

## Policy for Cessation of Entity from Coverage

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ESGRisk.ai, in accordance with its Policy for Initiation of ESG Ratings, retains full discretion to initiate the coverage of any entity, provided it meets regulatory provisions and guidelines.

ESGRisk.ai determines its coverage list independently, ensuring alignment with industry best practices, investor demand, and regulatory expectations.

ESGRisk.ai may cease to cover the ESG Rating of a company under the following circumstances:

- If a rated company merges with or is amalgamated into another company, rendering the rating no longer applicable.
- If a rated company ceases to exist due to liquidation, bankruptcy, or winding up.
- If no clients have subscribed or there is less demand to the ESG Rating report, ESGRisk.ai may choose to withdraw coverage. However, where the rated entity/ instrument is part of a rating package (e.g. Nifty 50), which continues to have subscribers, such rating may not be withdrawn.
- ESGRisk.ai may withdraw the rating for an issuer/ rated entity in case of non-availability of the Business Responsibility and Sustainability Report (BRSR) for such issuer/ rated entity.
- ESGRisk.ai may choose to cease coverage of an entity for other reasons, which will be disclosed as and when applicable.

Once withdrawn, ESGRisk.ai shall ensure that such withdrawn rating is not made available to any subscriber in future.

The Chief Ratings Officer (CRO) holds the ultimate decision-making authority regarding the cessation of entity coverage. The final coverage list, including companies withdrawn from coverage, shall be approved and documented by the Chief Ratings Officer to ensure transparency and accountability.

1. In the event that ESGRisk.ai withdraws an ESG Rating for any company, a press release will be published, formally announcing the withdrawal.
2. The press release shall clearly state the reason(s) for withdrawal, ensuring clarity for investors, stakeholders, and market participants.