



APPROVED
by Minutes No. 03 dated 27.03.2024
of the Supervisory Board of
of CREDIT BANK OF MOSCOW

CREDIT BANK OF MOSCOW's
Dividend Policy

PLZh-40

Version 1

Moscow
2024

Table of Contents

ARTICLE 1. GENERAL	3
ARTICLE 2. DIVIDEND POLICY PRINCIPLES	3
ARTICLE 3. DECLARATION OF DIVIDENDS	3
ARTICLE 4. DETERMINATION OF DIVIDEND SIZE AND SOURCES OF FUNDS APPLIED TO DIVIDEND PAYMENT ...	4
ARTICLE 5. PERSONS ENTITLED TO DIVIDENDS	5
ARTICLE 7. INFORMING SHAREHOLDERS OF THE BANK'S DIVIDEND POLICY	5
ARTICLE 8. MISCELLANEOUS	6

Article 1. General

1.1. This Policy is based on Russian laws, the Charter of CREDIT BANK OF MOSCOW (the "Bank") and recommendations of the Russian Corporate Governance Code.

1.2. The purpose of this Policy is to set out a dividend approval, accrual and payment procedure transparent and understandable for the Bank's shareholders and investors. Any matters related to the payment of dividends to the Bank's shareholders that are not addressed by Federal Law No. 208-FZ dated 26.12.1995 "On Joint-Stock Companies" (the "JSC Law"), other laws and regulations of the Russian Federation, the Bank's Charter and this Policy shall be dealt with so as to protect shareholders' rights and lawful interests.

1.3. The Supervisory Board shall act in accordance herewith when recommending a dividend size and payment procedure to the General Shareholders' Meeting.

Article 2. Dividend policy principles

The Bank's dividend policy is based on, and shall be implemented in accordance with, the following principles:

2.1. Equal treatment for holders of shares of the same class.

2.2. Balance between the Bank's interests and those of its shareholders.

2.3. Decision to pay dividends to be taken on an annual basis.

2.4. Optimising the ratio between the distributed and capitalised portions of the Bank's income so as to increase the market value of the Bank's shares.

2.5. Capitalised income portion to support the Bank's development priorities.

2.6. Dividends to be paid in cash.

Article 3. Declaration of dividends

3.1. The Bank may decide to pay (declare) dividends for any reporting year and/or the first quarter, half year and/or nine months thereof, unless provided otherwise by the JSC Law.

3.2. Any decision to pay (declare) dividends for the first quarter, half year and/or nine months of a reporting year may be taken within 3 (three) months after the end thereof.

3.3. Any decision to pay (declare) dividends, including any decision on dividend size and payment procedure for shares of each category (type) shall be taken by the General Shareholders' Meeting based on the Supervisory Board's recommendations.

3.4. The Bank must pay any declared dividends.

3.5. Any dividend payment for a reporting year shall be first considered by the Supervisory Board's Strategy and Sustainable Development Committee based on the financial results and income allocation proposals of the Chairman of the Management Board.

3.6. The Supervisory Board shall recommend the dividend size for a given reporting year to the General Shareholders' Meeting based on the following:

3.6.1. The Bank's after-tax net income in accordance with the Russian Accounting Standards (RAS);

3.6.2. The Bank's after-tax net income in accordance with the International Financial Reporting Standards (IFRS);

3.6.3. The capital required to fulfil the Bank's approved Development Strategy and comply with both current and expected future capital adequacy requirements of Russian laws and the Bank of Russia with any applicable surcharges imposed by the latter and comply with capital-related key risk indicators approved by the Supervisory Board.

3.6.4. Compliance with requirements and recommendations of the Bank of Russia and other state authorities regarding the level of dividend payments.

3.6.5. Compliance with financial covenants and other restricting conditions set out in outstanding agreements with third parties.

3.6.6. The current economic situation, any internal or external changes having or expected to have material adverse effect on the operations of the Bank's group (the "Group"), any force majeure circumstances, incl. natural disasters and wars.

3.6.7. Balancing the Bank's and its shareholders' interests given the need to improve its investment appeal, in particular to upgrade its credit ratings, and ensure shareholders' rights.

3.7. The Supervisory Board may not recommend paying any dividends if their payment would cause the Bank to breach any capital adequacy requirements of the Bank of Russia.

3.8. The Supervisory Board shall recommend the dividend amount to the General Shareholders' Meeting not later than the decision is made as to the date of such General Shareholders' Meeting and the date of making the list of persons entitled to participate therein.

3.9. Any decision to pay or not to pay (declare) dividends shall be passed by the General Shareholders' Meeting as a separate item of its agenda.

3.10. The Supervisory Board shall make any decision recommending the amount and payment procedure of dividends to the General Shareholders' Meeting at a meeting dedicated to preparations for the General Shareholders' Meeting.

3.11. Any decision to pay (declare) dividends shall specify:

3.11.1. Category (type) of shares for which the dividends are declared.

3.11.2. Dividend amount per one share of the relevant categories (types).

3.11.3. Payment period.

3.11.4. Form of payment.

3.11.5. Payment procedure.

3.11.6. Dividend entitlement determination date.

3.12. The Bank may not decide to pay (declare) any dividends in the following cases:

3.12.1. Before the Bank's charter capital is paid in full.

3.12.2. Before all shares required to be bought back under the Federal Law «On Joint-Stock Companies» are bought back.

3.12.3. If it meets on the day of such decision, or would meet as a result of the payment of such dividends, the insolvency (bankruptcy) criteria under insolvency (bankruptcy) laws of the Russian Federation.

3.12.4. If the value of its net assets on the day of such decision is, or would as a result of such decision become, less than its charter capital and reserve fund.

3.12.5. In any other cases envisaged by law.

Article 4. Determination of dividend size and sources of funds applied to dividend payment

4.1. Dividends shall be paid out of the Bank's net income determined by reference to its accounting (financial) statements for the relevant reporting period and shall be distributed among shareholders pro rata to the number of their shares of respective category and type.

4.2. The size of dividends on ordinary shares shall be determined on the basis of the Supervisory Board's recommendations and may not exceed the amount so recommended.

4.3. The dividend amount per one ordinary share is determined by dividing the total amount of dividends by the number of ordinary shares in the Bank eligible for dividends under applicable laws. Dividends shall be declared net of any taxes applicable to shareholders.

4.4. The Bank seeks to maintain dividend payments at 25 % or more of the Group's IFRS net income subject to the conditions specified in clauses 3.6–3.7 hereof.

4.5. The dividend per share is determined by dividing the annual net income portion to be distributed subject to clause 4.4 hereof by the number of the Bank's shares placed and outstanding as of the date of making the list of persons entitled to dividends.

Article 5. Persons entitled to dividends

5.1. Dividends shall be paid to the persons who held shares of the relevant category (class) or exercised the rights attached thereto pursuant to federal laws as at the close of business day on the record date set out in the dividend payment resolution.

5.2. The list of persons entitled to dividends shall be made as of a date falling 10 (ten) to 20 (twenty) days of the relevant General Shareholders' Meeting deciding to pay (declare) dividends.

5.3. The list of persons entitled to receive dividends shall be made by the register keeper based on its records of titles to the shares and data received from nominees holding personal nominee accounts, or by the party maintaining centralised records of titles to securities based on its records thereof and data received from nominees and foreign nominees who are its depositors.

5.4. The Bank's shares represented by depositary receipts shall entitle the holders of the latter to dividends in full as set out in the relevant share issue resolution and the Bank's Charter.

Article 6. Payment of declared dividends

6.1. The Bank must pay any declared dividends to the persons registered in the Bank's share register within 25 (twenty-five) business days or, if they are nominees or stock market professional participants acting as asset managers, 10 (ten) business days of the date as at which persons entitled to dividends are identified.

6.2. The Bank shall remain liable to pay any declared dividends that are not received by the relevant shareholders by the time set out in clause 6.1 hereof (unclaimed dividends) in accordance with applicable Russian laws.

6.3. No interest shall accrue on any unclaimed dividends.

6.4. It is the Bank's obligation to pay any declared dividends. The Bank shall be liable to its shareholders for any failure to perform this obligation in accordance with applicable Russian laws.

6.5. The Bank shall notify all of its shareholders of the time, form and procedure of any dividend payment by publishing the same as provided by the Bank's Charter for notifying shareholders of a General Shareholders' Meeting or by disclosing the same on the Bank's website at www.mkb.ru.

6.6. The Bank may act as a tax agent in respect of any distributions paid to its shareholders where and as provided for by Russian law. The Bank shall assess, withhold, and remit to the state budget, any tax on dividends in such manner and time as set out by applicable Russian laws.

6.7. Any dividends shall be paid to shareholders net of applicable taxes and other statutory levies.

6.8. The Bank may not pay any declared dividends in the following cases:

6.8.1. If it meets on the day of such payment, or would meet as a result of such payment, the insolvency (bankruptcy) criteria under insolvency (bankruptcy) laws of the Russian Federation.

6.8.2. If the value of its net assets on the day of such payment is, or would as a result of such payment become, less than its charter capital and reserve fund.

6.8.3. As otherwise provided for by Russian law.

6.9. When none of the above circumstances applies any longer, the Bank must pay the declared dividends to its shareholders within a reasonable period in accordance with Russian law.

6.10. Any matters related to the payment of dividends to the Bank's shareholders that are not addressed by the Federal Law «On Joint-Stock Companies», other laws and regulations of the Russian Federation, the Bank's Charter and this Policy shall be dealt with so as to protect shareholders' rights and lawful interests.

Article 7. Informing shareholders of the Bank's dividend policy

7.1. The Bank shall post this Policy and any amendments thereto on its website at www.mkb.ru.

7.2. Materials provided to shareholders for making decisions at a General Shareholders' Meeting must contain evidence of whether or not prerequisites for dividend payment are satisfied.

7.3. The Bank's mandatory announcement of its decision to pay dividends must explicitly and clearly inform shareholders of their size and the time, way and form of their payment. Such announcement shall also explain to shareholders their responsibility to timely notify the Bank's registrar of any changes to their bank account details or mailing addresses, and consequences of their failure to fulfil responsibility.

Article 8. Miscellaneous

8.1. This Policy is to be approved by the Supervisory Board's resolution taken by a majority of votes of its members participating in the meeting.

8.2. Any supplements or amendments may be made hereto by the Supervisory Board's resolution taken by a majority of votes of its members participating in the meeting or absentee voting.

8.3. This Policy shall be valid for 6 years of its approval by the Supervisory Board.

8.4. If any articles hereof become inconsistent with applicable Russian laws or the Bank's Charter, such articles shall become void, and the matters regulated thereby shall be dealt with by reference to applicable Russian laws and the Bank's Charter until this Policy is amended accordingly.