



# **Fusion CX Limited Nomination and Remuneration Policy**



## Document Control Information

<b>Regulatory Framework</b>	Pursuant to Regulation 19(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended
<b>Approval Authority</b>	Approved by the Board of Directors
<b>Date of Approval</b>	8 <sup>th</sup> May 2025
<b>Effective Date</b>	8 <sup>th</sup> May 2025
<b>Corporate Details</b>	Fusion CX Limited (CIN: U72900WB2004PLC097921)  Plot No. Y9, Block EP & GP, Sector-5, Bidhan Nagar, Salt Lake, Kolkata, KOLKATA, West Bengal, India, 700091
<b>Document Version</b>	Version [1.0]

## Table of Contents

<b>1</b>	<b><i>Preamble, Objective, and Scope.....</i></b>	<b><i>4</i></b>
1.1	Preamble.....	4
1.2	Objective .....	4
1.3	Scope .....	4
<b>2</b>	<b><i>Policy for Appointment and Removal .....</i></b>	<b><i>5</i></b>
2.1	Preamble.....	5
2.2	Definitions.....	5
2.3	Committee Constitution and Objectives.....	5
2.4	Appointment Criteria and Qualifications .....	6
2.5	Term, Tenure, and Evaluation .....	7
2.6	Removal and Retirement .....	7
<b>3</b>	<b><i>Policy for Remuneration .....</i></b>	<b><i>8</i></b>
3.1	Preamble and Definitions.....	8
3.2	Remuneration to Managing/Whole-Time Directors.....	8
3.3	Remuneration to Non-Executive/Independent Directors .....	9
3.4	Remuneration to Key Managerial Personnel and Senior Management.....	9
3.5	Other Employee Benefits, Loans, and Advances.....	10
<b>4</b>	<b><i>Policy Review, Implementation, and Amendments .....</i></b>	<b><i>10</i></b>
4.1	Review Process .....	10
4.2	Amendments and Communication.....	10
4.3	Implementation, Delegation, and Regulatory Compliance .....	10
<b>5</b>	<b><i>Effective Date, Applicability, and Transitional Provisions.....</i></b>	<b><i>11</i></b>
5.1	Commencement of the Policy .....	11
5.2	Applicability .....	11
5.3	Transitional Provisions .....	11
5.4	Communication .....	11
<b>6</b>	<b><i>Board Diversity and Familiarization.....</i></b>	<b><i>11</i></b>
6.1	Board Diversity Policy.....	11
6.2	Familiarization Programme .....	12
<b>7</b>	<b><i>Nomination and Remuneration Committee Operational Details .....</i></b>	<b><i>12</i></b>
7.1	Committee Chair and Membership .....	12
7.2	Meeting Frequency and Voting Procedures .....	12
7.3	Conflicts of Interest and Documentation .....	13
<b>8</b>	<b><i>Amendment to the Policy.....</i></b>	<b><i>13</i></b>



# 1 Preamble, Objective, and Scope

## 1.1 Preamble

Fusion CX Limited is committed to good corporate governance and transparency. In line with Section 178 of the Companies Act, 2013 and Pursuant to Regulation 19(4) of the SEBI (LODR) Regulations, 2015, this Policy has been formulated to establish guidelines for the appointment, evaluation, and remuneration of Directors, Key Managerial Personnel (KMP), and Senior Management. The Policy is designed to attract, retain, and motivate high-quality professionals while ensuring compliance and fostering diversity, fairness, and accountability.

## 1.2 Objective

- **Identification and Recruitment:** Establish a structured framework to identify individuals with the requisite integrity, qualifications, and experience to serve as Directors, KMP, or Senior Management.
- **Performance Evaluation:** Define clear criteria—including strategic contribution, leadership, and adherence to ethical standards—to assess the performance of the Board, its committees, and individual executives.
- **Fair and Equitable Remuneration:** Implement remuneration structures that balance fixed and variable components, aligning with both short-term incentives and long-term organizational goals.
- **Governance and Compliance:** Ensure all appointment and remuneration practices comply with the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and other applicable laws.

## 1.3 Scope

This Policy applies to all entities within Fusion CX Limited including:

- **Board of Directors:** Executive, Non-Executive, and Independent Directors.
- **Key Managerial Personnel (KMP):** As defined under Section 2(51) of the Companies Act, 2013 – including the Managing Director, CEO, Company Secretary, CFO, etc.
- **Senior Management:** Officers one level below the Executive Directors, such as functional heads.
- **Subsidiaries and Associates:** Ensuring uniform governance practices across the group.



## 2 Policy for Appointment and Removal

### 2.1 Preamble

The policy for appointment and removal safeguards the independence, integrity, and competence of the Board, KMP, and Senior Management. This framework, managed by the Nomination and Remuneration Committee (NRC), ensures that appointments are made based on merit and that performance is evaluated continuously in line with regulatory and corporate requirements.

### 2.2 Definitions

- **Board:** The collective body of Directors of Fusion CX Limited.
- **Committee:** The Nomination and Remuneration Committee (NRC) tasked with overseeing appointments and remuneration.
- **Key Managerial Personnel (KMP):** Includes Managing Director, CEO, Company Secretary, CFO, and designated officers.
- **Senior Management:** Personnel one level below the Executive Directors, including functional heads.

### 2.3 Committee Constitution and Objectives

- **Committee Constitution:**
  - The Board has the authority to constitute and reconstitute the NRC as needed.
  - The Committee must consist of at least three non-executive Directors, with a minimum of two-thirds being independent.
  - The Chairperson of the company may be a member but shall not serve as the Committee Chair.
- **Key Objectives:**
  - Formulate robust criteria for determining the qualifications, attributes, and independence of Directors.
  - Recommend an equitable remuneration policy for Directors, KMP, and other employees.

- Evaluate and recommend appointments, ensuring strategic alignment and adherence to regulatory requirements.
- Develop policies for Board diversity and succession planning.
- Oversee the annual performance evaluation of the Board, its committees, and individual Directors.

## 2.4 Appointment Criteria and Qualifications

Candidates are assessed based on the following criteria:

Criteria	Description
<b>Integrity and Ethical Standards</b>	The candidate must demonstrate high ethical standards, honesty, and transparency.
<b>Qualifications and Expertise</b>	Relevant educational qualifications and professional certifications must align with the role's requirements. Specific expertise relevant to FUSION CX's operations and strategic goals.
<b>Experience</b>	Proven track record of success in similar roles or industries. Ability to handle complex decision-making and lead teams effectively.
<b>Independence (for Independent Directors)</b>	Candidates must meet the independence criteria as per Section 149(6) of the Companies Act, 2013, and the SEBI (LODR) Regulations, 2015.
<b>Diversity and Inclusion</b>	The Committee shall consider diversity in terms of gender, background, and perspective to enrich Board discussions and decision-making.
<b>Leadership and Decision-Making Skills</b>	Strong leadership capabilities and the ability to contribute to the Company's vision and long-term goals.
<b>Integrity Assessment</b>	Candidates must display high ethical standards and professional conduct.
<b>Qualification Evaluation</b>	Adequate educational background and relevant professional certifications are essential.
<b>Expertise Analysis</b>	In-depth industry knowledge and skills pertaining to the role are required.
<b>Experience Appraisal</b>	A proven track record of success and significant industry exposure is evaluated.

Additional constraints include:





- A candidate must not simultaneously hold positions such as managing director and manager.
- At the time of appointment, Directors should not serve on more than twenty Boards (with no more than ten being public companies).
- For Independent Directors, extra criteria as per Section 149(6) of the Companies Act, 2013 are applied, with a focus on diversity in background and thought.

## 2.5 Term, Tenure, and Evaluation

- **Managing Director/Whole-time Director:**
  - Appointments are for a maximum term of five years, with reappointments considered no earlier than one year before expiry.
  - Age restrictions apply: no appointment for candidates below 21 years or above 75 years (unless extended beyond 75 years with shareholder approval and a supporting explanatory statement).
- **Independent Directors:**
  - They serve for up to five consecutive years and may be reappointed for a subsequent term upon passing a special resolution.
  - A maximum of two consecutive terms is permitted with a mandatory three-year cooling-off period.
  - A resigning Independent Director must observe a cooling-off period of one year before accepting an executive role in any related entity.
- **Evaluation Process:**
  - The NRC conducts annual performance evaluations for all Directors, KMP, and Senior Management.
  - Evaluation criteria include contribution to strategic planning, leadership, ethical standards, and performance against key performance indicators (KPIs).

## 2.6 Removal and Retirement

- **Removal Process:**



- The NRC may recommend removal based on non-compliance with ethical or legal standards, poor performance, or other valid reasons, all of which must be thoroughly documented.
  - The final decision rests with the Board, ensuring adherence to all legal and contractual obligations.
- **Retirement Policy:**
  - In accordance with applicable regulations, retirement will be enforced as per the Companies Act, 2013, though the Board may retain an individual post-retirement based on performance, expertise, and organizational needs.

## 3 Policy for Remuneration

### 3.1 Preamble and Definitions

This Policy establishes the remuneration structure for Directors, KMP, and Senior Management, ensuring fair and competitive compensation that aligns with both short-term results and long-term value creation.

- **Remuneration:** Includes monetary (salary, allowances, performance bonuses) and non-monetary benefits (health insurance, retirement benefits, perquisites).
- **Fixed Pay:** Base salary and allowances.
- **Variable Pay:** Performance-linked incentives and bonuses.
- **Other Benefits:** May include stock options, retirement benefits, and additional perquisites.

### 3.2 Remuneration to Managing/Whole-Time Directors

- **Components:**
  - **Fixed Component:** Base salary, housing allowance, and statutory benefits.
  - **Variable Component:** Performance-linked bonuses tied to financial and operational KPIs.
  - **Stock Options/Long-term Incentives:** Offered in alignment with organizational success.
  - **Other Benefits:** Retirement benefits, health insurance, etc.
- **Determination Process:**





- Recommendations are based on role responsibilities, industry benchmarks, and statutory guidelines (including Section 197 and Schedule V of the Companies Act, 2013).
- Approval is sought from the Board and, where applicable, shareholders.

### 3.3 Remuneration to Non-Executive/Independent Directors

- **Components:**
  - **Sitting Fees:** For attendance at Board and committee meetings.
  - **Commission:** Performance-based remuneration within statutory limits.
  - **Reimbursements:** Covering travel, lodging, and related expenses.
- **Exclusions:**
  - Independent Directors are generally not eligible for stock options.
  - Remuneration for professional services (if any) must comply with regulatory requirements.

### 3.4 Remuneration to Key Managerial Personnel and Senior Management

- **Components:**
  - **Fixed Pay:** Consisting of basic salary, allowances, and other fixed benefits.
  - **Performance Linked Incentives:** Variable pay based on individual and company performance, designed to foster a results-oriented culture.
  - **Retiral Benefits:** Provident Fund, Gratuity, and other statutory benefits.
  - **Long-term Incentives:** May include equity-based awards or employee stock options.
- **Review Process:**
  - The NRC reviews the remuneration structure annually, engaging external consultants if necessary, to ensure competitiveness and alignment with market trends.



### 3.5 Other Employee Benefits, Loans, and Advances

- Employees will be graded based on their qualifications, experience, competencies, and roles.
- Remuneration, as well as loans and advances, will be determined in accordance with established company policies.
- **3.6 Review and Approval**
- The remuneration framework is subject to annual evaluation by the NRC and subsequent approval by the Board.
- Changes are communicated to all stakeholders and detailed in the company's annual report.

## 4 Policy Review, Implementation, and Amendments

### 4.1 Review Process

The NRC will conduct periodic reviews to ensure the Policy remains effective, competitive, and compliant with evolving regulatory standards and industry practices.

### 4.2 Amendments and Communication

- Amendments may be initiated by the NRC or the Board in response to regulatory changes, stakeholder feedback, or evolving organizational needs.
- All amendments must be duly approved by the Board and documented in meeting minutes.
- Significant changes are communicated to stakeholders through the company's intranet or website and disclosed in the annual report.

### 4.3 Implementation, Delegation, and Regulatory Compliance

- Detailed guidelines and procedures will be issued by the NRC to ensure seamless implementation.
- The Committee may delegate routine decisions to its members, while critical decisions remain with the full Committee.



- The Policy is regularly updated to reflect any amendments or circulars issued by relevant authorities.

## 5 Effective Date, Applicability, and Transitional Provisions

### 5.1 Commencement of the Policy

This Policy shall come into effect on 8<sup>th</sup> May 2025 as approved by the Board of Directors.

### 5.2 Applicability

The Policy applies to the Board of Directors, KMP, Senior Management, and extends to all subsidiaries and associates of Fusion CX Limited.

### 5.3 Transitional Provisions

Any appointments or remuneration structures in place prior to the effective date shall be aligned with this Policy within a specified timeframe (e.g., 3 months).

### 5.4 Communication

A copy of this Policy will be made available to all concerned parties via the company's intranet and, where required, published on the company's website in compliance with Regulation 46 of the SEBI (LODR) Regulations.

## 6 Board Diversity and Familiarization

### 6.1 Board Diversity Policy

Fusion CX Limited is committed to maintaining a diverse Board, ensuring a balanced mix of skills, perspectives, and backgrounds. The Company has a separate Board Diversity Policy and Familiarization approved by the Board.



- The composition shall include a mix of Executive, Non-Executive, and Independent Directors, with a requirement for at least one Independent Woman Director, in line with regulatory mandates.
- Selection criteria will emphasize experience from varied industries such as finance, law, IT, corporate strategy, marketing, and operations.

## 6.2 Familiarization Programme

- A comprehensive induction programme is provided for new Directors, particularly Independent Directors, which includes:
  - **Company Overview:** Detailed briefing on products, markets, customers, and business functions.
  - **Regulatory Framework:** Information on applicable laws, roles, responsibilities, and governance practices.
  - **Management Interaction:** Introductions to key members of senior management.
  - **Ongoing Updates:** Annual briefings regarding company operations, financial performance, and industry trends.

# 7 Nomination and Remuneration Committee Operational Details

## 7.1 Committee Chair and Membership

- The NRC is constituted by the Board and must include a minimum of three non-executive directors, of which at least two-thirds shall be independent.
- The Committee shall elect an independent Director to serve as its Chairperson.
- The Chairperson of the Company may be a member of the NRC but is precluded from chairing it.

## 7.2 Meeting Frequency and Voting Procedures

- The NRC shall meet at regular intervals as required by the Act and SEBI (LODR) Regulations.
- Decisions are made by a majority vote of the Committee members present; in the event of a tie, the Chairperson shall have a casting vote.



- Minutes of all NRC meetings must be recorded, tabled in subsequent Board meetings, and signed by the Chairperson within 30 days of the meeting.

### 7.3 Conflicts of Interest and Documentation

- Committee members shall recuse themselves from discussions where their own remuneration or performance is under review.
- All proceedings, decisions, and recommendations of the NRC shall be duly documented and made available for audit and review purposes.

## 8 Amendment to the Policy

The Board of Directors, either on its own initiative or based on the recommendations of the NRC, may amend this Policy from time to time. In the event of any amendments, clarifications, or circulars issued by the relevant authorities, those modifications shall prevail and the Policy shall be deemed amended accordingly from the effective date of such changes.

**Date: 8<sup>th</sup> May, 2025**

**Place: Kolkata**