

# Fusion Finance Limited

(formerly known as Fusion Micro Finance Limited)

## SUPPLIER CODE OF CONDUCT

## Content

S. No	Particulars	Page No
1	Objective And Scope	3
2	Implementation	3
3	Supplier Code of Conduct <ul style="list-style-type: none"> <li>a. Governance</li> <li>b. Environment</li> <li>c. Social</li> </ul>	3 - 5
4	Grievance Redressal	6
5	Review Of The Policy	6

## Objective and Scope :

This policy on 'Supplier code of conduct' outlines the approach code of conduct applicable to any third-party individual or entity that supplies products/goods or provides services to the Company.

The Company expects all its suppliers to operate in accordance with the responsible business principles detailed in this policy and in compliance with all applicable laws and regulations. The Company expects its suppliers to implement code similar to this with their own business partners.

## Implementation:

Fusion Finance's suppliers are required to acknowledge and implement this code of conduct. If there are any gaps in implementation, suppliers are expected to plan and implement time bound improvement plan.

In the event of violation of any of the provisions of this code, the Company reserves the right to take appropriate action against the respective supplier, including but not limited to termination of the agreement/service.

This policy shall be read in conjunction with the applicable laws and regulations. In the event that any aspect is not explicitly covered within this Code of Conduct or the Supplier Policy, suppliers are expected to adhere to all applicable laws and regulations relevant to their operations and jurisdictions.

Suppliers shall promptly inform the Company in writing of any actual or suspected non-compliance with this Code of Conduct within seven days of becoming aware of such non-compliance.

## Supplier Code of Conduct:

### a. Governance:

- Suppliers should refrain from engaging in any form of bribery or corruption and are expected to conduct all activities with integrity and transparency.
- Disclose actual or potential conflict of interest to the Company
- Adhere to data privacy laws and be compliant with the contractual requirement of confidentiality
- Exercise quality and sustainability due diligence for the design, manufacture, testing and production of products.
- The suppliers are also expected to adhere to the following:
  - **Stakeholder Engagement:** We have a stakeholder engagement policy in place and expect our suppliers to practice transparent and effective communication with their stakeholders on regular basis.
  - **Regulatory Compliance:** Suppliers must comply with the applicable laws of the land in which it operates. Suppliers shall identify the risks connected with their operations including but not limited to environmental, health and safety, labour practices and ethics.

- **Transparency and anti-corruption:** We expect our suppliers to comply with all the relevant anti-bribery and anti-corruption laws.
- **Grievance Mechanism:** We expect our suppliers to enable their employees voice their concerns freely through robust grievance redressal mechanisms.

- **Ethics:**

- Conduct activities with integrity, transparency, and the highest standards of business ethics.
- Implement mechanisms to combat corruption, extortion, price fixing, anticompetitive behaviour, embezzlement, falsification, bribery, money laundering, terrorism financing, and undue political influence.
- Refrain from accepting or offering gifts, benefits, or favours intended to improperly influence business or professional relationships.
- Avoid actual or potential conflicts of interest involving their employees or those of the Company, maintaining mechanisms to ensure independence in case of potential conflicts. Individuals involved in such conflicts must abstain from participating in related negotiations or transactions.

- b. Environment:**

- Suppliers should proactively incorporate environmental considerations into their operations and strive to minimize the negative impacts on the environment.
- Comply with all local/national environmental laws/ regulations.
- Plan and implement an environmental monitoring system to identify, measure and monitor performance to minimize the environmental impact of its operations.
- Plan to promote environment management in their operations such as:
  - **Energy Conservation:** We expect our suppliers to monitor their energy use and take necessary steps to improve energy efficiency.
  - **Water management:** We expect our suppliers to develop water management strategies to track water consumption and wastewater disposal.
  - **Waste Management:** Our suppliers embrace the principles of circular economy by reducing, reusing, recycling, and recovering waste materials generated in operations. Ensure fair treatment and refrain from discrimination of any form as prohibited by law

- c. Social:**

- Ensure fair treatment and refrain from discrimination of any form as prohibited by law

- Commit to a workplace free of abuse and free of harassment of any kind.
- Establish fair processes for grievance redressal, disciplinary action and employment termination
- Respect rights of freedom of association of employees
- Comply with local/national work hour requirements for workers
- Comply to national laws of paid sick leave, paid annual leave & paid paternal leave
- The following conditions also need to be adhered to:
  - **Working Hours, Wages and Leave Benefits:** We expect our suppliers to comply with all applicable laws and regulations on working hours, weekly rest day and public holidays. Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families.
  - **Safe Workplace:** We expect our suppliers to provide a work environment that is compliant with all applicable safety laws and standards such as electrical and fire safety laws.
- **Health & Safety**
  - Suppliers should provide a safe, secure and healthy workplace to all its workforce
  - Ensure that hazard identification, measurement and mitigation process is in place
  - Ensure compliance with all local/state/national laws and regulations
  - Conduct periodic safety training for all its workforce
  - Enable the workforce to report unsafe/ unhealthy workplace conditions without any fear of retribution. Such complaints should be investigated and remedied within a reasonable time frame
- **Human Rights**
  - Prohibition of Forced or Compulsory Labour: We expect our suppliers to refrain from using or supporting forced, bonded, indentured labour or involuntary prison labour.
  - Prohibition of Child Labour: Suppliers must not, under any circumstances, use child labour as defined by national and local laws and / or ILO Convention, whichever is more stringent.
  - Non-Discrimination: We expect our suppliers to strictly adhere to all applicable laws and regulations and prohibit workplace discrimination based on religion, age, nationality, colour, gender, sexual orientation, ethnicity, physical ability, health condition, marital or maternity status, political opinion, creed etc.
  - Suppliers must comply with the POSH Act and provide awareness and training to their employees.
  - Comply with applicable labour laws, including those concerning minimum wages and employee

benefits.

- Promote equal opportunities for all employees regardless of gender and ensure a harassment-free work environment, free from intimidation, offensive conduct, sexual propositions, or material that may undermine anyone's dignity.

- **Data Privacy, Continuity and Confidentiality**

- Fusion requires its Suppliers to maintain the confidentiality of information accessed through their contractual relationship with the Company. Suppliers must adhere to applicable data protection, privacy, and information security laws, processing personal data strictly according to the Company's instructions. They must ensure that their personnel authorized to handle data commit to confidentiality and adopt appropriate technical and organizational measures to safeguard personal information.
- Additionally, Suppliers must establish business continuity and technological contingency plans to ensure uninterrupted service delivery. They are expected to respect and protect Fusion's intellectual property rights and strictly comply with the Digital Personal Data Protection Act, 2023 when processing personal data, including any provided by the Company.

## **Grievance Redressal**

The Company encourages its suppliers to voice their opinions and raise concerns without fear of retribution, and to escalate matters to the respective Function Head. All grievances will be investigated fairly within a reasonable timeline.

## **Review of the Policy**

This policy will be reviewed periodically, and the updated policy will be available on the website of the Company.