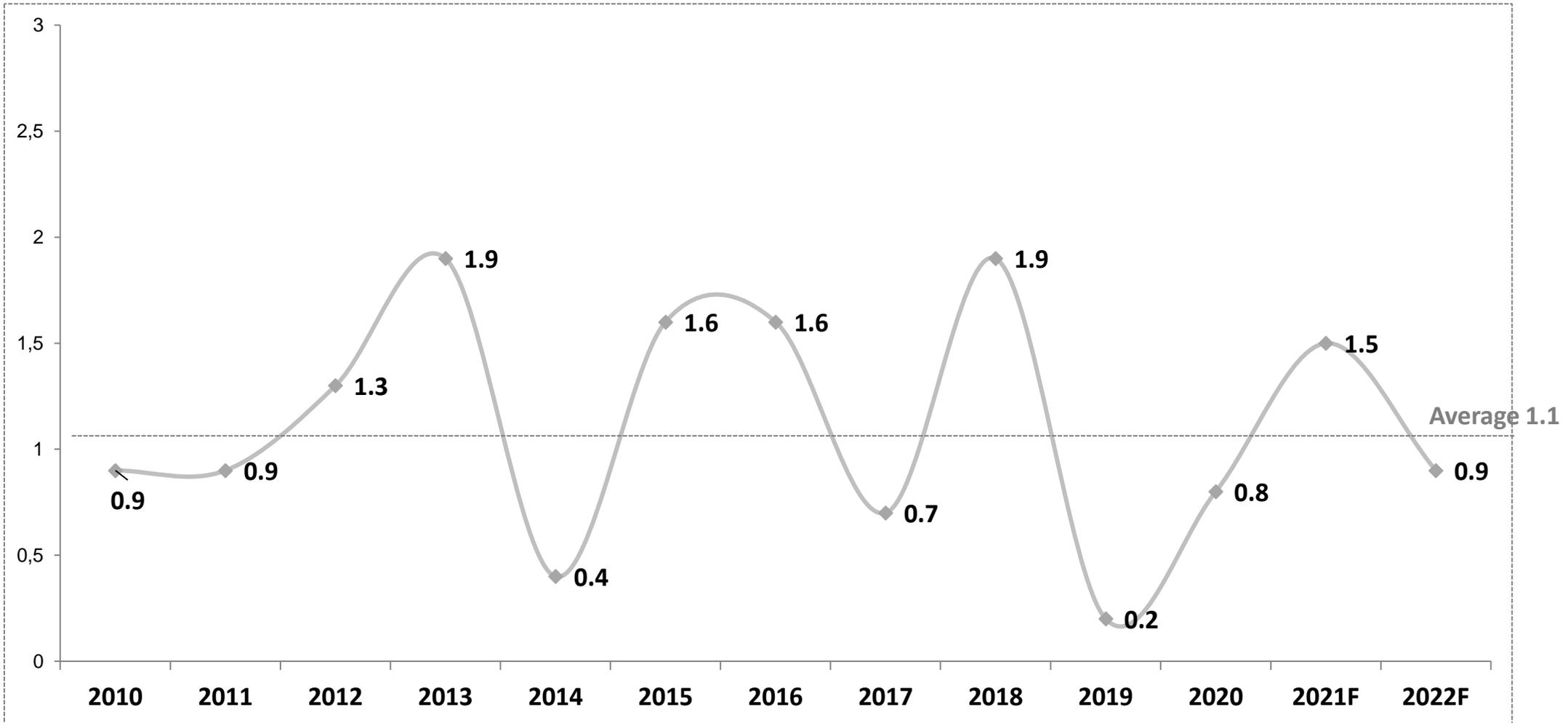
— Dec - 2019
 — Dec - 2020
 — June - 2021

- 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 (%)

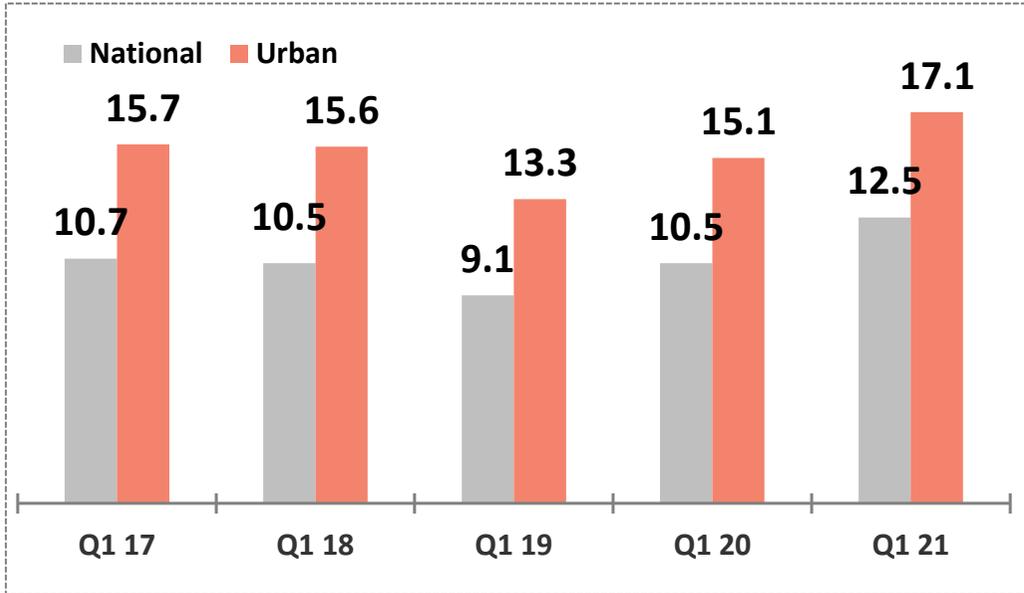


Source: MEF/HCP

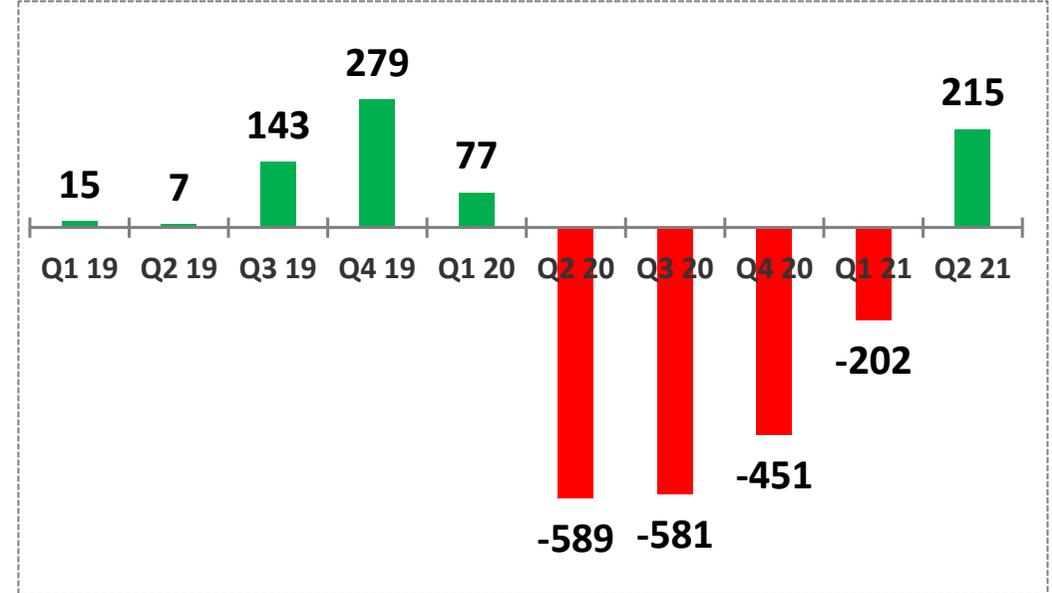
Macroeconomic environment in Morocco Outlook and main indicators

215 000 new jobs in Q2 21

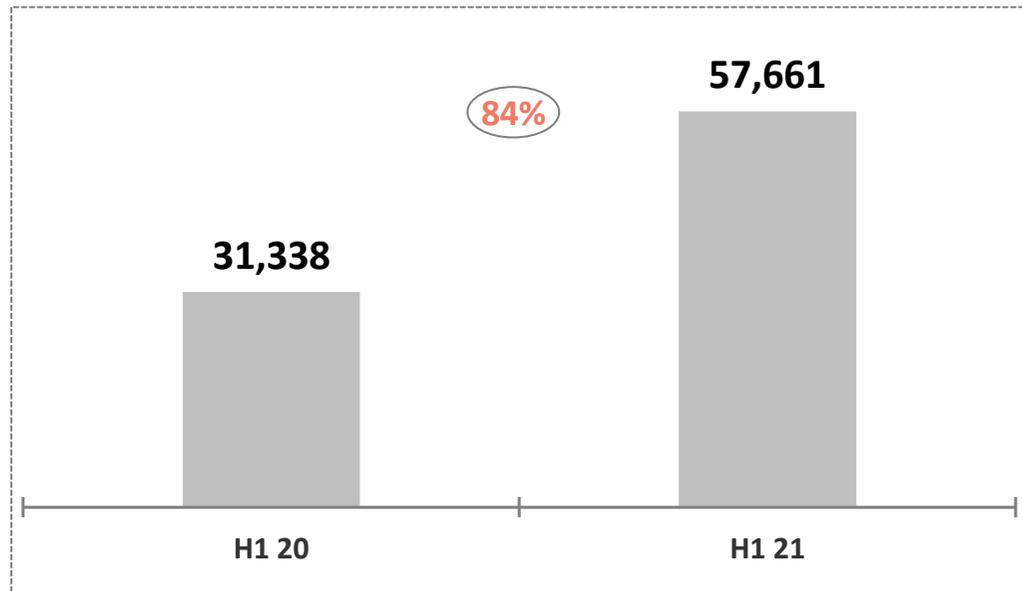
Unemployment rate (%)



Job creation (in million)



Companies' creation



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

Real GDP growth (%)	2019	2020	2021 ^F	2022 ^F
 Egypt	5.6%	3.6%	2.5%	5.7%
 Tunisia	1.0%	-8.8%	3.8%	2.4%
 Ivory coast	6.2%	2.3%	6.0%	6.5%
 Senegal	4.4%	0.8%	5.2%	6.0%
 Cameroon	3.9%	-2.8%	3.4%	4.3%

IMF, BAD, BEAC, Internal AWB's forecast

Monetary policy in AWB's main regions of presence

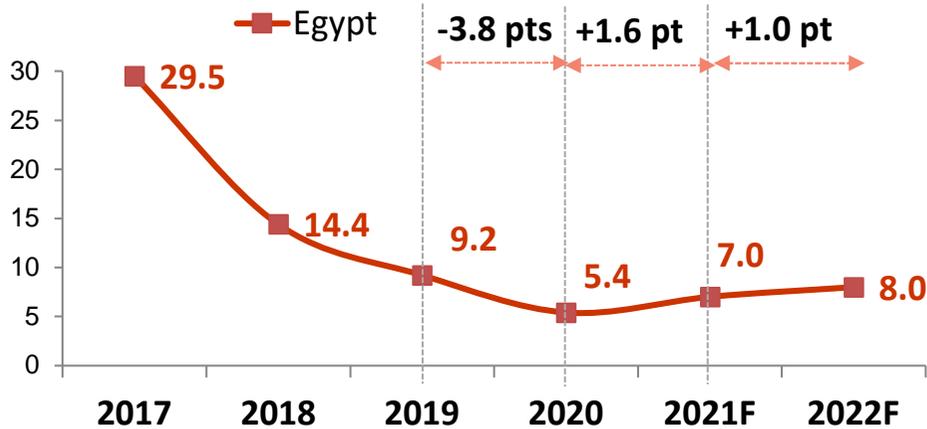
Main countries of presence	Monetary policy after the crisis
 Morocco	<ul style="list-style-type: none"> 2 successive cuts in key interest rate to 1.50% (25bps in March and 50 bps in June 2020)
 Tunisia	<ul style="list-style-type: none"> 150 bps cut of key interest rate to 6.25% (100 bps in March and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

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

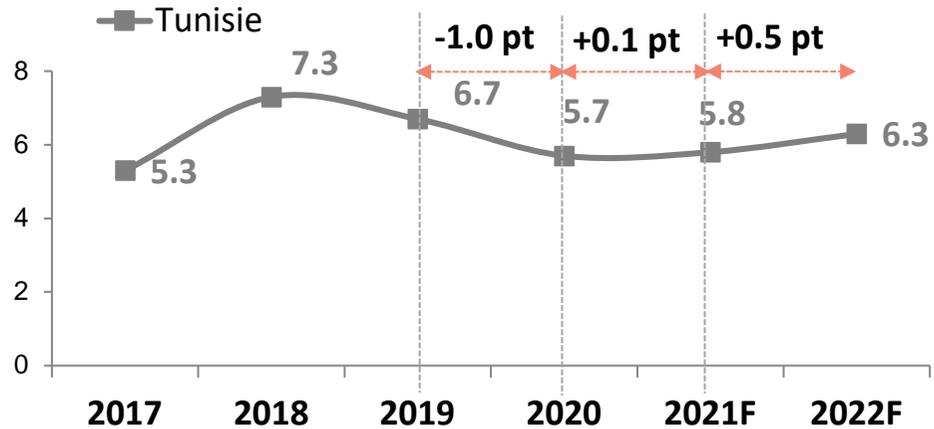
(2) EMCCA: Cameroon, Congo, Gabon, Equatorial Guinea, Central African Republic and Chad

Inflation rate in AWB's main regions of presence

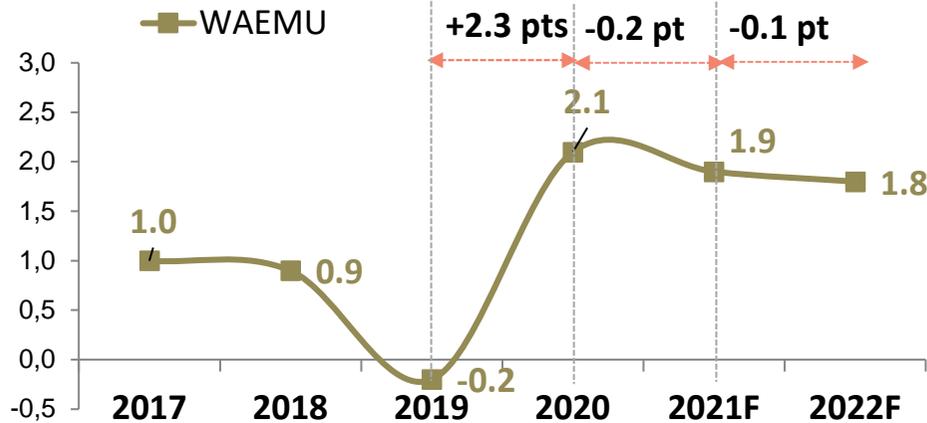
EGYPT



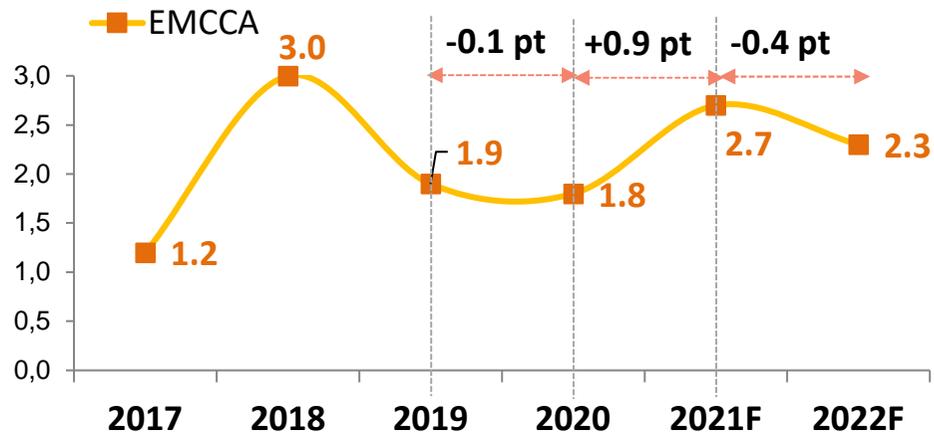
TUNISIE



WAEMU



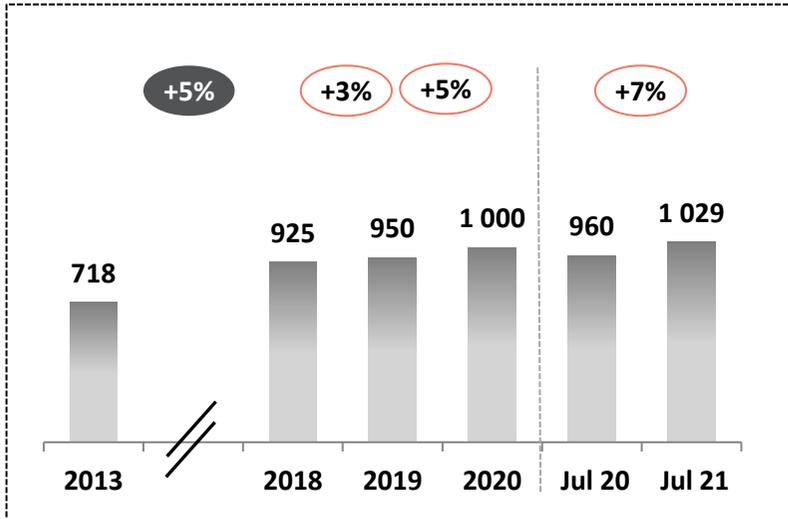
EMCCA



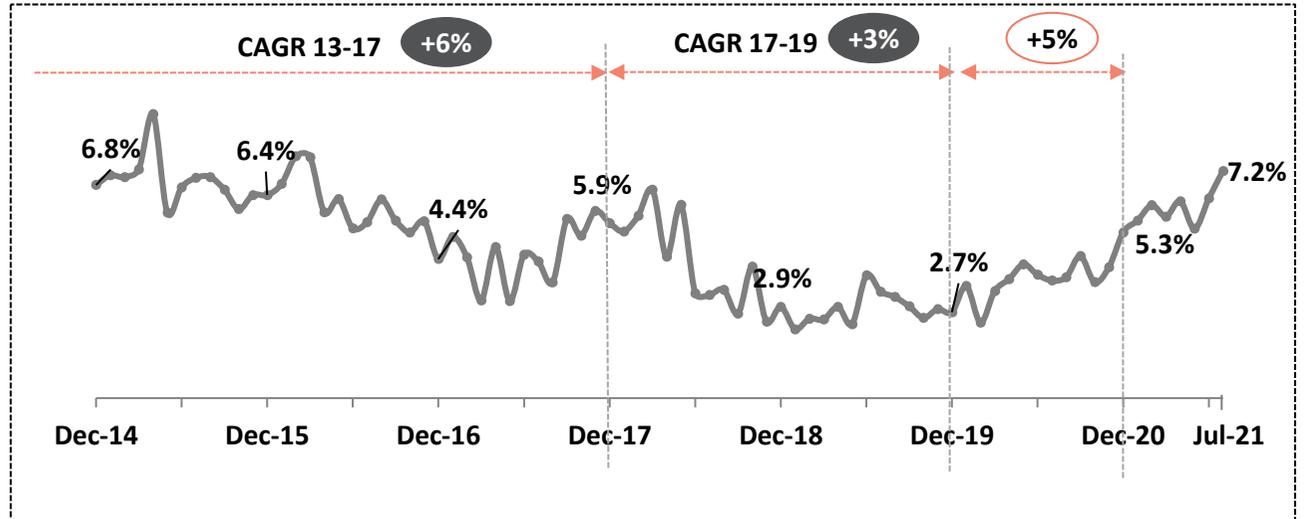
Moroccan banking sector YoY growth

— YoY growth
 ● X% CAGR
 ○ X% +/-

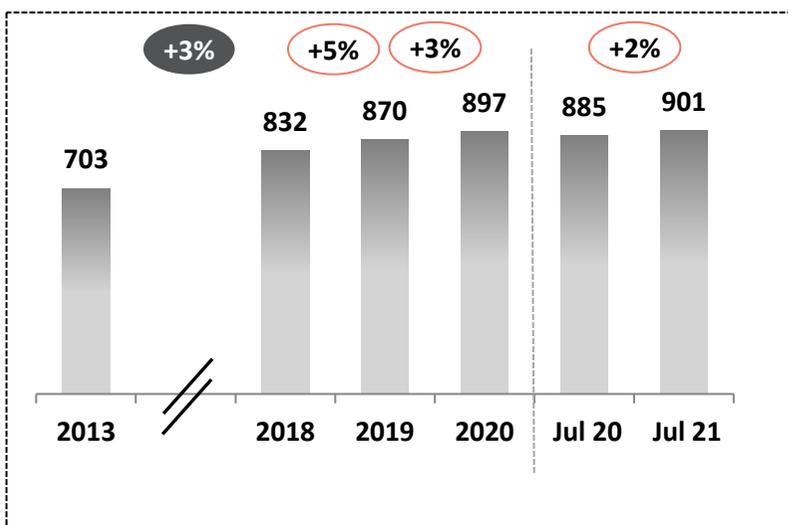
Deposits (MAD billion)



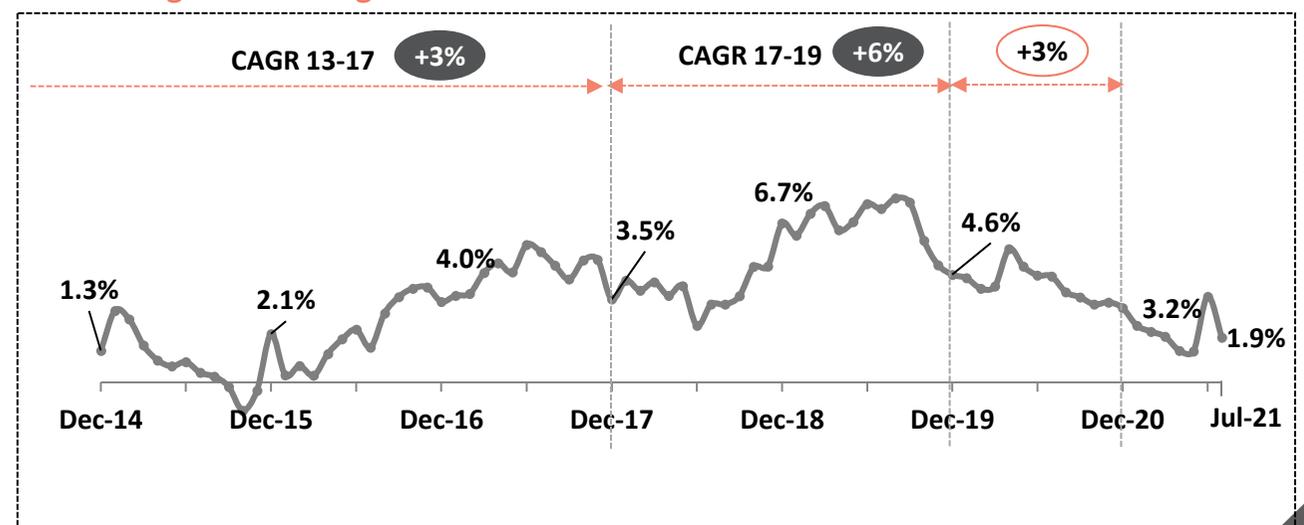
Deposits: YoY growth



Loans (MAD billion)



Performing loans : YoY growth



Source : GPBM (the Moroccan banking association)

Moroccan banking sector

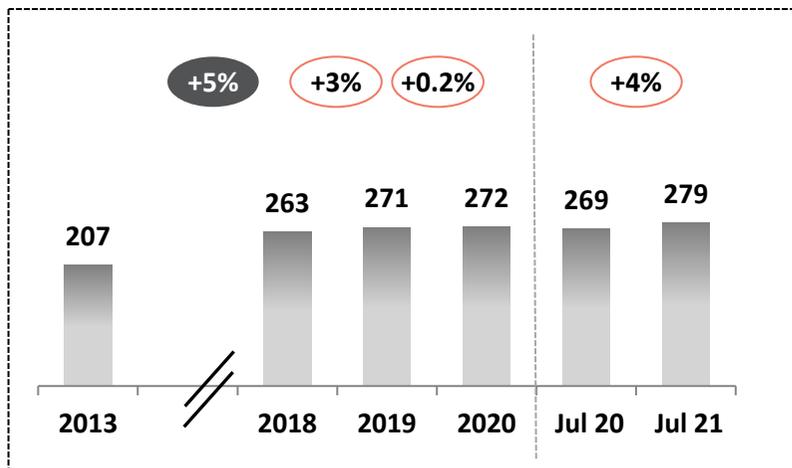
YoY growth

— YoY growth

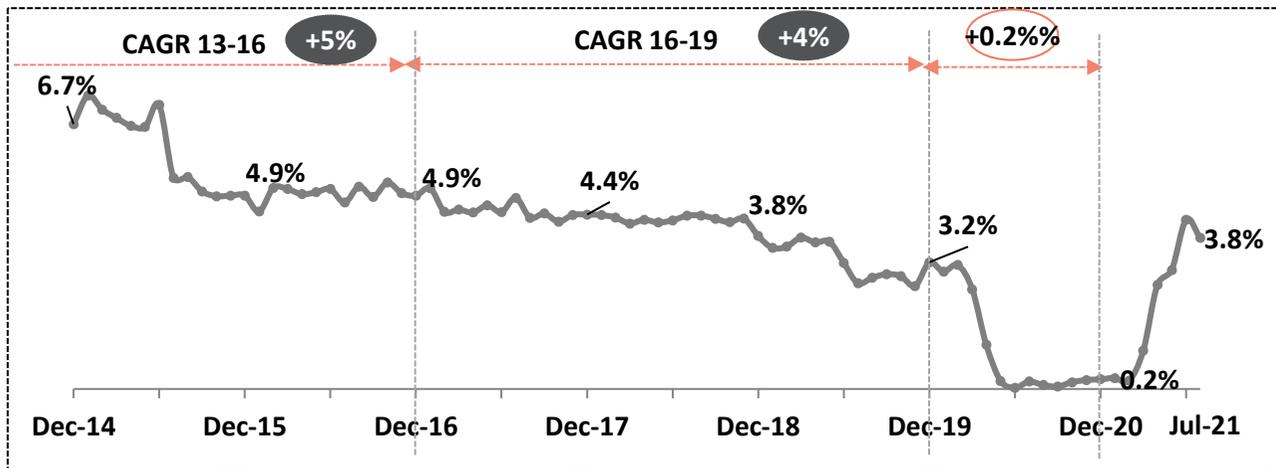
X% CAGR

X% +/-

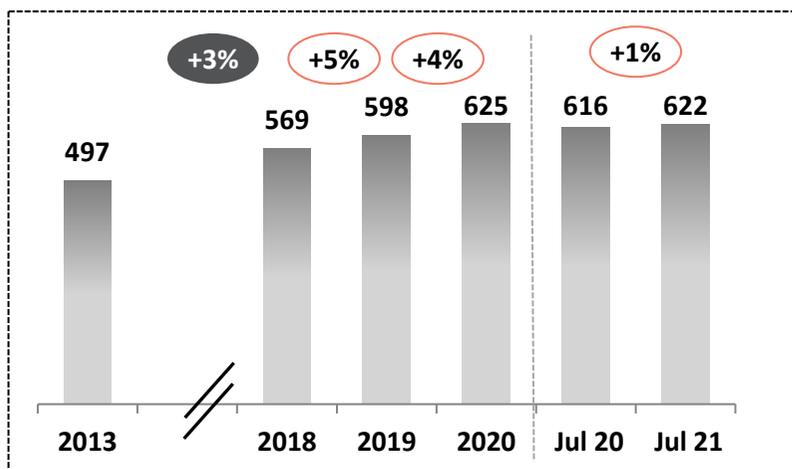
Retail loans ⁽¹⁾ (MAD billion)



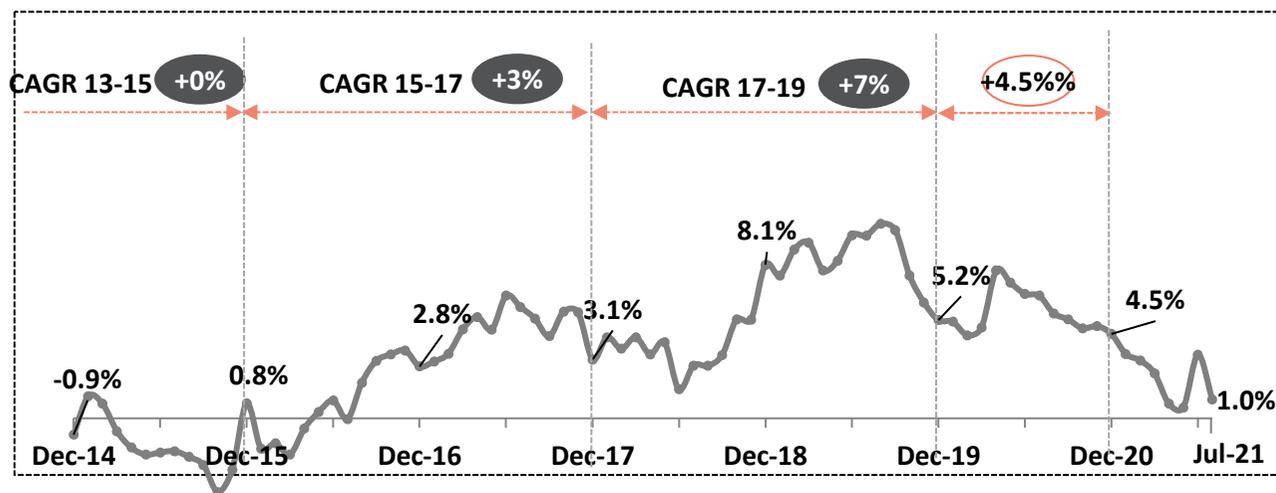
Retail loans: YoY growth



Corporate loans ⁽²⁾ (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)

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

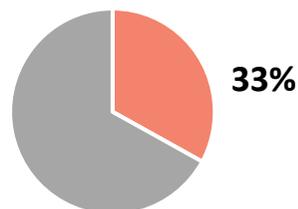
Main features

- 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)

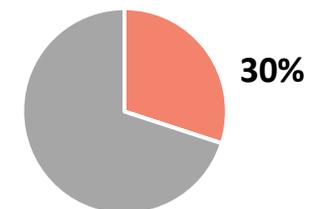
- 1 to 1.5 month of turnover
- Guaranteed for 80%-100% by the government
- Rate: key interest rate + 200 bps
- Tenor: 7 years

AWB's market share

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



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



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

H1 2021 consolidated P&L

<i>(in MAD million)</i>	H1 2020	H1 2021	Growth Rate	Growth Rate at a constant exchange rate
Net banking income	12,383	12,469	0.7%	1.7%
<i>Net interest income</i>	<i>7,876</i>	<i>8,019</i>	<i>1.8%</i>	<i>2.9%</i>
<i>Net fee income</i>	<i>2,227</i>	<i>2,546</i>	<i>14.3%</i>	<i>15.4%</i>
<i>Income from market activities</i>	<i>1,833</i>	<i>2,017</i>	<i>10.0%</i>	<i>10.6%</i>
<i>Others</i>	<i>448</i>	<i>-113</i>	<i>NA</i>	<i>NA</i>
General operating expenses	6,669	5,570	-16.5%	-15.6%
General operating expenses*	5,522	5,570	0.9%	2.0%
Gross operating income	5,714	6,899	20.8%	21.8%
Gross operating income*	6,861	6,899	0.6%	1.4%
Cost of risk	3,021	1,904	-37.0%	-36.4%
Net income group share	1,248	2,613	109.3%	110.6%
Net income group share*	1,924	2,613	35.8%	36.8%

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

H1 2021 key financial indicators

	H1 2019	H1 2020	H1 2021
Net interest margin* (bps)	457	477	469
Cost income ratio	46.8%	53.9% 44.6%**	44.7%
NPL ratio	6.8%	7.5%	7.4%
Cost of risk	0.54%	1.70%	1.03%
RoA	1.32%	0.57% 0.83%**	1.10%
RoE	14.6%	6.0% 8.8%**	12.1%
Leverage	10.3x	10.2x	10.4x

(*) Net interest income / Customer loans

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

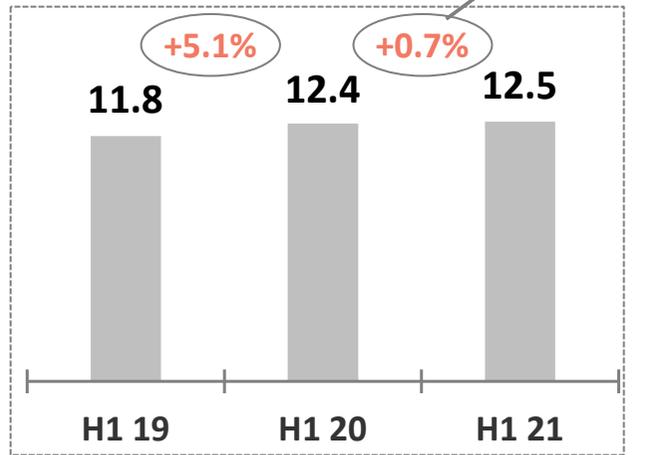
NBI by business line

X%

+/-

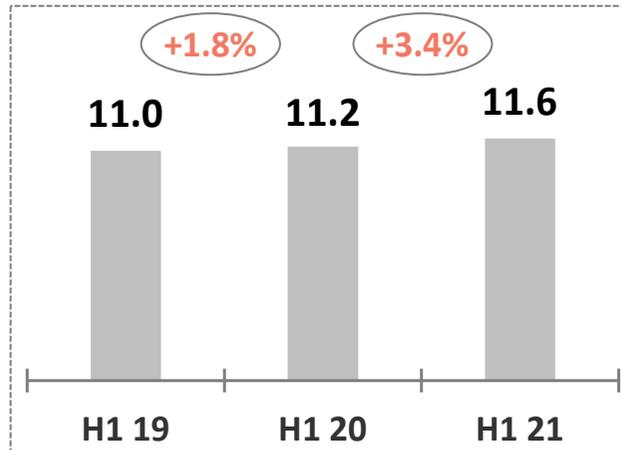
MAD billion

NBI

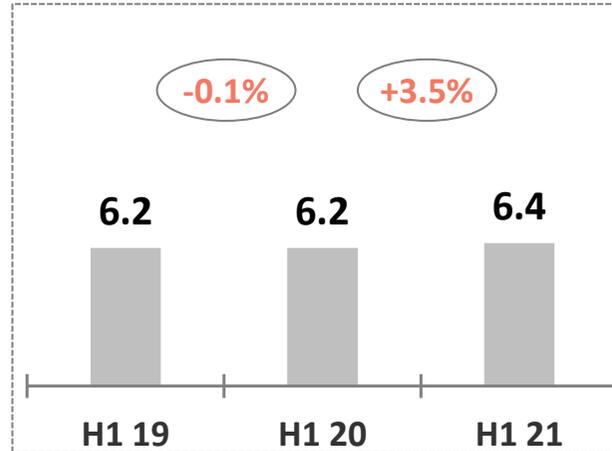


+1.7% at a constant exchange rate

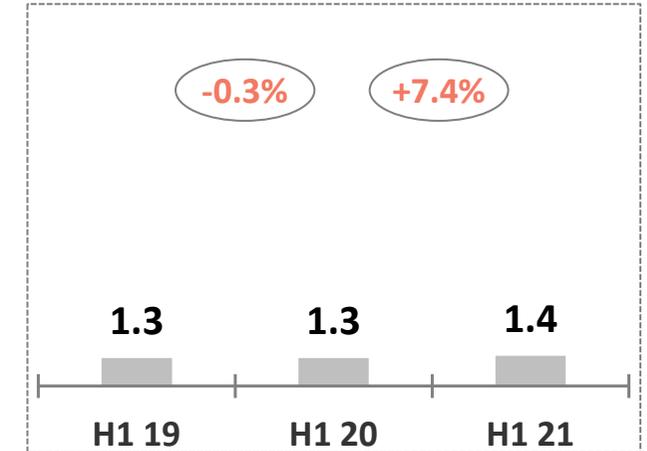
NBI (excl. Insurance)



BMET

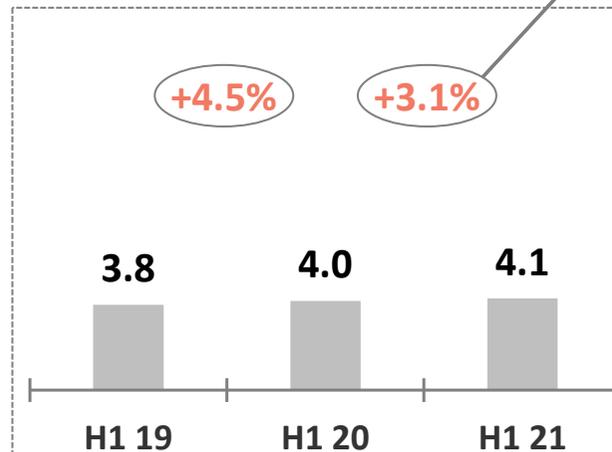


Specialized Financial Companies

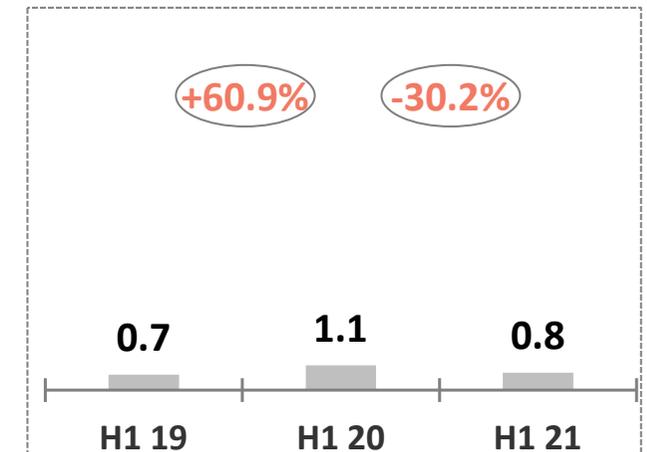


+6.0% at a constant exchange rate

International Retail Banking



Insurance



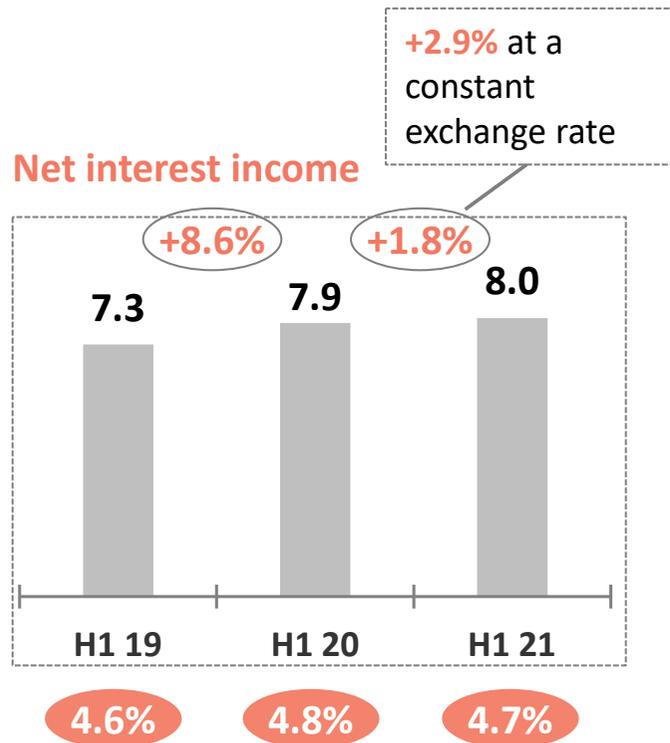
Net Interest Income by business line

X%

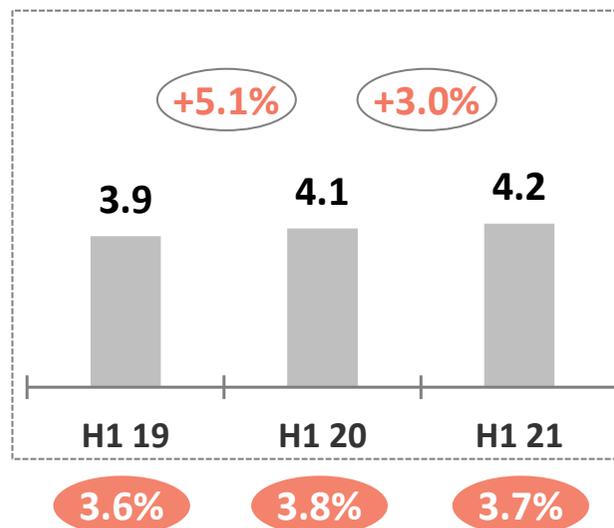
+/-

MAD billion

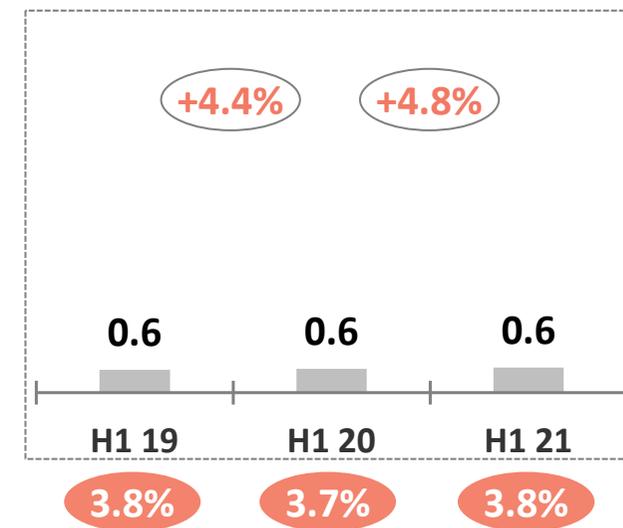
Net interest income



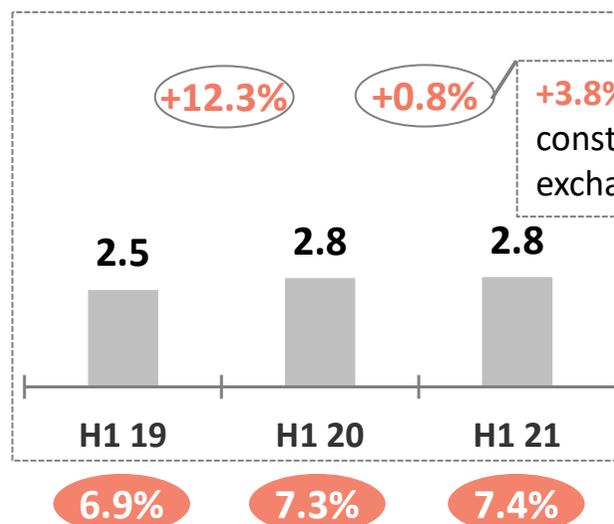
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Specialized Financial Companies



International Retail Banking



Insurance

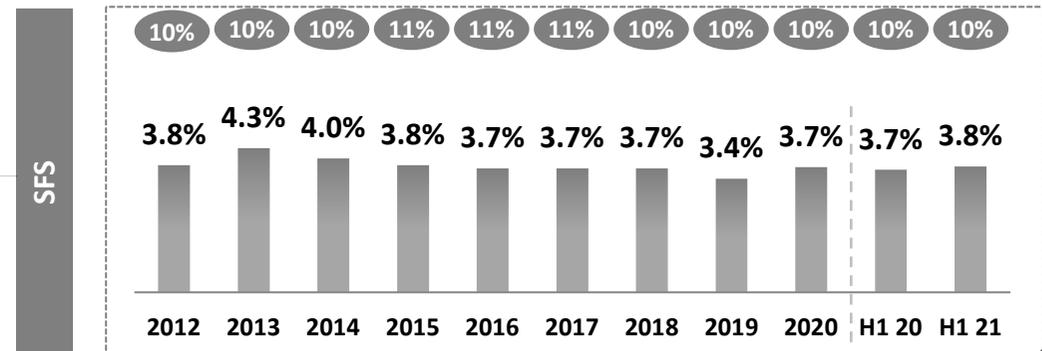
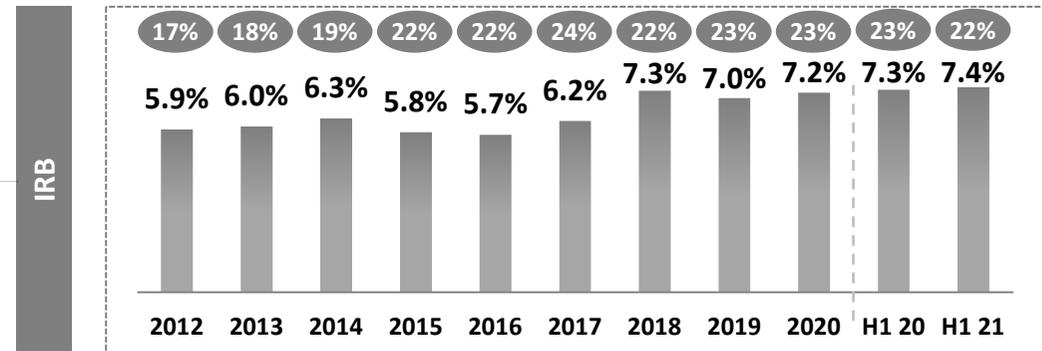
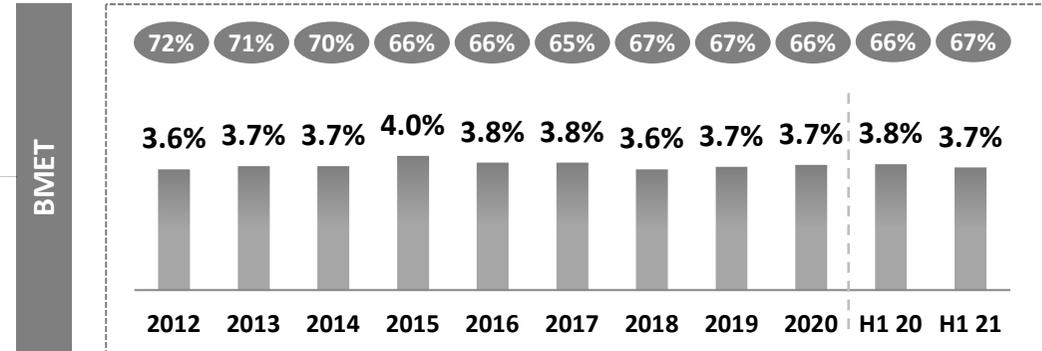
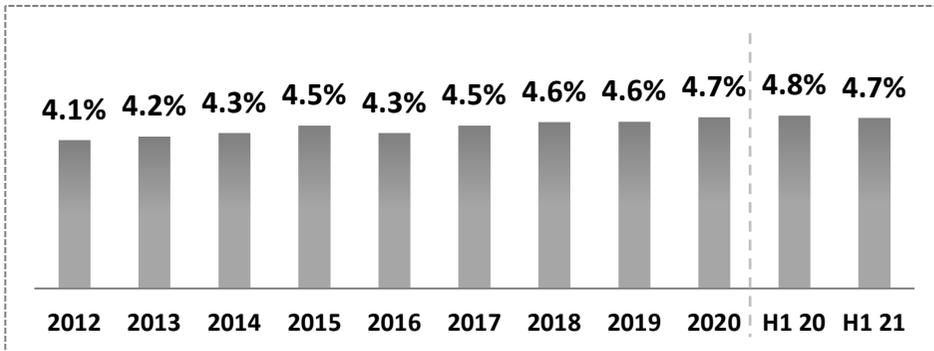


X% Net interest income / Loans

Net interest margin by business line between 2012 and H1 2021

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

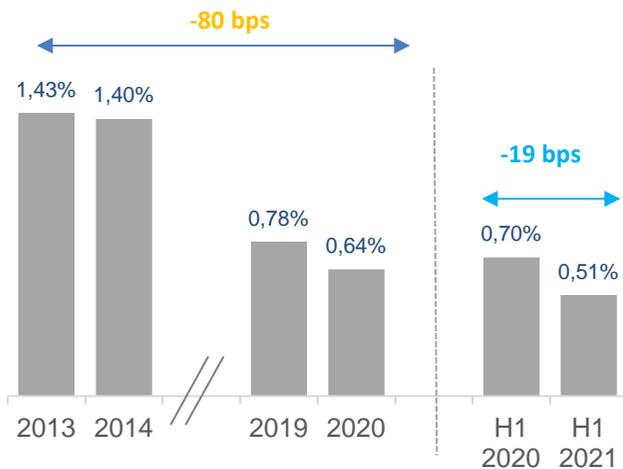
Net interest margin/ customer loans (end of period)



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

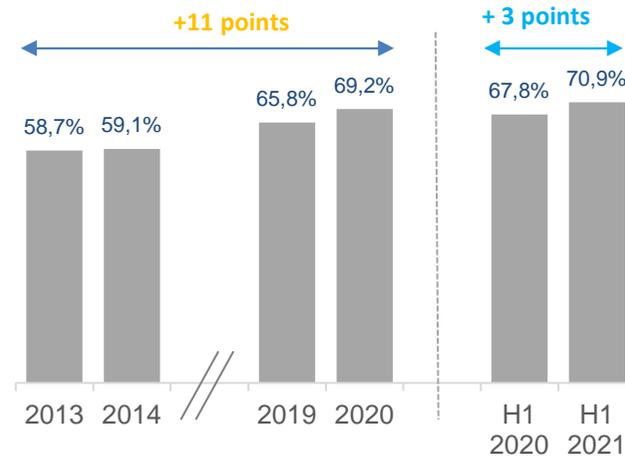
Cost of funding evolution – Focus on Morocco

Cost of funding



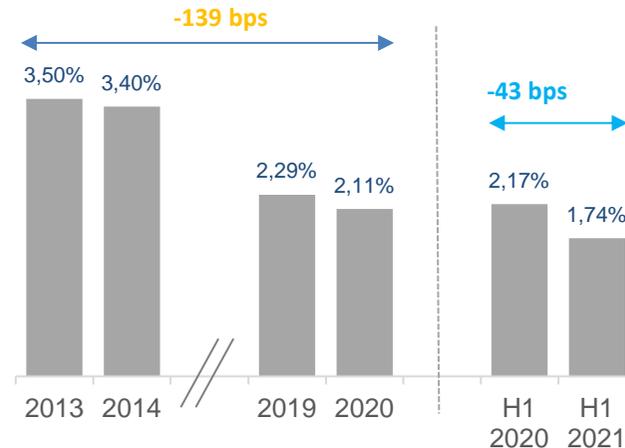
Cost of funding:
-92 points
 between 2013
 and H1 2021

Deposits structure (% of non bearing interest deposits)



Cost of funding:
+12 points
 between 2013
 and H1 2021 of
 free interest
 deposits

Interest bearing deposits cost of funding



Cost of funding:
-176 points
 between 2013
 and H1 2021

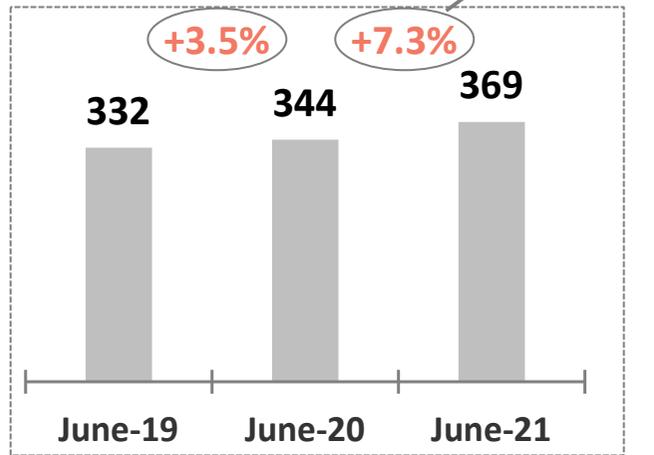
Deposits by business line

X%

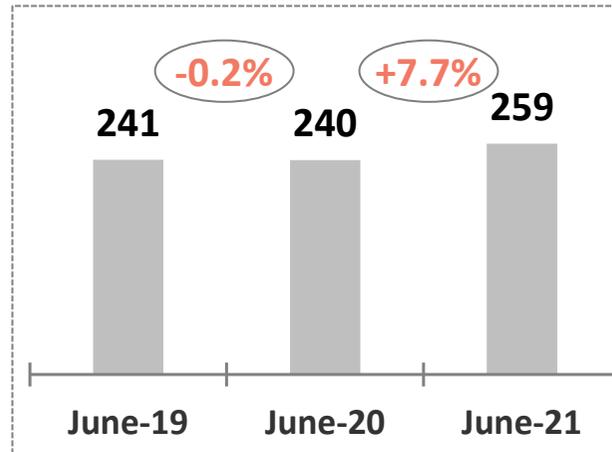
+/-

MAD billion

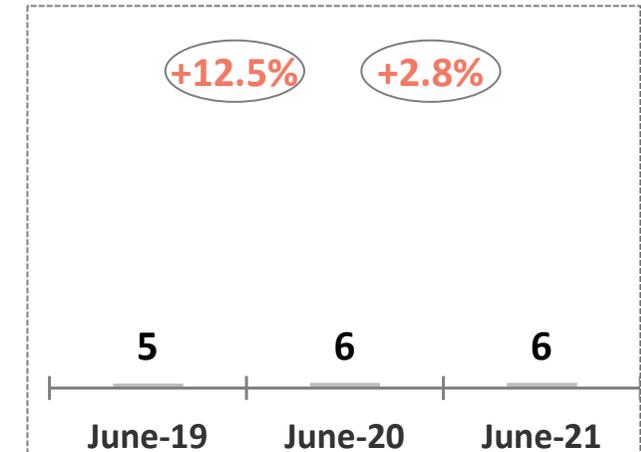
Deposits



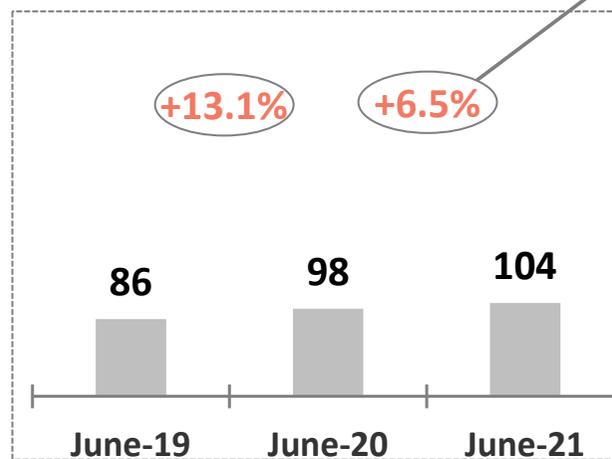
BMET



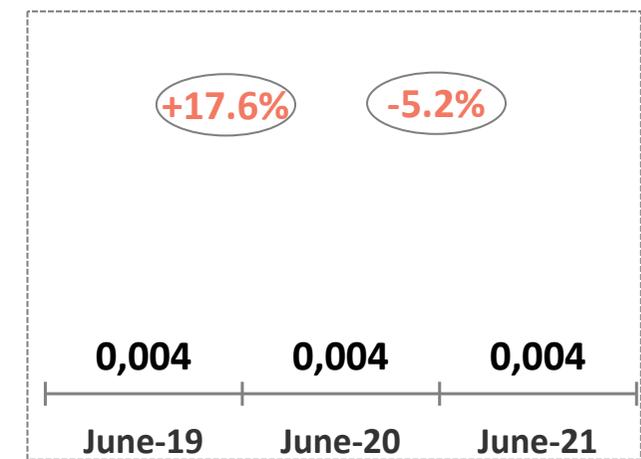
Specialized Financial Companies



International Retail Banking



Insurance



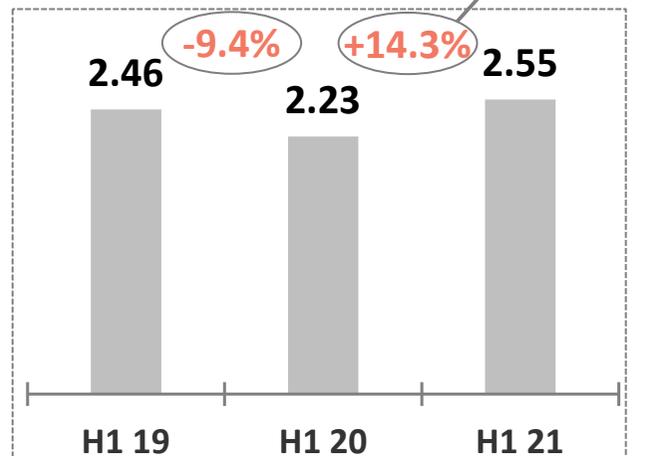
Fees by business line

X%

+/-

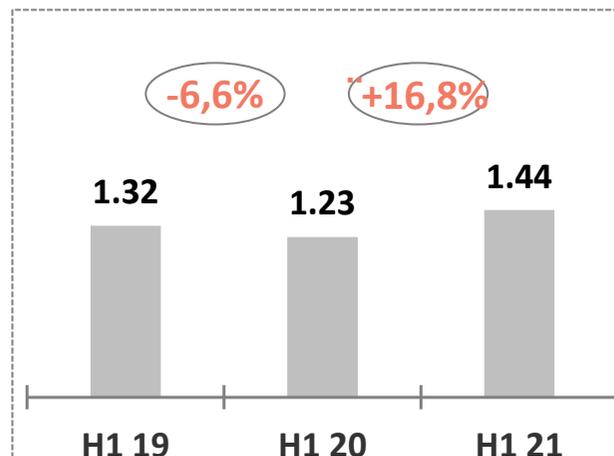
MAD billion

Net fee income



+15.4% at a constant exchange rate

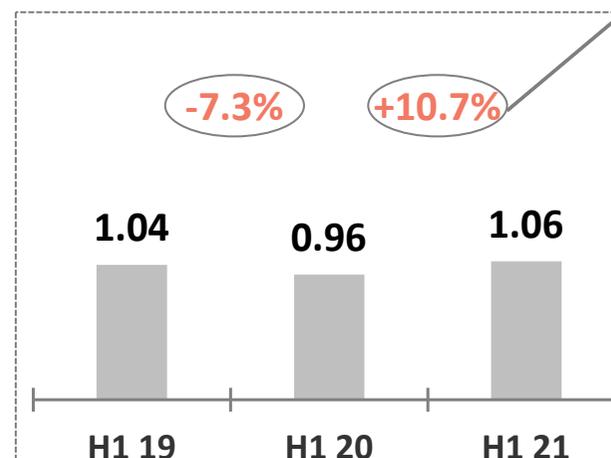
BMET



Specialized Financial Companies



International Retail Banking

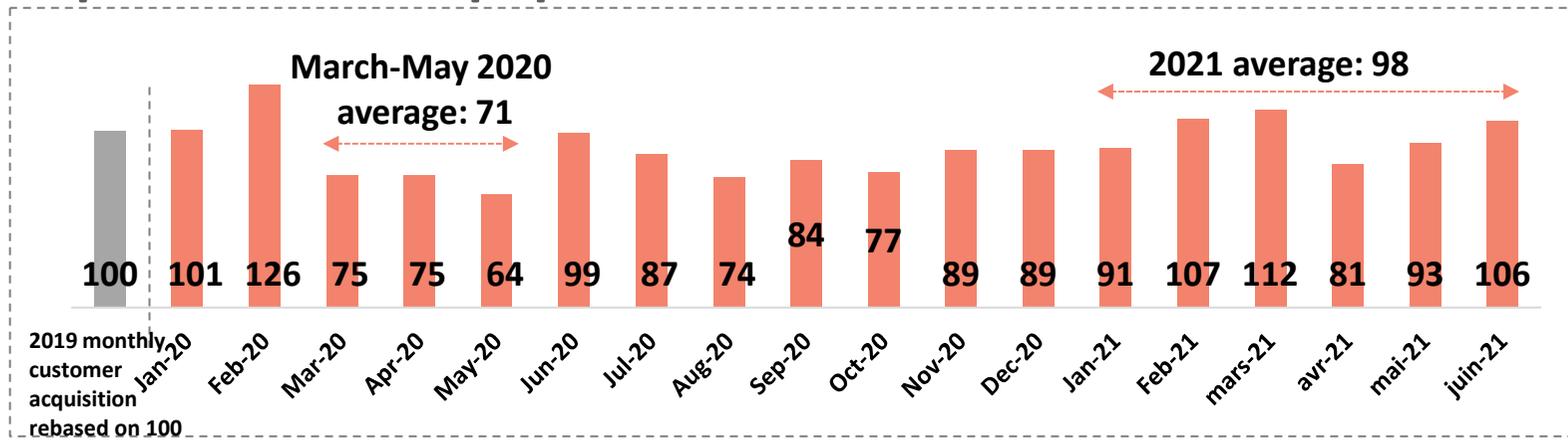


+13.1% at a constant exchange rate

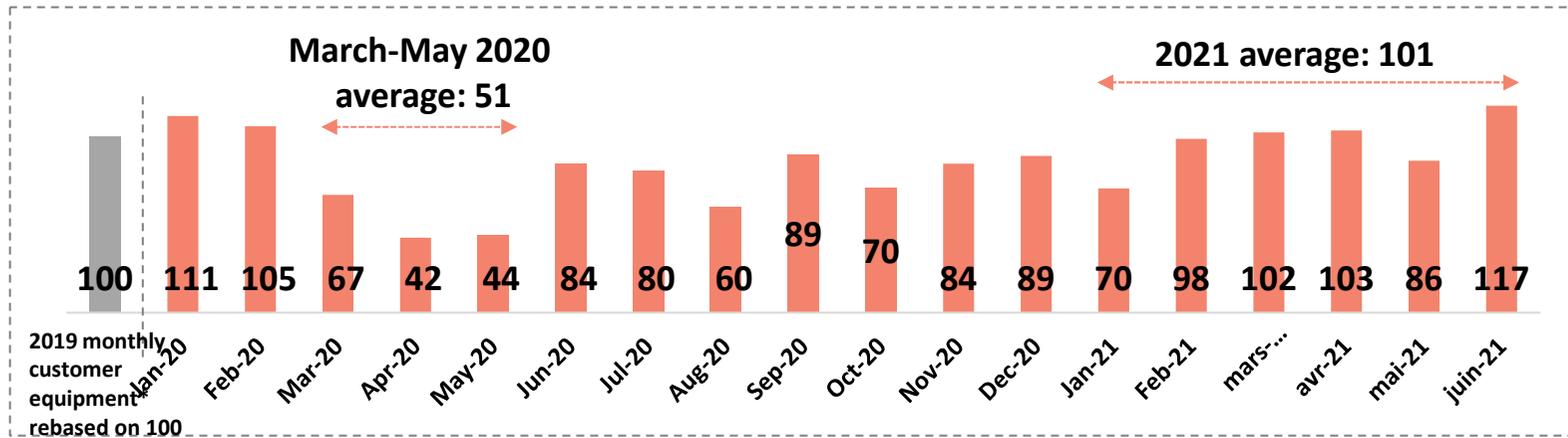
Fee income: main drivers – The bank in Morocco

Acquisition and equipment of retail customers

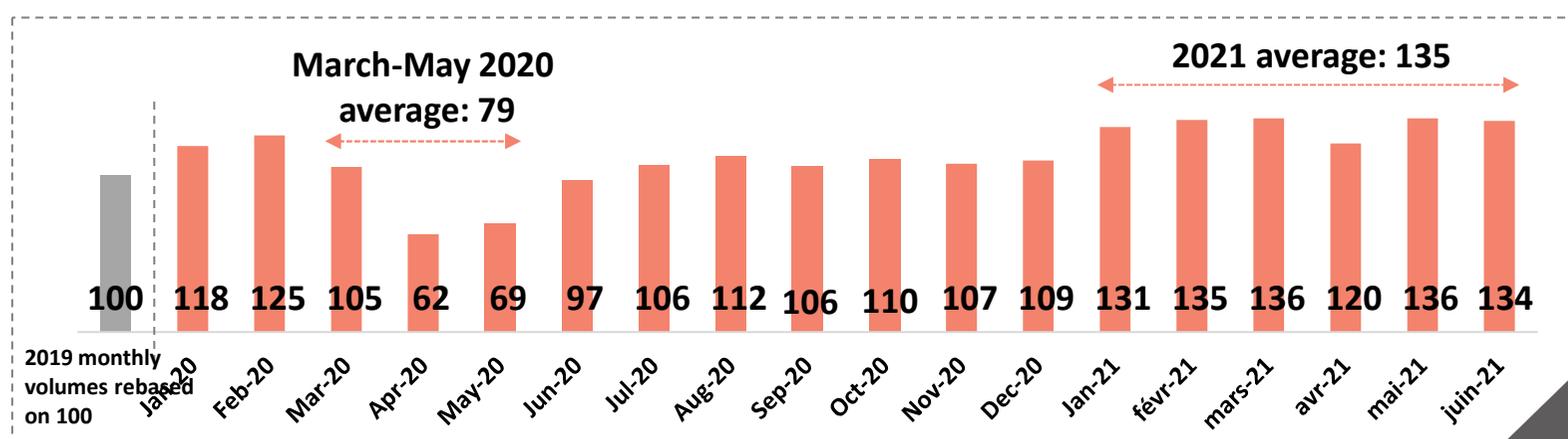
Customer acquisition



Customer* equipment



Electronic payments

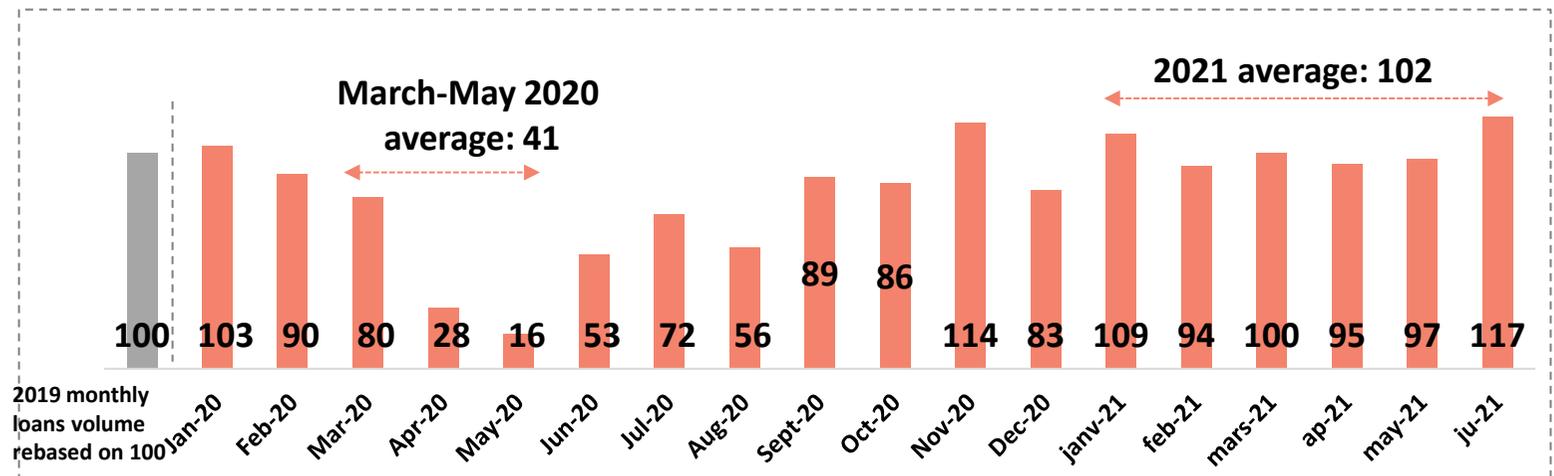


(*) : packages, credit cards and insurance

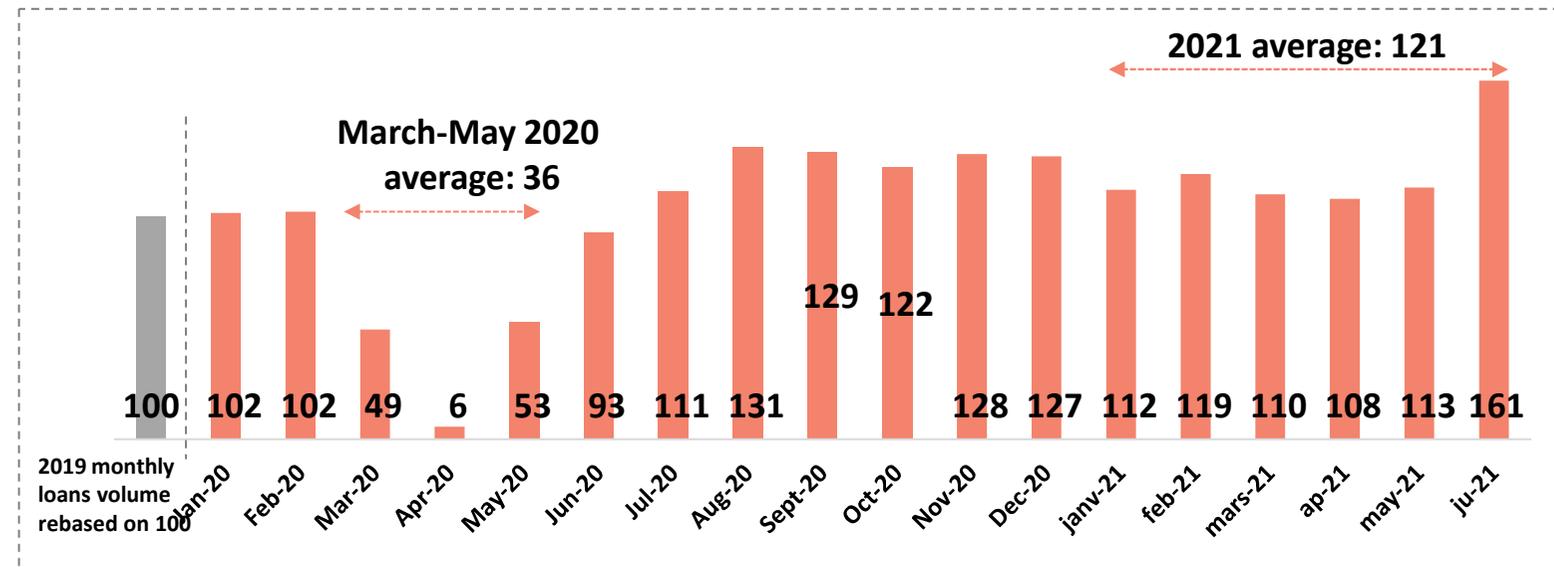
Fee income: main drivers – The bank in Morocco

Loans distribution

Consumer* loans



Mortgage loans



(*) : consumer loans booked in Wafasalaf

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

MAD million

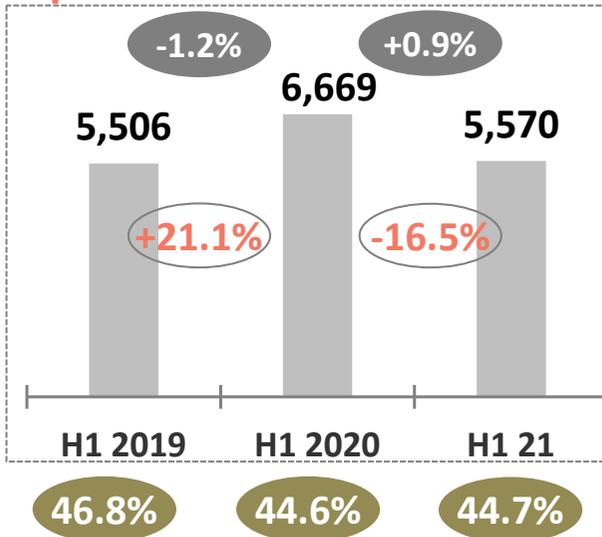
Cost-Income ratio on a consolidated basis:

↘ **-2.1pts** between H1 19 and H1 21

Cost-Income ratio BMET:

↘ **-3.6pts** between H1 19 and H1 21

Expenses

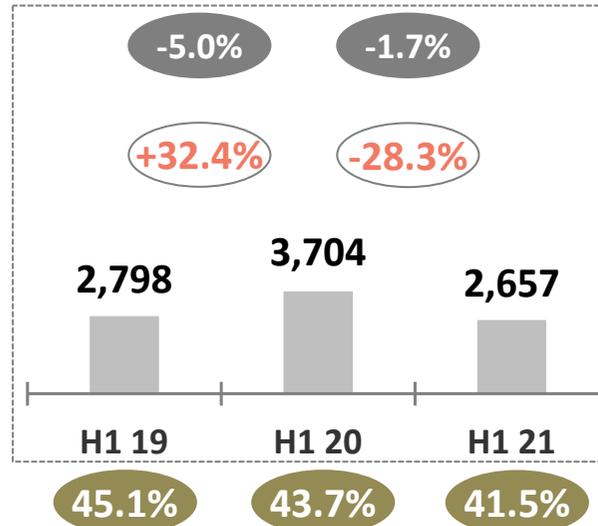


X% Cost-Income ratio excluding the contribution to COVID-19 special fund in 2020

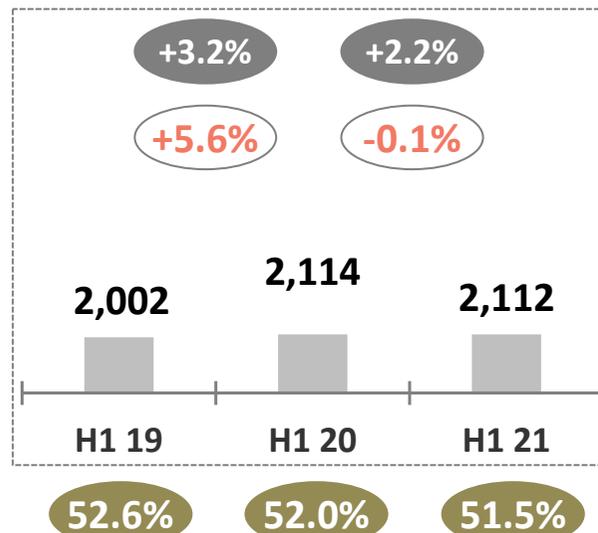
X% +/-

x% +/- excluding the contribution to COVID-19 special fund in 2020

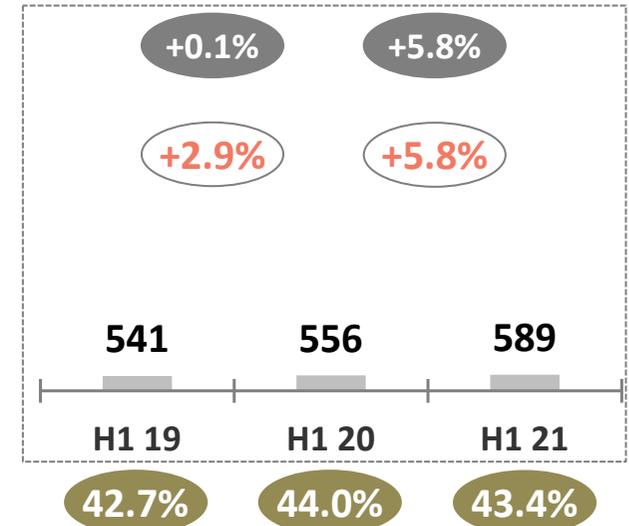
BMET



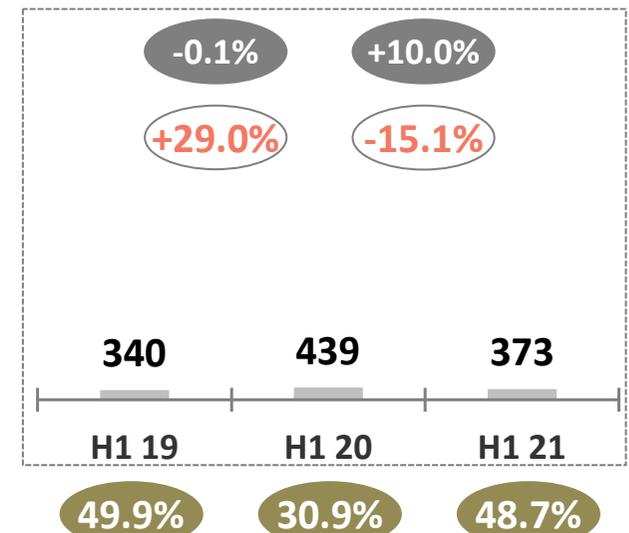
International Retail Banking



Specialized Financial Companies



Insurance



...and leveraging on digital transformation

➔ ~43% of active digital customers

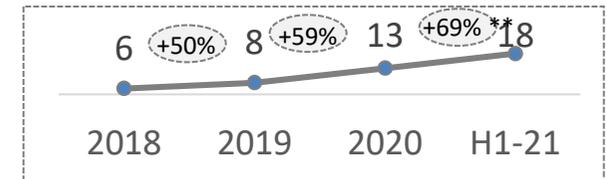


Active digital clients (% of total clients)



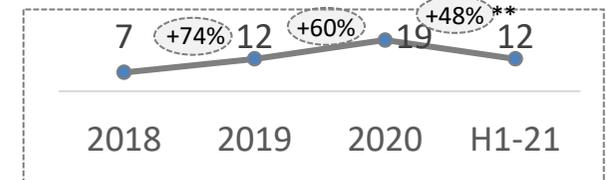
➔ More than **18 millions** connections per month in H1-2021 (+69%)

of connections (million ; on a monthly basis)



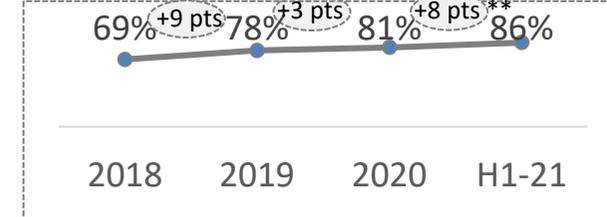
➔ **86% of all transactions*** processed through digital platforms in 2020

of transactions (million)



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

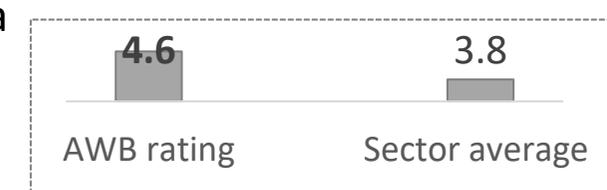
% of total transactions*



➔ Attijari mobile has the **highest rating for banking app in Morocco** (between **4.5 and 4.6** according to Android and Apple stores, vs. a sector average of 3.8)



AWB's mobile app rating



➔ **98%** customer satisfaction rate for the AWB digital experience

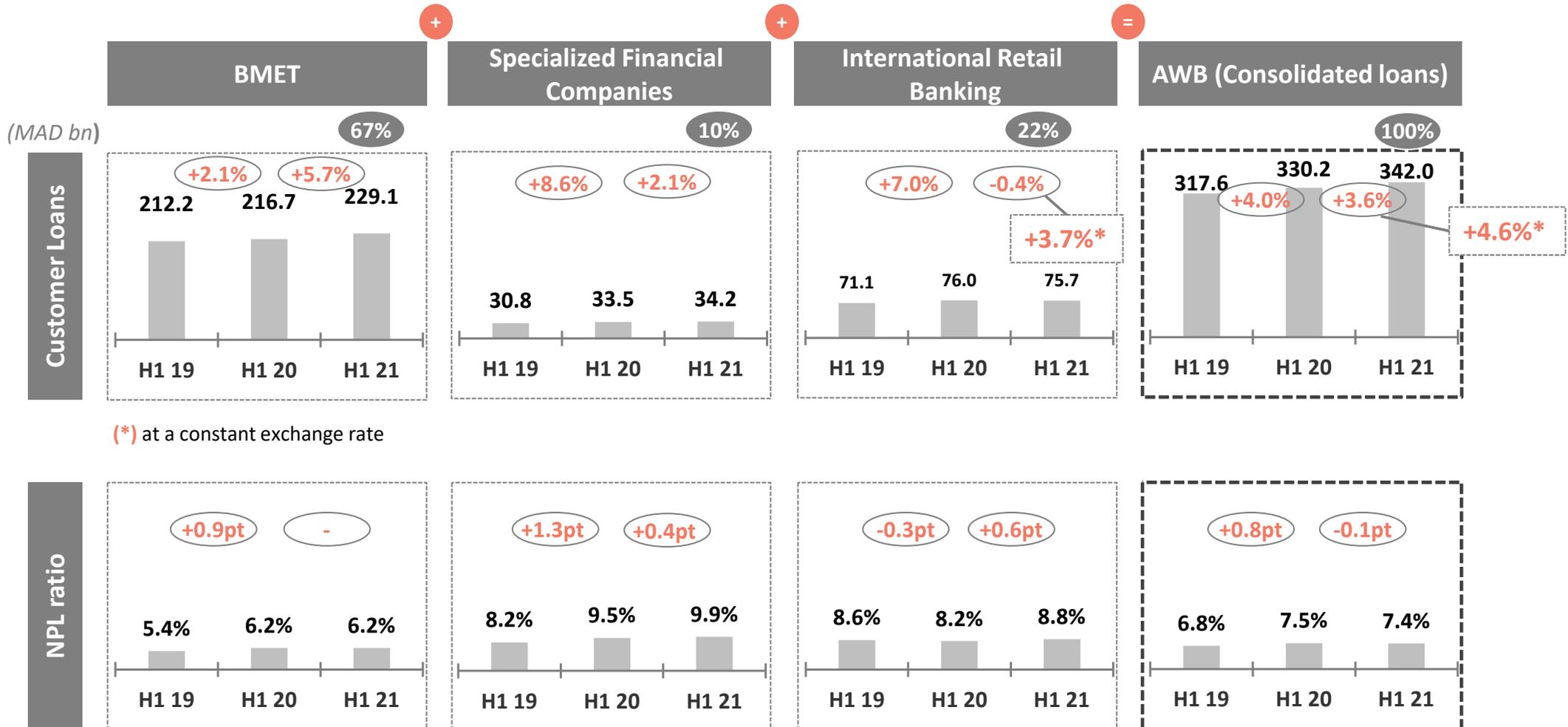
(*) All available operations on the various digital channels (e.g., transfers, provisions, bill payments) "virements unitaires"

(**) Y to Y

Growth of customer loans and NPL ratio by business line

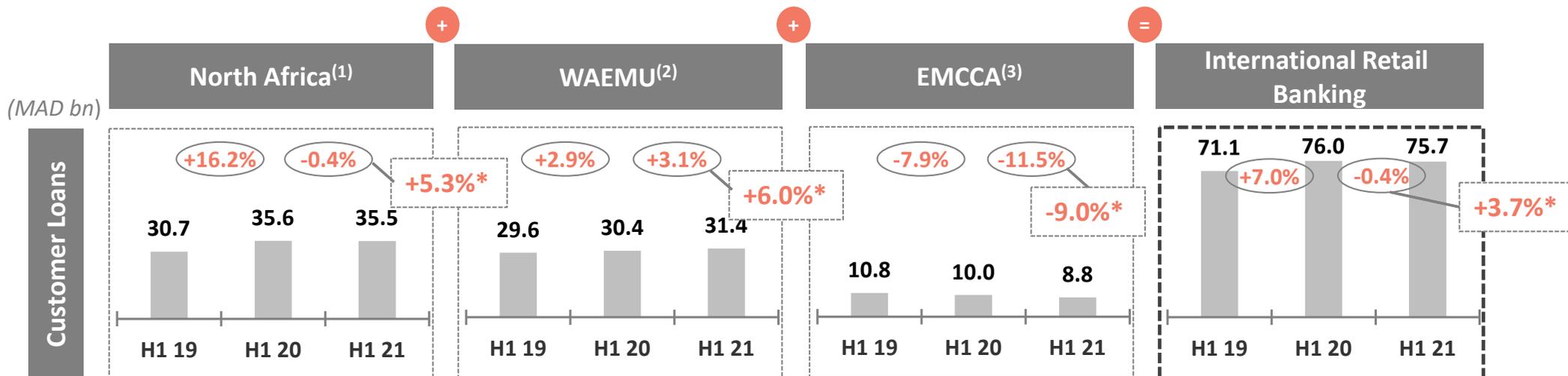
X% +/-

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

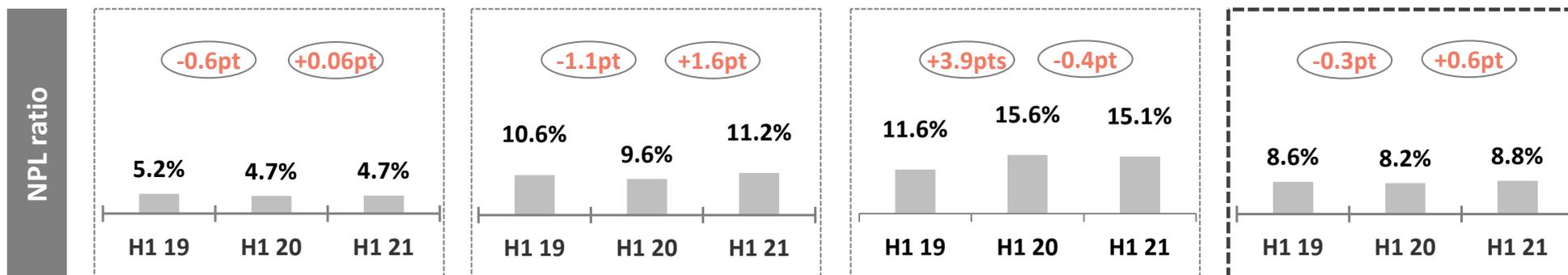


Growth of customer loans and NPL ratio by business line: Focus on IRB*

X% +/-



(*) 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

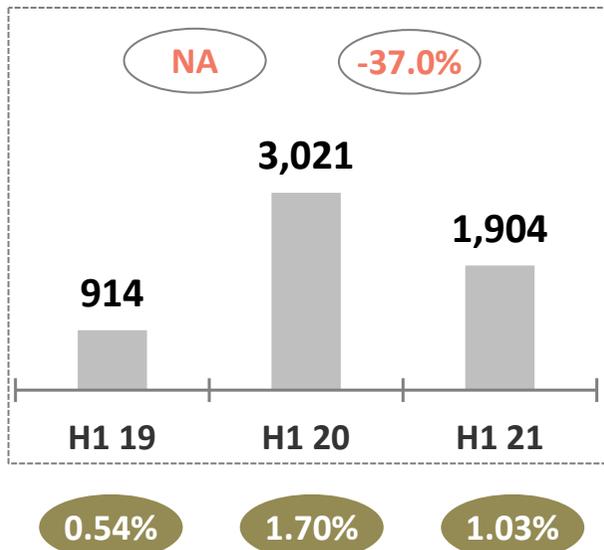
(*) IRB: International Retail Banking

Evolution of Cost of Risk by business line

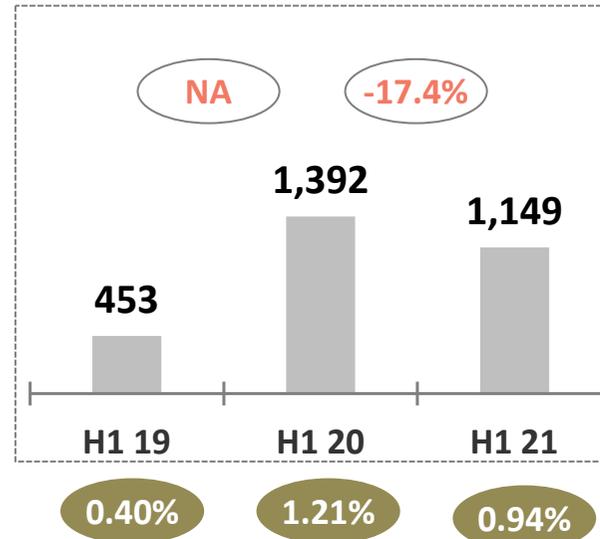
X% +/-
X% CoR (%)

MAD million

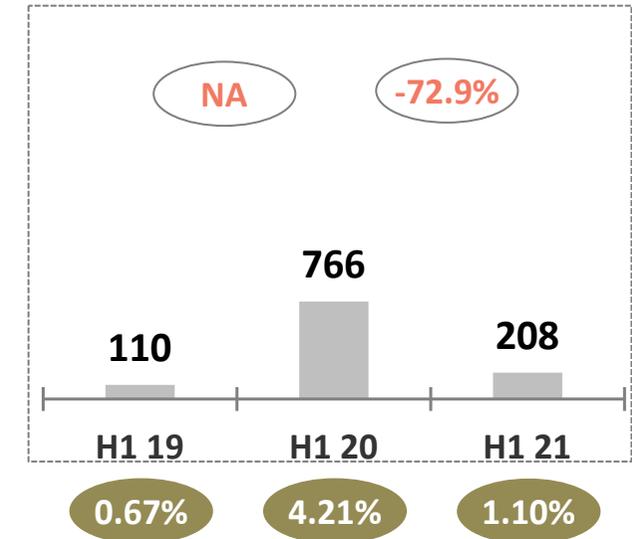
Cost of Risk



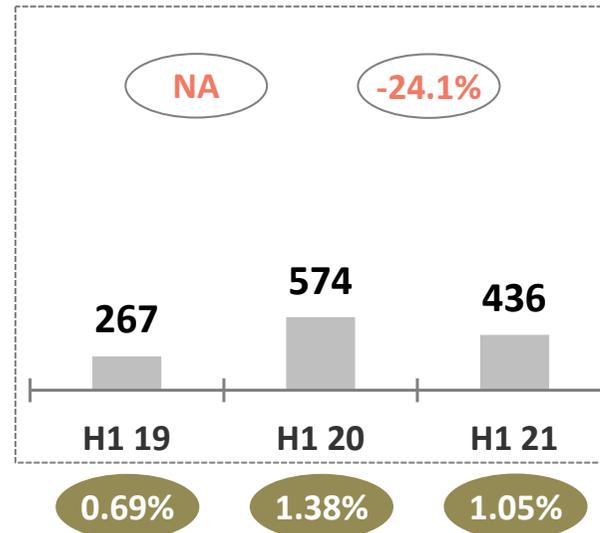
BMET



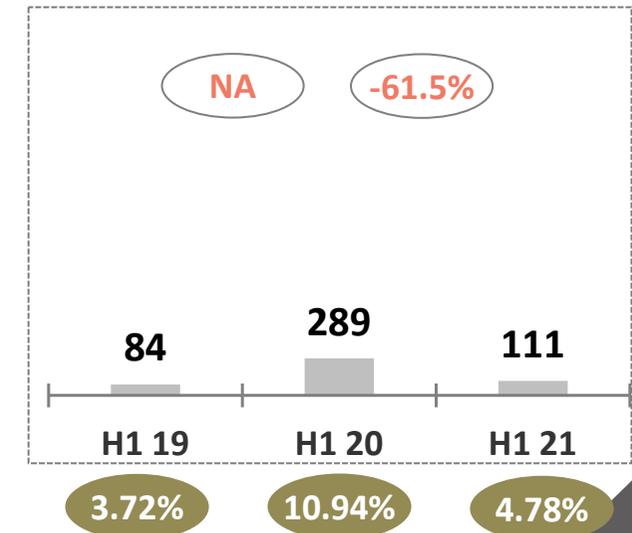
Specialized Financial Companies



International Retail Banking



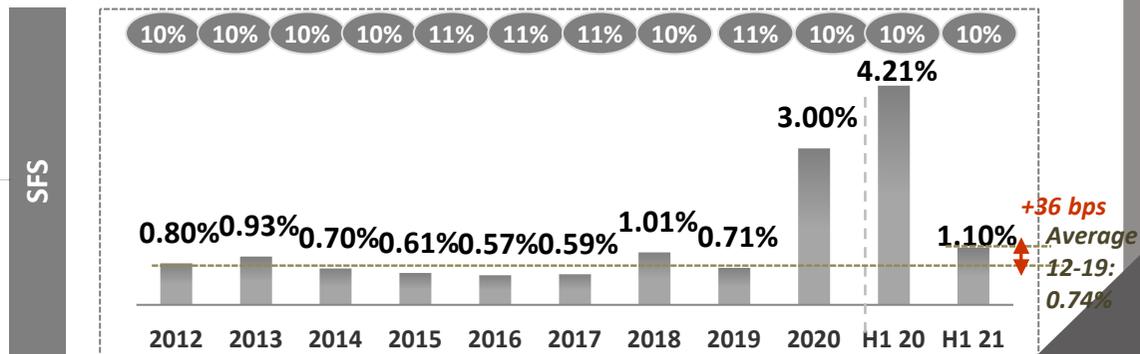
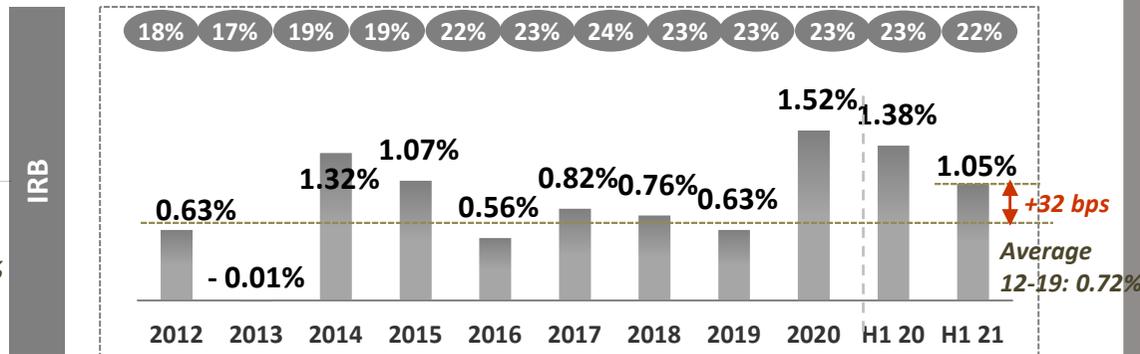
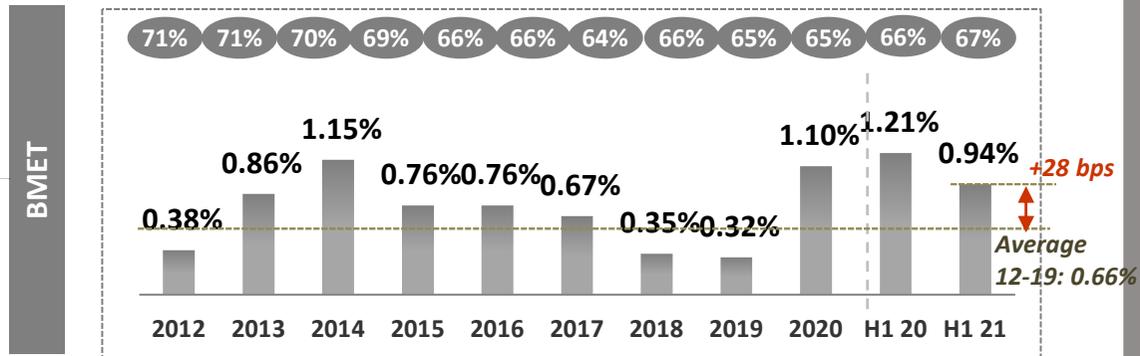
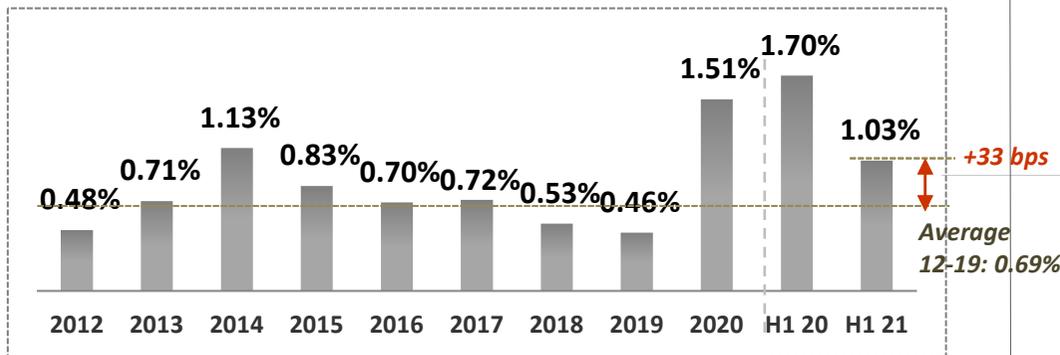
Insurance



Cost of risk by business line between 2012 and H1 2021

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

Cost of risk

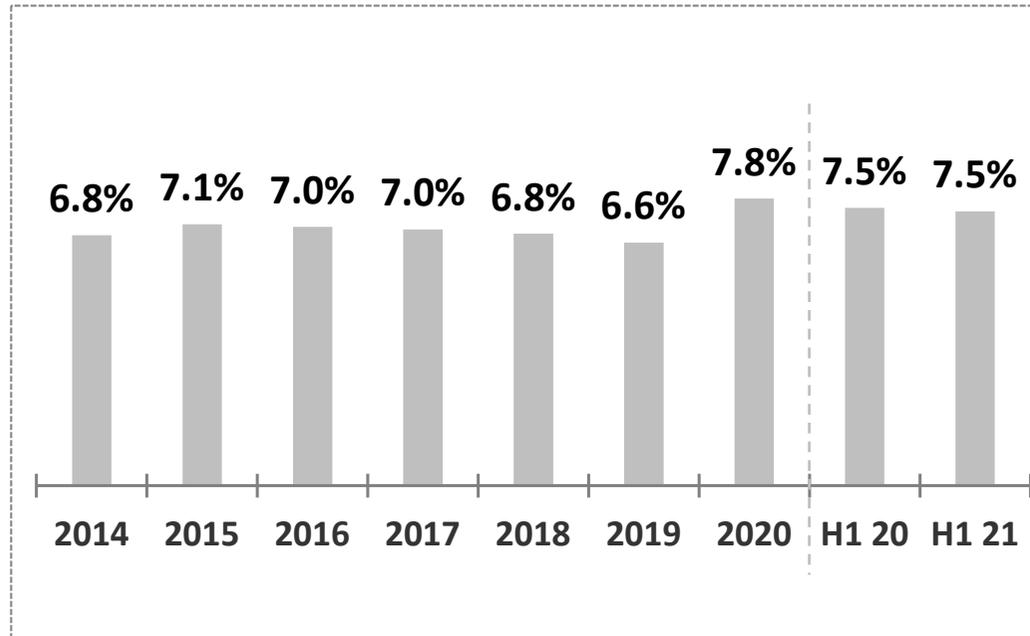


Note:
 BMET: Banking in Morocco, Europe and Offshore ; IRB: International Retail Banking
 SFC: Specialized Financial Subsidiaries

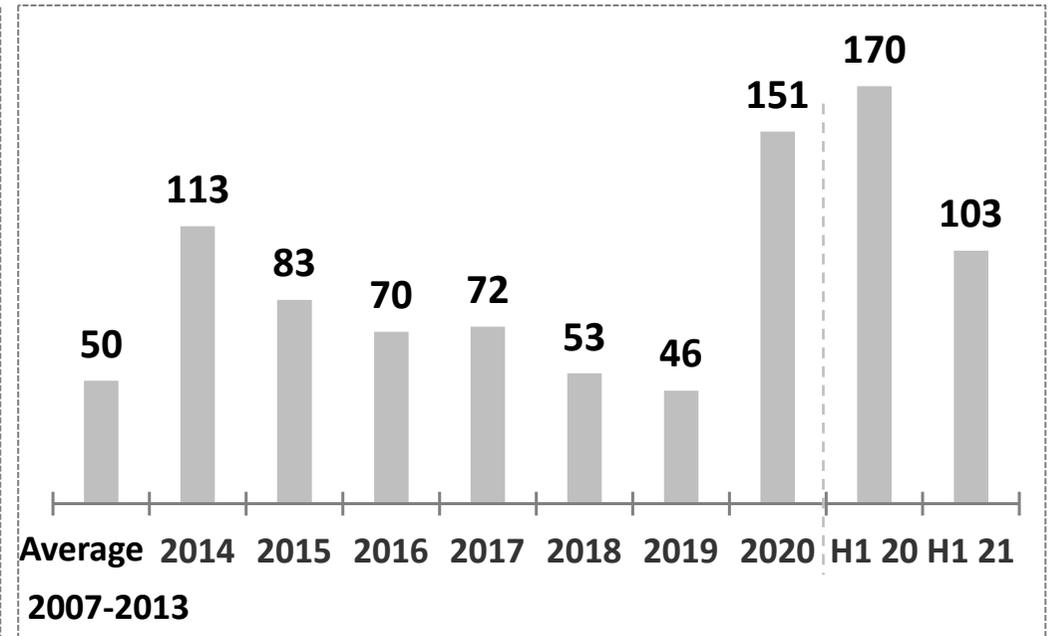
IFRS consolidated financial statements

NPLs and cost of risk

NPL ratio



Cost of risk (in bps)



NIGS by business line

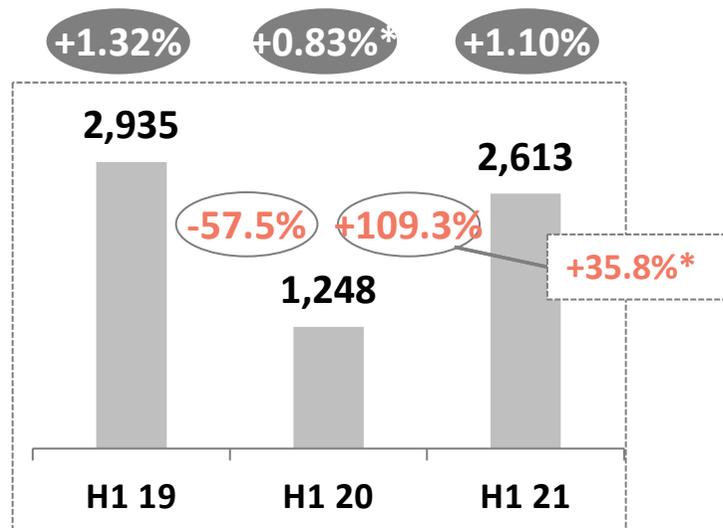
X%

+/-

MAD million

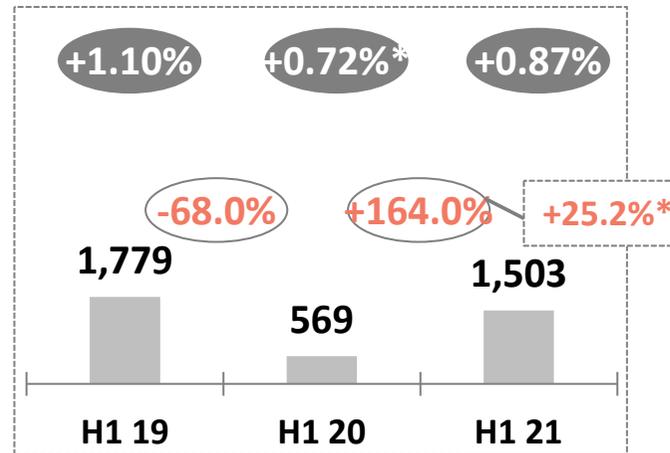
x% RoA

Net income group share

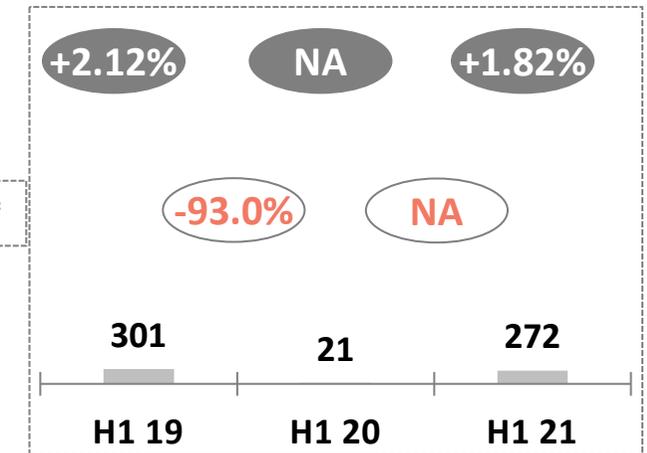


(*) excluding the contribution to COVID-19 special fund in 2020

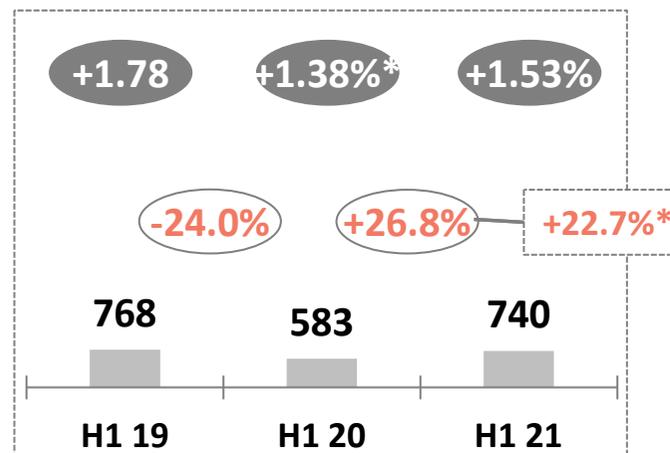
BMET



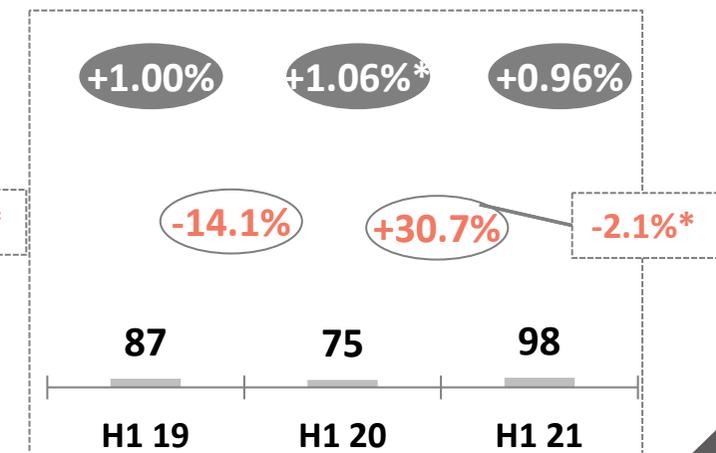
Specialized Financial Companies



International Retail Banking



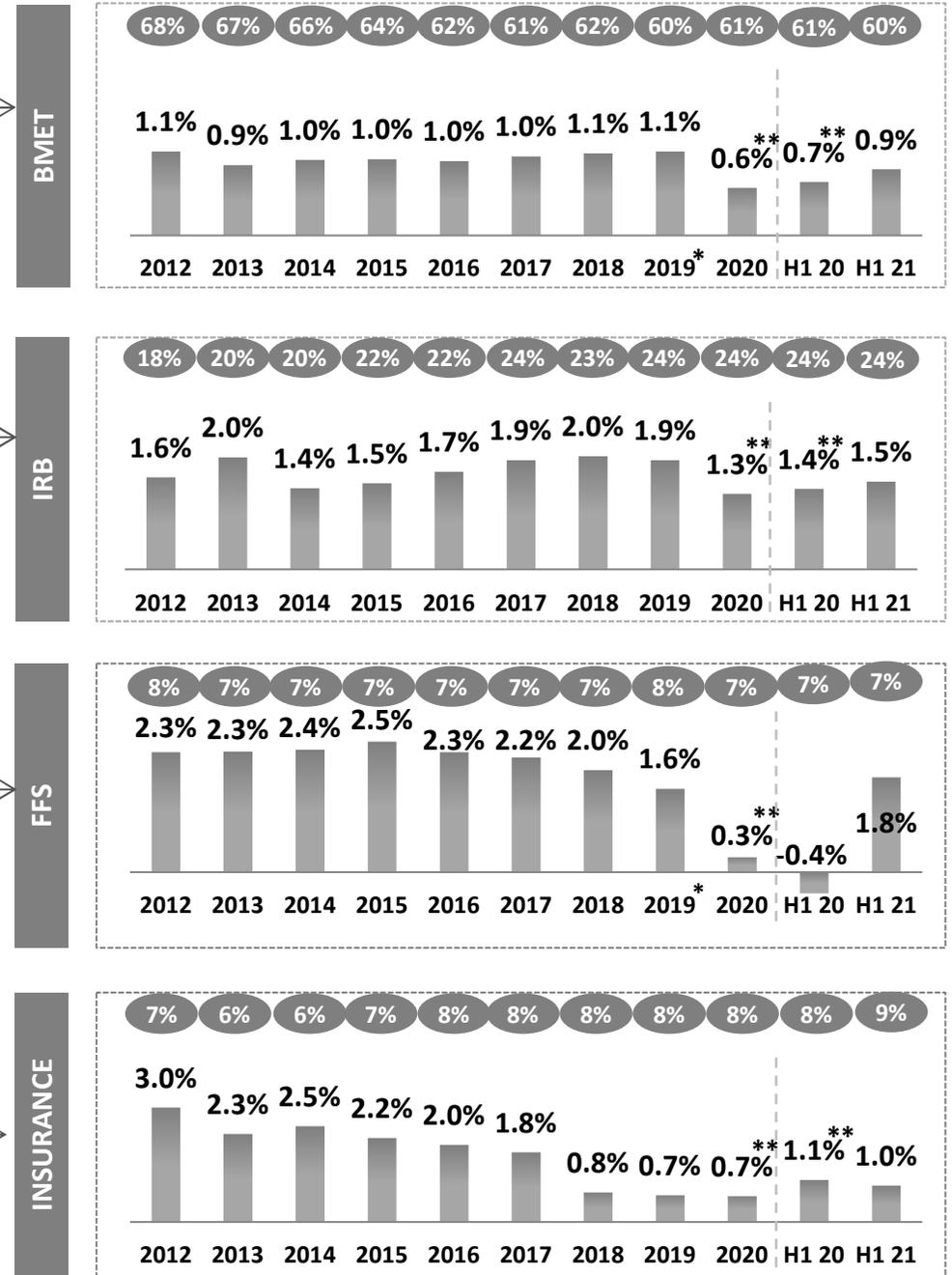
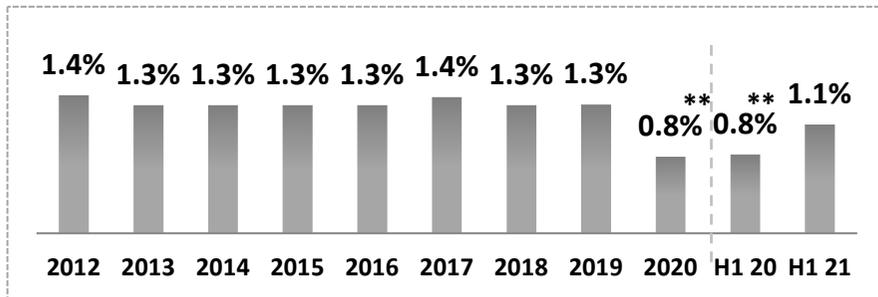
Insurance



RoA by business line between 2012 and H1 2021

xx% Contribution to total assets (end of period)

RoA

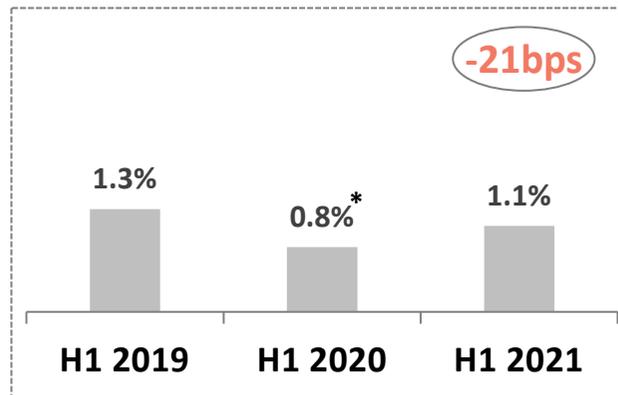


(*) BMET and SFS proforma: Reclassification of "Bank Assafa" from BMET to SFS
 (**) excl. the contribution to COVID-19 special fund in 2020

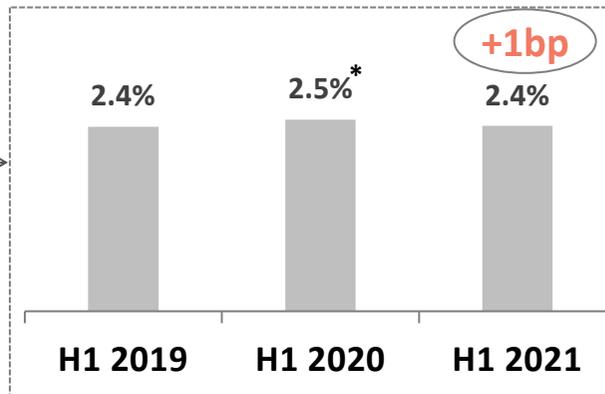
Note:
 BMET: Banking in Morocco, Europe and Offshore ; IRB: International Retail Banking
 SFC: Specialized Financial Subsidiaries

RoA below normative level due to a still non-normative CoR

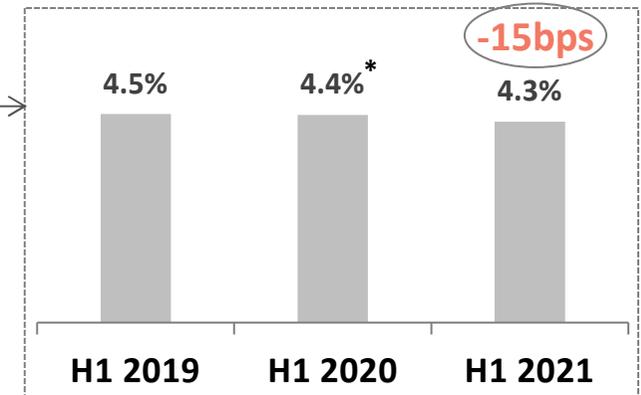
RoA



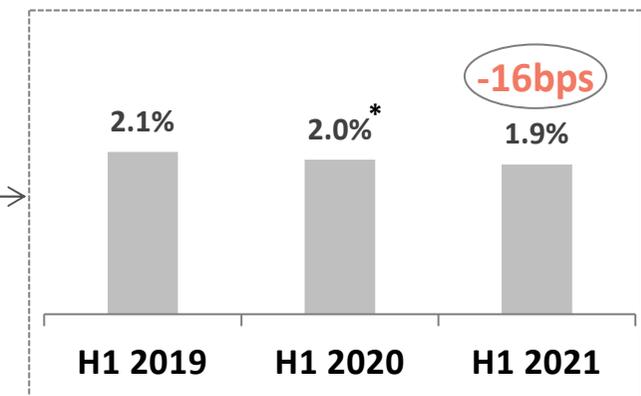
Gross Operating Income / Total assets



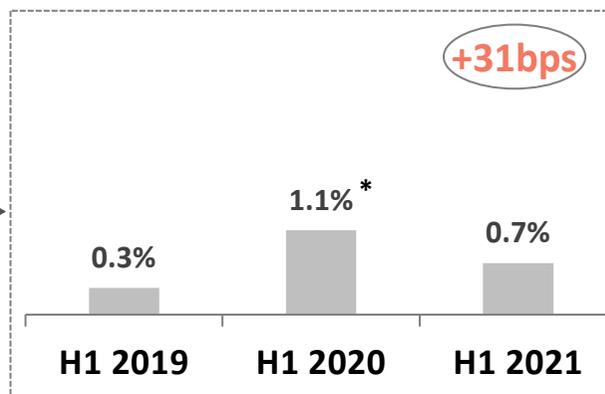
Net banking income / Total assets



Expenses / Total assets



Cost of risk / Total assets



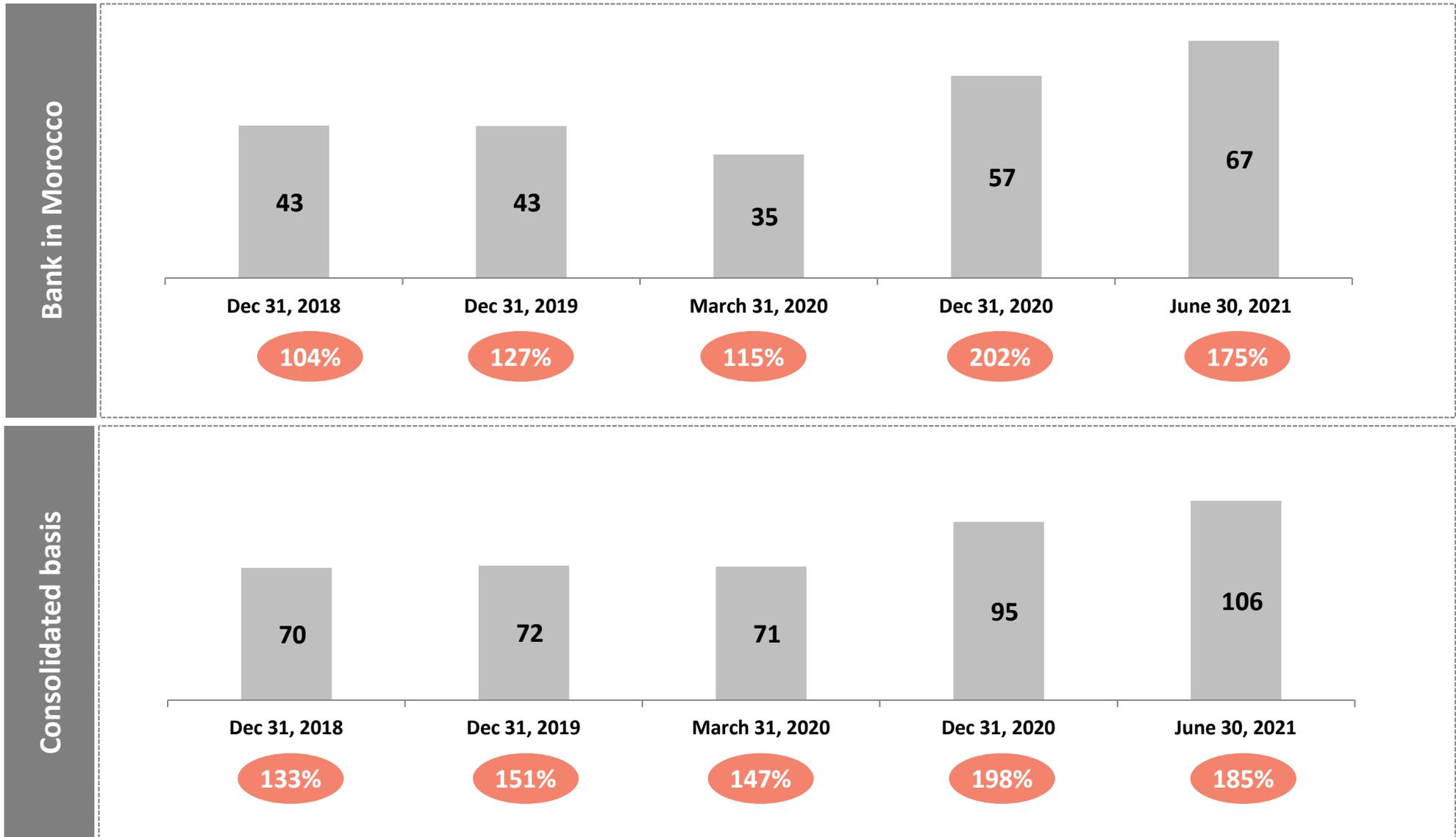
Xbps +/- between H1 19 and H1 21

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

Solid liquidity position

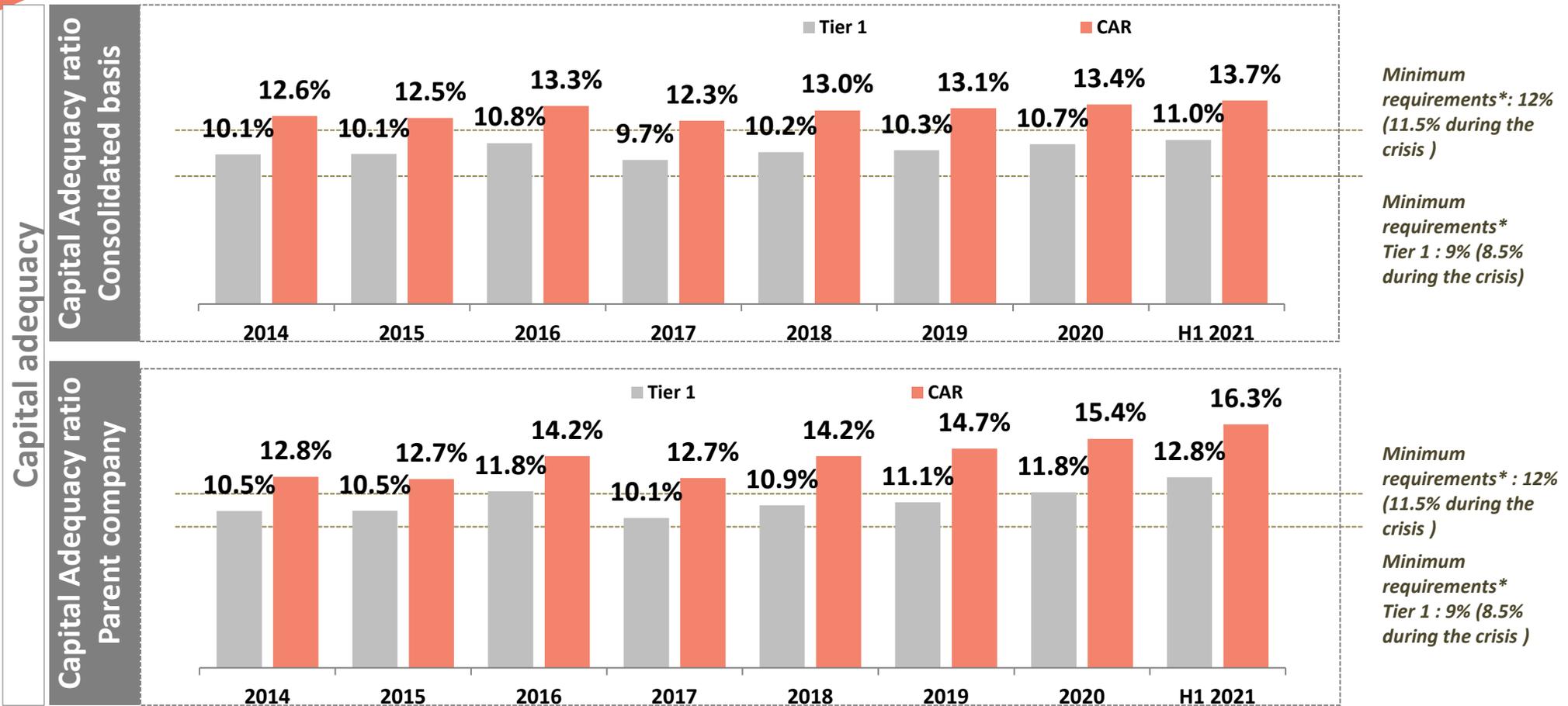
Liquid and free assets (HQLA)

in MAD billion



XX% Liquidity Coverage Ratio (LCR)

Solid capital position



- **June 20 :**
 - Issuance of **MAD 1.0 bn AT1 (230 bps of risk premium)**
 - Issuance of **MAD 0.5 bn of Tier2 (50 bps of risk premium)**
- **Dec 20 :**
 - Issuance of **MAD 0.5 bn AT1 (240 bps of risk premium)**
 - Issuance of **MAD 0.5 bn of Tier2 (60-70 bps of risk premium)**
- **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**

(*) Minimum requirements during the Covid-19 crisis: **8.5%** for Tier1 and **11.5%** for CAR

Agenda

Overview of macroeconomic environment in AWB's countries of presence

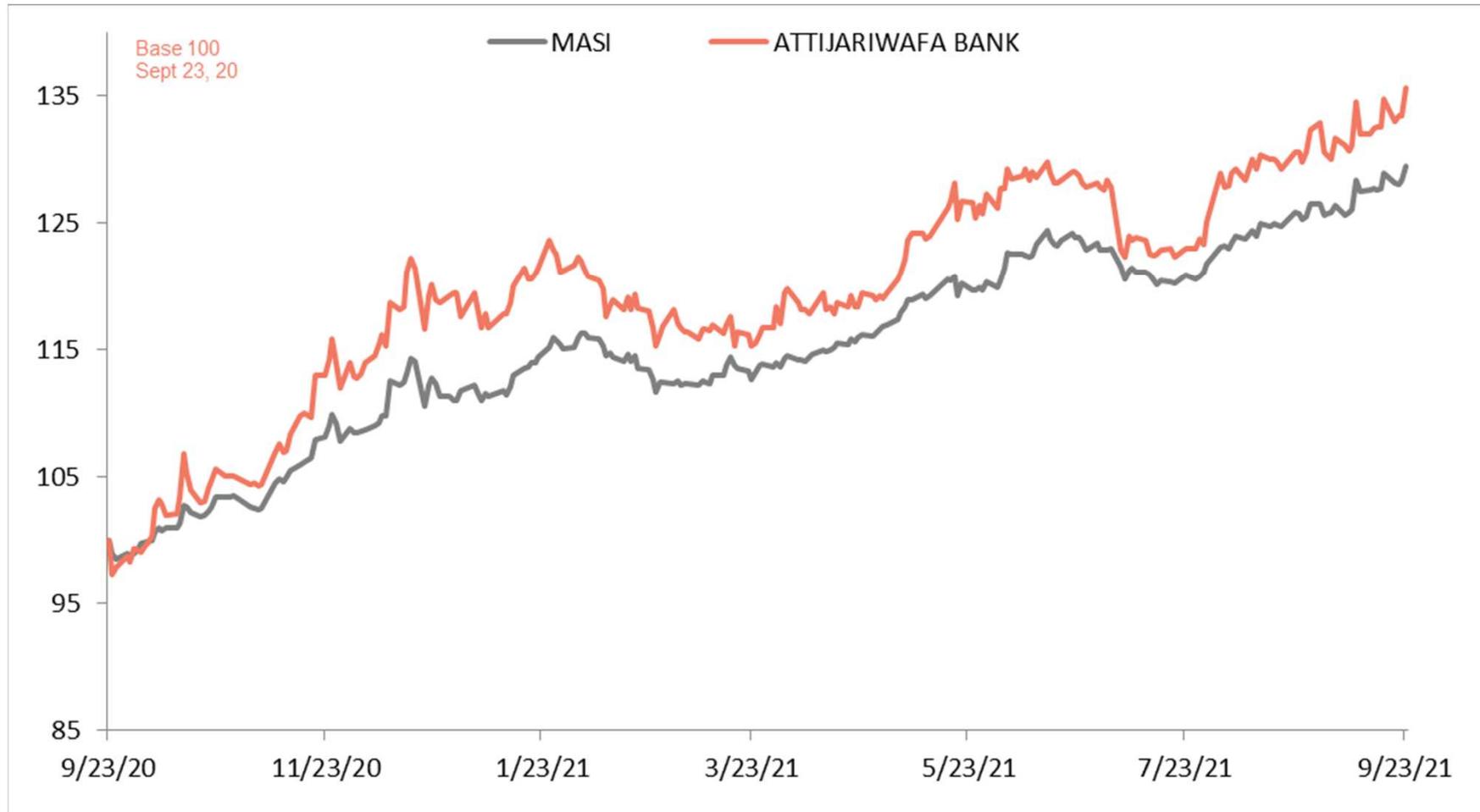
Liquidity, Capital Adequacy Ratio and Financial Performance

 **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

Attijariwaf bank

3 months

5.4%

6 months

17.6%

12 months

35.6%

Masi

4.5%

14.9%

29.5%

29th Sept, 2020

29th Sept, 2021

Market capitalization

74.2 MAD bn

106.3 MAD bn (11.7 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 rationalization

Net banking income	+3%* per year between H1 19 and H1 21
--------------------	--

NIM (%)**	+12 bps between H1 19 and H1 21
-----------	--

Fees (%)	+15% between H1 19 and H1 21
----------	-------------------------------------

Cost-income ratio Group	-2.1 pts between H1 19 and H1 21
-------------------------	---

Cost-income ratio BMET	-3.6 pts between H1 19 and H1 21
------------------------	---

Expenses / total assets	-16 bps between H1 19 and H1 21 (1.9% in H1 21 vs. 2.1% in H1 19)
-------------------------	---

Gross operating income / total assets	+1 bp between H1 19 and H1 21 (2.4% in H1 19 and in H1 21)
---------------------------------------	--

Cost of risk	1.07% in H1 21 (vs. 1.70% in H1 20 and 0.54% in H1 19)
--------------	---

RoA	1.1% in H1 21 (vs. 0.8* in H1 20 and 1.3% in H1 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	175%
CAR	16.3%
Tier1	12.8%

On a consolidated basis

LCR	185%
CAR	13.7%
Tier1	11.0%

Share price AWB	+36% YoY
------------------------	-----------------

Masi	+29% 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

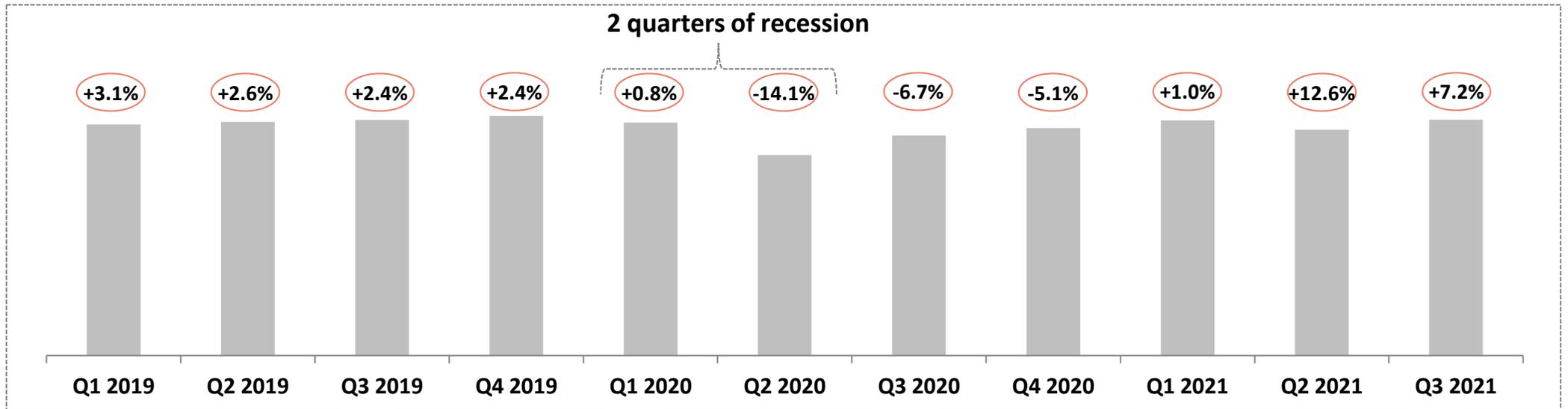
Continued support of customers and communities through Covid-19 crisis



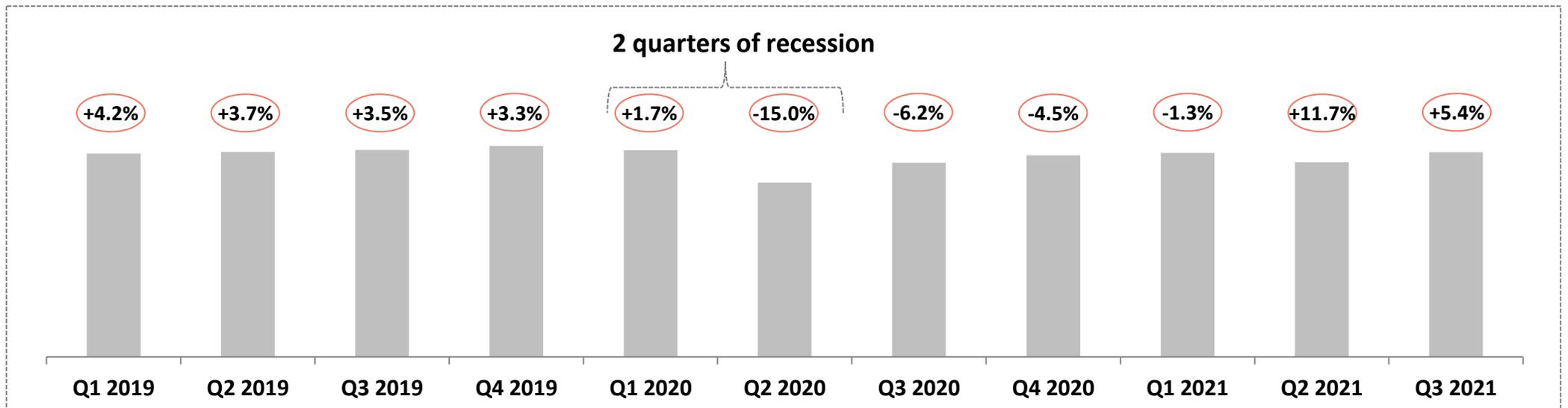
Macroeconomic environment in Morocco Outlook and main indicators

x% YoY growth

YoY GDP growth

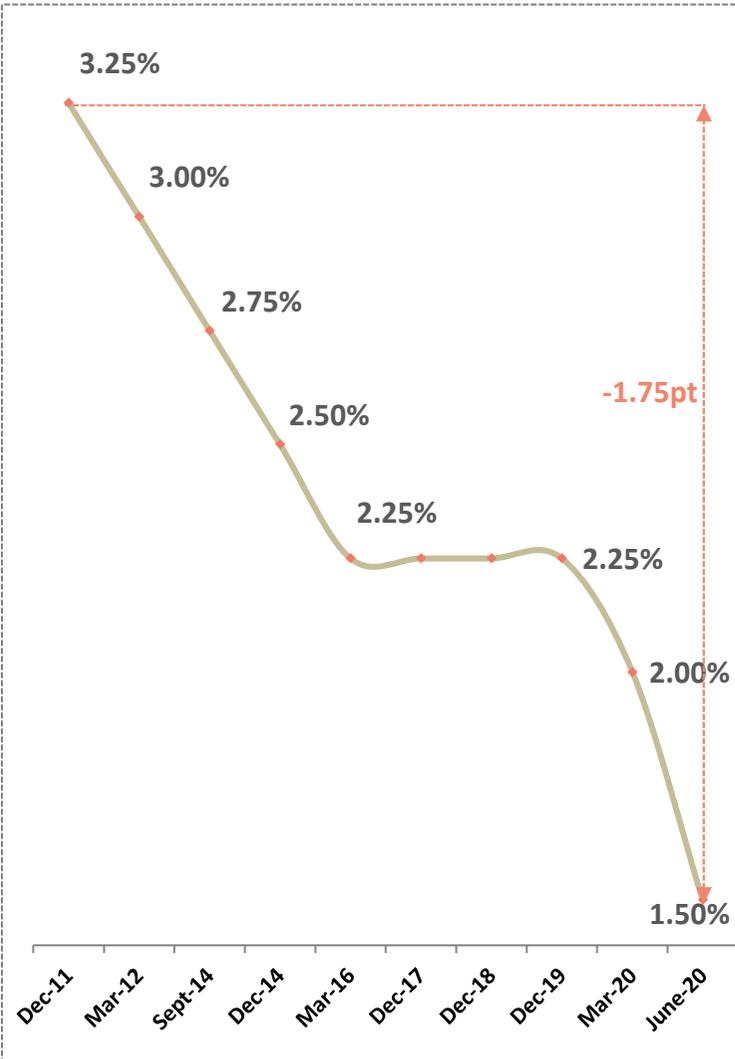


YoY Non-agricultural GDP growth

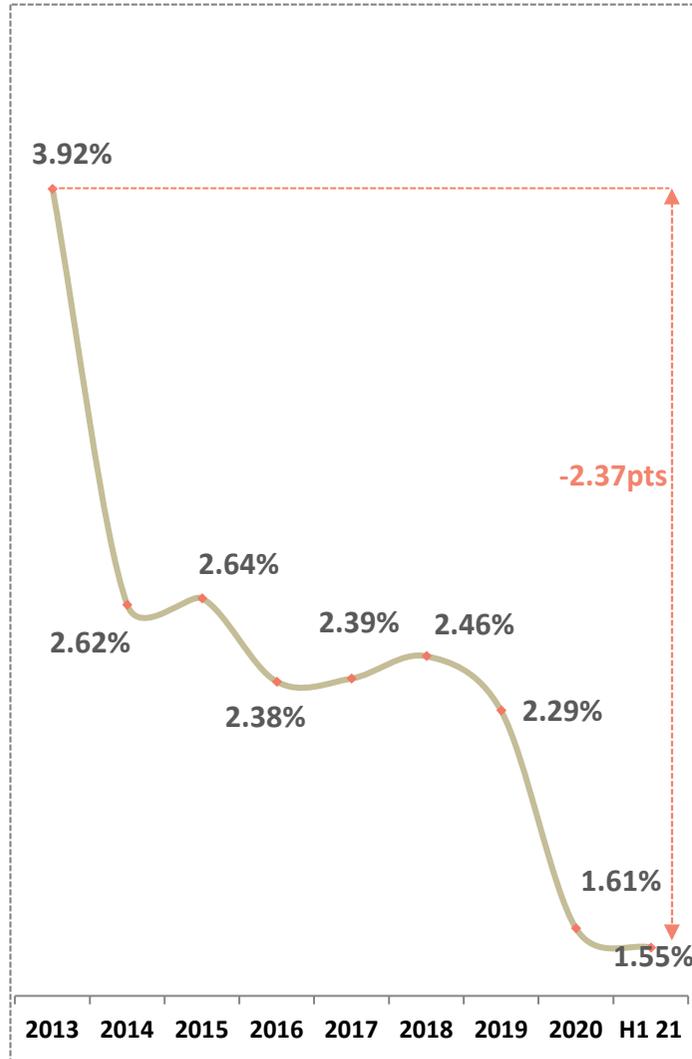


Sovereign bonds yield curve trend since 2013

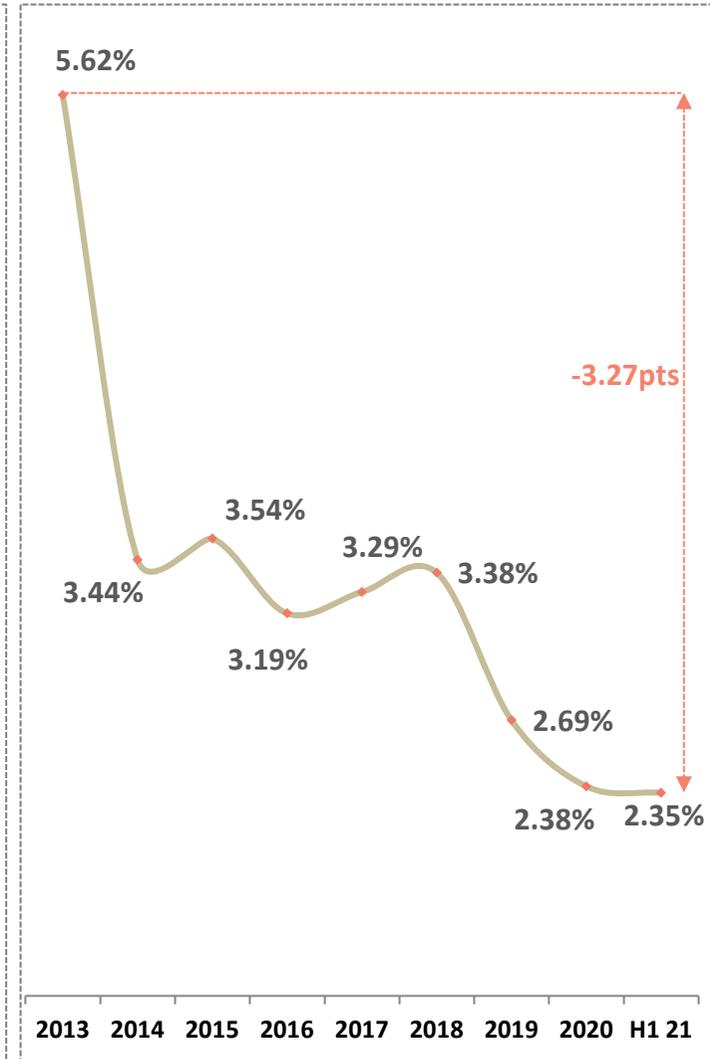
Key interest rate



52w Sovereign bonds



10y Sovereign bonds

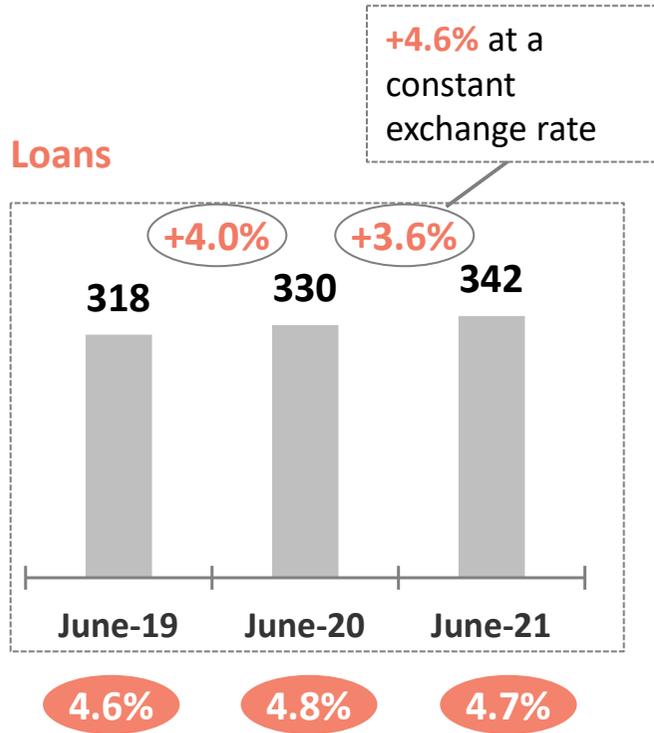


Loans by business line

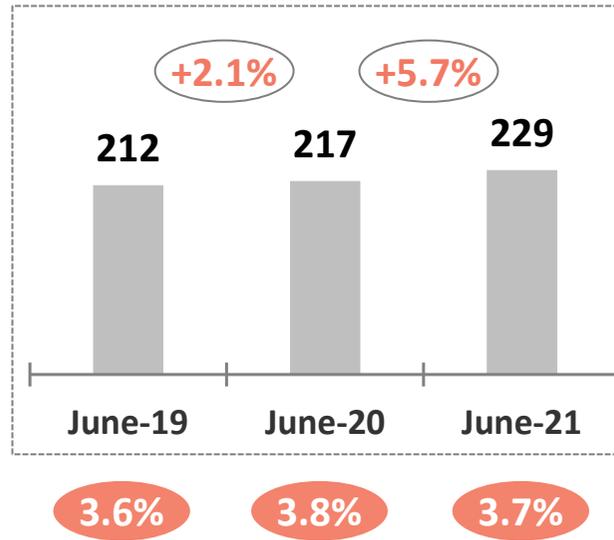
X% +/-

MAD billion

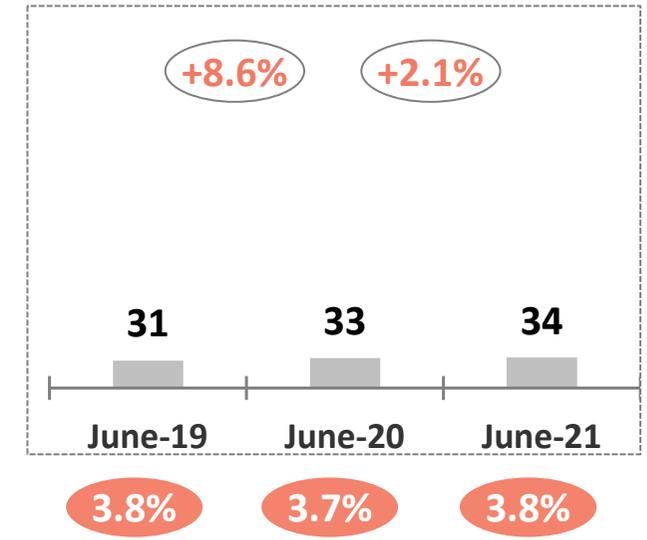
Loans



BMET

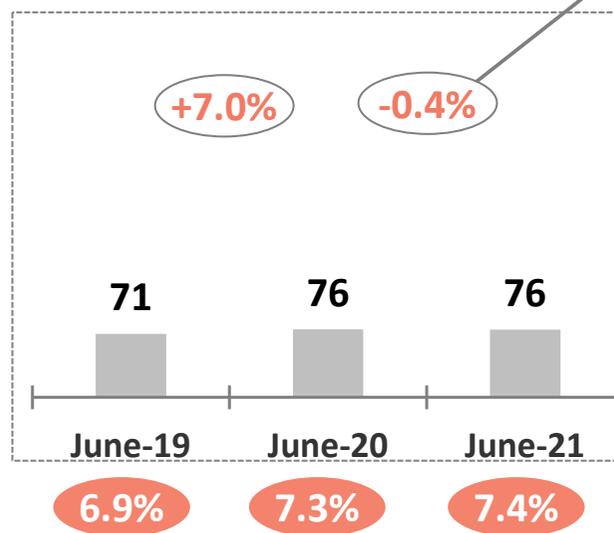


Specialized Financial Companies

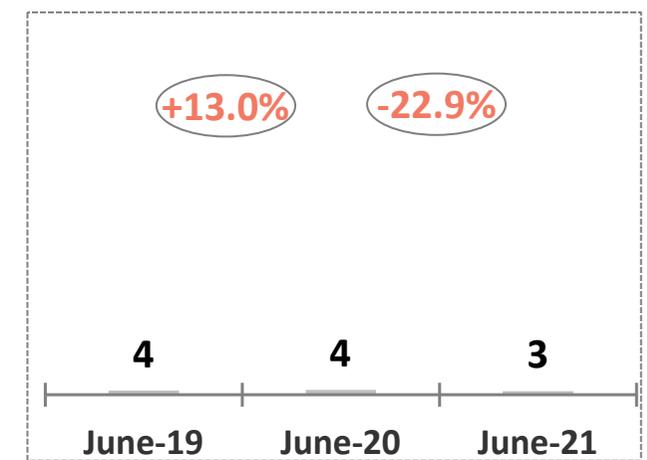


+3.7% at a constant exchange rate

International Retail Banking



Insurance



X% Net interest income / Loans

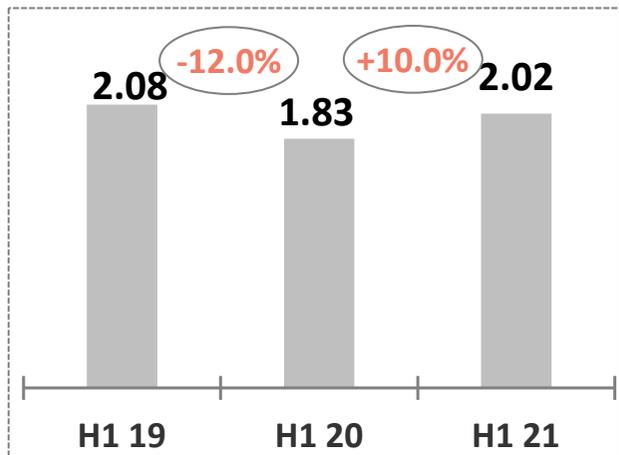
Income from market activities by business line

X%

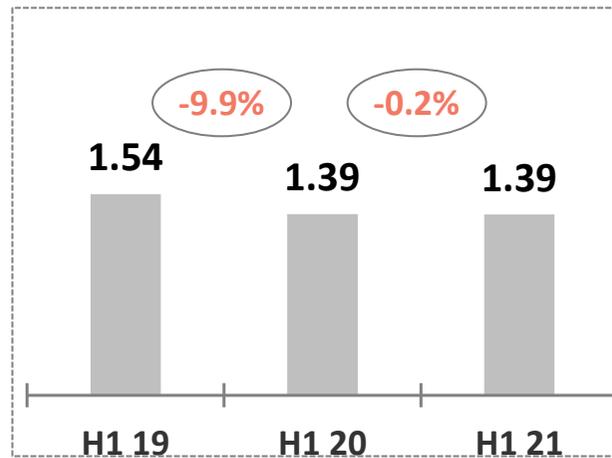
+/-

MAD billion

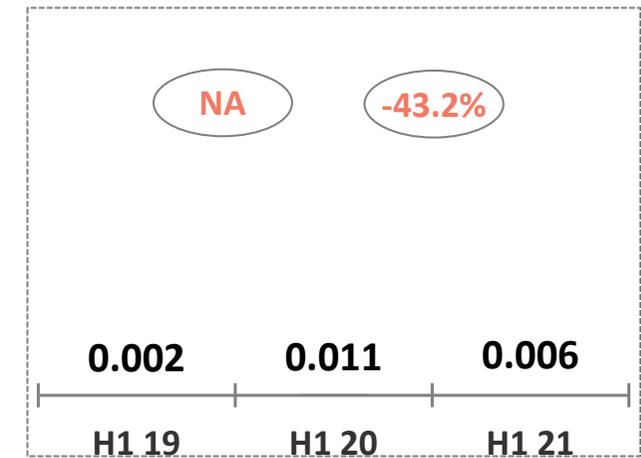
Income from Market activities



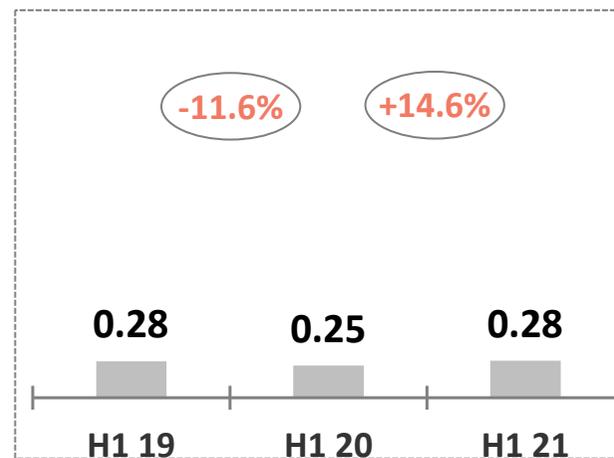
BMET



Specialized Financial Companies



International Retail Banking



Insurance



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:

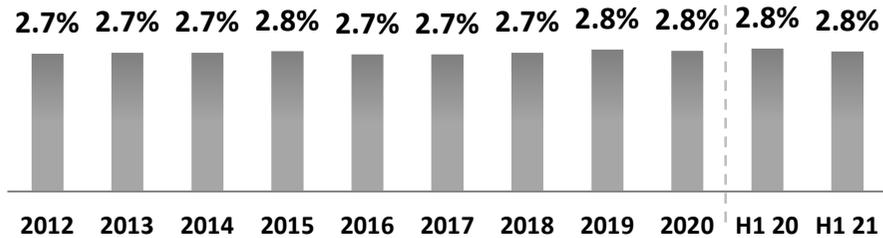
	2020	2021 ^F
Economic growth	-6.3%	5.3%
Budget deficit	-7.6%	-7.1%
Current account deficit	-1.5%	-3.8%

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

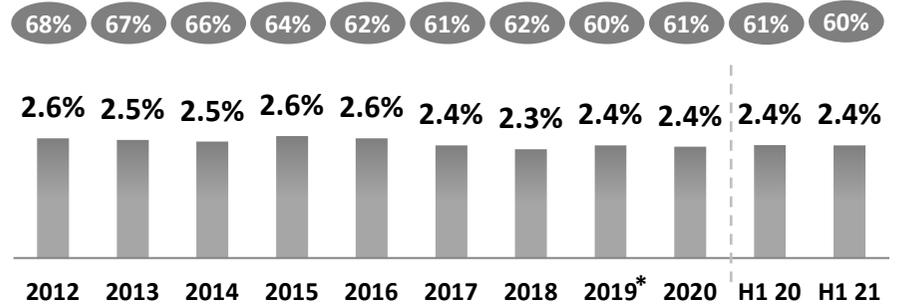
Net interest margin by business line between 2012 and H1 2021

xx% Contribution to total assets (end of period)

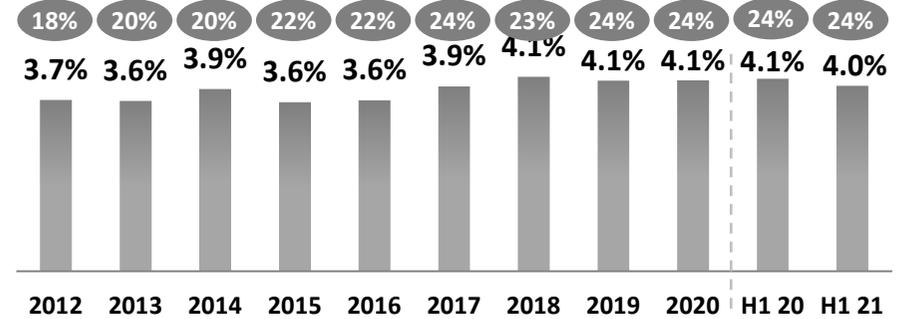
Net interest margin/ Total assets (end of period)



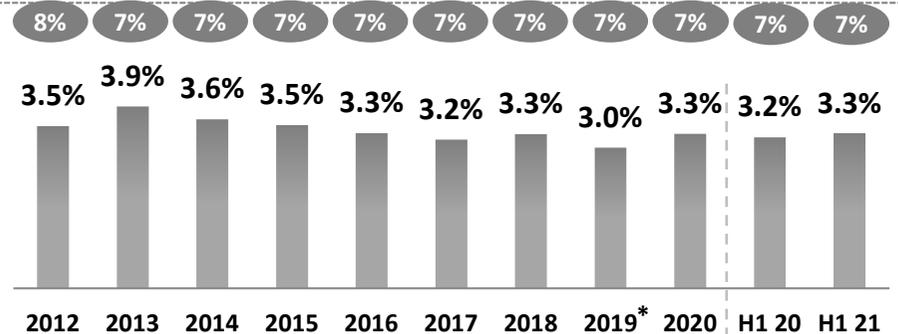
BMET



IRB



SFS



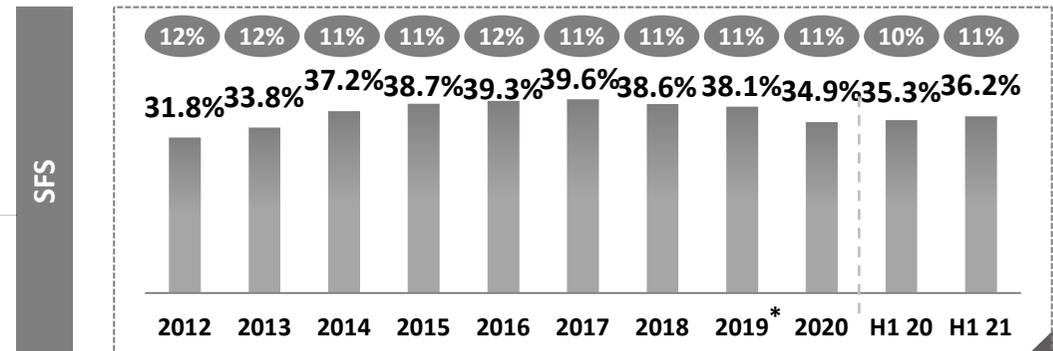
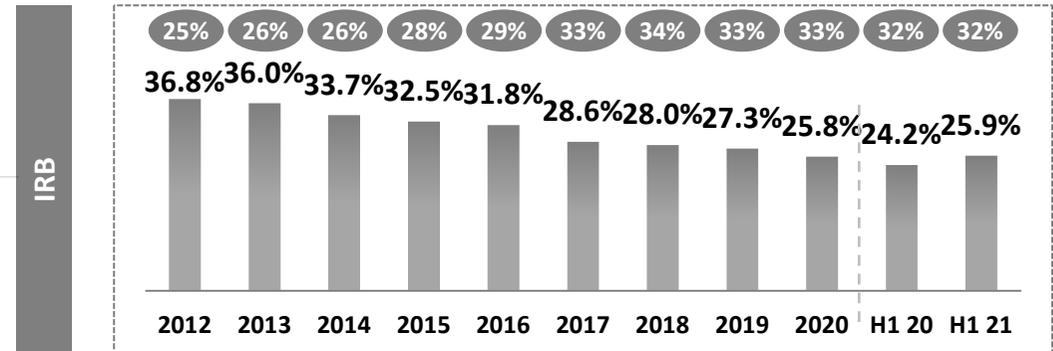
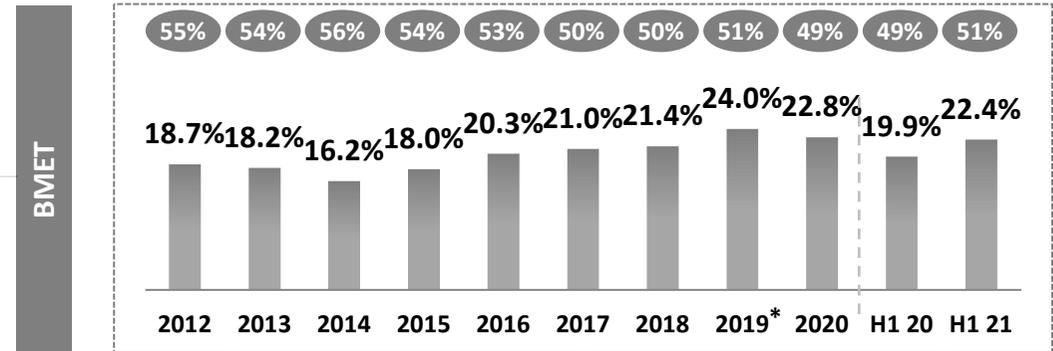
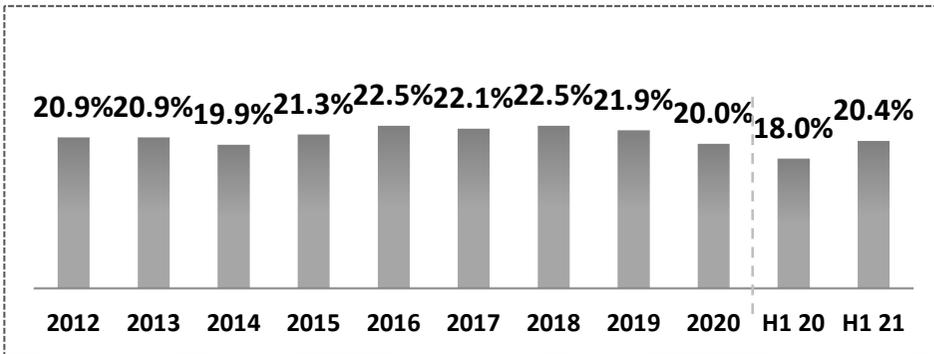
(*) BMET and SFS proforma: Reclassification of "Bank Assafa" from BMET to SFS

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 H1 2021

xx% Contribution to net banking income

Net fee income/ Net banking income



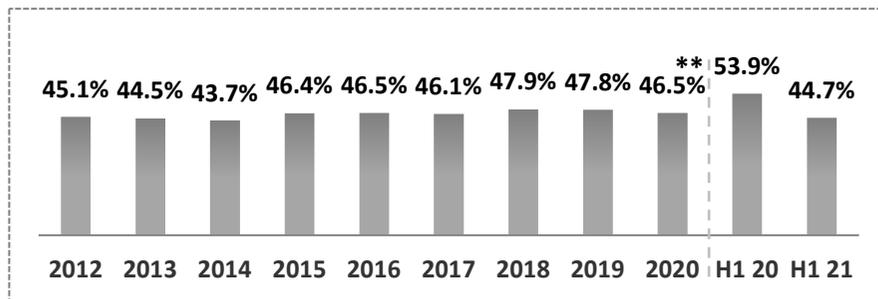
(*) BMET and SFS proforma: Reclassification of "Bank Assafa" from BMET to SFS

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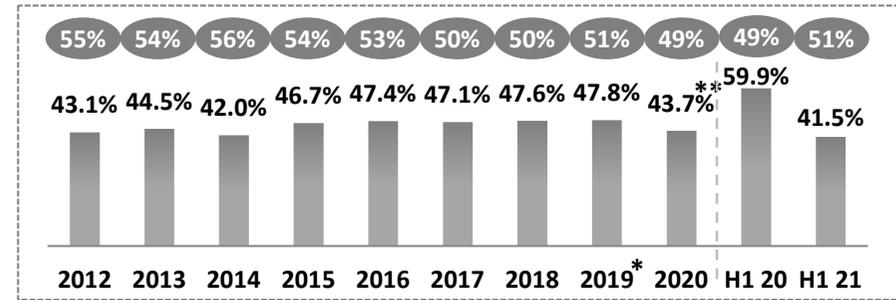
Cost-Income ratio by business line between 2012 and H1 2021

xx% Contribution to net banking income

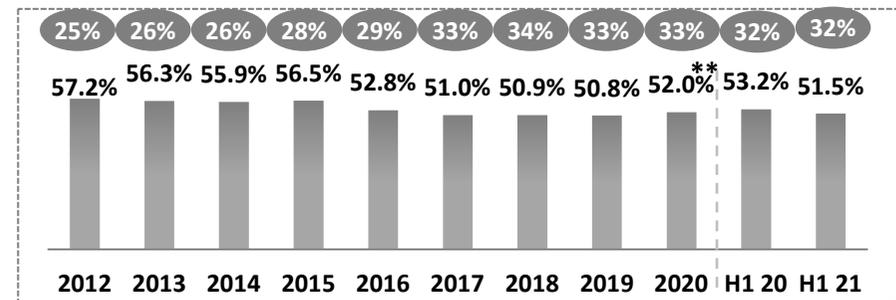
Cost-Income ratio



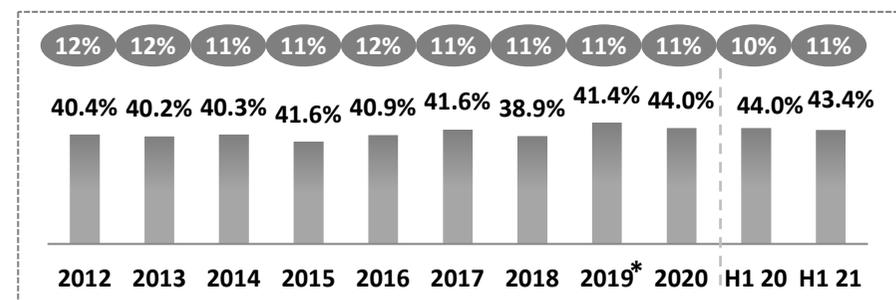
BMET



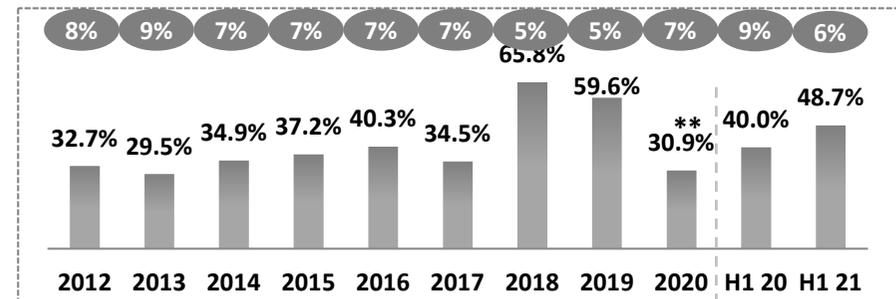
IRB



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
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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

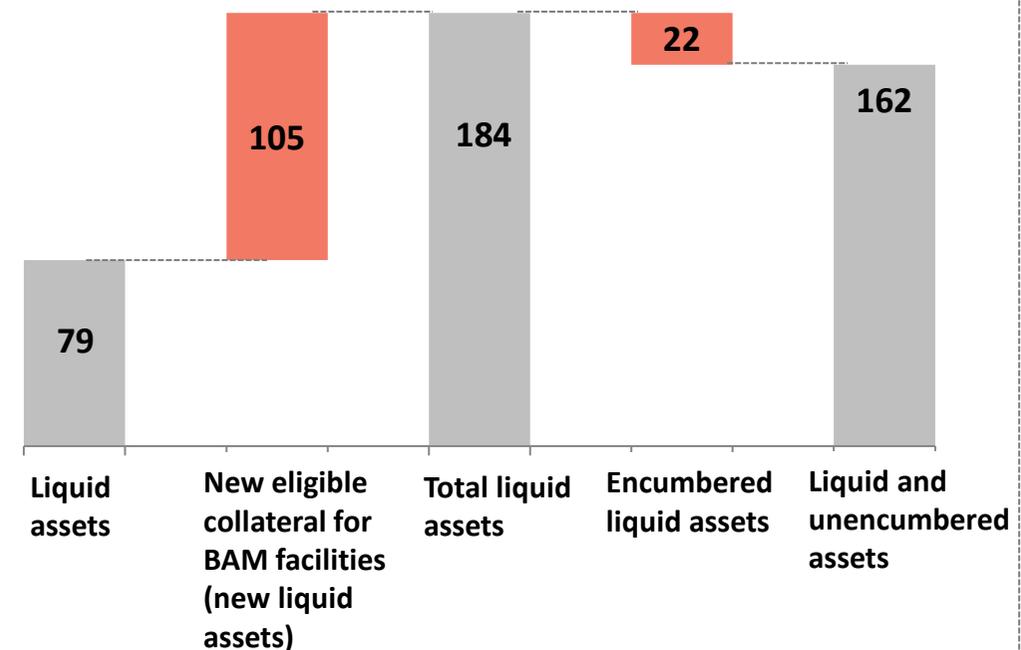
- 2 successive cuts in key interest rate to **1.50%** (25bps in March and 50 bps in June 2020)
- Mandatory cash reserve at **0%** of deposits vs. **2%** before

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

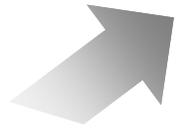


BAM: Moroccan Central Bank

Business continuity and operational resilience



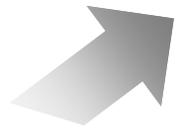
5,548 branches, 100% of the distribution network, remained open



~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

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

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