Dear IiAS Proxy Advisory team,

Titan Company Limited ("**Company**" or "**we**") are in receipt of the proxy advisory report from Institutional Investor Advisory Services ("**IiAS**") dated September 7, 2026 ("**Report**") setting out your voting recommendations in relation to the resolutions proposed to be passed through Postal Ballot Notice dated August 7, 2026 ("**PB Notice**").

In respect to the Resolution Nos. 3, 4 and 5 relating to (i) approval for adoption of Titan Company Limited Performance Based Stock Unit Scheme 2026 ("**PSU 2026**"); (ii) approval for extending the benefits of PSU 2026 to the employees of subsidiary company(ies) of the Company; and (iii) approval for secondary acquisition of shares by the Trust for implementation of PSU 2026 and providing financial assistance, we would like to submit the following clarifications / comments:

IiAS comments for Resolution Nos. 3,4 & 5	**Company Response**
1. The PSU 2026 scheme has not disclosed the annual corporate level targets and has not made a clear commitment to disclose target achievement in future annual reports.	The PB Notice provides that PSUs granted under the PSU 2026 shall vest after completion of the performance period i.e. period of 3 (three) financial years or such other time period as the BNRC may decide from time to time (which shall not exceed 5 (five) years from the date of grant), subject to meeting performance parameters (which *inter alia*, includes time and/or performance based conditions for vesting). Thus, it is submitted that the achievement of the performance parameters will be established over the performance period (which is to be assessed during the above multi-year period) and finalized only after the completion of the performance period. Hence the vesting will happen in the form of cliff vesting at the end of the performance period. Accordingly, since vesting is not linked to annual performance outcomes and will occur only upon completion of the applicable performance period i.e. currently three financial years commencing FY 2026-27, disclosure of annual performance targets will not accurately reflect the target achievement over the performance period. However, upon vesting of the relevant PSUs under PSU 2026, the Company will, in its annual report(s), provide the necessary details of the performance targets (such as NSV and EBIT) and the target achievement basis which the vesting has occurred in the relevant financial year. This disclosure would be made at the appropriate section of the annual report for the relevant financial year. The Company would like to also highlight that annual and cumulative performance targets constitute commercially sensitive information given the highly competitive nature of the industries in which it operates. Accordingly, while the Company has disclosed the relevant performance metrics, weightages and vesting thresholds

	applicable under PSU 2026, disclosure of specific performance targets upfront could be prejudicial to the Company's competitive position. Further, for the information of the shareholders, the Company would like to highlight that the Company has disclosed its Ambition for the next 4-year period during the recent Investor Day presentation made on 4th June 2026, which is available on the website of the Company under Investors section. The presentation highlights the growth in the revenues and EBIT over the next 4 financial years commencing from FY 2026-27. The performance targets, as applicable for the performance period for the proposed PSU Scheme, are aligned with the Company's "FY30 Ambition" as presented during the Investor Day.
2. The company has not disclosed the company performance parameters, with respective weights for employees of Corporate and Enabling functions.	In this regard, we would like to clarify that the 60% (sixty percent) Company performance component applicable to employees of Corporate and Enabling functions is linked to the same Company-level NSV and EBIT parameters disclosed for employees of Business Divisions under Para 4 a) of the Explanatory Statement of the PB Notice. Further, the remaining 40% (forty percent) component is linked to the performance of the Company's businesses, with the relevant business performance metrics comprising NSV, and/or EBIT, depending on the business concerned. Accordingly, the PB Notice contains the applicable performance parameters and weightages governing vesting for employees of Corporate and Enabling functions.

Further, for the purposes of completeness, please note that the PB Notice states that PSUs shall vest at the discretion of the BNRC, subject to the participants satisfactorily achieving prescribed performance parameters and/or fulfilling such other vesting conditions to be determined or approved by the BNRC for the relevant performance period to which vesting relates. Accordingly, vesting shall happen only upon achievement of the performance parameters and/or vesting conditions as prescribed. Further, the BNRC, which comprises of independent and non-executive directors, in exercising its powers under PSU 2026, will consider various relevant factors, including the performance of the employees, the performance of the Company, the interests of the shareholders and the overall objectives of PSU 2026.

Further, we would like to state that shareholders had previously approved the Titan Company Limited Performance Based Stock Unit Scheme, 2023 ("**PSU 2023**"), under which up to 10,00,000 (Ten Lakhs) PSUs were granted from FY 2023-2026. Under PSU 2023, vesting was similarly linked to broad-based performance parameters comprising the revenue and profitability of the Company and its business divisions, together with other strategic metrics and individual performance, over a 3(three) year performance period. The said PSU 2023 was recommended by IiAS for approval and shareholders have approved the same with the requisite majority. Given the successful implementation of PSU 2023 and the completion of its performance period in FY2026, the Company believes that this approach has proven effective and the continued adoption of a similar structure under PSU 2026 is appropriate and supports its objective of rewarding sustained long-term performance and aligning employee interest with the long-term interests of the Company and its shareholders.

Separately, in response to your concerns on resolution nos. 4 and 5, we note that IiAS has raised a concern linked to its view on resolution no. 3. Since we have addressed the concerns raised in relation to resolution no. 3 above, we believe that the concerns underlying all three resolutions have been adequately addressed.

In light of the above, the Company submits that resolution nos. 3, 4 and 5 of PB Notice are fully compliant with applicable law and it has made adequate disclosures in respect thereof.

Please note that the matters to be transacted pursuant to the PB Notice have been approved by the BNRC and the Board of Directors of the Company after thorough deliberations and considerations and are in the best interest of the Company and all its stakeholders. Further, similar scheme was successfully implemented.

Further, we request you to share our response with all your subscribers and persons to whom the original Report has been circulated to. We also sincerely urge you to amend your recommendations on these resolutions based on the above and issue a revised report under intimation to us.

If you need any clarifications or have any queries in relation to the above, we are available to speak, and you can contact the undersigned.

In conclusion, for the benefit of the shareholders at large, we will also be uploading a copy of this response on the Company's website under the "Investor Section".

Regards,

Dinesh Shetty
General Counsel & Company Secretary
Titan Company Ltd.