

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the listed entity:** L99999MH1946PLC004768
2. **Name of the listed entity:** Larsen & Toubro Limited
3. **Year of incorporation:** 1946
4. **Registered office address:** L&T House, Ballard Estate, Mumbai- 400001, Maharashtra
5. **Corporate address:** L&T House, Ballard Estate, Mumbai- 400001, Maharashtra
6. **E-mail:** infodesk@larsentoubro.com
7. **Telephone:** +91 22 67525656, **Fax:** +91 22 67525858
8. **Website:** www.larsentoubro.com
9. **Financial year for which reporting is being done:** April 1, 2022 – March 31, 2023
10. **Name of the Stock Exchange(s) where shares are listed:**
  - a. National Stock Exchange of India Limited (NSE)
  - b. BSE Limited (BSE)
11. **Paid-up capital:** ₹ 281.10 crore
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**

S. No	Particulars	Details
1.	Name	Dr. Pradeep Panigrahi
2.	Designation	Head-Corporate Sustainability
3.	Telephone Number	+91 22 61238639
4.	Email ID	pradeep.panigrahi@larsentoubro.com

13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).**

This report is for Larsen & Toubro Limited (L&T) and the reporting boundary encompasses L&T's manufacturing locations, project sites and offices across India and international locations (which are part of L&T Standalone). This report does not include L&T's subsidiaries/associates.

## II. Products/Services

### 14. Details of business activities of the entity (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of Business Activity	Percentage of Turnover of the entity
1.	Infrastructure	Engineering, Procurement and Construction of Residential Buildings, Factories, Public spaces, Airports, IT Parks and Data Centres, Hospitals, Roads, Railways, Metros, Elevated Corridors, Transmission lines, Substations, Renewable projects, Water Supply and Distribution, Industrial Desalination, Sewage treatment plants, Irrigation projects, Hydel Power, Nuclear plants, Marine projects, Minerals & Metals process plants and related customized equipment etc	72
2.	Hydrocarbon	Engineering, Procurement and Construction for Hydrocarbon Upstream, Midstream and Downstream projects	14
3.	Power	Engineering, Procurement, Construction for Coal and Gas based power plants	4

### 15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No	NIC Code			Product/Services	Percentage of total turnover contributed
	Group	Class	Sub Class		
1	282	2824	28246	Manufacture of parts and accessories for machinery/equipment used by construction and mining industries	7
2	410	4100	41001	Construction of buildings carried out on own-account or on a fee or contract basis	12
3	421	4210	42101	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels, and subways	31
			42102	Construction and maintenance of railways and rail-bridges	
4	422	4220	42201	Construction and maintenance of power plants	4
			42202	Construction/erection and maintenance of power, telecommunication, and transmission lines	9
			42204	Construction and maintenance of water main and line connection, water reservoirs, including irrigation system (canal)	13
			42205	Construction and repair of sewer systems including sewage disposal plants and pumping stations	
5	429	4290	42901	Construction and maintenance of industrial facilities such as refineries, chemical plants, etc.	14

## III. Operations

### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	18	28	46
International	0	13	13

**17. Markets served by the entity:**
**a. Number of locations**

Locations	Number
National (No. of states)	Pan India
International (No. of countries)	63

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

17%

**c. A brief on types of customers**

The Company's business is construction of infrastructure and manufacturing of products for industrial uses. Some of the major clients include State and Central Government departments, public sector entities, private sector companies, ministries, local municipal bodies, and foreign governments and companies abroad.

**IV. Employees**
**18. Details as at the end of Financial Year:**
**a. Employees and Workers as on March 31,2023 (including differently abled):**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	46,935	43,448	93	3,487	7
2.	Other than Permanent (E)	6,163	5,893	96	270	4
3.	<b>Total employees (D + E)</b>	53,098	49,341	93	3,757	7
<b>WORKERS</b>						
4.	Permanent (F)	2,104	2,098	99.7	6	0.3
5.	Other than Permanent (G)	275,753	274,535	99.6	1,218	0.4
6.	<b>Total workers (F + G)</b>	277,857	276,633	99.6	1,224	0.4

'Permanent' employees comprise individuals with payroll staff code numbers and designated as 'Regular' internally. 'Other than Permanent' Employees include Fixed Term Employees (FTEs)/Fixed Term Retainer (FTR) (Management/Non-management, worker), Advisors, and third party hired staff. 'Permanent' workers include only those workers who are employed for full-time or part-time work with L&T for an indeterminate period. 'Other than Permanent' workers include workers on third-party rolls and contractual categories.

**b. Differently abled Employees and Workers:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	40	37	92.5	3	7.5
2	Other than Permanent (E)	7	7	100	0	0
3	<b>Total differently abled employees (D + E)</b>	47	44	94	3	6
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	9	9	100	0	0
5	Other than Permanent (G)	10	10	100	0	0
6	<b>Total differently abled workers (F + G)</b>	19	19	100	0	0

## 19. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors*	18	1	5.6%
Key Management Personnel	1	0	0

\*The CEO & MD and CFO are included in the Board of Directors.

## 20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23 %			FY 2021-22 %*			FY 2020-21%*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	11.8	20.1	12.5	14.3	20.6	14.7	12.0	13.7	12.1
Permanent workers*	1.8	0.0	1.8	-	-	-	-	-	-

\*Data not available for permanent workers in FY 2021-22 and FY 2020-21.

## V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

## 21. (a) Names of Holding/Subsidiary/Associate companies/Joint Ventures

S. No.	Name of the Company (A)	Holding/ Subsidiary/ Associate/Joint Venture	Percentage of shares held	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Bhilai Power Supply Company Limited	Subsidiary	99	No
2	Chennai Vision Developers Private Limited	Subsidiary	100	No
3	Esencia Technologies India Private Limited	Subsidiary	74	No
4	Graphene Semiconductors Services Private Limited	Subsidiary	74	No
5	Graphene Solutions Sdn.Bhd	Subsidiary	74	No
6	L&T Technology Services Pte. Ltd (formerly Graphene Solutions Pte Ltd.)	Subsidiary	74	No
7	Graphene Solutions Taiwan Ltd.	Subsidiary	74	No
8	Hi-Tech Rock Products & Aggregate Limited	Subsidiary	100	No
9	Kudgi Transmission Limited	Subsidiary	51	No
10	L & T Hydrocarbon Caspian LLC	Subsidiary	50	No
11	Ahmedabad-Maliya Tollway Limited	Subsidiary	51	No
12	L&T Arunachal Hydropower Limited <sup>&amp;</sup>	Subsidiary	100	No
13	L&T Aviation Services Private Limited	Subsidiary	100	No
14	L&T Capital Company Limited	Subsidiary	100	No
15	L&T Chennai Tada Tollways Limited	Subsidiary	51	No
16	L&T Realty Developers Limited (formerly known as L&T Construction Equipment Limited)	Subsidiary	100	No
17	L&T Construction Equipment Limited (formerly known as L&T Construction Machinery Limited)	Subsidiary	100	No
18	L&T Deccan Tollways Limited	Subsidiary	53	No

S. No.	Name of the Company (A)	Holding/ Subsidiary/ Associate/Joint Venture	Percentage of shares held	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
19	L&T Innovation Campus (Chennai) Limited (formerly known as L&T Electricals and Automation Limited)	Subsidiary	100	No
20	L&T Finance Holdings Limited	Subsidiary	66	No*
21	L&T Finance Limited	Subsidiary	66	No
22	L&T Financial Consultants Limited	Subsidiary	66	No
23	L&T Global Holdings Limited	Subsidiary	100	No
24	L&T Himachal Hydropower Limited	Subsidiary	100	No
25	L&T Howden Private Limited	Subsidiary	50	No
26	L&T Information Technology Services (Shanghai) Co., Ltd.	Subsidiary	69	No
27	L&T Information Technology Spain SI	Subsidiary	69	No
28	LTIMindtree Financial Services Technologies Inc (formerly known as L&T Infotech Financial Services Technologies Inc)	Subsidiary	69	No
29	LTIMindtree, Sociedad De Responsabilidad Limitada De Capital Variable (formerly known as L&T Infotech S. De. Rl. De. Cv.)	Subsidiary	69	No
30	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	Subsidiary	66	No
31	L&T Infra Investment Partners Advisory Private Limited	Subsidiary	66	No
32	L&T Infra Investment Partners Trustee Private Limited	Subsidiary	66	No
33	L&T Infrastructure Development Projects Limited	Subsidiary	51	No
34	L&T Infrastructure Engineering Limited	Subsidiary	100	No
35	L&T Interstate Road Corridor Limited	Subsidiary	51	No
36	L&T MBDA Missile Systems Limited	Subsidiary	51	No
37	L&T Metro Rail (Hyderabad) Limited	Subsidiary	99	No
38	L&T Modular Fabrication Yard LLC	Subsidiary	70	No
39	L&T Mutual Fund Trustee Limited	Subsidiary	66	No
40	Panipat Elevated Corridor Limited	Subsidiary	51	No
41	L&T Power Development Limited	Subsidiary	100	No
42	L&T Energy Green Tech Limited (formerly L&T Power Limited)	Subsidiary	99	No
43	L&T Rajkot-Vadinar Tollway Limited	Subsidiary	51	No
44	L&T Samakhiali Gandhidham Tollway Limited	Subsidiary	51	No
45	L&T Sambalpur - Rourkela Tollway Limited	Subsidiary	51	No
46	L&T Sapura Offshore Private Limited	Subsidiary	60	No
47	L&T Sapura Shipping Private Limited	Subsidiary	60	No
48	L&T Seawoods Limited	Subsidiary	100	No

S. No.	Name of the Company (A)	Holding/ Subsidiary/ Associate/Joint Venture	Percentage of shares held	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
49	L&T Special Steels and Heavy Forgings Private Limited	Subsidiary	74	No
50	L&T Technology Services Limited	Subsidiary	74	No*
51	L&T Technology Services LLC	Subsidiary	74	No
52	L&T Technology Services (Shanghai) Co. Ltd.	Subsidiary	74	No
53	L&T Technology Services (Canada) Limited	Subsidiary	74	No
54	L&T Thales Technology Services Private Limited	Subsidiary	55	No
55	L&T Transportation Infrastructure Limited	Subsidiary	64	No
56	L&T Valves Limited	Subsidiary	100	No
57	L&T-MHI Power Boilers Private Limited	Subsidiary	51	No
58	L&T-MHI Power Turbine Generators Private Limited	Subsidiary	51	No
59	L&T-Sargent & Lundy Limited	Subsidiary	50	No
60	Larsen & Toubro (East Asia) Sdn. Bhd	Subsidiary	30	No
61	L&T Hydrocarbon Saudi Company LLC (formerly known as Larsen & Toubro Atco Saudi LLC)	Subsidiary	100	No
62	Larsen & Toubro Electromech LLC	Subsidiary	70	No
63	Larsen & Toubro Heavy Engineering LLC	Subsidiary	70	No
64	LTIMindtree Canada Limited (formerly known as Larsen & Toubro Infotech Canada Limited)	Subsidiary	69	No
65	LTIMindtree GMBH (formerly known as Larsen & Toubro Infotech GMBH)	Subsidiary	69	No
66	LTIMindtree Limited (formerly known as Larsen & Toubro Infotech Limited)	Subsidiary	69	No*
67	LTIMindtree LLC (formerly known as Larsen & Toubro Infotech LLC)	Subsidiary	69	No
68	LTIMindtree Norge AS (formerly known as Larsen & Toubro Infotech Norge AS)	Subsidiary	68	No
69	Larsen & Toubro International Fze	Subsidiary	100	No
70	Larsen & Toubro Kuwait Construction General Contracting Company (With Limited Liability)	Subsidiary	49	No
71	Larsen & Toubro Oman LLC	Subsidiary	65	No
72	Larsen & Toubro Saudi Arabia LLC	Subsidiary	100	No
73	Larsen & Toubro T&D Sa (Pty) Limited	Subsidiary	72	No
74	Larsen & Toubro Qatar LLC®	Subsidiary	49	No
75	LTIMindtree South Africa (Pty) Limited (formerly known as Larsen And Toubro Infotech South Africa (Pty) Limited)	Subsidiary	51	No
76	Larsen Toubro Arabia LLC	Subsidiary	75	No
77	LTH Milcom Private Limited	Subsidiary	57	No
78	LTIDPL Indvit Services Limited	Subsidiary	51	No
79	Mudit Cement Private Limited	Subsidiary	66	No
80	Nabha Power Limited	Subsidiary	100	No

S. No.	Name of the Company (A)	Holding/ Subsidiary/ Associate/Joint Venture	Percentage of shares held	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
81	Nielsen+Partner Unternehmensberater GmbH	Subsidiary	69	No
82	Nielsen & Partner Pty Ltd.	Subsidiary	69	No
83	Nielsen+Partner Pte Ltd.	Subsidiary	69	No
84	Nielsen+Partner Unternehmensberater Ag	Subsidiary	69	No
85	Nielsen&Partner Co. Ltd.	Subsidiary	69	No
86	Png Tollway Limited	Subsidiary	38	No
87	Pt. Larsen & Toubro Hydrocarbon Engineering Indonesia	Subsidiary	95	No
88	Raykal Aluminium Company Private Limited	Subsidiary	75	No
89	Ruletronics Systems Inc.	Subsidiary	74	No
90	Seastar Labs Private Limited	Subsidiary	74	No
91	Syncordis Limited, UK	Subsidiary	69	No
92	Syncordis S.A. Luxembourg	Subsidiary	69	No
93	Syncordis Sarl, France	Subsidiary	69	No
94	Syncordis Psf S.A.	Subsidiary	69	No
95	Vadodara Bharuch Tollway Limited	Subsidiary	51	No
96	L&T Valves USA LLC	Subsidiary	100	No
97	L&T Valves Arabia Manufacturing LLC	Subsidiary	100	No
98	Mindtree Software (Shanghai) Company Limited	Subsidiary	69	No
99	Bluefin Solutions Sdn. Bhd	Subsidiary	69	No
100	Lymbyc Solutions Private Limited	Subsidiary	69	No
101	Lymbyc Solutions Inc	Subsidiary	69	No
102	Powerupcloud Technologies Private Limited	Subsidiary	69	No
103	LTIMindtree UK Limited (formerly known as Larsen & Toubro Infotech UK Limited)	Subsidiary	69	No
104	Orchestra Technology Inc.	Subsidiary	74	No
105	LTIMindtree Middle East FZ-LLC (formerly known as LTI Middle East FZ-LLC)	Subsidiary	69	No
106	L&T Geostructure Private Limited (formerly known as L&T Geostructure LLP)	Subsidiary	100	No
107	Think Tower Developers Private Limited (formerly known as LTR SSM Private Limited)	Subsidiary	99	No
108	Kesun Iron and Steel Company Private Limited <sup>&amp;</sup>	Subsidiary	95	No
109	L&T Parel Project Private Limited	Subsidiary	100	No
110	Cuelogic Technologies Private Limited	Subsidiary	69	No
111	Cuelogic Technologies Inc.	Subsidiary	69	No
112	Watrak Infrastructure Private Limited	Subsidiary	51	No
113	L&T Energy Hydrocarbon Engineering Limited (Formerly Known As L&T-Chiyoda Limited) <sup>&amp;&amp;</sup>	Subsidiary	100	No
114	L&T Community Welfare Association <sup>^</sup>	Subsidiary	100	No
115	Prime Techpark (Chennai) Private Limited	Subsidiary	100	No

S. No.	Name of the Company (A)	Holding/ Subsidiary/ Associate/Joint Venture	Percentage of shares held	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
116	Rewin Infrastructure Limited	Subsidiary	51	No
117	Pt. Larsen & Toubro	Subsidiary	100	No
118	Grameen Capital India Private Limited	Associate	17	No
119	Gujarat Leather Industries Limited <sup>@</sup>	Associate	50	No
120	Indiran Engineering Projects And Systems Kish LLC	Associate	50	No
121	International Seaports (Haladia) Private Limited <sup>%</sup>	Associate	14	No
122	L&T Camp Facilities LLC	Associate	49	No
123	Larsen & Toubro Qatar & Hbk Contracting LLC	Associate	50	No
124	Magtorq Private Limited	Associate	43	No
125	Magtorq Engineering Solutions Private Limited	Associate	39	No

Note: \*These subsidiaries have separate BRSR

<sup>^</sup>Subsidiary as per Companies Act, 2013

<sup>&</sup>The company is under process of strike off.

<sup>@</sup>The company is under liquidation.

<sup>%</sup>The company is an associate of a Subsidiary Company under the Companies Act, 2013.

<sup>&&</sup>The company became a subsidiary of the Company on January 19, 2023.

## VI. CSR Details

### 22. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013:

Yes, CSR is applicable as per Section 135 of Companies Act, 2013

- Turnover: ₹ 110,501 crore
- Net worth: ₹ 71,528 crore

## VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY2022-23			FY2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	NIL	NIL		NIL	NIL	
Investors (other than shareholders) <sup>#</sup>	Yes	NIL	NIL		NIL	NIL	
Shareholders	Yes	NIL	NIL		NIL	NIL	
Employees and workers <sup>*</sup>	Yes	211	NIL		13	3	
Customers <sup>@</sup>	Yes	115	7		129	22	



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY2022-23			FY2021-22		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Value Chain Partners (supply chain partners)	Yes	455	265		248	146	
Other	Yes	22	03		26	04	

#The Company has debenture holders

\*HEERA has been introduced during the year which is an AI-enabled bot of HR for employees to gather employees' feedback/views periodically and analyse experiences, provide clarifications on HR policies

@Customer complaints reported are those which are monitored and reviewed by the Quality Council of the Company

Data has been restated for FY 2021-22 based on corrections in data reported earlier.

**24. Overview of the entity's material responsible business conduct issues**

The Company conducts materiality assessment to identify and prioritise the key material topics pertaining to ESG and understand the relative importance of these topics to the stakeholders and businesses. In FY 2021-22, the Company engaged with a diverse set of internal and external stakeholders to update its materiality matrix. For detailed information on the material issues, their rationale and impact on the Company, refer to the 'Materiality Assessment' of this report.

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

- P 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.
- P 2 Businesses should provide goods and services in a manner that is sustainable and safe.
- P 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P 4 Businesses should respect the interests of and be responsive to all its stakeholders.
- P 5 Businesses should respect and promote human rights.
- P 6 Businesses should respect and make efforts to protect and restore the environment.
- P 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P 8 Businesses should promote inclusive growth and equitable development.
- P 9 Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	<a href="https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/">https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015	Factories Act, 1948, ISO 14001, ISO 50001 and ISO 45001 etc.	Factories Act, 1948, ISO 45001 etc.		Indian labour codes	ISO 14001, ISO 50001 etc.			ISO 27001: 2013
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.		Y (a)	Y (b)		Y (h)	Y (a), (f)		Y (g)	
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.		(a)			(h)	(c), (d), (e)		(g)	

\*19 out of 28 policies have been approved by the Board. The policies such as Human Resource, Equal Opportunity, Sustainability etc are approved by the Executive Committee (Corporate Governance Report, Annexure-B) or CEO & MD.

- a) 40% Green Business portfolio by FY 2025-26, achieved 37% for FY 2022-23.
- b) Zero Harm Vision.
- c) Emissions avoided equivalent to 29,116 tCO<sub>2</sub>e during FY 2022-23.
- d) Emissions avoided 684,669 tCO<sub>2</sub>e mainly from use of fly ash and steel plant slag.
- e) Planted more than 1.9 million saplings in FY 2022-23
- f) Target to achieve Water neutrality by 2035 and Carbon neutrality by 2040
- g) Number of lives to be impacted by CSR projects: 1.5 million by FY 2025-26, achieved 1.5 million in FY 2022-23.
- h) Diversity target: 10% by FY 2025-26, achieved: 7.1% in FY 2022-23.

For additional information, please refer to Sustainability Highlights in Integrated Report section of this Report.

### Governance, Leadership, and Oversight

#### 7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure).

L&T is an Indian multinational engaged in EPC Projects, Hi-Tech Manufacturing and Services operating in over 60 countries worldwide. A strong, customer-focused approach and a constant quest for excellence have enabled L&T to attain and sustain leadership in its businesses for over eight decades. The Company is engaged in core and high impact sectors of the economy and its integrated capabilities span the entire spectrum of 'design- to- delivery'.

On the environment front, the Company has committed to achieve Water Neutrality by 2035 and Carbon Neutrality by 2040. The decarbonisation targets are based on intensity reduction on year-on-year basis and have been cascaded to all businesses through their respective strategy plans. As the Company continues to pursue a strong growth path, the challenge is to balance its growth aspirations while aiming to minimise the impact on the environment. The primary focus is to achieve these goals through improvement in energy efficiency of operations and increased use of renewable energy.

While recognising the challenges in implementing the initiatives over 700 project sites, with many of them in remote locations, multiple initiatives have been taken. The initiatives are focused on reducing diesel consumption through optimisation of plant and machinery, switching from diesel generators (DG) to grid power, replacement of old DG sets with new ones, upgrading HVAC systems, use of energy efficient lighting systems and replacing DG powered equipment with electrically powered ones. Measures have also been identified to increase the share of renewable power in the total electricity consumption mix by installing on-site solar panels, sourcing through power purchase agreements, green tariffs etc. Through renewables, the Company has avoided emissions equivalent to 29,116 tCO<sub>2</sub>e during FY 2022-23.

Overall, the emission intensity is similar to FY 2021-22 level despite significant pick-up in execution and on-site activities due to a continuously growing order book. The full-scale implementation benefits from the various initiatives would start accruing in the coming years.

Through the increased use of eco-friendly and recyclable materials, which as a percentage of total input materials, has improved from 18% in FY 2021-22 to 24% in FY 2022-23. The Company has avoided emissions of 684,669 tCO<sub>2</sub>e during the year mainly from use of fly ash and steel plant slag. In addition, recognising the importance of circular economy, 551 employees have been trained on technical and operational dimensions of the subject.

To enable biodiversity conservation, the Company has taken up a mangrove plantation project in Hazira, which will help in storage of blue carbon. The Company has been planting native and multi species trees and it has planted more than 1.9 million saplings in FY 2022-23 and cumulatively more than 8 million saplings over the years.

The Company also lays emphasis on water recycling and conservation in line with its Water Neutrality goals. During the year, the use of treated water from STPs has reduced freshwater demand by 389,802 kl. The Company has improved water consumption intensity by 8.9%.

The Company plans to achieve a Green Business portfolio share of revenue of 40% by FY 2025-26 and has made good progress by achieving 37% in FY 2022-23. The Company is steadily developing its portfolio which comprises projects embedded with advanced technology, solutions centred around renewables, water and effluent treatment plants, efficient power distribution, mass transit systems (metro and high-speed rail) and green buildings. L&T commissioned its pilot Green Hydrogen plant at the A. M. Naik Heavy Engineering Complex at Hazira and entered into a technology partnership for manufacturing electrolyzers. The Company was recognised as global No. 3 in the 'Top 200 Environmental Firms' list in terms of green revenue by Environment News Record (ENR), a globally reputed publication for the construction industry worldwide.

The Company's focus is on providing equal opportunity, ensuring diversity and inclusion, workplace safety and well-being for all employees and workers. The Company, especially the EPC businesses employ around 277,000 contract workers and ensure measures to provide healthy and safe working conditions. Learning and development receives close attention. During the year 37,097 employees and over 277,000 workers have been trained in various skills, health and well-being, safety, etc. The Company's gender diversity stands at 7.1% and it aims to achieve 10% by FY 2025-26.

Corporate Social Responsibility or CSR has been taken up by L&T long before it became mandatory. The Company's thrust area is the sustainable growth of the country's social infrastructure such as water and sanitation, education, health and skill-building. Through these focus areas, the Company strives to improve the quality of life, mitigate social inequalities, build self-sufficiency, and help individuals achieve their true potential in the identified communities through its CSR activities. During FY 2022-23, 1.5 million lives have been impacted through the Company's CSR initiatives. Several initiatives such as establishment and running of L&T Health centres, support to public welfare schemes of Prayas Trust and L&T Public Charitable Trust are part of the Company's efforts at improving livelihood and resilience of communities. The Company's Integrated Community Development Programmes (ICDP), which was initiated seven years ago, provides assistance to rural communities, especially in remote water-scarce locations of Maharashtra, Tamil Nadu and Rajasthan. . . These locations, covering an area of 36,527 ha, have become self-sustaining, and the Company has started to replicate the model in other locations. In the ICDP locations, the water table has risen by 1.5 metres on an average from the baseline. In total, more than 24,000 households have been covered through these programmes.

Cyber security has emerged as a key concern for businesses across the world. Evolving and innovative cyber weapons are deployed to access sensitive data and demand ransom for its safe return. The Company has developed a robust multi-year cyber security and resiliency roadmap and made investments in state-of-the-art security platforms/tools and technologies. The Company has implemented a groupwide Cyber Risk Assurance Framework and operationalised one of the most advanced Security Operations Centre to monitor cyber incidences on 24X7 basis and respond effectively when required

to any cyber incidents. Cyber governance and monitoring is done in a routine manner via various councils involving senior management.

On the governance front, the Management and the Board are involved in reviewing the Company's ESG performance on a regular basis. The Company periodically reviews key policies such as Sustainability Policy, Supplier Code of Conduct, etc. During the year, the Equal Opportunity Policy and 'Public Policy Advocacy' Policy were released. The Company has fair and transparent governance and disclosure practices, through the Code of Conduct, Whistle-blower Policy and other detailed procedures to ensure compliance and uphold its principles. In addition, the Company has formulated an Anti-Bribery and Anti-Corruption Policy and released it in March 2023. Given its commitment to shareholder value creation, the Company acknowledges the importance of its business responsibility and sustainability policies and practices as its critical catalyst.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

The CEO & MD and the Board are the highest authority responsible for implementation and oversight of the Business Responsibility policy.

**9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.**

Yes, the Company's CSR Committee is responsible for decision making on sustainability related issues.

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes. The performance against every policy is reviewed by the Board/Board Committees/Executive Committee.									On a periodic basis, the performance against every policy is reviewed/reported as per the regulation/policy. Necessary follow up actions are discussed and reviewed.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with the extant regulations and principles as are applicable.																	

**11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes. Third party audit agencies including DNV India, TUV-Nord, LRQA conduct audits in various businesses on different standards such as ISO 9001: 2015, ISO 14001:2018, ISO 45001:2018 and sustainability assurance. During the audit process, they check policy elements, procedures, action plans, review process, etc.								

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

All principles are covered under various policies.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									Not Applicable
It is planned to be done in next financial year (Yes/No)									
Any other reason (please specify)									
Entity does not consider the Principles material to its business (Yes/No)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as 'Essential' and 'Leadership'. While the essential indicators are expected to be disclosed by every entity that is mandatory in this report, the 'Leadership Indicators' may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	4	Business, strategy, risk, and update of laws	96
Key Managerial Personnel	4	Business, strategy, risk, and update of laws	100
Employees other than BOD and KMPs	13,768	Topics covered are related to human rights, EHS, waste management, environmental management, ethics and corporate governance, and other operational topics.	99
Workers	122,347		115*

\*Greater than 100% due to high turnover of workers

#### 2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format:

The Company had no monetary and non-monetary fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in FY2022-23 based on materiality thresholds.

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	–	–	NIL	–	–
Settlement	–	–	NIL	–	–
Compounding Fee	–	–	NIL	–	–
Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	–	–		–	–
Punishment	–	–		–	–

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:**

The Company had zero cases.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
-	-

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has a policy on anti-bribery and anti-corruption ('ABAC' policy) available at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>. L&T is committed to complying with all applicable laws and regulations which govern the Company's operations across every location. It provides a guiding framework and covers various aspects such as, but not limited to, expected standard of behaviour, having appropriate controls, monitoring, reporting, training and awareness. This Policy is applicable to all employees working at all levels and grades of L&T, including the Board Members, and Senior Managerial Personnel (Senior officers), Covenanted Officers, Managers, Executives, Supervisors, Workers and other equivalent grades of employees of the Company and Fixed Term Contract employees. This policy has also been extended to any other person associated with the Company and such person acting on behalf of the Company through the Code of Conduct for Suppliers (which includes Intermediaries including Consultants/Agents/Business Partners/Vendors). Furthermore, the Company has already adopted a Code of Conduct for Board of Directors and Senior Management, Code of Conduct for Supervisory, Executive and Officers, Code of Conduct for Suppliers (which includes Intermediaries including Consultants/Agents/Business Partners/Vendors), Whistle Blower Policy, Vendor and Channel Partners' Whistle-Blowers Policy and other detailed procedures to ensure compliance and uphold the principles of ABAC policy.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

There have been no cases involving disciplinary action taken by any law enforcement agency for the charges of bribery/corruption against directors/KMPs/employees/workers that have been brought to the Company's attention.

	FY2022-23	FY2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. **Details of complaints with regards to conflict of interest:**

	FY2022-23		FY2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of conflict of interest of the KMPs	NIL	NIL	NIL	NIL

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

No cases/complaints received in above matters.

**LEADERSHIP INDICATORS**
**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness Programmes held	Topics/principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under awareness programmes
85,513	Regular training programmes are conducted for value chain partners (contractors/ contract workers, etc). This includes pep talks, morning meetings, classroom trainings, etc. Topics covered are related to human rights, EHS, waste management, environmental management, ethics and corporate governance, and other operational topics.	Awareness programmes included more than 90% of contract workers, hired through contractors in various project sites. Additionally, a dedicated programme was conducted on BRSR, attended by 157 participants (representatives) from various supply-chain partners.

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

The Company has processes for management of conflict of interests involving members of the Board which may arise due to Directors joining the Boards of other companies, and even conflicts which could take place in the course of normal business activities. The process allows the Directors to recuse themselves from the discussions pertaining to the conflict of interest. The Directors have to exercise their responsibilities in a bona fide manner in the interests of the Company. They should not allow any extraneous considerations that may vitiate their exercise of objective independent judgment in the paramount interest of the Company and not abuse their position to the detriment of the Company for the purpose of gaining direct or indirect personal advantage. Any conflict of interest arising with the Board Members needs to be reported to the Chairman of the Audit Committee/Chairman of the Board.

**Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe**
**ESSENTIAL INDICATORS**
**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY2022-23 (Cr)	FY2021-22 (Cr)	Details of improvements in environmental and social impacts
R&D	3.03	0.8	Energy efficiency improvement, renewable energy sourcing, sustainable materials, water treatment and recycling
Capex	68.67	17.72	

**2. a. Does the entity have procedures in place for sustainable sourcing?**

The Company has adopted various methodologies for sustainable sourcing. Some of the mechanisms are as follow:

- The Company gives priority to social, ethical, and environmental performance of suppliers, while sourcing materials and availing services. The Company gives preference to sustainable materials if the parameters such as quality, delivery, cost are met.
- It is mandatory for suppliers/vendors to sign a Code of Conduct, which includes commitment to environmental aspects such as reduction of resource consumption, pollution prevention and reduction in waste generation, social aspects such as commitment to human rights, ethics, and various governance parameters.



- The Company is in the process of understanding ESG performance of the supply chain. A Survey was initiated in 2023, starting with the top 25 suppliers (comprising 35% of procurement value of the construction business) being assessed on parameters related to the environment, human rights, CSR, health, safety and governance. The suppliers are also being evaluated for sustainable sourcing wherein the Company is checking their adherence to ISO 14001:2015, 45001:2018, OHSAS 18001 SA 8000, etc.
- Supply chain partners are also trained in various aspects of ESG. During this year, the Company conducted more than 85,000 training sessions and awareness programmes, covering around 200 topics related to safety, human rights, environment, etc., for the Company's workers and sub-contractors.

**b. If yes, what percentage of inputs were sourced sustainably?**

44 out of top 50 suppliers are certified and compliant with social and environmental standards such as SA 8000, ISO 14001, OHSAS 18001 which comprise 40% of procurement value of the construction business.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company does not have any specific product to reclaim at the end of life. However, at project and operation sites, there are systems in place to recycle, reuse and dispose of waste generated during the course of construction and operation. This is done in line with regulatory requirements.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

In India, EPR is applicable for plastic waste and electronics waste and recently it is mandated for import of items with plastic packaging. The Company has businesses in EPC projects and Hi-Tech Manufacturing and does not manufacture any plastic products. In 2022, the Ministry of Environment, Forest, and Climate Change (MoEFCC) made changes to EPR and extended the coverage of the rule to firms (importers) which generate plastic waste due to packaging of imported material or equipment. The company has registered as an importer under the EPR through the CPCB Portal, and the application is currently under review since its submission. Notwithstanding the recent changes, the business units of the Company continue to monitor the generation of plastic and electronics waste and dispose of the same according to the Pollution Control Board (PCB) rules. The Company is also undertaking steps on capacity building through training of concerned employees.

## LEADERSHIP INDICATORS

**1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

The Company undertook a cradle-to-gate LCA (starting from sourcing of material to dispatch of finished product) of a reactor manufactured by Heavy Engineering business in FY2021-22. These reactors process biomass (recycled animal fats, used cooking oil and inedible corn oil) to make green diesel which has up to 80% lower GHG emission compared to conventional diesel. A LCA study showed that the maximum impact was due to embodied carbon of the steel and energy consumption in the manufacturing process.

Note: The Company's product portfolio is less than 10% of the turnover

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
281	Diamond Green Diesel Reactor	Not available	Cradle to Gate	Yes	Not communicated in public domain



2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/ Service	Description of the risk/concern	Action Taken
Diamond Green Diesel Reactor	LCA study concludes that maximum environmental impact is associated with procurement of primary raw material (steel) and the energy consumption (grid source) associated with the manufacturing process. Other than these, there are almost negligible impacts in the manufacturing process.	It has been recommended to explore green steel or recycled steel for manufacturing this product without compromising quality. Also, it has been advised to consider using renewable source of energy in the manufacturing process. Management is evaluating its feasibility.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23*	FY 2021-22
Fly ash and Ground Granulated Blast-furnace Slag in place of Cement	10.2	11.9

*\*In construction projects, ISO prescribe limits on use of fly ash and GGBS. While the company tries to maximize use of recycled materials, the design mix of concrete and application in the project is controlled by the clients.*

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

The Company operates on the B2B model and the product portfolio is less than 10% of total turnover. Some of the Company's key products include Reactors & Pressure Vessels, Heat Transfer Equipment, Process Plant Internals, etc. These products are made from mainly stainless steel, titanium, etc. and have a long life-cycle, in some cases, upto 35 years. The products do not generate any packaging materials (e.g. plastics, e-waste, hazardous waste, etc.) at the end of life.

	FY 2022-23			FY 2021-22		
	Re-used	Re-cycled	Safely Disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)						
E-waste						
Hazardous Waste						
Other Waste						

NOT APPLICABLE

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	NOT APPLICABLE

### Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

#### ESSENTIAL INDICATORS

##### 1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits*		Day Care facilities#	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	43,448	43,448	100	43,448	100	NA	NA	NA	NA	–	–
Female	3,487	3,487	100	3,487	100	3,487	100	NA	NA	–	–
<b>Total</b>	<b>46,935</b>	<b>46,935</b>	<b>100</b>	<b>46,935</b>	<b>100</b>	<b>3,487</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>–</b>	<b>–</b>
<b>Other than Permanent employees</b>											
Male	5,893	5,893	100	5,893	100	NA	NA	NA	NA	–	–
Female	270	270	100	270	100	270	100	NA	NA	–	–
<b>Total</b>	<b>6,163</b>	<b>6,163</b>	<b>100</b>	<b>6,163</b>	<b>100</b>	<b>270</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>–</b>	<b>–</b>

\*Employees are encouraged and sanctioned leaves during such exigencies

#Day Care/creche facilities are available in-house or arranged externally for the staff in office establishments and 19 facilities.

##### b. Details of measures for the well-being of workers:

Category	Total (A)	Percentage of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care facilities#	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	2,098	2,098	100	2,098	100	NA	NA	NA	NA	–	–
Female	6	6	100	6	100	6	100	NA	NA	–	–
<b>Total</b>	<b>2,104</b>	<b>2,104</b>	<b>100</b>	<b>2,104</b>	<b>100</b>	<b>6</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>–</b>	<b>–</b>
<b>Other than Permanent workers</b>											
Male	274,535	6,693	2.4	274,535	100	NA	NA	NA	NA	–	–
Female	1,218	64	5.3	1,218	100	1,218	100	NA	NA	–	–
<b>Total</b>	<b>275,753</b>	<b>6,757</b>	<b>2.5</b>	<b>275,753</b>	<b>100</b>	<b>1,218</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>–</b>	<b>–</b>

#In project sites, based on female staff and the requirements, day care/creche facility is extended through inhouse facilities or Company's partners.

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y

**3. Accessibility of workplaces**

**Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Most of the Company's permanent office buildings and manufacturing facilities are accessible to differently abled employees and workers. The Company is taking steps to ensure 100% of buildings are accessible to the differently abled.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016. This policy can be accessed through <https://larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers <sup>#</sup>	
	Return to work rate (%)	Retention rate (%)	Return to work rate	Retention rate
Male*	–	–	–	–
Female	96	78	NIL <sup>#</sup>	NIL
<b>Total</b>	96	78	–	–

\*Data is not captured

<sup>#</sup>No Permanent female workers availed maternity leave in FY 2022-23.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No (if Yes, then give details of the mechanism in brief)
Permanent Workers	Grievance redressal done through Union and Standing Orders/Joint Management Council, Whistle Blower Policy, Code of Conduct Committee, Internal Complaints Committee.
Other than Permanent Workers	Inputs are received through suggestion boxes located at various places within project sites and manufacturing facilities. Workers can also share their inputs in personal interactions and ToolBox Talks. Industrial Relations and Administration teams share the inputs received with the respective departments and ensure resolution of grievances.
Permanent Employees	An AI-enabled bot HEERA can be used by employees to lodge a grievance. Once lodged, a ticket gets assigned to HR as per the defined organisational and process matrix. HR has a defined timeline for resolution. If unresolved, the issue is escalated as per the matrix.
Other than Permanent Employees	Grievances are submitted to respective HR coordinators responsible for resolution.

## 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees/worker in respective category (A)	No. of employees/Workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total Employee/workers in respective category (C)	No. of employees/workers in respective category, who are part of association (s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	46,935	NIL	NIL	45,615	NIL	NIL
Male	43,448	NIL	NIL	42,618	NIL	NIL
Female	3,487	NIL	NIL	2,997	NIL	NIL
<b>Total Permanent Workers</b>	2,104	2,104	100	3,307	2,291	69
Male	2,098	2,098	100	3,304	2,288	69
Female	6	6	100	3	3	100

## 8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	46,935	34,046	73	25,928	55	42,618	8,271	19	11,505	27
Female	6,163	3,125	51	2,503	41	2,997	609	20	984	33
<b>Total</b>	53,098	37,171	70	28,431	54	45,615 <sup>#</sup>	8,880	19	12,489	27
<b>Workers</b>										
Male	276,633	306,801	111*	45,180	16	197,680	173,248	88	8,813	4
Female	1,224	1,125	92	174	14	2,382	369	15	270	11
<b>Total</b>	277,857	307,926	111*	45,354	16	200,062	173,617	87	9,083	5

\*Greater than 100% due to high turnover of workers

<sup>#</sup>For FY 2021-22 the data was reported for only permanent employees

## 9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	43,448	41,286	95	38,644	33,354	86
Female	3,487	3,585	92	2,709	1,931	71
<b>Workers</b>						
Male	2,098	1,766	84	3,304	2,640	80
Female	6	6	100	3	1	33

## 10. Health and Safety Management System:

- a) **Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?**

Yes, occupational health and safety management system has been implemented by the entity. It covers the entire operations including the construction project sites, manufacturing units, industrial production facilities and offices. In

line with L&T's vision, philosophy, and EHS Policy, management systems have been implemented in accordance with ISO 45001:2018/OHSAS 18001:2018. The system defines the mandatory requirements for systematic management and execution within the organisation. The Company's Integrated EHS Management System is accredited by international certification bodies.

**b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company has in place a systematic risk management process to identify and control the hazards in construction project sites, manufacturing units, industrial production facilities and offices. The Company's risk management process is applied through five steps: Identification, Assessment, Mitigation, Monitoring and Reporting. This helps the Company in reducing risks pertaining to EHS in business. Relevant stakeholders including construction engineers, design and planning engineers, production-in-charge personnel and EHS team members are involved in the risk assessments and the risk management process. Risk Assessments and Safe Work Method Statements are developed and approved prior to starting any work activity. The identified risks and risk mitigation plans are required to be documented, approved and communicated to relevant parties involved in the activity.

**c) Whether you have processes for workers to report work related hazards and to remove themselves from such risks.**

Yes, the Company has implemented systems and processes for workers to report work and health related hazards and remove themselves from such risks. EHS-conscious workmen are identified and deployed at workplaces to identify hazards and report them for immediate corrective action. Worker representatives are also part of the Project EHS Committee. Monthly EHS Committee meetings are conducted where workman's representatives participate to report the work and health related hazards/concerns at the workplace and discuss the mitigation measures.

**d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services?**

Yes, medical centres and first aid facilities are available for both employees and workers. In addition to this, tie-ups with hospitals and nursing homes in proximity to project sites are a part of the occupational as well as non-occupational medical and healthcare services .

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.04	0.1
	Workers	0.06	
Total recordable work-related injuries	Employees	8	10
	Workers	70	122
No. of fatalities	Employees	1	0
	Workers	13	25
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	0
	Workers	15	3

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

As a part of the EHS Management system, a project-specific EHS plan is prepared at the commencement of every new project, which determines the broad parameters of EHS management. This plan identifies the hazardous operations and the risks arising from such hazards which are within the scope of the work. It also specifies the required integrated preventive measures (controls) to mitigate the same.

The Management provides strong, demonstrable and visible leadership and commitment to EHS through personal examples and actions. This forms the crux of the Live Injury-Free Each Day (L.I.F.E) goal. . Management personnel participate in EHS meetings, conduct site inspections and Audits, to encourage and develop a positive attitude towards EHS within L&T projects and operations. The Management ensure that adequate resources were available and responsibilities allocated for implementing the L&T LIFE framework. Roles and responsibilities, targets and objectives, goals, training needs and required conduct is clearly defined, agreed and communicated across the organisation.

Furthermore to support, there is a systematic risk management process in place to identify and control hazards in projects/units which require verification of conformity. Therefore, a process has been established for carrying out internal EHS audits. This process mandates organising internal audits for active projects, and it is verified by audit teams specific to each business, at least once in six months.

Certain projects were selected for frequent auditing, depending on their status, importance, and risk profile. This was in addition to any external audits carried out by accredited auditors.

13. **Number of Complaints on the following made by employees and workers:**

Benefits	FY 2022-23			FY 2021-22*		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	11	NIL		–	–	
Health and safety	14	NIL		–	–	POSH

\*Complaints related to working conditions and health and safety were not captured in FY 2021-22

14. **Assessments for the year:**

	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of own plants and offices were assessed by the Company on these parameters. Self-assessment was conducted for manufacturing plants and offices (regional, cluster and head) to identify any human rights risks across the businesses through the Admin/IR/Project/HR/EHS in charge. Also, L&T's manufacturing locations are covered under OHSAS 18001:2018/ISO 45001:2018 Health and Safety Management Systems. The units undergo periodic audits at the business to ensure adherence and verify compliance with the applicable standards and guidelines.
Working Conditions	

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health and safety practices and working conditions.**

The Company's EHS Council undertakes a review of the accidents and incidents, and formulates procedures based on risk analysis of data gathered through various businesses. It makes use of advanced technology such as vision analytics/AI to detect any health and safety hazards and gather data. This data is used for predictive analysis, measurement of incidents and unsafe behaviours. This enables identification of the key areas of risk which in turn guides the projects to proactively manage and focus resources to prevent any accidents or incidents. Such analysis is shared throughout the group businesses structure, to support L&T's Mission ZERO HARM objective.

Efforts have been made in understanding the Company's high-risk profile holistically. EHS risk management culture has been inculcated across the Company. Steps taken include:

- Implementation of HSE Surveillance Rating
- Developed HSE Training Modules on high-risk activities
- Developed standardized template of HSE Lessons Learnt (EHS Alert) and these alerts are shared in the centralized knowledge sharing platform which can be accessed by the employees
- Inducted Subject Matter Experts (SMEs) into the HSES Management Community of central knowledge sharing module
- Inter business EHS Audits to evaluate and reinforce EHSMS for lateral sharing of best EHS practices.
- Implementation of Behaviour Based Safety to reinforce positive safe behaviour at workplaces and trends and monitor action for improvement of BBS culture across project sites.
- Senior Management audits based on standard checklist developed by the EHS Council.

These efforts have led to a capture of data on high-risk hazardous activities in L&T's Business verticals. This helps to devise an action plan to enhance the ability of stakeholders to manage such activities with a higher degree of awareness and suitable training – using technology such as AR/VR from external agencies as well as subject matter experts. Employees strive to achieve EHS excellence in their respective functions and align their actions and business decisions.

**LEADERSHIP INDICATORS**
**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers**

The Company extends life insurance coverage to the employees and workers in case of work related death.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Adherence to the applicable statutory provisions, including payment and deduction of statutory dues, is incorporated in the contract agreement with the value chain partners. During the payment processing of contractors, proof of payment/ deposit of statutory dues e.g., PF deposit for workers is also taken and GST payments by the suppliers are also matched through the GST to ensure compliance.

**3. Provide the number of employees/workers having suffered high consequence work- related injury/ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Benefits	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	10	28	10	2

**4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

The Company provides transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement.

**5. Details on assessment of value chain partners:**

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	The Company has carried out a survey of top 25 value chain partners covering aspects of health and safety, working conditions, human rights etc. The top 25 value chain partners contribute to 35% of the total procurement value in the construction business.
Working Conditions	

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

As per internal EHS audit and assessment, observations and incidents of non-conformance are recorded and notified for closeout. Once closeouts are done, they are recorded with appropriate details which can be accessed from respective sites, manufacturing units and operations.

The Company, based on EHS analysis data gathered, has developed several procedures dealing with sub-contractor procurement and management. Health, Safety and Environment Management System has been reviewed and aligned to be a part of and fully incorporated into the contract between sub-contractors and the Company. Its purpose is to state the areas of EHS concerns and requirements. This sub-contractor system is intended to supplement any contractual requirements, including EHS Management System manual, guidelines, Standard Operating Procedures, any client requirement, as well as sub-contractor's own EHS Programme.

Key suppliers and contractors of the Company are evaluated on their safety infrastructure processes and strengths before awarding a contract. This is followed by periodic site visits and site audits by L&T managers. Training sessions and capacity building programmes are conducted as required .

## **Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders**

### **ESSENTIAL INDICATORS**

#### **1. Describe the processes for identifying key stakeholder groups of the entity.**

L&T's businesses are primarily EPC projects (Engineering, Procurement, Construction) and Hi-Tech Manufacturing. The Company aims to balance the needs, interests and expectations of various stakeholders with those of the business and deliver long-term value. Details of the process covered in 'Stakeholder engagement' in Integrated Report section of this Report.

#### **2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

The key stakeholders of the Company are Government, customers including private sector and public sector entities, employees and workers, suppliers, contractors, shareholders, investors, communities in which the Company operates, Regulatory bodies and media. The details of engagement is covered in Stakeholder Engagement in Integrated Report section of this Report.

### **LEADERSHIP INDICATORS**

#### **1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company has set up various committees on economic and ESG governance and performance monitoring. These committees are: CSR, Enterprise Risk Management, Stakeholders' Relationship, Investor Relations, EHS Council, Green Campus Steering Committee, etc. The CSR, Board Risk Management and Stakeholders' Relationship Committee are constituted by the Board and are chaired by an Independent Director. Other Committees mentioned are internally constituted. Quarterly performance update and reviews are conducted by the respective committees on these topics and a consolidated performance report and outcome is presented to the Board in their quarterly meet. The Company has also been conducting stakeholder engagement exercises from time to time on ESG topics. This stakeholder engagement exercise proceeds on a structural approach on frequency, delegation and reporting of outcome, including stakeholders' feedback to the Board. As per their respective terms of reference, the various Committees (statutory as well as internal) meet periodically to review the performance of the Company in relevant areas.

#### **2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

The Company continuously engages with its stakeholders to boost relationships, thus enabling the Company to be informed of their expectations, as well as opportunities for value creation. A structured approach and systems are in place to engage with the stakeholders at different levels for identifying, prioritising and addressing their needs and concerns in a consistent and systematic manner. While conducting the materiality assessment in FY 2021-22, inputs from key stakeholders (NGO partners, suppliers, employees, senior management, etc.) were taken to enable prioritising of material topics of the Company which are important to the stakeholders as well as the Company. Below are a few examples of how stakeholder inputs have been incorporated into policies and activities:

**Communities:** The Company focuses on four thematic areas, viz. water, health, education and skill development - primarily for the communities around L&T's factories, campuses, and establishments. After identifying a location, a need-assessment study is conducted through Participatory Rural Appraisal (PRA). PRA with the community during the project planning and development phase helps in understanding their issues related to water availability, sanitation, livelihood, migration, education and health, potential solutions and challenges in implementing the interventions. The need assessment specifies the number of villages or urban slum pockets, students or trainees, schools/households to be covered, current facilities, and specific vulnerable community groups. Based on the outcomes of the need assessment, proposals are invited from reputed NGOs and implementation partners keeping in mind presence and expertise in the



selected location. During implementation, various stakeholder groups are formed, such as Self-Help Groups (SHGs), Village Development Committees, School Management Committees, and Health Committees to participate, guide and monitor decision-making and implementation. These groups participate and guide in decision-making and monitor the interventions at the community level. The inputs and feedback received from such stakeholder groups are further incorporated to enhance the benefits of the CSR projects. Additionally, capacity building, training and exposure visits are also organised to strengthen the community's understanding and involvement.

**Shareholders:** In addition to its ongoing interactions with analysts representing institutional equity investors, the Company conducted an investor feedback survey to build into its long-term strategic plan - 'LAKSHYA 2026'. As part of this exercise, several suggestions from key investors and analysts were received related to energy transition and ESG. This is one of the reasons of L&T to enter the green hydrogen business. The Company also received suggestions for more proactive outreach to ESG rating agencies and funds as well as improving granularity of ESG disclosures. Recognising the growing interest in this area and factoring in feedback from investor interactions, the Company has been conducting regular interactions with relevant stakeholders including global funds, institutional investors, rating agencies, etc., to keep them updated about activities and progress on various initiatives being undertaken to achieve its carbon and water neutrality goals.

**Employees:** The management believes in an effective two-way communication process: top-down and bottom-up. In this regard, there are structured systems of employee communication and engagement initiatives that starts from project director/business heads visits and interactions with employees, HR manager visits and townhalls, and senior management visits from time-to-time and interactions with employees and the workers. There are Employee Relation Officers at the project sites and with support of the Workmen Development Centres, they oversee and interact, take workers' feedback from time-to-time on various aspects of living, work conditions, health and welfare, etc. Depending on the feedback from the channels as stated above, including the survey findings, HR heads of individual businesses, with the support of their cluster/project HR managers, also undertake surveys as per the need on various topics related to organisational development and effectiveness. The findings are discussed with project/business heads and corrective actions are taken to enhance the organisational effectiveness.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

The engagement with vulnerable groups is through Integrated Community Development Project (ICDP) and health initiatives. Some of the instances are given below:

Vulnerable group	Concerns	Action Taken	Impact
Farmer community in water-stressed and Drought-prone locations	Drought, poverty, migration	<ul style="list-style-type: none"> <li>Helped farmers set up Village Development Committees (VDCs) and Farmers Producer Organisations (FPOs)</li> <li>Enhanced access to water through watershed and water conservation interventions</li> <li>Capacity building in sustainable agricultural practices</li> <li>Maintenance of water structures carried out by the VDCs along with the Panchayats</li> </ul>	<ul style="list-style-type: none"> <li>Rise in ground water table. Water made available to a population of 25,208 and 257 Ha land brought under cultivation</li> <li>Increase in household agricultural income</li> </ul>
Rural population not having access to sanitation facilities	Open defecation leading to health issues and social censure	<ul style="list-style-type: none"> <li>Community awareness regarding making villages open defecation free (ODF)</li> <li>Construction of toilets after ensuring water availability</li> <li>Village-level monitoring committee formed to ensure ODF status of the village</li> </ul>	<ul style="list-style-type: none"> <li>195 Toilets constructed</li> <li>Women felt safer and more comfortable using toilets within the household</li> </ul>

Vulnerable group	Concerns	Action Taken	Impact
Disadvantaged rural women	Gender related issues – no decision-making power in household and community-related issues	<ul style="list-style-type: none"> <li>Women were part of the need assessment and their critical concerns were prioritised</li> <li>Village level women groups formed and organised in SHGs</li> <li>Ensured equal representation of women in VDCs and community-level decision-making</li> </ul>	<ul style="list-style-type: none"> <li>235 SHGs formed with ₹ 128 lakh savings</li> </ul> <p>Women are assuming community leadership positions, e.g. becoming the President of VDC</p>
Underprivileged communities from urban and peri-urban areas	Unaffordable and inaccessible health services	Affordable general health services along with consultations in specialised clinics provided through 10 health centres across India and 20 mobile health vans	330,654 beneficiaries accessing the services
Students in tribal/rural schools or urban resource-deficient schools	Students have difficulties in learning science and mathematics and have no access to digital and 'hands on' education	Providing STEM Kits for hands-on learning of science and mathematics and digital infrastructure, digital content mapped to the curriculum and training to teachers to conduct classes using digital media	<ul style="list-style-type: none"> <li>Students taking part in science exhibitions and winning awards</li> <li>9,492 students making their own STEM models and presenting solutions to everyday problem by using technology</li> </ul>
Students in tribal/rural schools with barely any resources	School toilets are in dilapidated condition	Constructed toilet blocks in the school for students	Increase in attendance of girls
Patients with kidney problems belonging to the low income communities	Patients cannot afford dialysis treatment in private hospitals	Provision of dialysis services at a concessional rate	Regular treatment of patients at L&T health centers

## Principle 5: Businesses should respect and promote human rights

### ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23*			FY 2021-22*		
	Total (A)	No. of employee/workers covered (B)	% (B/A)	Total (C)	No. employee/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	47,757	12,082	25	45,615	7,178	16
Other than Permanent	5,489	3,292	60	6,540	3,256	50
<b>Total Employees</b>	53,246	15,374	29	52,155	10,434	20
<b>Workers<sup>#</sup></b>						
Permanent	2,104	2,104	100	3,307	3,307	100
Other than Permanent	275,753	275,753	100	196,755	196,755	100
<b>Total Workers</b>	277,857	277,857	100	200,062	200,062	100

\*Data for employees covers training under L&T Code of Conduct, POSH. Data for workers covers training/awareness related to minimum wages, child labour and forced labour. Data on Health and Safety awareness training provided separately (Principle-3, Essential Indicator).

<sup>#</sup>Data has been restated for FY2021-22 based on corrections in data reported earlier.

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22 <sup>#</sup>				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	46,935	0	0	46,935	100	45,615	0	0	45,615	100
Male	43,448	0	0	43,448	100	42,618	0	0	42,618	100
Female	3,487	0	0	3,487	100	2,997	0	0	2,997	100
<b>Other than Permanent</b>	6,163	279	5	5,884	95	6,540	0	0	6,540	100
Male	5,893	271	5	5,622	95	6,299	0	0	6,299	100
Female	270	8	3	262	97	241	0	0	241	100
<b>Workers</b>										
<b>Permanent</b>	2,104	0	0	2,104	100	3,307	0	0	3,307	100
Male	2,098	0	0	2,098	100	3,304	0	0	3,304	100
Female	6	0	0	6	100	3	0	0	3	100
<b>Other than Permanent</b>	275,753	271,035	98	4,718	2	196,755	195,220	99	1,535	0.8
Male	274,535	269,855	98	4,680	2	194,376	192,858	99	1,518	0.8
Female	1,218	1,180	97	38	3	2,379	2,362	99	17	0.7

<sup>#</sup>Data has been restated for FY2021-22 based on corrections in data reported earlier.

**3. Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration (In ₹)	Number	Median remuneration (In ₹)
Board of Directors (BoD) (Whole time Directors)	8	13.7 Cr	0	-
Key Managerial Personnel	1	1.6 Cr	0	-
Employees other than BoD and KMP	49,332	10.01 Lakh	3,757	7.1 Lakh
Workers	2,098	9.6 Lakh	6	11.3 Lakh

Note:

- CEO and CFO are Directors and included in the Board of Directors.
- Director's Salary includes Commission.
- Remuneration given above is the median salary in the respective category.

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Corporate Human Resource Officer (CHRO) is the focal point at the Company level and HR Heads of respective businesses are the focal point at the business level.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Grievances are addressed as and when received by the respective Manufacturing Unit Heads/Project Managers/Business Unit Heads through Admin/IR in coordination with HR. Grievances received are duly investigated and appropriate action is taken to resolve the issues/complaints and whenever required, disciplinary actions are initiated as deemed fit.

6. **Number of complaints on the following made by employees and workers:**

Benefits	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0	Complaints received and resolved under POSH	2	0	Complaints received and resolved under POSH
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other Human Rights issues	NIL	NIL	NIL	NIL	NIL	NIL

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has a Whistle Blower Policy wherein the employees can report any wrong practices, unethical behaviour or noncompliance, which may have a detrimental effect on the organisation, including financial damage and impact on brand image. Also, the Code of Conduct for employees, senior management and Board members sets the standard of behaviour and professional conduct expected by the Company. The Company has Committee for the protection of women at workplace to ensure their rights, receive grievances, conduct investigations, and to take action.

8. **Do human rights requirements form part of your business agreements and contracts?**

Clauses related to various aspects of human rights are part of the contracts with suppliers, partners, and NGOs, and are extended across the supply chain in the form of Supplier/Vendor Code of Conduct.

9. **Assessments for the year**

	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labour	
Sexual harassment	100%. Self-assessment was conducted for own manufacturing plants and offices (regional, cluster and head) to identify any human rights risks across the businesses through the Admin/IR/Project/HR/EHS in charge.
Discrimination at workplace	
Wages	
Others – please specify	

10. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

No significant risk/concern raised.

**LEADERSHIP INDICATORS**

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

No complaint received in FY2022-23 for human rights violation.

2. **Details of the scope and coverage of any human rights due diligence conducted.**

The scope and coverage of human rights due diligence extends to the Company's own manufacturing plants and offices covering its contractual workers. This assessment covers aspects such as child labour, forced/involuntary labour, wages, sexual harassment, discrimination at workplace, health and safety, working conditions and grievance mechanism. Additionally, the top 25 suppliers have also been evaluated on various ESG parameters including human rights.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Most of the permanent facilities and office buildings are accessible to differently abled visitors. The Company is taking steps to ensure 100% of its buildings are accessible to the differently abled.

**4. Details on assessment of value chain partners:**

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Child labour	
Forced/involuntary labour	
Sexual harassment	The Company has carried out a survey of top 25 value chain partners on various ESG parameters including human rights. The top 25 value chain partners contribute to 35% of the total procurement value in the construction segment.
Discrimination at workplace	
Wages	
Others – please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**

No significant concerns

**Principle 6: Businesses should respect and make efforts to protect and restore the environment**

**ESSENTIAL INDICATORS**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22 <sup>#</sup>
Total electricity consumption (A)	1.35 Mn GJ	1.31 Mn GJ
Total fuel consumption (B)	9.39 Mn GJ	8.38 Mn GJ
Energy consumption through other sources (C)	NIL	NIL
<b>Total energy consumption (A+B+C)</b>	<b>10.74 Mn GJ</b>	<b>9.69 Mn GJ</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in ₹)	9,882 GJ/₹ Bn	9,740 GJ/₹ Bn
Energy intensity (optional) – the relevant metric may be selected by the entity	–	–

<sup>#</sup>Excluding transit houses, guest houses, holiday homes and Company owned residential facilities.

Energy consumption has increased significantly on account of pick-up execution and major on-site construction activities in projects across the businesses. Major projects which accounted for this increase were Mumbai-Ahmedabad High Speed Rail, Mumbai Trans Harbour Link, Metro Rail projects, large building projects in New Delhi, large Water Supply projects in Odisha and Uttar Pradesh, large irrigation projects in Madhya Pradesh and International projects.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, the sustainability data assurance is carried out by DNV India. The Assurance statement is available in the Integrated Report section of the Annual Integrated Report.

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

The Company does not have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22 <sup>#</sup>
Water withdrawal by source (in Mn kilolitres)		
(i) Surface water	2.38	2.09
(ii) Groundwater	2.99	3.72
(iii) Third party water	1.46	1.76
(iv) Seawater/desalinated water		
(v) Others	4.35	3.63
<b>Total volume of water withdrawal (in Mn kilolitres) (i + ii + iii + iv + v)</b>	<b>11.18</b>	<b>11.20</b>
Total volume of water consumption (in Mn kilolitres)	11.03	11.08
Water intensity per rupee of turnover (Water consumed/turnover)	10,155 kL/₹ Bn	11,142 kL/₹ Bn
Water intensity (optional) – the relevant metric may be selected by the entity		

<sup>#</sup>Excluding transit houses, guest houses, holiday homes and Company-owned residential facilities.

Water consumption and intensity are expected to reduce in the current year due to reduction in water consumption at some large irrigation projects where, in previous year, a large volume of water was being consumed for dust suppression. The closeout of some projects will lead to reduction in water consumption.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, the sustainability data assurance is carried out by DNV India. The Assurance statement is available in the Integrated Report section of the Annual Integrated Report.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The A. M. Naik Heavy Engineering Complex, Hazira is ZLD certified and 100% wastewater generated is either recycled and reused or stored for future use. The Modular Fabrication Facilities of L&T Energy - Hydrocarbon has implemented Zero Liquid Discharge systems in its modular fabrication facilities at both Hazira and Kattupalli. The wastewater is collected, treated, and reused for non-potable purposes such as gardening, toilet flushing, firefighting, and topping up the cooling tower. Similarly, five locations of Defence business (Powai, Talegaon, Coimbatore, Hazira and Kattupalli) are ZLD facilities.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit**	FY 2022-23	FY 2021-22
NOx*	mg/m3	12 – 44	6– 40
SOx*	mg/m3	3 – 22	2-38
Particulate matter (PM)*	mg/m3	10 - 61	4 – 80
Persistent organic pollutants (POP)	–	–	–
Volatile organic compounds (VOC)	–	–	–
Hazardous air pollutants (HAP)	–	–	–
Others	–	–	–

\*Data reported for chimney stacks emission across different manufacturing facilities of the Company.

\*\*Unit of measurement is mg/m3 for current year which is more appropriate than tonnes as reported last year.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, the sustainability data assurance is carried out by DNV India. The Assurance statement is available in the Integrated Report section of the Annual Integrated Report.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) in the following format:**

Parameter	Unit	FY 2022-23 <sup>#</sup>	FY 2021-22 <sup>#</sup>
Total Scope 1 emissions (Break-up of GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Million tonnes of CO <sub>2</sub> equivalent	0.69	0.61
Total Scope 2 emissions (Break-up of GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Million tonnes of CO <sub>2</sub> equivalent	0.27	0.27
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	Tonnes of CO <sub>2</sub> equivalent per ₹ Bn	889	892

<sup>#</sup>Excluding transit houses, guest houses, holiday homes and Company owned residential facilities.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, the sustainability data assurance is carried out by DNV India. The Assurance statement is available in the Integrated Report section of the Annual Integrated Report.

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Yes, the Company has undertaken initiatives to reduce Scope 1 and Scope 2 emissions. Details of some initiatives are mentioned in Principle-6 Leadership Indicator-Question 6.

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22 <sup>#</sup>
<b>Total Waste generated (in metric tonnes)</b>		
<b>Plastic waste (A)</b>	126	99
<b>E-waste (B)</b>	26	9
<b>Bio-medical waste (C)</b>	0.35	0.10
<b>Construction and demolition waste (D)</b>	222,748	2,438
<b>Battery waste (E)</b>	11	3
<b>Radioactive waste (F)</b>	0	2
<b>Other Hazardous Waste. Please specify, if any. (G)</b>	4,201	2,317
Other Non-hazardous Waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	99,762	47,101
<b>Total (A+B + C + D + E + F + G+ H)</b>	326,875	51,969
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	184,852	44,612
(ii) Re-used	–	–
(iii) Other recovery operations	–	–
<b>Total</b>	184,852	44,612
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	–	–
(ii) Landfilling	2,352	2,312
(iii) Other disposal operations	140	174
<b>Total</b>	2,492	2,487

<sup>#</sup>Excluding transit houses, guest houses, holiday homes and Company-owned residential facilities.

Significant increase in waste generation reported in FY 2022-23 is due to higher coverage of reporting across different businesses which, in the previous year, was partial. It is also on account of higher material consumption linked to significantly higher execution.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, the sustainability data assurance is carried out by DNV India. The Assurance statement is available in the Integrated Report section of the Annual Integrated Report.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company has taken measures to ensure waste identification, segregation, collection, recycling and disposal. The project sites, locations, and manufacturing facilities have comprehensive waste management guidelines and procedures which follow the 3R principles (Reduce, Reuse, Recycle). Some common practices include colour coding and labelling for different types of waste bins, segregation at source, classification of waste according to their properties, origin and type, different disposal methods depending on the waste categories, tie-up with authorised vendors to ensure proper disposal and adherence to Environment Management System (ISO 14001:2015), wherever applicable. One of the businesses also recycles steel waste generated from its projects through fabrication, ensuring that it is reused in the main production process.

For hazardous waste generated during operations, there are separate collection and storage facilities, and is disposed at regular intervals in line with the Central and State Pollution Control Board regulations through authorised vendors. Some sites also display safety data sheets explaining handling and storage of hazardous chemicals. Disposal of hazardous waste is in accordance with Hazardous Waste Management Rules 2016 and State Pollution Control Board guidelines. The biomedical waste is disposed of with the help of authorised hospitals nearby and handed over to an authorised agency for treatment and disposal. Biomedical waste generation, treatment and disposal is guided by the Biomedical Waste Management Rules, 2016.

The businesses also conduct regular training and awareness programmes on waste minimisation, recycling, and management techniques for employees and workers responsible for waste management. In emergency situations, the Company also provides suitable firefighting arrangements, spill kits, and drip trays for safe handling and storage of waste materials.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Mej Indergarh Expressway (Madhya Pradesh) Project is part of Delhi Mumbai Expressway which passes through parts of National Chambal Sanctuary.	Construction project	Yes
2	Kachchi Dargah Bridge (Bihar) Project is a bridge which spans the Ganges, connecting Kacchi Dargah in Patna and Bidupur in Hajipur.	Construction project	Yes
3	New Dry Dock (Kerala) Project is a dock being built along the Ernakulam Channel in Kochi.	Construction project	Yes
4	Mumbai Trans Harbour Link (Maharashtra) Project is a bridge which spans Thane creek, connecting Sewri to Chirle near Nhava Sheva.	Construction project	Yes
5	Mumbai Coastal Road (Maharashtra) Project is 8-lane expressway abutting the sea coast of Mumbai's Marine Drive to Worli.	Construction project	Yes



S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
6	Thane Creek Bridge (Maharashtra) Project is a bridge expansion project across Thane creek	Construction project	Yes
7	A. M. Naik Heavy Engineering Complex, Hazira- Company's manufacturing facility, located along the banks of River Tapi, 8 kms from the Arabian Sea	Manufacturing facility	Yes
8	Modular Fabrication Facility Kattupalli- Company's manufacturing facility located 40 kms from Chennai, adjoining the Bay of Bengal	Manufacturing facility	Yes

The list of projects/facilities, located in eco-sensitive areas, is revised from FY 2021-22 and is based on assessment done in FY 2022-23.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

The Company does not conduct Environmental Impact Assessment (EIA) since it falls under the purview of its clients.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
None	-	-	-	-	-

**12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

The Company's project sites and manufacturing facilities comply with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder. However, there are allegations of non-compliance which are being contested by the Company and the matter is sub judice. The details are as follows:

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1.	Alleged violation of Sub-section (3) of section 3 of the Environment (Protection) Act, 1986	An application has been filed by Biplab Kumar Chowdhury against West Bengal Pollution Control Board ("WBPCB") and L&T, alleging inter alia not having the approval from appropriate authority for setting up of crusher unit on the Raidak Riverbank. Matter pertains to Dhubri Phulbari Bridge project.	Matter sub judice	Matter is pending before National Green Tribunal (NGT), Kolkata Bench. L&T has filed the response with respect to having compliance/clearances applicable for the project sites. WBPCB has not filed its reply yet.

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
2.	Section 21 (1) and 31 (A) of the Air (Prevention and Control of Pollution) Act, 1981.	UP State Pollution Control Board has alleged that L&T was operating in Panki Thermal Power Station in an Air-pollution control area without obtaining necessary prior consent from the Board. It is further alleged that L&T failed to install Pan Tilt Zoom (PTZ) Camera and provide its access to the Board and the data of dust control audit on the portal of the Board.	Matter sub judice	Matter is pending before Special Judicial Magistrate, Lucknow. L&T has filed an application seeking quashing of the complaint case.

#### LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22 <sup>#</sup>
<b>From renewable sources</b>		
Total electricity consumption (A)	0.13 Mn GJ	0.13 Mn GJ
Total fuel consumption (B)	–	–
Energy consumption through other sources (C)	–	–
<b>Total energy consumed from renewable sources (A+B+C)</b>	0.13 Mn GJ	0.13 Mn GJ
<b>From non-renewable sources</b>		
Total electricity consumption (D)	1.21 Mn GJ	1.18 Mn GJ
Total fuel consumption (E)	9.39 Mn GJ	8.38 Mn GJ
Energy consumption through other sources (F)	–	–
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	10.61 Mn GJ	9.56 Mn GJ

<sup>#</sup>Excluding transit houses, guest houses, holiday homes and Company owned residential facilities.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, the sustainability data assurance is carried out by DNV India. The Assurance statement is available in the Integrated Report section of the Annual Integrated Report.

2. Provide the following details related to water discharged.

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
Water discharge by destination and level of treatment (in Mn kilolitres)		
(i) To Surface water		
- No treatment	–	–
- With treatment – please specify level of treatment	0.25	–

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
(ii) To Groundwater		
- No treatment	–	–
- With treatment – please specify level of treatment	0.27	–
(iii) To Seawater		
- No treatment	–	–
- With treatment – please specify level of treatment	–	–
(iv) Sent to third-parties		
- No treatment <sup>@</sup>	0.54	–
- With treatment – please specify level of treatment	–	–
(v) Others		
- No treatment <sup>@</sup>	0.03	–
- With treatment – please specify level of treatment	0.16	–
<b>Total water discharged (in Mn kilolitres)</b>	<b>1.26</b>	<b>–</b>

<sup>#</sup>Excluding transit houses, guest houses, holiday homes and Company-owned residential facilities.

<sup>@</sup>Sent to third parties for treatment and others is direct connection to sewer lines.

Water discharge was not reported in previous year as the data was not being captured. In current year, the Company has started partial recording (>15% of project sites) of this data across businesses. The manufacturing plants are ZLD facilities, hence this data is not relevant.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No.

### 3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

- Name of the area(s):** Water-stressed areas in parts of western Uttar Pradesh, central Maharashtra, Bangalore, Tamil Nadu, Rajasthan, Punjab, and Haryana.
- Nature of operations:** EPC projects related to highways, railways, metro rail, water supply, irrigation, and oil & gas facilities
- Water withdrawal, consumption, and discharge in the following format:**

Parameter	FY 2022-23	FY 2021-22 <sup>@</sup>
<b>Water withdrawal by source (in Mn kilolitres)</b>		
(i) Surface water	0.01	–
(ii) Groundwater	0.21	–
(iii) Third party water	0.91	–
(iv) Seawater/desalinated water	–	–
(v) Others	0.23	–
<b>Total volume of water withdrawal (in Mn kilolitres)</b>	<b>1.36</b>	<b>–</b>
<b>Total volume of water consumption (in Mn kilolitres)</b>	<b>1.36</b>	<b>–</b>
Water intensity per rupee of turnover (Water consumed/turnover)	1,252 kL/₹ Bn	–
Water intensity (optional) – the relevant metric may be selected by the Entity	–	–

Parameter	FY 2022-23	FY 2021-22 <sup>®</sup>
<b>Water discharge by destination and level of treatment (in Mn kilolitres)</b>		
(i) Into Surface water		
- No treatment	NIL	–
- With treatment - please specify level of treatment	NIL	–
(ii) Into Groundwater		
- No treatment	NIL	–
- With treatment – please specify level of treatment	NIL	–
(iii) Into Seawater		
- No treatment	NIL	–
- With treatment – please specify level of treatment	NIL	–
(iv) Sent to third-parties		
- No treatment	0.14	–
- With treatment – please specify level of treatment	NIL	–
(v) Others		
- No treatment	0.02	–
- With treatment – please specify level of treatment	0.04	–
<b>Total water discharged (in Mn kilolitres)</b>	<b>0.22</b>	<b>–</b>

<sup>®</sup>Water consumption in water stress areas was not reported in previous year due to unavailability of mapping of locations. In current year, the company has started recording the data for sites in water stress areas.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Assessment of water consumption across the sites and facilities is carried out by DNV India. However, DNV has not assessed water consumption specifically for water stressed areas.

#### 4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit <sup>®</sup>	FY 2022-23	FY 2021-22
Total Scope 3 emissions (break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)*	Million tonnes CO <sub>2</sub> equivalent	7.13	5.71
Total Scope 3 emissions per rupee of turnover	Tonnes CO <sub>2</sub> equivalent/ ₹ Billion	6,558	5,748
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	–	–	–

<sup>®</sup>UOM changed from metric tonnes (previous year) to million tonnes (this year)

\*Scope-3 emissions data for FY 2021-22 was earlier reported as 4.97 Mn tCO<sub>2</sub>e and intensity as 5,000 tCO<sub>2</sub>e/₹ Bn. The same has been revised on account of higher coverage which includes fly ash, GGBS, crushed sand and aggregate. Emission has increased during FY 2022-23 due to increase in materials purchased on account of higher project execution and inclusion of inbound logistics in the scope (2.5% out of total increase of 24.7%)

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, the sustainability data assurance is carried out by DNV India. The Assurance statement is available in the Integrated Report section of the Annual Integrated Report.

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Projects	Actions taken
Mej Indergarh Expressway (Madhya Pradesh)	Structures created to ensure safe passage for animals, e.g. overpasses, underpasses, speed breakers and rumble strips
Kachchi Dargah Bridge (Bihar)	Location and spacing of bridge piers are designed in a manner to avoid key habitat areas such as breeding and feeding grounds, migration routes of animals, etc. and construction activity is avoided to the extent possible during their breeding seasons
New Dry Dock (Kerela)	Plantation of mangroves, use of equipment compliant with noise emission limits and monitoring of movement of machineries to protect marine life
Mumbai Trans Harbour Link (Maharashtra)	Special viaduct design to protect the habitat of migratory birds. Pre-fabrication of girders and use of marine barges to reduce pollution
Mumbai Coastal Road (Maharashtra)	Creation of rock intertidal habitat, development of a marine biodiversity plan, regular marine environment monitoring
Thane Creek Bridge (Maharashtra)	Implementation of an Environment Management Plan monitored by third-party agencies, disposal of construction debris and muck through approved vendors, construction of piers in the creek without disturbing the tidal flow
A. M. Naik Heavy Engineering Complex, Hazira (Company's manufacturing facility)	Implementation of Zero Liquid Discharge (ZLD) system, planting of mangroves, restoration of ecosystem by converting turf to non-turf area
Modular Fabrication Facility Kattupalli (Company's manufacturing facility)	Implementation of Zero Liquid Discharge (ZLD) system

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No	Initiatives undertaken	Details of the initiative (web-link, if any, may be provided along with summary)	Outcome of initiative
1.	Reduction in diesel consumption through operational improvements	Plant & machinery (P&M) in construction projects primarily use diesel as power source. The Company has undertaken various operational improvement initiatives, e.g. increasing the utilisation of P&M, reducing idling time, reducing fuel wastage, fuel budgeting for equipment, replacing older equipment with new ones, etc.	Estimated to help reduce 7,547 tCO <sub>2</sub> e in emissions on account of optimisation in diesel consumption.
2.	Switching from DG to grid electricity for power	Typically, construction projects use DGs as power source. The Company has taken the initiative across project sites to get grid connectivity and thereby reduce diesel consumption	Estimated to avoid 2,396 tCO <sub>2</sub> e in emissions.

S. No	Initiatives undertaken	Details of the initiative (web-link, if any, may be provided along with summary)	Outcome of initiative
3.	Increase in renewable energy component as part of electricity consumption	The Company has taken initiatives over the years to increase renewable energy component in the electricity consumption mix. These have been done through installation of rooftop solar and third-party power purchase agreements. In FY 2022-23, the Company has installed additional rooftop solar capacity at its manufacturing facility in Hazira	Initiative was implemented towards end of Q2 in FY 2022-23 and expected to avoid 492 tCO <sub>2</sub> e in emissions annually.
4.	Implementation of technologies to reduce consumption of materials	In highway projects, certain projects require rehabilitation of existing roads. The typical process requires new materials to be sourced for relaying the layers. This year, the Company deployed the Cold Central Plant Recycling technology in some projects to recycle material from existing roads, and reduce consumption of virgin material. Additionally, this process utilises a technique which requires lower energy consumption compared to the Hot Recycling process.	Helped avoid two million tonnes of virgin material (aggregates). Helped in avoiding 10,924 tCO <sub>2</sub> e in emissions from energy consumption) and 1,520 tCO <sub>2</sub> e in emissions from materials used.
5.	Use of treated water from Sewage Treatment Plants	Construction projects require water for various activities, e.g., concreting, equipment washing, etc. The Company began sourcing treated water from sewage treatment plants (of municipal corporations) to meet the water needs of some projects. This helped to reduce freshwater demand.	Helped avoid freshwater demand of 389,800 kL

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

At the plants and project sites, the Company has implemented disaster management and emergency preparedness plans (EPPs) that address natural emergencies such as flooding, major fires, and disease outbreaks, including COVID-19 pandemic. These are integrated into EHS plans to ensure swift and efficient responses to emergencies. Key locations are equipped with emergency sirens, first aid, medical treatment facilities, and identification of assembly points. To maintain preparedness, employees and workers are periodically educated about the emergency steps to follow, and mock drills are conducted. Relevant training and capacity-building programmes are also undertaken for employees and workers, and the plan is communicated to all stakeholders. Overall, the Company's comprehensive disaster management and emergency preparedness plans demonstrate its commitment to the safety and well-being of all involved.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

The Company has not observed any case so far. The Company has extended its Code of Conduct (CoC) to include vendors and suppliers, emphasising the need for compliance with various regulations and ethical practices including environmental regulations.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

The supply-chain partners are required to sign a CoC which covers the need for compliance including environmental regulations. This year, the Company has assessed top 25 value chain partners who contribute to 35% of the total procurement value in construction business. The Company aims to extend the coverage of this assessment and cover other businesses.

## Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### ESSENTIAL INDICATORS

1. A. **Number of affiliations with trade and industry chambers/associations**

75 affiliations with key trade and industry chambers/associations.

B. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Confederation of Indian Industry (CII)	National
2.	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3.	National Safety Council (NSC), Mumbai	National
4.	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
5.	Construction Industry Development Council (CIDC)	National
6.	Quality Circle Forum of India (QCFI)	National
7.	American Society of Concrete Contractors (ASCC)	International
8.	British Safety Council (BSC)	International
9.	International Chamber of Commerce (ICC)	International
10.	Saudi Standards Organization (SASO)	International

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities:**

There was no issue related to anti-competitive conduct by the entity during the year.

### LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity.**

Given L&T's expertise, the Company proactively engages with different stakeholders including industry chambers, associations, Governments, and regulators and provides its inputs on various areas such as infrastructure development and construction, renewable energy, space, health and safety, among others. Over the years, L&T executives have played a key role in helping shape public policy and have been invited to join (in certain cases also head) several committees and task forces. The Company is committed to engage in the public policy advocacy process in a responsible and ethical manner.

## Principle 8: Businesses should promote inclusive growth and equitable development

### ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIAs) of projects undertaken by the entity based on applicable laws, in the current financial year.**

The Company does not conduct Social Impact Assessment (SIA) since it falls under the purview of the clients.

Name and brief detail of the project	SIA Notification Number	Date of Notification	Whether conducted by independent external agency	Results communicated in public domain	Web Link if available
-	-	-	-	-	=

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

The Company does not undertake R&R as it falls under the ambit of the clients.

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company receives grievances of the community through various mediums: Infodesk ([infodesk@larsentoubro.com](mailto:infodesk@larsentoubro.com)), toll-free number (18002094545), Social media handles (LinkedIn: <https://www.linkedin.com/company/larsen-&-toubro-limited/mycompany/>, Twitter: @larsentoubro) and suggestion boxes at project sites/manufacturing facilities. The Company ensures that complaints or grievances received is directed to the appropriate person/department for resolution and monitors feedback on the action taken.

At EPC Projects sites, project teams address the complaints or grievances by involving Industrial Relations and Administration department, and in some cases, clients, if applicable. A Public Relations Officer is also deployed to interact with the local community and address their concerns. Issues, which remain unresolved or require management intervention, are escalated to the respective business heads.

**For CSR Projects:** L&T's CSR team engages in Community-based CSR projects where they act as facilitators between beneficiary groups, addressing concerns and resolving issues.

The process entails:

- i. Discussing conflicts that may affect the implementation or outcomes of the project during monthly or quarterly review meetings.
- ii. During the quarterly review visit, L&T representatives discuss concerns and issues with community-based groups, such as farmer's associations, self-help groups, village development committees, school principals and teachers in school-based programs.
- iii. L&T, along with other stakeholders, analyses conflicts, discusses alternatives, pros and cons, and identifies probable strategies/solutions. Community groups are then encouraged to negotiate with concerned persons or groups in the community to resolve issues.
- iv. Community groups are empowered through relevant knowledge dissemination, information sharing, skills training, and encouraged to take leadership in conflict management.
- v. If community groups are unable to resolve a conflict, L&T representatives intervene and facilitate negotiations between different groups and stakeholders.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers	5	10
Sourced directly from within the district and neighbouring districts*	7	10

\*Material sourced locally defined on type of materials procured and value reworked for FY 2021-22 accordingly

## LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Social Impact Assessment has not been undertaken by the Company as it falls under the purview of the client.

Details of negative social impact identified	Corrective action taken
NA	NA



2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	Aspirational Districts	Amount spent (₹ Lakh)
1	Visakhapatnam	152.5
2	Hazaribagh	5.0
3	Ranchi	3.9
4	Balangir	10.5
5	Kalahandi	2.2
6	Moga	2.4
7	Garhwa	6.8
8	Narmada	2.7
9	Firozpur	3.0
10	Sirohi	11.2
11	Balrampur	3.3
12	Sonbhadra	4.1
	<b>TOTAL</b>	<b>207.6</b>

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups?**

The Company encourages and engages with suppliers from marginalised and vulnerable groups wherever possible. Due to the nature of business and bulk material requirement, there are very limited options to procure from these groups and has to be sourced from large scale companies.

(b) **From which marginalised/vulnerable groups do you procure?**

List of identified marginalized and vulnerable groups:

- I. Gender based: women/transgenders etc.
- II. Person with disability

(c) **What percentage of total procurement (by value) does it constitute?**

The Company engages some of the marginalised and vulnerable groups (women SHGs, local farmers, small businessmen) for food supplies to canteens in the manufacturing facilities. However, the overall value is negligible as compared to the total procurement by the Company. The Company aims to institute a proper mechanism across its various manufacturing facilities for capturing the value of products/services sourced from these groups.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

The Company does not have any intellectual property owned, created or acquired based on traditional knowledge during the year.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:**

The Company does not have any intellectual property owned, created or acquired based on traditional knowledge during the year.

## 6. Details of beneficiaries of CSR Projects:

100 % of the projects serve underprivileged, marginalised, vulnerable and backward communities of the society.

Sr. No.	Name of the Project	Beneficiary Number
1	Skills Development Training for Rural Youth	13,838
2	Educational Support to Tribal Communities	1,379
3	Autocad Training for Underprivileged Youth	1,294
4	Infrastructure Development at Government Schools	48,966
5	Providing Wash Facilities and Awareness at Government Schools	12,375
6	Community Based Study Centres	13,745
7	Every Child A Scientist' Project (STEM)	254
8	'Green Hands' – Building Awareness For Greenery Development in Nearby Communities	Cannot be Ascertained
9	Blood Donation Camp	23,006
10	Providing Digital Classrooms in Schools	36,567
11	Infrastructure support for special school	100
12	Support to special school for children with disabilities	44
13	Rainwater Harvesting for schools	4,300
14	Support to institution for abandoned children with special needs	105
15	Awareness and Engagement with Community	13,883
16	Infrastructure Development (Solar Power System) at Government Schools	56,651
17	Creation of Digital Platform & Mobile App for Skills Development Training for Rural Youth	11,720
18	Awareness and Mobilization of Rural youth for Skills Development Training	11,720
19	Support classes for children from slums	736
20	Providing medical equipment & infrastructure support to hospitals	149,958
21	General Health check-up & Blood donation Camps	4,539
22	Installation of Ground Water Recharge System	24,738
23	Support to Government Schools in Chennai	11,000
24	Rejuvenation of rural water bodies	16,000
25	Infrastructure development of community centre	1,000
26	HIV AIDS Awareness Prevention & Support	34
27	Menstrual Hygiene Management for girl students	11,615
28	School Activity Centers	593
29	Skill Building initiatives for women and youth	3,361
30	Support for Education to Vulnerable Children	8,327
31	Providing Lab at Skill training center	50
32	Skill Building Initiatives - Industrial Training	49
33	Construction of Under Ground Water Tank in Dabhari,Olpad & Tunda Village	4,732
34	Infrastructure and Learning Enhancement Programme in Government Schools	10,038
35	Strengthening water structures in Malumichampatti Village	25,000
36	Multi Skill Training Center	139
37	Construction of Village Approach Road	Cannot be Ascertained
38	Eye Camp for community	1,622
39	Infrastructure support to Government Primary Health Centres	75,000
40	Renovation of STEM Labs in Government Schools	11,673

<b>Sr. No.</b>	<b>Name of the Project</b>	<b>Beneficiary Number</b>
41	Maintenance of Public Green Spaces	Cannot be Ascertained
42	Modular foot Camps	140
43	Community Development Activities	12,667
44	Designing & Implementation of Projects	Cannot be Ascertained
45	Community Health Centre	88,845
46	Support to cancer patients	263
47	Provision of transport for rural patients to Eye Hospital	10,837
48	Transport for nursing students at rural hospital	60
49	Integrated Community Development Programme	26,296
50	Enhancing quality of learning and education, Bhim	4,171
51	Enhancement and maintenance of public green spaces	Cannot be Ascertained
52	Community engagement for Integrated Community Development Programme, Pachapalyam & Gevrai	Cannot be Ascertained
53	STEM Education Project in Urban Schools	64,803
54	Educational support for vulnerable children, Pathardi	338
55	Health & Dialysis Centre and Mobile Medical Unit, Surat FY22-23	330,654
56	Mobile Toy Van Outreach	3,132
57	Renovation of Over Head Tank & Anganwadi, Vedal village	2,255
58	Providing science lab in school	519
59	Providing Infrastructure Support & enabling environment in schools and Anganwadis	2,123
60	Skill Training Academy, Madh	1,654
61	Cancer screening camps	2,309
62	Community Sanitation and Awareness	952
63	Community Sanitation Project	200
64	Awarness and training on water management practices, Pathardi	2,223
65	Water Purification Filter, Devgaon & Nagzari	5,875
66	Infrastructure Support for Community Development	Cannot be Ascertained
67	Support for providing cancer treatment equipment at rural hospital	40,000
68	Wastewater Treatment Initiative	240
69	Miyawaki Forest	Cannot be Ascertained
70	Menstrual Health and Hygine Awareness	1,400
71	School on Wheels for rural children	470
72	Village Development Program	1,586
73	Water conservation initiatives in rural areas	22,262
74	Career Guidance & Mental health awareness camps	16,420
75	enrichment through sports for school children	801
76	Plastic Recyclothon	240,000
77	Environment Health Improvement Program	6,932
78	Health & Nutrition at Child Care Centre	81
79	Engineering Futures' - STEM Education @ Vadodara	2,350
80	Enhancing rural Livelihood - capacity building and training	450
	<b>Total</b>	<b>1,503,459</b>

## Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

### ESSENTIAL INDICATORS

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Consumers for the Company are clients (referred to hereafter as customers) for its businesses in EPC Projects and Hi-Tech Manufacturing. Customer complaints and feedback are received on a periodic basis (once in six months or annually), and according to SOPs defined in Quality Management System (QMS). Complaints and feedback are collected primarily by business units through e-mails, letters, or verbally. Additionally, the Company provides a toll-free number (1800 209 4545) and email address ([infodesk@larsentoubro.com](mailto:infodesk@larsentoubro.com)) on the Company's website for collecting the inputs/feedback.

Complaints and feedback are collected in a structured format and on parameters such as Design/Detail Engineering, Planning, Construction Capability, Project Quality, and Management. These forms also capture suggestions and opportunities in addition to ratings on defined parameters. The data is forwarded to relevant teams or departments, which take the necessary action to resolve the complaints and respond to the customers.

Each business unit maintains a record of complaints received and resolutions provided. These are reviewed at regular intervals at different management levels, starting from project teams and going up to Business Head and Executive Committee level. QMS specifies the formats for various types of records/reports, work procedures and SOPs for handling the steps in the entire process.

#### 2. Turnover of products and/or services as a percentage of turnover from all products/service that carry information about:

	As percentage of total turnover
Environmental and social parameters relevant to the product	The Company does not have specific consumer products. The products' business comprises heavy machines and machine parts for industrial and Defence use.
Safe and responsible usage	
Recycling and/or safe disposal	

#### 3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL		NIL	NIL	
Advertising	NIL	NIL		NIL	NIL	
Cyber-security	NIL	NIL		NIL	NIL	
Delivery of essential services	NIL	NIL		NIL	NIL	
Restrictive trade practices	NIL	NIL		NIL	NIL	
Unfair trade practices	NIL	NIL		NIL	NIL	
Other	NIL	NIL		NIL	NIL	

#### 4. Details of instances of product recalls on account of safety issues:

The Company does not have any specific consumer products. There were no product recalls (voluntary or forced) made on grounds of safety in FY2022-23.

#### 5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.

Yes, the Company has a framework/policy on cyber security and risks related to data privacy, available at <https://www.larsentoubro.com/corporate/privacy-policy/>.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

No cases/complaints received in above matters.

#### **LEADERSHIP INDICATORS**

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The Company's business offerings can be found at <https://www.larsentoubro.com/corporate/our-businesses/>

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company does not operate in B2C model. The products' business comprise few heavy machines and machine parts for industrial and defence use. For aforementioned products, regular interaction with the client/customers are conducted during the execution phase of a project. The Company extends an opportunity to explain about its products, innovations, new technology and techniques that are implemented to enhance product quality and work methodology.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

During execution of construction projects and transport of heavy machinery, the clients and concerned departmental authorities are informed through transmittal letters and their permissions are sought for road closure, traffic diversion and isolation of essential services.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable). If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not applicable, as the Company operates in B2B model.

5. **Provide the following information relating to data breaches:**

- **Number of instances of data breaches along-with impact**

No instances reported during the fiscal year.

- **Percentage of data breaches involving personally identifiable information of customers**

No instances reported during the fiscal year.