

INFORMATION on the quality of execution of orders for 2019, 2020, 2021, 2022, pursuant to the requirements of DELEGATED REGULATION (EU) 2017/576 OF THE COMMISSION of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

I. FACTORS FOR EXECUTION OF CLIENT ORDERS AND THEIR RELATIVE IMPORTANCE. DIFFERENCES IN ORDER EXECUTION METHODS BASED ON CLIENT CATEGORIZATION

"Bulgarian-American Credit Bank" AD (BACB AD, the Bank) executes the Client's order in his best interest, taking into account the following factors:

- Price;
- Execution costs;
- Speed of execution;
- Likelihood of execution and completion of the settlement;
- Order size;
- Type of order (market order, limit or pre-agreed);
- The possible impact of the order on the market price of the instrument to which it relates, if and when it is announced (publicly);
- Other important factors relating to the client order applicable to its execution.

When executing client orders, the Bank takes into consideration the relative importance of execution factors based on the following criteria:

- The specifics of the Client, including whether it is designated as a retail or professional client;
- The specifics of the Client order, including when the order is related to a securities financing transaction;
- The specifics of the financial instruments subject to the order;
- The specifics of the execution venue to which the order can be directed for execution. When the Client gives special/specific instructions regarding the execution of his order, the order is executed in compliance with such instructions, unless the Bank expressly notifies the client of its inability to execute them. In this case, the Bank has fulfilled its duty to act in order to achieve the best result for its clients if it has executed the order or a specific aspect of the order pursuant to the client's special instructions.

In the general case, when executing a client order, the Bank ranks the factors "price" and "execution costs" first in order of importance for achieving best execution.

To achieve the best possible result in cases where there are multiple competing venues for the execution of an order for financial instruments and in making an assessment and comparison of the results that can be achieved for the retail client in the execution of the order at each execution venue indicated in the Policy for execution of client orders of "BACB" AD, which are suitable for its execution, the Bank's commission and the execution costs required for the order at every possible execution venue are taken into consideration.

With regards to the execution of orders submitted by a professional client, the Bank assesses the relative importance of the above-mentioned factors, in compliance with the usual business practices of "BACB" AD and depending on the specific market conditions. In this case, the Bank may consider that the remaining factors, other than "price" and "execution costs", are more important for the Client in order to achieve the best result in terms of the specific order execution.



II. CLOSE LINKS, CONFLICTS OF INTEREST OR COMMON OWNERSHIP WITH EXECUTION VENUES

There are no close links or conflicts of interest between "Bulgarian-American Credit Bank" AD and the places where the Bank executes client orders. As a direct member of the "Bulgarian Stock Exchange" AD ("BSE" AD), "BACB" AD owns a minor share of the capital of BSE AD.

III. SPECIAL ARRANGEMENTS WITH VENUES

"Bulgarian-American Credit Bank" JSC has no special arrangements with execution venues regarding the payments made or received, discounts or non-monetary benefits received.

IV. CHANGES IN THE EXECUTION VENUES LIST

In 2019, 2020, 2021 and 2022 "Bulgarian-American Credit Bank" AD has not changed the execution venues indicated in its Policy for execution of client orders.

V. OTHER FACTORS WHICH WERE PREFERRED OVER DIRECT PRICE AND EXECUTION COSTS FOR CLIENT ORDERS

When executing client orders in 2019, 2020, 2021 and 2022, Bulgarian-American Credit Bank AD did not change the order of importance of the factors specified in Section I above, and no other execution factors were preferred over the price and execution costs of the order.

I. DESCRIPTION OF THE BANK'S USE OF DATA OR ASSETS RELATED TO THE QUALITY OF EXECUTION

For the purposes of assessing the order execution quality, the Bank used internal sources of data available within BACB's systems serving the trade in financial instruments, as well as external data sources such as confirmations, references, reports and other documents containing data on the execution of orders for transactions in financial instruments, provided by depository institutions and by the places of execution where BACB AD has direct access. The bank did not use the services of an external data provider to assess the quality of execution.

II. DESCRIPTION OF THE INVESTMENT INTERMEDIARY'S USE OF THE RESULTS OF A CONSOLIDATED DATA PROVIDER ESTABLISHED PURSUANT TO ART. 65 OF DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON MARKETS IN FINANCIAL INSTRUMENTS (MiFID II)

In 2019, 2020, 2021 and 2022 the bank did not use a consolidated data provider established in compliance with the requirements of Art. 65 of MiFID II.