

APPROVED
by the decision of the Board of Directors
of Mobile TeleSystems
Public Joint Stock Company
April 23, 2024, Minutes No.366

REGULATION
ON DIVIDEND POLICY
OF MOBILE TELESYSTEMS
PUBLIC JOINT STOCK COMPANY

Moscow
2024

1. GENERAL PROVISIONS

- 1.1. This Regulation on the dividend policy (hereinafter the “Regulation”) has been developed in accordance with the Russian legislation, the Articles of Association of Mobile TeleSystems Public Joint Stock Company (hereinafter the “Company”) and its in-house documents.
- 1.2. The Company’s dividend policy is based on the principles of maintaining the Company investment attractiveness and shareholder return.
- 1.3. The Regulation is intended to determine the approach of the Board of Directors of the Company to the development of recommendations on the amount of dividends on the Company shares and the procedure for their payment.
- 1.4. Approving the present Regulation, the Board of Directors of the Company expects that the current dividend policy of the Company will remain in force for a period of 3 years.

2. DETERMINING THE AMOUNT OF DIVIDENDS

- 2.1. In accordance with the Russian legislation the dividends of the Company to shareholders are paid from the Company's after-tax profit (net profit) calculated on the basis of accounting (financial) statements prepared in accordance with the legislation of the Russian Federation.
- 2.2. In determining the Company’s dividend payout, the Board of Directors considers a number of factors, including cash flow from operating activities, capital expenditures and the Company’s debt position.
- 2.3. If it gains profit, the Company shall annually allocate a certain portion of the free cash flow for the payment of dividends. The Company can also use the retained earnings accumulated over previous periods for the payment of dividends.
- 2.4. The remaining profit of the Company is primarily used for reinvestment in order to increase the Company's capitalization.
- 2.5. The recommended amount of dividend payments shall be determined by the Board of Directors based on the financial results of the Company's activities, at that, the Company will seek to declare and pay in 2024, 2025 and 2026 dividends of at least 35 (thirty-five) rubles per year per one ordinary share of the Company with the expected regularity of dividend payment – once a year. Based on the recommendation of the Board of Directors, the regularity of dividend payment during the calendar year may be changed.
- 2.6. In case of deviation from the criteria established by this Regulation for determining the amount of dividends, the Company is obliged to disclose full information about the reasons for the deviation.
- 2.7. The Company may not declare or pay dividends declared in the cases established by the legislation of the Russian Federation.
- 2.8. If payment of dividends results in a significant deterioration of the financial standing of the Company, the Board of Directors is entitled to recommend that the General Meeting of Shareholders should not pay dividends to maintain the financial stability and ensure the development of the Company in the future.

3. PROCEDURE FOR MAKING DECISIONS ON THE DIVIDENDS PAYMENT

- 3.1. Based on the proposal of the collegial executive body of the Company – the Management Board – the Board of Directors of the Company determines the recommended amount of dividend. In making such decision, the Board of Directors shall be governed by Section 2 of this Regulation.

- 3.2. The recommendation of the Board of Directors on the amount of dividends based on the results of the financial year is submitted to the shareholders in accordance with applicable law of the Russian Federation for the adoption of a final decision at the General Meeting of Shareholders.
- 3.3. The decision on the payment of dividends and their amount shall be made by the General Meeting of Shareholders. The amount of dividends may not exceed the amount recommended by the Board of Directors.
- 3.4. The General Meeting of Shareholders may decide to pay dividends both based on the results of the financial year and the results of the first quarter, six months, and nine months of the financial year.

4. PROCEDURE FOR PAYING DIVIDENDS OF THE COMPANY

- 4.1. The date on which the persons entitled to receive dividends are determined shall be approved by the General Meeting of Shareholders on the proposal of the Board of Directors of the Company and shall be not earlier than 10 and no later than 20 days after the date of such decision by the General Meeting of Shareholders.
- 4.2. The payment of dividends to the persons whose rights to shares which are taken into account in the register of shareholders of the Company shall be made by the Company no later than 10 business days for the nominee shareholders or trustees who are professional participants of the securities market, and not later than 25 business days for all other parties from the date on which the persons entitled to receive dividends were identified.
- 4.3. The primary method for the payment of dividends is a transfer of funds to the bank accounts of the shareholders specified by the shareholders in the Company's shareholders register.
- 4.4. When paying dividends, in cases stipulated by the legislation of the Russian Federation, the Company performs the function of a tax agent paying tax on dividends to the relevant state budgets, pursuant to the legislation of the Russian Federation.
- 4.5. No dividends are distributed or paid on treasury shares of the Company, as well as in other cases stipulated by applicable law of the Russian Federation.

5. NOTIFICATION OF THE COMPANY SHAREHOLDERS ABOUT THE COMPANY'S DIVIDEND POLICY

- 5.1. The Company shall publish this Regulation, amendments thereto, as well as the Company's dividend history on the Company's site on the Internet.
- 5.2. The Company shall publish the information on the decision of the General Meeting of Shareholders in relation to the payment of dividends on its Russian and English web sites on the Internet at: www.mts.ru and <http://ir.mts.ru>, as well as bring this information to the attention of shareholders of the Company by other means stipulated by the legislation of the Russian Federation.
- 5.3. The materials to be submitted to the shareholders for decision-making at the General Meeting of Shareholders shall contain all necessary information indicating the presence or absence of the necessary conditions for the payment of dividends.