

SEC/PAM/2021

September 6, 2021

The Secretary BSE Limited Phiroze Jejeebhoy Towers, Dalal Street, MUMBAI - 400 001 <b>STOCK CODE: 500510</b>	National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E), Mumbai - 400 051 <b>STOCK CODE: LT</b>
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Dear Sirs,

**Sub.: Investor Presentation – Sustainability at L&T**

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Pursuant to Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of Investor Presentation, which will be uploaded in Investor Section of our Website <http://investors.larsentoubro.com/>.

We request you to take note of the same.

Thanking you,

Yours faithfully,  
for **LARSEN & TOUBRO LIMITED**



**SIVARAM NAIR A**  
**COMPANY SECRETARY**  
**(FCS 3939)**

Encl. as above










# Sustainability @ L&T





Morgan Stanley Virtual Asia ESG Conference  
September 7, 2021

# Roadmap approach

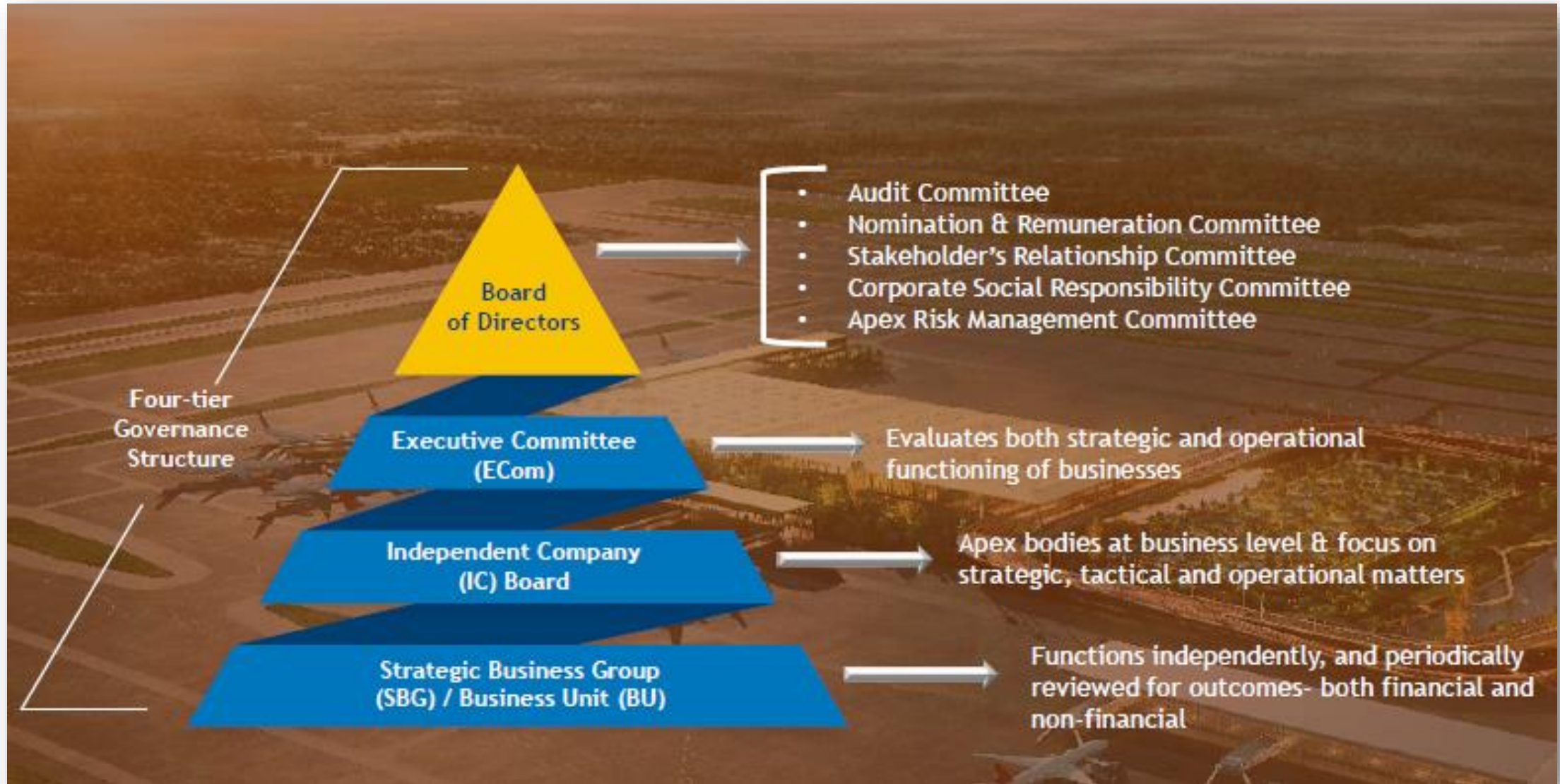
- About L&T
- Governance Architecture
- Board composition
- Group policies
- Approach to sustainability
- Materiality Assessment
- Sustainability Targets
- Environment in numbers
- Occupational Health and Safety
- Employee diversity
- Green portfolio
- CSR and our actions during pandemic
- Defence portfolio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

# About the company

 <b>Infrastructure</b> Buildings & Factories (B&F) Transportation Infra (TI) Heavy Civil infra (HC) Water & Effluent Treatment (WET) Power T&D (PT&D) Metall. & Mat. Handling (MMH)	 <b>Power</b> EPC- Coal & Gas Thermal Power Plant Construction Electrostatic Precipitator Power Equipment Mfg. *	 <b>Heavy Engineering</b> Process Plant Equipment Nuclear Power Plant Equipment Piping Centre & Forgings *	 <b>Defence Engineering</b> Defence Aerospace Shipbuilding	 <b>Hydrocarbon</b> Onshore Offshore	 <b>IT &amp; TS</b> Information Technology Technology Services	 <b>Financial Services</b> Rural Lending Housing Finance Wholesale Finance Asset Management	 <b>Developmental Projects</b> Roads / Trans. Line * Metros Power	 <b>Others</b> Realty Industrial Products & Machinery Smart World & Comm.(SW&C)
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 <b>A Professionally Managed Corporate Group</b>	<b>Revenues</b>  ₹1,360Bn FY 21 Group (approx.US\$ 19Bn)	<b>Credit Rating</b>  <b>CRISIL: AAA / Stable ICRA: AAA (Stable)</b> (Larsen and Toubro Ltd)	<b>Market Capitalization</b>  ₹ 1,992Bn 14 <sup>th</sup> May, 2021 (approx. US\$ 27 Bn) (Larsen and Toubro Ltd)
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# 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



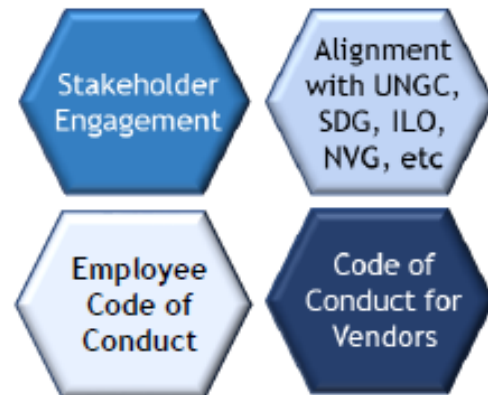
The Chairpersons of all the Committees are Independent Directors

# Group Policies

## Important Structures & Processes



## Voluntary Adoption



## Important Policies



Most of the policies are under revision currently

# Approach to sustainability

## Sustainable progress for a better world

Making meaningful choices today is pivotal to building a better world. At L&T, we have been a partner in India's progress through events of historic significance and hues – black or green – and have used them as an inflection point to strengthen our own resilience and drive the global sustainable development agenda.

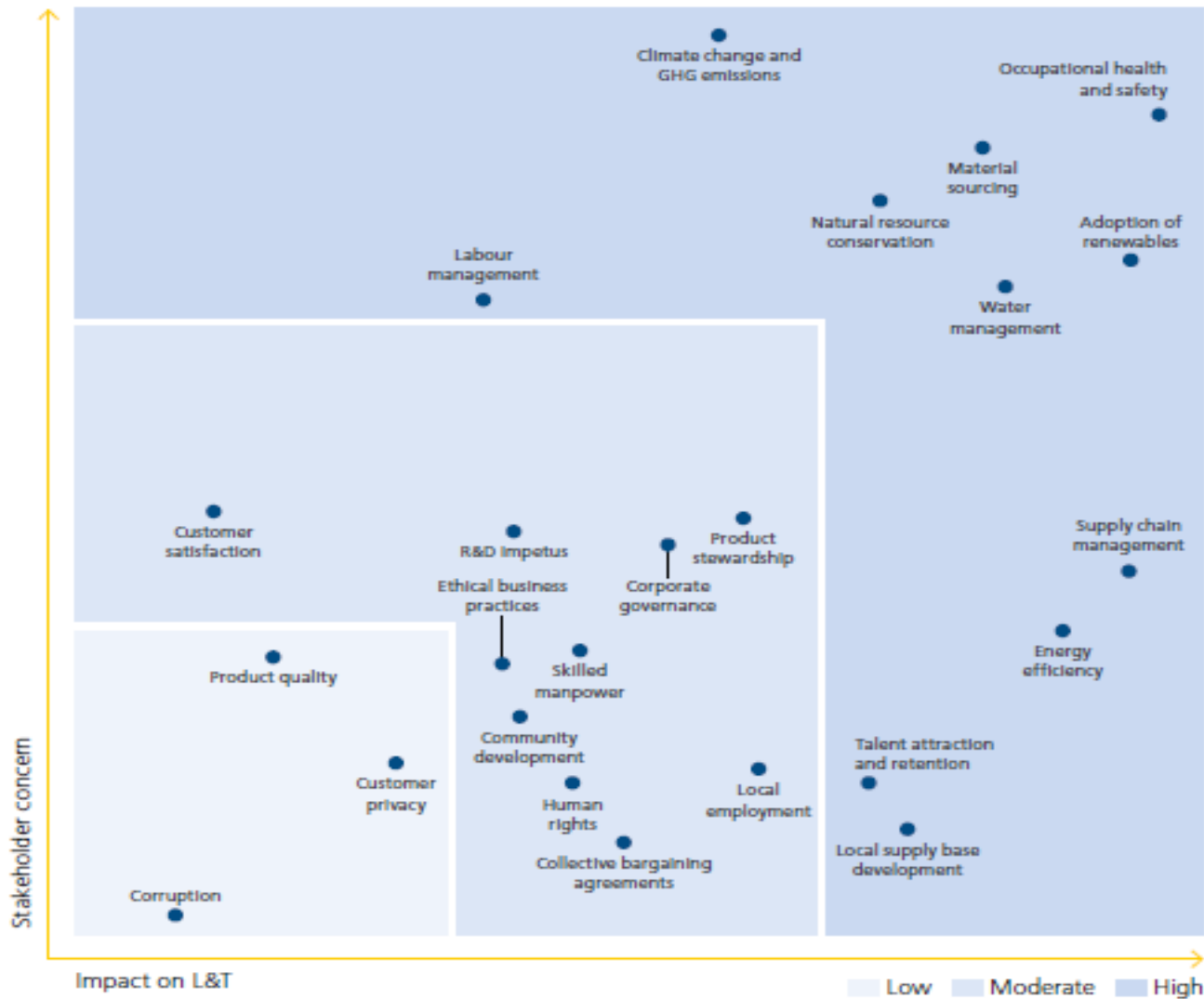
As we pass through another period of tectonic shifts triggered by a global pandemic, we have sharpened our focus on improving performance across environmental, social and governance (ESG) parameters. We are undertaking synchronised efforts to reduce our carbon footprint and enhance resource efficiency while strengthening our green portfolio.

As 'the builder of 21st century India', we are revisiting our vision, policies, frameworks, roadmaps and action plans to deliver 21st century solutions towards building a better future.



# Materiality map

Materiality Matrix

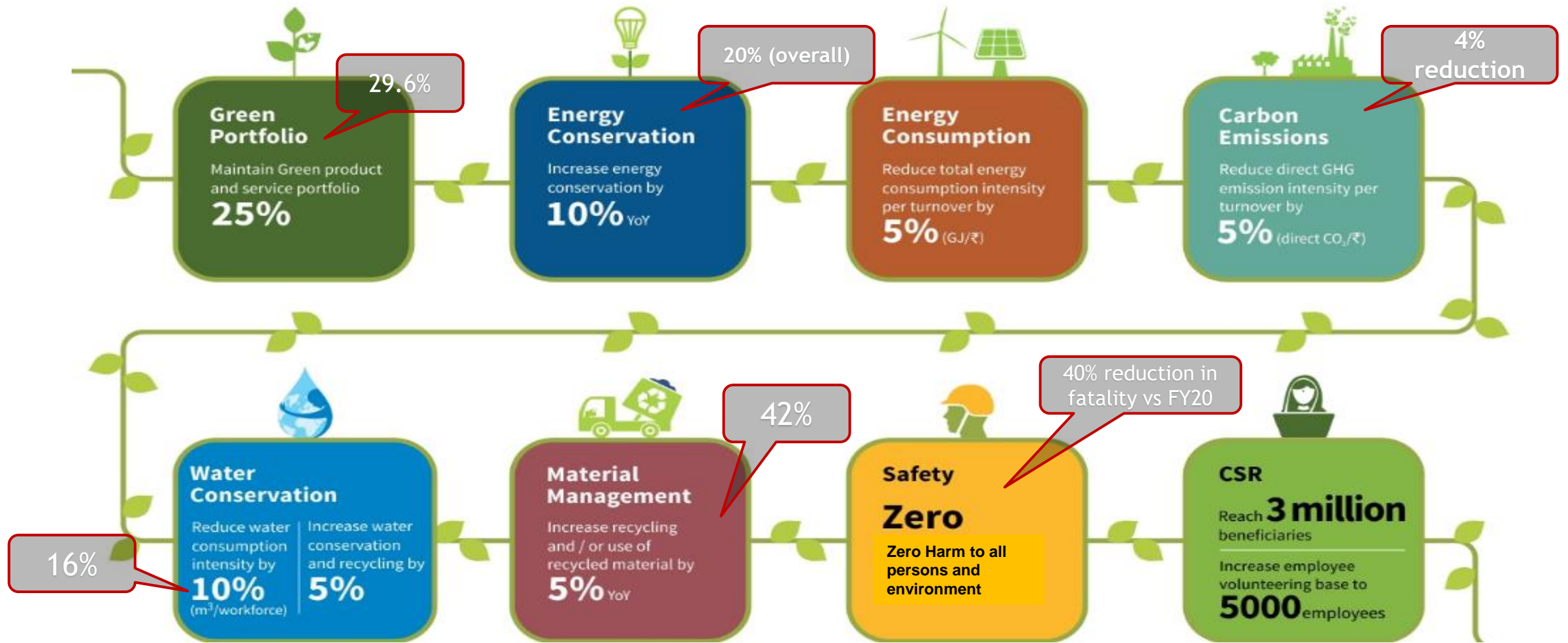


## Stakeholders considered:

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

# Sustainability targets (FY16 vs FY21)

## Key Targets



# Environment in numbers

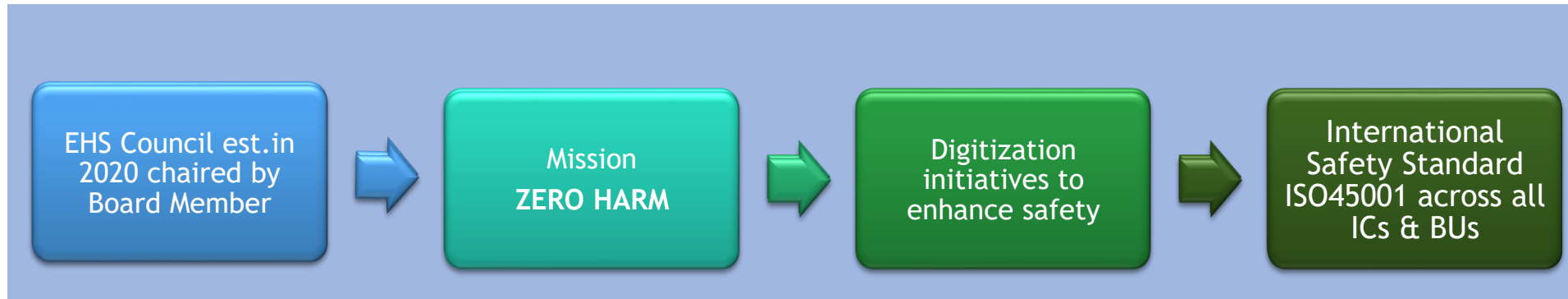
INR **85** Million spent on environmental measures

**128** Mn Kwh energy saved (cumulatively since FY08)  
**29** Mn Kwh renewables **>10%** of total electricity mix

**>35** '000 MT CO<sub>2</sub>e emission avoided  
**18** campus Water positive

**8** campuses generate RE  
**13** Green buildings  
**57%** of generated waste water recycled  
**4** campuses source wind power  
**3** campuses source solar energy

# Occupational Health & Safety

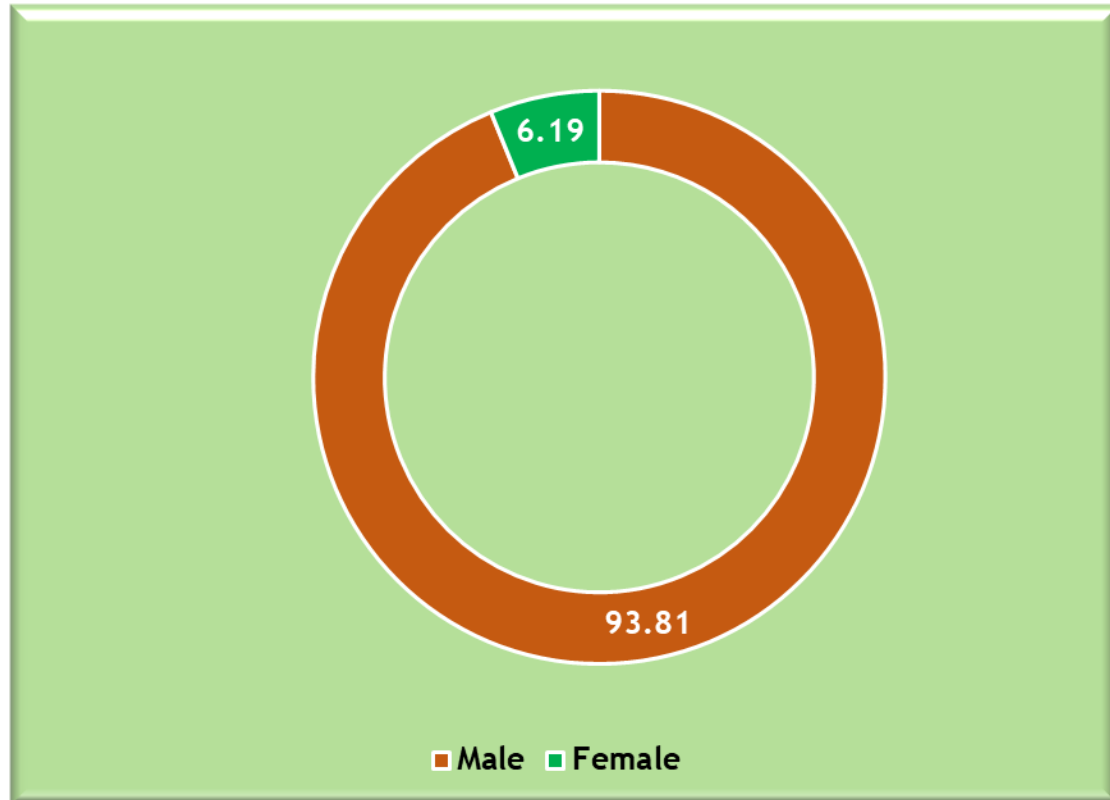


Statistics	FY 2020-21	FY 2019-20	FY 2018-19
Severity rate	27.7	204.29	105.2
Frequency rate	0.02	0.11	0.10
Fatality	25	41	22

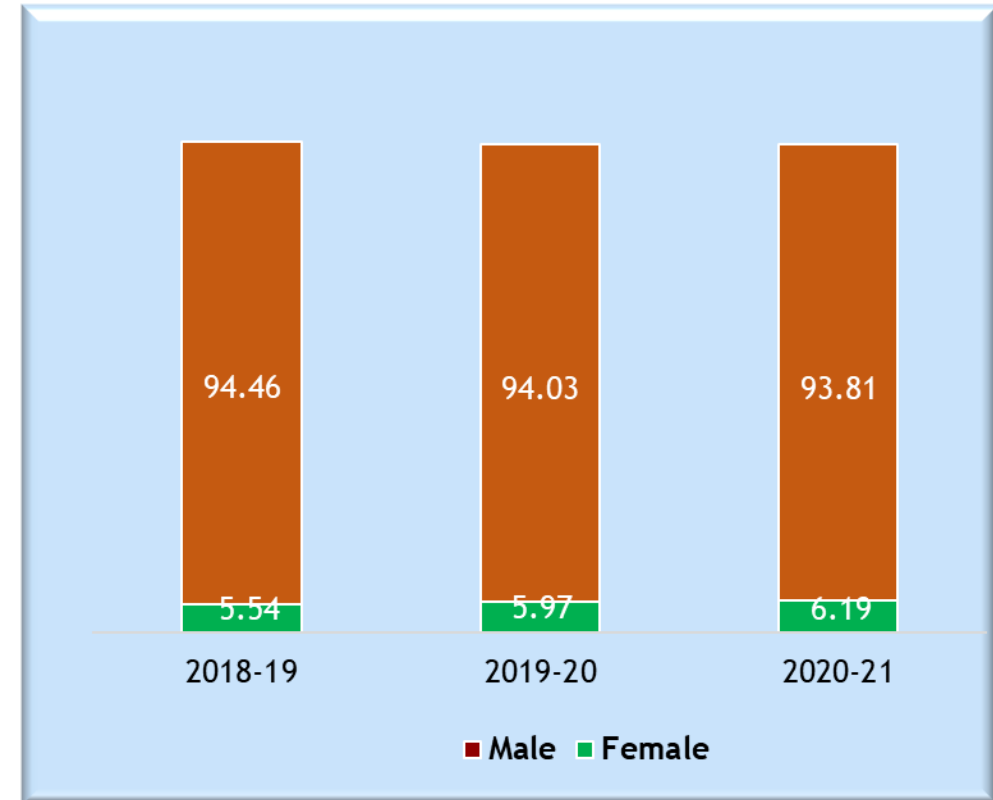
### Safety Culture and Management:

- 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

29.6 % of total revenue

## Renewable energy systems

- Solar power plants
- Hydro power plants

## Efficient power transmission and distribution system

### CO<sub>2</sub> emission reduction (Metro and monorail)

Mass Rapid Transit systems provide enhanced connectivity, reducing the number of vehicles on the road, which in turn, reduces pollution and maximises resource efficiency.

## Green buildings

(Buildings and Factories)

We construct certified green buildings, which consume less energy and water, utilise recycled material and locally source most of the construction materials.

## Water and resource conservation

### Water treatment and distribution infrastructure

We build bulk distribution and water treatment systems, wastewater treatment plants, effluent treatment and recycling plants as well as lift irrigation systems.

## Effective Solid waste Management

- Our Smart World and communication IC provides automated communication softwares for effective solid waste management in smart cities.

## Emission Reduction

- Flue gas desulphuriser (FGD)
- Our power business provides EPC services of FGD which helps reduce Sulphur oxides emissions from thermal power plants.
- Natural Gas extraction EPC projects also greatly reduce the emissions.

# 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: <b>Rs. 150 Cr</b>	CSR beneficiaries: <b>12,13,976</b> Total Beneficiaries
CSR Partners: <b>108</b>	Vendor/Dealer/ Sub- Contractor Training (nos): <b>1049</b>
New Suppliers, contractors Developed registered: <b>29,407</b>	Contribution to exchequer: <b>108 Billion</b>
MSME Suppliers: <b>5,782</b>	Safety Training Hours: <b>3.2 million</b>



# Review mechanism

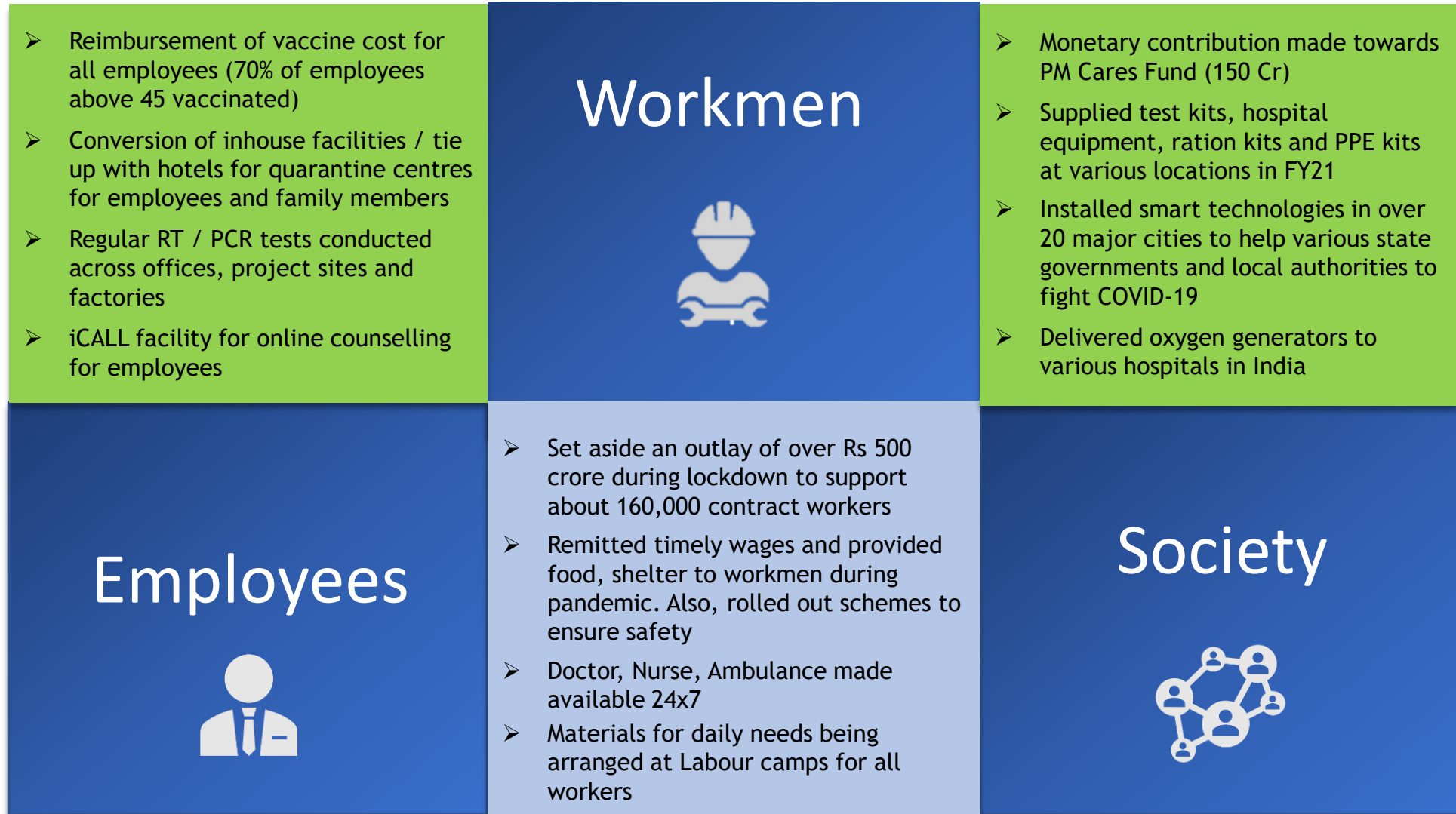
## Corporate Reviews

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

## Business/IC Reviews

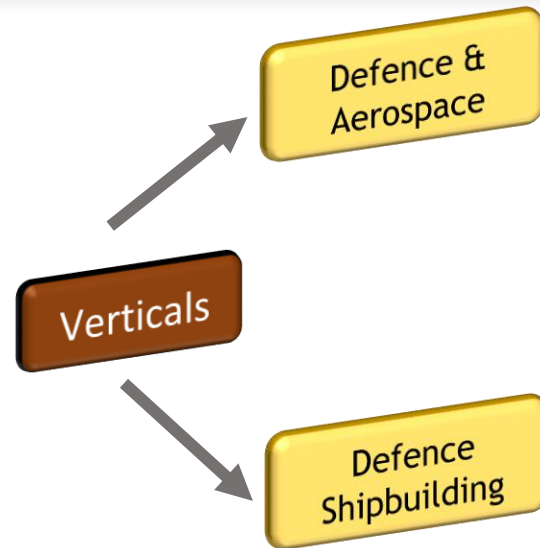
Review area	Scope	Periodicity
Business review	Business	Monthly
PRM	Operations	Monthly
Risk Management	Prebid/execution	As per schedule
CSTI	Budget/financial	Monthly/real time
CSR	Social audit/budget	Monthly/real time
Digital Initiatives	Product launch and enhancements	Monthly
SCM	Online dash boards	Live
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



# ESG - Defence matters

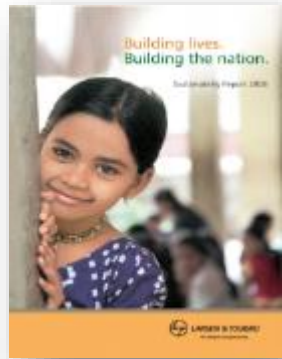
- L&T partners with the Indian Defence Research, Defence Research and Development Organisation (DRDO) and the Indian Armed Forces in the development of defence products, systems and platforms across land, sea and air operations, in line with its commitment to 'Make in India'.
- With an integrated portfolio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



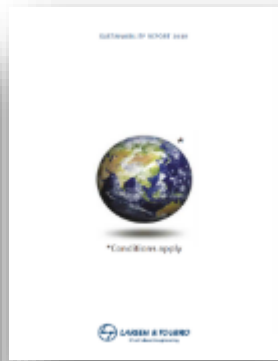
Defence Segment	FY19	FY20	FY21
Revenue (in Rs Bn)	37.5	39.7	34.0
% of Total Group Revenue	2.7%	2.7%	2.5%

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...



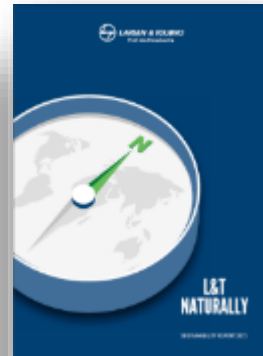
2008



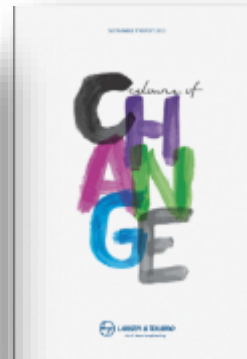
2009



2010



2011



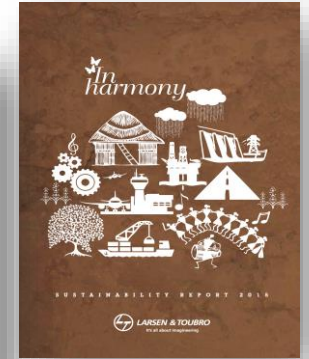
2012



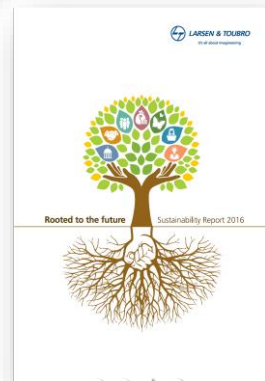
2013



2014



2015



2016



2017



2018



2019



2020

**IR FY21 under progress**

# Reporting & disclosures

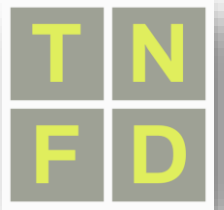
## CURRENT



## IN PROGRESS



Upcoming



+ Integrated Annual Report/  
Value Report

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



**Business  
Responsibility  
Reporting**



# 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***