Digital Transformation, Artificial Intelligence and Information Technology

Digitalisation and AI - Key to Enterprise Transformation and Resilience

At L&T, the Technology function continues to play a pivotal role in enabling business growth, enhancing operational efficiency, strengthening governance and building digital resilience. During FY 2025-26, the Group sustained its focused investments in digital platforms, AI-led innovation, cybersecurity and enterprise standardisation, in alignment with long-term business priorities and evolving stakeholder expectations.

These initiatives reinforce the Company's commitment to operational excellence, scalable growth, regulatory compliance and sustainable value creation.

The following outlines the key IT initiatives undertaken during FY 2025-26:

1. Digital Transformation, AI and Automation

The Group's Technology function intensified its focus on AI-led transformation and intelligent automation to improve productivity, decision-making and customer experience.

- Continued expansion of AI and GenAI-based use cases across business functions, including engineering, project execution, finance, HR and shared services
- Scaling of enterprise AI platforms and data foundations to support responsible, secure and reusable AI innovation
- Increased adoption of automation and workflow digitalisation driving process efficiency, accuracy and turnaround-time improvements
- Strengthening of enterprise integration and low-code / no-code capabilities to accelerate business-led digital solutions within governance frameworks

These efforts enabled faster business responsiveness while ensuring architectural consistency and risk controls.

2. Enterprise Platforms, Data and One L&T Approach

FY 2025-26 witnessed significant strides in standardisation and convergence under the overarching One L&T philosophy.

- Advancements in consolidating enterprise platforms such as ERPs, collaboration tools, identity management systems, network infrastructure and asset visibility mechanisms
- Strengthening of group-wide data and application governance
- Focus on data consolidation enabling advanced analytical capabilities, reporting and AI readiness
- Expansion of unified portals, contributing to consistent user experience, greater transparency and improved collaboration across businesses which create more streamlined, efficient and secure work environment that benefits both employees and the organisation as a whole

These initiatives support scalability, cost optimisation and improved enterprise-wide visibility. With a focus on platform-led transformation, innovation and operational excellence, the Company remains committed to delivering sustained value to its stakeholders.

3. Compliance, Governance and Risk Management

IT governance and regulatory compliance is key focus area for the organisation. The Company sustained compliance with ISO 27001:2022 and other relevant standards through ongoing controls, audits and continuous improvement initiatives. In addition, L&T continues to strengthen its application governance, asset visibility and life-cycle management across businesses. Further, the Company has enhanced monitoring, reporting and controls to support regulatory, audit and investor requirements, ensuring transparency and accountability. These measures reinforce trust with stakeholders while reducing operational and regulatory risk.

4. **Cybersecurity and Digital Resilience**

With an evolving threat landscape, cybersecurity continues to be a board-level priority to prevent cyber-attacks. The following measures are being taken on an ongoing basis:

- Strengthening of the Central Cyber Security Operations Centre (C SOC) to provide group-wide visibility, monitoring and coordinated incident response
- Deployment of advanced security technologies, including AI-driven threat detection, endpoint, data center, network, mobility protection and cloud security controls
- Ongoing cyber awareness and training programmes conducted across the organisation to enhance employee vigilance and preparedness
- Maintaining compliance with applicable cyber regulations

These measures reinforce trust with stakeholders while reducing operational and regulatory risk.

5. **Sustainability and ESG Enablement**

Technology continues to play a key role in enabling L&T's sustainability and ESG objectives.

- Continued enhancement of digital platforms to capture, monitor and report ESG metrics, including energy, emissions, water, waste and compliance data
- Integration of ESG data with enterprise systems to support regulatory disclosures, management reporting and internal benchmarking
- Adoption of cloud and digital solutions to improve resource efficiency and support sustainability goals

Outlook and Strategic Priorities

Looking ahead, the Group Technology function will continue to act as a strategic business enabler, with key priorities including:

- **Scaling AI Responsibly:** Expanding enterprise AI and GenAI solutions with strong governance, ethics and security
- **Deepening One L&T Adoption:** Advancing One Identity, One Network, One Data, One Asset and unified digital experiences
- **Industry 5.0 Enablement:** Leveraging human-machine collaboration to drive productivity, safety and sustainability
- **Cyber Resilience by Design:** Strengthening security architectures, zero-trust adoption and future-ready encryption
- **Data-Driven Enterprise:** Enhancing real-time insights, advanced analytics and decision intelligence

Through these strategic investments, the Technology function will continue to support L&T's growth ambitions, operational excellence and leadership as a digitally-enabled engineering and construction major.