PROSPECTUS SUMMARY

ATTIJARIWAFA BANK S.A

ISSUE OF SUBORDINATED BONDS FOR A MAXIMUM GLOBAL AMOUNT OF MAD 500,000,000

The AMMC-approved prospectus consists of:

- This Securities Note
- Attijariwafa bank's Reference Document relating to the 2020 financial year and the first half of 2021, registered by the AMMC on December 13, 2021, under the reference EN/EM/032/2021

	Tranche A (Listed)	Tranche B (Listed)	Tranche C (Not listed)	Tranche D (Not listed)
Ceiling	MAD 500,000,000	MAD 500,000,000	MAD 500,000,000	MAD 500,000,000
Principle repayment	5,000 subordinated bonds	5,000 subordinated bonds	5,000 subordinated bonds	5,000 subordinated bonds
Risk premium	MAD 100,000	MAD 100,000	MAD 100,000	MAD 100,000
Repayment guarantee	7 years	7 years	7 years	7 years
Allocation method	Fixed, the reference to the nominal rate is the 7-year Treasury Bonds rate computed on the secondary market yield curve, as it will be published by Bank Al-Maghrib on December 16, 2021, increased by a risk premium ranging between 50 and 55 basis points	Revisable on an annual basis, the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve, as it will be published by Bank Al-Maghrib on December 16, 2021, increased by a risk premium ranging between 40 and 45 basis points	Fixed, the reference to the nominal rate is the 7-year Treasury Bonds rate computed on the secondary market yield curve, as it will be published by Bank Al-Maghrib on December 16, 2021, increased by a risk premium ranging between 50 and 55 basis points	Revisable on an annual basis, the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve, as it will be published by Bank Al-Maghrib on December 16, 2021, increased by a risk premium ranging between 40 and 45 basis points
Tradability of securities	In fine	In fine	In fine	In fine
Principle repayment	Between 50 and 55 pbs	Between 40 and 45 pbs	Between 50 and 55 pbs	Between 40 and 45 pbs
Risk premium	None	None	None	None
Repayment guarantee	French Auction with priority for tranches A and C (fixed rate), then for tranches B and D (annually revisable rate)			
Allocation method	Tradable in the Casablanca Stock Exchange	Tradable in the Casablanca Stock Exchange	OTC (off-market)	OTC (off-market)

Subscription period: from December 21 to 23, 2021 included

Issue reserved to qualified investors under Moroccan Law as defined in this Securities Note

Advisory Body

Attijari Finances Corp.

Placement Agent

APPROVAL OF THE MOROCCAN CAPITAL MARKET AUTHORITY (AMMC)

In accordance with the provisions of the AMMC circular, issued pursuant to Article 5 of the Dahir Law No. 1 -12-55 dated December 28, 2012, promulgating Law No. 44-12 on public offerings and information required of legal entities and savings organizations, this prospectus has been approved by the AMMC on December 13, 2021, under reference no. VI/EM/037/2021.

This Securities Note forms only part of the AMMC-approved prospectus. The latter consists of the following documents:

- This Securities Note
- Attijariwafa bank's Reference Document relating to the 2020 financial year and the first half of 2021, registered by the AMMC on December 13, 2021, under the reference EN/EM/032/2021

DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved, on December 13, 2021, a prospectus summary related to the issue of subordinated bonds by Attijariwafa bank

The subordinated bond differs from the conventional bond because of the rank of the receivables contractually defined by the subordination clause. The effect of the latter is to condition, in the event of liquidation of the issuer, the repayment of the loan to the disinvestment of all the secured or unsecured creditors

The AMMC-approved prospectus is available at any time at the following places:

- **Attijariwafa bank headquarters: 2, boulevard Moulay Youssef -Casablanca. Phone: 05.22.29.88.88, and on its website: http://ir.attijariwafabank.com;**
- **Attijari Finances Corp.: 163, avenue Hassan II - Casablanca. Phone: 05.22.47.64.35.**

The prospectus is available to the public on AMMC website (www.ammc.ma).

This summary has been translated by LISSANIAT under the joint responsibility of the said translator and Attijariwafa bank. In the event of any discrepancy between the contents of this summary and the AMMC-approved prospectus, only the approved prospectus will prevail.

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PART I: PRESENTATION OF THE OPERATION

I. OBJECTIVES OF THE OPERATION

The main objective of this issue is to:

- strengthen the current regulatory capital and, consequently, strengthen the solvency ratio of Attijariwafa bank;
- finance the bank's organic development in Morocco and abroad;
- anticipate the various regulatory changes in the countries of presence.

In accordance with Bank Al-Maghrib’s Circular 14/G/2013 on the calculation of the regulatory capital requirements of credit institutions, as amended and supplemented, funds collected through this operation will be classified as additional Tier 2 capital.

II. STRUCTURE OF THE OFFER

Attijariwafa bank intends to issue 5,000 subordinated bonds with a nominal value of MAD 100,000. The total amount of the operation amounts to MAD 500,000,000 divided as follow:

- tranche “A” with a 7-year maturity and a fixed rate, listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of the principal in fine);
- tranche “B” with a 7-year maturity and an annually revisable rate, listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of the principal in fine);
- tranche “C” with a 7-year maturity and a fixed rate, not listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of the principal in fine);
- tranche “D” with a 7-year maturity and an annually revisable rate, not listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of the principal in fine).

The total amount allotted over the four tranches shall in no case exceed the amount of MAD 500,000,000.

In case the bond issue is not totally subscribed for, the amount of the issue will be limited to the amount effectively subscribed for.

This issue is reserved to qualified investors of Moroccan Law as indicated in this securities note.

The restriction of subscription to qualified investors of Moroccan Law is intended to facilitate the management of subscriptions on the primary market. It is understood that any investor wishing to acquire bonds will be able to obtain them on the secondary market.

III. Information related to Attijariwafa bank's subordinated bonds

Disclaimer: ***The subordinated bond is distinguished from the classical bond by the rank of loans contractually defined by the subordination clause. The effect of the subordination clause is to condition, in case of liquidation of the issuer, the repayment of the funds borrowed to all secured or unsecured creditors.***

Characteristics of tranche A (Fixed rate, with *in fine* repayment of the principal, a 7-year maturity and listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, entirely dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered financial intermediaries.
Legal form	Bearer bond
Tranche ceiling	**MAD 500,000,000**
Maximum number of securities to be issued	**5,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100,000**
Repayment price	**100%, i.e. MAD 100,000**
Loan maturity	7 years
Subscription period	From December 21 to 23, 2021 included
Dividend date	December 30, 2021
Maturity date	December 30, 2028
Allocation method	French Auction with priority for tranches A and C (fixed rate), then for tranches B and D (annually revisable rate)
Face interest rate	**Fixed rate** The face interest rate is determined in reference to the 7-year Treasury Bonds rate computed on the secondary market yield curve, as it will be published by Bank Al-Maghrib on December 16, 2021. A risk premium ranging from 50 to 55 bps will be added. If the 7-year maturity rate is not directly observable, the reference rate is determined by the linear interpolation method using the two points framing the full 7-year maturity (actuarial basis). The reference rate and the facial interest rates will be published by Attijariwafa bank on its website on December 16, 2021, in a newspaper of legal announcements on December 17, 2021, and will be communicated to the Casablanca Stock Exchange.
Risk premium	**Between 50 and 55 basis points**

Interests	Interests will be served annually at the anniversary dates of the Dividend date of the loan, i.e. December 30, of each year. Their payment will take place on the same day or the first business day following December 30, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation. Interests will be calculated as per the following formula: [Nominal x Face interest rate].
Listing of securities	The subordinated bonds of tranche A will be listed on the Casablanca Stock Exchange and will be subject to a request for listing in the D compartment of the Casablanca Stock Exchange. Their listing date is planned on December 27, 2021, under Ticker OATWS. To be listed on the Casablanca Stock Exchange, the amount allocated to Tranche A must be greater than or equal to an amount of MAD 20,000,000. If, at the end of the subscription period, the amount allocated to Tranche A is less than MAD 20,000,000, the subscriptions relating to this Tranche will be cancelled.
Procedure of first listing	The listing of tranche A will be made by direct listing in accordance with articles 2.4.13, 2.4.14 and 2.4.15 of the General Regulation of the Stock Exchange.
Principal repayment	Tranche A will be subject of a repayment *in fine* of the principal amount. In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all classical, secured or unsecured debts.

Early repayment	Attijariwafa bank undertakes not to proceed to early repayment of the bonds covered by this securities note. However, the bank reserves the right to proceed, with the prior agreement of Bank Al-Maghrib, to repurchase subordinated bonds on the secondary market, provided the legal and regulatory provisions allow it. The bank must offer the same prices in writing to all bondholders by means of a notice in a newspaper of legal announcements, and repurchase in proportion to those who accept in respect of the quantities held by each of them. In this case, the issuer will inform the AMMC, the proxy of the bondholders' body and the Casablanca Stock Exchange of this repurchase operation 5 business days before the said operation. These repurchases having no consequences for a subscriber wishing to keep their securities until the normal maturity date and having no impact on the normal amortization schedule. Bonds repurchased will be cancelled and may not be reissued. In the event of repurchase, the issuer must notify the Stock Exchange, the AMMC and the bondholder representative of the bonds being cancelled.
Entity in charge of the registration of the operation in the Casablanca Stock Exchange	Attijari Intermédiation
Tradability of securities	The subordinated bonds, subject of tranche A, are freely tradable at Casablanca Stock Exchange. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.
Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.
Loan rank / subordination	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount, if applicable.

Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on December 9, 2021 appointed the firm Hdid Consultants represented by Mr. Mohamed Hdid as temporary proxy. It is specified that the provisional proxy appointed is identical for tranches A, B, C and D, which are grouped together in a single body. The provisional proxy proceeds, within a 6-month period as from the closing date of subscriptions, to the convening of the ordinary general meeting of bondholders with a view to electing the proxy of the bondholders' body in accordance with the provisions of articles 301 and 301 bis of Law 17-95 relating to public limited companies, as amended and supplemented. In accordance with Article 301 bis of Law 17-95 public limited companies, as amended and supplemented, it has been decided to fix the remuneration of the provisional proxy and the proxy of the bondholders' group at MAD 30,000 (excl. tax) per year for the whole body. In accordance with Article 302 of the above-mentioned law, the proxy of the bondholders' body has, except restriction decided by the general assembly of bondholders, the power to carry out in the name of the group all management acts necessary to the safeguarding of the common interests of bondholders. Attijariwafa Bank has no capital or business link with the firm Hdid Consultants represented by Mr. Mohamed Hdid. Besides, the firm HDID Consultants represented by Mr. Mohamed Hdid is the representative of the bondholders' body of issues carried out by Attijariwafa bank between 2014 and 2020.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

Characteristics of tranche B (Annually revisable rate, with in fine repayment of the principal, a 7-year maturity and listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, entirely dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered financial intermediaries.
Legal form	Bearer bond
Tranche ceiling	**MAD 500,000,000**
Maximum number of securities to be issued	**5,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100,000**
Repayment price	**100%, i.e. MAD 100,000**
Loan maturity	7 years
Subscription period	From December 21 to 23, 2021 included
Dividend date	December 30, 2021
Maturity date	December 30, 2028
Allocation method	French Auction with priority for tranches A and C (fixed rate), then for tranches B and D (annually revisable rate)
Face interest rate	**Revisable on an annual basis** For the first year, the reference rate for the face interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary market yield curve as it will be published by Bank Al-Maghrib on December 16, 2021. A risk premium ranging from **40** to **45** basis points will be added to this rate. The reference rate and the facial interest rates will be published by Attijariwafa bank on its website on December 16, 2021, in a newspaper of legal announcements on December 17, 2021, and will be communicated to the Casablanca Stock Exchange. For the following years, the reference rate is the full 52-week rate (monetary rate) as computed by linear interpolation on the secondary market yield curve, as published by Bank Al-Maghrib at least 5 business days before the anniversary date of the coupon payment. A risk premium ranging from **40** to **45** basis points (fixed at the end of the auction) will then be added to this rate. The final rate will then be communicated by Attijariwafa bank on its website to bondholders and to the Stock Exchange at least 5 business days before the anniversary date.

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Reference rate calculation method	If the 52-week Treasury Bills rate is not directly observable, the reference rate is determined by Attijariwafa bank through linear interpolation using the two points covering the full maturity of 52 weeks (on a monetary basis). This linear interpolation will be done after the conversion of the next higher level of the 52-week maturity (actuarially) to the equivalent monetary rate. The formula is: (((Actuarial rate + 1) ^ (k / exact number of days *)) - 1) x 360 / k; k is the maturity of the actuarial rate immediately greater than 52 weeks * Exact number of days: 365 or 366 days.
Risk premium	**Between 40 and 45 basis points**
Interest rate determination date	The coupon will be revised on an annual basis on the anniversary dates of the vesting dates, i.e. December 30 of each year. The new rate will be communicated by the issuer on its website to the Casablanca Stock Exchange at least 5 trading days before the anniversary date. The revised rate will be published in the Official Bulletin of Casablanca Stock Exchange.
Interests	Interests will be annually served at the anniversary dates of the date of possession of the loan, i.e. December 30 of each year. Payment of interests will take place on the same day or the first business day following December 30 if it is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No deferral of interests will be possible as part of this operation. Interests will be calculated using the following formula: [Nominal x Face interest rate x Exact number of days/ 360].
Listing of securities	The subordinated bonds, subject of tranche B, will be listed on the Casablanca Stock Exchange and will be subject to a request for listing in the D compartment of Casablanca Stock Exchange. Their listing date is planned on December 27, 2021, under Ticker OATWU. To be listed on the Casablanca Stock Exchange, the amount allocated to Tranche B must be greater than or equal to an amount of MAD 20,000,000. If, at the end of the subscription period, the amount allocated to Tranche B is less than MAD 20,000,000, the subscriptions relating to this Tranche will be cancelled.
Procedure of first listing	The listing of tranche B will be made by direct listing in accordance with articles 2.4.13, 2.4.14 and 2.4.15 of the General Regulation of the Stock Exchange.

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Principal repayment	Tranche B will be subject of a repayment *in fine* of the principal amount. In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all classical, secured and unsecured debts.
Early repayment	Attijariwafa bank undertakes not to proceed to early repayment of the bonds covered by this securities note. However, the bank reserves the right to proceed, with the prior agreement of Bank Al-Maghrib, to repurchase subordinated bonds on the secondary market, provided the legal and regulatory provisions allow it. The bank must offer the same prices in writing to all bondholders by means of a notice in a newspaper of legal announcements, and repurchase in proportion to those who accept in respect of the quantities held by each of them. In this case, the issuer will inform the AMMC, the proxy of the bondholders' body and the Casablanca Stock Exchange of this repurchase operation 5 business days before the said operation. These repurchases having no consequences for a subscriber wishing to keep their securities until the normal maturity date and having no impact on the normal amortization schedule. Bonds repurchased will be cancelled and may not be reissued. In the event of repurchase, the issuer must notify the Stock Exchange, the AMMC and the bondholder representative of the bonds being cancelled.
Entity in charge of the registration of the operation in the Casablanca Stock Exchange	Attijari Intermédiation
Tradability of securities	The subordinated bonds, subject of tranche B, are freely tradable at Casablanca Stock Exchange. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.
Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.

Loan rank/subordination	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount, if applicable.
Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on December 9, 2021 appointed the firm Hdid Consultants represented by Mr. Mohamed Hdid as temporary proxy. It is specified that the provisional proxy appointed is identical for tranches A, B, C and D, which are grouped together in a single body. The provisional proxy proceeds, within a 6-month period as from the closing date of subscriptions, to the convening of the ordinary general meeting of bondholders with a view to electing the proxy of the bondholders' body in accordance with the provisions of articles 301 and 301 bis of Law 17-95 relating to public limited companies, as amended and supplemented. In accordance with Article 301 bis of Law 17-95 public limited companies, as amended and supplemented, it has been decided to fix the remuneration of the provisional proxy and the proxy of the bondholders' group at MAD 30,000 (excl. tax) per year for the whole body. In accordance with Article 302 of the above-mentioned law, the proxy of the bondholders' body has, except restriction decided by the general assembly of bondholders, the power to carry out in the name of the group all management acts necessary to the safeguarding of the common interests of bondholders. Attijariwafa Bank has no capital or business link with the firm Hdid Consultants represented by Mr. Mohamed Hdid. Besides, the firm HDID Consultants represented by Mr. Mohamed Hdid is the representative of the bondholders' body of issues carried out by Attijariwafa bank between 2014 and 2020.

Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

Characteristics of tranche C (Fixed rate, with in fine repayment of the principal, a 7-year maturity and not listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, entirely dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered financial intermediaries.
Legal form	Bearer bond
Tranche ceiling	**MAD 500,000,000**
Maximum number of securities to be issued	**5,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100,000**
Repayment price	**100%, i.e. MAD 100,000**
Loan maturity	7 years
Subscription period	From December 21 to 23, 2021 included
Dividend date	December 30, 2021
Maturity date	December 30, 2028
Allocation method	French Auction with priority for tranches A and C (fixed rate), then for tranches B and D (annually revisable rate)
Face interest rate	**Fixed rate** The face interest rate is determined in reference to the 7-year Treasury Bonds rate computed on the secondary market yield curve as published by Bank Al-Maghrib on December 16, 2021. A risk premium ranging from 50 to 55 bps will be added. If the 7-year maturity rate is not directly observable, the reference rate is determined by the linear interpolation method using the two points framing the full 7-year maturity (actuarial basis). The reference rate and the facial interest rates will be published by Attijariwafa bank on its website on December 16, 2021, and in a newspaper of legal announcements on December 17, 2021.
Risk premium	**Between 50 and 55 basis points**

Interests	Interests will be served annually at the anniversary dates of the Dividend date of the loan, i.e. December 30, of each year. Their payment will take place on the same day or the first business day following December 30, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation. Interests will be calculated as per the following formula: [Nominal x Face interest rate].
Principal repayment	Tranche C will be subject of a repayment *in fine* of the principal amount. In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all classical, secured and unsecured debts.
Early repayment	Attijariwafa bank undertakes not to proceed to early repayment of the bonds covered by this securities note. However, the bank reserves the right to proceed, with the prior agreement of Bank Al-Maghrib, to repurchase subordinated bonds on the secondary market, provided the legal and regulatory provisions allow it. The bank must offer the same prices in writing to all bondholders by means of a notice in a newspaper of legal announcements, and repurchase in proportion to those who accept in respect of the quantities held by each of them. In this case, the issuer will inform the AMMC, the proxy of the bondholders' body and the Casablanca Stock Exchange of this repurchase operation 5 business days before the said operation. These repurchases having no consequences for a subscriber wishing to keep their securities until the normal maturity date and having no impact on the normal amortization schedule. Bonds repurchased will be cancelled and may not be reissued. In the event of repurchase, the issuer must notify the Stock Exchange, the AMMC and the bondholder representative of the bonds being cancelled.
Tradability of securities	Over-the-counter. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.

Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In the case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.
Loan rank/subordination	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.
Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.

Representation of the bondholders' body	The Board of Directors held on December 9, 2021 appointed the firm Hdid Consultants represented by Mr. Mohamed Hdid as temporary proxy. It is specified that the provisional proxy appointed is identical for tranches A, B, C and D, which are grouped together in a single body. The provisional proxy proceeds, within a 6-month period as from the closing date of subscriptions, to the convening of the ordinary general meeting of bondholders with a view to electing the proxy of the bondholders' body in accordance with the provisions of articles 301 and 301 bis of Law 17-95 relating to public limited companies, as amended and supplemented. In accordance with Article 301 bis of Law 17-95 public limited companies, as amended and supplemented, it has been decided to fix the remuneration of the provisional proxy and the proxy of the bondholders' group at MAD 30,000 (excl. tax) per year for the whole body. In accordance with Article 302 of the above-mentioned law, the proxy of the bondholders' body has, except restriction decided by the general assembly of bondholders, the power to carry out in the name of the group all management acts necessary to the safeguarding of the common interests of bondholders. Attijariwafa Bank has no capital or business link with the firm Hdid Consultants represented by Mr. Mohamed Hdid. Besides, the firm HDID Consultants represented by Mr. Mohamed Hdid is the representative of the bondholders' body of issues carried out by Attijariwafa bank between 2014 and 2020.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

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Characteristics of tranche D (Annually revisable rate, with in fine repayment of the principal, a 7-year maturity and not listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, entirely dematerialized by registration with the central securities depositary (Maroclear) and entered into account at the chartered financial intermediaries.
Legal form	Bearer bond
Tranche ceiling	**MAD 500,000,000**
Maximum number of securities to be issued	**10,000 subordinated bonds**
Nominal value	**MAD 100,000**
Issue price	**100%, i.e. MAD 100,000**
Repayment price	**100%, i.e. MAD 100,000**
Loan maturity	7 years
Subscription period	From December 21 to 23, 2021 included
Dividend date	December 30, 2021
Maturity date	December 30, 2028
Allocation method	French Auction with priority for tranches A and C (fixed rate), then for tranches B and D (annually revisable rate)
Face interest rate	**Revisable on an annual basis** For the first year, the reference rate for the face interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary market yield curve as published by Bank Al-Maghrib on December 16, 2021. A risk premium ranging from 40 to 45 basis points will be added to this rate. The reference rate and the face interest rates will be published by Attijariwafa bank on its website on December 16, 2021, and in a newspaper of legal announcements on December 17, 2021. For the following years, the reference rate is the full 52-week rate (monetary rate) as computed by linear interpolation on the secondary market yield curve, as published by Bank Al-Maghrib at least 5 business days before the anniversary date of the coupon payment. A risk premium ranging from **40** to **45** basis points (fixed at the end of the auction) will then be added to this rate. The final rate will then be communicated by Attijariwafa bank, on its website, to bondholders and to the Stock Exchange at least 5 trading days before the anniversary date.

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Reference rate calculation method	If the 52-week Treasury Bills rate is not directly observable, the reference rate is determined by Attijariwafa bank through linear interpolation using the two points covering the full maturity of 52 weeks (on a monetary basis). This linear interpolation will be done after the conversion of the next higher level of the 52-week maturity (actuarially) to the equivalent monetary rate. The formula is: (((Actuarial rate + 1) ^ (k / exact number of days *)) - 1) x 360 / k; k is the maturity of the actuarial rate immediately greater than 52 weeks * Exact number of days: 365 or 366 days.
Risk premium	**Between 40 and 45 basis points**
Interest rate determination date	The coupon will be revised on an annual basis on the anniversary dates of the vesting dates, i.e. December 30 of each year. The new rate will be communicated by the issuer to the bondholders, via its website, at least 5 business days before the anniversary date.
Interests	Interests will be annually served at the anniversary dates of the date of possession of the loan, i.e. December 30 of each year. Payment of interests will take place on the same day or the first business day following December 30 if it is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No deferral of interests will be possible as part of this operation. Interests will be calculated using the following formula: [Nominal x Face interest rate x Exact number of days/ 360].
Principal repayment	Tranche D will be subject of a repayment *in fine* of the principal amount. In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank. The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all classical, secured and unsecured debts.

Early repayment	Attijariwafa bank undertakes not to proceed to early repayment of the bonds covered by this securities note. However, the bank reserves the right to proceed, with the prior agreement of Bank Al-Maghrib, to repurchase subordinated bonds on the secondary market, provided the legal and regulatory provisions allow it. The bank must offer the same prices in writing to all bondholders by means of a notice in a newspaper of legal announcements, and repurchase in proportion to those who accept in respect of the quantities held by each of them. In this case, the issuer will inform the AMMC, the proxy of the bondholders' body and the Casablanca Stock Exchange of this repurchase operation 5 business days before the said operation. These repurchases having no consequences for a subscriber wishing to keep their securities until the normal maturity date and having no impact on the normal amortization schedule. Bonds repurchased will be cancelled and may not be reissued. In the event of repurchase, the issuer must notify the Stock Exchange, the AMMC and the bondholder representative of the bonds being cancelled.
Tradability of securities	Over-the-counter. There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.
Assimilation clauses	There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities. In the case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.
Loan rank/subordination	The capital and the interest will be the subject of a subordination clause. The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest. In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.

Maintenance of the loan's rank	Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.
Repayment guarantee	The present issue has not been subject to a special guarantee.
Rating	The present issue has not been subject to any rating request.
Representation of the bondholders' body	The Board of Directors held on December 9, 2021 appointed the firm Hdid Consultants represented by Mr. Mohamed Hdid as temporary proxy. It is specified that the provisional proxy appointed is identical for tranches A, B, C and D, which are grouped together in a single body. The provisional proxy proceeds, within a 6-month period as from the closing date of subscriptions, to the convening of the ordinary general meeting of bondholders with a view to electing the proxy of the bondholders' body in accordance with the provisions of articles 301 and 301 bis of Law 17-95 relating to public limited companies, as amended and supplemented. In accordance with Article 301 bis of Law 17-95 public limited companies, as amended and supplemented, it has been decided to fix the remuneration of the provisional proxy and the proxy of the bondholders' group at MAD 30,000 (excl. tax) per year for the whole body. In accordance with Article 302 of the above-mentioned law, the proxy of the bondholders' body has, except restriction decided by the general assembly of bondholders, the power to carry out in the name of the group all management acts necessary to the safeguarding of the common interests of bondholders. Attijariwafa Bank has no capital or business link with the firm Hdid Consultants represented by Mr. Mohamed Hdid. Besides, the firm HDID Consultants represented by Mr. Mohamed Hdid is the representative of the bondholders' body of issues carried out by Attijariwafa bank between 2014 and 2020.
Applicable law	Moroccan law.
Competent jurisdiction	Trade Court of Casablanca.

IV. RISKS RELATED TO SUBORDINATED BONDS

Liquidity Risk: Subscribers to Attijariwafa bank's subordinated bonds may be subject to a liquidity risk of the security on the secondary market of private debt. Indeed, depending on the market conditions (liquidity, evolution of the yield curve, etc.) the liquidity of Attijariwafa bank's subordinated bonds can be momentarily affected.

Interest rate risk: The bond issue covered by this securities note provides for fixed-rate tranches (tranches A and C), calculated on the basis of the reference rate curve of the secondary market of Treasury Bills as it will be published by Bank Al Maghrib on December 16, 2021. As a result, the value of the fixed-rate bonds could rise or fall depending on the evolution of the secondary yield curve published by Bank Al Maghrib.

Subordination risk: The bond issue is subject to a subordination clause, according to which, in case of liquidation of the issuer, the repayment of the capital and interests of the subordinated securities of the present issue will only take place after the payment of all the classic, privileged or unsecured creditors.

Risk of repayment default: The bonds covered by this securities note may present a risk that the issuer may not be able to honor its contractual commitments to the bondholders. This risk results in the non-payment of coupons and/or the non-repayment of principal.

IV. SCHEDULE OF THE OPERATION

This operation schedule is as follows:

Orders	Stages	Timeline
1	Approval of the issue by the Casablanca Stock Exchange	December 13, 2021
2	Receipt by the Casablanca Stock Exchange of the prospectus approved by AMMC	December 13, 2021
3	Publication of the prospectus extract on the issuer's website (http://ir.attijariwafabank.com/)	December 13, 2021
4	Publication by the Casablanca Stock Exchange of the notice relating to the operation	December 14, 2021
5	Publication by the issuer of the press release in an Official Gazette	December 15, 2021
6	Observation of reference rates	December 16, 2021
7	Publication of the reference and face interest rates on the issuer's website	December 16, 2021
8	Publication of the reference and face interest rates in an Official Gazette	December 17, 2021
9	Opening of the subscription period	December 21, 2021
10	Closing of the subscription period	December 23, 2021
11	Receipt by the Casablanca Stock Exchange of the results of the operation and the rates retained per tranche, **before 10:00 am**	December 24, 2021
12	Listing of bonds Publication of the operation results in the official bulletin of the Casablanca Stock Exchange Registration of the transaction in the Stock Exchange	December 27, 2021
13	Payment / Delivery	December 30, 2021
14	Publication by the issuer of the operation results and the used rates in an Official Gazette and on its website	December 30, 2021

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PART II: OVERVIEW OF ATTIJARIWAFA BANK

I. GENERAL INFORMATION

Company name	Attijariwafa bank
Headquarters	2, boulevard Moulay Youssef – Casablanca 20 000
Phone / Fax	Phone: 0522.29.88.88 Fax: 0522.29.41.25
Web site	www.attijariwafabank.com // http://ir.attijariwafabank.com/
Email	ir@attijariwafa.com
Legal form	Limited Company with Board of Directors
Incorporation date	1911
Company lifetime	May 31, 2060 (99 years)
Trade Register	Casablanca Trade Register No.333
Financial Year	From January 1 to December 31
Corporate purpose (Article 5 of the articles of association)	"The purpose of the company is in all countries, to perform all banking, finance, credit, commission operations and generally, under the restrictions stipulated by the applicable legal provisions, any operations directly or indirectly related to this purpose, mainly, the following operations, the list of which is not exhaustive: ▪ Receive from the public deposits on accounts or otherwise whether interest bearing or not, repayable on demand, upon notice or maturity; ▪ Discount all commercial papers, exchange letters, promissory notes, checks, warrants, instruments, vouchers issued by the Public Treasury or Local or semi-public authorities, and generally any commitments resulting from industrial, agricultural, commercial or financial operations or other operations conducted by public administrations, negotiate or rediscount the aforementioned items and provide and accept all orders, exchange letters, promissory notes, or checks, etc.; ▪ Grant all types of loans with or without guarantees, issue advances on Moroccan or foreign annuities, on securities issued by the State, public or semi-public authorities and on securities issued by Moroccan or foreign industrial, agricultural, commercial or financial companies; ▪ Receive deposits of all securities and objects; accept or proceed to the payment and recovery of exchange letters, promissory notes, checks, warrants, interest or dividend coupons, act as intermediary for the purchase or sale of all kinds of public funds, securities, bonds or profit shares; ▪ Accept or at times in conjunction with loans or borrowings, grant mortgages and any other types of guarantee, underwrite any guarantee sureties or endorsements commitments, proceed to all acquisitions, real estate or personal property as well as financial leases or rental of buildings; ▪ Proceed to or participate in the issue, investment, introduction in the market, to the negotiation of any securities of the public or private authorities, submit any borrowings of these authorities, acquire or dispose of any annuities, public sector securities, shares, bonds or securities of all kinds belonging to the said authorities, ensure the creation of corporate entities and consequently accept any offices or powers, and when possible contribute to the capital of the said companies; ▪ Establish in any place inside or outside Morocco, subsidiaries, branches, offices and affiliates required to perform the aforementioned operations;

	▪ Acquire stakes in already existing businesses or companies in the process of creation, provided adherence to the limits set with regard to shareholders' equity and registered capital or voting rights of the issuing company in accordance with the applicable regulations. ▪ And generally, all operations that fall under its corporate purpose."
Capital as of November 30, 2021	MAD 2,151,409,870
Number of shares forming the capital as of November 30, 2021	215,140,987 shares with a nominal value of MAD 10 each.
Location of legal documents	The legal documents of the company, including the articles of associations, companies' articles and General Meetings and auditors' reports may be consulted at Attijariwafa bank's Headquarters.
List of the laws applicable on the issuer	Due to its legal form, Attijariwafa bank is governed by Moroccan law and Law No. 17-95, promulgated by Dahir No. 1-96-124 of August 30th, 1996, on public limited Companies as amended and supplemented; Due to its activity, Attijariwafa bank is governed by the Dahir No. 1-14-193 of Rabii I 1st, 1436 promulgating Law No. 103-12 on credit institutions and similar bodies (Banking Act). Due to its listing on the Casablanca Stock Exchange, it is subject to all applicable laws and regulations related to the financial markets, including: ▪ Dahir No. 19-14 related to the stock exchange, brokerage firms and financial investment advisors; ▪ General Rules of the Stock Exchange approved by the Ordinance of the Minister of Economy and Finance No 2208-19 dated July 3rd, 2019; ▪ Law No. 44-12 related to public offering and information required of legal entities and bodies making public offerings; ▪ Law No. 43-12 related to the AMMC; ▪ General Rules of AMMC as approved by the Decree of the Minister of Economy and Finance No. 2169-16; ▪ AMMC circular; ▪ Dahir No. 1-95-03 of January 26th, 1995, promulgating the Law No. 35-94 on some tradable debt securities and the Decree of the Ministry of Finance and Foreign Investments No. 2560-95 of October 9th, 1995, on tradable debt securities; ▪ Dahir No. 1-96-246 of January 9th, 1997, promulgating the law No. 35-96 relating to the creation of the Central Depository and the establishment of a general system of registration in accounts of some securities, amended and supplemented by Law No. 43-02; ▪ General rules of the Central Depository approved by the Ordinance of the Minister of Economy and Finance No. 932-98 dated April 16th, 1998, and amended by the Ordinance of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of October 30th, 2001; ▪ Dahir No. 1-04-21 of April 21st, 2004, promulgating the Law No. 26-03 relating to public offerings on the stock market and amended.
Tax system	As a credit institution, Attijariwafa bank is subject to the corporate tax (37%) and the VAT (10%).
Competent court in the event of dispute	Trade Court of Casablanca

II. Information on the issuer's share capital[1]

As of November 30, 2021, Attijariwafa bank's capital amounts to MAD 2,151,408,390, divided into 215,140,839 shares with a nominal value of MAD 10 each. The distribution of the capital is as follows:

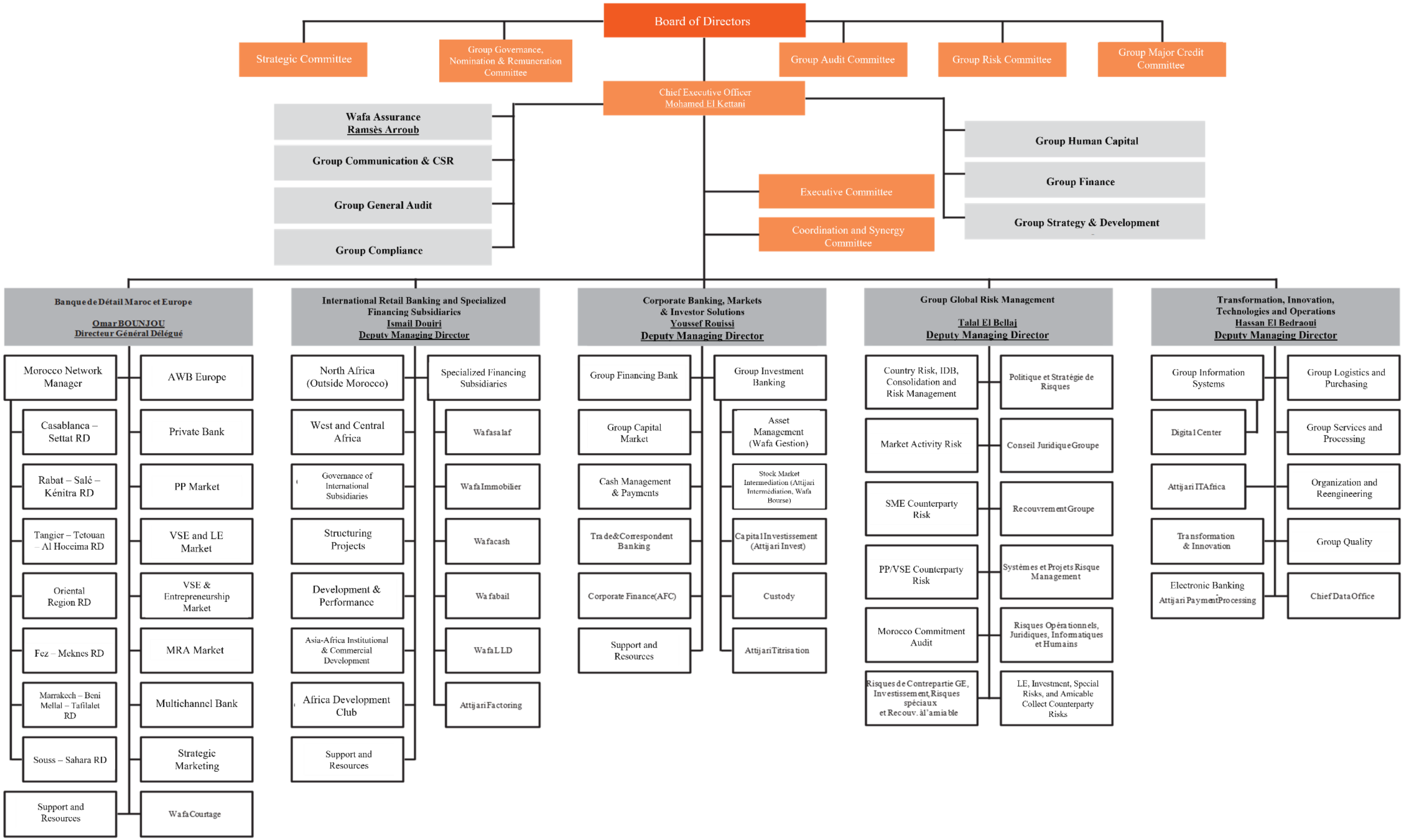
	Address	Number of held securities	% in capital	% in voting rights
1- National shareholders		**158 032 798**	**73.46%**	**73.46%**
1-1- Al Mada	Angle rue d'Alger et Duhaume - Casablanca	**100 135 387**	**46.54%**	**46.54%**
1-2- Insurance companies		**29 581 822**	**13.75%**	**13.75%**
MAMDA	Avenue Mohammed VI – ex Zaers, angle Houmane ElFetouaki 10200 Rabat	6 227 208	2.89%	2.89%
MCMA	Avenue Mohammed VI – ex Zaers, angle Houmane ElFetouaki 10200 Rabat	6 995 413	3.25%	3.25%
RMA	83 avenue des FAR - Casablanca	2 049 754	0.95%	0.95%
Wafa Assurance	1 rue Abdelmoumen - Casablanca	13 602 015	6.32%	6.32%
Axa Assurances Maroc	120 avenue hassan II - Casablanca	707 432	0.33%	0.33%
1-3- Other institutions		**29 763 959**	**13.16%**	**13.16%**
Caisse de Dépôt et de Gestion (CDG)	140 Place My El Hassan - Rabat	1 557 591	0.72%	0.72%
Caisse Marocaine de Retraite	Avenue Al Araar, BP 2048, Hay Riad, Rabat	5 597 860	2.60%	2.60%
CIMR	100 Bd Abdelmoumen - Casablanca	8 850 987	4.11%	4.11%
RCAR	Hay Riad - BP 2038 - Rabat	12 309 151	5.72%	5.72%
2- Foreign shareholders		**10 874 069**	**5.10%**	**5.10%**
Santusa Holding	Paseo de la Castellana n°24 - Madrid (Spain)	10 968 254	5.10%	5.10%
3- Floating		**44 023 651**	**20.65%**	**20.65%**
UCITS and others	NA	40 187 235	18.68%	18.68%
Bank directors	NA	700	0.00%	
Bank staff	NA	5 951 852	2.77%	2.77%
Total		**215 140 839**	**100.00%**	**100.00%**

Source: Attijariwafa bank

[1] Al Mada became Attijariwafa bank's reference shareholder with a 46.43% stake, mainly following the merger of ONA into Al Mada on 31, December 2010.

III. ATTIJARIWAFA BANK GROUP ORGANIZATIONAL CHART

On the date of the prospectus registration, the organizational chart of Attijariwafa bank Group is as follows:


Board of Directors
Strategic Committee
Group Governance, Nomination & Remuneration Committee
Group Audit Committee
Group Risk Committee
Group Major Credit Committee
Chief Executive Officer
Mohamed El Kettani
Wafa Assurance
Ramsès Arroub
Group Communication & CSR
Group General Audit
Group Compliance
Executive Committee
Coordination and Synergy Committee
Group Human Capital
Group Finance
Group Strategy & Development
Banque de Détail Maroc et Europe
Omar BOUNJOU
Directeur Général Délégué
Morocco Network Manager
Casablanca – Settat RD
Rabat – Salé – Kénitra RD
Tangier – Tetouan – Al Hoceima RD
Oriental Region RD
Fez – Meknes RD
Marrakech – Beni Mellal – Tafilalet RD
Souss – Sahara RD
Support and Resources
AWB Europe
Private Bank
PP Market
VSE and LE Market
VSE & Entrepreneurship Market
MRA Market
Multichannel Bank
Strategic Marketing
WafaCourtage
International Retail Banking and Specialized Financing Subsidiaries
Ismail Douiri
Deputy Managing Director
North Africa (Outside Morocco)
West and Central Africa
Governance of International Subsidiaries
Structuring Projects
Development & Performance
Asia-Africa Institutional & Commercial Development
Africa Development Club
Support and Resources
Specialized Financing Subsidiaries
Wafasalaf
WafaImmobilier
Wafacash
Wafabail
WafaLLD
AttijariFactoring
Corporate Banking, Markets & Investor Solutions
Youssef Rouissi
Deputy Managing Director
Group Financing Bank
Group Capital Market
Cash Management & Payments
Trade&Correspondent Banking
Corporate Finance(AFC)
Support and Resources
Group Investment Banking
Asset Management (Wafa Gestion)
Stock Market Intermediation (Attijari Intermédiation, Wafa Bourse)
Capital Investissement (Attijari Invest)
Custody
AttijariTitrisation
Group Global Risk Management
Talal El Bellaj
Deputy Managing Director
Country Risk, IDB, Consolidation and Risk Management
Market Activity Risk
SME Counterparty Risk
PP/VSE Counterparty Risk
Morocco Commitment Audit
Risques de Contrepartie GE, Investissement, Risques spéciaux et Recouv. àl'amiable
Politique et Stratégie de Risques
Conseil Juridique Groupe
Recouvrement Groupe
Systèmes et Projets Risque Management
Risques Opérationnels, Juridiques, Informatiques et Humains
LE, Investment, Special Risks, and Amicable Collect Counterparty Risks
Transformation, Innovation, Technologies and Operations
Hassan El Bedraoui
Deputy Managing Director
Group Information Systems
Digital Center
Attijari ITAfrica
Transformation & Innovation
Electronic Banking
Attijari PaymentProcessing
Group Logistics and Purchasing
Group Services and Processing
Organization and Reengineering
Group Quality
Chief Data Office

IV. ATTIJARIWAFA BANK'S ACTIVITY

Evolution of loans

The outstanding loans of Attijariwafa bank evolved over the period under review as follows:

	2020	H1.2021	Var. S1.21/20
Loans to credit institutions and similar entities (C1)	**42 771**	**34 739**	**-18.78%**
Demand	13 703	8 496	-38%
Term	29 068	26 242	-9.72%
Customer loans (C2)	**217 716**	**232 271**	**6.69%**
Treasury and consumer loans	58 806	64 138	9.07%
Investment loans	61 297	62 331	1.69%
Mortgage loans	64 082	64 189	0.17%
Other loans	17 143	25 378	48.04%
Factoring loans	10 092	11 447	13.43%
Past due receivables net of provision	4 764	4 158	-12.72%
Accrued interest receivable	1 532	1 486	-3.00%
Total loans (C1) + (C2)	**260 487**	**267 010**	**2.50%**

MAD million - Source: Attijariwafa bank - Corporate accounts

Analytical Review - H1 2021

As of the first half of 2021, the outstanding loans of Attijariwafa bank amounted to nearly MAD 267.0 bn, an increase of 2.5% (+ MAD 6.5 bn) compared to end December 2020. This evolution is explained by the following main elements combined:

- the improvement of the outstanding loans to customers by 6.7% (+ MAD 14.6 bn) to nearly MAD 232.3 bn as of end June 2021, this evolution is mainly due to:
  - the increase of other credits by 48.0% (+ MAD 8.2 bn) to reach more than MAD 25.4 bn as of end June 2021 compared to 17.1 as of end December 2020.
  - The increase of cash and consumer credits by 9.1% (+ MAD 5.3 Dh) compared to December 2020.
- The decrease in outstanding loans to credit and similar institutions by 18.8% (- MAD 8.0 bn) to MAD 34.7 bn as of end December 2020. This situation is due to a strong decrease in the outstanding demand receivables of MAD 5.2 bn compared to end 2020.

Evolution of deposits

The outstanding debts of Attijariwafa bank evolved as follows over the period under review:

	2020	H1.2021	Var. S1.21/20
Debts to credit institutions (D1)	**42 805**	**38 615**	**-9.79%**
Demand	2 325	6 485	>100%
Term	40 480	32 130	-20.63%
Debts to customers (D2)	**245 156**	**252 737**	**3.09%**
Current accounts payable	171 769	179 949	4.76%
Savings accounts	29 432	29 790	1.22%
Term deposits	31 811	30 587	-3.85%
Other accounts payable	11 681	12 411	6.25%
Accrued interest payable	463	458	-1.08%
Total debts (D1+D2)	**287 961**	**291 352**	**1.18%**

MAD million - Source: Attijariwafa bank - Corporate accounts

Analytical Review - H1 2021

As of the end of the first half of 2021, payables to customers amounted to more than MAD 252.7 bn, an increase of 3.1% (+ MAD 7.6 bn) compared to end 2020. This evolution is mainly explained by the following combined elements:

- The increase in demand accounts in credit of MAD 8.2 bn;
- The increase of other credit accounts by 6.3% (+ MAD 730 million) to reach nearly MAD 12.4 bn as of end June 2021.

On the other hand, the outstanding debts to credit institutions showed a decrease of 9.8% (- MAD 4.2 bn), to reach more than MAD 38.6 bn as of end June 2021. The increase of the outstanding demand deposits of + MAD 4.2 bn to reach MAD 6.5 bn and the decrease of the outstanding term loans of 20.6% (- MAD 8.4 bn) explain this decrease.

V. Consolidated financial statements under IFRS

V.1. 2020 – H1-2021 consolidated balance sheets

	2020	H1.2021	Var. S1.21/20
Assets	**568 108**	**579 790**	**2.1%**
Cash in hand, Central banks, Treasury, Postal cheque service	26 334	23 411	-11.1%
Financial assets at fair value through profit or loss	60 156	65 567	9.0%
Hedging derivative instruments	-	-	
Financial assets at fair value through equity	60 165	65 337	8.6%
Available-for-sale financial assets	-	-	
Securities at amortized cost	17 233	18 078	4.9%
Loans and receivables from credit institutions and similar entities	31 305	26 335	-15.9%
Customer loans and receivables	333 702	341 994	2.5%
Asset revaluation difference on portfolios hedged against interest rate risk	-	-	
Held-to-maturity investments	-	-	
Current tax assets	716	257	-64.1%
Deferred tax assets	3 768	3 807	1.0%
Accruals and other assets	12 171	12 875	5.8%
Deferred policyholder profit sharing	-	-	
Non-current assets held for sale	79	76	-2.8%
Investments in companies accounted for by the equity method	87	75	-13.6%
Investment properties	2 539	2 673	5.3%
Intangible assets	6 813	6 434	-5.6%
Tangible assets	3 092	2 992	-3.2%
Goodwill on acquisitions	9 948	9 879	-0.7%

MAD million - Source: Attijariwafa bank - Corporate accounts

	2020	S1.2021	Var. S1.21/20
Liabilities	**568 108**	**579 790**	**2.1%**
Central banks, Treasury, Postal cheque service	4	5	10.2%
Financial liabilities at fair value through profit or loss	1 500	1 719	14.6%
Hedging derivative instruments	0	0	
Amounts owed to credit institutions and similar entities	49 238	43 305	-12.1%
Amounts owed to customers	356 614	368 780	3.4%
Debt securities issued	23 106	24 754	7.1%
Passive revaluation difference on portfolios hedged against interest rate risk	0	0	
Current tax liabilities	1 022	1 005	-1.6%
Deferred tax liabilities	2 696	2 885	7.0%
Accruals and other liabilities	20 338	20 589	1.2%
Liabilities related to non-current assets held for sale	-	-	
Technical provisions for insurance contracts	38 957	40 780	4.7%
Provisions for risks and charges	-	-	
Provisions	3 080	2 841	-7.8%
Subsidies, allocated public funds and special guarantee funds	-	0	
Subordinated debts	-	0	
Subsidies and similar funds	160	156	-3.0%
Subordinated debts and special guarantee funds	17 099	16 975	-0.7%
Equity	54 293	55 997	3.1%
Capital and related reserves	*12 552*	*13 837*	10.2%
Consolidated reserves	35 446	37 268	5.1%
Group share	*31 159*	*32 020*	*2.8%*
Minority interests	*4 288*	*5 248*	*22.4%*
Unrealized or deferred gains or losses	2 590	1 693	-34.6%
Group share	*1 071*	*647*	*-39.6%*
Minority interests	*1 519*	*1 046*	*-31.1%*
Net income for the financial year	3 705	3 198	-13.7%
Group share	*3 018*	*2 613*	*-13.4%*
Minority interests	*687*	*585*	*-14.8%*

MAD million - Source: Attijariwafa bank - Corporate accounts

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V.2. H1.2020 – H1.2021 consolidated income statements

	H1.2020	H1.2021	Var. S1.21/S1.20
Interest and similar income	11 292	11 073	-1.9%
Interest and similar expenses	3 416	3 055	-10.6%
Interest margin	**7 876**	**8 019**	**1.8%**
Commissions received	2 642	2 955	11.9%
Commissions paid	415	409	-1.4%
Commission margin	**2 227**	**2 546**	**14.3%**
Net gains or losses on financial instruments at fair value through profit or loss	1 558	1 525	-2.1%
Net gains or losses on available-for-sale financial assets	275	492	78.8%
Income from market activities	**1 833**	**2 017**	**10.0%**
Income from other activities	4 550	5 083	11.7%
Expenses from other activities	4 102	5 195	26.7%
Net banking income	**12 383**	**12 469**	**0.7%**
General operating expenses	5 881	4 793	-18.5%
Depreciation, amortization and impairment of intangible and tangible assets	789	776	-1.6%
Gross operating income	**5 714**	**6 899**	**20.7%**
Cost of risk	3 021	1 904	-37.0%
Operating income	**2 692**	**4 996**	**85.6%**
Share of income from companies accounted for by the equity method	-5	-10	n.a.
Net gains or losses on other assets	11	-27	-341.5%
Changes in the value of goodwill	0	0	
Pre-tax income	**2 697**	**4 959**	**83.9%**
Income tax	1 107	1 761	**59.1%**
Net income	**1 590**	**3 198**	**>100%**
Income from non-group companies	342	-585	**-271.2%**
Net income, group share	**1 248**	**2 613**	**>100%**

MAD million - Source: Attijariwafa bank - Corporate accounts

VI. Overview of corporate quarterly financial statements

VI.1. Balance sheet

	30/09/2021	31/12/2020
Assets	**586 091**	**568 108**
Cash in hand, Central banks, Treasury, Postal cheque service	20 198	26 334
Financial assets at fair value through profit or loss	66 210	60 156
Hedging derivative instruments	-	-
Financial assets at fair value through equity	71 641	60 165
Available-for-sale financial assets	-	-
Securities at amortized cost	17 714	17 233
Loans and receivables from credit institutions and similar entities	28 186	31 305
Customer loans and receivables	344 145	333 702
Asset revaluation difference on portfolios hedged against interest rate risk	-	-
Held-to-maturity investments	-	-
Current tax assets	269	716
Deferred tax assets	3 852	3 768
Accruals and other assets	11 680	12 171
Deferred policyholder profit sharing	-	-
Non-current assets held for sale	76	79
Investments in companies accounted for by the equity method	75	87
Investment properties	2 534	2 539
Intangible assets	6 518	6 813
Tangible assets	3 135	3 092
Goodwill on acquisitions	9 858	9 948

MAD million - Source: Attijariwafa bank

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	30/09/2021	31/12/2020
Liabilities	**586 091**	**568 108**
Central banks, Treasury, Postal cheque service	1	4
Financial liabilities at fair value through profit or loss	1 527	1 500
Hedging derivative instruments	0	0
Amounts owed to credit institutions and similar entities	47 059	49 238
Amounts owed to customers	369 104	356 614
Debt securities issued	24 425	23 106
Passive revaluation difference on portfolios hedged against interest rate risk	0	0
Current tax liabilities	1 362	1 022
Deferred tax liabilities	3 028	2 696
Accruals and other liabilities	18 446	20 338
Liabilities related to non-current assets held for sale	-	-
Technical provisions for insurance contracts	42 600	38 957
Provisions for risks and charges	-	-
Provisions	3 025	3 080
Subsidies, allocated public funds and special guarantee funds	-	-
Subordinated debts	-	-
Subsidies and similar funds	156	160
Subordinated debts and special guarantee funds	17 063	17 099
Equity	58 294	54 293
Capital and related reserves	*14 646*	*12 552*
Consolidated reserves	37 136	35 446
Group share	*31 909*	*31 159*
Minority interests	*5 228*	*4 288*
Unrealized or deferred gains or losses	1 935	2 590
Group share	*788*	*1 071*
Minority interests	*114 725*	*1 519*
Net income for the financial year	4 576	3 705
Group share	*3 825*	*3 018*
Minority interests	*752*	*687*

MAD million - Source: Attijariwafa bank

VI.2. Consolidated income statement

	30/09/2021	30/09/2020
Interest and similar income	16 729	16 897
Interest and similar expenses	4 619	5 063
Interest margin	**12 110**	**11 833**
Commissions received	4 587	4 137
Commissions paid	696	674
Commission margin	**3 891**	**3 463**
Net gains or losses on financial instruments at fair value through profit or loss	2 159	1 903
Net gains or losses on available-for-sale financial assets	590	527
Income from market activities	**2 749**	**2 431**
Income from other activities	7 763	6 559
Expenses from other activities	8 105	6 124
Net banking income	**18 408**	**18 162**
General operating expenses	7 316	8 224
Depreciation, amortization and impairment of intangible and tangible assets	1 114	1 241
Gross operating income	**9 977**	**8 697**
Cost of risk	2 855	4 610
Operating income	**7 123**	**4 087**
Share of income from companies accounted for by the equity method	-10	-13
Net gains or losses on other assets	-49	-51
Changes in the value of goodwill	0	0
Pre-tax income	**7 064**	**4 023**
Income tax	2 487	1 527
Net income	**4 576**	**2 496**
Income from non-group companies	752	524
Net income, group share	**3 825**	**1 972**

MAD million - Source: Attijariwafa bank

PART III: RISK FACTORS

Attijariwafa bank's risk management is centralized at the Global Risk Management (GGR) division level, which is responsible for supervising, controlling and measuring the risks incurred by the Group, with the exception of operational risks.

The independence of this structure from other divisions and lines of business ensures optimal objectivity in the risk taking proposals it submits to the Credit Committee and to their control.

VII. INTEREST RATE AND CURRENCY RISK

In 2005, Attijariwafa bank decided to set up a specific market risk control system as part of the overall Internal Control system in accordance with the provisions of Bank Al-Maghrib's circular No. 6/G/2001.

This system focuses on three action levels:

- first-level internal control, carried out by Front Office operators who are required to comply with regulatory provisions and the bank's risk monitoring and management policy;
- risk monitoring by the *Middle Office*, which ensures daily compliance with limits relating to foreign exchange, interest rate and counterparty risks. It periodically informs Management and other control entities through a reporting system. On the other hand, the "Market Risk Monitoring and Surveillance" unit is responsible for detecting, analyzing and monitoring the bank's various interest rate and currency positions, then streamlining these positions through formal authorizations and finally being notified of any deviation from these positions. This monitoring is carried out in particular through the following means:
    - monthly monitoring of currency risk exposure allows the retrospective calculation of the Value at Risk (VaR), which measures the maximum potential loss related to the institution's exposure to currency risk;
    - a monthly reporting summarizes the bank's exposure to currency risk in relation to the limits set.
- the control bodies carry out critical and independent analyses of the quality of the system, either as part of audit assignments or on an ad hoc basis at the request of the General Management.

The VaR mode [2] was developed by Attijariwafa bank's global risk management department. It covers the Dirham interest rate risk as well as spot and forward exchange rate risk. The choice of the RiskMetrics method developed by JP Morgan to capture a VaR measure has several advantages: it is easy to implement, takes into account existing correlations between asset prices and takes into account recent and historical price fluctuations. Therefore, the RiskMetrics method is based on a matrix of variances and covariance of the returns on the portfolio assets and their composition within the portfolio.

Global risk management produces detailed monthly reports that track the calculation and evolution of VaR and the control of regulatory and internal limits. The model allows back-testing, which is a technique used to test the validity of the VaR calculation model. It consists in using historical operations to calculate the VaR and then seeing whether this VaR actually managed the potential loss realized by comparing it to the theoretical P&L.

Furthermore, the bank has set up a system of internal limits to measure and control market risks. These limits relate to the trading portfolio, foreign exchange position, commodities and currency options.

[2] Value at Risk represents the maximum potential loss on the value of a financial asset or portfolio of financial assets and liabilities over a holding period and a confidence interval.

VII.1. Interest rate risk

Interest rate risk is the risk that the value of positions or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The limits for interest rate risk are as follows:

- Nominal limits
- Duration limits
- Stop-Loss limits

The following table shows the positions in the trading portfolio as of end 2020, as well as the 1-day and 10-day VaR for foreign exchange and equity activities:

Activities	Position	1-day VaR	Regulatory 10-day VaR
Foreign exchange	5 365 742	20 140	63 690
Equities	84 331	2 235	7 069
MAD rate	55 369 623	90 513	286 227
Currency rate	8 453 376	3 956	12 511

In MAD thousand - Source: Attijariwafa bank

VII.2. Currency risk

All banks are exposed to foreign exchange risks arising from their various activities (equity investments, foreign subsidiaries, foreign currency loans, foreign currency securities, foreign currency borrowings, swaps, currency options, forward exchange, etc.). The bank may find that future exchange rates change unfavorably, and consequently record a reduction in its forecast margin.

This risk corresponds to the risk that a position or a financial instrument will change as a result of changes in market exchange rates.

Technically, foreign exchange risk is measured by the foreign exchange position, which includes:

- Spot exchange
- Forward exchange contracts
- Foreign exchange swaps
- Currency options

The limits for managing foreign exchange risk are as follows:

- Position limit per currency at the end of the day;
- Global position limit at the end of the day;
- Short position limit;
- Greeks limit;
- Stop-Loss limit;
- Counterparty limit

The foreign exchange risk of Attijariwafa bank, as of December 31, 2020, can be analyzed according to the following table:

Currencies	Position in currencies	Exchange rate	Counter-value (MAD thousand)	% of equity
EUR	378 724	10.9	4 141 347	10.15%
USD	657 049	8.9	5 850 890	14.34%
GBP	-1151	12.2	-13 995	-0.03%
CAD	951	7.0	6 648	0.02%
CHF	308	10.1	3 115	0.01%
JPY	91 097	0.1	7 871	0.02%
DKK	5 768	1.5	8 477	0.02%
NOK	1 950	1.0	2 037	0.00%
SEK	3357	1.1	3667	0.01%
SAR	3738	2.4	8 873	0.02%
AED	4 996	2.4	12 112	0.03%
KWD	113	29.3	3308	0.01%
TND	149	3.3	495	0.00%
DZD	12 703	0.1	855	0.00%
LYD	51	7.1	361	0.00%

In thousands - Source: Attijariwafa bank

As of end 2020, the forward foreign exchange position amounts to MAD 53.055 billion, broken down as follows:

	< 3 months	3 months - 6 months	> 6 months
Hedging (MAD thousand)	**39 170 629**	**6 228 280**	**7 657 019**

Source: Attijariwafa bank

As of end 2020, the foreign exchange options position amounts to MAD 4.9 billion.

VII.3. Asset and liability management

Structural ALM risks relate to risks of loss of economic value or decline in future interest margins due to interest rate differentials and maturities between the bank's assets and liabilities.

ALM provides indicators for monitoring the risks and expected returns on the various balance sheet items and sets out management rules to limit the bank's balance sheet exposure to risks and to manage its positions optimally.

Attijariwafa bank's Asset and Liability Management has a set of ALM models and agreements based on the reality of the bank's outstanding and taking into account market and economic factors that have an influence on the behavior of the bank's balance sheet lines.

These financial assumptions are dynamic and are reviewed regularly at least once a year to ensure that they truly reflect the evolution of the bank's uses and resources. Indeed, the measurement of liquidity, interest rate and exchange rate risks requires effective management of the intrinsic characteristics of the contracts, in this case maturity, the nature of the interest rate (fixed/revisable/variable rate) and the currency of each balance sheet item must be identified.

Moreover, in addition to the contractual characteristics of balance sheet items, hidden balance sheet options (e.g., early repayment options) and customer behavior (e.g. in terms of the holding period of deposit accounts) have been modeled.

The approach adopted is based on the production and static and dynamic projection of balance sheet items over time until the outstanding amounts in stock and new production from the bank's budget and strategic plan have been used up.

VIII. LIQUIDITY RISK

Liquidity risk is the risk that a credit institution will not be able to meet its commitments or maturities, even with the use of its assets, over all time horizons, from the short to the long term.

This risk may arise from a decline in financing sources, drawdowns on financing commitments or a reduction in the liquidity of certain assets. It may be linked to the institution itself ("intrinsic risk") or to external factors ("market risk").

The liquidity risk of the Attijariwafa bank group is monitored within the framework of a liquidity policy validated by the ALM committee, the audit committee and the board of directors. This policy makes it possible to identify, measure, follow and cover the liquidity risk in a normal situation and in a crisis situation. The Group's liquidity situation is assessed on the basis of a set of internal and regulatory indicators.

Objectives

The general principle of the AWB Group's liquidity policy is to:

- hold available and realizable assets allowing the bank to face exceptional cash outflows over different time horizons, including intraday, and for all types of currencies;
- ensure a balanced and sufficiently diversified funding structure at an optimal cost;
- and, respect regulatory liquidity indicators.

This system is accompanied by a contingency plan providing for actions to be taken in the event of a liquidity crisis.

The regulatory liquidity ratio is as follows:

Date	Liquidity ratio Morocco	Evolution
31- March-06	92.80%	
30-June-06	87.20%	-5.60 pts
31-Dec-06	96.40%	+9.20 pts
31- March-07	77.60%	-18.80 pts
30-June-07	131.40%	+53.80 pts
31-Dec-07	107.90%	-23.50 pts
30-June-08	101.60%	-6.30 pts
31-Dec-08	100.60%	-1.00 pt
31- March-09	121.01%	+20.41 pts
30-June-09	100.90%	-20.11 pts
31-Dec-09	107.98%	+7.08 pts
31-March-10	94.73%	-13.25 pts
30-June-10	91.48%	-3.25 pts
31-Dec-10	94.16%	+2.68 pts
31-March-11	87.02%	-7.14 pts
30-June-11	95.04%	+8.02 pts
31-Dec-11	95.40%	0.36 pt
30-June-12	80.56%	-14.84 pts

Date	Liquidity ratio Morocco	Evolution
31-Dec-12	81.63%	1.07 pt
31-Dec-13	70.18%	-11.45 pts

Source: Attijariwafa bank

In order to ensure the convergence of Morocco's prudential framework with international standards, the central bank has implemented a major reform of Basel III relating to the short-term liquidity coverage ratio (LCR), aimed at replacing the liquidity ratio.

The “LCR” ratio, which relates high quality liquid assets to net cash outflows over a 30-day period, is intended to strengthen the liquidity profile of banks and promote their resilience to a possible liquidity shock.

The short-term liquidity coverage ratio (LCR) is as follows:

Date	Short-term liquidity ratio (LCR)	Evolution
31-Dec-14	120.00%	+38.9 pts
30-June-15	114.10%	-6.0 pts
31-Dec-15	155.00%	+35.0 pts
30-June-16	131.40%	+17.3 pts
31-Dec-16	142.00%	-13.0 pts
30-June-17	120.00%	-11.4 pts
31-Dec-17	147.00%	+5.0 pts
30-June-18	118.00%	-2.0 pts
31-Dec-18	104.00%	-43.0pts
30-June-19	115.00%	+11.0pts
31-Dec-19	127.00%	+23.0pts
31-Dec-20	202.00%	+75.0pts
30-June-21	185.00%	-17.0pts

Source: Attijariwafa bank

IX. Counterparty risk management

In a context of profound changes in Morocco, namely economic liberalization, the opening of borders, customs dismantling and the entry into force of several free trade agreements, the banking sector's counterparty risk could deteriorate and, consequently, lead to an increase in the overall litigation ratio. This trend could be accentuated by unfavorable economic conditions.

To manage counterparty risk, the “credit risk” entity within GGR is mainly responsible for analyzing and investigating risk-taking requests from the Group's various sales teams. It also has the prerogative to assess the consistency and validity of the guarantees, the volume of activity of the relationship and the economic justification of the financing requested. Each Business Unit has a clearly independent commitment structure and recovery structure that are hierarchically linked to the Global Risk Management division.

IX.1. Breakdown of the institution’s commitments[3]

By business sector

The allocation of risks by sector of the economy is the subject of particular attention and is coupled with a forward-looking analysis that allows for a dynamic management of the Bank's exposure. It is based on

[3] Source: Attijariwafa bank

LISSANIAT Hay Nassim Lot. Nassim Imm 130 N° 11 Lissasfa - Casablanca Tél.: 0522 89 78 89 GSM : 0664 78 99 40 studies expressing an opinion on the evolution of the sectors and identifying the factors that explain the risks incurred by their main players.

The breakdown of commitments given by sector, as a proportion of the Bank's total commitments as of December 31, 2020, is as follows:

- financial activities representing 14.0% (same level as of December 31, 2019). Commitments in this sector are of very good risk;
- construction accounts represent 10% of the total (same level as of December 31, 2019) and real estate accounts are set at 5% (vs. 7% as of December 31, 2019).

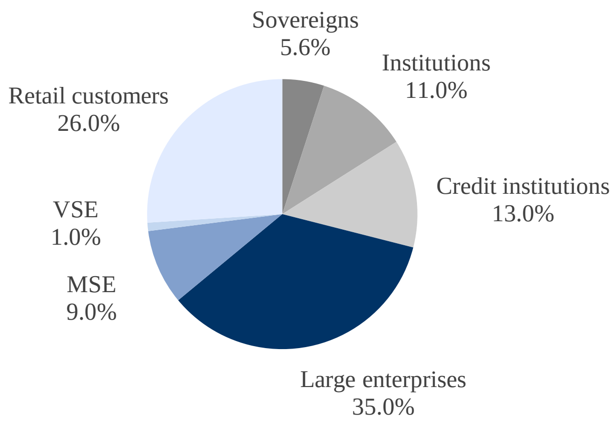
By counterparty

Assessed by taking into account all the commitments made to the same beneficiary, diversification is a permanent feature of the Bank's risk policy. The scope and variety of the Group's activities could contribute to this.

Any concentrations are subject to regular review and corrective action, if necessary.

This diversification is illustrated as follows:

Breakdown of the bank's commitments by counterparty category as of December 31, 2020



Source: Attijariwafa bank

By geographical area

The graph below shows that the Group's exposure is concentrated in Morocco with nearly 76.6%. The remainder is distributed among sub-Saharan African countries, North Africa and Europe.

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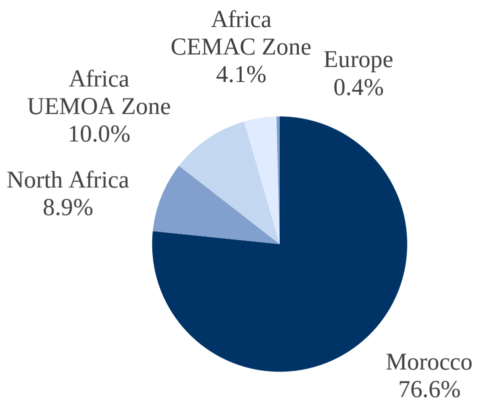
Breakdown of the bank's commitments by geographical area as of December 31, 2020



Source: Attijariwafa bank

By portfolio quality

In order to assess all its counterparties, the Group has developed a rating system in line with Basel II requirements. Thus, the implementation of the internal rating approach is based on minimum requirements that enable the Group to assess counterparty risk.

Indeed, the rating system is characterized by the probability of default. The time horizon for default risk assessments is estimated at 1 year.

This system is regularly validated and its performance monitored through a proven statistical approach. The fundamentals of the model, its design and operational procedures are formalized. In particular, the aspects of portfolio differentiation, rating criteria, responsibility of the various stakeholders, frequency of the review and management involvement are discussed in depth. The documentation system in place demonstrates to the central bank that their validation process allows it to assess, in a consistent and meaningful way, the performance of their internal rating and risk assessment systems.

Data relating to the rating system are collected and stored in historical databases allowing the periodic review and back-testing of risk models.

As early as June 2003, a first generation of Attijariwafa bank's internal rating systems was developed with the technical assistance of the International Finance Corporation and Mercer Oliver Wyman. This system took into account two parameters: a six-point rating scale (A, B, C, D, E and F) and estimated default probabilities (PD). The initial model was limited to five financial factors that explain credit risk.

In 2010, the Attijariwafa bank Group deployed a new internal rating model in the bank's operating system that is in line with Basel II requirements. This model, dedicated to companies, not only takes into account financial factors, but also qualitative and behavioral factors. It covers most of the bank's commitments. Its design is based on the analysis of homogeneous classes and proven statistical analyses.

The rating system is essentially based on the Counterparty Rating, which reflects its probability of default over a one-year observation horizon. The rating is assigned to a risk class within the rating scale, which consists of eight risk classes, one of which is in default (A, B, C, D, E, F, G, and H).

The rating system has the following characteristics:

- scope: portfolio of companies excluding local authorities, financing companies and real estate development companies;
- the rating system of the Attijariwafa bank Group is essentially based on the Counterparty's Rating, which reflects its probability of default over a one-year observation horizon;

- the calculation of the system rating results from the combination of three types of ratings: Financial rating, qualitative rating and behavioral rating;
  - ✓ the financial rating is based on several financial factors related to the size, dynamism, indebtedness, profitability and financial structure of the company;
  - ✓ the qualitative rating is based on information about the market, the environment, shareholders and company management. This information is provided by the Network;
  - ✓ the behavior rating is based on the account's physiognomy.
- any counterparty system rating is subject to approval (at each rating) by the Credit Committee in accordance with the delegations of authority in force;
- the probability of default only assesses the creditworthiness of the counterparty, regardless of the characteristics of the transaction (guarantees, ranks, clauses, etc.);
- the risk classes of the model have been calibrated against the risk classes of the international rating agencies;
- use of internal rating: the internal rating system is currently an integral part of the credit assessment and decision-making process. Indeed, when processing the credit proposal, the rating is taken into consideration. The levels of delegation of powers in terms of credit decisions are also a function of the risk rating;
- update of the rating: counterparty ratings are reviewed at each file renewal and at least once a year. However, for clients falling within the scope of the files of companies under supervision (Class F, G or pre-recovery), the Counterparty rating must be reviewed on a semi-annual basis. In general, any significant new information must be an opportunity to question the relevance of the Counterparty's rating for an upward or downward adjustment.
- As part of its risk quality monitoring, the Risk Management Systems unit produces periodic reporting on risk mapping according to various analytical areas (Commitment, business sector, pricing, networks, expired files, etc.) and ensures that the portfolio's coverage rate is improved.

In 2017, following the completion of back-testing, which aims to test the predictive power of the rating model and ensure that the probabilities of default are correctly calibrated, a new rating model was developed to assess the counterparty risk of companies, while maintaining the same process. The system rating is still based on a combination of three types of ratings (Financial, Qualitative and Behavioral), but is adjusted by a series of qualitative criteria and decision rules. The rating grid remains structured into eight classes (A to H), including the H class reserved for default.

- the rating is assigned to a risk class of the rating scale, which consists of 8 classes grouped into 3 categories:
  - ✓ healthy counterparties: classes A to E;
  - ✓ sensitive counterparties: F and G;
  - ✓ defaulting counterparties: class H.

Rating	Risk level
A	Very good
B	Good
C	Quite good
D	Average
E	Fair
F	Poor
G	Very poor
H	Default

Source: Attijariwafa bank

In terms of commitments as of end 2020, the breakdown of risks relating to the corporate scope is as follows:

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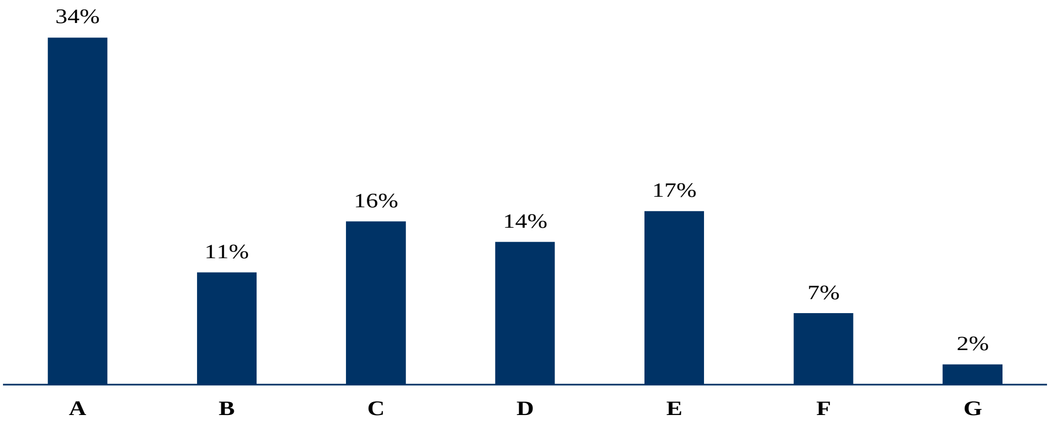
Breakdown of the bank’s commitments (corporate scope) by risk class as of December 31, 2020*



Source: Attijariwafa bank
* Financing companies, public administrations, real estate development companies and litigation cases are outside the scope.

A rating system for real estate development based on two main dimensions (client / project) is operational.

This approach is part of the process to align with the advanced Basel II approaches and the new IFRS 9 accounting standard in force since January 2018.

Rate risk

The net book value of Attijariwafa bank's marketable and investment securities as of December 31, 2020 stood as follows:

	Gross book value	Present value	Repayment value	Unrealized capital gains	Unrealized capital losses	Provisions
Trading securities	**65 780 278**	**65 780 278**	**-**	**-**	**-**	**-**
Bills and similar securities	44 214 784	44 214 784		-	-	-
Bonds	97 376	97 376		-	-	-
Other debt securities	3 218 688	3 218 688		-	-	-
Equities	18 150 085	18 150 085		-	-	-
SUKUKUS certificates	99 345	99 345				
Investment securities	**3 278 109**	**3 247 235**	**-**	**13 748**	**30 874**	**30 874**
Bills and similar securities	38 715	38 715		101	-	
Bonds	1 575 693	1 575 693		1 878	-	
Other debt securities	1597117	1597117		0	-	
Equities	66 584	35 710		11 769	30 874	30 874
SUKUKUS certificates	-			-	-	
Investment securities	**9 409 904**	**9 409 904**	**-**	**-**	**-**	**-**
Bills and similar securities	9 343 118	9 343 118				
Bonds	-	-				
Other debt securities	66 786	66 786				
SUKUKUS certificates	-	-				

Source: Attijariwafa bank

It should be noted that the book value of trading securities is equal to the market value. For investment securities, the book value is the historical value while the current value is the market value. In the event of an unrealized capital loss, a provision is recorded.

X. Regulatory risks

2020 - H1 2021 solvency ratio

Attijariwafa bank has a solid financial base enabling it to meet all its commitments, as evidenced by the solvency ratio achieved over the 2018 –H1 2021 period:

	2018	2019	2020	Var.19/18	Var.20/19	H1.2021	Var. S1.21/20
Core capital (Tier 1) (1)	27 074	29 303	30 802	8.20%	5.10%	33 429	8.53%
Regulatory capital (2)	35 253	38 870	40 209	10.30%	3.40%	42 706	6.21%
Weighted risks (3)	248 423	264 449	261 760	6.50%	-1.00%	261 556	-0.08%
Core capital ratio (1) / (3)	**10.90%**	**11.08%**	**11.77%**	**+0.18pt**	**+0.69pt**	**12.78%**	**1.01pt**
Solvency ratio (2) / (3)	**14.19%**	**14.70%**	**15.36%**	**+0.51pt**	**+0.66pt**	**16.33%**	**0.97pt**
Core capital (Tier 1) (1)	**10.50%**	**9.95%**	**10.05%**	**-0.55pt**	**+0.10pt**	**11.06%**	**+1.01pt**

MAD million - Source: Attijariwafa bank - Corporate accounts

The preparation of solvency ratios on an individual and consolidated basis complies with the international standards of the Basel Committee and is governed by Bank Al-Maghrib's regulatory guidelines:

- Circular 26/G/2006 (detailed in the technical notice NT 02/DSB/2007) on the calculation of capital requirements for credit, market and operational risks using the standard approach;
- Circular 14/G/2013 (detailed in the technical notice NT 01/DSB/2014) on the calculation of banks' and credit institutions' regulatory capital according to the Basel III standard.

Attijariwafa bank group is required to comply with, on an individual and consolidated basis:

- a core capital ratio of at least 8.0% (this threshold includes the obligation to build a retention buffer from core capital equivalent to 2.5% of weighted risks);
- a Tier 1 capital ratio of at least 9.0%;
- a ratio of total Tier 1 and Tier 2 capital of at least 12.0%.

Attijariwafa bank is also required to build up an additional capital base to absorb the shocks of regulatory and internal stress tests and to ensure compliance with the thresholds described above after stress tests:

- stress tests on credit risk: default of the most vulnerable counterparties, migration from 10% to 15% of high-risk receivables;
- stress tests on market risk: depreciation of the MAD against the EUR, shift in the yield curve, depreciation of the net asset value of the various UCITS (bonds, money market funds, etc.);
- country risk stress tests: Stress tests on non-resident loans in countries with risks of political instability;
- scenarios combining several hypotheses.

From January 2019, for macro-prudential supervision considerations, Bank Al-Maghrib may ask credit institutions to set up a so-called "counter-cyclical capital cushion" on an individual and/or consolidated basis. The said cushion, the level of which is within a range of 0% to 2.5% of the weighted risks, is composed of core Tier 1 capital. Compliance with this additional threshold is preceded by a 12-month notice period.

The frequency of reporting solvency ratios to the regulator is half-yearly. This is accompanied by the publication of Pillar III, which is designed to ensure transparency of financial information: details of prudential ratios, composition of regulatory capital, distribution of weighted risks, etc.

Projected solvency ratio

AWB's projected ratios on an individual and consolidated basis at the end of 2020 are well above the regulatory minimums in force: 9.0% in terms of solvency ratio on Tier 1 capital and 12.0% on overall capital thanks to the internal capital management policy.

Prudential capital is calculated in accordance with Circular 14 G 2013 and the technical notice 01/DSB/2018 incorporating IFRS9 impacts.

Taking into account the uncertainties related mainly to the sanitary context of the "Covid-19" epidemic, the Attijariwafa bank group proceeded to the review and revision of its projections on the basis of a conservative scenario. In this context, the table below presents the evolution of the projected solvency ratio of Attijariwafa bank over the next 18 months.

The evolution of the projected solvency ratio of Attijariwafa bank over the next 18 months is as follows:

	Dec-20	June-21	Dec-21	June-22	Dec-22
Tier 1 capital (1)	30.8	33.4	33.4	35.4	35.1
Tier 2 capital	9.4	9.3	8.3	7.5	7.3
Regulatory capital (2)	**40.2**	**42.7**	**41.6**	**42.9**	**42.4**
Weighted risks (3)	261.8	261.6	268.0	274.7	279.5
Core Tier 1 ratio (1) / (3)	**11.77%**	**12.78%**	**12.45%**	**12.88%**	**12.57%**
Overall solvency ratio (2) / (3)	**15.36%**	**16.33%**	**15.53%**	**15.60%**	**15.17%**
CET1 ratio	**10.05%**	**11.06%**	**10.58%**	**11.06%**	**10.78%**

MAD billion - Source: Attijariwafa bank - Individual basis

The evolution of the projected solvency ratio of Attijariwafa bank Group over the next 18 months is as follows:

	Dec-20	June-21	Dec-21	June-22	Dec-22
Tier 1 capital (1)	44.5	45.5	47.7	48.5	50.3
Tier 2 capital 2	11.0	10.9	9.6	8.7	8.5
Regulatory capital (2)	**55.5**	**56.4**	**57.4**	**57.2**	**58.8**
Weighted risks (3)	414.5	414.6	423.6	435.3	444.7
Core Tier 1 ratio 1 (1) / (3)	**10.73%**	**10.97%**	**11.27%**	**11.14%**	**11.30%**
Overall solvency ratio (2) / (3)	**13.40%**	**13.60%**	**13.54%**	**13.15%**	**13.22%**
CET1 ratio	**9.65%**	**9.89%**	**10.09%**	**9.99%**	**10.18%**

MAD billion - Source: Attijariwafa bank - Consolidated basis

XI. COUNTRY RISK MANAGEMENT

The study conducted by the Country Risk entity with the support of an external consultant, to automate the country risk management has allowed:

- the diagnosis of the system in place and its adequacy with regulatory requirements while identifying the necessary actions for change in relation to an international benchmark;
- the development of a conceptual model for optimal country risk management (functional blocks and dedicated information system) for IT implementation with a gradual extension of the system to foreign subsidiaries.

The process of strengthening the regulatory framework and the implementation of the new organization have had the combined effect of strengthening the monitoring of BDI risks and consolidating the country risk management system. Similarly, the establishment of the Country Risks committee, the adoption of the Country Risk appetite framework and the project to set up a Risk database will contribute decisively to the culmination of this consolidation trend.

In addition, investments are tested for impairment at each closing date. The result of this test is sensitive to the different hypotheses (rate, volatility, fiscal framework, prudential system, regulatory environment, etc.) which leads to a sensitivity of the participating interests.

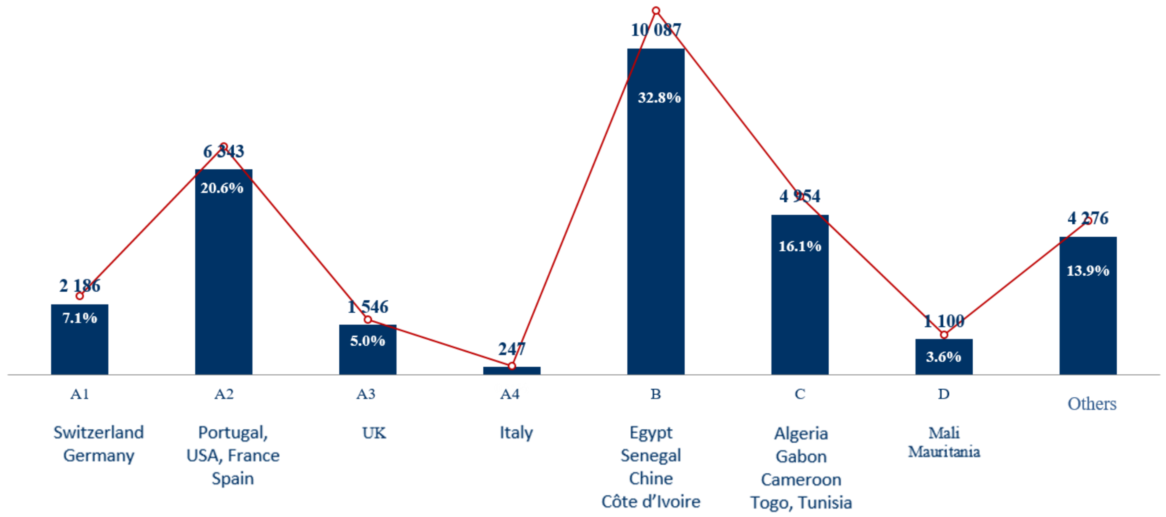
Country risk management system:

The roll-out of the bank's international growth strategy and the provisions of Bank Al Maghreb's Directive 1/G/2008 prompted the implementation of a country risk management system in view of the ever-increasing importance of international business in the group's overall exposure.

This system is structured around the following areas:

- a country risk charter adopted by the management body and approved by the administrative body, which constitutes the reference framework governing the bank's international risk generating activities;
- the identification and assessment of international risks: The Attijariwafa bank group carries out its banking and para-banking activities both on its domestic market and in foreign countries through subsidiaries and even branches. As such, its exposure to international risks includes all types of commitments made by the bank as a creditor entity towards non-resident counterparties in both dirhams and foreign currencies;
- the restatement and calculation of country risk exposure according to the risk transfer principle. This makes it possible to highlight the areas and countries with high exposure (in value and as a % of the bank's equity) and the corresponding risk typologies. Thus, as shown in the graph below, we note a weight of 51% on countries presenting a high risk by quality of exposure to country risk on the Co face scale.

Distribution of country risk exposures by Co face scale - December 31, 2020



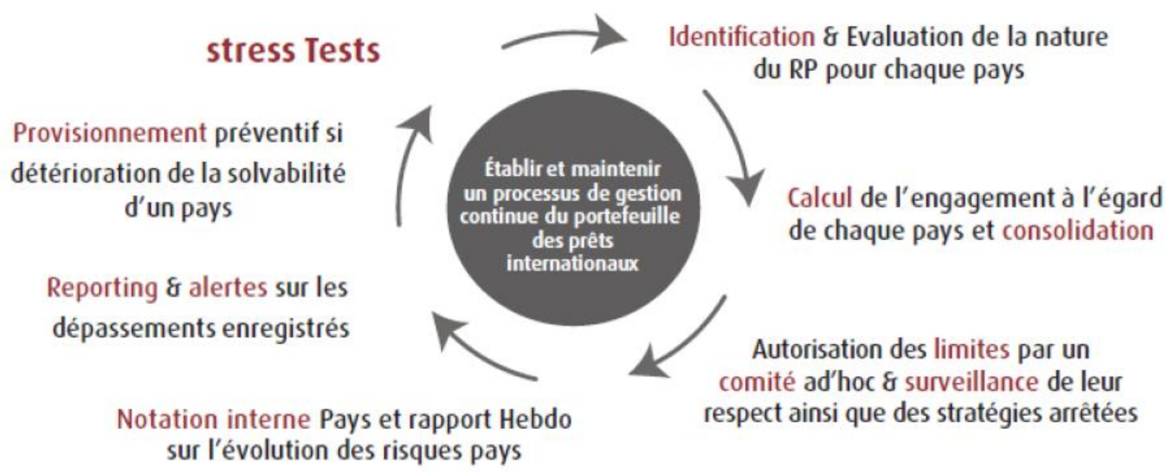
Source: Attijariwafa bank

- rules for consolidating country risk exposures that allow, in addition to an individual analysis of the commitment by country of each subsidiary and headquarters, an overview of the group's total commitment;
- the preparation and distribution of a weekly report on the evolution of country risk summarizing all the highlights that occurred during the week (agency rating changes and others...) with an update of the "World" database on country ratings by Standard & Poor's, Moody's, Fitch, Coface, OECD, the bank's internal score and the countries' CDS;

- the development of an internal economic country risk score reflecting the vulnerability index by country. This score is based on a multi-criteria evaluation approach combining macroeconomic indicators, agency ratings and market data, mainly CDS (Credit Default Swap), as a barometer of the probability of default associated with each issuer;
- the development of an internal political country risk score reflecting a country's vulnerability to political instability. This score is based on a multi-criteria evaluation approach combining the assessment of qualitative indicators relating to justice (legal guarantee, regulatory environment), administration and bureaucracy, redistribution of wealth, the Democracy Index as well as the Doing Business score which makes it possible to study regulations that promote economic activity and those that limit it;
- the allocation of limits, calibrated according to the country's risk profile and the level of the bank's equity capital and broken down by zone, country, sector, type of activity, maturity...);
- monitoring and surveillance of compliance with limits;
- the provisioning of country risk based on the deterioration of exposures (materialization of risk, debt rescheduling, default, benefit of debt relief initiatives, etc.) or due to highly significant negative alerts;
- stress testing, a half-yearly process that consists of ensuring the bank's ability to withstand extreme risk factors (such as the materialization of political risk in Tunisia and Côte d'Ivoire) and measuring its impact on capital and profitability.

Ultimately, country risk management is governed by a system that ensures the coverage of international risks from their origination to their final unwinding.

<u>Country risk management system</u>



Source: Attijariwafa bank

XII. Operational risk and BCP

XII.1. Operational risk

The implementation of the operational risk management (ORM) system is in line with the “Basel 2” reform and its implementation for Morocco by Directive DN/29/G/2007, issued by Bank Al Maghrib on April 13, 2007. The latter defines operational risk as “a risk of loss resulting from deficiencies or failures attributable to internal procedures, personnel and systems or external events”. This definition includes legal risk but excludes strategic and reputation risks.

For Attijariwafa bank, this operational risk management system is managed by the “Operational, Legal, IT and Human Risks” entity created within the “Global Risk Management” department. This entity has drawn up a risk map for each of the business lines based on the Bank's process reference framework. Each

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of the risks in the mapping is defined according to a frequency of occurrence and an impact in the event of an occurrence.

For major risks in risk mapping, action plans are defined to mitigate or prevent risks.

This risk mapping is regularly updated on the basis of incidents identified in each of the entities and/or changes in the Bank's products and services.

The methodological approach to risk mapping adopted by the Attijariwafa bank group is presented in the following 6 steps:

- process validation;
- risk identification and assessment;
- identification of risk monitoring indicators;
- development of a risk reduction action plan;
- collection of incidents and monitoring of risks to be monitored;
- Back-Testing & risk reassessment.

XII.2. Business Continuity Plan (BCP)

The implementation of the BCP, which is the responsibility of the "Operational, legal, IT and human risks" entity, enables the bank to complete the operational risk management system set up in 2009, which resulted in the drafting of a charter and a complete mapping of operational risks.

The establishment of the BCP is in line with the provisions of the second pillar of Basel II and BAM Circular No. 47/G/2007, which stipulates that the BCP is a regulatory obligation.

The implementation of a Business Continuity Plan ensures the continuity of the bank's activities and the respect of its commitments when there is an occurrence of:

- a major crisis or operational disruption affecting a large urban or geographical area;
- a disruption affecting physical infrastructure;
- a natural disaster;
- an external attack;
- a major failure of information systems;
- a dysfunction resulting from a significant rate of absenteeism (e.g., Pandemic);
- a failure of a critical service.

XII.3. Risk related to the unpredictable duration of the Covid-19 pandemic's effects

The consequences of the Covid-19 pandemic have materialized in various requests for extensions and suspensions of allocated credits. In addition, the cost of risk related to it has increased during the 2020 fiscal year but the Group is on the right track with a gradual return to the pre-covid-19 level.

Attijariwafa bank has also contributed to the support of VSE-SMEs through products dedicated to the support of companies during the health crisis and then to the economic recovery, afterwards.

The duration of the Covid-19 pandemic is uncertain given the appearance of the different variants. Therefore, the impact on the Moroccan economy is difficult to predict. The impact on the Attijariwafa Bank Group depends on the duration of the pandemic, the decisions taken by the governments and central banks of the countries where the pandemic is present, as well as the evolution of the health, economic, financial and social context.

The health crisis could have lasting effects, particularly for certain sectors of the economy. The activities of some of the Group's clients could be affected, which could have negative consequences on Attijariwafa bank's revenues, and an impact on its cost of risk linked to the increase of the default rate/insolvency on trade receivables.

XIII. CONCENTRATION OF RISKS ON THE SAME BENEFICIARY

The concentration of credit risk is the risk inherent in an exposure to a small group of counterparties likely to generate significant losses, in the event of default by these counterparties that could threaten the financial strength of an institution or its ability to continue its essential operations.

In accordance with Circular 3 / G / 2001 on the maximum risk division ratio of credit institutions, credit institutions must at all times, on an individual and consolidated basis, comply with a maximum ratio of 20% between the total risks incurred on the same beneficiary impacted by a weighting rate according to their degree of risk, excluding the risks incurred on the State, and on the other hand, their net equity.

This coefficient is used to identify potential sources of risk concentration and to measure, manage, monitor and control them.

2018- 2020 concentration of risks on the same beneficiary

Years	Number of beneficiaries	TOTAL COMMITMENT (in MAD thousands)
2018	20	63 272 712
2019	16	56 302 225
2020	18	59 760 841

Source: Attijariwafa bank - Corporate accounts

DISCLAIMER

The aforementioned information constitutes only part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) under the reference VI/EM/037/2021 on December 13, 2021. The AMMC recommends that the entire prospectus, which is available to the public in French, be read in its entirety.