REVIEW

by

Prof. Dr. Stela Atanasova Todorova

Professional fields 3.8 "Economics" and 3.7 "Administration and Management" Member of the Academic Jury for the award of the educational and scientific degree of "Doctor"

This review has been prepared pursuant to **Order No. 599 of 29 September 2026, issued by the Rector of Varna Free University "Chernorizets Hrabar", Varna**, within the open procedure for the defence of a doctoral dissertation for the award of the educational and scientific degree of "Doctor" in professional field **3.8 "Economics"**, by which I have been appointed as a member of the Academic Jury.

Author of the dissertation: DANIELA DIMITROVA POPNIKOLOVA

Title of the dissertation: "Adapting the Banking System to Financing Sustainable Development"

Professional field: 3.8 "Economics"

Brief Presentation of the Candidate

The candidate has over 14 years of professional experience in the banking sector, having successively held positions involving increasing managerial and commercial responsibilities. Her professional development includes bank branch management, team leadership and motivation, corporate client relations, credit risk management, and the development of long-term business relationships. She has experience in designing and implementing business projects, introducing innovations, improving customer experience, and participating in leadership development programmes. Her professional achievements have been recognised through awards and

commendations related to commercial performance and effective management. Her extensive practical experience, managerial competencies, and involvement in a variety of projects characterise her as a results-oriented professional with a strong focus on sustainable business development.

Scope, Structure, and Formal Requirements of the Dissertation

The dissertation comprises 217 pages and consists of an introduction, three chapters, a conclusion, a bibliography, and 34 appendices. The main text of the dissertation comprises 186 pages and includes 9 figures and 7 tables. The bibliography contains 189 references, of which 11 are in Bulgarian and 178 are in English.

The structure of the dissertation is logically organised and reflects the systematic progression of the research, from the theoretical foundations and methodological justification to the analysis of the findings and the formulation of the main conclusions. The dissertation includes all the necessary structural elements and, overall, complies with the established regulatory and internal university requirements for doctoral dissertations.

Relevance and Significance of the Topic

The relevance of the topic is determined by the growing importance of sustainable development and sustainable finance in the contemporary economic and regulatory environment. In this context, the banking sector plays a key role in directing financial resources towards sustainable economic activities and integrating environmental, social, and governance (ESG) factors into lending, risk management, and strategic development processes.

Particular importance is attached to the study of the mechanisms through which the principles of sustainable banking are implemented in practice, as well as their relationship with the financial performance of credit institutions. The issue is especially relevant to the Bulgarian banking sector, which operates amid

increasingly stringent European regulatory requirements and the need to adapt to contemporary sustainable finance models.

The scientific and practical significance of the dissertation stems from its aim to analyse the extent to which the Principles for Responsible Banking have been implemented and to assess their importance for the operations of credit institutions in Bulgaria. The research addresses a current scientific and practical issue related to the transformation of the banking business model and the role of the financial sector in achieving the goals of sustainable development.

Aim and Objectives of the Dissertation

The aim of the dissertation is to examine the adaptation of the banking sector to sustainable development through the implementation of the Principles for Responsible Banking and their relationship with banks' financial performance. To achieve this aim, the author has formulated objectives relating to theoretical analysis, examination of the regulatory environment, development and testing of an assessment methodology, and empirical verification of the relationships under investigation.

Object and Subject of the Research

The object of the research is the banking sector of the Republic of Bulgaria, while the subject is the integration of the Principles for Responsible Banking into the operations of commercial banks and their relationship with financial performance.

Research Question and Hypothesis

The main research question concerns the extent to which the Principles for Responsible Banking are implemented and whether a relationship exists between their integration and banks' financial results. The formulated hypothesis is tested empirically through an analysis of profitability and efficiency indicators, including ROA, ROE, NIM, and CIR.

Research Methodology

The study employs theoretical and comparative analysis, as well as quantitative methods, to assess the extent of implementation of the Principles for Responsible Banking and their relationship with banks' financial performance. The development of an original index (RBII), which enables the systematisation and quantitative measurement of the integration of these principles into banking operations, is a positive contribution. Correlation and econometric analyses are used to examine the relationship between the index and the main profitability and efficiency indicators. The methodological approach is consistent with the aim and objectives of the dissertation.

Structure and Limitations of the Dissertation

The dissertation is structured in three chapters, which successively examine the theoretical foundations of sustainable banking, the international and European regulatory framework, and the practical implementation of the Principles for Responsible Banking in Bulgaria. The first chapter presents the main theoretical concepts, the second examines the institutional and regulatory mechanisms for sustainable finance, and the third develops and tests an original index for assessing the implementation of the Principles for Responsible Banking and investigates their relationship with banks' financial performance.

The main limitation is the inclusion of only two commercial banks over the period 2019–2025, determined by the availability and comparability of public data. This restricts the extent to which the findings can be generalised, but does not diminish the value of the methodological approach developed.

Content Overview of the Dissertation

Chapter One examines the theoretical foundations of sustainable development, sustainable finance, and responsible banking, highlighting the importance of the Principles for Responsible Banking in transforming banking operations.

Chapter Two analyses the international and European institutional and regulatory framework for sustainable finance, including the role of the European Investment Bank in supporting the transition towards sustainability.

Chapter Three focuses on the empirical study of the Bulgarian banking sector. The author develops and tests the original RBII index for the quantitative assessment of the implementation of the Principles for Responsible Banking. The index is used to conduct a comparative analysis of two commercial banks and to investigate the relationship between the implementation of these principles and their financial performance.

The conclusion summarises the main findings of the theoretical and empirical research, highlighting the contribution of the original RBII index to assessing the extent of implementation of the Principles for Responsible Banking. Differences are identified between the banks examined in terms of their integration of these principles; however, the analysis does not provide sufficient statistical evidence to confirm a direct relationship between their implementation and financial performance. The conclusions take into account the limitations of the empirical analysis and identify opportunities for future research into the long-term effects of sustainable banking.

Assessment of the Contributions

I accept, in substance, the contributions identified by the doctoral candidate and group and assess them as follows:

1. *Scientific Contributions*

- An integrated theoretical framework has been developed for studying responsible banking in the context of sustainable development.
- The international and European regulatory frameworks for sustainable finance, as well as the role of the European Investment Bank, have been systematised and analysed.

Reviewer's Assessment: These contributions are theoretical and analytical in nature and provide the foundation for the research. Their scientific novelty depends on the extent of the author's original interpretation and further development of existing knowledge.

2. *Scientific and Applied Contributions*

- An original RBII index has been developed and tested for the quantitative assessment of the implementation of the Principles for Responsible Banking.
- The index has been applied to a comparative assessment of two Bulgarian banks.
- The relationship between the implementation of the Principles for Responsible Banking and banks' financial performance has been investigated.

Reviewer's Assessment: The most significant contribution is the development and testing of the original RBII index, which enables a quantitative assessment and comparative analysis of the degree of integration of the Principles for Responsible Banking. Its application to two Bulgarian banks reveals differences in the extent to which these principles have been integrated. The regression analysis does not establish a statistically significant relationship between the post-adoption period and the financial performance indicators for the pooled sample. The results should be interpreted in light of the limited empirical scope of the study.

In conclusion, I consider that the contributions reflect the main findings of the dissertation, highlighting the development and testing of the RBII index as its principal scientific and applied contribution.

Assessment of Publications Related to the Dissertation

Three publications related to the dissertation have been submitted: one article published in a scientific journal and two papers presented at international scientific conferences.

The publications are consistent with the topic of the dissertation and reflect its main research areas, including sustainable banking, the regulatory framework, and the assessment of the implementation of the Principles for Responsible Banking.

Based on the indicators presented, the candidate meets the minimum national requirements for the award of the educational and scientific degree of "Doctor". In Group G, the candidate has been awarded 30 points, meeting the required minimum of 30 points.

Dissertation abstract

The abstract has been prepared in accordance with the structural and content requirements. It presents the main concepts and findings of the dissertation in a concise form, clearly outlining the aim, objectives, methodology, and results achieved. The stated scientific and scientific-applied contributions are consistent with the content of the dissertation research. As a member of the Academic Jury, I accept the contributions presented and consider them to be substantiated by the research conducted.

Question to the Doctoral Candidate

What are the main limitations of the developed index for assessing the implementation of the Principles for Responsible Banking, and to what extent can it be applied in comparative analyses of banks in different countries?

Conclusion

Based on my analysis of the dissertation, the abstract, the scientific publications, and the results achieved, as well as their compliance with the regulatory requirements and academic standards for the award of the educational and scientific degree of "Doctor", I consider that the dissertation possesses the necessary qualities for the award of this degree.

The research addresses a relevant topic and demonstrates scientific and methodological rigour, as well as practically oriented findings in the field of sustainable banking. The stated scientific and scientific-applied contributions reflect the results achieved, including the development of an index for assessing the extent of implementation of the Principles for Responsible Banking and the analysis of the institutional and regulatory framework for sustainable banking in the European Union and Bulgaria.

On the basis of my overall positive assessment of the dissertation, **I recommend that the esteemed members of the Academic Jury award DANIELA DIMITROVA POPNIKOLOVA the educational and scientific degree of "Doctor" in professional field 3.8 "Economics".**