



BULGARIAN
STOCK EXCHANGE

**STAKEHOLDER ENGAGEMENT POLICY
OF THE BULGARIAN STOCK EXCHANGE AD**

The Board of Directors of the Bulgarian Stock Exchange AD (the Company, BSE), in order to encourage two-way interaction with stakeholders and their engagement in the corporate life of the Company, adopts this Stakeholder Engagement Policy (Policy).

1. Objective:

The company appreciates the importance of engagement and active cooperation with stakeholders for sustainable business development, for managing sustainability risks, and for maintaining the company's good reputation.

The policy aims to promote stakeholder engagement in corporate governance and to define the principles by which the Company should be guided in its interaction with them.

The policy defines the ways of engaging stakeholders that can have an impact on the long-term sustainability of BSE. It supports the consideration of their interests and expectations in taking management decisions. It aims to improve the transparency and accountability of the Company in order to build trust and to use the expertise of stakeholders to contribute to achieving better results for BSE.

2. Scope:

According to the ESG Reporting Guidelines of the [Green Finance & Energy Centre](#), which the Board of Directors of the Bulgarian Stock Exchange has agreed to comply with by a decision under Protocol No 50 of 15 August 2022, any person or group of persons who has an interest in an organization and the results of its actions is an interested party.

The policy should be observed by all directorates, departments, committees and other business units in the Company with respect to all activities and interactions with stakeholders. Its compliance is monitored by the Executive Director and the Board of Directors.

The policy is an integral part of the corporate philosophy, standards and values of the Company and should be applied consistently in all activities of the Exchange.

3. General principles:

The Company accepts and encourages compliance with the following basic principles in its interaction with all stakeholders in order to build stable and long-term relationships:

- a. **Transparency:** to ensure transparency in relationships, including in the disclosure of financial and sustainability information, by sharing complete, timely, clear, relevant, and reliable information.
- b. **Responsibility:** to act responsibly and build relationships based on ethics, integrity, and respect.
- c. **Dialogue:** to encourage the participation and engagement of stakeholders in the Company's activities.
- d. **Equality and non-discrimination:** The Exchange treats stakeholders fairly and impartially and ensures that all market participants have equal access to the services provided by BSE and are treated with respect and fairness, regardless of their personal or organizational characteristics.
- e. **Consensus and cooperation:** The company strives to achieve consensus in taking decisions that have an impact on stakeholders considering their opinions and expectations.
- f. **Impact assessment –** The company must consider how its activities affect stakeholders.

4. Definition of stakeholders:

BSE identifies stakeholders as any person or group of persons or organization that has an interest in the Company's activities and/or may be influenced by the activities, products and services that the Company provides.

The Company analyses its internal and external environment to identify its stakeholders, which may include individuals or groups of individuals and/or organisations:

- a. which are directly or indirectly dependent on the Company's activities, products or services;
- b. on which the Company's activities depend, directly or indirectly, in order to operate;
- c. to which the Exchange has legal, commercial, operational or ethical/moral responsibilities;
- d. which may have a material impact on the company's strategic and/or operational decisions.

The shareholders of the Exchange are a key interested party, which is why the Company has adopted and published on its website a separate [Shareholder Engagement Policy](#).

The company has identified the following stakeholder groups:

- a. Employees;
- b. Issuers;
- c. Exchange members and advisors on the VEAM market;
- d. Investors;
- e. Regulatory authorities;
- f. Professional organizations and other partners;
- g. External auditors;
- h. Media;
- i. Society.

5. Stakeholder engagement process

BSE encourages continuous interaction with all stakeholders. The most appropriate tools and methods for engaging the Company's stakeholders include written communication, including feedback questionnaires, events, meetings, joint projects, studies, etc.

In its interaction with any interested party, the Exchange seeks to determine the appropriate methods and level of engagement taking into account the nature of its relationship with the interested party.

The Company strives to provide an opportunity for stakeholders to provide feedback on the activities, products, and services on the Exchange and to present their proposals for their improvement.

BSE strives to take into account the opinions and suggestions received from stakeholders when making decisions that have an impact on them.

The Company provides information about its interaction with stakeholders through various means, including, but not limited to, through the annual activity report, the website, social media, etc.

6. Stakeholder communication channels:

In the process of engaging stakeholders, the Exchange uses different channels and means of communication, depending on each specific group of stakeholders.

A more detailed list of activities and communication channels used for key stakeholders is provided in the stakeholder engagement matrix below:

Executive Director;	Activities	Communication channels	Responsible persons
Employees	Programs for team building; Trainings to improve qualification; Programs for awareness, motivation, commitment, loyalty, etc.;	Personal meetings; E-mail and telephone;	Executive Director; Heads of Directorates;

Issuers	<p>Communication regarding planned changes related to issuers; Assistance to issuers in administrative procedures and disclosure of information; Organizing and conducting of trainings and seminars; Organizing and conducting surveys on satisfaction with the services offered; Handling complaints;</p>	<p>E-mail and telephone; Website of the company; Social media; Periodic meetings;</p>	<p>Executive Director; Manager Beam Market; Heads of Directorates;</p>
Exchange members and advisors of the BEAM market	<p>Communication regarding planned changes related to members, advisors and issuers; Assistance to members and advisers on administrative procedures and administration of trade; Organizing and conducting trainings and seminars; Organizing and conducting surveys for satisfaction with the services offered; Organizing and conducting an annual conformity assessment of the members; Handling complaints;</p>	<p>Electronic document flow system (E-corr); E-mail and telephone; Website of the company; Social media; Periodic meetings;</p>	<p>Executive Director; Heads of Directorates; Manager Beam Market;</p>
Investors	<p>Preparation and disclosure of periodic activity reports; Disclosure of regulated information; Organization and holding of General Meetings of Shareholders; Organization of conferences and seminars; News publication regarding new activities of the exchange; Organization of events, meetings and periodic communication; Preparation of periodic statistical bulletins;</p>	<p>General Meeting of Shareholders; Electronic systems (FSC Information System, Commercial Register); Media for disclosure of information on BSE (http://www.x3news.com) Website; E-mail and telephone; Periodic meetings; Personal meetings with management; Social media;</p>	<p>Board of Directors; Executive Director; Investor Relations Director;</p>

Regulatory authorities	Interaction on the issuance of licenses and permits; Regulatory checks; Coordination and approvals of rules and procedures; Interaction in the preparation of draft normative acts; Participation in working groups; Reporting and exchange of information;	Electronic systems (FSC Information System, Electronic System of ESMA, Portal of APPC, Commercial Register, Portal of CPPA, etc.); E-mail and telephone; Personal meetings;	Board of Directors; Executive Director; Investor Relations Director; Heads of Directorates;
Professional organizations and other partners	Participation in working groups; Participation and organization of joint events (conferences, seminars, trainings, other initiatives) Participation in joint projects; Increasing financial literacy;	E-mail and telephone; Personal meetings;	Executive Director; Director of International Relations and Public Relations; Heads of Directorates;
External auditors	Participation in working groups; Inspections and certification; Interaction in the preparation of reports and conclusions;	E-mail and telephone; Personal meetings;	Executive Director; Heads of Directorates; Audit Committee;
Suppliers	Outsourcing supplies of products or services;	E-mail and telephone; Personal meetings;	Financial Director;
Media	Information about actions and initiatives; Participation in media partnerships; Interviews; Increasing financial literacy;	E-mail and telephone; Personal meetings;	Executive Director; Director of International Relations and Public Relations;
Society	Increasing financial literacy; Raising awareness of sustainability topics;	Website of the company; Social media; Conferences, seminars, trainings and other events of the company; Media;	Executive Director; Director of International Relations and Public Relations; Investor Relations Director;

7. Risks in stakeholder engagement:

It is important to consider the potential risks to effective stakeholder engagement before choosing the method and target level of engagement. Potential risks may include disinterest, conflicts of interest and stakeholder antagonism.

8. Commitment of the management of the Bulgarian Stock Exchange AD:

It is the responsibility of the management to monitor compliance with the stakeholder engagement policy by providing appropriate resources to carry out the necessary activities for effective interaction with stakeholders and taking into account their interests and expectations regarding the Company's activities.

The policy sets out ways of engaging stakeholders that can have an impact on the long-term sustainability of BSE. It helps to take into account their interests and expectations when making management decisions. It aims to improve the transparency and accountability of BSE in order to build trust, as well as to use the expertise of stakeholders to contribute to the achievement of better results by the Company.

9. Review and approval of the Policy:

The policy is developed by the Sustainability Committee of the Bulgarian Stock Exchange and approved by the Board of Directors of the Company.

The Board of Directors shall review the policy as necessary.

10. Final provisions

This Policy was adopted by the Board of Directors of the Bulgarian Stock Exchange AD with Protocol 38 of 23.05.2024.