DIVIDEND DISTRIBUTION POLICY

JIO FINANCIAL SERVICES LIMITED

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1. INTRODUCTION

1.1. Jio Financial Services Limited ("JFSL"), is a Core Investments Company (CIC) and operates its business through its subsidiaries.

1.2. JFSL is committed to adhere to the highest standards of Corporate Governance and ensure greater transparency, objectivity and consistency in the distribution of dividends to its shareholders.

1.3. The objective of this policy is to establish a framework for dividend distribution that ensures greater transparency, consistency, and clarity for the Company's stakeholders.

1.4. The Board of Directors shall recommend dividends in accordance with this policy, the provisions of the Companies Act, 2013, and the applicable rules and regulations, including those prescribed by the Reserve Bank of India (RBI).

1.5. JFSL is classified by the RBI as a Core Investment Company, as per the certificate of registration dated July 9, 2024. The Company's operations including declaration and distribution of dividends are governed by the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, updated on November 28, 2025 read with Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025, (RBI Directions) dated November 28, 2025 as amended from time to time.

1.6. In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the top 1,000 listed companies based on market capitalization as of March 31 each financial year are mandated to formulate a Dividend Distribution Policy. This policy must be published on the Company's website, and a web link to the policy should be included in its annual reports.

1.7. Pursuant to any subsequent amendments or any statutory modifications or re-enactments in the above stated guidelines/norms/clarifications or in any other applicable acts/ regulations which may be at variance with any aspect of this policy, the stipulation in the Act/ Regulation will have an overriding effect to that extent.

1.8. The Company's dividend policy, was initially adopted on July 20, 2021 as the "Dividend Policy," and was subsequently modified and renamed as "Dividend Distribution Policy" on July 18, 2023, in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy was modified by the Board on April 17, 2025, October 3, 2025 and April 6, 2026.

2. OBJECTIVE

2.1. The objective of this Policy is to lay down the criteria and parameters that are to be considered by the Board of Directors of the Company before declaring dividend (including interim dividend) from time to time.

3. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY/ MAY NOT EXPECT DIVIDEND

3.1. The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including provisions of the Companies Act, 2013, RBI guidelines and listing regulations. The Board of Directors, while determining the dividend to be declared or recommended, shall take into consideration the advice of the executive management of the Company and the planned investments for growth apart from other parameters set out in this policy.

3.2. The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the ongoing or planned business expansion or other factors which may be considered by the Board.

4. PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

4.1. The Board of Directors of the Company shall consider the following financial/ internal parameters while declaring or recommending dividend to the shareholders:

4.1.1. Financial Parameters / Internal Factors:

- Profits earned during the financial year
- Retained Earnings
- Earnings outlook for next three to five years
- Expected future capital / liquidity requirements
- Supervisory findings of the Reserve Bank on divergence in classification and provisioning for Non-Performing Assets (NPAs).
- Qualifications in the Auditors' Report to the financial statements
- Long term growth plans of the Company.
- Any other relevant factors and material events.

4.1.2. External Factors:

- Regulatory changes - Introduction of new regulatory requirements or material changes in existing taxation laws, which significantly affect the businesses in which the Company is engaged
- Macro-economic environment – Significant changes in Macroeconomic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates

- Technological changes which necessitate significant new investments in any of the businesses in which the Company is engaged.
- Any other external factor that may have a material impact on the Company's operations, financial performance, or overall position.

5. ELIGIBILITY CRITERIA

5.1. As a Core Investment Company, the Company shall ensure compliance with the minimum prudential norms relating to Capital Adequacy, Net Non-Performing Assets (NPAs), and other applicable criteria, as prescribed from time to time, in order to be eligible for declaring dividends.

Requirement	Conditions
Capital Adequacy	An NBFC (other than SPD) should have met the applicable regulatory capital requirement (including CRAR, Tier I capital, Tier II capital, leverage ratio, and ANW, as applicable) for each of the last three financial years including the financial year for which the dividend is proposed. Provided that where an NBFC has been in existence for less than three financial years, the above requirement shall be since registration CIC shall refer to the Reserve Bank of India (Core Investment Companies) Directions, 2025, for minimum applicable regulatory capital requirements.
Net NPA	The net NPA ratio shall be less than 6 percent in each of the last three years, including as at the close of the financial year for which dividend is proposed to be declared.
Other criteria	a) Comply with the provisions of Section 45 IC of the Reserve Bank of India Act, 1934. b) Compliant with the prevailing regulations/ guidelines issued by the Reserve Bank and Reserve Bank shall not have placed any explicit restrictions on declaration of dividend.

6. QUANTUM OF DIVIDEND PAYABLE

6.1. The dividend may be paid out of the profits of the company for the current financial year, after providing for depreciation in accordance with the provisions of Schedule II, or out of the accumulated profits of any previous financial year(s), also after accounting for depreciation and to the extent that such profits remain undistributed, or from a combination of both the current year's profits and the accumulated profits, however deemed appropriate by the Board, in compliance with the applicable provisions of the

Act, RBI guidelines/circulars, and other relevant regulations.

6.2. The Dividend Payout Ratio refers to the proportion of the total dividend declared in a financial year to the net profit, as reported in the audited financial statements for that year. The term "dividend" includes any interim dividend paid.

6.3. The Board shall ensure that the company has met the eligibility criteria mentioned above in 5.1, while also ensuring that the total dividend proposed for the financial year does not exceed the maximum limit specified under the RBI Circular for Core Investment Companies, which is currently set at 60% of net profits.

6.4. In case the company has not met the applicable capital requirements and/ or the net NPA ratio requirement as above, for each of the last three financial years, shall be eligible to declare dividend, subject to a cap of 10% on the dividend payout ratio, provided the Company complies with both the following conditions:

6.4.1. The company meets the applicable minimum capital requirements (including minimum adjusted net worth and maximum leverage ratio) requirement, as per this Master Direction, in the financial year for which it proposes to pay dividend, and

6.4.2. The company has net NPA of less than 4% as at the close of the financial year

6.5. The Board shall ensure that the total dividend proposed for the financial year does not exceed the ceilings specified in these guidelines.

6.6. If the net profit includes any exceptional or extraordinary items, or if the statutory auditor's report contains qualifications (including 'emphasis of matter') suggesting an overstatement of profit, such amounts shall be adjusted from the net profit when calculating the Dividend Payout Ratio.

6.7. Given the dynamic nature of the market and varying growth stages and capital requirements of the Company's subsidiaries, it is not feasible to fix a uniform dividend payout percentage. However, subject to applicable laws and relevant regulations, the Company aims to distribute dividends in an efficient manner and to gradually increase the payout, without compromising its growth objectives.

7. REPORTING SYSTEM

7.1. The Company shall report details of dividend declared during the financial year as per the format prescribed in Annex I as per RBI Directions. The report shall be furnished within a fortnight after declaration of dividend to the Regional Office of the Department of Supervision of the Reserve Bank under whose jurisdiction it is registered.

8. UTILISATION OF RETAINED EARNINGS

8.1. The Company shall endeavour to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

8.2. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

9. PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

9.1. The Company has issued only one class of shares viz. equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

10. CONFLICT IN POLICY

10.1. In the event of any conflict between this Policy and the provisions contained in the Listing Regulations, the Regulations shall prevail.

11. AMENDMENTS

11.1. The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws and Listing Regulations or as deemed fit on a review.

11.2. The Policy is updated as per the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, updated on November 28, 2025 read with Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025, (RBI Directions) dated November 28, 2025 as amended from time to time