



Sustainability at L&T

Table of contents

- About L&T
- Materiality Assessment
- Sustainability Targets
- Environment
- Health and Safety
- Human Capital
- CSR
- Governance Architecture

About the Company

FY20 GROUP HIGHLIGHTS

ORDER INFLOW

₹ 1,864 Billion**

Δ 9%

ORDER BOOK

₹ 3,039 Billion**

Δ 4%

REVENUE

₹ 1,454.52 Billion**

Δ 8%

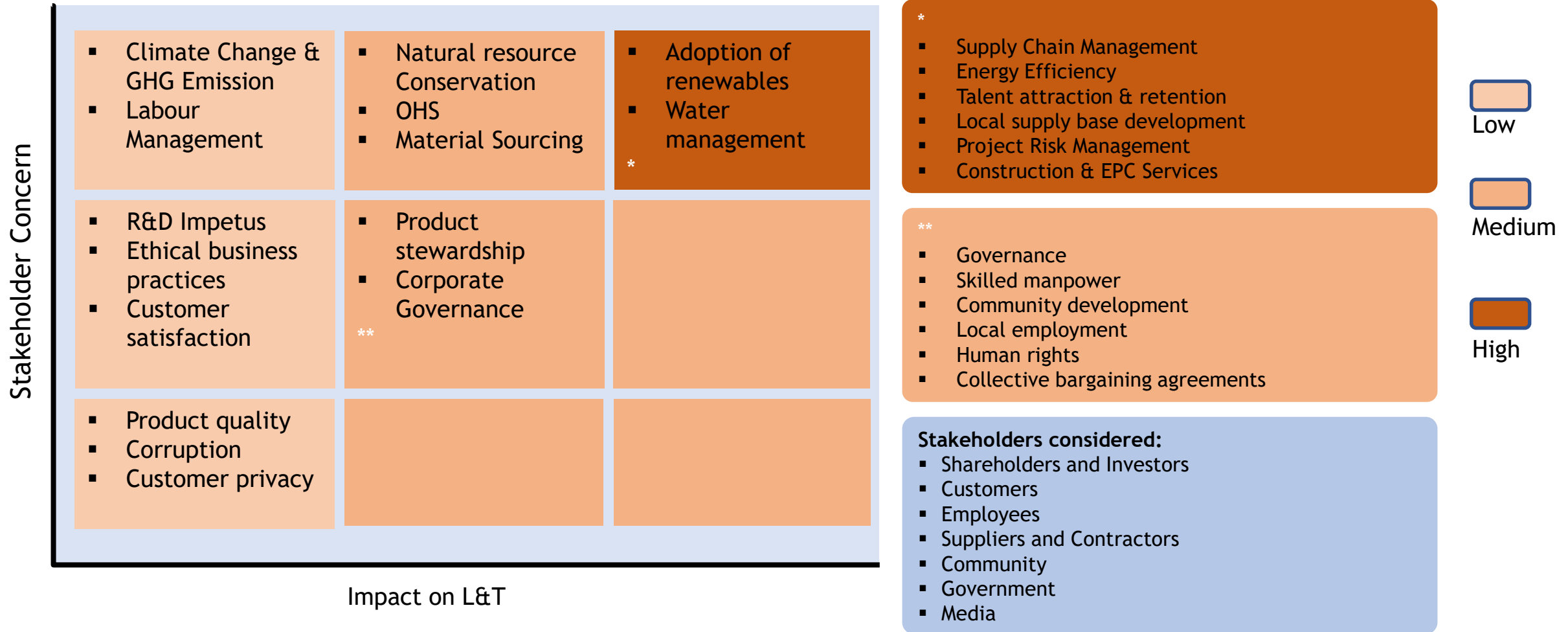
Construction Businesses

- Buildings & Factories
- Heavy Civil Infrastructure
- Power Transmission & Distribution
- Transportation Infrastructure
- Water & Effluent Treatment
- Smart World & Communication
- Metallurgical & Material Handling

Engineering and other Businesses

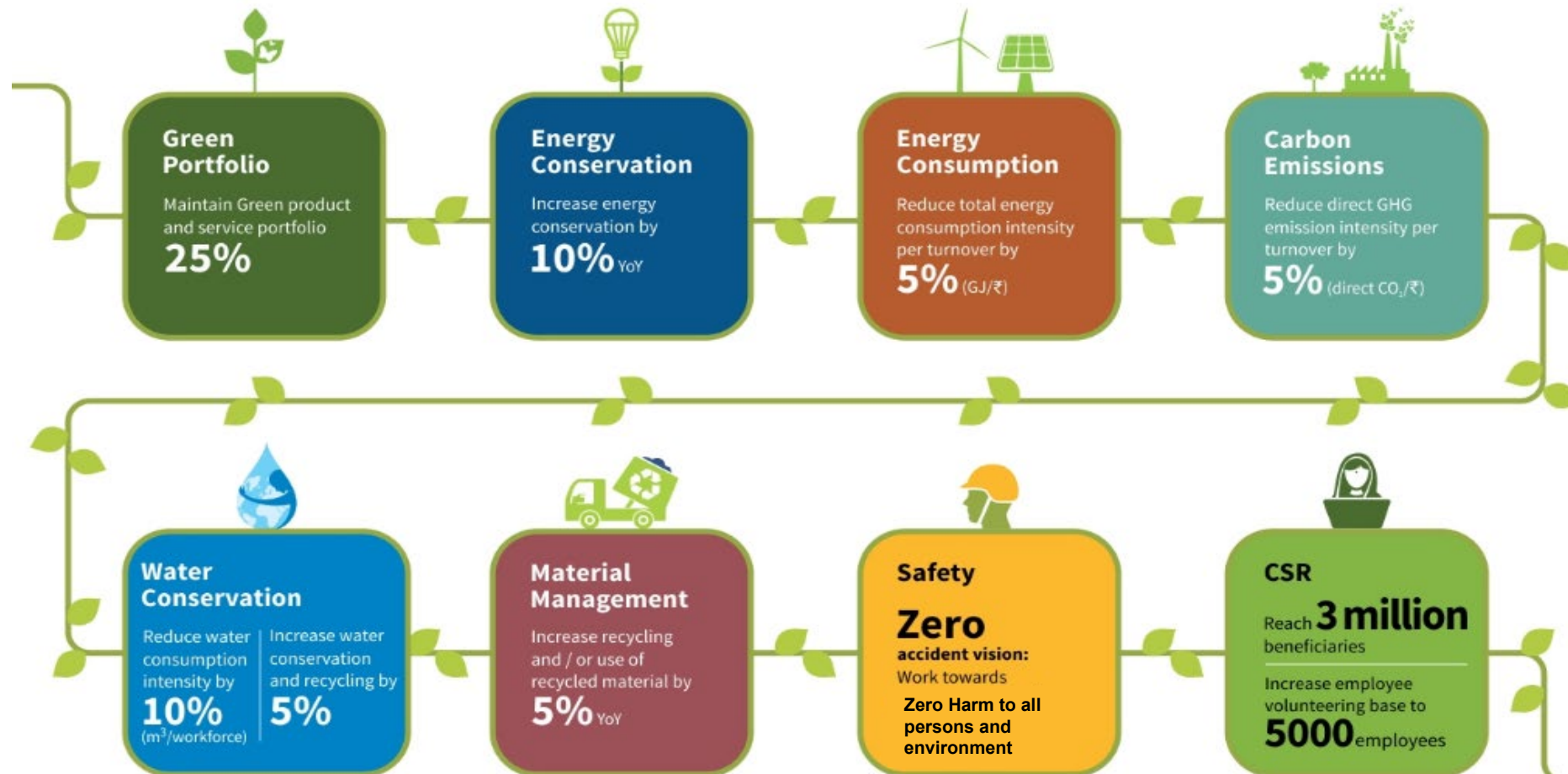
- Heavy Engineering
- Power
- Hydrocarbon Engineering
- Defence and Shipbuilding
- Realty
- Valves

Materiality Assessment and Stakeholder Engagement



Sustainability Targets (FY17 - FY21)

Key Targets



**Rs. 325 Billion
REVENUE - 31%**

Green Portfolio

**Target: 25% of
total revenue**

Water Management



Services:

- 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

Revenue: 17.2 Bn

Eco Friendly Fuel



Services:

- Setup of ethanol plant
- Natural gas by product generation

Revenue: 28.3 Bn

Green Building



Services:

- Green buildings
- Hospitals
- Airports
- Schools
- Residential buildings
- Commercial buildings

Revenue: 67.1 Bn

Metro & Monorail



Services:

- Metro
- Mono rail projects

Revenue: 85.8 Bn

Green Portfolio

Solar Power Plants



Services:

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

Revenue: 8.3 Bn

Transmission & Distribution

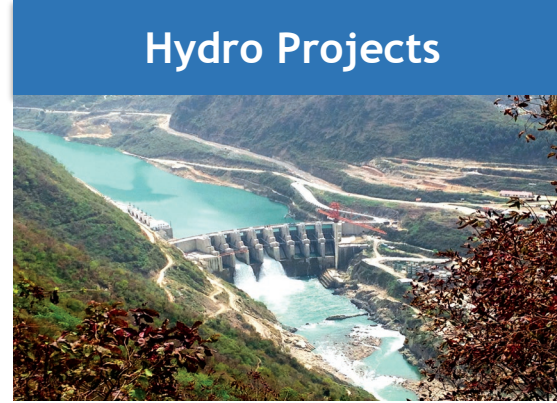


Services:

- Power Distribution Reforms & Power Quality Improvement Projects in Urban & Rural areas
- Gas Insulated Substations, Substations for mass transit systems and Substations of 765kV
- Transmission Lines of 765kV and above

Revenue: 54.9 Bn

Hydro Projects



Services:

- Hydro power projects

Revenue: 8.3 Bn

Others



Services:

- Smart communication
- High efficiency reactors
- Energy efficient equipment etc.

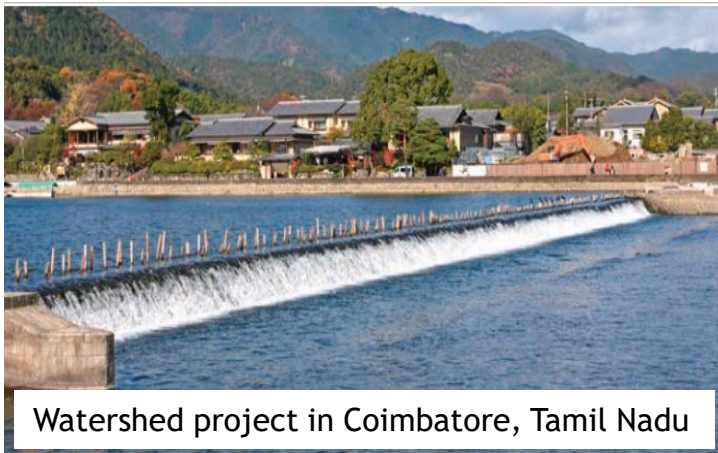
Revenue: 54.6 Bn

Water Conservation

Sustainability Target

Our progress in FY20 vis-à-vis set targets in 2016:

WATER CONSERVATION	
Target Reduce water consumption intensity by 10% (KL/workforce)	Status There was a 45.4% reduction in specific water consumption (m3/employee) with respect to the baseline year FY16
Increase water conservation and recycling by 5%	In FY20, we recycled 76.5% of the total wastewater, which is 1.97% increase over FY19



Key Highlights

- All 24 L&T campuses in India are water positive.
- Our campuses have achieved ‘zero water discharge status’.
- Constructed rainwater harvesting structures inside premises and in project areas.
- **76.5% of total water consumed** at our campuses and sites is reused/recycled.

L&T’s Water and Effluent Treatment(WET) Business:

- Constructed 73,000+ km of water distribution pipelines in last 3 years.
- Constructed >7,360 mn L/day of water treatment and recycling plants in last 3 years.

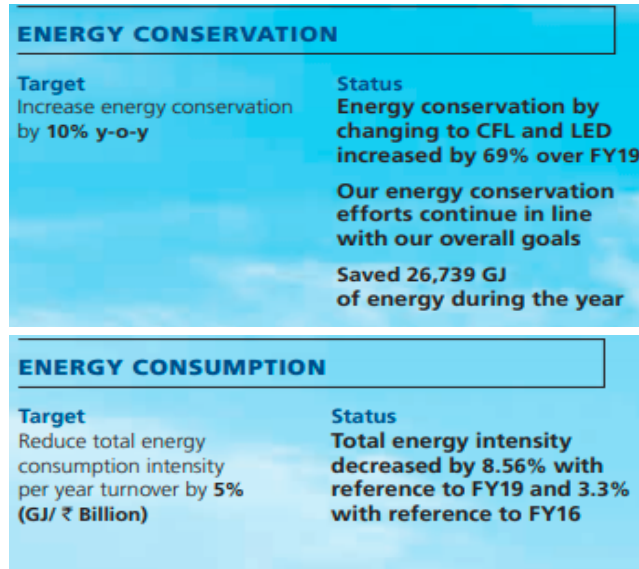
Community Development Initiatives:

- As part of our Integrated Community Development programmes, we cover 38,420 households in 9 water-stressed districts in Rajasthan, Maharashtra and Tamil Nadu.
 - ✓ Achieved water adequacy for drinking, sanitation and agriculture through watershed projects in 5 locations.
 - ✓ Achieved 5% increase in water storage capacity, 3.14 m increase in water table and 95% households with safe drinking water in these areas.
- Creating or desilting water bodies to increase groundwater level.
- Rain-water harvesting in communities and schools.

Energy Conservation

Sustainability Target

Our progress in FY20 vis-à-vis set targets in 2016:



Key Highlights of FY20

5.6%
Decline in L&T's total energy consumption (y-o-y)

>118 mn kWh
Cumulatively energy saved

100,443 tonnes
Reduced CO₂ emissions cumulatively

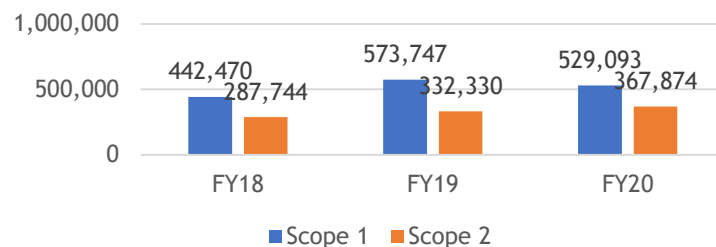
Renewable Energy is >7% of total electricity mix
31.8 Mn kWh renewable energy used in our campuses

18
L&T establishments are generating onsite solar energy for campus usage

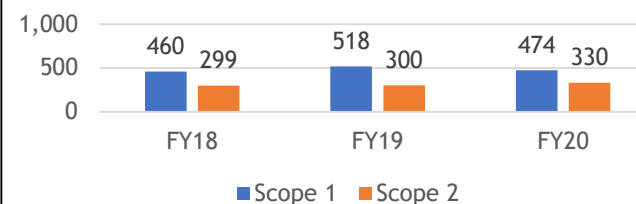
8
L&T campuses source wind power, 1 campus sources solar electricity

Total Project Sites FY18: 894
Total Project Sites FY19: 950
Total Project Sites FY20: 1350

GHG emission trends (tCO₂e)



GHG Emission Intensity (tCO₂e/Bn)



Business:

- India's largest floating solar PV project in Andhra Pradesh
- India's first large-scale solar PV cum Plant and Battery Energy Storage System (BESS) in the Andamans.

Material Management

Sustainability Target

Our progress in FY20 vis-à-vis set targets in 2016:

MATERIAL MANAGEMENT

Target
Increasing recycling and use of recycled material by 5% (w.r.t baseline FY16)

Status
There was a 5.5% increase in the total use of recycled materials (steel and zinc) with respect to FY16

Material Management - Challenges

As a project-based company, most customer specifications insist on virgin material. Hence, the scope of using recycled material is limited. Despite that, we make all feasible efforts to gradually bring down our material consumption, while ensuring relevant quality standards.

- At our production facilities, we make efforts to recycle our steel and zinc.
- At our construction sites, we make judicious use of fly ash and granular blast furnace slag to blend cement.

Key Highlights

Fly ash was 9.3% of total Cement used in FY20
(Cumulatively from FY15-FY20 we have used 2442.8 '000 tonnes)

Crushed Sand was 39.5% of total Sand used in FY20
(Cumulatively from FY15-FY20 we have used 6228.8 '000 tonnes)

Use of crushed sand in place of natural sand

Recycled Steel was 0.6% of total Ferrous used in FY20
(Cumulatively from FY15-FY20 we have used 40.6 '000 tonnes)

Recycled Zinc was 24.4% of total Zinc used in FY20
(Cumulatively from FY15-FY20 we have used 1.5 '000 tonnes)

Occupational Health and Safety

L&T EHS Council (Estd. In 2020)

Chaired by Mr. Subramanian Sarma

EHS Council core function:

Est - Corporate EHS Standards in Subcontractor & Supply Chain Management, Auditing, Data & Training and Risk.

Coordination & Implementation of **Zero Harm** measures across all L&T IC/BU in the following:

- International Safety Standard ISO45001 all IC & BU.
- SMS auditing by certified external providers quarterly.
- Internal certified auditors, to monitor and measure safety standards of projects and sub contractors.
- Safety actively managed at all levels through goal setting safety targets and objectives.
- Using data to predict and manage project risk.
- Implementation of digital platforms. Using cognitive search engines, Artificial Intelligence (AI) and mobile App.
- Establish Working Groups - Temporary Works & Welfare.

Safety dashboard (at L&T level)

	FY20	FY19	FY18
Severity rate	204.29	105.21	114.41
Frequency rate	0.11	0.10	0.11
Fatality rate	10.19	5.06	5.10
Fatality	41	22	24

Notes

1) Severity Rate (SR): Number of man-days lost per million man-hours worked

2) Frequency Rate (FR): Number of reportable accidents per million man-hours worked

3) Fatality Rate: Number of fatalities per 100,000 work force

Type of employment	FY20	FY19	FY18
L&T employees	4	0	0
Contractors	36	22	24
3 rd Party	1	0	0
Total	41	22	24

Occupational Health and Safety

Key Safety Objectives 2021 - 2022

Safety Culture by Management Engagement at IC :

- Safety evaluated every quarter at IC Board levels, (Non Executive Directors) on performance and progress.
- Senior management conducting site visits and audits to maintain/improve EHS performance and application of EHS council standards.
- Safety committees at all L&T work locations with Workers Representation.
- Compliance with our EHS policies and practices and high risk areas Assessment of Sub-contractors on safety competency, processes and strengths before contract award.
- Comprehensive training safety programme at all levels of management, & supply chain, including VR & BBS, Work at Height, Working over water and Plant & Machinery. (Edutech).
- Hazard identification briefing prior to any activity starting and risk controls to be implemented.
- EHS Digital AI identifying unsafe acts and conditions and actions taken.
- Continued health programme for staff and workers with Covid19 inclusion.

Occupational Health and Safety

Zero Harm Vision Challenges

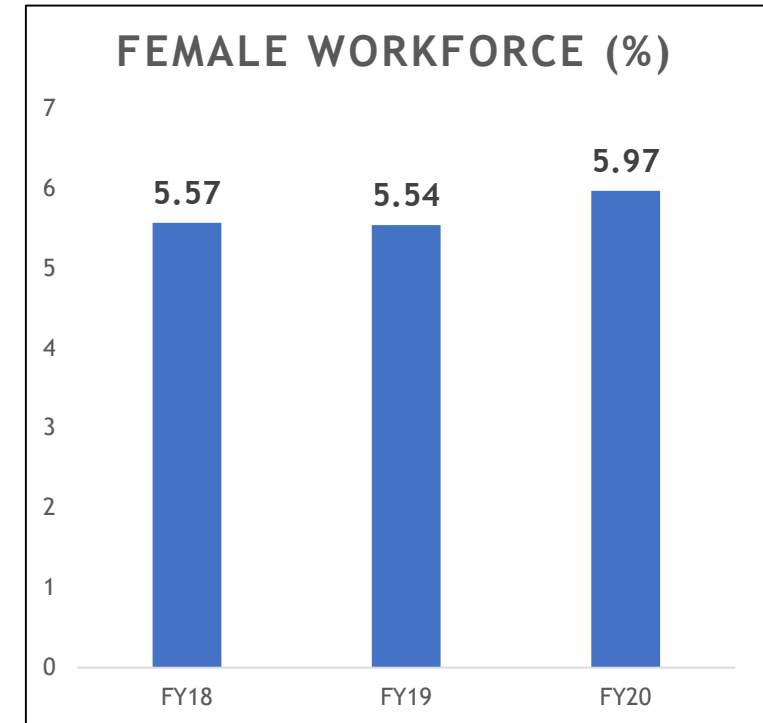
- Mind-set change - restarting of projects.
- Availability of competent and trained people.
- Frequency changing manpower and constraints on locally hired resources and equipment.
- Sub-contractor selection and competency.
- Customer Influence (International v/s Domestic).
- Environment Working - Working at height/ Plant & Machinery /Working with hazards.
- Ongoing Covid19 restrictions.

Sustainability Roadmap Target: **Zero Harm to all persons and environment**

Human Capital

Diversity Programmes

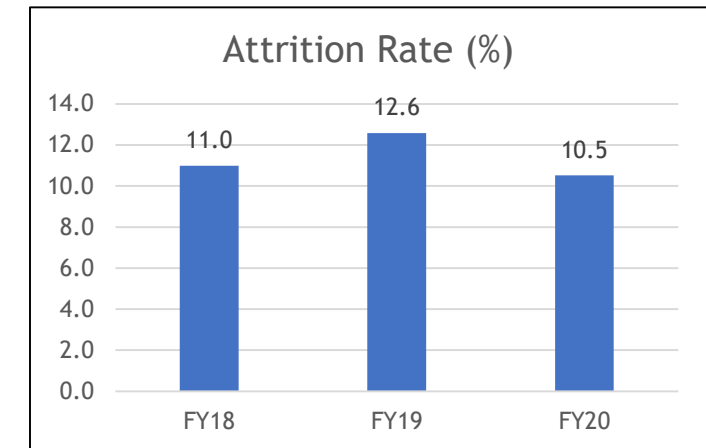
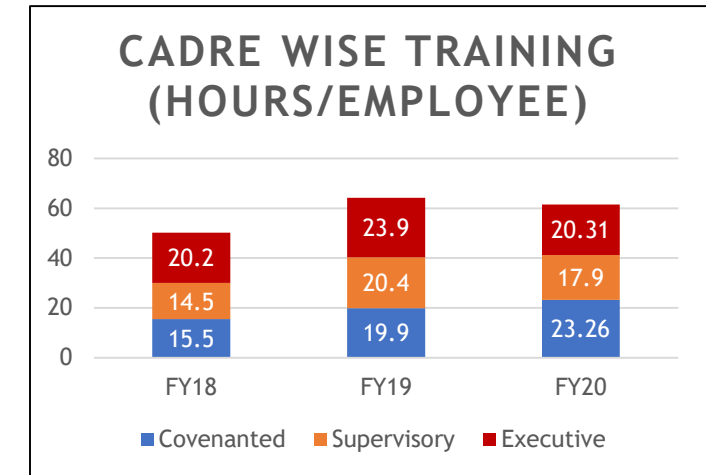
- We focus on strengthening the diversity of our talent pool vis-à-vis race, gender, nationality, caste, age, physical ability and religion.
- 'Renew' represents a sound platform to help female professionals re-join their career after maternity or child rearing break.
- A redressal mechanism to handle complaints from female employees - Protection of Women's Rights at Workplace policy.
- We have constituted Apex and Regional Complaints Committees to address specific cases of sexual harassment at the workplace
- **We are an equal opportunity employer, and the male to female remuneration ratio is at 1:1.**



Human Capital

Training

- Specialised schools for safety training including Safety Innovation Schools in Hazira and Kanchipuram.
- L&T has set up a Skill Trainers Academy in Mumbai for training of trainers and assessors in the skilling ecosystem based on a curriculum developed by Singapore Polytechnic International.
- We have opened 9 Construction Skill Training Institute (CSTI) with a capacity to train 14,000 youths every year in 54 different kinds of trades across India.
- The skills which are developed are bar bending, formwork carpentry, masonry, scaffolding, welding, electrical wiring and so on.
- We have collaborated with 27 Industrial Training Institutes (ITIs) across the country to develop skilled labours.
- We have 7 knowledge centres for training employees.
- More than 7 million hours of training imparted in FY20.



CSR Theme: 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
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.	1,31,988
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.	3,63,377
Health 12 Community Health Centres	Provide free or subsidised & quality medical care to patients in urban and remote areas through health centres or camps.	7,95,736
Skill Building 9 CSTIs & other Skilling Programmes	Construction skills training courses and other skill-building activities to provide less educated youth with job-earning skills and opportunities	84,240

Total Beneficiaries:
1.38 Mn

Target: 3 Mn

CSR Drivers

Corporate Team

Campus and sites

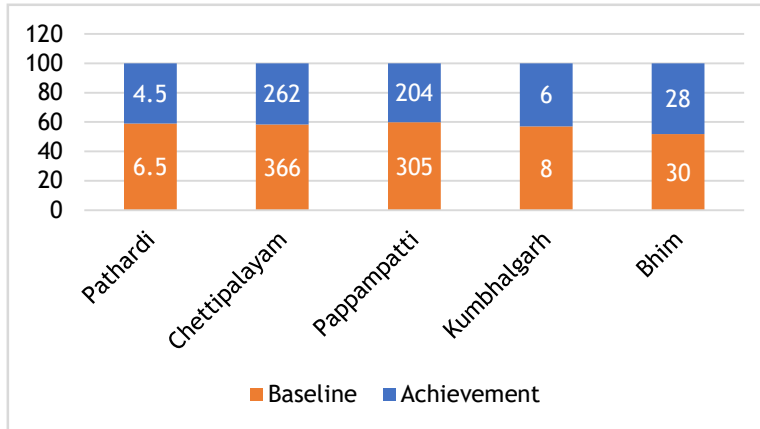
Volunteers

Prayas Trusts

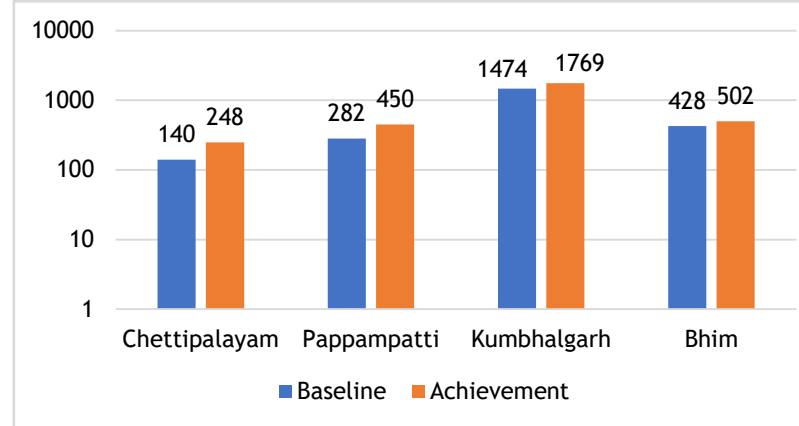
LTPCT

Impact Indicators from Water and Sanitation Programme

Depth of water from ground surface (m)



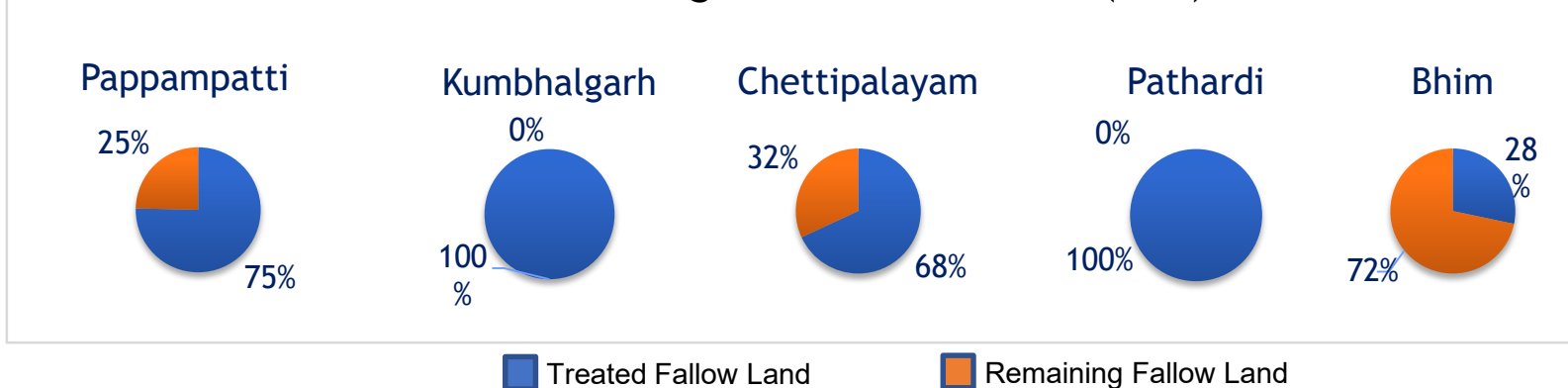
Increase in arable land (ha)



Grievance addressal for local communities

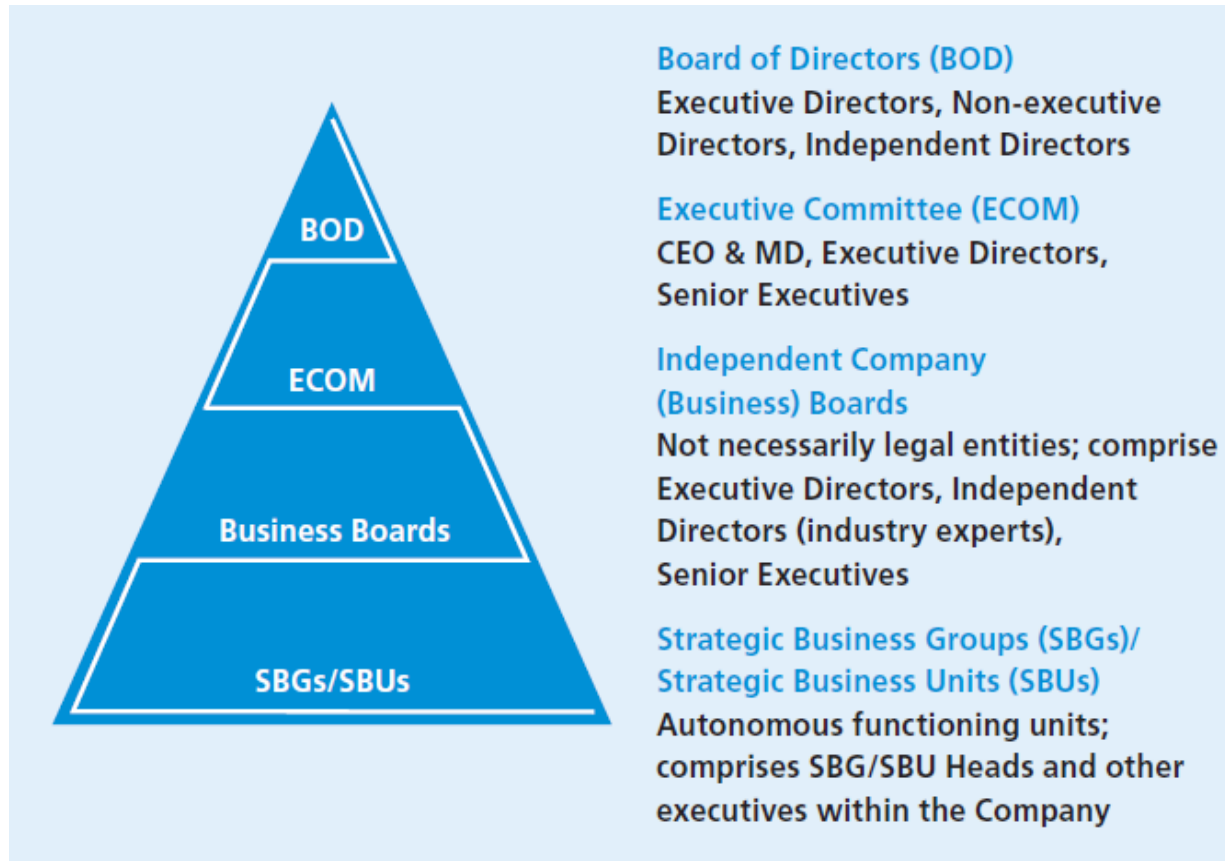
- We have formulated Village Development Committees in places where we are executing Integrated Community Development Programme through CSR budget.
- These committees have varied responsibilities including addressing the grievances of locals.
- 30-50% women's participation helps represent voice of women in all Village Development Committees (VDC).

Fallow land brought under cultivation (in %)



	2014-15	2019-20
% age of households with access to water	54%	95%
% age of households with access to sanitation	34%	91%

Governance Architecture



L&T Policies

Sustainability Policy

EHS Policy

Green Supply Chain Policy

HR Policy

CSR Policy

Policy for Protection of Women's Rights at Workplace

Whistle Blower Policy

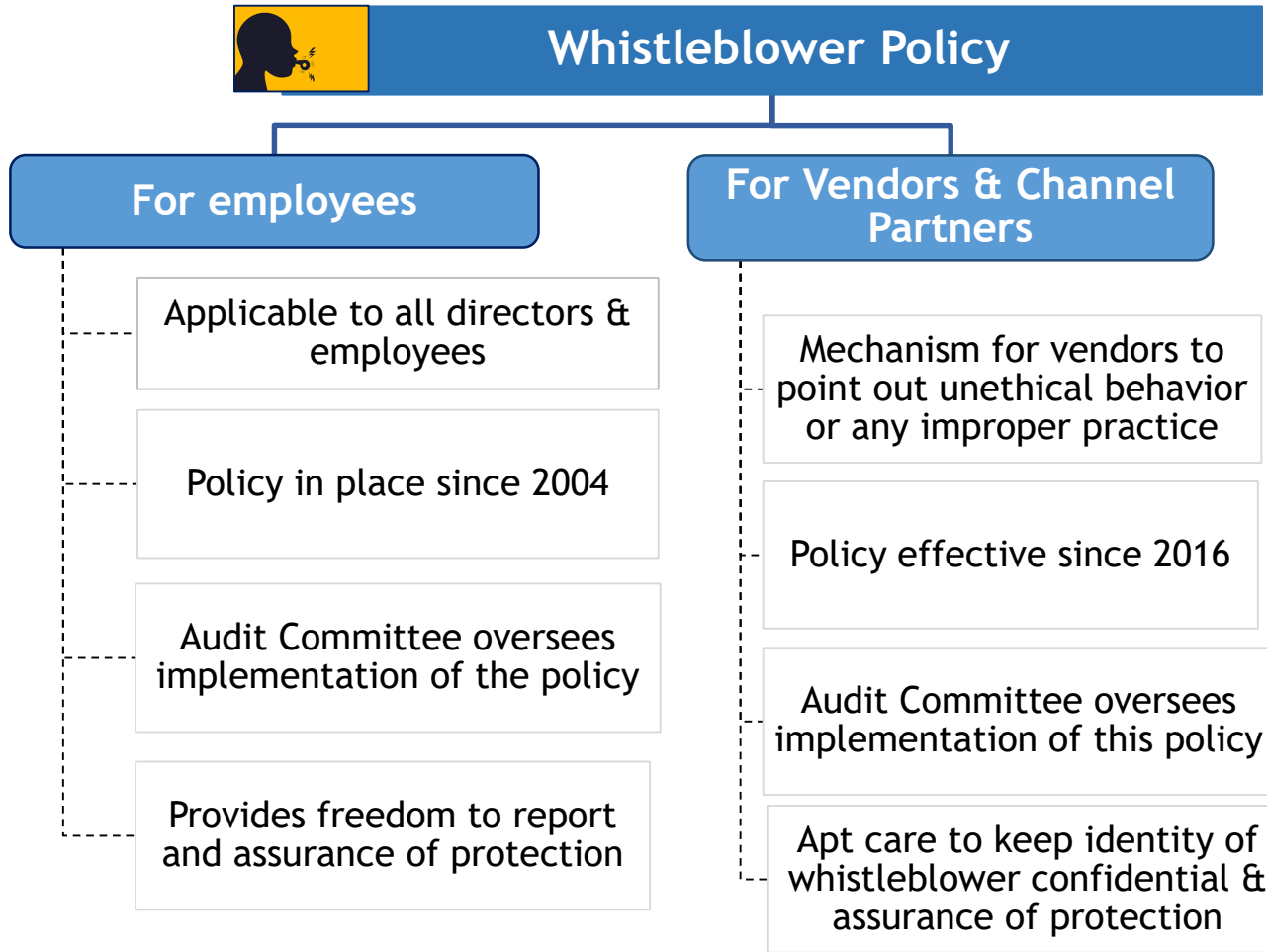
Risk Management Policy

Related Party Transactions Policy

Quality Policy

Code of Conduct: For Board and senior officers; for supervisors, executives & management personnel; and for vendors.

Governance Architecture



Whistleblower Measures
<ul style="list-style-type: none">• Dedicated email ID for complaints• Continual Awareness programs• Disclosure of total number of complaints received in Annual Report• It has been extended to suppliers and vendors• Periodic review by senior management and audit committee of the board

Governance Architecture

Business Ethics and Transparency

- Code of Conduct (CoC) has to be signed by Board members, senior management and employees.
- CoC covers principles on:
 - Honesty
 - Ethics and integrity
 - Anti-trust behaviour
 - Information security
 - Insider trading rules
 - Professional engagements
 - Use of Company assets & brand logo
 - Intellectual property
 - Respect for human rights
 - Equal opportunity employment
 - Social media code of conduct
 - Use of information technology assets
 - Anti-bribery policies

Anti Corruption and Anti Bribery measures

- Mandatory Training for Covenanted employees.
- Part of staff rules for Covenanted staff.
- Anti Corruption and Anti Bribery clause as a part of tender declaration.
- Thorough due diligence is done before signing MOU/agreement with companies/vendors based on their financials, credit history, default (to banks) and blacklisting (Non-compliance to agreements).

Review Mechanisms

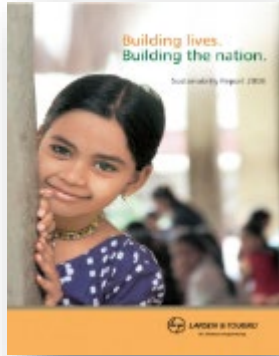
Corporate Reviews

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

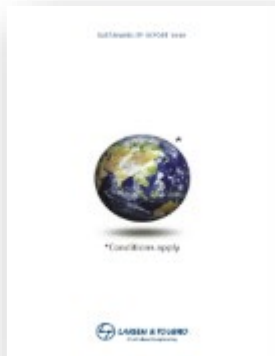
Business/IC Reviews

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

Sustainability Reporting: Our Journey



2008



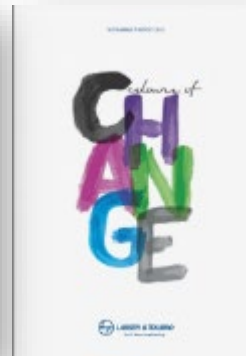
2009



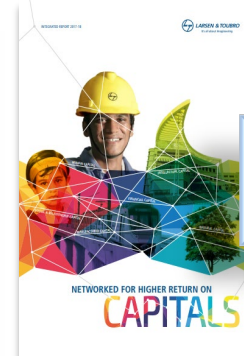
2010



2011



2012



2018



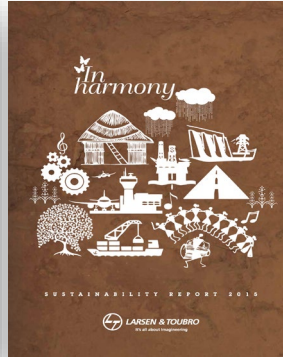
2019



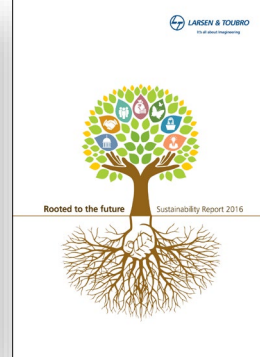
2013



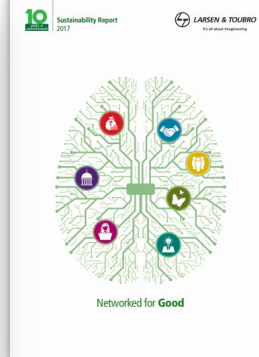
2014



2015



2016

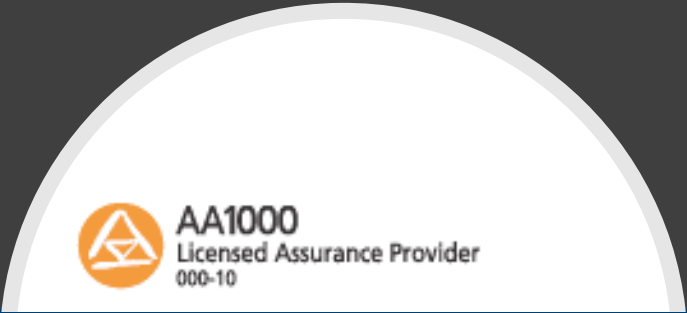


2017



2020

Sustainability Reporting





Thank You