

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.

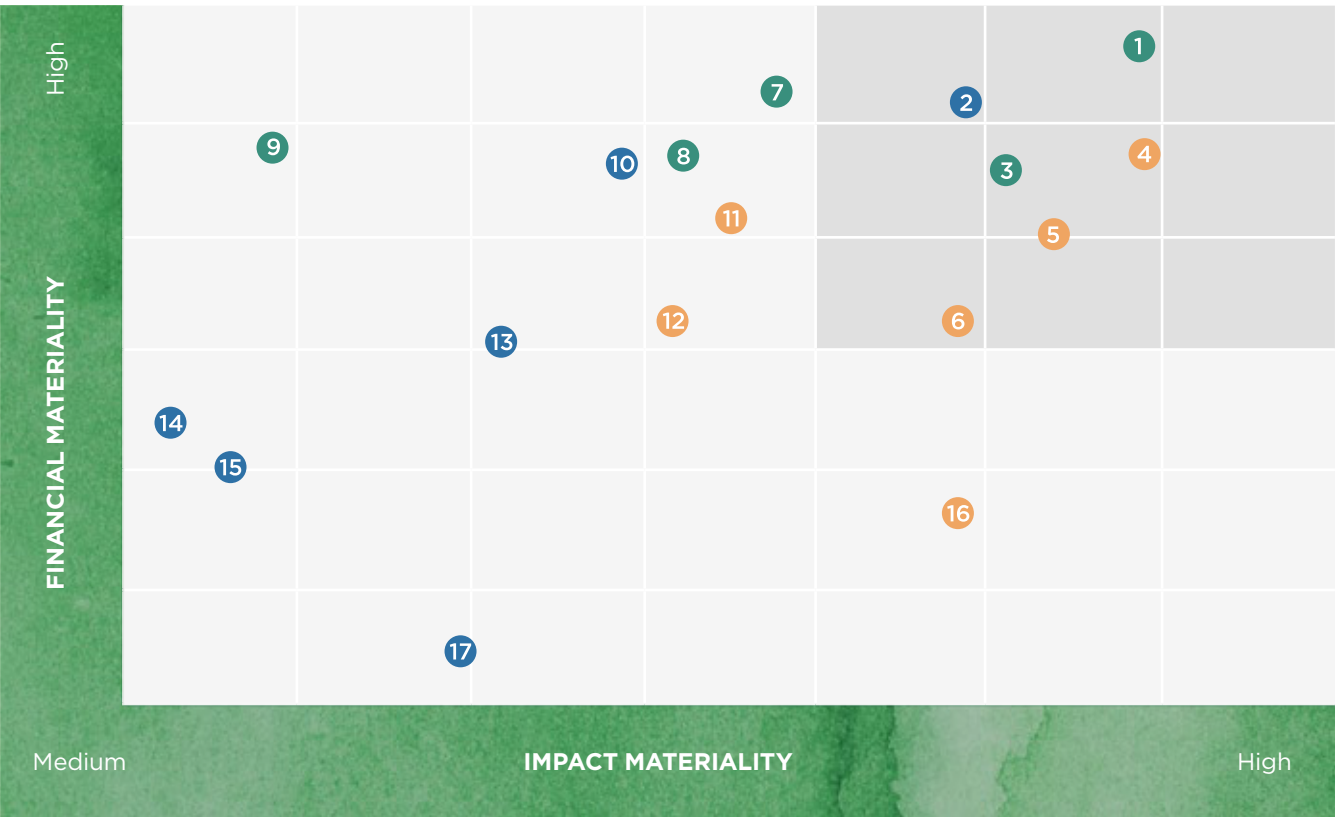
Our Double Materiality assessment was conducted considering both **Impact Materiality** (How our operations impact the Environment and People) and **Financial Materiality** (How the external environment impacts our business) and the results were consolidated into a comprehensive materiality matrix. Key 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



- Governance

● Social

● Environmental
- List of Material Topics

1

Business Ethics

2

Climate Change

3

Policy Advocacy & Thought Leadership

4

Health & Safety

5

Employee Engagement & Development

6

Community Engagement

7

Compliance Management

8

Innovation & Digitisation

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Risk Management

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Energy Management

11

Sustainable Supply Chain

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Human Rights

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Waste Management

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Water Management

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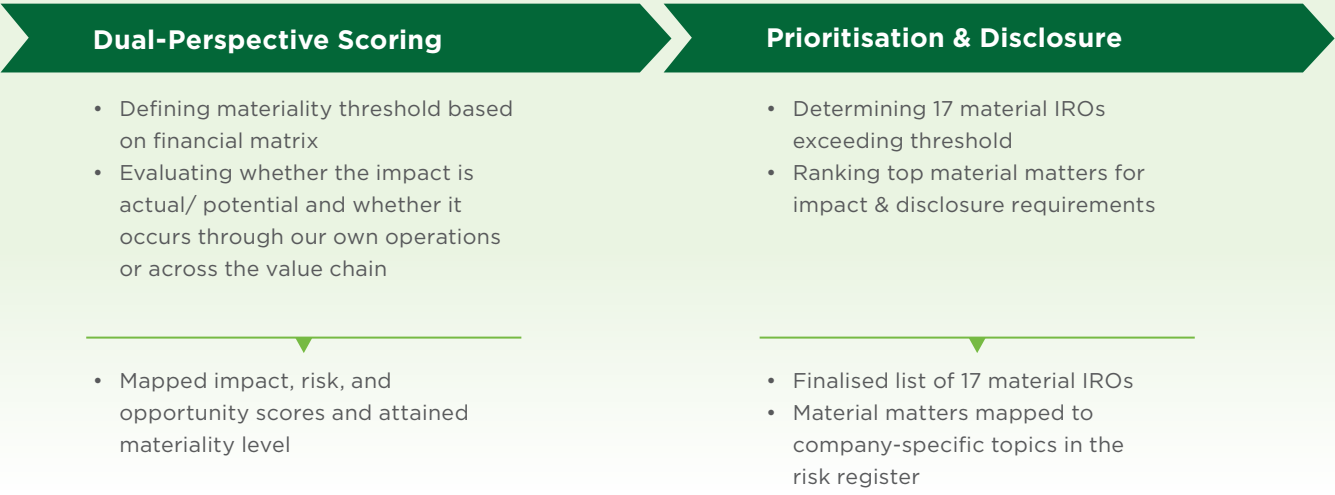
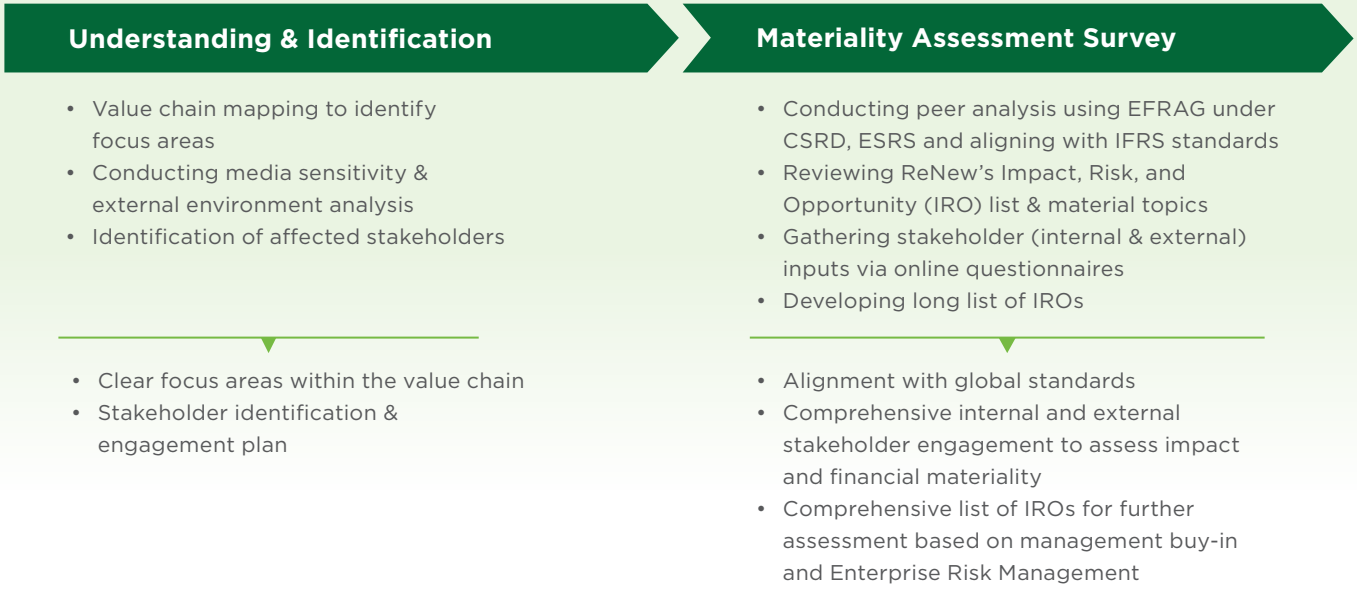
Biodiversity Conservation

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Diversity & Inclusion

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GHG Management



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 <ul style="list-style-type: none">A growing market for solar, wind, and other renewablesInnovation in energy storage, grid management, and decentralised energy systems | Positive | Actual | OO/VC | High |
| | | Risk <ul style="list-style-type: none">Increased frequency and intensity of extreme weather eventsSudden changes in subsidies, tariffs, or compliance requirements | Negative | Actual | OO/VC | High |
| | Energy Management | Opportunity <ul style="list-style-type: none">More demand for integrated green energy solutionsSmart grid technologies that optimise energy flowEnergy storage and demand response solutions | Positive | Actual | OO/VC | Moderate |
| | Waste Management | Risk <ul style="list-style-type: none">Environmental contamination due to hazardous waste if not disposed of properlyRegulatory penalties for non-compliance with India's e-waste and hazardous waste rules | Negative | Actual | OO/VC | Moderate |
| | Water Management | Risk <ul style="list-style-type: none">Non-compliance penalties if water usage exceeds permitted limits or if wastewater is not treated properlyLimited water availability for cleaning solar panels and cooling systemsPotential soil and water pollution risks arising from contamination in discharged water. | Negative | Actual | OO | Moderate |
| | Biodiversity Conservation | Impact <ul style="list-style-type: none">Conservation laws in ecologically sensitive areas may lead to project delays or require relocation of energy projectsHabitat destruction and loss of wildlife | Negative | Potential | OO | Moderate |
| | | Risk <ul style="list-style-type: none">Fines and penalties due to habitat destruction from project managementProjects near ecologically sensitive zones may face delays or cancellations due to environmental clearance issues | Negative | Potential | OO | Moderate |
| | GHG Management | Opportunity <ul style="list-style-type: none">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 <ul style="list-style-type: none">Non-compliance to emissions data disclosure and carbon pricing regulations leading to fines and penaltiesSignificant indirect emissions from suppliers, construction, or disposal can pose reputational risks if not properly tracked or mitigated | Negative | Actual | OO/VC | Moderate |
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| E/S/G | Material Topic | Impact/Risk/ Opportunity | Financial Impact (Positive/Negative) | Actual/Potential Impact | Own Operations/ Value Chain (OO/VC) | Materiality Level |
|---|--------------------------------------|--|--------------------------------------|-------------------------|-------------------------------------|-------------------|
|  | Health & Safety | Risk <ul style="list-style-type: none">Occupational hazards during installation and maintenanceInadequate safety contractor standards | Negative | Actual | OO | High |
| | Employee Engagement & Development | Opportunity <ul style="list-style-type: none">By investing in continuous learning, certifications, and technical training, ReNew can improve employee retention and job satisfactionFostering a purpose-driven work culture | Positive | Actual | OO | High |
| | Community Engagement | Impact <ul style="list-style-type: none">Greater acceptance and cooperation during project developmentRenewable energy projects can positively impact communities by creating local jobs and skill development opportunities | Positive | Potential | OO/VC | High |
| | Sustainable Supply Chain | Opportunity <ul style="list-style-type: none">Sustainable supply chains can enhance resource efficiency, reduce waste, lower operational costs, and mitigate regulatory riskCollaborations 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 <ul style="list-style-type: none">Non-compliance with government regulationsReputational damage due to unethical practices in the supply chain | Negative | Actual | OO/VC | Moderate |
| | Human Rights | Risk <ul style="list-style-type: none">Use of informal labor or poor working conditions can result in human rights breaches and legal consequencesFailure 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 <ul style="list-style-type: none">Embracing D&I allows us to tap into diverse backgrounds, including women, differently-abled individuals, and underrepresented communitiesImproved reputation and ESG performance | Positive | Actual | OO | Moderate |
| | Business Ethics | Opportunity <ul style="list-style-type: none">Build long-term trust with investors, regulators, and communitiesStrengthen brand reputation and customer loyalty | Positive | Actual | OO | High |
| | | Risk <ul style="list-style-type: none">Legal penalties and project delaysDamage to public and stakeholder trust | Negative | Actual | OO | High |
| | Policy Advocacy & Thought Leadership | Opportunity <ul style="list-style-type: none">Build credibility and visibility among stakeholders, including investors, regulators, and the publicShape regulatory frameworks that support innovation, grid integration, and energy storage | Positive | Potential | OO | High |
|  | Compliance Management | Risk <ul style="list-style-type: none">Regulatory burden like licenses, approvals, and registrationsNon-compliance to regulations leading to fines and penalties | Negative | Potential | OO | High |
| | Innovation & Digitisation | Opportunity <ul style="list-style-type: none">Improve grid integration and load balancingEnhance transparency with investors, regulators, and customers | Positive | Actual | OO/VC | Moderate |
| | | Risk <ul style="list-style-type: none">Data breaches and cyberattacksOperational disruptions and financial losses | Negative | Actual | OO/VC | Moderate |
| | Risk Management | Risk <ul style="list-style-type: none">Delayed response to emerging threatsUnanticipated project delays, financial losses, or non-compliance with evolving standards | Negative | Actual | OO | Moderate |