

Sustainability @ L&T



Roadmap approach

- About L&T
- Governance Architecture
- Board composition
- Group policies
- Approach to sustainability
- Materiality Assessment
- Sustainability Targets
- Environment in numbers
- Occupational Health and Safety
- Employee diversity
- Green portfolio
- CSR and our actions during pandemic
- Defence portfolio
- Reporting & disclosure
- In progress.....

About the company



Infrastructure

Buildings & Factories (B&F)
Transportation Infra (TI)
Heavy Civil infra (HC)
Water & Effluent Treatment (WET)
Power T&D (PT&D)
Metall. & Mat. Handling (MMH)



Power

EPC- Coal & Gas
Thermal Power Plant
Construction
Electrostatic
Precipitator
Power Equipment
Mfg. *



Heavy Engineering

Process Plant Equipment
Nuclear Power Plant
Equipment
Piping Centre & Forgings *



Defence Engineering

Defence
Aerospace
Shipbuilding



Hydrocarbon

Onshore
Offshore



IT & TS

Information Technology
Technology Services



Financial Services

Rural Lending
Housing Finance
Wholesale Finance
Asset Management



Developmental Projects

Roads / Trans. Line *
Metros
Power



Others

Realty
Industrial Products & Machinery
Smart World & Comm.(SW&C)



A Professionally
Managed Corporate
Group

Revenues



₹1,360Bn
FY 21 Group
(approx.US\$ 19Bn)

Credit Rating



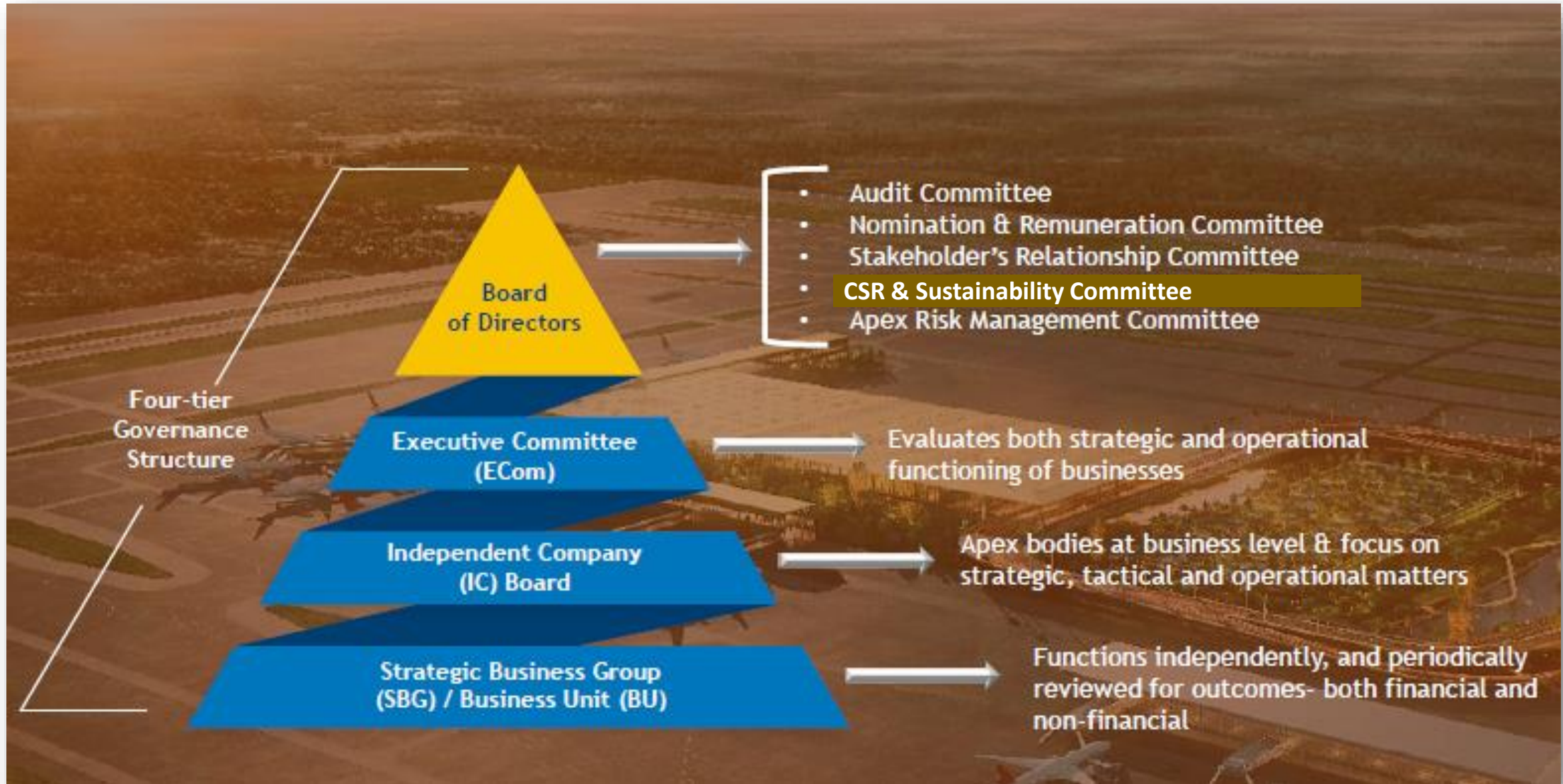
CRISIL: AAA / Stable
ICRA: AAA (Stable)
(Larsen and Toubro Ltd)

Market Capitalization



₹ 1,992Bn
14th May, 2021 (approx.
US\$ 27 Bn)
(Larsen and Toubro Ltd)

Board structure



Board composition

Board Composition

- Group Chairman
- Chief Executive Officer and Managing Director
- 7 Executive Directors
- 8 Independent Directors
- 1 Non-Executive Director

Board Committees

Audit Committee

- 3 Independent Directors

Nomination and Remuneration Committee

- 3 Independent Directors
- Group Chairman

The Stakeholders' Relationship Committee

- 1 Independent Director
- 1 Executive Director
- 1 Non-Executive Director

Corporate Social Responsibility Committee

- 1 Independent Director
- 2 Executive Directors

Board Risk Management Committee

- 2 Independent Directors
- 1 Executive Director

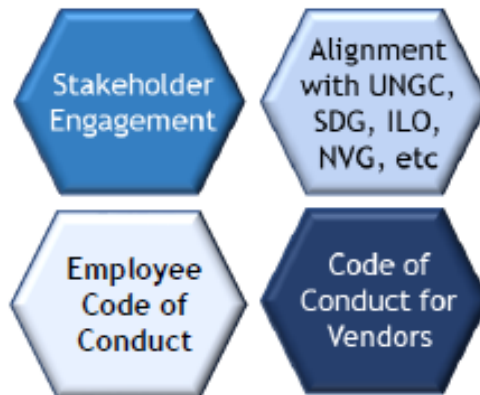
The Chairpersons of all the Committees are Independent Directors

Group Policies

Important Structures & Processes



Voluntary Adoption




Important Policies



Policies are under revision currently

Approach to sustainability



Technology for sustainable growth

Our strategy is to use our technology platforms and innovation techniques to make lives better and sustainable for all. From enhancing operating efficiencies, building connected teams and businesses, supporting communities and local authorities to strengthening analytics and governance — technology is deeply embedded in everything that we do.

Materiality map

Stakeholder Concern

- Climate Change & GHG Emission
- Labour Management

- Natural resource Conservation
- OHS
- Material Sourcing

- Adoption of renewables
- Water management
- *

- R&D Impetus
- Ethical business practices
- Customer satisfaction

- Product stewardship
- Corporate Governance
- **

- Product quality
- Corruption
- Customer privacy

- *
- Supply chain management
- Energy Efficiency
- Talent attraction & retention
- Local supply base development
- Project risk management
- Construction & EPC Services

- **
- Governance
- Skilled manpower
- Community development
- Local employment
- Human rights
- Collective bargaining agreements

Stakeholders considered:

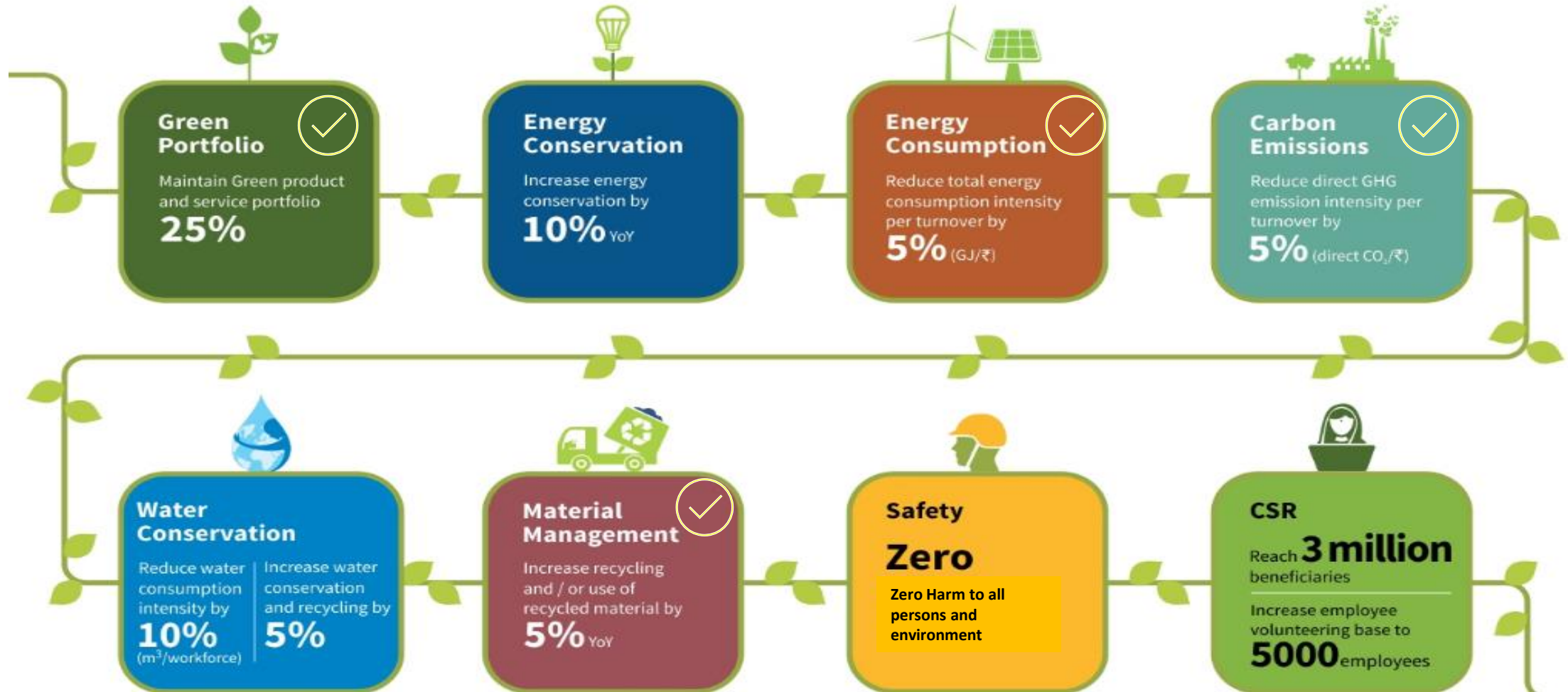
- Shareholders and Investors
- Customers
- Employees
- Suppliers and Contractors
- Community
- Government
- Media

- Low
- Medium
- High



Sustainability targets (FY17-21)

Key Targets



Environment in numbers

INR **85** Million spent on environmental measures

128 Mn Kwh energy saved (cumulatively since FY16)

31 Mn Kwh renewables **>8.32%** of total electricity mix

>35 Mn MT CO₂e emission avoided **19** campus Water positive

13 Green buildings **59%** of generated waste water recycled

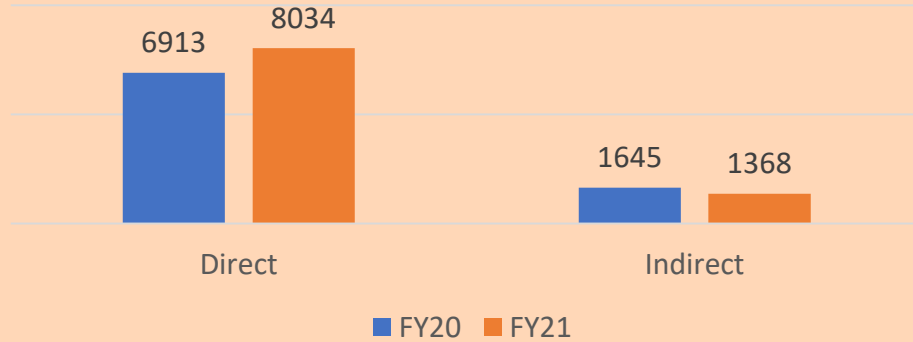
8 campuses generate RE

4 campuses source wind power

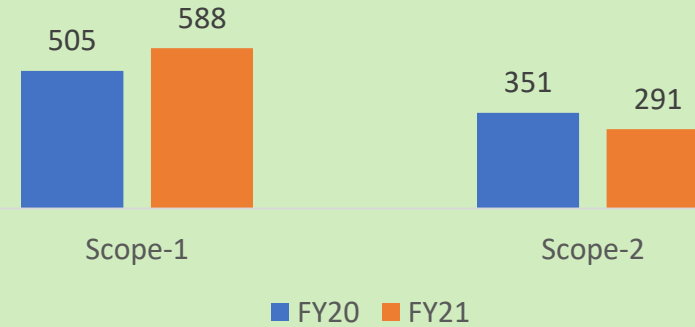
3 campuses source solar energy

Environment in graphs

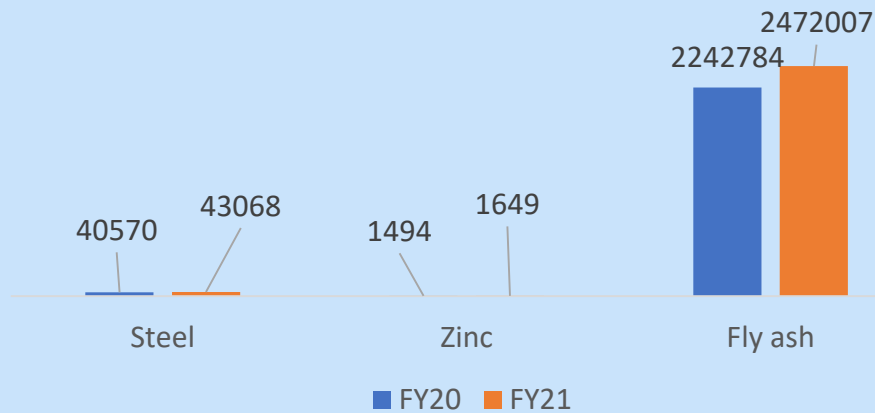
Energy consumption – intensity in GJ/ billion INR



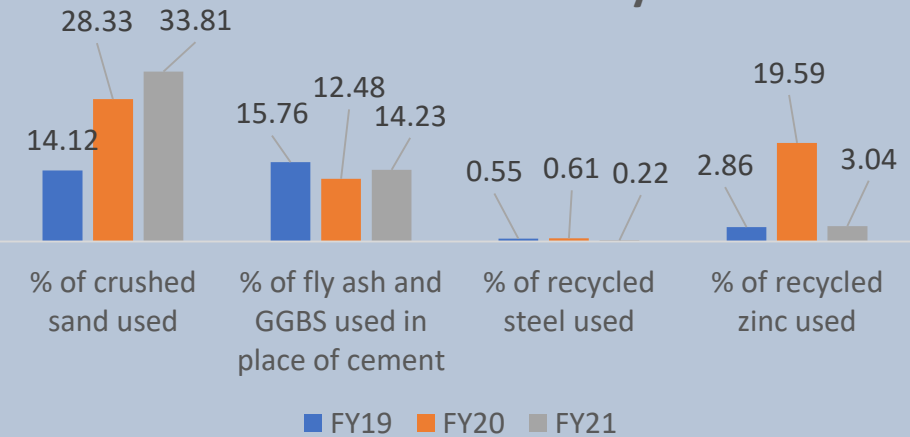
GHG emission – intensity in tCO2e/ billion INR



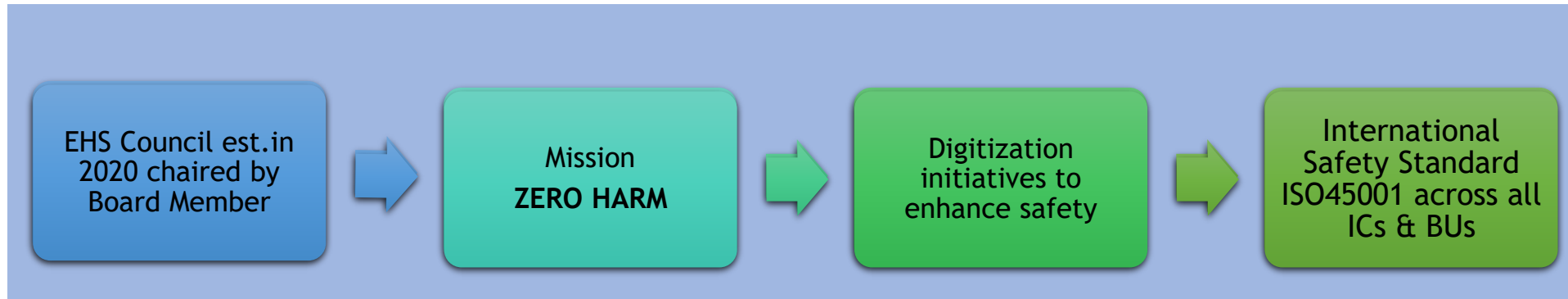
Recycled materials - in tonne



Resource efficiency - in %



Occupational Health & Safety

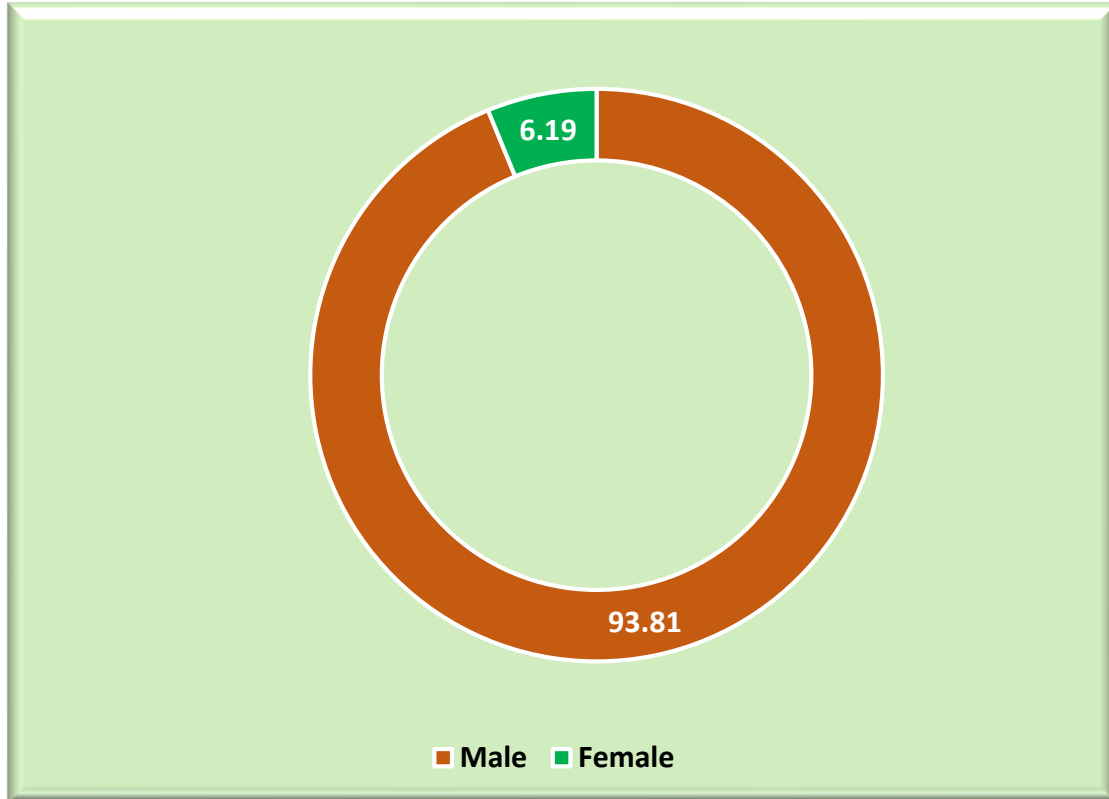


Statistics	FY 2020-21	FY 2019-20	FY 2018-19
Severity rate	27.7	204.29	105.2
Frequency rate	0.02	0.11	0.10
Fatality	25	41	22

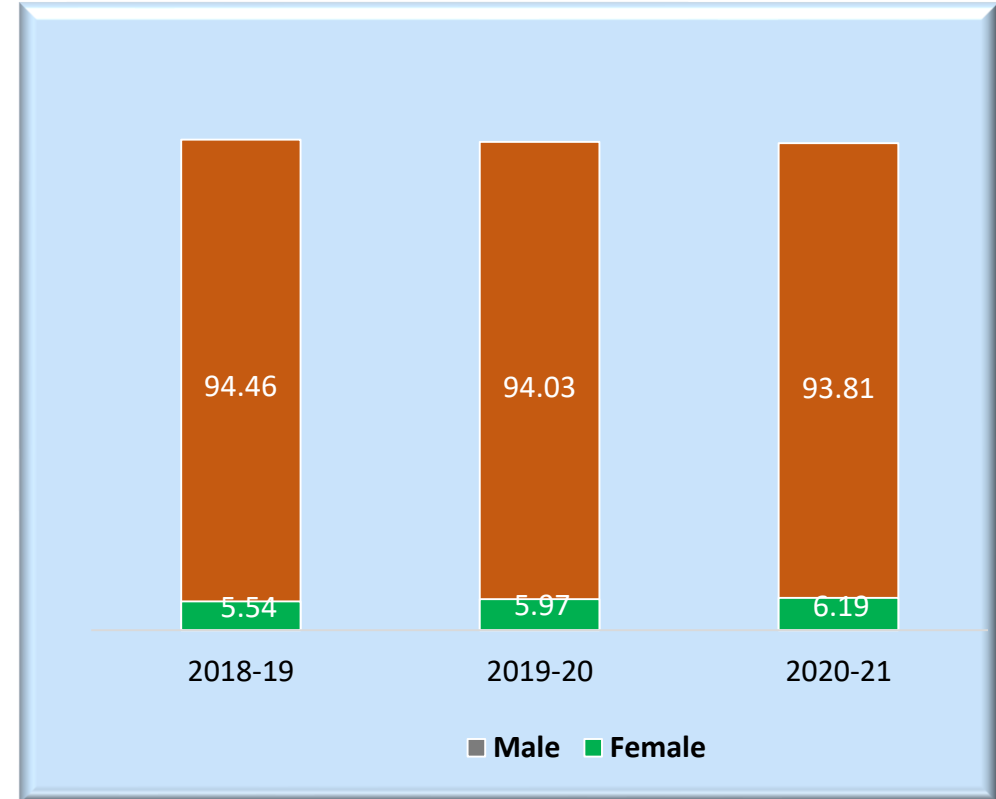
Safety Culture and Management:

- Senior management embraces top--down driven approach by demonstrating safety leadership at all levels. Site visits and audits are conducted to maintain / improve EHS performance
- Safety evaluated every quarter at Company Board levels, (Non-Executive Directors) on performance and compliance
- Comprehensive safety training programme at all levels of Supervisory Management & Supply Chain
- Focus on high-risk activities
- Hazard & risk identification prior to start of any activity
- Positive incident reduction using Digital AI, for identifying unsafe acts and conditions, with early intervention taken
- Safety committees at all L&T work locations

Employee diversity



Gender wise workforce
distribution FY21 in %



Gender wise workforce
distribution 3 years in %

Green Portfolio

Water Management



- Water Efficient Irrigation Infrastructure;
- Reservoirs, Barrages & Water Balancing System;
- Water Treatment Plant;
- Waste-Water Treatment Plant;
- Industrial Treatment Plant;
- Industrial Plant Water System;
- Solar Power System

Eco Friendly Fuel



- Setup of ethanol plant,
- Natural gas by product generation

Green Building



- Green buildings
- Hospitals,
- Airports,
- Schools,
- Residential buildings,
- commercial buildings.

Metro & Monorail



- Metro
- Mono rail projects

Solar Power Plants



- Grid connected Solar power plant,
- Grid connected floating solar plant

Hydro Projects



- Hydro power projects

Transmission & Distribution



- Power Distribution Reforms & Power Quality Improvement Projects
- Gas Insulated Substations, Substations and Substations of 765kV

Building India's social infrastructure

Aim to improve quality of life, mitigate social inequities & help individuals realise their true potential in targeted communities

Thrust Areas

Interventions

Lives Impacted (FY21)

Water and Sanitation
9 locations in 4 states

Making water available for drinking sanitation and agriculture by constructing water structures and toilets and build people's institutions for sustaining the interventions.

110,525

Education
PAN India

Provide civil, digital and other infrastructure in government schools, strengthening pre-school balwadis and community learning centres and improve quality of education with special focus on STEM subjects.

244,962

Health
12 Community Health Centres

Provide free or subsidised & quality medical care to patients in urban and remote areas through health centres or camps.

822,967

Skills Building
9 CSTIs & other Skilling Programs

Construction skills training courses and other skill-building activities to provide less educated youth with job-earning skills and opportunities

35,522

CSR Drivers

Corporate Team

Campus and sites

Volunteers

Prayas Trusts

LTPCT



CSR Excellence (FY21)

INPUT MATRICS	OUTPUT MATRICS
CSR Spend: Rs. 150.01 Cr	CSR beneficiaries: 12,139,76 Total Beneficiaries
CSR Partners: 108	Vendor/Dealer/ Sub-Contractor Training (nos): 1049
New Suppliers, contractors Developed registered: 8032	Contribution to exchequer
MSME Suppliers: 2502	Safety Training to contract workers: 1.78 million

Review mechanism




Corporate Reviews

- Compliance reporting
- Quarterly Business Review
- Quarterly EHS council meetings
- Monthly ECom meetings
- Monthly HR council meetings
- Quarterly labour management

Business/IC Reviews

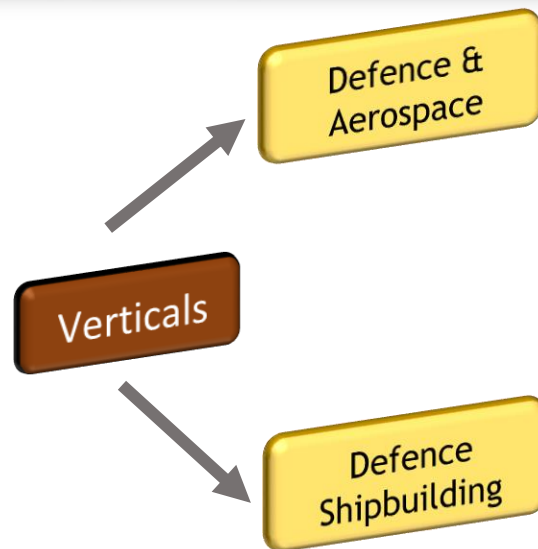
Review area	Scope	Periodicity
Business review	Business	Monthly
PRM	Operations	Monthly
Risk Management	Prebid/execution	As per schedule
CSTI	Budget/financial	Monthly/real time
CSR	Social audit/budget	Monthly/real time
Digital Initiatives	Product launch and enhancements	Monthly
SCM	Online dash boards	Live
Business Segments	Project/progress	Quarterly
HR	Staff details Training	Monthly/real time
Safety	Online , risk etc	Live/annual
O&M	Project & performance	Quarterly/Monthly/real time
Finance	Progress update	Monthly
Labour Management	Update	Weekly

L&T's Support During Pandemic

<ul style="list-style-type: none">➤ Reimbursement of vaccine cost for all employees (70% of employees above 45 vaccinated)➤ Conversion of inhouse facilities / tie up with hotels for quarantine centres for employees and family members➤ Regular RT / PCR tests conducted across offices, project sites and factories➤ iCALL facility for online counselling for employees	<h2>Workmen</h2> 	<ul style="list-style-type: none">➤ Monetary contribution made towards PM Cares Fund (150 Cr)➤ Supplied test kits, hospital equipment, ration kits and PPE kits at various locations in FY21➤ Installed smart technologies in over 20 major cities to help various state governments and local authorities to fight COVID-19➤ Deliver of oxygen generators to various hospitals in India
<h2>Employees</h2> 	<ul style="list-style-type: none">➤ Set aside an outlay of over Rs 500 crore during lockdown to support about 160,000 contract workers➤ Remitted timely wages and provided food, shelter to workmen during pandemic. Also, rolled out schemes to ensure safety➤ Doctor, Nurse, Ambulance made available 24x7➤ Materials for daily needs being arranged at Labour camps for all workers	<h2>Society</h2> 

ESG – Defence matters

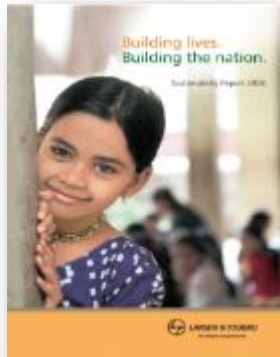
- L&T partners with the Indian Defence Research, Defence Research and Development Organisation (DRDO) and the Indian Armed Forces in the development of defence products, systems and platforms across land, sea and air operations, in line with its commitment to 'Make in India'.
- With an integrated portfolio comprising technologies, products, systems, platforms and solutions, L&T Defence today offers solutions across the project lifecycle.



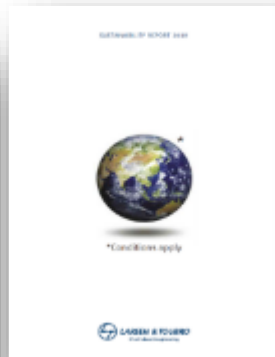
Defence Segment	FY19	FY20	FY21
Revenue (in Rs Bn)	37.5	39.7	34.0
% of Total Group Revenue	2.7%	2.7%	2.5%

The business does not manufacture any explosives nor ammunition of any kind, including cluster munitions or anti-personnel landmines or nuclear weapons or components for such munitions. The business also does not customise any delivery systems for such munitions.

Early mover in reporting...



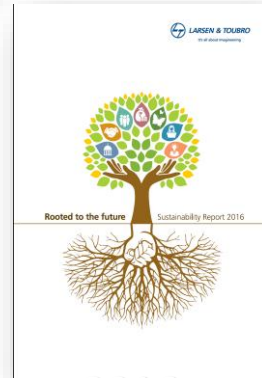
2008



2009



2010



2016



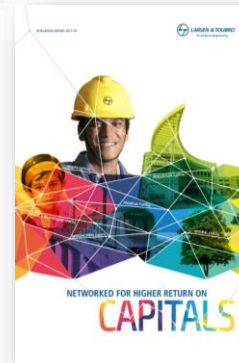
2011



2017



2012



2018



2013



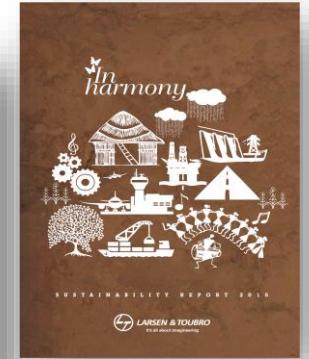
2019



2014



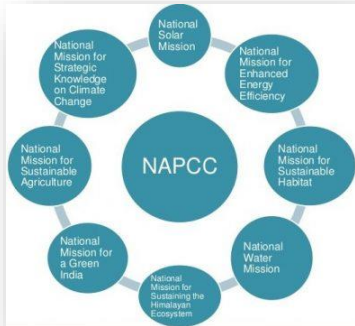
2020



2015

Reporting & disclosures

CURRENT



**Business
Responsibility
Reporting**

IN PROGRESS



The Value Reporting Foundation

INTEGRATED REPORTING <IR>



+ Integrated Annual Report/ Value Report



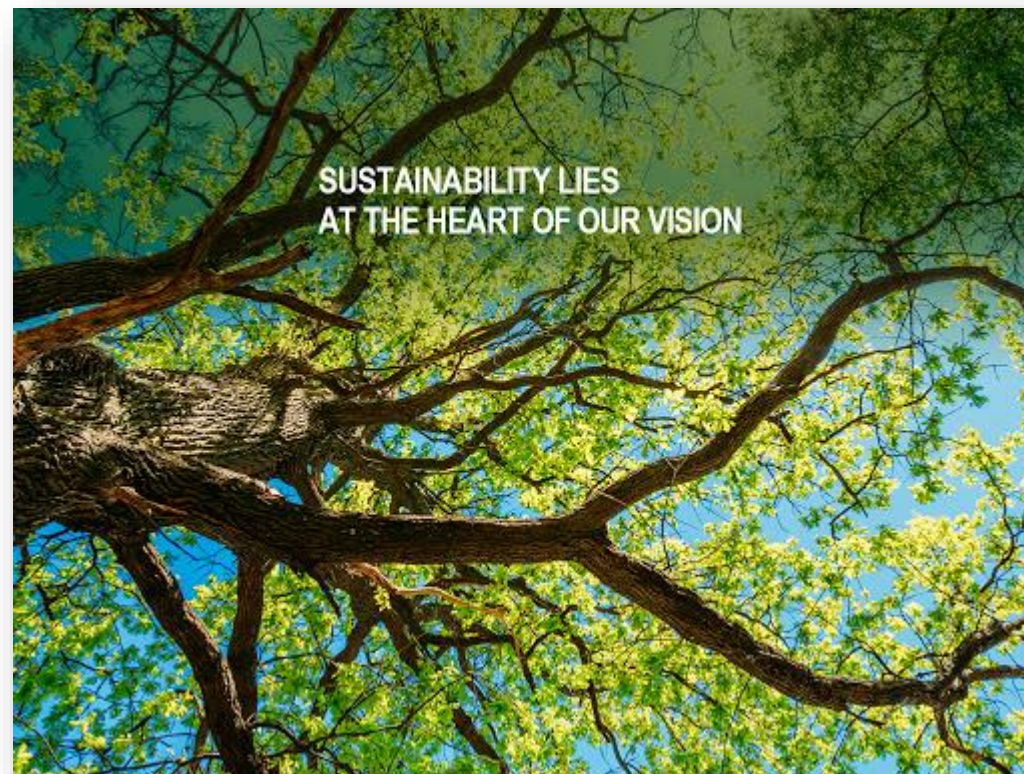
**Business Responsibility and
Sustainability Report (BRSR)**

Upcoming



Roadmap approach

- New ESG Framework
- Revised group ESG vision
- Revised and updated policies
- Revision of Materiality Map
- ESG Roadmap: ST, MT & LT
- Lakshya-26 targets
- ESG Communication plan
- ESG Commitments



THANK YOU

