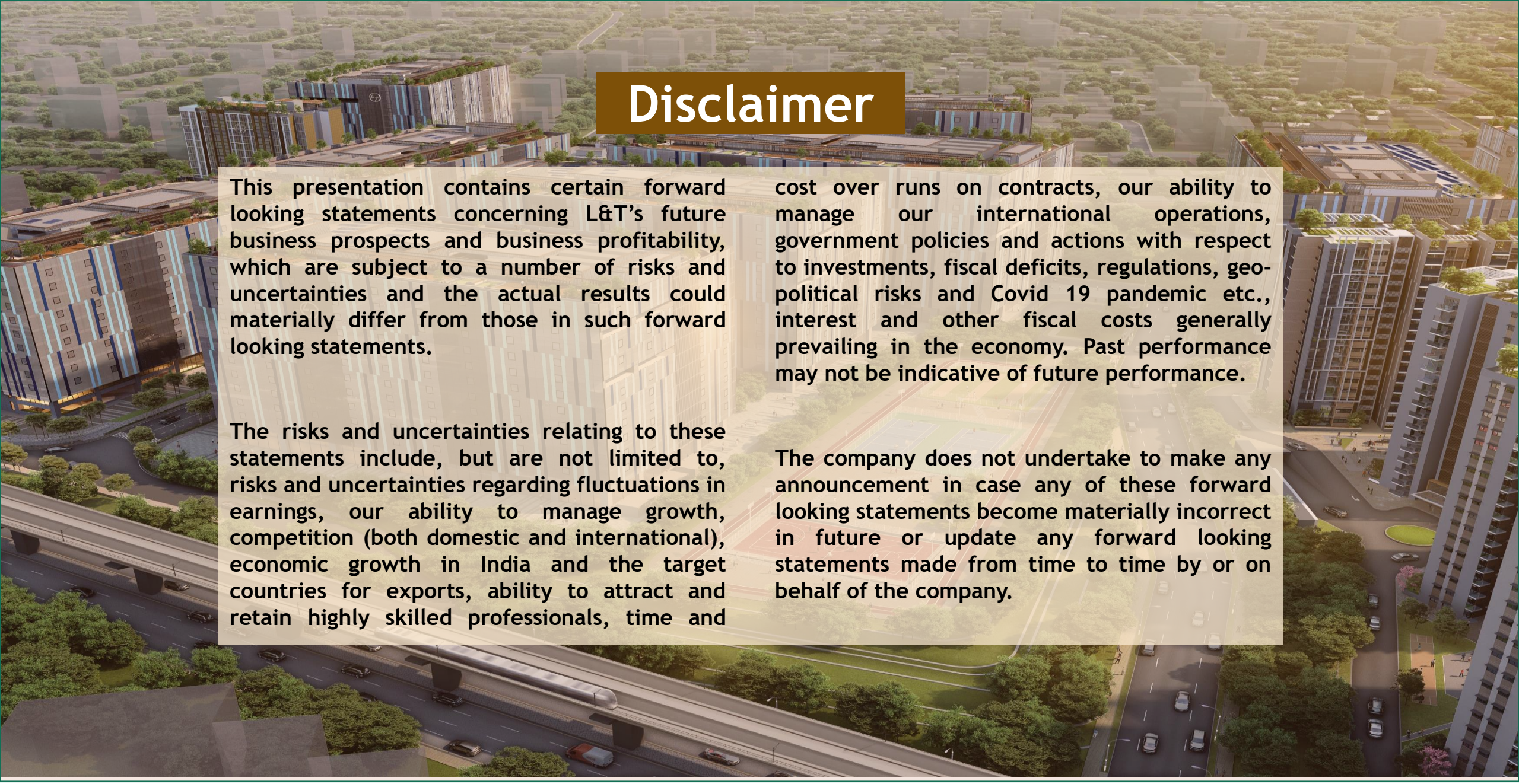
LARSEN & TOUBRO

Analyst Presentation Q4 / FY22

May 12th, 2022





Disclaimer

This presentation contains certain forward looking statements concerning L&T's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, geo-political risks and Covid 19 pandemic etc., interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance.

The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.



01

Key Highlights

Resilient performance in a volatile global macro backdrop

Order Inflows

Ordering momentum picks up in Q4

Prospects bright

Order Book

Large, Growing & Diversified

Revenue

Balancing "Execution" and "Cash Generation"

Margin

Q4 impact due to delayed settlement of budgeted claims

Liquidity

Robust operational cash flows, NWC improves

Leverage

Improved Gross & Net Debt levels at Group

Return Ratios

On the path to achieving Strat Plan goal

Stable Indian macros despite global headwinds

Key Financial Indicators

(Rs. bn)

Q4 FY21		Q3 FY22	Q4 FY22		(y-o-y)	(q-o-q)	Particulars		FY21	FY22		(y-o-y)
507		504	739		46%	47%	Order Inflow		1755	1930		10%
							Order Book		3274	3576		9%
481		396	529		10%	34%	Revenue		1360	1565		15%
13.3%		11.5%	12.3%				EBITDA (%)		11.5%	11.6%		
34		21	36		6%	76%	Operational PAT		70	86		23%
33		21	36		10%	76%	Overall PAT		116*	87		-25%

Particulars		FY21	FY22
Net Working Capital		22.3%	19.9%
RONW (TTM) (%)		16.2%*	11.0%

**Includes gain on divestment of Discontinued (E&A) business*

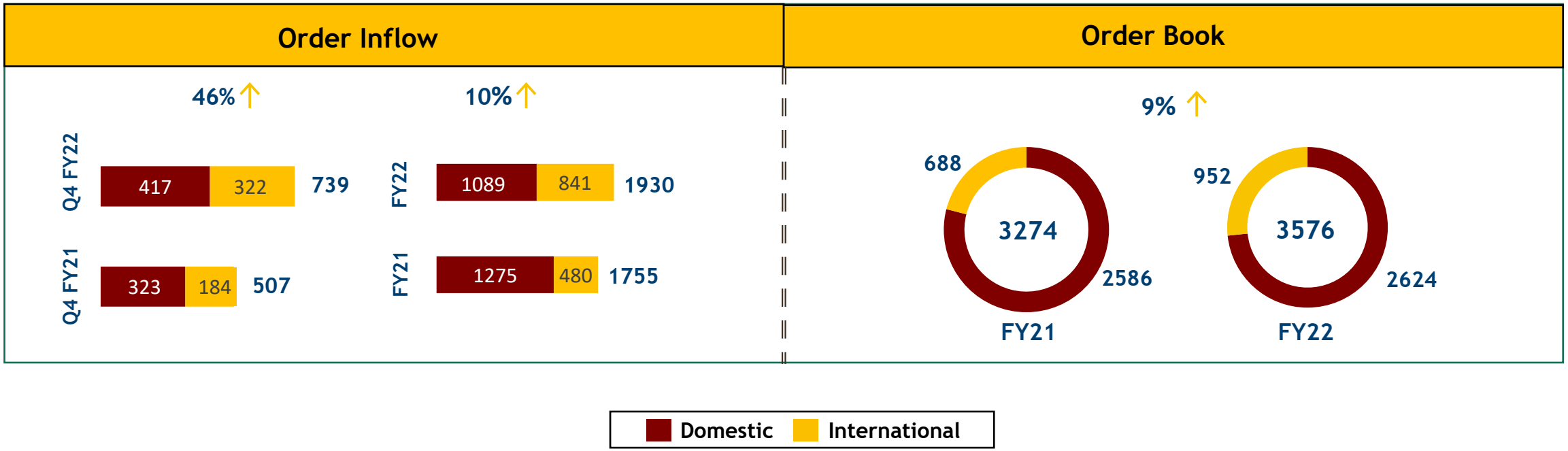


02

Group Performance

Q4/FY22 Order Inflow/Order Book

(Amount in Rs. bn)



- Q4 order inflows mainly from Infrastructure, Hydrocarbon & Defence; increased share of international orders
- Domestic award finalisation delays despite robust tendering activity
- Strong prospects pipeline for FY23
- Higher composition of international orders in Order Book

Group Performance – Sales & Costs

Q4 FY21	Q4 FY22	% Var	Rs Billion	FY21	FY22	% Var
480.9	**528.5**	**10%**	Revenue	**1359.8**	**1565.2**	**15%**
33%	*33%*		*International Rev.*	*37%*	*36%*	
311.9	347.7	**11%**	MCO Exp.*	790.1	937.9	**19%**
18.2	14.4	**-21%**	Fin. Charge Opex**	76.9	59.5	**-23%**
63.5	79.7	**25%**	Staff Costs	247.5	297.3	**20%**
23.5	21.5	**-8%**	Sales & Admin.	89.0	88.3	**-1%**
417.0	463.3	**11%**	Total Opex	1203.6	**1383.0**	**15%**
63.9	**65.2**	**2%**	**EBITDA**	**156.2**	**182.2**	**17%**
13.3%	**12.3%**		**EBITDA %**	**11.5%**	**11.6%**	

Remarks for the Quarter

- Infrastructure and IT&TS businesses drive revenue growth
- MCO expense variation is reflective of job progress, revenue mix and higher input costs
- Reduction in Finance Charge Opex is a function of lower average liabilities & reduced borrowing cost in FS business
- Resource augmentation in services businesses drives staff cost
- SG&A reflective of lower credit costs and FX gains
- Cost headwinds and delayed claim certification in Projects & Manufacturing businesses impacts EBITDA margin in Q4

** Manufacturing, Construction and Operating expenses*
***Finance cost of financial services business and finance lease activity*

Group Performance – Profit Parameters

Q4 FY21	Q4 FY22	% Var	Rs Billion	FY21	FY22	% Var
63.9	**65.2**	**2%**	**EBITDA**	**156.2**	**182.2**	**17%**
(8.5)	(7.1)	**-17%**	Fin. Cost	(39.1)	(31.3)	**-20%**
(8.2)	(7.7)	**-6%**	Depreciation	(29.0)	(29.5)	**2%**
10.3	5.2	**-50%**	Other Income	34.3	22.7	**-34%**
(20.9)	(15.6)	**-25%**	Tax Expense	(40.1)	(42.2)	**5%**
1.6	1.3	**-17%**	JV/S&A PAT Share	0.1	1.3	**>100%**
(4.0)	(5.2)	**29%**	Non-controlling Int.	(12.7)	(17.5)	**37%**
34.2	**36.2**	**6%**	**Operational PAT**	**69.7**	**85.7**	**23%**
(1.2)	-		Discontinued Operations	82.4	-	
-	-		Exceptionals (net of tax and NCI)	(36.2)	1.0	
32.9	**36.2**	**10%**	**Reported PAT**	**115.8**	**86.7**	**-25%**

Remarks for the Quarter

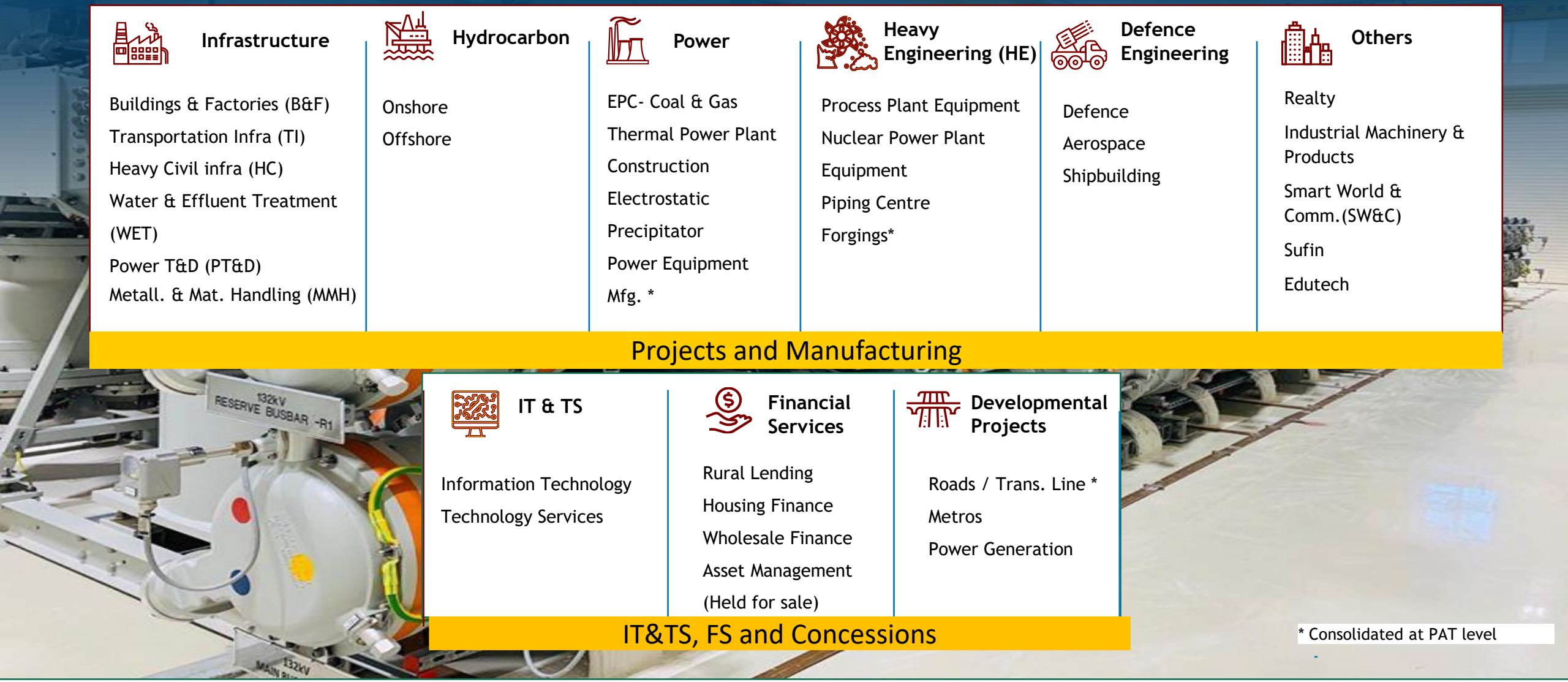
- Finance cost commensurate with reduced level of borrowing at Parent, Metro refinancing aids improvement
- Other income reflective of level of treasury investments during the quarter
- Share of JV / Associate PAT primarily comprises results of L&T IDPL and Power JVs
- NCI variation largely due to improved profitability of services portfolio
- Operational PAT variance primarily on treasury operations, lower depreciation & tax expense



04

Segment Performance Analysis

Segment Composition



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)

Hydrocarbon

- Onshore
- Offshore

Power

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

Heavy Engineering (HE)

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

Defence Engineering

- Defence
- Aerospace
- Shipbuilding

Others

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

Projects and Manufacturing

IT & TS

- Information Technology Technology Services

Financial Services

- Rural Lending
- Housing Finance
- Wholesale Finance
- Asset Management (Held for sale)

Developmental Projects

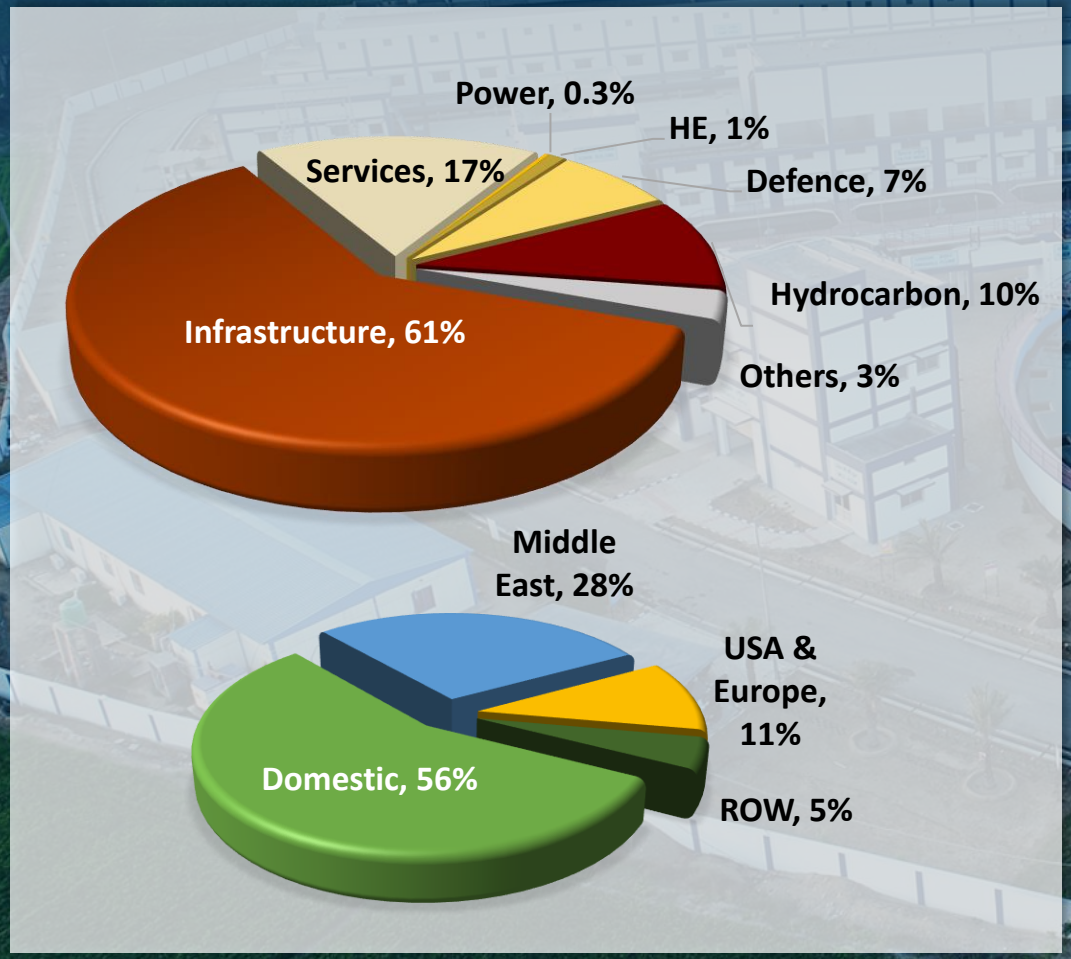
- Roads / Trans. Line *
- Metros
- Power Generation

IT&TS, FS and Concessions

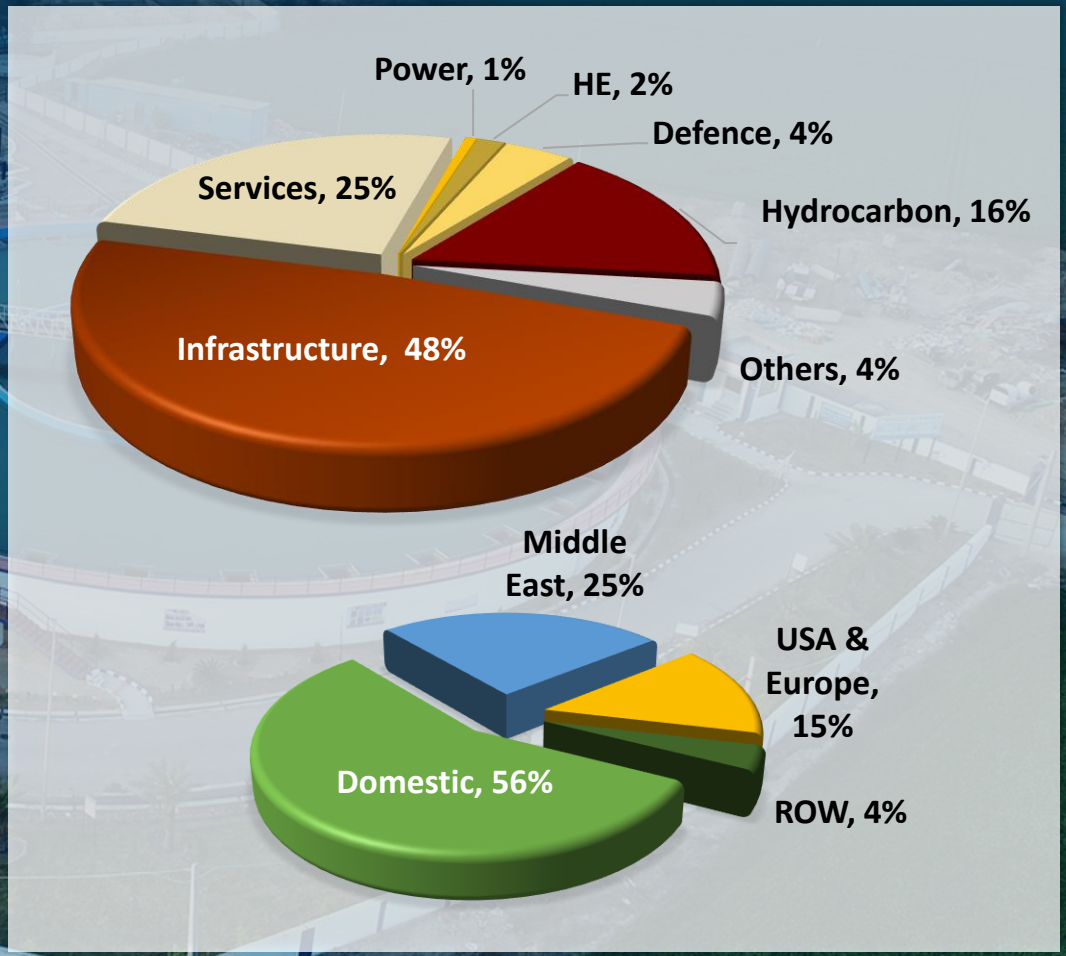
* Consolidated at PAT level

Order Inflow Composition

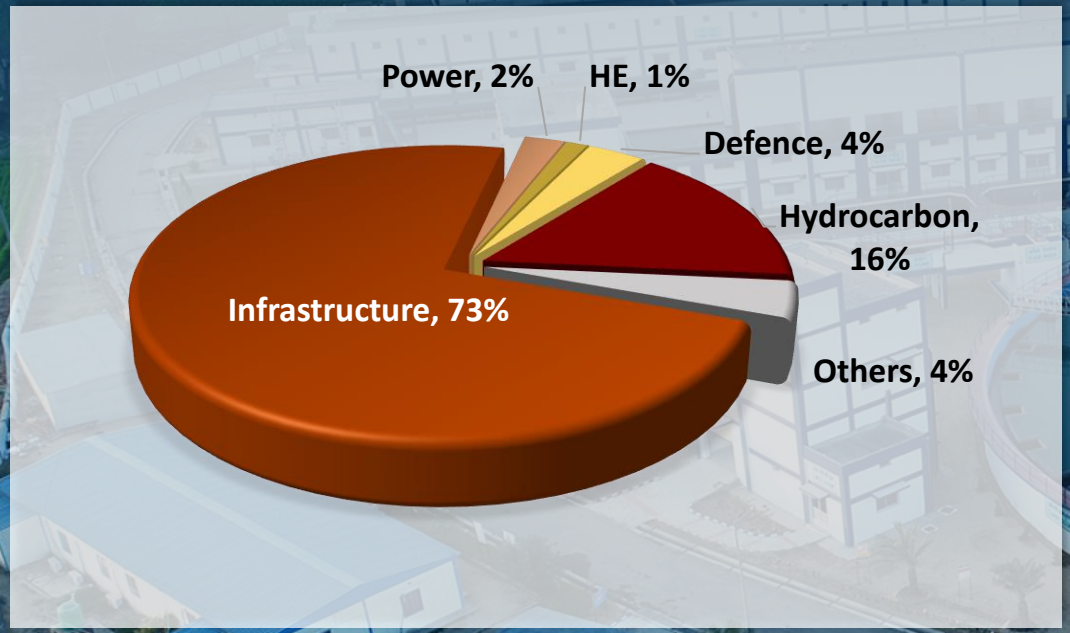
Q4 FY22 Rs. 739 Bn

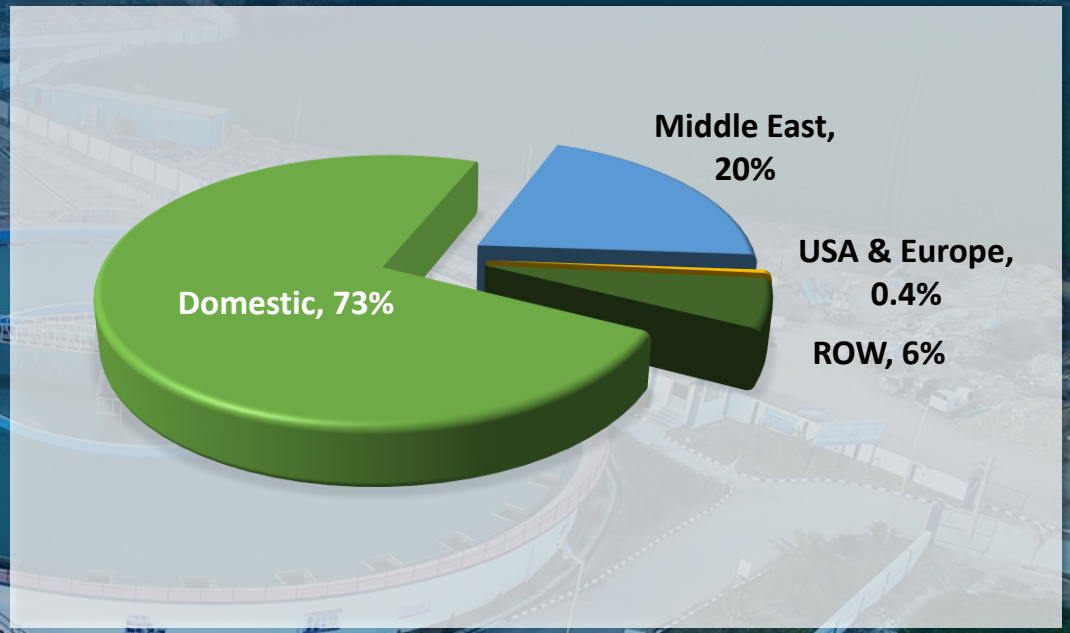


FY22 Rs. 1930 Bn



Order Book Composition as on 31-Mar-22

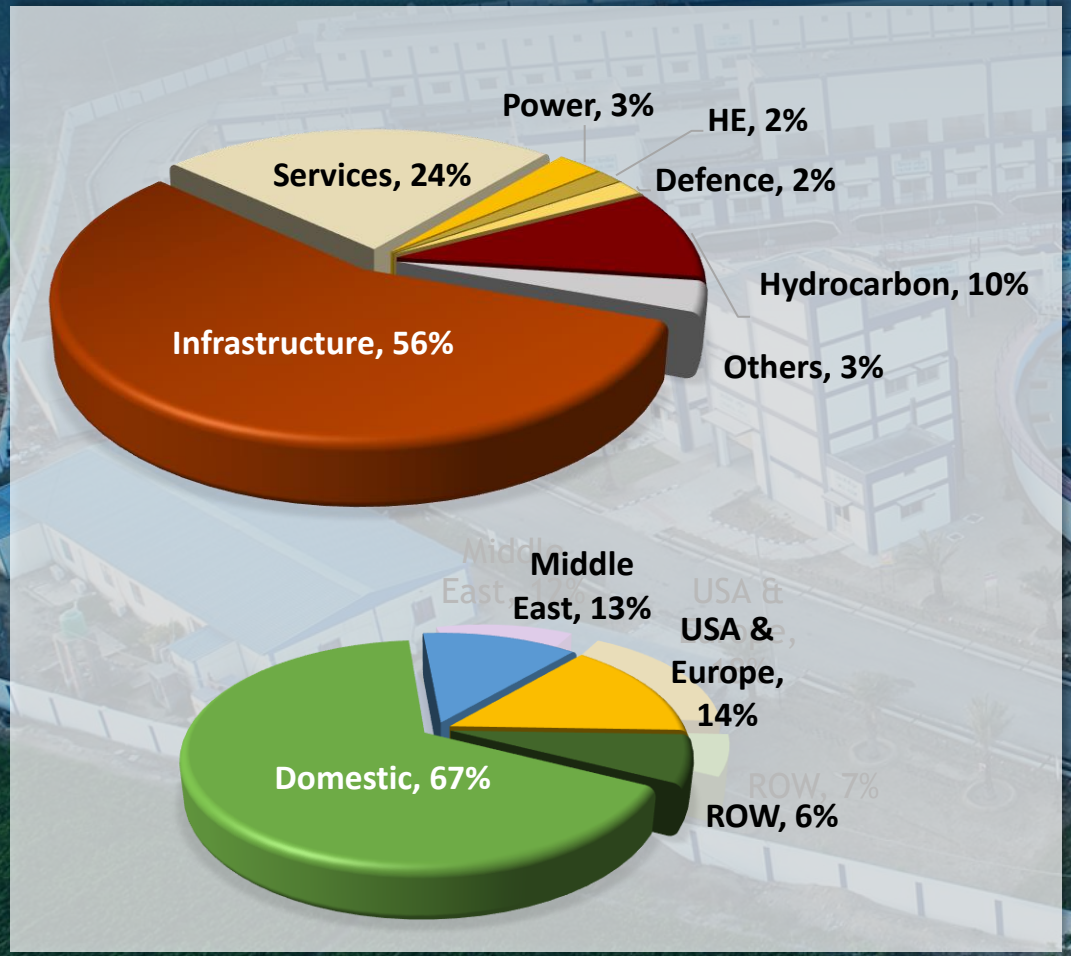




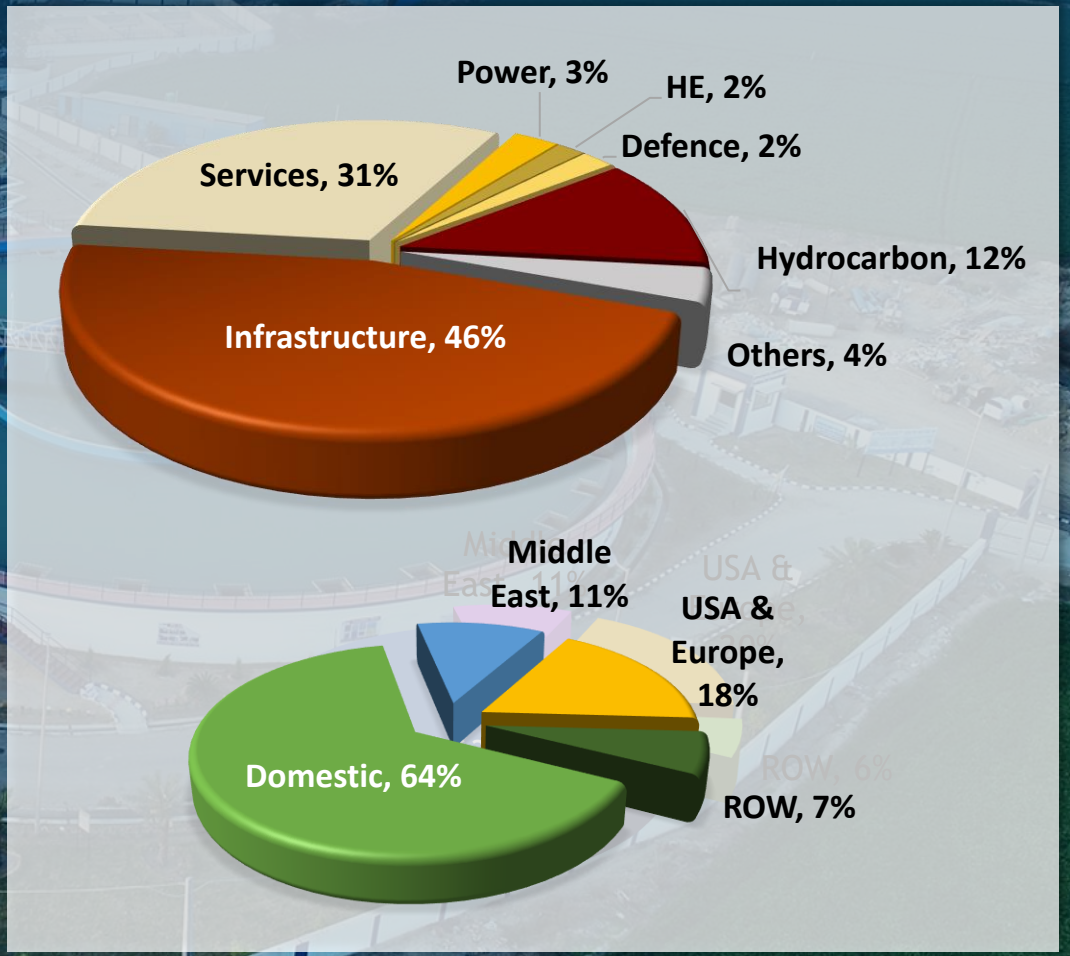
Order Book Rs. 3576 Bn

Revenue Composition

Q4 FY22 Rs. 529 Bn

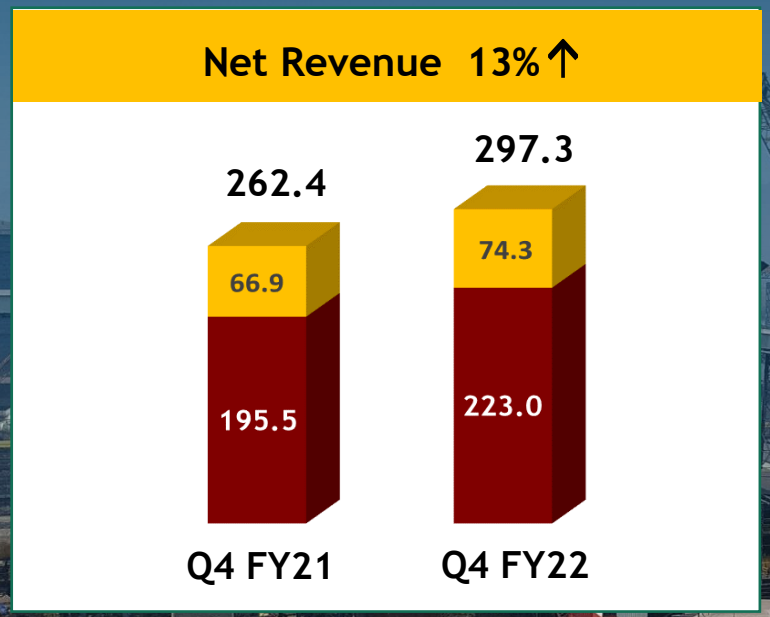


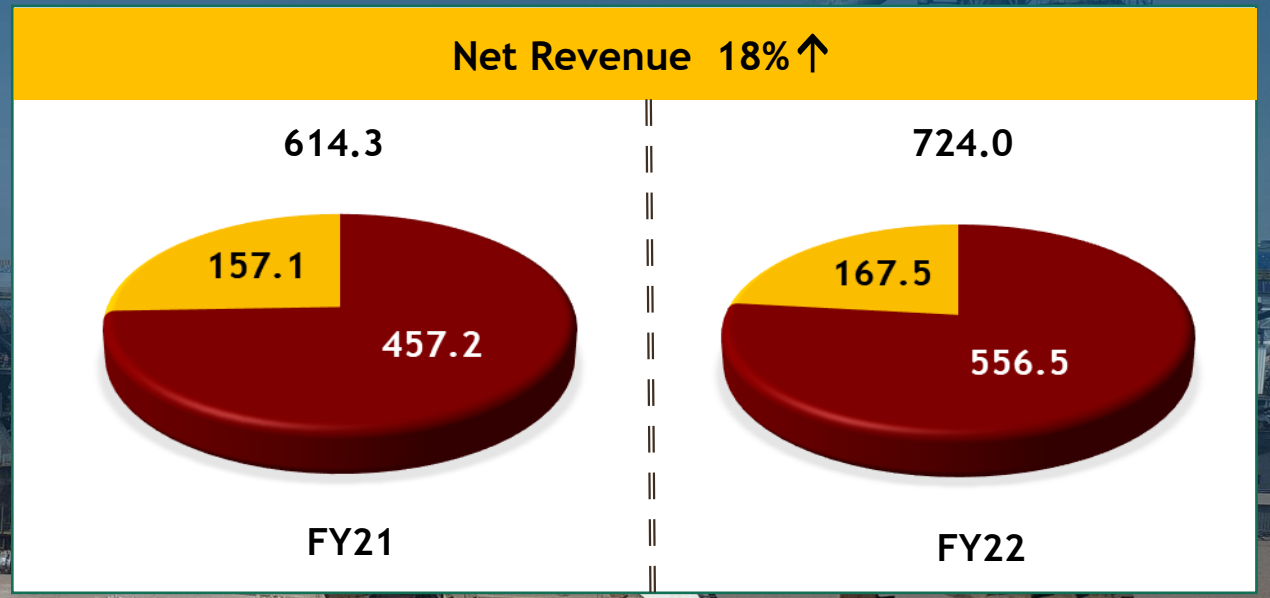
FY22 Rs. 1565 Bn



Infrastructure Segment

(Amount in Rs. bn)





11.5% EBITDA Margin 9.2% ↓

8.5% EBITDA Margin 8.2% ↓

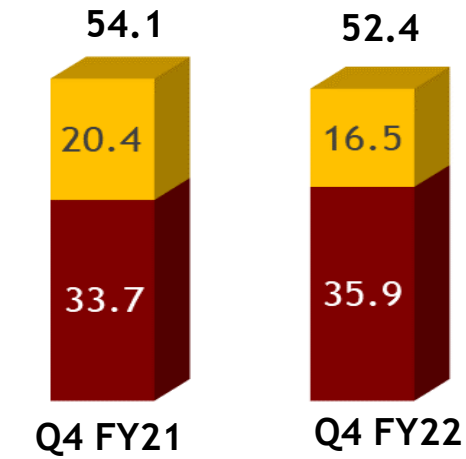
Domestic International

- Strong pickup in order inflows in Q4; renewed traction in International markets
- Healthy prospect pipeline for FY23
- Normalised execution during the quarter
- Commodity price headwinds & delay in claims certification impacts Q4 margin

Hydrocarbon Segment

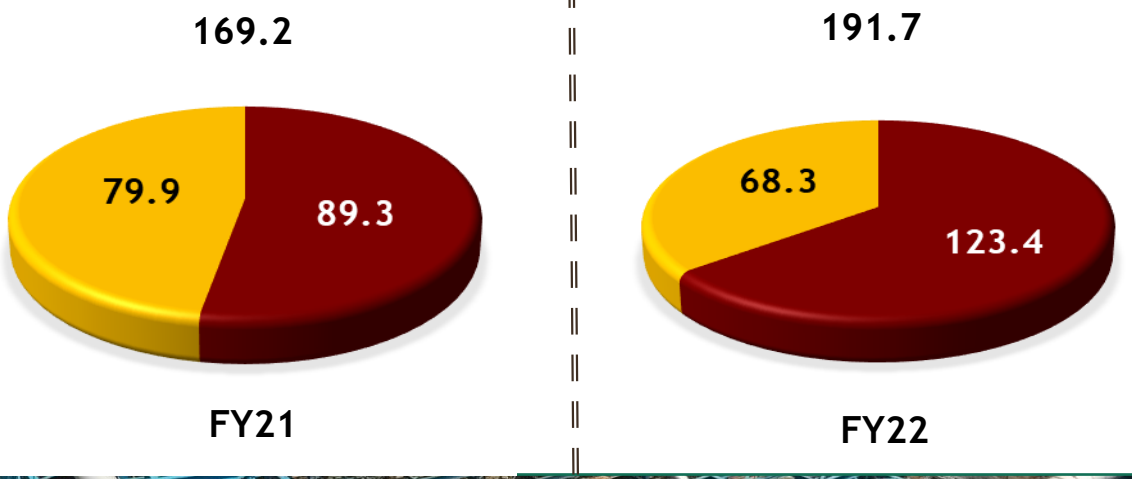
(Amount in Rs. bn)

Net Revenue 3% ↓



12.5% EBITDA Margin 9.7% ↓

Net Revenue 13% ↑



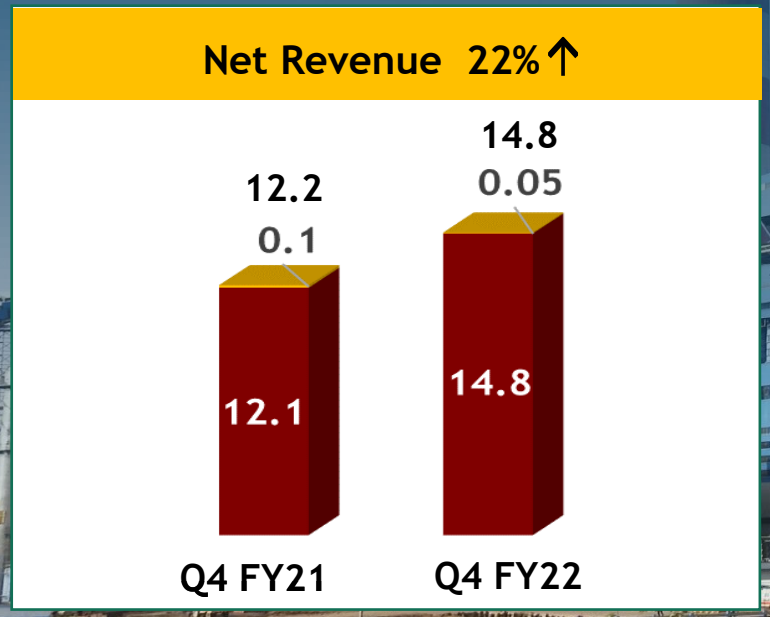
9.2% EBITDA Margin 8.7% ↓

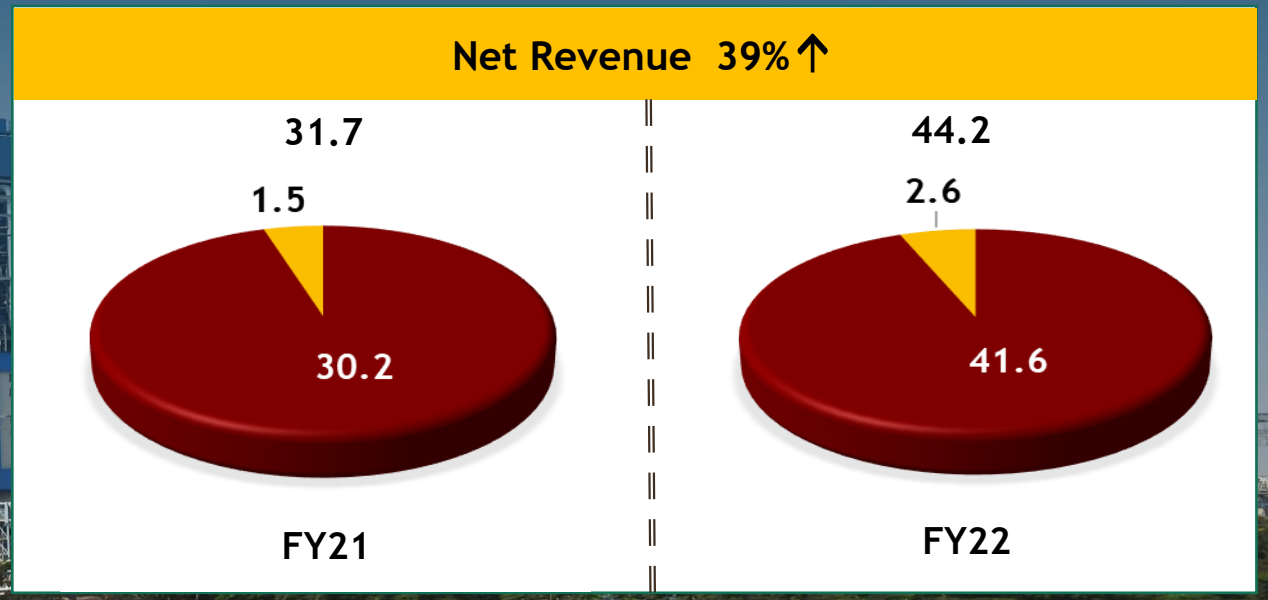
Domestic International

- Receipt of multiple domestic & international orders buoys order book
- Q4 Revenue impacted due to temporary supply chain disruption
- Q4 PY margin had benefit of cost savings upon job closures

Power Segment

(Amount in Rs. bn)





8.5% EBITDA Margin 5.2% ↓

4.6% EBITDA Margin 3.9% ↓

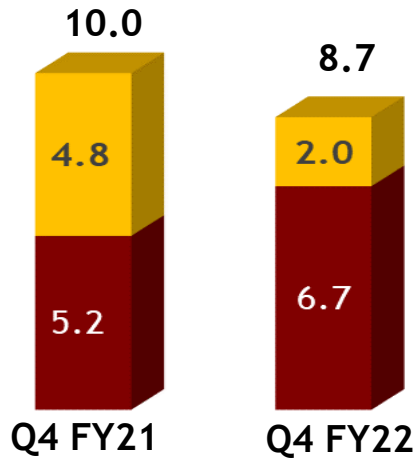
Domestic International

- Subdued ordering environment continues in thermal business
- Opening order book drives healthy execution
- Q4 PY margin benefits from release of cost provisions in few projects
- Profits of Boiler, Turbine & other JV companies are consolidated at PAT level under equity method

Heavy Engineering Segment

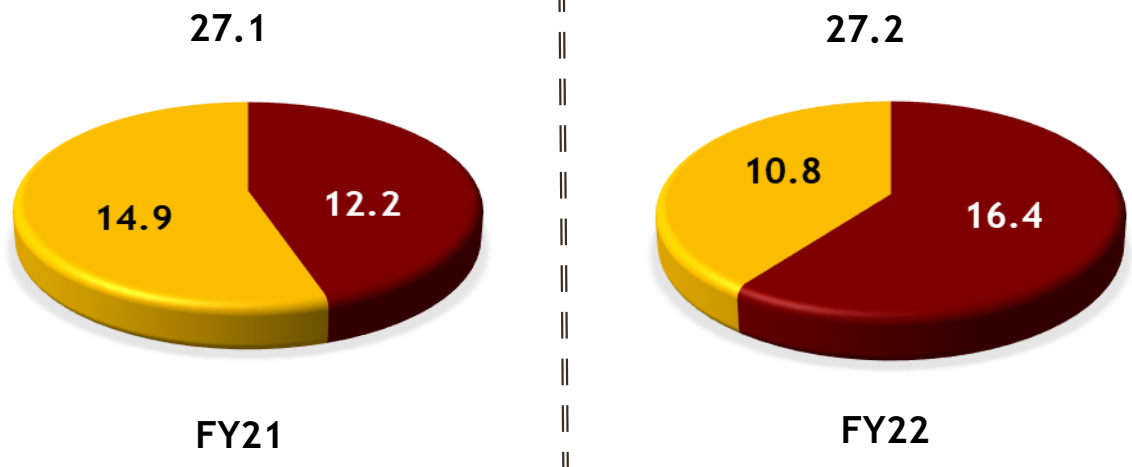
(Amount in Rs. bn)

Net Revenue 13%↓



29.3% EBITDA Margin 24.7% ↓

Net Revenue 0%←→



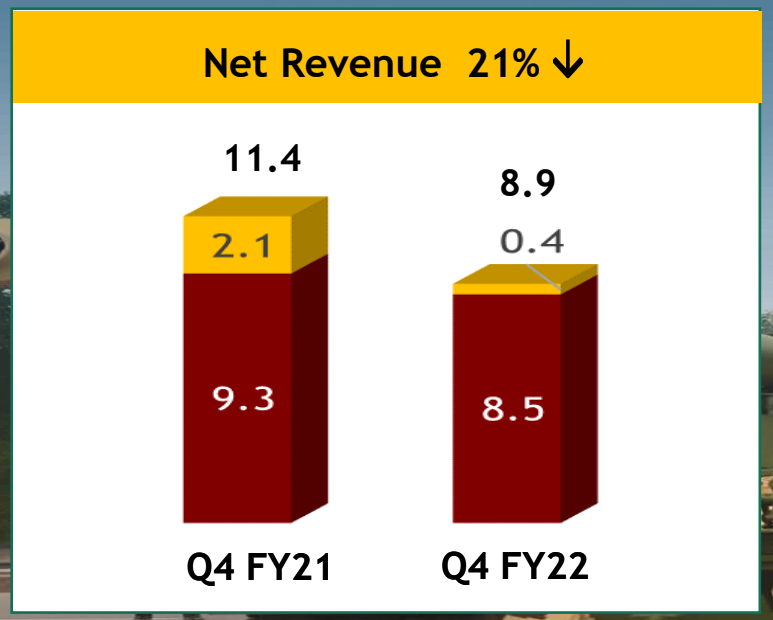
19.7% EBITDA Margin 19.0% ↓

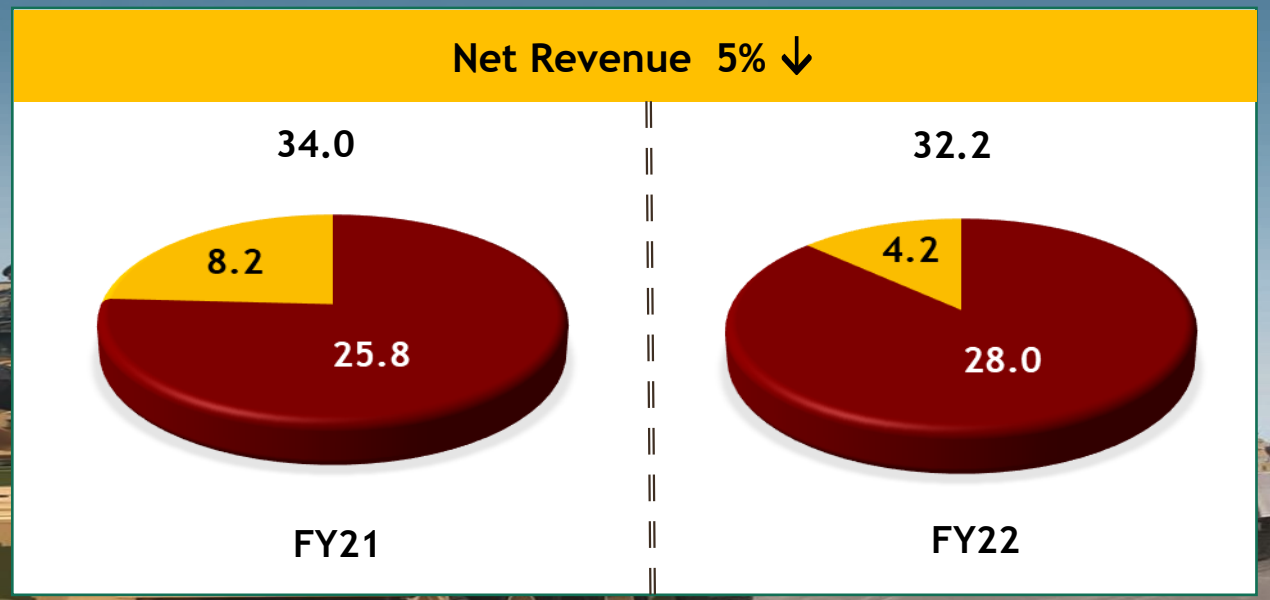
Domestic International

- Deferral of awards impacted order inflows during the quarter
- Late receipt of orders in current year impacts revenue in Q4
- Q4 PY margin had benefit of price variation & early completion bonus

Defence Engineering Segment

(Amount in Rs. bn)





29.3% EBITDA Margin 23.3% ↓

22.2% EBITDA Margin 20.2% ↓

Domestic International

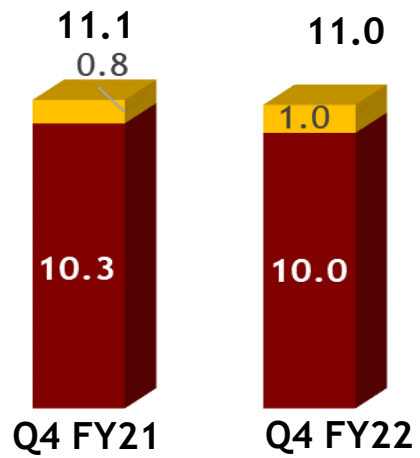
- Robust order inflow growth in Q4. Positive medium-term outlook
- Revenue reflective of stage of execution; Q4 PY had benefit of ramp up in large jobs nearing completion
- Cost savings on completed jobs in Q4 PY led to margin buoyancy

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

Developmental Projects Segment

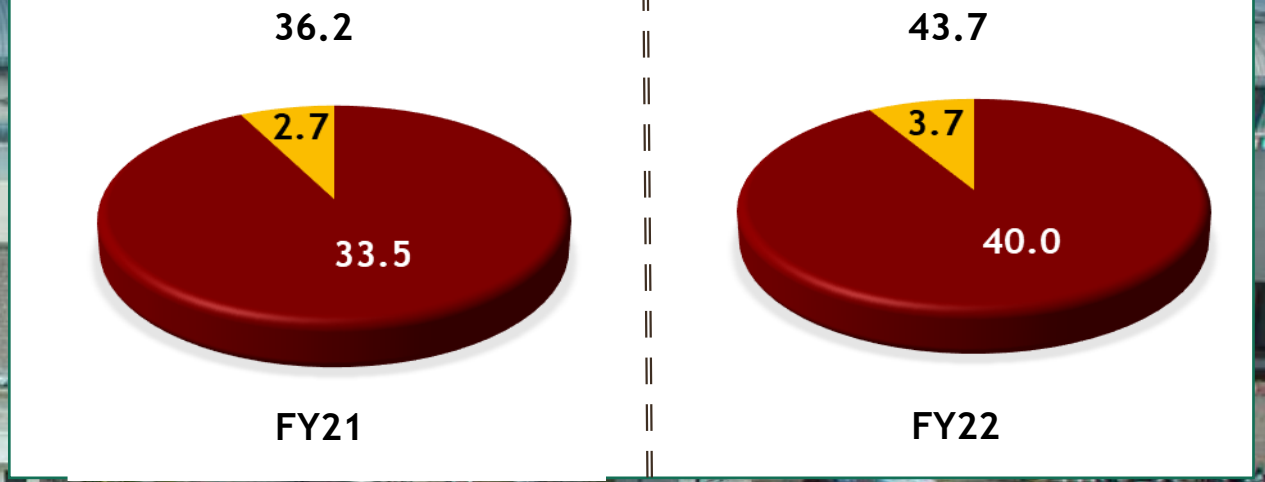
(Amount in Rs. bn)

Net Revenue 2% ↓



8.5% EBITDA Margin 2.4% ↓

Net Revenue 21% ↑



5.4% EBITDA Margin 2.3% ↓

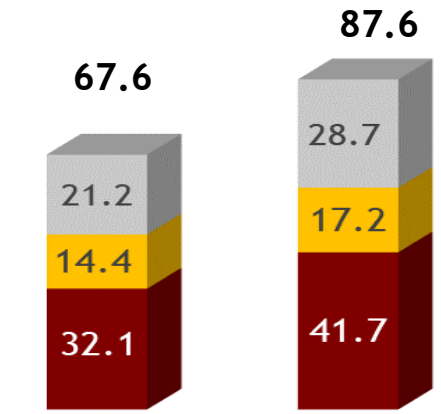
Power Development Hyd Metro

- Segment includes Power Development business (Thermal – Nabha Power & Hydel up to the date of its divestment i.e. 30th August 2021) and Hyderabad Metro
- Nabha PLF was impacted due to planned maintenance during Q4; and subsiding Covid 3rd wave leads to improved metro ridership
- Segment margin contributed by Metro operations; Q4 PY had impact of an exceptional item in Nabha margin
- Roads & TL concessions (part of L&T IDPL) are consolidated at PAT level under the Equity method

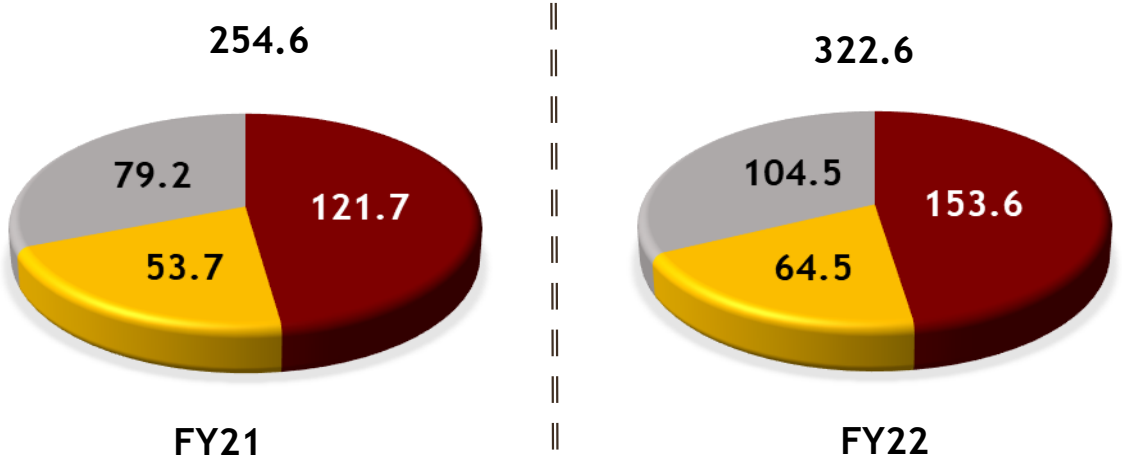
IT & Technology Segment

(Amount in Rs. bn)

Net Revenue 30% ↑



Net Revenue 27% ↑



24.5% EBITDA Margin 24.1% ↓

23.5% EBITDA Margin 23.6% ↑

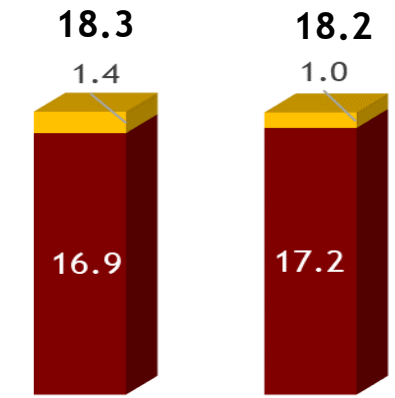
LTI LTTS Mindtree

- LTI revenue growth led by BFSI and Hi-Tech, Media & Entertainment
- LTTS revenue growth led by Transportation and Industrial Products
- Mindtree revenue growth led by Travel, Transportation & Hospitality and Retail, CPG & Manufacturing
- Margin is a function of utilization, wage cost, onshore: offshore mix and operational efficiencies

Others Segment

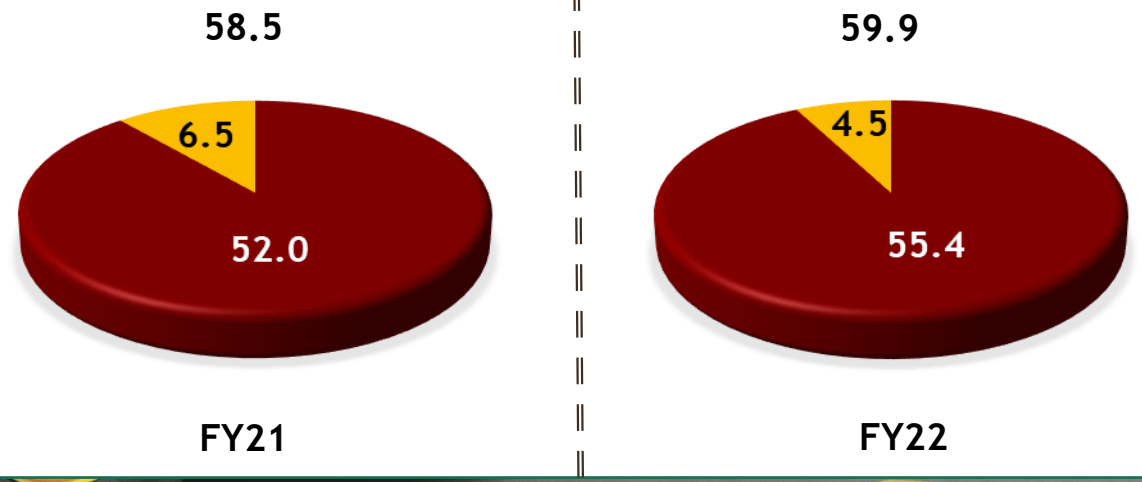
(Amount in Rs. bn)

Net Revenue 0% ⟷



14.1% EBITDA Margin 19.3% ↑

Net Revenue 2% ↑

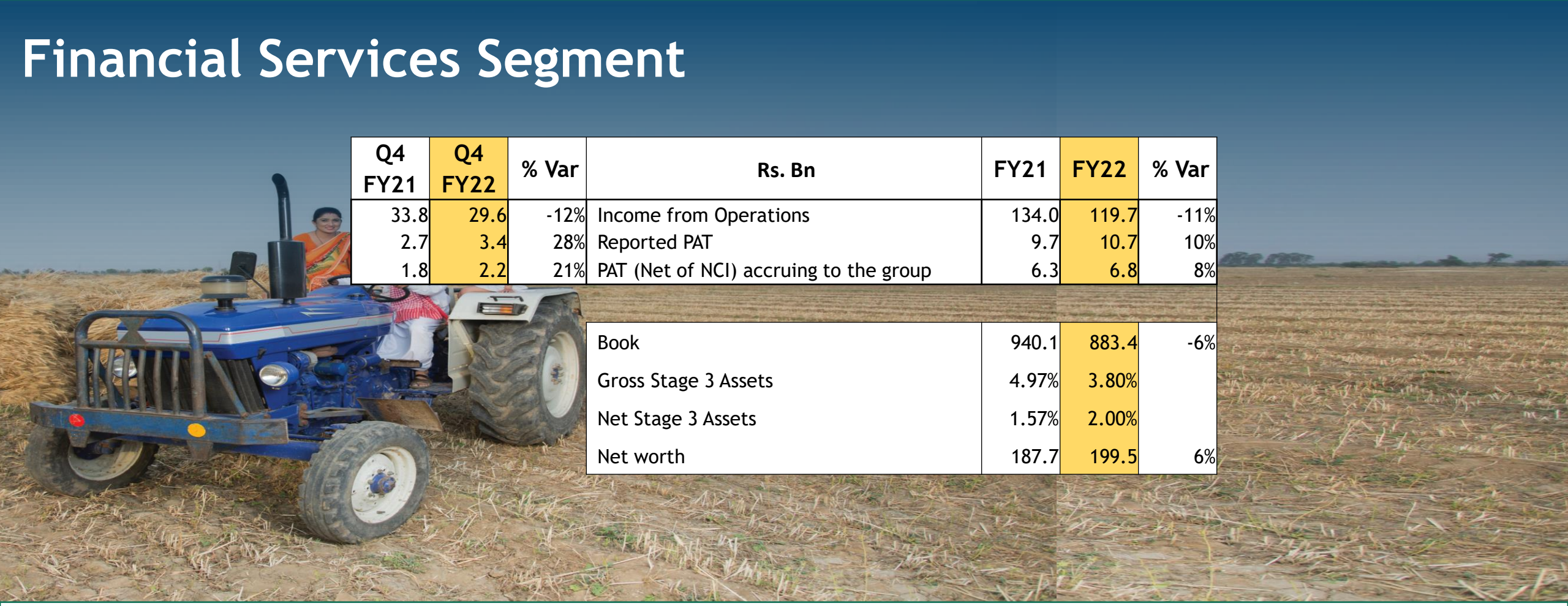


21.0% EBITDA Margin 17.4% ↓

Domestic International

- Segment comprises Realty, Industrial Machinery & Products and Digital businesses
- Strong Q4 revenue growth in Realty and Industrial Machinery
- Broad based improvement in margin across businesses in Q4 CY

Financial Services Segment



Q4 FY21	Q4 FY22	% Var	Rs. Bn	FY21	FY22	% Var
33.8	29.6	-12%	Income from Operations	134.0	119.7	-11%
2.7	3.4	28%	Reported PAT	9.7	10.7	10%
1.8	2.2	21%	PAT (Net of NCI) accruing to the group	6.3	6.8	8%
			Book	940.1	883.4	-6%
			Gross Stage 3 Assets	4.97%	3.80%	
			Net Stage 3 Assets	1.57%	2.00%	
			Net worth	187.7	199.5	6%

- Strategic deliverables revolve around “Higher Retaili-sation”, strong asset quality and improvement in ROA
- Strong disbursements in Q4 in focus areas
- Share of Retail Book at 51%
- Sufficient growth capital available

Environment & Outlook

Covered as part of the Strat Plan

Annexures

Balance Sheet

Rs Billion	Mar-21	Mar-22	Incr / (Decr)
Equity & Reserves	759	824	65
Non Controlling Interest	121	130	9
Borrowings - Financial Services	865	841	-23
Development Projects	206	181	-25
Others	255	213	-43
Sources of Funds	**2205**	**2188**	**-17**
Fixed Assets (incl ROU assets)	138	137	-1
Intangible Assets & Investment Property	310	302	-8
Loans towards Financing Activities	861	814	-47
Finance lease receivable	70	65	-4
Net Non-Current Assets	150	175	25
Current Investments, Cash & Cash Equivalents	473	487	15
Net Current Assets	203	199	-4
Assets held for Sale (net)	0.03	8	7
Application of Funds	**2205**	**2188**	**-17**
Gross Debt / Equity Ratio	1.51	1.29	
Net Debt / Equity Ratio	1.00	0.82	

Cash Flow

Q4 FY21	Q3 FY22	Q4 FY22	Rs Bn	FY21	FY22
67.3	46.9	67.2	Operating Profit	163.4	189.6
46.1	(26.9)	52.4	Changes in Working Capital [(Inc)/Dec]	52.5	6.2
(12.4)	(11.6)	(13.2)	Direct Taxes (Paid) / Refund [Net]	(34.7)	(45.5)
101.0	**8.4**	**106.4**	**Net Cash from / (used in) Operations (A)**	**181.3**	**150.3**
1.5	(8.7)	(12.4)	Net Investment in Fixed Assets (incl. Intangible & Investment Property)	(9.2)	(30.4)
(23.6)	(3.3)	(5.5)	Net (Purchase) / Sale of Long Term investments	100.9	(3.2)
33.4	11.5	(10.6)	Net (Purchase) / Sale of Current investments	(159.3)	(12.9)
(0.4)	(0.3)	-	Loans/Deposits made with JV/Associate Cos.	(1.5)	(1.5)
6.3	2.7	3.4	Interest & Dividend Received	14.8	11.3
17.2	**1.9**	**(25.2)**	**Net Cash from /(used in) Invest. Act. (B)**	**(54.3)**	**(36.7)**
11.1	(1.5)	(5.6)	Issue of Share Capital / NCI	8.1	(10.1)
(125.1)	(25.6)	18.9	Net Borrowings [Inc/(Dec)]	(90.5)	(86.8)
49.1	9.3	(47.0)	Loans towards financing activities (Net)	47.2	41.4
(6.1)	(6.3)	(3.9)	Interest & Dividend paid	(70.4)	(55.0)
(71.0)	**(24.0)**	**(37.7)**	**Net Cash from / (used in) Financing Activities (C)**	**(105.6)**	**(110.5)**
47.1	**(13.8)**	**43.5**	**Net (Dec) / Inc in Cash & Bank (A+B+C)**	**21.4**	**3.1**

Segment Margin – Q4 FY22

Segment (Rs Cr)	Q4 FY21			Q4FY22		
	Net Revenue	EBITDA	EBITDA %	Net Revenue	EBITDA	EBITDA %
Infrastructure Segment	26240	3020	11.5%	29727	2735	9.2%
Hydrocarbon Segment*	5412	677	12.5%	5237	511	9.7%
Power Segment	1216	103	8.5%	1480	77	5.2%
Heavy Engineering Segment	999	293	29.3%	869	214	24.7%
Defence Engineering Segment	1136	333	29.3%	894	208	23.3%
Other Segment	1830	258	14.1%	1825	352	19.3%
Total (Projects & Manufacturing)	**36834**	**4684**	**12.7%**	**40031**	**4096**	**10.2%**
IT, TS & Mindtree Segment	6763	1655	24.5%	8761	2108	24.1%
Financial Services Segment	3377	753	22.3%	2963	509	17.2%
Developmental Projects Segment	1114	94	8.5%	1096	26	2.4%
Total (Services & Concessions)	**11254**	**2503**	**22.2%**	**12820**	**2642**	**20.6%**
Total	**48088**	**7187**	**14.9%**	**52851**	**6738**	**12.8%**

	EBITDA to PAT (Q4 FY22)					
Particulars	**IT&TS**	**Financial Services**	**Dev. Projects**	**Projects & Manufacturing#**	**Corporate**	**Total**
EBITDA	2108	509	26	4096	298	7036
Depreciation	(317)	(28)	(82)	(315)	(26)	(769)
Segment Result	1790	480	(56)	3781	271	6267
Finance Cost & Tax Expense	(482)	(140)	(291)	(203)	(1145)	(2260)
Non-controlling interest	(390)	(123)	-	(7)	3	(518)
Share in profit/(loss) of JV and associate			93	39		132
PAT	**918**	**217**	**(253)**	**3609**	**(870)**	**3621**

*Adjusted EBITDA for Q4FY21

Note: Interest cost and tax provisions are reflected under Corporate

Segment Margin –FY22

Segment (Rs Cr)	FY21			FY22		
	Net Revenue	EBITDA	EBITDA %	Net Revenue	EBITDA	EBITDA %
Infrastructure Segment	61431	5227	8.5%	72404	5920	8.2%
Hydrocarbon Segment*	16925	1549	9.2%	19175	1671	8.7%
Power Segment	3174	147	4.6%	4418	172	3.9%
Heavy Engineering Segment	2712	536	19.7%	2724	517	19.0%
Defence Engineering Segment	3396	754	22.2%	3218	650	20.2%
Other Segment	5853	1227	21.0%	5988	1040	17.4%
Total (Projects & Manufacturing)	**93491**	**9439**	**10.1%**	**107927**	**9971**	**9.2%**
IT, TS & Mindtree Segment	25463	5986	23.5%	32256	7613	23.6%
Financial Services Segment	13404	1372	10.2%	11971	1574	13.1%
Developmental Projects Segment	3621	194	5.4%	4368	100	2.3%
Total (Services & Concessions)	**42488**	**7552**	**17.8%**	**48594**	**9287**	**19.1%**
Total	**135979**	**16991**	**12.5%**	**156521**	**19258**	**12.3%**

	EBITDA to PAT (FY22)					
Particulars	**IT&TS**	**Financial Services**	**Dev. Projects**	**Projects & Manufacturing#**	**Corporate**	**Total**
EBITDA	7613	1574	100	9971	1226	20484
Depreciation	(1203)	(104)	(330)	(1206)	(105)	(2948)
Segment Result	6410	1470	(231)	8765	1122	17536
Finance Cost & Tax Expense	(1744)	(426)	(1477)	(463)	(3233)	(7342)
Non-controlling interest	(1389)	(367)	-	(2)	8	(1750)
Share in profit/(loss) of JV and associate			21	107		128
Exceptional Items (net of tax)					97	97
PAT	**3277**	**678**	**(1687)**	**8408**	**(2006)**	**8669**

*Adjusted EBITDA for FY21

Note: Interest cost and tax provisions are reflected under Corporate

Share in Profit/(Loss) of JVs/Associates

Q4 FY21	Q4 FY22	Rs Bn	FY21	FY22
0.89	0.32	L&T Power JVs	1.95	1.51
0.81	0.93	L&T IDPL Group	-0.64	0.21
-	-	L&T Special Steels and Heavy Forgings	-0.73	-
-0.10	0.07	Others	-0.44	-0.44
1.60	**1.32**	**Total**	**0.14**	**1.28**

LARSEN & TOUBRO

Lakshya 2026



Macro Context - Medium Term (3-5 years)

Domestic

- Structural reforms to improve quality of India's growth
- Pickup in "Manufacturing" in this "MAKE" decade
- Country expected to post top quartile growth among emerging nations: likely comeback of the Indian consumer
- Capex resurgence
  - Government focus on investment revival (NIP / NMP / DFI / Public Procurement initiatives / new PPP models)
  - Return of Private Capex (Improved business confidence, demand outlook, strong Balance Sheet and PLI incentives)
- Evolution of "Digital Infrastructure"
- ESG focus – Renewables, Green Hydrogen

International

- Enhanced GCC capex post recovery in oil prices
- Growing opportunities in Africa – enhanced bi-lateral / multi-lateral funding support
- Rearrangement of global supply chain & consequent shift in export hubs
- Establishment of "New World Order" - amidst ongoing geopolitical developments
- "Corrosion of globalization" amidst thrust towards "Localisation"
- Continued Capital flows into "High yielding" markets

Risks

- Geo-political conflicts and volatile oil prices impacting Indian Macros (Growth / Inflation / current account / fiscal deficit)
- US interest rate hikes impacting capital flows into India
- Continued supply chain constraints and talent management
- Vision of Government policy frameworks: to set the course of nations across the globe

Previous Strategic Plan (FY17-21)

Resilient Performance despite Macro headwinds

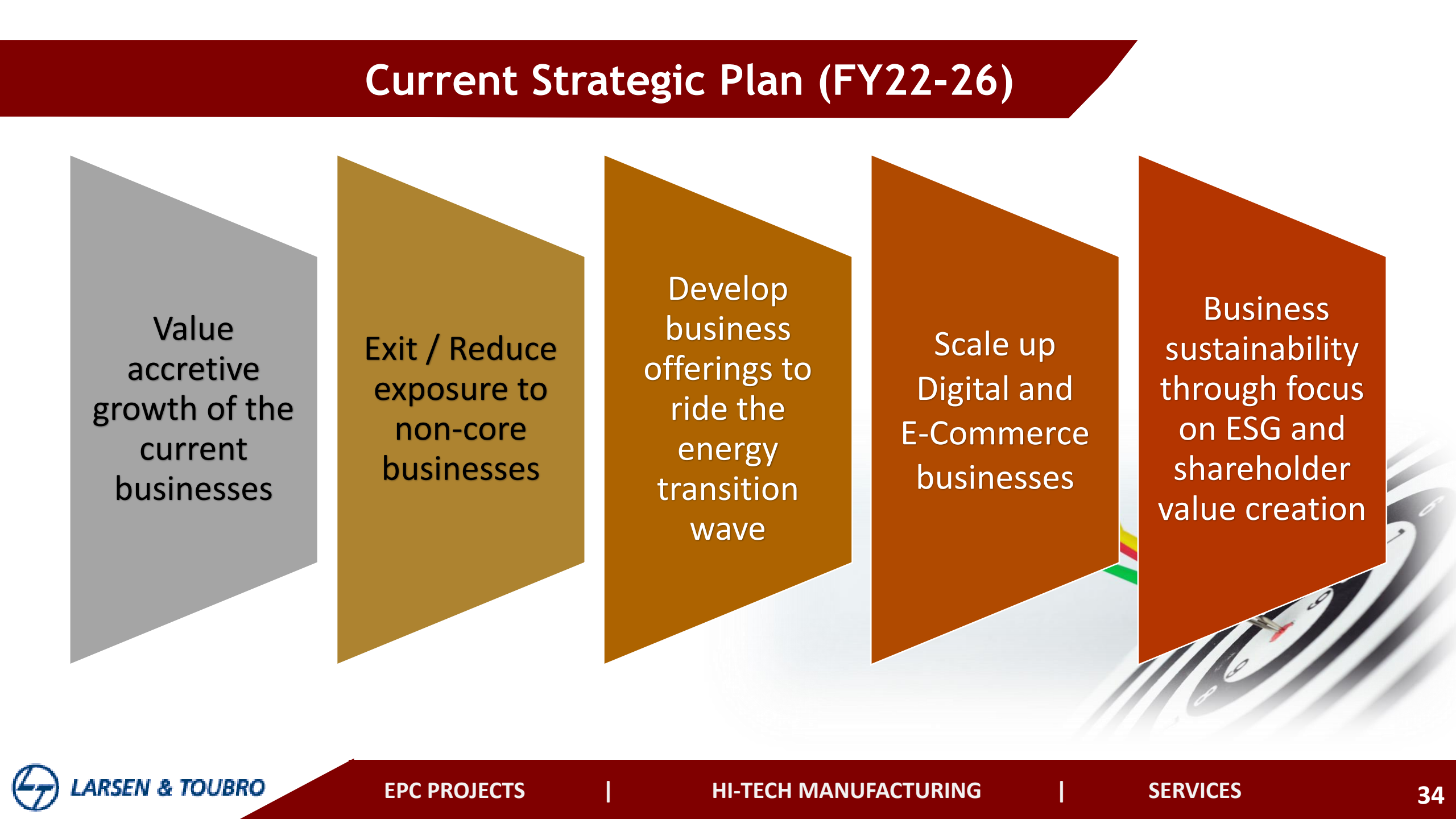
1. Macro backdrop: Subdued macros in the initial three years further worsened by Covid in the final years of the Strategic Plan (FY17-21)

2. Business portfolio performance:
   - Projects & Manufacturing: Navigating headwinds despite lacklustre Public & Private Capex
   - Emerged as a Top Performing E&C conglomerate globally in the past five years
   - Tech portfolio: Delivers outperformance over Tier-1 & Tier 2 IT companies
   - Successful integration of Mindtree; services businesses helps balance E&C cyclicality during this period
   - Capital unlocking through phased divestments

3. Capability spectrum, sustained international presence and strong Balance Sheet helps ride the tide in challenging times

Current Strategic Plan (FY22-26)

- Value accretive growth of the current businesses
- Exit / Reduce exposure to non-core businesses
- Develop business offerings to ride the energy transition wave
- Scale up Digital and E-Commerce businesses
- Business sustainability through focus on ESG and shareholder value creation



Emerging Business Portfolio

EPC Projects

Construction

- Buildings & Factories
- Heavy Civil
- Water
- Power T&D
- Transportation Infra
- Minerals & Metals

Energy

- Hydrocarbon
- Power
- Green EPC

Hi-Tech Manufacturing

- Heavy Engineering
- Defence
- Electrolyzers
- Battery

Services

IT & TS

- LTI + Mindtree
- LTTS
- Data Centers & Platforms (Sufin & EduTech)

Financial Services

Others

- Realty
- Smart World & Communications
- Industrial Machinery & Products

Development Projects

- Hyderabad Metro
- Green Energy - BOO

FY26 Strategic Plan Objectives (1/2)

Projects

Construction, Hydrocarbon, Power, Green EPC

- Value accretive growth
- Order Inflows: Selective bidding approach. Pursue opportunities in line with Global ESG trends (Green EPC)
- Revenues: Target early completion
- Profitability: Driven by Resources productivity / Operational Excellence / Digitization initiatives

Hi-Tech Manufacturing

Defence, Heavy Engineering, Electrolyzers, Battery

- New Initiatives:
  - Electrolyzers &
  - Battery manufacturing (through JVs)
- Existing businesses
  - Order Inflows: Defence indigenization programmes
  - Revenues: Accrual from strong Order Book
  - Profitability: Through Design excellence/automation/value engineering/on-time delivery

Services - IT & TS

LTI + Mindtree & LTTS

- Momentum from existing & emerging technology trends (Cloud, Digital, AI, Industry 4.0)
- Augment "Digital" talent
- Inorganic growth opportunities

Data Centers & Platforms

- Data Centers: Physical Infrastructure + Cloud Services
- Platforms (EduTech and Sufin)- E commerce B2B

Value creation:

- ***Projects & Hi-Tech Manufacturing:*** *Combination of Margin improvement and lower Capital Employed*
- ***IT&TS****: Scaling up in a strong demand environment*

FY26 Strategic Plan Objectives (2/2)

Financial Services

L&T Finance Holdings

- Thrust towards “Retailisation”
- “Digital” to drive retail growth
- From “product” to “customer” focus(upselling/cross selling)
- Portfolio reorganization
- “Shrink” to “Grow”

Concessions

Hyderabad Metro, Nabha, IDPL, Green

- Exit Roads and Power concessions
- Hyderabad Metro: Capital restructuring, improved operations & TOD monetization. Phased exit over time
- Green BOO opportunities

Others

Realty, Smart World & Communications, Industrial Machinery & Products

- Realty: Growth in Residential & Commercial through multiple formats
- SWC: From EPC to Smart Solutions
- Grow CE&O and Valves till exit

Group Financial Targets

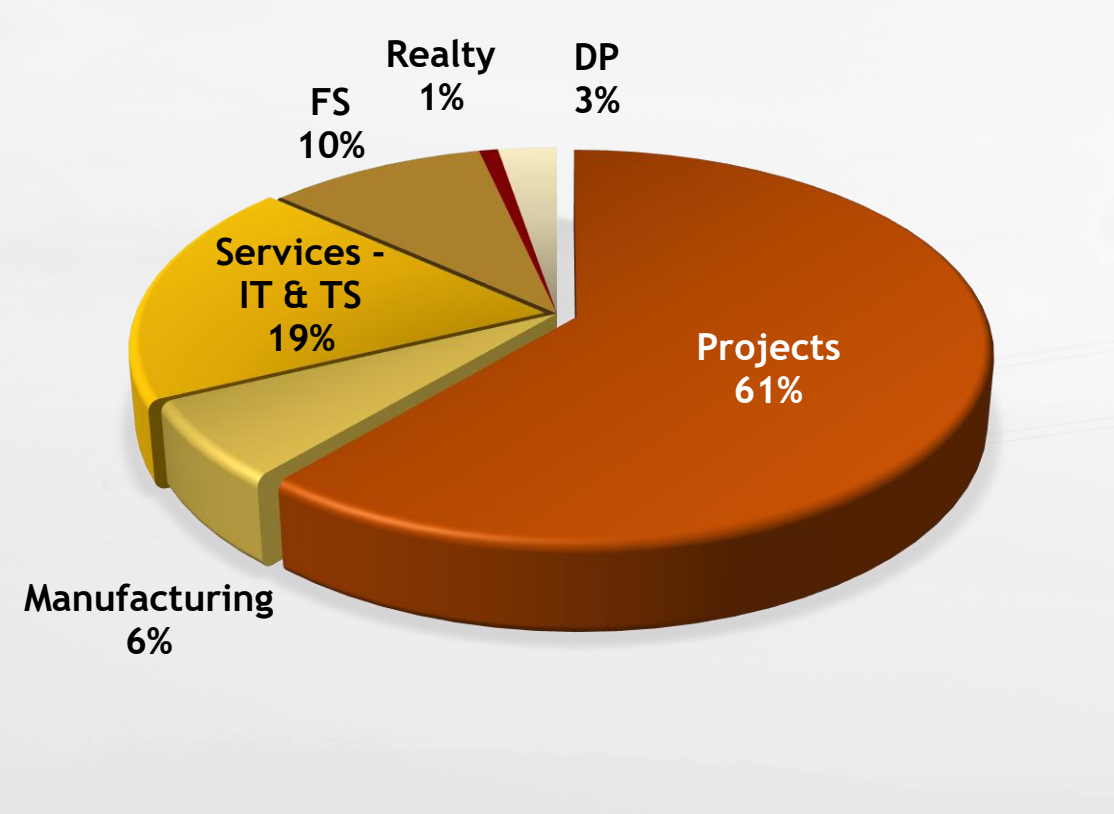
Rs Trillion, %	FY21	FY22	FY26	CAGR (FY21 - FY26)
Order Inflows	1.7	1.9	3.4	14%
Revenue	1.4	1.6	2.7	15%
ROE	10%*	11%	18%+	

*(excl. exceptionals)

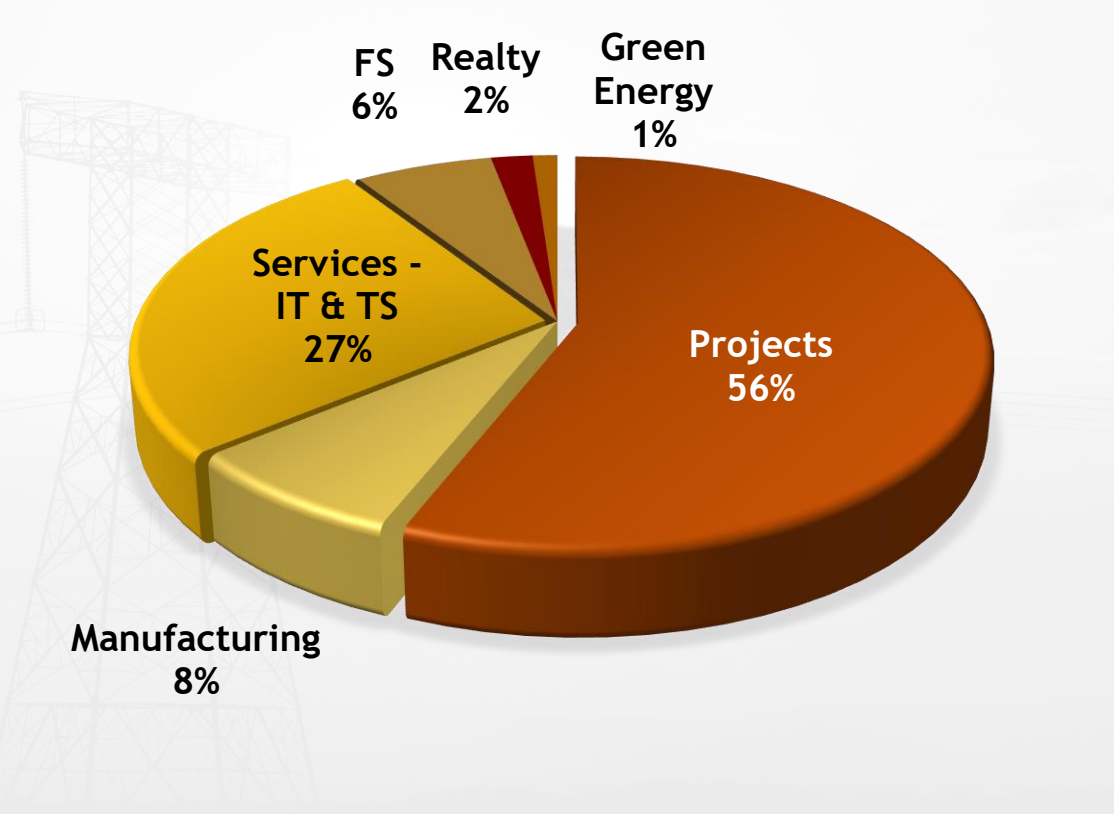
Focus on sustainable growth and shareholder value creation

Revenue Composition

FY21 Rs 1360 Bn



FY26 Rs 2740 Bn



Green Energy BOO, Electrolyzers and Battery through JVs

Cash Generation and Capital Allocation

Cash Generation

- Operations – Improved profitability and lower capital employed
- Divestments – Concessions and sub-scale businesses

Capex

- Existing businesses: Projects, Manufacturing & Realty

Acquisitions

- IT&TS – White spaces

Investments

- Digital Platforms & Data centers
- Green Energy Portfolio: Through JVs

Debt Repayments

- Over the plan period

Cash Return to Shareholders

Combination of Dividend & Buyback (Post adequate cash buffers on Balance Sheet)

Sustainability Targets

Environment

	CURRENT			GOING FORWARD	
Climate Change	Total Emissions	Mn tCO2e	**0.8**	**Net Zero**	**2040**
	Emission Intensity	tCO2e/Rev Rs bn	**790-815**	Emission Intensity Reduction	**40 % by 2026**
	Renewable energy	%	**11**	Renewable (% of consumption)	**50 % by 2026**
	Trees Planted	Mn nos. cumulative	**4.4**	Efficiency improvement	**2 % - 2.5 %/ Yr**
				Trees Planted	**1.5 to 2 Mn/Yr**
				Scope-3 assessment	**Being mapped**
Water Security	Total Consumption	Mn KL	**9.6**	**Net Zero**	**2035**
	Intensity	Mn KL/Rev Rs bn	**10.6-11.4**	Efficiency Improvement	**6-9%/ Yr**
	Water recycling	%	**7.2**	Water recycling	**7.5-9% by FY26**
Green Business	Water infra, solar, FGDs, green buildings: **30%**			Including Green Hydrogen, Energy storage: **40% by FY26**	

Social

Safety

	FY20	FY21
Fatality	41	25
Severity rate	204.3	143.6
Safety training hrs (Mn)	5.1	3.2

*Severity Rate: Number of man-days lost per million man-hours worked

Major initiatives

ZERO HARM TARGET

- EHS Council
- Knowledge sharing platforms for lessons learnt
- Cross-business audits from FY23
- Senior Management Audits
- Surveillance Ratings
- AR/ VR awareness programmes
- Vision analytics/ AI – hazard detection

Human Resources

	Current	FY26	Initiatives
Gender Diversity %	6%	10%	**RENEW** – second career phase, increase intake % at entry level, developing women leaders in Tier-1,2. **WINSPIRE**
Vocational skilling program on construction trades through CSTIs (Mn man hours)	0.9	1.3	**NEW**: ESG training programmes initiated, e.g., Human Rights, BRSR etc.

Community Welfare

Corporate Social Responsibility (CSR)

Thrust areas:
- Water & sanitation
- Education
- Health
- Skills building

- Number of lives impacted: **1.2 million (Target 1.5 million by FY26)**
- Collaboration with **9 CSTIs and 27 ITIs,** over 35000 youths trained
- Project Neev for providing designed training programmes to differently abled
- Vocational training for women
- **ICDP: 12,545** households across **13,223** hectares, since FY19

Governance

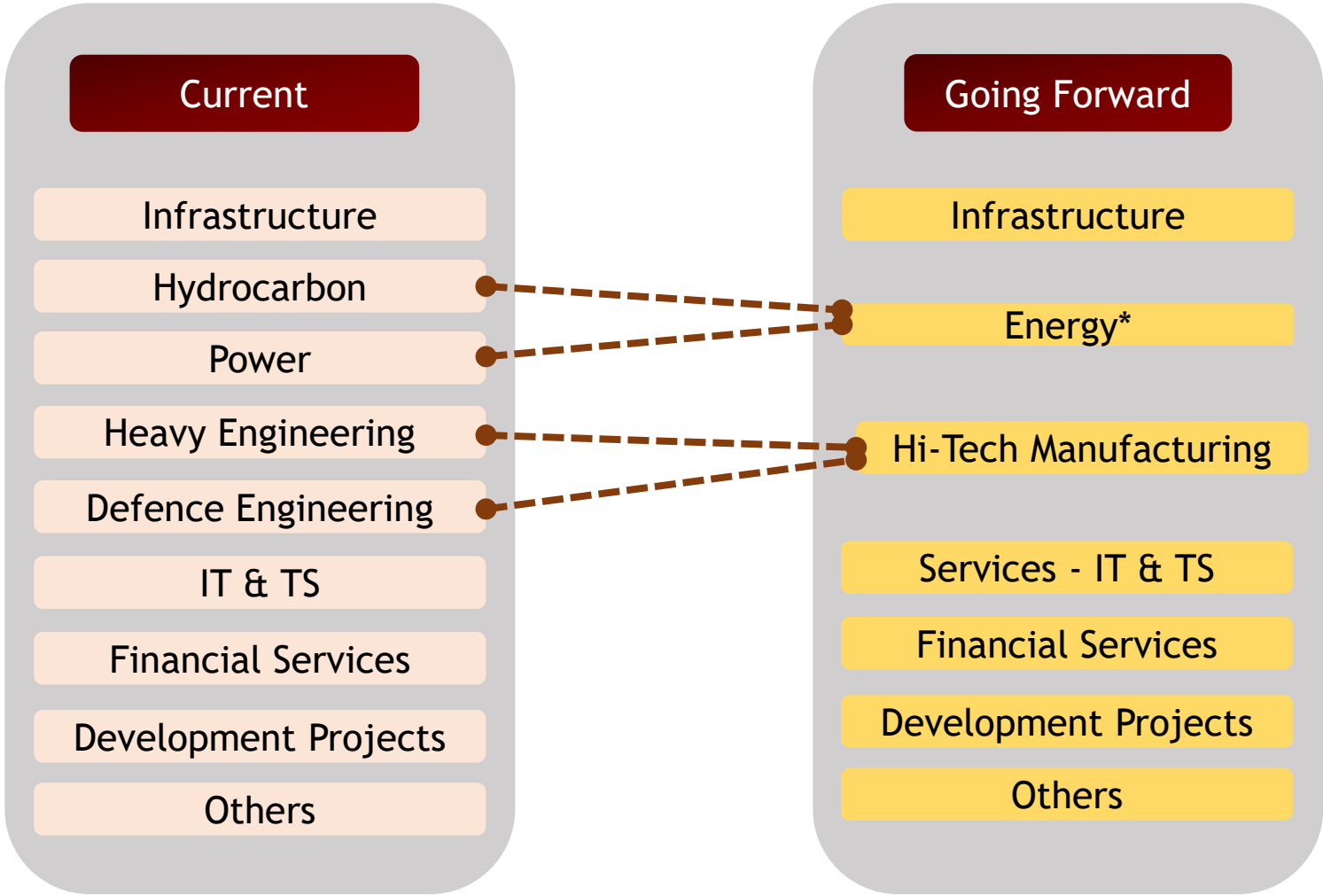
ASPECTS	CURRENT	GOING FORWARD
Board	▪ Independent directors**: 44%** (Requirement - 33%) ▪ Gender diversity: 5.6%	**Goals for EDs and Business Heads on Environment and Safety parameters**
Corporate Policies	▪ **Supplier Code of Conduct** ▪ **Other policies**: Sustainability, EHS, GSCM, HR, CSR, Protection of Women's Rights at Workplace, Whistle Blower, Risk Management, Related Party Transaction, Quality, Determination of Materiality of Event or Information, Determination of material subsidiary, Prevention of Insider Trading, Internal Controls Policy	▪ **Equal Opportunities Policy** ▪ **Public Advocacy Policy** ▪ **Anti-bribery and Anti-corruption (ABAC) Policy**
Review Mechanisms	▪ Board committees: **CSR & ESG , Risk Management, Audit, Nomination & Remuneration, Stakeholders** ▪ **ECOM/ IC level Reviews** ▪ **Green Campus Steercom** ▪ **EHS Committee** ▪ **Various Councils: IT, Project Management, HR, Materials & Logistics**	

Governance

ASPECTS	CURRENT	GOING FORWARD
Disclosures	▪ **BRR & BRSR** ▪ **Carbon Disclosure Project (CDP)** ▪ **Dow Jones Sustainability Index (DJSI)**	▪ **IFRS Standard for ESG Reporting**
Frameworks	▪ **AA1000** standards for reporting ▪ Global reporting Initiative (**GRI**) standards ▪ International **Integrated Reporting** Council (IIRC) guidelines ▪ Sustainable Development Goals (**SDGs**) ▪ United Nations Global Compact (**UNGC**)	▪ Taskforce on Climate-Related Financial Disclosures (TCFD)

Thank You

Segment Reclassification Going Forward



*includes Green EPC



Thank You

Investor Relations:

P Ramakrishnan (P.Ramakrishnan@larsentoubro.com)
Harish Barai (Harish.Barai@larsentoubro.com)
Shalmali Dange (Shalmali.Dange@larsentoubro.com)