



L&T's Pioneering Path towards Sustainable growth: A Blueprint for the Future

In the face of mounting global challenges like climate change, resource depletion, and energy security, both nations and corporations are bracing for hard hitting impact. L&T, recognizing the urgency, is at the forefront of this transition, committed to the conservation of natural resources, development of efficient infrastructure, reduction of emissions, and the promotion of behavioural shifts through strategic collaborations.

Aligned with its vision for a sustainable future, L&T has set ambitious goals: to achieve Water Neutrality by 2035 and Carbon Neutrality by 2040.

Operating in the realms of EPC (Engineering, Procurement, and Construction) and h-tech manufacturing and services, L&T plans to pursue an aggressive growth trajectory. This will lead to an increase in GHG emissions, though at a slower pace, and peak at 1.1 million tCO₂e in FY 2025-26, followed by an expected decline in emissions. Hence, the focus is on reducing emission intensity across both Scope 1 and 2, in the next three years.

Presently, Scope 1 emissions are primarily due to high share of diesel consumption, constituting over 70% of its energy portfolio, while Scope 2 emissions arise from electricity drawn from the grid, which accounts for about 30% of energy consumption.

To address these challenges, L&T has devised a multi-pronged approach focusing on:

- Reducing HSD (High-Speed Diesel) consumption through:
 - Efficiency enhancements of 2-2.5% annually,
 - Transitioning from diesel generators to grid connections,
 - Substituting diesel-powered machinery with electric alternatives,
 - Incorporating biofuels.
- Elevating the uptake of renewable energy by:
 - Installing on-site solar projects,
 - Engaging in off-site renewable energy agreements,
 - Implementing solar-powered utilities like streetlights and traffic signals so on and so forth

Anticipated outcomes of these strategies include a significant reduction in GHG emissions by 27.5% against a 'business as usual' trajectory by FY 2025-26. Additionally, L&T is committed to an extensive afforestation initiative, aiming to plant over 1.9 million trees annually (up from 1.5 million),

To achieve water neutrality, the Company has identified key initiatives aimed at enhancing water efficiency, reducing water consumption, and promoting water recycling through advanced treatment technologies, groundwater recharge and rainwater harvesting. These efforts will curtail water consumption intensity by 30% by FY 2025-26 with respect to FY 2020-21, marking significant strides towards sustainability and resource conservation.

L&T is advancing sustainable growth by targeting reductions in its carbon and water footprints, blending economic expansion with environmental care. This approach highlights our commitment to sustainability and corporate responsibility, aiming to set industry benchmarks and build a resilient future. Furthermore, L&T's innovation efforts are focused on reducing material consumption, improving resource productivity, reducing delivery timelines, and improving product design/features. These innovation efforts are driven by R&D teams, engineering teams and project execution teams across its various businesses.

At L&T, the approach towards a sustainable and resilient future is also looking beyond own premises and operations. With a base of more than 100,000, supply chain partners figure among the key stakeholders who contribute directly to business growth and profitability. The Company fosters responsible behaviour in its supply chain, in accordance with the highest standards of ethics and integrity, respect for the law, human and labour rights, and environmental stewardship. The Company is extensively building awareness and handholding on Sustainability among the supply chain partners to improve overall ESG performance.

Last but not the least, the Company has created meaningful social and relationship capital while pursuing progress, meeting customers' needs and demands, collaborating with suppliers, and driving inclusive growth for communities.