

MIDEAST INTEGRATED STEELS LIMITED

Criteria of making payments to Non-executive Directors

Mideast Integrated Steels Limited (the Company) believes that the remuneration should be sufficient to attract, motivate and retain world-class non-executive talent. Remuneration practice should be consistent with recognized best practice standards for Chairman and Non-executive Directors (NED) remuneration. The aggregate annual remuneration payable to the NEDs is determined by shareholder resolution in accordance with the Company's Articles of Association, subject to the limits of Law.

a. **Sitting Fees** - The NEDs are entitled to sitting fees as determined by the Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of Act. Sitting fees amount may be subject to review on a periodic basis, as required. Within the parameters prescribed by law, the payment of sitting fees is recommended by the Nomination and Remuneration Committee (NRC)) and approved by the Board.

b. **Profit-linked Commission** - The profit-linked commission is paid to the NEDs within the monetary limit approved by the shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013. NRC recommends to the Board, the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.

In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/ management, site visits, induction and training (organised by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.