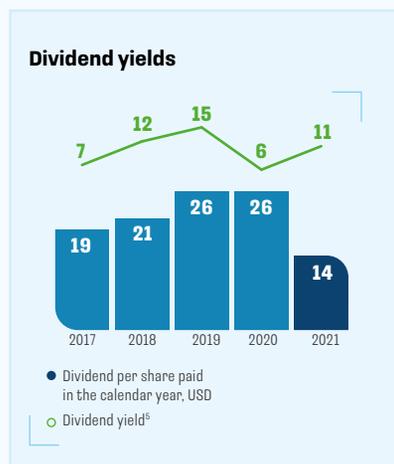


DIVIDEND POLICY

The Company's [Regulations on the Dividend Policy](#) approved by the Board of Directors seek to ensure the transparency of the mechanism for determining the amount of dividend and the dividend payout procedure.

The [dividend resolution](#) is passed at the General Meeting of Shareholders based on recommendations of the Board of Directors. The General Meeting of Shareholders determines the dividend amount and record date, which, as per Russian laws, shall be set no earlier than 10 days before and no later than 20 days after the General Meeting of Shareholders.

Dividends to a nominee shareholder listed on the shareholder register shall be paid within 10 business days, while dividends to other persons listed on the shareholder register shall be paid within 25 business days after the record date.



- 1 Earlier dividend history is available at [our website](#).
- 2 Dividends are paid out to shareholders within three years from the respective dividend resolution date. The dividend payouts are shown as at 31 December 2021 according to IFRS statements.
- 3 Declared dividend is calculated at the exchange rate of the Bank of Russia as at the date of the General Meeting of Shareholders.
- 4 On 22 April 2022, the Company's Board of Directors recommended that the Annual General Meeting of Shareholders approve a dividend for FY2021.
- 5 Recommended dividend to average ADR price in the calendar year.



[Regulations on the Dividend Policy](#)



[The dividend resolution](#)

Dividend report

Individuals/entities whose rights to shares are recorded in the shareholder register are paid dividends by the registrar, IRC – R.O.S.T., upon Nornickel's instruction. Individuals/entities whose rights to shares are recorded by a nominee shareholder are paid dividends via their nominee shareholder.

Any person who has not received the declared dividend due to the fact that their accurate address or banking details were not available to the Company or the registrar as required, or due to any other delays on the part of the creditor, may, in accordance with Clause 9 of Article 42 of Federal Law No. 208-FZ On Joint Stock Companies dated 26 December 1995, request payment of unpaid dividend within three years from the date of the resolution to pay dividends.

DIVIDENDS IN 2021

On 27 December 2021, the Extraordinary General Meeting of Shareholders approved a dividend of RUB 1,523.17 per share for 9M 2021, with the amount of dividend payout totalling close to RUB 232.84 billion (about USD 3.05 billion), to be paid before 18 February 2022.

On 22 April 2022, the Company's Board of Directors recommended that the General Meeting of Shareholders approve a dividend of RUB 1,166 per share (about USD 15.6 at the Bank of Russia's exchange rate as at the date of the Board meeting) for FY2021.

Dividend history¹

Period	Declared dividend		Dividends paid ²	
	RUB mln.	USD mln ³	RUB mln	USD mln
Total for 2021	411,109	5,577	n/a	n/a
FY ⁴	178,722	2,377	n/a	n/a
9M	232,837	3,181	232,842	3,050
Total for 2020	260,246	3,320	259,893	3,532
FY	161,603	2,096	161,603	2,198
9M	98,642	1,346	98,290	1,334
Total for 2019	323,647	4,909	323,482	5,011
FY	88,174	1,201	88,166	1,264
9M	95,595	1,529	95,430	1,567
6M	139,878	2,179	139,886	2,180
Total for 2018	248,214	3,741	247,983	3,827
FY	125,413	1,928	125,298	1,986
6M	122,802	1,813	122,685	1,841
Total for 2017	131,689	2,131	131,546	2,137
FY	96,210	1,524	96,117	1,527
6M	35,479	607	35,429	610

Securities taxation

Income from securities is taxable pursuant to the applicable tax laws of the Russian Federation (Chapter 23, Personal Income Tax, and Chapter 25, Corporate Income Tax, of the Russian Tax Code).

TAXATION OF INCOME FROM SECURITIES

Under international double taxation treaties to which the Russian Federation is a party, non-Russia tax residents can claim a reduced rate of withholding tax on Russia source income, or relief from tax in Russia.

To claim these benefits, non-residents need to submit the following confirmations to their Russian tax agent paying the income:

- A confirmation of permanent residence in a state with which the Russian Federation has a double taxation treaty (tax residency certificate)
- A confirmation of the beneficial ownership of (actual right to) the income if the income is received by a foreign organisation or entity without a legal personality
- A confirmation that they meet other conditions for application of a reduced rate, if such conditions (or restrictions) are set forth in the applicable treaty

Should they fail to provide such confirmations by the date of income payment, the tax shall be withheld at the standard rates stipulated by the Russian Tax Code.

DIVIDEND TAX FORMULA⁵

$$AT = P * TR * (D_1 - D_2),$$

where

AT — amount of tax to be withheld from the income of the recipient of dividends

P — proportion of the dividend amount payable to one recipient to the total dividend amount to be distributed

TR — tax rate stipulated by Subclauses 1–2, Clause 3, Article 284 or Clause 1, Article 224 of the Russian Tax Code

D₁ — dividend amount to be distributed among all recipients

D₂ — dividend amount⁶ received by Nornickel, provided that previously this amount was not included in the taxable income

Taxation of income from securities (%)

Shareholder	Income from transactions, %	Interest income, %	Dividend income, %
INDIVIDUALS			
Residents	13/15 ^{1,2}	13/15 ²	13/15 ²
Non-residents	30 ¹	30	15
LEGAL ENTITIES			
Residents	20 ¹	20	13 ³
Non-residents	20 ⁴	20	15

1 Or 0% if by the selling date the Company shares have been held for more than five years and the requirements for the share of real estate in the Company's assets as outlined in Clause 2, Article 284.2 of the Russian Tax Code have been met. Pursuant to Subclause 1, Clause 1, Article 219.1 of the Russian Tax Code, the taxpayer is eligible for investment tax deductions in the amount of the profits from sales of the Company shares, which have been owned by the taxpayer for over three years.

2 Pursuant to Clause 1 of Article 224 of the Russian Tax Code, a tax rate of 15% applies to income over RUB 5 million for the reporting period.

3 Or 0% if as of the date of the dividend resolution a Russian entity has been owning 50% (and more) of shares (15% and more if the owner is an international holding company) in Nornickel's authorised capital for 365 days (and more).

4 If the income is classified as income of a foreign entity from sources in Russia in accordance with Clause 1, Article 309 of the Russian Tax Code.

5 The formula is not applicable to dividends paid to Russia non-residents.

6 Excluding the dividend amount eligible for a zero tax rate pursuant to Subclauses 1–1.1, Clause 3, Article 284 of the Russian Tax Code.