



BRSR REPORT

Business Responsibility
and Sustainability Report

2025-26

SECTION A

GENERAL DISCLOSURES

I. Details of the listed entity

S. No	Required Information	
1	Corporate Identity Number (CIN) of the Listed Entity	L65100DL1994PLC061287
2	Name of the Listed Entity	Fusion Finance Limited (Formerly known as Fusion Micro Finance Limited)
3	Year of incorporation	1994
4	Registered office address	H-1, C-Block, Community Centre, Naraina Vihar, New Delhi-110028
5	Corporate address	Plot no. 86, Institutional Sector 32, Gurugram, Haryana – 122001
6	E-mail	vikrant.sadana@fusionfin.com companysecretary@fusionfin.com
7	Telephone	0124-6910500/600
8	Website	www.fusionfin.com
9	Financial year for which reporting is being done	01 April 2025 – 31 March 2026
10	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited (BSE) 2. National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	INR 161.52 Crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Vikrant Sadana Company Secretary & Compliance Officer Contact Details: 0124-6910500 Email: vikrant.sadana@fusionfin.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S.No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial Service	Loan related activities	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No	Product / Service	NIC Code	% of total Turnover contributed
1	Loan related activities	64990	100%

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants*	Number of offices	Total
National	Not Applicable	1563**	1563
International	Not Applicable	0	0

* The Company provides financial services and the business operations do not involve any manufacturing.

** The number of offices includes Head office, regional office, corporate office, IT office and branches across various locations within India.

19. Markets served by the entity**a. Number of locations**

Locations	Number
National (No. of States)	22
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The nature of our services does not involve any export related activities.

c. A brief on types of customers

Fusion Finance, being a financial services provider, focuses on financial inclusion.

- Its primary clientele comprises women from low-income households (annual income up to INR 3 lakhs) residing in rural and semi-urban areas across various states in India. Over 94% of its MFI portfolio is concentrated in rural regions.
- These customers are typically engaged in income-generating activities such as agriculture and allied services, animal husbandry, handicrafts and cottage industries, as well as small-scale trade and sale of essential daily consumables within village communities.
- Small businesses covered under MSME in urban and semi-urban area to drive business orientation and economic opportunities.

IV. Employees**20. Details as at the end of Financial Year FY 2025-26:****a. Employees and workers (including differently abled):**

Sl. No	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	Permanent (D)	12,021	11,050	92%	971	8%
2	Other than Permanent (E)	0	0	0	0	0
3	Total employees (D + E)	12,021	11,050	92%	971	8%
Workers						
4	Permanent (F)	N/A				
5	Other than Permanent (G)					
6	Total workers (F + G)					

b. Differently abled Employees and workers:

Sl. No	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees						
1	Permanent (D)	0	0	-	0	-
2	Other than Permanent (E)	0	0	-	0	-
3	Total employees (D + E)	0	0	-	0	-
Differently Abled Workers						
4	Permanent (F)	N/A				
5	Other than Permanent (G)					
6	Total workers (F + G)					

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	3	37.5%
Key Management Personnel	3	0	0%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	34.86%	3.93%	38.79%	30.45%	2.82%	33.20%	35.24%	1.22%	36.46%
Permanent Workers	N/A								

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23.(a) Names of holding / subsidiary / associate companies / joint ventures**

Sl. No	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
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Fusion Finance does not have any holding /subsidiary/ associate companies / joint ventures

VI. CSR Details**24.**

Sr. No.	Question	
1	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
2	Turnover (in Rs.)	INR. 1,732.50 Crore
3	Net worth (in Rs.)	INR. 2,455.93 Crore

VII. Transparency and Disclosures Compliances**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	Nil	Nil	N/A	Nil	Nil	N/A
Investors (other than shareholders)	https://fusionfin.com/investor-grievance/	Nil	Nil	N/A	Nil	Nil	N/A
Shareholders	https://fusionfin.com/investor-grievance/	23	0	All complaints resolved within prescribed timeline	8	0	All complaints resolved within prescribed timeline
Employees and workers	https://fusionfin.com/wp-content/uploads/2025/11/Fusion-Finance-Vigil-and-Whistle-Blower-Policy.pdf	421	1	Handles grievances related to documents (such as relieving letters, settlement slips, and salary slips), F&F settlements, general complaints, payroll, and statutory issues.	Nil	Nil	N/A
Customers	https://fusionfin.com/wp-content/uploads/2026/06/Grievance-Redressal-Mechanism_English.pdf	5,896	669	5,878 (including last year open complaints) closed in this period (FY25-26).	4,604	651	4,013 (including last year open complaints) closed in this period FY 24-25.
Value Chain Partners	https://fusionfin.com/wp-content/uploads/2025/11/Fusion-Finance-Supplier-Code-of-Conduct.pdf	Nil	Nil	N/A	Nil	Nil	N/A

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Sl. No	Material issue identified	Indicate whether risk Or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer Experience	Risk	Fusion Finance serves millions of customers in rural communities, placing strong emphasis on delivering high-quality customer experience at the core of its operations. Any shortcomings in customer experience or satisfaction can negatively impact on customer retention.	Strengthen customer engagement and feedback mechanisms through regular staff training and by consistently delivering customer-focused services.	Negative: Reputational damage may lead to customer attrition and reduced customer base.
2	Financial Inclusion	Opportunity	The Company is committed to empowering underserved communities by providing financial solutions tailored to rural and low-income populations.	The Company leverages extensive distribution networks and advanced technological solutions to effectively reach customers and deliver a seamless, user-friendly experience.	Positive: Stable customer base, government support and enhanced brand equity.
3	Selling Practices/ Consumer Financial Protection	Risk	Mis-selling may lead to customer over-indebtedness, increased grievances, and potential regulatory action or scrutiny.	Ensure clear and transparent product disclosures, supported by ongoing staff training and a robust grievance redressal system.	Negative: Legal penalties, reputational and financial loss.
4	Customer Privacy	Risk	Handling sensitive personal and financial information can pose significant reputational and trust risks if not managed with appropriate safeguards and diligence.	Establish strong data privacy frameworks by implementing comprehensive policies, utilizing encryption technologies, and conducting regular training sessions to build staff awareness on data protection practices.	Negative: Loss of customer trust and erosion of brand value.
5	Data Security	Risk	Cybersecurity threats and insufficient IT infrastructure may jeopardize the confidentiality and integrity of client and company data.	Adopt a multi-layered approach to information security by deploying advanced cybersecurity measures, conducting regular system audits, and promoting continuous employee awareness and training programs.	Negative: Potential data breach, regulatory non-compliance, and reputational damage.

Sl. No	Material issue identified	Indicate whether risk Or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Regulatory Compliance and Statutory Compliance	Risk & Opportunity	Being a microfinance sector Company, we operate under strict regulatory oversight, and failure to comply with applicable regulations may result in fines, penalties, or more severe enforcement actions by regulatory authorities.	Adopt a proactive and structured approach to meeting compliance timelines, while maintaining regular and transparent communication with regulatory authorities to stay aligned with evolving requirements. Conduct periodic internal assessments and audits not only to ensure compliance but also to foster a culture of continuous improvement and preparedness.	Negative: Fines, penalties, and increased regulatory monitoring, reputational risk. Positive: Enhances stakeholders trust and reduces regulatory monitoring. Also helps in streamlining operations.
7	Corporate Governance and Ethics	Risk and Opportunity	Strong corporate governance is essential to sustain credibility and trust among stakeholders including investors, lenders etc.	Ensure adherence to compliance requirements both in principle and practice, while actively training and educating employees and stakeholders to enhance their understanding of regulatory obligations.	Positive: Stakeholders' confidence including investors, lenders etc. Negative: Distrust of stakeholders, stringent regulatory action.
8	Fraud Risk Management	Risk	Field-level fraud continues to be a significant challenge within the Indian microfinance sector.	A comprehensive fraud risk management framework, driven by the Risk Control Unit and supported by the internal audit function, enables the Company to detect fraudulent activities, implement effective risk mitigation measures, and ensure continuous monitoring and adherence to internal controls and compliance standards.	Negative: Operational losses and legal actions.
9	Digital Inclusion and Financial Literacy	Opportunity	Growing smartphone penetration in rural areas offers scope for digital finance adoption.	Expand mobile-enabled financial services, partner with fintechs, conduct digital literacy campaigns.	Positive: Increased reach, lower cost of servicing, enhanced financial inclusion.
10	Climate-related Risks (e.g., drought, flood in operating areas)	Risk	Fusion's rural-focused customer base is vulnerable to climate impacts, affecting repayments and livelihoods.	Portfolio diversification, insurance linkage.	Negative: Increased credit risk and Non performing assets (NPA).
11	Employee Wellbeing and Capability Building	Opportunity	A motivated and well-trained workforce improves productivity and customer service.	Regular training programs, employee feedback mechanisms, career growth pathways.	Positive: Increased employee retention, better service quality, reduced hiring/training costs.

SECTION B

MANAGEMENT AND PROCESS DISCLOSURES

Sr. no.	Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management processes											
1	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web-link of the Policies, if available	Fusion Finance has governance policies covering business ethics, social development & inclusivity, and environmental management; which is available in public domain: https://fusionfin.com/corporate-governance/#policies . In addition to this, the Company has internal policies for Human Resource development which is accessible to employees through HR portal.								
2	Whether the entity has translated the policy into procedures. (Yes/ No)		Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)		Yes, the Company's Code of Conduct embodies these principles, promoting responsible and sustainable business practices across the value chain while encouraging partners to align with these standards based on their capabilities and resources.								
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		Fusion Finance has adopted ISO/IEC 27001:2022 Information Security Management Systems (ISMS). Fusion Finance ensures compliance with all applicable RBI regulations as part of their governance and customer protection mechanisms.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.		Fusion Finance has committed to promote environmental stewardship, social inclusivity & engagement, and ethical business conduct. The Company has adopted some commitments and goals, as illustrated below : • Develop and implement Environmental & Social Management System (ESMS). • Focus on reducing e-waste and transition to paperless operations. • Focus on inclusive workplace and reduce attrition below industry standard. • Enhance skill training coverage and scope. • Advance community engagement and customer satisfaction • Adhere to ISO/IEC 27001:2022 standards for Information Management and ensure security systems enhancements.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.		Fusion Finance focuses on improving its environment and social performance by integrating sustainability in its responsible business model. The Company rigorously monitors progress against its action plan to ensure full compliance with established norms as well as enhance the transparency and disclosures.								
Governance, leadership and oversight											
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):		Over the years, we have witnessed the positive effects of financial inclusion on individuals and communities throughout India, with primary focus on rural areas. We take immense pride in seeing our continued efforts to provide underserved and underprivileged groups with access to capital, supporting sustainable livelihoods and empowering women entrepreneurs deliver meaningful outcomes and improve their living standards. Our achievements have consistently been driven by our commitment to prioritizing customer needs and maintaining high standards of service. We remain dedicated to creating lasting impact by transforming lives and fostering a more equitable and inclusive society using technology, strong partnerships, and a culture of responsible lending.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)		DIN: 11046442 Name: Mr. Sanjay Garyali Designation: Managing Director & CEO Email: companysecretary@fusionfin.com Telephone: 0124-6910500								

9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Board of Directors, together with senior management, exercises ongoing and structured oversight of the Company's social, environmental, governance, and economic responsibilities as part of its broader stewardship and fiduciary mandate. Business responsibility and sustainability performance is systematically reviewed through dedicated Board-level committees, including: (i) The CSR and ESG Committee (ii) The Stakeholders Relationship Committee Further, the Board Risk Management Committee and the IT Strategy Committee play a complementary role by identifying, evaluating, and monitoring risks associated with key principles of business responsibility, thereby ensuring an integrated oversight framework.
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10. Details of Review of NGRBCs by the Company:

	Subject of Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action	All Company policies are subject to review and approval by the Board of Directors, ensuring oversight, governance discipline, and alignment with the Company's strategic objectives and regulatory obligations. In addition, the policies are reviewed periodically by department heads, business leaders, and senior management.									Periodically								
	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company ensures adherence to all relevant statutory and regulatory requirements, under the supervision of the Board of Directors and its designated Board-level Committees, as applicable.																	
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1		P2		P3		P4		P5		P6		P7		P8		P9	
		No. The Company has not undertaken formal assessment of its policies. However, the Company ensures continuous review and update of its policies as per compliance requirements and external environment. In addition, during FY 2025-26, the Company reviewed its Information Technology (IT) by an independent third-party i.e., Riskberg Consulting, a CERT- In empanelled auditor for ISO 27001:2022 standard certification.																	
12	If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:																		
	Questions	P1		P2		P3		P4		P5		P6		P7		P8		P9	
	The entity does not consider the Principles material to its business (Yes/No)	Not applicable																	
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																		
	The entity does not have the financial or/human and technical resources available for the task (Yes/No																		
	It is planned to be done in the next financial year (Yes/No)																		
	Any other reason (please specify)																		

SECTION C
PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1	Percentage coverage by training and awareness programmes on any of the principles during the financial year:			
	Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
	Board of Directors	6	Regulatory amendments including DAKSH portal, SEBI Listing Regulations and Company act etc. Implementation of Compliance Tool Familiarization programme for the newly appointed directors.	100%
	Key Managerial Personnel (KMP)	12	Human rights, Anti-Bribery & Anti-Corruption (ABAC), Health, Safety & Workplace Well-being, Code of Conduct, Fair Practice Code, Cyber Security, ESG awareness training, PQM training, Neev training (strengthening skills, leadership etc. training), Generative AI and AML-KYC training, POSH training.	100%
	Employees other than BoD and KMPs	71	Anti-Bribery & Anti-Corruption (ABAC), Health, Safety & Workplace Well-being, Human Rights Policy, Code of Conduct, POSH, Fair Practice Code, Cyber Security, ESG Literacy, Financial Literacy and Fraud Awareness sessions.	99.99%
	Workers	Not Applicable		

- 2 Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website) :

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine*	Nil	Nil	Nil	N/A	N/A
Settlement	Nil	Nil	Nil	N/A	N/A
Compounding fee	Nil	Nil	Nil	N/A	N/A

*Penalty of Rs. 3,00,000/- (P-1) pertaining to the period from 20.07.2021 to 08.07.2023 was paid by the Company on 07.04.2026, in pursuance to the Adjudication Order dated 16.03.2026 received from Registrar of Companies, Delhi in relation to the suo-moto application for adjudication of penalty filed by the Company during FY 2024-2025.

Non- Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	N/A	N/A
Punishment	Nil	Nil	N/A	N/A

N/A: Not applicable to Fusion Finance.

- 3 Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
During the reporting period, no case was appealed nor revised.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. Fusion Finance follows an anti-bribery and anti-corruption policy to ensure prevention of bribery, corruption, facilitation payments, kickbacks, and all forms of unethical or improper business practices. The Company has implemented a comprehensive Anti-Bribery and Anti-Corruption Policy that clearly defines prohibited conduct, compliance responsibilities, third-party standards, and whistle-blowing and reporting mechanisms across the organization. The Policy is applicable to all employees, directors, and relevant business partners, and is designed to ensure ethical decision-making, regulatory compliance, and accountability at every level. Fusion Finance Limited remains committed to upholding high standards of corporate integrity and fiduciary responsibility, and to embedding a culture of transparency, ethical conduct, and risk-aware governance across its operations.

The policy can be found on our website: <https://fusionfin.com/wp-content/uploads/2026/03/Fusion-Finance-Anti-Bribery-and-Anti-Corruption-policy.pdf>

5	Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:		
	Particulars	FY 2025-26	FY 2024-25
	Directors	NIL	NIL
	KMPs		
	Employees		
	Workers	N/A	N/A

6	Details of complaints with regard to conflict of interest:				
		FY 2025-26		FY 2024-25	
		Number	Remarks	Number	Remarks
	Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	N/A	Nil	N/A
	Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	N/A	Nil	N/A

N/A: Not applicable to Fusion Finance.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

During FY 2025-26, there were no instances of fines, penalties, or regulatory, law-enforcement, or judicial actions related to corruption or conflicts of interest during the reporting period. Thus, this question is not applicable to Fusion Finance.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025-26	FY 2024-25
Number of days of accounts payable	N/A	N/A

N/A: Not applicable to Fusion Finance.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	N/A	N/A
	b. Number of trading houses where purchases are made from	N/A	N/A
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	N/A	N/A
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	N/A	N/A
	b. Number of dealers / distributors to whom sales are made	N/A	N/A
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	N/A	N/A
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	N/A	N/A
	b. Sales (Sales to related parties / Total Sales)	N/A	N/A
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	N/A	N/A
	d. Investments (Investments in related parties / Total Investments made)	N/A	N/A

N/A: Not applicable to Fusion Finance.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
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The Company on a continuous basis engages with its suppliers and vendors to discuss on vendor management systems and processes, business opportunities, challenges, and conduct business activities in a responsible manner.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same:

In accordance with SEBI Listing Regulations, Fusion Finance's Board of Directors established a Code of Conduct applicable to both the Board and the Senior Management Personnel of the Company. This Code is periodically reviewed and updated to reflect evolving legal and regulatory requirements. Fusion Finance's corporate governance framework clearly delineates the oversight responsibilities of the Board from the executive functions of management. It incorporates the appointment of Independent Directors, the constitution of Board committees chaired by Independent Directors, and strict adherence to conflict-of-interest norms, under which Directors refrain from participating in discussions or decisions where they have a personal interest.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Particulars	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R & D	NIL	NIL	Not applicable to Fusion Finance, being a financial service provider company.
Capex	NIL	NIL	

2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Fusion Finance has adopted sustainable sourcing practices as part of its procurement approach. At the branch level, procurement is predominantly carried out through local and nearby vendors and suppliers.

The Company also has a Supplier Code of Conduct which ensures that all its suppliers adhere to the regulatory, statutory, and compliance requirements laid down in the Code, covering governance ethics, social commitments, and environmental standards. The company promotes responsible and sustainable procurement practices, including procurement from local suppliers and MSMEs to drive inclusivity.

b. If yes, what percentage of inputs were sourced sustainably?

100% procurement at branch level is processed from local/nearby vendors/suppliers.

- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Fusion Finance, a Non-Banking Financial Company (NBFC), does not manufacture physical products and therefore does not have product end-of-life reclamation processes in the conventional sense. However, the Company has established structured e-waste management process i.e., identification of obsolete, damaged, or unused IT assets, including laptops, desktops and storage components such as HDDs and RAM are removed to ensure data security and then the E-waste generated are handed over to authorized recycler.

- 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Extended Producer Responsibility (EPR) is not applicable to the Company's activities, as it operates as a NBFC and does not manufacture, produce, import, or place physical products or packaging materials into the market that would attract EPR obligations under applicable environmental regulations. Thus, this question is not applicable to Fusion Finance.

Leadership Indicators

- 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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Fusion Finance does not engage in manufacturing activities and does not offer physical products with measurable life-cycle assessment impacts. Its services are primarily financial in nature and are delivered through branch operations and digital platforms, therefore, it is not applicable.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
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Fusion Finance does not engage in manufacturing activities and does not offer physical products with measurable life-cycle assessment impacts. Its services are primarily financial in nature and are delivered through branch operations and digital platforms, therefore, it is not applicable.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25

Fusion Finance does not engage in manufacturing activities and does not offer physical products with measurable life-cycle assessment impacts. Its services are primarily financial in nature and are delivered through branch operations and digital platforms, therefore, it is not applicable.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Fusion Finance does not engage in manufacturing activities and does not offer physical products with measurable life-cycle assessment impacts. Its services are primarily financial in nature and are delivered through branch operations and digital platforms, therefore, it is not applicable.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
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Fusion Finance does not engage in manufacturing activities and does not offer physical products with measurable life-cycle assessment impacts. Its services are primarily financial in nature and are delivered through branch operations and digital platforms, therefore, it is not applicable.

PRINCIPLE 3

**Businesses should respect and promote the well-being of all employees,
including those in their value chains**

Essential Indicators**1. a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	11,050	11,050	100%	10,305	93.26%	Nil	Nil	1,134	10.26%	Nil	Nil
Female	971	971	100%	836	86.10%	971	100%	Nil	Nil	Nil	Nil
Total	12,021	12,021	100%	11,141	92.68 %	971	100%	1,134	10.26%	Nil	Nil
Other than Permanent employees											
Male	N/A										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	N/A										
Female											
Total											
Other than Permanent workers											
Male	N/A										
Female											
Total											

N/A: Fusion Finance has not identified its workforce as workers; therefore, it is Not Applicable.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	2.88%	2.03%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.97%	N/A	Yes	99.94%	N/A	Yes
Gratuity	100%	N/A	N/A	100%	N/A	N/A
ESI	70.99%	N/A	Yes	75.56%	N/A	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, Fusion Finance ensures that its premises are designed to support accessibility.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is committed to upholding equal opportunity for all and strictly adhering to its Non Discrimination Policy, ensuring that no individual is subjected to any form of discrimination or harassment based on gender, race, color, caste, religion, or any other characteristic. This policy can be accessed on the Company's website:

<https://fusionfin.com/corporate-governance/#policies>.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	59.35%	Given the nature of our business, Fusion Finance does not employ any workers and thus, worker-related disclosures are not applicable to the company.	
Female	100%	84.21%		
Total	100%	71.78%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Fusion Finance has not identified its workforce as workers; therefore, it is Not Applicable.
Other than Permanent Workers	
Permanent Employees	Fusion Finance implemented a Vigil Mechanism and Whistleblower Policy which enables employees, KMPs and Directors to raise complaints and grievances in a confidential manner. The complaints can be related to unethical behaviour, illegal activities, suspected fraud, or breaches of the Company's Code of Conduct. The Company's Grievance Redressal Mechanism provides a formal platform for employees to voice, address, and redress their concerns proactively and maintain a healthy work environment. The policy is available on the Company's website: https://fusionfin.com/wp-content/uploads/2026/05/Vigil-Policy-and-Whistle-Blower-Mechanism_new.pdf
Other than Permanent Employees	N/A

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	N/A					
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	11,050	8,282	74.95%	8,714	78.86%	13,955	0	0	12,583	90.17%
Female	971	741	76.31%	797	82.08%	1,319	0	0	1,300	98.56%
Total	12,021	9,023	75.06%	9,511	79.12%	15,274	0	0	13,883	90.89%
Workers										
Male	N/A					N/A				
Female										
Total										

N/A: Not applicable as Fusion Finance does not identify its workforce as "workers".

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	%(D/C)
Employees						
Male	11,050	8,142	73.68%	13,955	9,066	64.97%
Female	971	714	73.53%	1,319	780	59.14%
Total	12,021	8,856	73.67%	15,274	9,846	64.46%
Workers						
Male	N/A			N/A		
Female						
Total						

N/A: Not applicable as Fusion Finance does not identify its workforce as “workers”.

10. Health and Safety Management system:**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?**

Fusion Finance has adopted and implemented a Health and Safety Policy applicable across its offices and branch locations. The Policy establishes a structured internal framework to safeguard the health, safety, and wellbeing of all stakeholders, including employees, contractors, customers, and visitors.

Company has established a range of practices aimed at ensuring a safe and healthy work environment for employees. These measures include regular training and awareness programs on health and safety including periodic fire safety training and evacuation drills to prepare employees for emergency situations. The Company also shares internal communications and safety alerts to reinforce awareness and encourage adherence to safe practices.

In addition, periodic monitoring of branch and office locations are conducted to identify any safety gaps or operational risks. Based on these assessments, necessary corrective actions are undertaken in a timely manner to address identified issues.

These initiatives collectively cover employees across branch and office locations and demonstrate the Company's ongoing commitment to maintaining workplace safety and well-being.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Given the nature of its operations in the financial services sector, the Company does not engage in manufacturing or other activities typically associated with significant physical or industrial hazards. Accordingly, detailed processes for identifying complex work-related hazards on routine and non-routine bases are not broadly applicable. Company conducts periodic training and awareness programs to educate employees on general health and safety practices, enabling them to recognize and respond to potential risks in their work environment.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Given the nature of its business, Fusion Finance does not employ any workers and thus, worker-related disclosures are not applicable to the company.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The Company provides non-occupational medical and healthcare services to its employees, such as preventive health camps, including eye check-ups, dental camps, and general health screenings (such as blood sugar and blood pressure checks).

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.377	Nil
	Workers	N/A	N/A
Total recordable work-related injuries	Employees	10	Nil
	Workers	N/A	N/A
No. of fatalities	Employees	Nil	Nil
	Workers	N/A	N/A
High consequences for work-related injury or ill health (excluding fatalities)	Employees	0	Nil
	Workers	N/A	N/A

N/A: Not applicable as Fusion Finance does not identify its workforce as “workers”.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Given the nature of its operations in the financial services sector, the Company does not engage in manufacturing or other activities typically associated with significant physical or industrial hazards. Accordingly, detailed processes for identifying complex work-related hazards on routine and non-routine bases are not broadly applicable. Company conducts periodic training and awareness programs to educate employees on general health and safety practices, enabling them to recognize and respond to potential risks in their work environment.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2024-25			FY 2023-2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	N/A	0	0	N/A
Health & Safety	0	0	N/A	0	0	N/A

N/A: Not Applicable to Fusion Finance.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Note: The Company undertakes periodic and regular assessment of its offices and locations, to monitor, identify, and assess safety and working condition related risks, compliance checks, and adherence with health and safety protocols and standards.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

During the reporting period, “No incidences of breaches” were reported.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Fusion Finance covers all its employees as part of Group Term Life Policy and in case of death of an employee, the

family is covered under the policy, as per the laid down guidelines and eligibility criteria. The Company does not identify workforce as “workers”, therefore, it is Not Applicable.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Fusion Finance undertakes compliance status check of its value chain partners which encompasses statutory due deductions such as GST, tax, PF, Gratuity, and ESIC, as applicable, by various departments in line with applicable laws and regulations.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	Fusion Finance has not identified its workforce as workers; therefore, it is Not Applicable.			

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company provided its employees with technical skill training, learning and development sessions, and soft skills, which empowers them with latest skills as per market trends, this enables the employees to be market ready with requisite skills and domain knowledge.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Fusion Finance engages with its value chain partners in accordance with applicable contractual obligations, internal policies, and regulatory requirements. The relevance and scope of conducting formal assessments of value chain partners may be evaluated in the future, considering the nature of engagements, regulatory expectations, and evolving sustainability practices.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

During the reporting period, no formal assessment of health and safety practices of value chain partners was conducted. However, the organization continues to emphasize compliance with applicable health and safety standards.

PRINCIPLE 4**Businesses should respect the interests of and be responsive to all its stakeholders****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company has identified various stakeholder groups based on relevance and business impact which are employees, shareholders/ investors, suppliers, customers, government bodies, regulatory authorities, communities, and other business partners. The company primary focus is on providing financial services to women entrepreneurs from economically and socially underprivileged segments of society, which is part of the larger society.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder and Investor	No	Quarterly results, Investor presentations, Annual Report, Annual General Meeting, Investor/analysts calls and meet, Media Releases, Website and other updates submitted on stock exchanges under "corporate announcements" & other sections.	Periodically	Investor queries related to financial performance and present key business performance highlights to investors. Timely communicate necessary available information to shareholders and investors.
Employees	No	Multiple channels through physical and digital mode.	Periodically	To foster a safe, inclusive, and thriving workplace while providing merit-based opportunities for professional growth and career advancement.
Suppliers/ Vendors	No	Supplier meeting, virtual interactions, and digital mode	Need basis	To engage with suppliers and vendors on business requirements, sustainable and responsible business conduct and practices.
Customer	No	Multiple channels through physical and digital mode.	Ongoing/Need based	Delivering comprehensive end-to-end support throughout the customer lifecycle, ensuring timely resolution of queries and grievances at every stage.
Government and Regulators	No	Meetings with key regulatory bodies, Written communications, Presentations, Industry Associations.	Need based	Maintaining active regulatory engagement through seeking clarification and relaxation, communicating operational challenges, providing recommendations, sharing knowledge, and ensuring timely responses to inspections and regulatory queries.
Community/ Society	Yes	Multiple channels through physical and digital mode.	Need based	To advance social welfare initiatives that promote inclusive growth, drive equitable development, and enhance the overall well-being of society through responsible and ethical business practices.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company has established a structured process for stakeholder consultation on economic, environmental, and social matters through senior management engagement. Senior management maintains regular interactions with key stakeholders as part of ongoing business operations and governance processes. Feedback arising from these engagements, where required under applicable laws or deemed material, is consolidated and escalated to the Board through periodic reporting mechanisms, including quarterly business performance and governance updates. This ensures that stakeholder perspectives are appropriately considered by the Board in its oversight and decision-making processes.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is an integral part of Fusion Finance Limited's approach to identifying and managing key environmental and social topics. There were no specific observations made by any stakeholder during the financial year.

3. Provide with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Fusion Finance has robust mechanisms to receive and address community grievances. Grievances are primarily identified through regular on-ground engagement by Company representatives and partner NGOs, who interact directly with community members during program implementation and outreach activities. These engagements enable communities to raise concerns, provide feedback, and seek resolution in a timely and accessible manner.

PRINCIPLE 5**Businesses should respect and promote human rights****Essential Indicators****1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees /workers covered (B)	% (B / A)	Total (C)	No. of employees /workers covered (D)	% (D / C)
Employees						
Permanent	12,021	9023	75.06%	15,274	15,274	100%
Other than permanent	N/A					
Total Employees	12,021	9023	75.06%	15,274	15,274	100%
Workers						
Permanent	N/A					
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than minimum Wage		Total (D)	Equal to Minimum Wage		More than minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
Employees										
Permanent										
Male	11,050	2,935	26.56%	8,115	73.44%	13,955	4,674	33.49%	9,191	65.86%
Female	971	52	5.36%	919	94.64%	1,319	175	13.27%	1,144	86.73%
Other than permanent										
Male	N/A									
Female										
Workers										
Permanent	N/A									
Male										
Female										
Other than Permanent										
Male										
Female										

Not applicable as Fusion Finance does not identify its workforce as workers.

3. Details of remuneration/salary/wages:**a. Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	7,50,000	2	7,50,000
Key Managerial Personnel	3	16,01,595	0	0
Employees other than BoD and KMP	11,047	15,091	971	15,066
Workers	Not applicable, as Fusion Finance does not identify workforce as “workers”.			

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	7.11%	7.87%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has a formal mechanism to address human rights concerns and employee-related issues. Any concern related to human rights may be reported to HR grievances team through a dedicated toll-free number. This platform serves as an accessible grievance redressal channel, enabling stakeholders to report any concerns related to human rights impacts in adherence to Human rights policy of the Company.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Fusion Finance has a grievance redressal mechanism in place to address concerns related to human rights and workplace practices. Stakeholders are provided with accessible channels to report grievances, ensuring timely review and resolution in a fair and transparent manner. In addition to the grievance mechanism, the Company has established and communicated clear policies and guiding principles that reinforce its commitment to human rights.

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	1	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Complaints on Sexual Harassment (POSH) reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as % of female workers	0	100
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Fusion Finance has a Prevention, Prohibition, and Redressal of Sexual Harassment Policy in place, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. This policy is designed to protect employees from discrimination and harassment and to ensure that complainants do not face any adverse consequences when raising concerns.

An Internal Complaints Committee (ICC) has been constituted in accordance with statutory requirements to handle complaints in a fair, impartial, and time-bound manner. The Committee is empowered to recommend interim relief measures, such as transfer, change in reporting structure, or leave for the complainant, to safeguard their well-being during the investigation process. In addition, Fusion Finance has established a Vigil Mechanism and Whistle Blower Policy that allows employees to report unethical conduct and provides further safeguards against victimization.

The policies can be accessed here: <https://fusionfin.com/corporate-governance/>

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Human rights requirements form an integral part of the Company's business agreements and contracts with vendors and suppliers. The Company has adopted a Supplier Code of Conduct, which is a publicly available document hosted on its website and is contractually binding on all relevant counterparties through an explicit compliance clause.

The Supplier Code of Conduct is aligned with the National Guidelines on Responsible Business Conduct (NGRBC), sets out minimum standards expected across the value chain and specifically addresses human rights (Principle 5), employee well-being (Principle 3), and ethical governance (Principle 1).

Key provisions include the prohibition of child labour, forced and bonded labour; commitment to non-discrimination and equal opportunity; requirements to provide a safe, healthy, and dignified working environment; compliance with applicable labour laws, including POSH regulations; and expectations around fair treatment and ethical business conduct.

The Code also empowers the Company to seek confirmations, declarations, or supporting documentation to verify compliance and provides for appropriate contractual remedies, including termination of business agreement in the event of non-adherence.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	During the reporting period, no formal assessments of the Company's offices were undertaken by the Company, statutory authorities, or third parties. As a Non-Banking Financial Company (NBFC) with primarily office-based operations and no manufacturing facilities, the Company's risk exposure in this area remains limited. Nevertheless, the Company remains committed to maintaining safe and compliant workplace practices and will continue to strengthen its approach in line with evolving requirements.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No corrective actions were taken or are currently underway, as no assessments of plants or offices were conducted during the reporting period.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

There have been no human rights grievance complaints requiring the modification or implementation of new business processes.

2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company has not undertaken any formal Human Rights due diligence in the reporting year.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, Fusion Finance ensures that its premises are designed to support accessibility.

4. Details on assessment of value chain partners:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	No value chain partners were assessed during the reporting period. However, the Company expects its value chain partners to consistently uphold the same values, principles, and ethical standards that govern the Company's operations.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

No corrective actions were taken or are currently underway as no assessments of value chain partners were undertaken.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
From Renewable Sources		
Total electricity consumption (A)	58.34	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption from renewable sources (A+B+C) (J)	58.34	0
From Non-Renewable Sources		
Total electricity consumption (D) (J)	16,842.10	1,526.08
Total fuel consumption (E)	73.93	18.42
Energy consumption through other sources (F) (J)	0.00	0
Total energy consumption from non-renewable sources (D+E+F) (J)	16,916.03	1,544.50
Total energy consumed (A+B+C+D+E+F)	16,974.37	1,544.50
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations) (Joules / INR)	0.00000100	0.000000065
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	0.000000000000000120	0.00000135
(Total energy consumed / Revenue from operations adjusted for PPP) (Joules / USD)	1.41206	0.10112
Energy intensity in terms of physical output {Energy Intensity Per FTE} (Joules / FTE)	N/A	N/A
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency		No

Note- In the current reporting year, the coverage for energy consumption has been significantly expanded from the Corporate office, Head office and IT office to encompass the majority operation of the organisation. This now includes major offices, consisting of Corporate office, Head office and IT office and branch locations.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, Fusion Finance's business does not fall within the scope of the Perform Achieve and Trade (PAT) scheme targets.

3. Provide details of the following disclosures related to water, in the following format :

Parameter	FY 2025-26	FY 2024-25
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others (KL)	1,49,301	1,97,264
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,49,301	1,97,264
Total volume of water consumption (in kilolitres)	1,49,301	1,97,264
Water intensity per rupee of turnover (Water consumption / Revenue from operations) (KL/ INR)	0.0000088	0.0000083
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	0.000179	0.000172
Water intensity in terms of physical output {Water Intensity Per FTE} (KL / FTE)	12.4200	12.9150
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	No	

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
(ii) To Groundwater	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
(iii) To Seawater	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
(iv) Sent to third parties	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
(v) Others	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
Total water discharged (in kilolitres)	N/A	N/A
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	No	

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

As Fusion Finance operates as an NBFC, the Company does not engage in manufacturing or industrial activities that generate process wastewater requiring treatment under a Zero Liquid discharge (ZLD) framework. Thus, this question is not applicable to the Fusion Finance.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Nox	tonnes/annum	N/A	N/A
Sox	tonnes/annum	N/A	N/A
Particulate matter (PM)	tonnes/annum	N/A	N/A
Persistent organic pollutants (POP)	tonnes/annum	N/A	N/A
Volatile organic compounds (VOC)	tonnes/annum	N/A	N/A
Hazardous air pollutants (HAP)	tonnes/annum	N/A	N/A
Others – please specify	tonnes/annum	N/A	N/A
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No	

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	5.29	1.27
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3,321.64	308.18
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	Metric tonnes of CO ₂ equivalent / INR	0.00000020	0.000000013
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent / USD	0.00000040	0.000000027
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO ₂ equivalent / FTE	0.27676	0.02026

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

Note- In the current reporting year, the coverage for scope 1 & 2 emissions has been significantly expanded from the Corporate office, Head office and IT office to encompass the majority operation of the organisation. This now includes major offices, consisting of Corporate office, Head office and IT office and branch locations.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Fusion Finance actively contributes to emission reduction and environmental sustainability through its Corporate Social Responsibility (CSR) initiatives. As part of these efforts, the Company has undertaken a plantation drive aimed at increasing green cover and supporting ecological balance. This initiative involves the planting of fruit-bearing and medicinal saplings across various locations, including villages, government schools, Anganwadi centers, panchayat offices, and other public spaces in Haridwar, Uttarakhand. By enhancing green cover, the project supports carbon sequestration, thereby contributing to the reduction of greenhouse gases in the atmosphere. In addition to its environmental benefits, the initiative also promotes improved air quality, biodiversity conservation, and long-term community well-being.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	4.33	0.99
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	4.33	0.99
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/INR)	0.00000000025	0.000000000042
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated /Revenue from operations adjusted for PPP) (MT/USD)	0.00000000052	0.000000000086
Waste intensity in terms of physical output (Total waste generated/FTE) (MT/FTE)	0.00036	0.000065

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	4.33	0.99
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	4.33	0.99

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	N/A	N/A
(ii) Landfilling	N/A	N/A
(iii) Other disposal operations	N/A	N/A
Total	N/A	N/A

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Fusion Finance follows responsible waste management practices aligned with the nature of its operations. Business activities do not involve the use of hazardous or toxic chemicals and consequently no requirement for specific measures are required.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
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Fusion Finance's operations are primarily office-based and service-oriented and are carried out from premises/residential situated in urban or semi-urban locations and company's operation/offices are not in/around ecologically sensitive areas. Thus, environmental approvals or clearances relating to ecologically sensitive areas are not applicable to Fusion Finance.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Fusion Finance's operations are primarily office-based and service-oriented and are carried out from premises/residential situated in urban or semi-urban locations. Thus, there are no projects that would trigger the requirement for environmental impact assessments under prevailing environmental laws and so accordingly, this question is not applicable to us.

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S.No	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	The Company is compliant with all applicable environmental laws, regulations, and guidelines in India.			

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

(i) Name of the area		
(ii) Nature of operations		
Parameter	FY 2025-26	FY 2024-25
	N/A	N/A
(i) Surface water	N/A	N/A
(ii) Groundwater	N/A	N/A
(iii) Third party water	N/A	N/A
(iv) Seawater / desalinated water	N/A	N/A
(v) Others	N/A	N/A
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	N/A	N/A
Total volume of water consumption (in kilolitres)	N/A	N/A
Water intensity per rupee of turnover (Water consumed / turnover)	N/A	N/A
Water intensity (optional) – the relevant metric may be selected by the entity	N/A	N/A
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
(iii) To Seawater	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
(iv) Sent to third-parties	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
(v) Others	N/A	N/A
No treatment	N/A	N/A
With treatment – please specify level of treatment	N/A	N/A
Total water discharged (in kilolitres)	N/A	N/A
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	No	

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4,339.48	226.87
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent/ INR	0.00000026	0.000000010
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO ₂ equivalent/ FTE	0.36	0.01485
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	No		

Note- In the current reporting year, the coverage for scope 3 emissions has been significantly expanded from the Corporate office, Head office and IT office to encompass the majority operation of the organisation. This now includes major offices, consisting of Corporate office, Head office and IT office and branch locations.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

As reported under Question 11 of the Essential Indicators, the Company does not have any operations or offices located in or around ecologically sensitive areas. Thus, this question is not applicable to Fusion Finance.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

SI. NO	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Paperless operations	We promote and encourage the extensive use of technology across our operations. As a responsible organization, we have implemented electronic document management systems and other digital tools to support paperless processes, improve operational efficiency, and reduce paper consumption.	Additionally, several branches have moved to fully paperless operations.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The company has a documented Business Continuity and Disaster Management Policy approved by the Board of Directors. The policy covers continuity arrangements for critical operations including branch operations, loan origination / management systems, disbursement, collections, regional processing centers, and head office functions. It outlines governance through a Business Continuity Governance Committee (BCGC), Business Impact Analysis (BIA), Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO), incident response framework, communication protocols, disaster recovery testing, escalation matrix, and training requirements. The plan covers all operational disruptions to ensure continuity of critical financial services and regulatory compliance.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

As an NBFC, Fusion Finance's operations are primarily service oriented and office based, with a limited environmental footprint and no manufacturing or industrial activities. While no formal assessments of value chain environmental impacts were conducted during the year, given the nature of the Company's business, no significant adverse environmental impacts arising from the value chain were identified during the reporting period.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

During the reporting period, no value chain partners were assessed for environmental impacts.

8. How many Green Credits have been generated or procured:

a. By the listed entity	Nil
b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners	Nil

PRINCIPLE 7

**Businesses, when engaging in influencing public and regulatory policy,
should do so in a manner that is responsible and transparent**

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

One.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Microfinance Institutions Network (MFIN)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil		

Leadership Indicators**1. Details of public policy positions advocated by the entity:**

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
1	Nil				

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development
Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
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Not applicable.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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Given that Fusion Finance's business is primarily service oriented, it does not engage in project execution, land acquisition, infrastructure development, or activities that would necessitate displacement, resettlement, or rehabilitation under applicable laws. Thus, this question is not applicable.

3. Describe the mechanisms to receive and redress grievances of the community.

Fusion Finance has established structured mechanisms to receive and address community grievances through its CSR implementation framework. Grievances are primarily identified through regular on-ground engagement by Company representatives and partner NGOs, who interact directly with community members during CSR program implementation. These engagements enable communities to raise concerns, provide feedback, and seek resolution in a timely and accessible manner.

Once identified, grievances are documented and addressed collaboratively by the Company and its NGO partners, in alignment with the Company's CSR priorities and implementation protocols. Depending on the nature of the issue, relevant local stakeholders, such as village representatives, school authorities, panchayat members, or government officials, may be consulted to support effective resolution. Continuous coordination between the Company and its NGO partners ensure systematic follow-up, monitoring of corrective actions, and transparent communication with the community until concerns are resolved.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	Given the nature of business operations. It is not applicable to the Company	
Directly from within India		

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Parameter	FY 2025-26	FY 2024-25
Rural	0.25%	93.42%
Semi-urban	5.91%	1.32%
Urban	66.67%	2.26%
Metropolitan	27.17%	3%

In FY 2025-2026, the location classification was reclassified basis the RBI classification guidance on Census 2011 data

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies :

S. No	State	Aspirational District	Amount spent (In INR)
S. No	State	Aspirational District	Amount spent (In INR)
1	Andhra Pradesh	Visakhapatnam, Vizianagaram, YSR Kadapa	1,28,334.5
2	Assam	Udalguri	1,04,000
3	Bihar	Aurangabad, Begusarai, Gaya, Khagaria, Purnia	17,32,348.82
4	Chhattisgarh	Kondagaon	6,54,701.32
5	Gujarat	Dahod	29,249.86
6	Jharkhand	Giridih, Bokaro, Hazaribagh, Lohardaga, Ramgarh, Sahebganj	3,68,053.39
7	Odisha	Balangir, Dhenkanal, Kalahandi, Rayagada	1,89,293
8	Punjab	Moga	34,899.27
9	Rajasthan	Dholpur	43,450
10	Tamil Nadu	Virudhunagar	23,219
11	Telangana	Bhadradi Kothagudem	1,72,122
12	Uttar Pradesh	Chandauli, Sonbhadra	3,66,650.82
13	Uttarakhand	Haridwar, Udham Singh Nagar	14,39,824

3.(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, Fusion Finance does not have a preferential procurement policy. However, it remains committed to responsible and inclusive sourcing practices. Where feasible, the Company engages with local vendors, thereby supporting regional businesses and contributing to community development. It also encourages sustainable procurement as part of its broader approach to ethical and responsible supply chain management.

(b) From which marginalized /vulnerable groups do you procure?

The Company predominantly follows a local and regional sourcing approach, partnering with nearby vendors and community-based enterprises. While not limited to specific categories, the Company, wherever feasible, encourages engagement with suppliers that support the socio-economic upliftment of marginalized and vulnerable communities, reinforcing its commitment to inclusive growth.

(c) What percentage of total procurement (by value) does it constitute?

At the branch level, procurement is entirely undertaken from local and nearby vendors. Accordingly, 100% of the total procurement (by value) is sourced from local suppliers.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
1	To the best of the Company's knowledge, it does not own, use, or rely on intellectual properties linked to traditional knowledge systems in the course of its operations as an NBFC. Thus, there were no benefits to be disclosed or shared in this regard during the reporting period.			

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Beej	435	100%
2	Shiksha	263	100%
3	Jivika	50	100%
4	Nanhi Pahel	104	100%
5	Support to Athletes	4	100%
6	Financial & Digital Literacy	2,050	100%
7	Garima	5,140	100%
8	Ojas	1,727	71%
9	Mobile Medical Van	3,195	75%
10	Hariyali	17	100%
11	Urja	1,380	28%
12	Distribution of Educational Accessories	5,071	100%
13	Financial Literacy Program	4,325	89.10%
14	Health Check-up Camp	4,892	63%
15	WASH	3,058	100%
16	Rural Development	1,257	100%
17	Relief Work	22,660	25%
18	Support to Cancer Patients	31	87%

PRINCIPLE 9

**Businesses should engage with and provide value to their consumers
in a responsible manner
Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Fusion Finance has established multiple channels to receive and address consumer complaints and feedback, including a toll-free customer care number, branch-level complaint registration, email, and a web-based grievance form. Complaints can also be escalated through a defined escalation matrix to the Nodal Officer and Principal Nodal Officer, with additional avenues available via regulatory bodies (such as MFIN, RBI Ombudsman, and CPGRAM) and social media platforms.

A structured framework supports complaint resolution, including CSAT surveys, CRM-based tracking, defined turnaround times with escalation triggers, SMS notifications at registration and closure, and follow-up calls to update customers. Complaints are periodically reviewed through internal audits, with root cause analysis and corrective actions implemented to drive continuous improvement.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	As an NBFC, Fusion Finance does not manufacture or sell physical products, nor does it offer consumer goods or packaged services that carry product level information or labelling related to environmental or social parameters. Thus, this question is not applicable to the Company.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Particulars	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	N/A	0	0	N/A
Advertising	0	0	N/A	0	0	N/A
Cyber-security	0	0	N/A	0	0	N/A
Delivery of essential services	1,930	288	5, 878 (including last year open complaints) closed in this period (FY25-26)	0	0	N/A
Restrictive Trade Practices	0	0		0	0	N/A
Unfair Trade Practices	659	67		0	0	N/A
Others	3,307	314		4,604	651	4,013 (including last year open complaints) closed in this period (FY24- 25)

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recall	Given the nature of business operations. It is not applicable to the Company	
Forced recall		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Fusion Finance has a policy in place to address cybersecurity and data privacy-related risks which can be accessed through the attached link: https://fusionfin.com/wp-content/uploads/2024/09/FFL_27-Data-Protection-and-Privacy-Policy.pdf

This policy outlines the principles, controls, and governance mechanisms for safeguarding personal and sensitive data, managing cybersecurity risks, and ensuring compliance with applicable data protection laws and regulations. The Policy applies across the organization and covers data collection, processing, storage, access controls, incident management, and employee responsibilities in relation to information security and privacy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The Company has not identified any material instances requiring corrective action during the reporting period, thus, this question is not applicable.

7. Provide the following information relating to data breaches

- Number of instances of data breaches: Nil
- Percentage of data breaches involving personally identifiable information of customers: Nil
- Impact, if any, of the data breaches: Not applicable

Leadership Indicators:**1. Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information relating to Fusion Finance's products and services is made readily accessible to stakeholders through its official website which can be accessed at www.fusionfin.com. The website the primary platform for providing up-to-date information to customers and other interested parties.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

Fusion Finance ensures that customers are well-informed about the safe and responsible use of its products and services. As part of this approach, every customer is required to undergo a mandatory training program known as Compulsory Group Training (CGT) prior to availing of any loan product. The CGT program provides education on key aspects of the products, including their features, terms and conditions, and appropriate usage guidelines. It also familiarizes customers with operational procedures under the Joint Liability Group (JLG) lending model, including the conduct of centre meetings and group responsibilities.

In addition, the training emphasizes the importance of financial discipline, responsible borrowing, and timely repayment practices. Through this structured orientation, the Company ensures that customers are equipped with the necessary knowledge to make informed decisions and utilize its services in a responsible manner.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

There are multiple communication channels in place to ensure that customers are promptly informed of any potential disruption or discontinuation of essential services. Each customer is assigned a dedicated Relationship Officer who acts as a single point of contact throughout the loan lifecycle, enabling direct and timely communication of any important updates.

To ensure wider and timely outreach, the Company also utilizes customers' registered contact details to share critical information through digital communication channels such as SMS and messaging platforms. These channels are used to inform customers of any service-related changes, ensuring broad and immediate reach.

Additionally, customers are provided with loan cards carrying a toll-free helpline number, allowing them to directly reach out for assistance, clarification or updates whenever required. In case of any specific requirement or further support, customers can also visit their nearest branch and directly connect with the Branch Manager for prompt assistance.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) (Brief details requested)

As Fusion Finance operates in the financial services sector and does not offer tangible or physical products, the requirement to display product-related information on physical goods is not applicable.

However, the Company ensures transparency by making details of its financial products and services available through its official website, enabling customers to access relevant information easily and make informed decisions.

Yes. Fusion Finance conducted a Customer Satisfaction (CSAT) survey for its Microfinance (MFI) customers in January 2026 to assess satisfaction levels across key service touchpoints. The survey was administered through telephonic interactions by trained internal agents, using a structured questionnaire with real-time Yes/No response capture. It covered both new-to-Fusion and repeat customers across Hindi-speaking states, ensuring representation across key operational geographies.

The survey evaluated critical aspects of the customer journey, including loan suitability, timeliness of disbursement, clarity of communication, staff behaviour, ease of repayment, customer trust, and overall satisfaction. The findings from the survey will help Fusion identify areas of improvement and strengthen customer experience and service delivery across the organization.