

Shareholder and investor engagement (continued)

Credit ratings

Following the European Union's decision to ban the provision of rating services to legal entities, organisations and bodies established in Russia, S&P Global Ratings withdrew its credit ratings for a number of Russian companies, including Magnit.

In May 2022, ACRA affirmed its credit rating of Magnit at AA(RU), with a stable outlook, and on Magnit's bonds at AA(RU). In September 2022, ACRA upgraded its credit rating of Magnit to AA+(RU), with a stable outlook, and of Magnit's bonds to AA+(RU).

Magnit's credit rating

AA+(RU)

Rating of Magnit's bonds

AA+(RU)

ACRA estimate

Rating agency	Entity or instrument rated	Rating	Outlook	Date of rating (issued/reaffirmed)
	Issuer (national scale)	AA+(RU)	Stable	5 September 2022
ACRA	BO-001P-05, BO-002P-04, BO-002P-03, BO-002P-02, BO-002P-01 and BO-004P-01 series bonds	AA+(RU)		5 September 2022
	BO-004P-01	AA+(RU)		6 December 2022

Dividends

The key objective of the Company's dividend policy is to provide increasing shareholder returns and ensure further growth of the Company's capitalisation. The dividend policy is also focused on striking the right balance between retained earnings and shareholder returns¹.

The core principles underpinning Magnit's dividend policy are as follows:

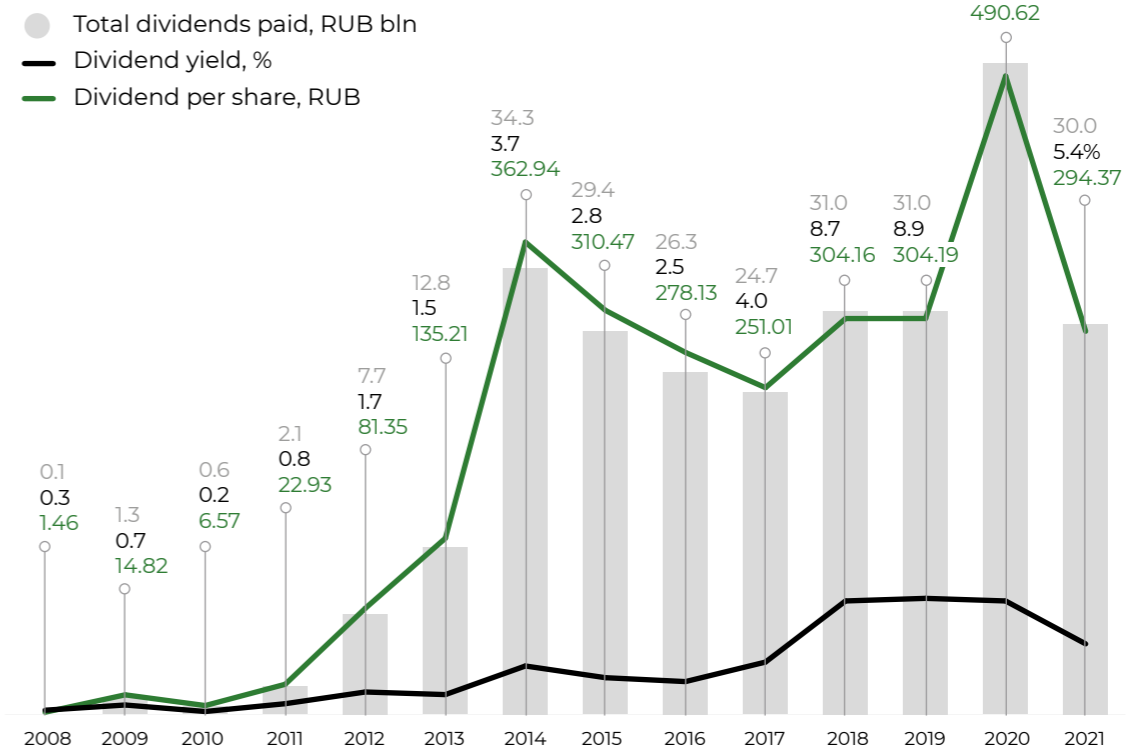
- ▶ **Transparency:** identifying and disclosing information about the duties and responsibilities of the parties involved in carrying out the dividend policy, including the procedure and conditions for deciding on the payment and amount of dividends.
- ▶ **Timeliness:** establishing time limits for dividend payments.
- ▶ **Justifiability:** the decision on the payment and the amount of dividends may only be made if the Company achieves a positive financial result taking into account its development plans and investment programmes.
- ▶ **Fairness:** equal rights for shareholders in acquiring information about the decisions on payment, size and procedures for payment of dividends.
- ▶ **Consistency:** strict implementation of the procedures and principles of the dividend policy.
- ▶ **Progression:** continuous improvement of the dividend policy in line with the evolution of the Company's strategic goals.
- ▶ **Sustainability:** commitment to ensuring a stable level of dividend payments.

¹ Regulations on the Dividend Policy of PJSC Magnit (new edition) dated 27 May 2016 available at: <https://www.magnit.com/en/shareholders-and-investors/dividends/>

Report on announced and paid dividends in 2008–2022

Year	Total dividends announced, RUB bln	Total dividends paid, RUB bln	Dividend per share, RUB
2008	0.1	0.1	1.46
2009	1.3	1.3	14.82
2010	0.6	0.6	6.57
2011	2.1	2.1	22.93
2012	7.7	7.7	81.35
2013	12.8	12.8	135.21
2014	34.3	34.3	362.94
2015	29.4	29.4	310.47
2016	26.3	26.3	278.13
2017	24.7	24.7	251.01
2018	31.0	31.0	304.16
2019	31.0	31.0	304.19
2020	50.0	50.0	490.62
2021	30.0	28.8 ²	294.37

Total dividends paid, RUB bln



² Excluding intragroup dividends.