DOUBLE MATERIALITY ASSESSMENT

Aligning Priorities for Sustainable Value Creation

At ReNew, materiality assessment is fundamental to our approach to crafting a responsive and responsible business strategy. Recognising its critical role in sustainable development, we carried out a comprehensive Double Materiality Assessment (DMA) in line with **European Financial Reporting Advisory Group (EFRAG)** under the Corporate Sustainability Reporting Directive (CSRD), European Sustainability Reporting Standards (ESRS) in FY 2023-24 which is described in the table below.
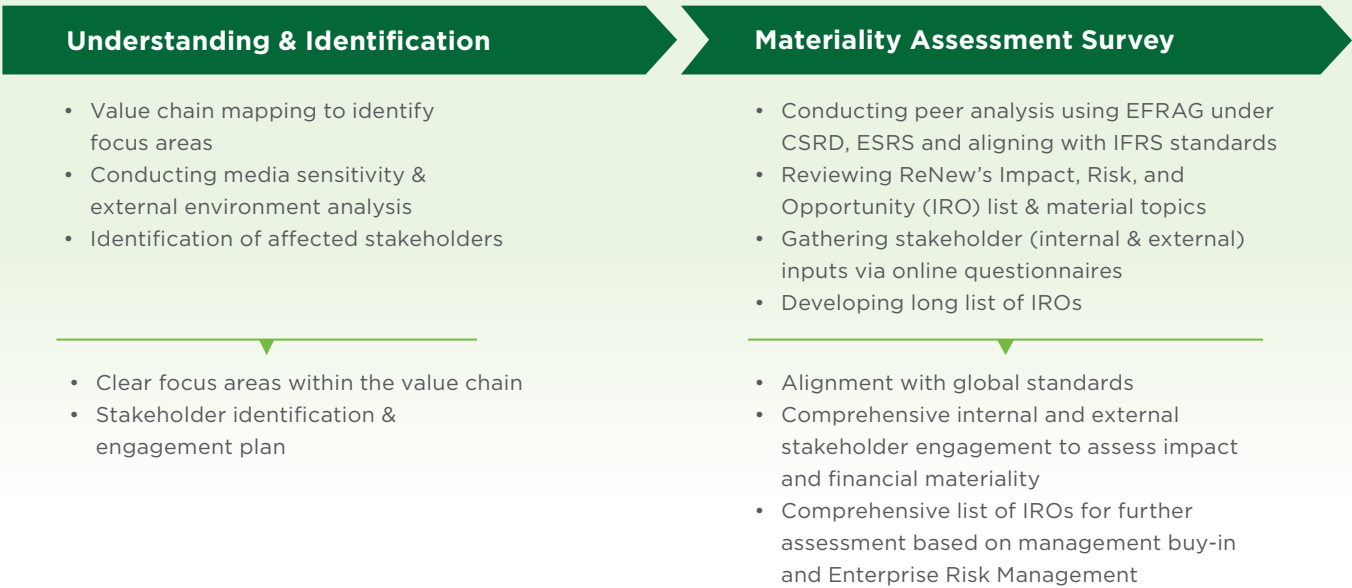
Our Double Materiality assessment was conducted considering both **Impact Materiality** (How our operations impact the Environment and People) and **Financial Materiality** (How the external environment impacts our business) and the results were consolidated into a comprehensive materiality matrix. Key material topics which have been identified as high priority under both Impact and Financial Materiality include **"Business Ethics", "Climate Change", "Health and safety", "Policy Advocacy and Thought Leadership", "Employee Engagement and Development", and "Community Engagement".**
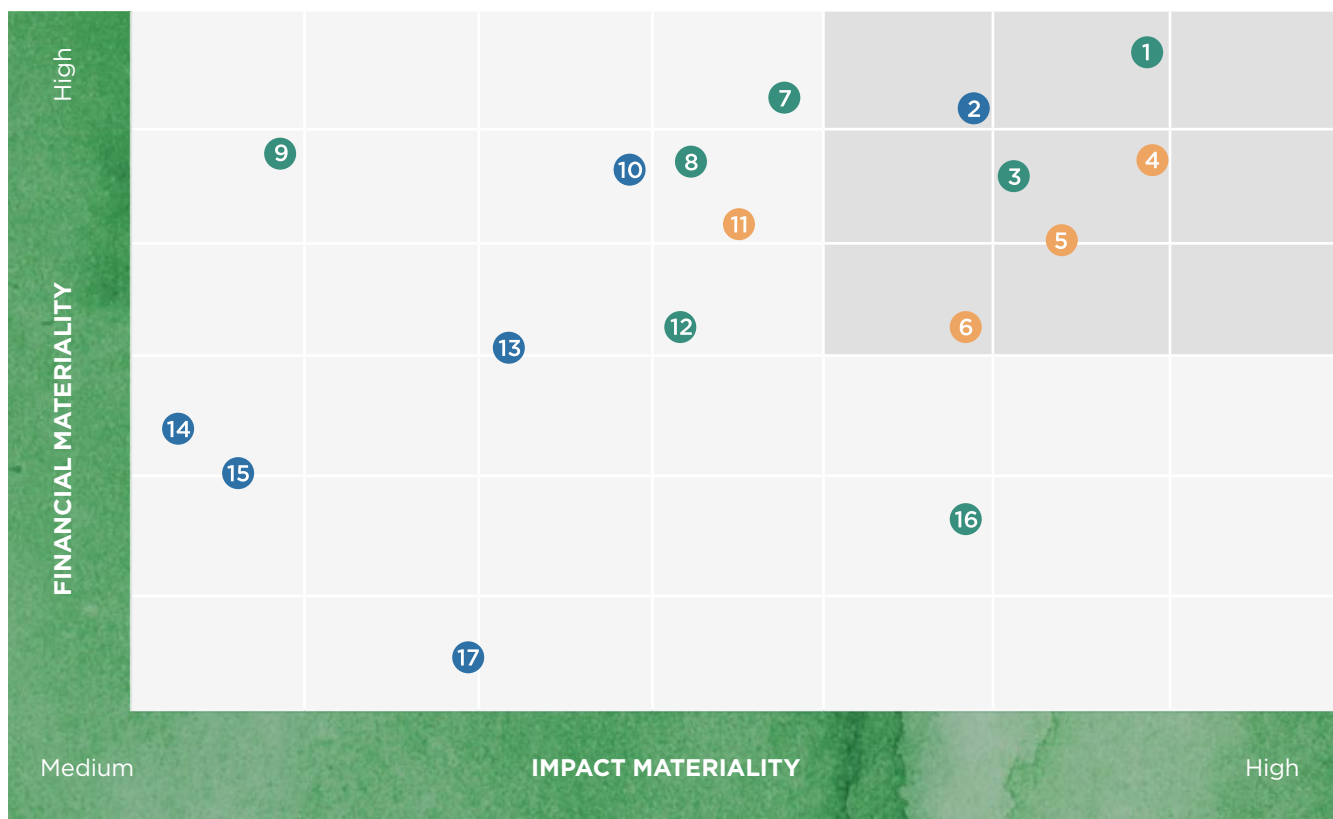
This year, we have made sure to look at our **Enterprise Risk Management (ERM)** to see if any new risk related to ESG has emerged so that same can be integrated to refresh our materiality. While our ERM has been updated to include new ESG related risks, these risks were already assessed as part of Double Materiality Assessment (DMA) in FY 2023-24. So, we have chosen to keep our material topics unchanged this year, as there have not been any significant shifts in our business model or operations. This continuity allows us to focus on key sustainability priorities while ensuring our approach remains relevant.

We conduct a formal refresh of our material topics every 2–3 years to ensure they reflect the dynamic nature of our business environment and stakeholder priorities. This allows us to comprehensively reassess the relevance and impact of key sustainability topics, integrating emerging trends and addressing shifts in regulatory landscapes and stakeholder expectations. This balance ensures our sustainability strategy stays current, focused, and impactful over time.

Demonstrating our commitment to oversight and accountability, the outcomes of our materiality assessment have been reviewed and approved by the Board, reinforcing its strategic alignment and oversight. Additionally, we have obtained third-party assurance on KPIs associated with the results of our materiality assessment further strengthening its credibility and transparency.

Our Double Materiality Assessment (DMA) Approach

Understanding & Identification

- Value chain mapping to identify focus areas
- Conducting media sensitivity & external environment analysis
- Identification of affected stakeholders

- Clear focus areas within the value chain
- Stakeholder identification & engagement plan

Materiality Assessment Survey

- Conducting peer analysis using EFRAG under CSRD, ESRS and aligning with IFRS standards
- Reviewing ReNew's Impact, Risk, and Opportunity (IRO) list & material topics
- Gathering stakeholder (internal & external) inputs via online questionnaires
- Developing long list of IROs

- Alignment with global standards
- Comprehensive internal and external stakeholder engagement to assess impact and financial materiality
- Comprehensive list of IROs for further assessment based on management buy-in and Enterprise Risk Management

Materiality Matrix

FINANCIAL MATERIALITY (vertical axis: Medium to High)

IMPACT MATERIALITY (horizontal axis: Medium to High)

Plotted points: 1, 7, 2, 9, 10, 8, 3, 4, 11, 5, 13, 12, 6, 14, 15, 16, 17

Legend:
- 🟢 Governance
- 🟠 Social
- 🔵 Environmental

List of Material Topics

1	Business Ethics	6	Community Engagement	12	Human Rights
2	Climate Change	7	Compliance Management	13	Waste Management
3	Policy Advocacy & Thought Leadership	8	Innovation & Digitisation	14	Water Management
4	Health & Safety	9	Risk Management	15	Biodiversity Conservation
5	Employee Engagement & Development	10	Energy Management	16	Diversity & Inclusion
		11	Sustainable Supply Chain	17	GHG Management

Dual-Perspective Scoring

- Defining materiality threshold based on financial matrix
- Evaluating whether the impact is actual/ potential and whether it occurs through our own operations or across the value chain

- Mapped impact, risk, and opportunity scores and attained materiality level

Prioritisation & Disclosure

- Determining 17 material IROs exceeding threshold
- Ranking top material matters for impact & disclosure requirements

- Finalised list of 17 material IROs
- Material matters mapped to company-specific topics in the risk register

IMPACT, RISK AND OPPORTUNITY (IRO) ANALYSIS

At ReNew, we have carried out an IRO analysis to understand how sustainability issues affect both our business and wider society. We have identified the impact of each material topic as positive or negative, further classifying the impact into potential or actual along with its coverage across our Company's own operations and value chain to make informed decisions that support long term resilience and stakeholder confidence Mitigation strategies for each material topic are articulated across our capitals and the risk management section. We have aligned our material topics with the Enterprise Risk Management Framework to ensure a strategic and integrated approach to risk assessment. For a more comprehensive understanding, refer to the Risk Management section below.

E/S/G	Material Topic	Impact/Risk/ Opportunity	Financial Impact (Positive/ Negative)	Actual/ Potential Impact	Own Operations/ Value Chain (OO/VC)	Materiality Level
	Climate Change	**Opportunity** • A growing market for solar, wind, and other renewables • Innovation in energy storage, grid management, and decentralised energy systems	Positive	Actual	OO/VC	High
		Risk • Increased frequency and intensity of extreme weather events • Sudden changes in subsidies, tariffs, or compliance requirements	Negative	Actual	OO/VC	High
	Energy Engagement	**Opportunity** • More demand for integrated green energy solutions • Smart grid technologies that optimise energy flow • Energy storage and demand response solutions	Positive	Actual	OO/VC	Moderate
	Waste Management	**Risk** • Environmental contamination due to hazardous waste if not disposed of properly • Regulatory penalties for non-compliance with India's e-waste and hazardous waste rules	Negative	Actual	OO/VC	Moderate
	Water Management	**Risk** • Non-compliance penalties if water usage exceeds permitted limits or if wastewater is not treated properly • Limited water availability for cleaning solar panels and cooling systems • Potential soil and water pollution risks arising from contamination in discharged water.	Negative	Actual	OO	Moderate
	Biodiversity Conservation	**Impact** • Conservation laws in ecologically sensitive areas may lead to project delays or require relocation of energy projects • Habitat destruction and loss of wildlife	Negative	Potential	OO	Moderate
		Risk • Fines and penalties due to habitat destruction from project management • Projects near ecologically sensitive zones may face delays or cancellations due to environmental clearance issues	Negative	Potential	OO	Moderate
	GHG Management	**Opportunity** • Adopting advanced digital tools for emissions tracking and reporting can enhance transparency and provide a competitive edge in ESG disclosures	Positive	Actual	OO	Moderate
		Risk • Non-compliance to emissions data disclosure and carbon pricing regulations leading to fines and penalties • Significant indirect emissions from suppliers, construction, or disposal can pose reputational risks if not properly tracked or mitigated	Negative	Actual	OO/VC	Moderate

E/S/G	Material Topic	Impact/Risk/ Opportunity	Financial Impact (Positive/ Negative)	Actual/ Potential Impact	Own Operations/ Value Chain (OO/VC)	Materiality Level
S	Health & Safety	**Risk** • Occupational hazards during installation and maintenance • Inadequate safety contractor standards	Negative	Actual	OO	High
	Employee Engagement & Development	**Opportunity** • By investing in continuous learning, certifications, and technical training, ReNew can improve employee retention and job satisfaction • Fostering a purpose-driven work culture	Positive	Actual	OO	High
	Community Engagement	**Impact** • Greater acceptance and cooperation during project development • Renewable energy projects can positively impact communities by creating local jobs and skill development opportunities	Positive	Potential	OO/VC	High
	Sustainable Supply Chain	**Opportunity** • Sustainable supply chains can enhance resource efficiency, reduce waste, lower operational costs, and mitigate regulatory risk • Collaborations with suppliers who share sustainability goals can lead to stronger partnerships resulting in reliable supply chains, better quality products, and shared innovation efforts	Negative	Actual	OO/VC	Moderate
		Risk • Non-compliance with government regulations • Reputational damage due to unethical practices in the supply chain	Negative	Actual	OO/VC	Moderate
	Human Rights	**Risk** • Use of informal labor or poor working conditions can result in human rights breaches and legal consequences • Failure to consult and involve local communities can lead to social unrest, legal challenges, and loss of social license to operate	Negative	Potential	OO/VC	Moderate
	Diversity & Inclusion	**Opportunity** • Embracing D&I allows us to tap into diverse backgrounds, including women, differently-abled individuals, and underrepresented communities • Improved reputation and ESG performance	Positive	Actual	OO	Moderate
G	Business Ethics	**Opportunity** • Build long-term trust with investors, regulators, and communities • Strengthen brand reputation and customer loyalty	Positive	Actual	OO	High
		Risk • Legal penalties and project delays • Damage to public and stakeholder trust	Negative	Actual	OO	High
	Policy Advocacy & Thought Leadership	**Opportunity** • Build credibility and visibility among stakeholders, including investors, regulators, and the public • Shape regulatory frameworks that support innovation, grid integration, and energy storage	Positive	Potential	OO	High
	Compliance Management	**Risk** • Regulatory burden like licenses, approvals, and registrations • Non-compliance to regulations leading to fines and penalties	Negative	Potential	OO	High
	Innovation & Digitisation	**Opportunity** • Improve grid integration and load balancing • Enhance transparency with investors, regulators, and customers	Positive	Actual	OO/VC	Moderate
		Risk • Data breaches and cyberattacks • Operational disruptions and financial losses	Negative	Actual	OO/VC	Moderate
	Risk Management	**Risk** • Delayed response to emerging threats • Unanticipated project delays, financial losses, or non-compliance with evolving standards	Negative	Actual	OO	Moderate