

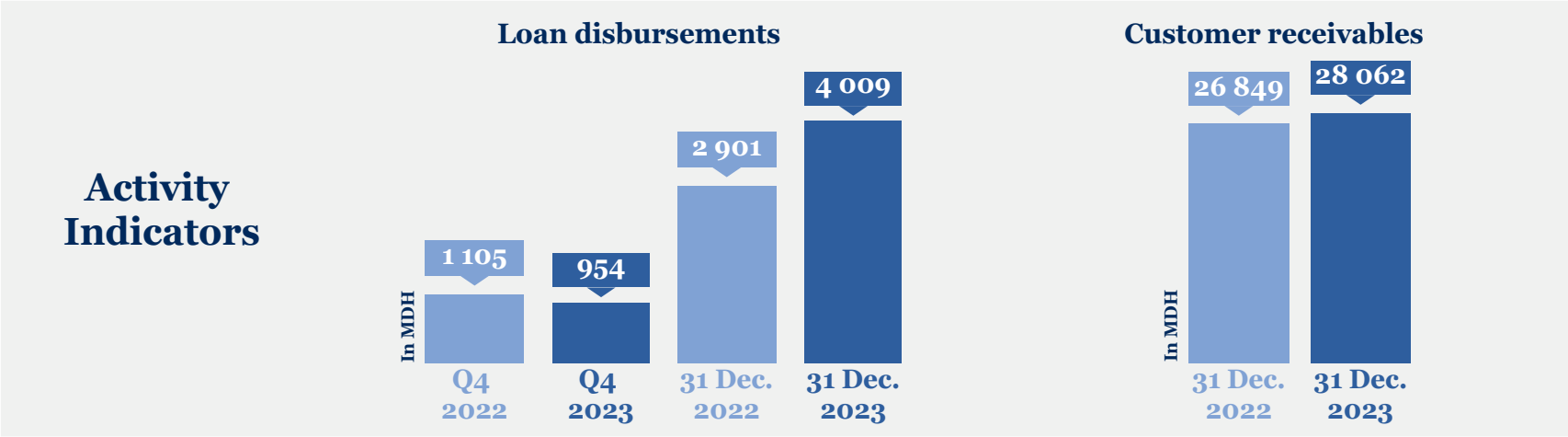
Press release of the  
Fonds d'Equipeement Communal  
for the 4<sup>th</sup> quarter of 2023



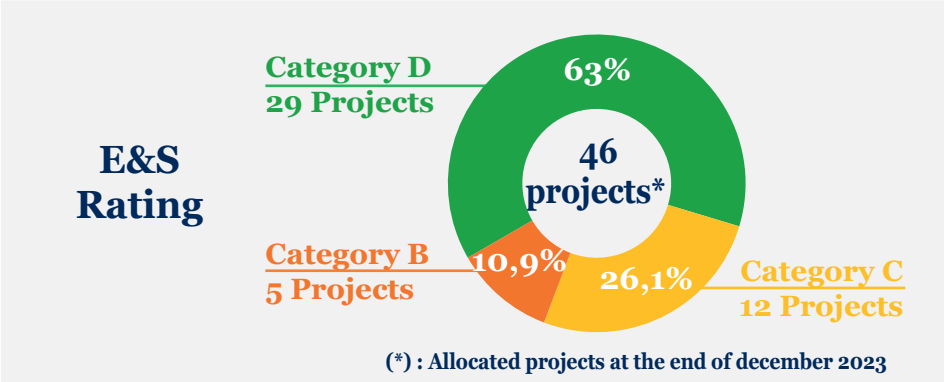
The Fonds d'Equipeement Communal places sustainability at the heart of its operations as a lever for sustainable performance and growth, and is committed to promoting projects that are both sustainable and beneficial for the targeted populations, notably through the integration of Environmental and Social (E&S) risk management into the assessment process for projects submitted for financing.

In 2023, the Bank continued to consolidate its commitment to Territorial Communities by providing them with the financing and support they need to carry out investment projects tailored to their priority needs, in particular those aimed at promoting territorial attractiveness, reducing territorial and social disparities, and fighting against territorial vulnerability to the effects of climate change.

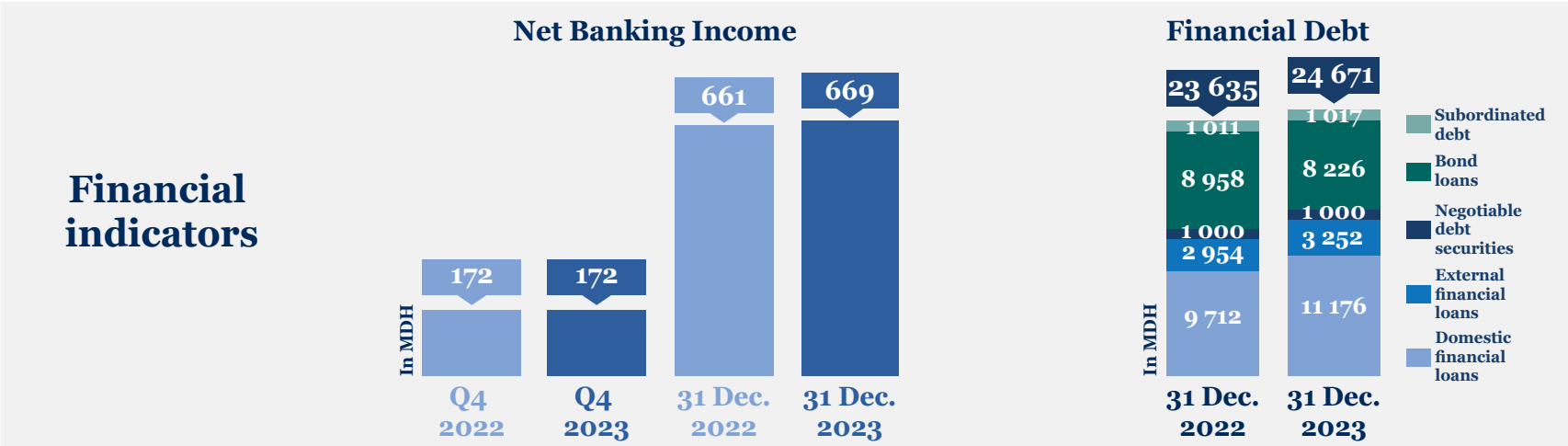
The main operational and financial indicators recorded by the Bank at the end of 2023 showed a favourable trend compared with the previous year, testifying to its resilience and solid fundamentals in an environment marked by tighter refinancing conditions at both national and international level.



On the operational level, loan commitments and loan disbursements reached respectively over 4.3 BDH and over 4 BDH for the year 2023, a significant increase compared to 2022, of more than 60% for loan commitments, and more than 38% for loan disbursements. This level of loan activity is exceptional given the co-financing by the FEC of a strategic project of national interest, which aims to fight against water stress and mitigate the impacts linked to climate change.



The 46 projects financed by the Bank during 2023 focused on carrying out socio-economic investments that are sustainable in terms of E&S, thus contributing to sustainable and resilient territorial development, facing the effects of climate change. Likewise, the results of the E&S rating of these projects demonstrate a predominance of projects classified in “Categories D and C”, that represent more than 89%, and which concern projects with minimal and easily controllable risks.



For their part, the financial indicators show a positive development at the end of 2023, since the NBI reached 669 MDH, a slight increase compared to that recorded last year, thanks in particular to the quality of the loan portfolio to date, and the increase in customer receivables.

For the 2023 financial year, the FEC’s net earnings would be down compared to 2022, taking into account the Bank’s contribution to the Special Fund for managing the effects of the earthquake that hit the Kingdom of Morocco. Restated for the said contribution, the net earnings would be of the same order as that recorded last year.

The data in this press release are unaudited.