ENGINEERING
SUSTAINABILITY

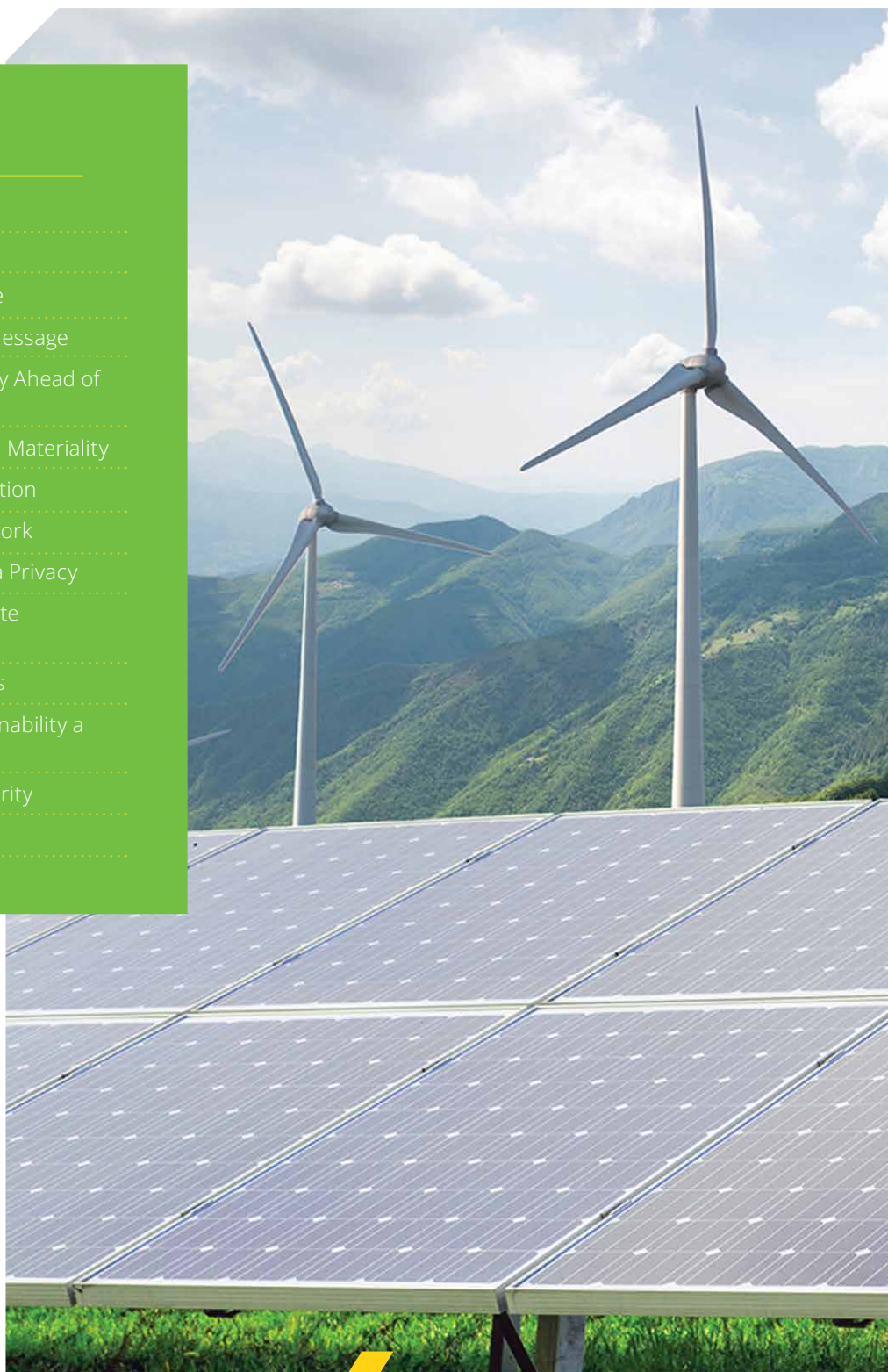ESG REPORT
2020-21

Contents

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AS AN ENGINEERING SERVICES LEADER FOCUSED ON PROFITABLE, SUSTAINABLE AND INCLUSIVE GROWTH, L&T TECHNOLOGY SERVICES (LTTS) IS DRIVING TRANSFORMATION ACROSS INDUSTRIES AND GEOGRAPHIES.

DRIVEN BY A DEEP COMMITMENT TO ENGINEER A SUSTAINABLE FUTURE, WE LEVERAGE OUR CORE ENGINEERING DNA AND INNOVATION CULTURE TO SUPPORT THE WORLD'S LEADING R&D HOUSES IN ACHIEVING A CLEANER AND GREENER ENVIRONMENT.

We inspire and support enterprises in developing a carbon neutral roadmap, consisting of smart products and services that will help shape a better tomorrow. Our philosophy is centered around channelizing the growing sustainability mindset, with the aim of being the preferred sustainability partner to global enterprises. LTTS is committed towards empowering customers, employees and all other stakeholders in adopting sustainability as a way of life, and steering an enduring transformation of its business strategies.
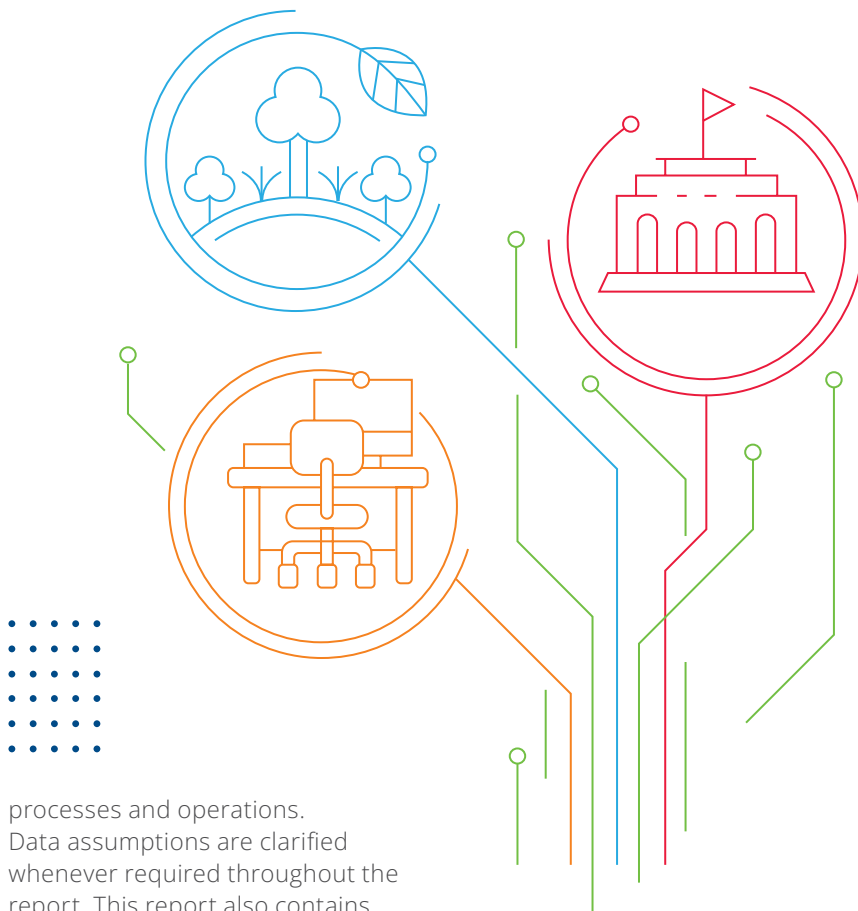
ABOUT THE REPORT

LTTS has a vision to help build a sustainable world, and imbibes the ethos of its parent group Larsen & Toubro Limited, which has sustainability embedded in its vision, culture, strategy and business processes. The Company leverages its deep engineering DNA and innovation mindset to help customers expand the use of renewable energy, drive water conservation measures, reduce carbon emissions, and develop carbon neutral products. A continued focus on nurturing a sustained R&D culture for the development of smart engineering products and solutions further underscores our commitment to a cleaner, greener and a better world.

Our commitment to sustainability is imbibed in this report, and we commit to build and improve upon the report's transparency and coverage in the coming years. Our first annual Sustainability Report covers data and information across all our business operations in India, covering the six locations of Vadodara (which is also the Company's Corporate Office), Bengaluru, Mumbai, Mysuru, Chennai, and Hyderabad, for the year beginning April 1, 2020, and culminating March 31, 2021. The report framework is in line with the internationally accepted Global Reporting Initiative (GRI) Standards, in accordance with the 'Core' option.

LTTS is committed to providing a transparent, objective and accurate view of its data management processes and operations. Data assumptions are clarified whenever required throughout the report. This report also contains 'forward-looking statements' describing the Company's objective, projections, estimates and expectations. Actual results could differ materially from those expressed or implied.

This report has been externally assured by an independent third-party Bureau Veritas, with whom LTTS has no relation except for employing their professional services for assurance of this report. For more details, please refer to the Assurance Statement enclosed in the Annexures.

Through this report, we hope to engage with our stakeholders, such as our clients, investors, shareholders, employees, communities, suppliers and regulators, on key sustainability issues and our ESG performance, providing an unbiased and transparent view of the Company.

For more information, please feel free to write in at: **corporate.sustainability@ltts.com**

OUR VISION

Engineering a sustainable tomorrow through technology and innovation.

OUR MISSION

Be the engineering partner of choice by enabling innovation with world-class technologies, processes, and people – delivering inclusive growth to all stakeholders.

OUR VALUES

- Being Purposeful
- Ethics & Integrity
- Caring
- A Culture of Learning
- Results with Accountability

OUR VALUE PROPOSITION

Customer focus

We cater to a wide range of customers across industries and create targeted partnership models that address specific challenges and business goals

Innovation culture

We nurture an innovation-focused mindset which is reflected in our annual technology events, including TECHgium® and TechExpression®, and a portfolio of 650 patents

Multi-vertical industry expertise

Our deep domain expertise across industries gives us a competitive advantage, helping us win important projects in each of the verticals

Crosspoll!nnovation

Our in-depth knowledge of multiple industries allows us to transfer and leverage new technologies across verticals, addressing a range of complex business challenges
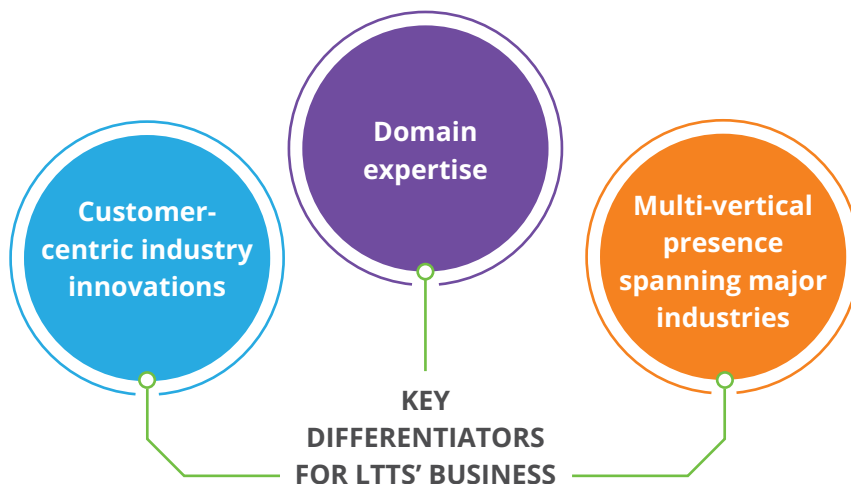
LTTS AT A GLANCE

L&T Technology Services Limited (LTTS) is a leading global pure-play Engineering Research & Development (ER&D) services company. It offers consultancy, design, development and testing services across the product and process development life cycle.

Listed on BSE and NSE, LTTS is a subsidiary of Larsen & Toubro Limited (L&T). As India's No. 1 pure-play engineering and technology services provider, the Company offers services and solutions in the areas of product software, mechanical and manufacturing engineering, embedded systems, engineering analytics and plant engineering.

Our customer base includes 69 Fortune 500 companies and 53 of the world's top ER&D companies across five business verticals – Transportation, Telecom & Hi-tech, Industrial Products, Plant Engineering, Medical Devices. Our business proposition in each of these areas is driven by a strong sustainability ethos.

Our technologists work with global firms to offer smart solutions & services that can accelerate new product development, facilitate remote asset management, and enable virtual Product Design & Prototyping.

Domain expertise

Customer-centric industry innovations

Multi-vertical presence spanning major industries

KEY DIFFERENTIATORS FOR LTTS' BUSINESS

Living and Breathing Sustainable Engineering

REVENUE IN FY21
USD 737 million
₹ 5,450 crore

GLOBAL PRESENCE
25 countries

EMPLOYEES
16,000+

GLOBAL CLIENTS
300+

INNOVATION LABS
69

PATENTS
650

STRONG LINEAGE

LTTS is a subsidiary of Larsen & Toubro Limited, a USD 21 billion Indian conglomerate operating in over 30 countries. The Company has benefited immensely from its parent organization's engineering heritage of over eight decades, spanning multiple domains and disciplines. LTTS' ability to leverage this engineering expertise and cross-pollinate technologies from one segment to another has been the defining factor in helping us maintain our leadership position across all the five industry segments that we are active in.

LTTS is a part of the L&T Group's strategic mission to leverage the power of digitization and technology, and enable real transformation across critical sectors including Healthcare, Industrials, Telecommunication & Hi-Tech and Transportation. Several of our digital frameworks, like the smart campus framework i-BEMS, have been deployed at some of the L&T sites and campuses. Our deep engineering heritage, derived from the L&T DNA, is helping shape a sustainable future for engineering services.

ENGINEERING SUSTAINABILITY ACROSS KEY INDUSTRIES

Our offerings in each of the five verticals of our presence are marked by world-class Engineering Research and Development (ER&D) services and digitalization solutions, founded on a robust sustainability focus.

TRANSPORTATION

TELECOM & HI-TECH

INDUSTRIAL PRODUCTS

PLANT ENGINEERING

MEDICAL DEVICES

OUR BUSINESS VERTICALS
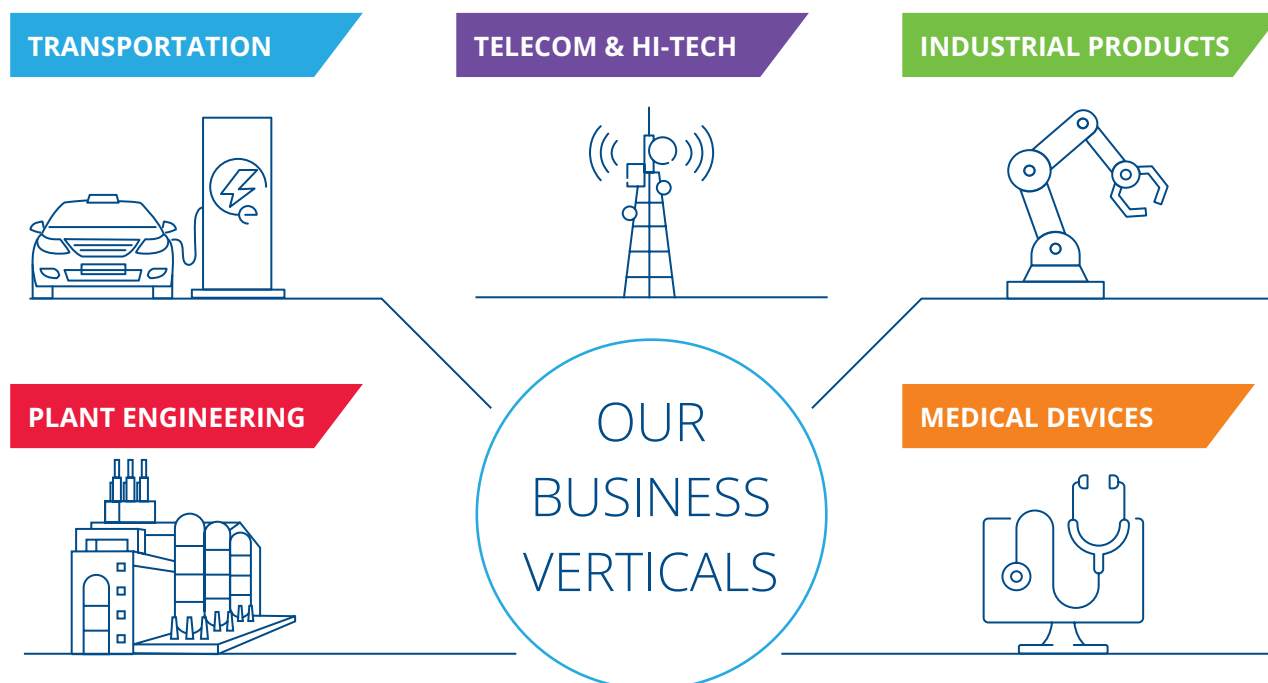
DRIVING SUSTAINABLE TRANSPORTATION

At LTTS, we are actively involved in the future of mobility through green solutions that embrace the latest technology trends, thus balancing the current and future needs in transportation.

TECHNOLOGY TRENDS

- Electric Vehicles (EVs)
- Advanced Driver Assistance System (ADAS)
- Autonomous Drive (AD)

TECHNOLOGY INVESTMENTS

- EV Lab in Bengaluru
- Dublin Design Center for automotive product design and solutions
- Rockford Design Center for the Aerospace industry
- Munich Center of Excellence for automotive hardware development

CUSTOMER SUCCESS

- For a leading European automotive customer, LTTS is setting up a telematics lab for next-generation automotive vehicles
- LTTS is building a real-time technology framework for a European automotive components manufacturer to simulate controller design of its ePowertrain systems

Our global customers in this business vertical include top OEMs (original equipment manufacturers) and Tier 1 suppliers across the Automotive, Trucks & Off-Highway Vehicles and Aerospace sectors.

We offer our clients a wide range of transportation engineering services to help them achieve their go-to-market objectives. Our global expertise in this domain vertical encompasses telematics, in-vehicle infotainment, ePowertrain, and end-to-end design and development of automotive components.

SUPPORTING SUSTAINABLE TELECOM AND HI-TECH GROWTH

At the core of LTTS' offerings in the Telecom and Hi-Tech vertical is a concerted focus towards leveraging technology trends that support sustainable business growth. With global telecom majors attempting to connect the world sustainably, we are sequentially scaling our investments in sustainable solutions to partner them in their journey.

TECHNOLOGY TRENDS

- Voice-as-a-Service
- 5G
- DevOps
- ASIC Design
- VLSI IP
- Cloud Engineering
- OTT

TECHNOLOGY INVESTMENTS

- Santa Clara ASIC Design House
- RF Lab, 5G and Telco Cloud Engineering Lab
- Security Centre of Excellence for Telecom and Hi-Tech, Jerusalem
- Voice-as-a-Service Integration Lab

CUSTOMER SUCCESS

- Technology and innovation partner for a global telecommunications firm covering 5G and end-to-end engineering services
- Dedicated engineering analytics lab to support a global client's new line of server platforms
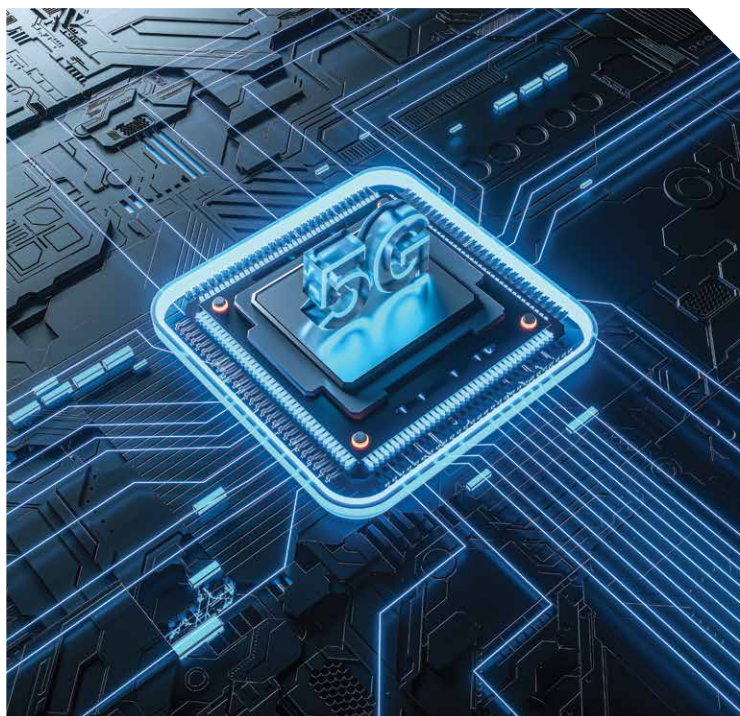
Our engineering services and solutions in this vertical encompass five key segments: Telecom, Consumer Electronics, Semiconductor, ISV, and Media and Entertainment. As a leader in this space, we help our customers engineer value across the product lifecycle: from design conceptualization to the deployment of products and services.

Our team of experts works across the value chain to provide digital services and solutions for Communications Service Providers, Networking and Technology System Operators, OEMs and Chipset Makers.

BUILDING A SUSTAINABLE INDUSTRIAL BASE

LTTS believes that sustainable industrial development is a key pillar for ensuring environmental protection and driving economic growth. Led by this belief, we remain committed to partnering our customers in the Industrial vertical for driving business success in a smarter and greener way.

TECHNOLOGY TRENDS

- Digital Twins
- Sustainability
- Product Ruggedization
- Smart Campus

TECHNOLOGY INVESTMENTS

- Peoria Center of Excellence for industrial product design
- Think Studio for new product design and development
- Power Electronics Design Lab
- Equipment Testing Lab
- Digital PLM Design Center

CUSTOMER SUCCESS

- Key partner for driving digitalization initiatives for a Swiss elevator and walkway manufacturer
- Established a dedicated Global Engineering Hub to power a leading wind turbine manufacturer's worldwide product roadmap

We support our global customers across industries, such as Building Automation, Power & Utilities, Machinery and Test & Measurement, through services in the areas of product, digital and value engineering.

Our Industrial and Consumer Products practice spans the entire value chain - from design, development and deployment to monitoring, testing and automation of processes, products and solutions. The key areas of our customer engagement in this vertical relate to product development, customization and product ruggedization, mobility enhancement for cloud services, IoT device integration, enterprise applications and DevOps.

TOWARDS A SUSTAINABLE FUTURE IN PLANT ENGINEERING

The LTTS sustainability value proposition in the area of Plant Engineering encompasses early adoption and implementation of the latest technology trends across industries. Reducing the environmental footprint for global manufacturers is a key priority of our sustainability agenda, and we continue to make targeted investments in this direction.

TECHNOLOGY TRENDS

- Digital Engineering
- Contactless Manufacturing
- Laser Scanning
- Low-cost Automation

TECHNOLOGY INVESTMENTS

- High-Value Engineering Center
- AR/VR Innovation Hub
- Integrated 3D Plant Digitization CoE
- Smart Manufacturing Lab

CUSTOMER SUCCESS

- Digital twin modeling for a chemicals and plastics major across 20+ sites in North America
- 3D modeling and digital twin services for a global oil and gas company across its worldwide asset portfolio

Leveraging its world-class expertise in engineering, procurement, and construction management, LTTS is involved in every phase of a manufacturer's plant lifecycle – from conceptualization to commissioning. Our Plant Engineering business vertical caters to diverse industries, including Consumer Packaged Goods, Chemicals and Energy & Utilities.

We follow a consulting-led approach to offer state-of-the-art digital solutions that help customers upgrade/integrate their legacy systems to smart platforms for better synergy. LTTS has created a strong market differentiation with its high-end solutions for efficient, safe and sustainable production facilities, helping clients improve overall plant productivity and ensuring continued business success.

GIVING MEDICAL DEVICES THE SUSTAINABLE EDGE

With medical devices being no exception to the growing need for sustainable manufacturing practices, we, at LTTS, have committed ourselves to staying abreast with the latest trends that can help bring quality and timely healthcare to our customers' doorsteps.

TECHNOLOGY TRENDS

- Telehealth
- Digital Front Door
- Servitization
- In-Vitro Diagnostics
- MIoT

TECHNOLOGY INVESTMENTS

- Microscopy Lab
- Imaging Lab
- Security Centre of Excellence for Medical Devices Industry, Jerusalem
- R&D for Endo-trainer Kit and ChestrAI™

CUSTOMER SUCCESS

- Design, development and global launch of a new blood cell counter for a leading medical electronics equipment manufacturer
- Product design enhancement and support for a major medical device manufacturer's surgeon console and robotic arm subsystems

In this fast-growing business vertical, we help medical OEMs worldwide, to speed up product development cycles and shorten time-to-market. We are working with several global medical devices and healthcare leaders on innovative and effective solutions that deliver remote medical care, in-vitro diagnostics, patient mobility services, home healthcare and Medical Internet of Things (MIoT).
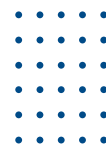
FOUNDER CHAIRMAN'S MESSAGE

Mr. A. M. Naik
Founder Chairman

> Led by the twin engines of sustained R&D focus and a culture that encourages innovative and out-of-the-box thinking, LTTS offers a wide canvas of engineering solutions and offerings.

Dear Stakeholders,

At the outset, congratulations to L&T Technology Services (LTTS) on its first Sustainability Report. I believe that sustainability is the single biggest contributing factor to the long-term success of an organization, and governs its engagements with the environment and the community. Nearly a decade and half ago, I had released L&T's maiden Sustainability Report – the first company in the engineering & construction space in India to publicly disclose its sustainability performance. I am happy to see LTTS continuing the trend and reaffirming its commitment to the responsibilities of a good corporate citizen.

TECHNOLOGY FOR A SUSTAINABLE FUTURE

LTTS' engineers have demonstrated how technology can be leveraged to drive the 'power to do good'. The Company has played its part in propelling recovery in the ER&D services sector and is sharply focused on innovation and cutting-edge R&D. Among the many projects we have undertaken in this space is helping build the world's smartest office campus in Israel.

The Company is also actively promoting socio-economic rejuvenation through targeted CSR intervention measures such as focused skill development programs for the youth, rural solar electrification projects to benefit tribal communities near Mysuru, Karnataka and plastic waste recycling projects at Vadodara, Gujarat.

LTTS has also been building on its sustainability quotient by driving innovations in electric vehicles (EVs), water and waste management, supply chains and other measures for enhancing the green portfolio of our clients.

SAFETY & WELL-BEING

Our top priority has always been to ensure the safety and well-being of people. We have helped to organize vaccination drives, provided comprehensive insurance support and set up well-equipped isolation centers. Our online counseling services have helped many in their hour of need and boosted morale. We acknowledge the wholehearted support of our employees and their families in these confidence-building measures.

LTTS remains committed to maintaining the high standards of governance that L&T as a Group has set. Our ESG initiatives are built on the pillars of transparency, accountability, responsibility, compliance and trust. We continue to drive an ethically progressive and reliable business model, robust enough to meet emerging challenges.

PRODUCTIVE GROWTH JOURNEY

Notwithstanding the turbulence in recent times, we have managed to retain our growth trajectory, by remaining in sync with evolving global realities. LTTS' team of engineers has repeatedly demonstrated a high order of technical and executional expertise.

We are also actively involved in a new engagement to assist the electric vehicle aspirations of a leading U.S. tier 1 automotive company.

As LTTS embraces sustainability, and integrates it into its strategic goals, I am confident that the Company will accelerate its productive growth journey.

This Report highlights different facets of our sustainability performance across the last year. As always, we welcome your inputs and comments on our efforts.

A. M. Naik
Founder Chairman
L&T Technology Services Limited

CEO & MANAGING DIRECTOR'S MESSAGE

Mr. Amit Chadha
CEO & MD

> LTTS stands committed to a greener, cleaner and prosperous future, driven by the triple bottom line approach with equal importance towards people, profits, and the planet. I feel that this will help us build and deliver on our ethos of profitable, sustainable, and inclusive growth.

Dear Stakeholders,

It gives me great pleasure to present our first Sustainability Report, aligned to the internationally recognized ESG framework of GRI Standards. Through this report, we endeavor to showcase our commitment towards mitigating the effects of climate change and social inequities.

The previous financial year was unprecedented in its impact. However, I am happy to note that even though the pandemic disrupted the way we live and work, Team LTTS has demonstrated remarkable resilience throughout, driving a robust growth journey that will define our approach to the 'new normal'.

LTTS also focused on creating, refining, and committing to its sustainability roadmap in order to help its global clientele in sustainable product design and enabling them to realize their carbon neutrality goals. We recently restated our Vision as: 'Engineering a sustainable tomorrow through technology and innovation' – underscoring the cultural transformation underway across the organization.

The renewed approach is driven by a twin-engine paradigm – achieving carbon neutral operations by 2030. We are working with some of the leading global businesses in enabling their sustainability journey through innovative product design, smart manufacturing operations and product consulting services – helping build a greener and cleaner future.

With 90% of our top 10 customers committed to carbon neutrality, and 70% focusing on decarbonization, our investments today are increasingly aimed at promoting sustainability across various industries. Some of these focus areas include creating a 100% renewable energy powered EV charging infrastructure, state-of-the-art material testing centers, a smart water management solution, and a smart digital manager for energy management solutions.

In addition, we are also driving an in-depth certification program for trained sustainability consultants in partnership with some of the leading global names in academia.

LTTS stands committed to a greener, cleaner and prosperous future, driven by the triple bottom line approach with equal importance towards people, profits, and the planet. I feel that this will help us build and deliver on our ethos of profitable, sustainable, and inclusive growth.

CARING FOR OUR PEOPLE

The pandemic enforced many changes in our operations, with the employees having to adopt Work From Home. LTTS indigenously conceptualized a proprietary certification program - 'Omni Opus - WFX Certified Professional', to equip our employees for effectively managing projects delivered

remotely in a hybrid model. Supporting this vision of 'People-First' are a series of innovation-driven training and mentoring platforms incubated within the Company, which offer a level playing field for high potential employees irrespective of rank, gender or hierarchy.

The Global Engineering Academy (GEA), established in the previous year, has delivered, in its first year of operations, a successful track record in giving engineers the right platform to learn and develop the skills needed to grow their knowledge, advance their careers, and play a lasting role in the Company's success.

Through the WINGS program – a gender and inclusivity framework, we are also focusing on making gender diversity and inclusion a reality by incorporating it in several stages of the workplace life cycle – from recruitment to development and retention.

ECONOMIC SUSTAINABILITY

The resilience of our engineers led to LTTS winning significant deals even after the pandemic started spreading, reflecting the inherent soundness of our business model. Leveraging our competence in e-mobility, we won multiple orders from a leading U.S. Tier 1 automotive company over the last 9 months, to provide engineering services for its electric vehicle (EV) product portfolio and develop scalable e-mobility solutions. LTTS is also selected as a Consulting and Professional Services provider to support Amazon Alexa Voice Service (AVS) integration – underscoring our engineering expertise in the connected devices space, spanning multiple domains and industries worldwide.

Our performance continues to reflect strong fundamentals. Over the last four years, LTTS has grown annual revenues at a CAGR of 11% to reach USD 737 million in FY21. The Company's EBIT margin stood at 14.5% in FY21, while PAT came in at ₹ 6,633 million.

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To stay relevant in the marketplace for the coming years, we have identified six strategic investment areas, including EACV, 5G, MedTech, Digital Manufacturing, AI&ML driven smart offerings, and Sustainability, which will help us drive scale and enable our engineers to stay ahead of the curve.

DRIVING SOCIAL AND ENVIRONMENTAL SUSTAINABILITY FOR A BRIGHTER FUTURE

LTTS has aligned its sustainability goals with that of the L&T Group – minimize environmental impact, maximize social outreach, and offer sustainable solutions. Our focus is on addressing the key material issues of energy, emissions, water, and waste management, while driving social transformation.

In 2021, we pledged our intent to set a science-based target on carbon emission reductions in line with the SBTi's criteria. A company-wide exercise was undertaken to formulate a sustainability roadmap

as we commit to global action on reversing climate change in close collaboration with our customers, employees, and other stakeholders.

CSR engagements are a fundamental pillar through which we are engineering social co-prosperity across India. Our focus is on collaborating with communities, institutions, and NGOs to promote areas like skill development, water and sanitation awareness, and health and education with the aim to 'Build India's Social Infrastructure'.

In FY21, we have had a direct and positive impact on 32,000 lives through our UN SDG aligned initiatives. The Company has provided solar lighting to the tribal communities near Mysuru, Karnataka. We helped in the development of sustainable cities by developing a 35,000 sq. ft of sustainable oases in Bengaluru and Vadodara, besides offering technology solutions for targeted skill building initiatives.

LOOKING AHEAD

We are committed to making sustainability an integral part of our ecosystem and help define the journey for our customers and stakeholders.

The Company will continue to leverage its deep capabilities around **energy transition and management, water and waste management, circular product design, digital intervention, sustainability consulting,** and **climate action** for realizing this aspiration. I remain confident that these six tracks will play a pivotal role in enabling our customers achieve their respective goals around sustainability.

We look forward to your views and suggestions to help improve our ESG performance in the days to come.

Amit Chadha
CEO & MD
L&T Technology Services Limited

LEVERAGING TECHNOLOGY TO STAY AHEAD OF THE SUSTAINABILITY CURVE

Amidst the rapidly evolving global industrial scenario, LTTS has identified six strategic areas to drive business agility. We believe that these strategic areas, which include Sustainability, will help our global customers become nimbler in this dynamic scenario. Our strategic priorities are centered around recognizing the key emerging technology trends well in advance and setting the pace for their subsequent adoption.

OUR BIG SIX STRATEGIC AREAS

1

ELECTRIC AUTONOMOUS CONNECTED VEHICLES (EACVs)

The EACV revolution is speeding up, with product lifecycle management playing a pivotal role in this area. By streamlining the process of product design and managing relationships with OEMs, the latest developments in the industry can be leveraged for optimum results. The EACV trend plays a crucial role in driving mobility innovation with the help of safe, efficient and durable future solutions.

2

5G

The fifth generation of telecom services aspires to ensure that services based on advanced technologies, such as Augmented Reality (AR) or Virtual Reality (VR), become easily available anywhere, anytime. Some of the unique services expected from 5G include gigabit connections, ultra-low latency and widespread IoT connection. Initiatives in this area will become increasingly important, especially for workforce automation, on a global scale.

3

DIGITAL MANUFACTURING

The human-and-machine communication ecosystem of Industry 4.0 has enabled manufacturers to increase operational visibility, reduce costs, optimize production time, and deliver exceptional customer support. Manufacturers operating in the new normal scenario need remote technologies to assist operations on the shop floor, thus unleashing novel opportunities for engineering and technology firms.

4

MEDTECH

To ensure speed, convenience and better care for patients, modern healthcare providers will heavily lean on digital tools to strengthen their delivery models. Digital connectivity will play an essential role in ensuring health and well-being for all. Healthcare providers will strengthen partnerships with engineering and technology companies to offer remote solutions for the benefit of patients.

5

AI & ML DRIVEN SMART OFFERINGS

Artificial Intelligence (AI) is the brain behind the technologies that are changing how we live, work and play. Repetitive and labor-intensive operations can benefit from AI-powered automation, leading to increased uptime and standardized output. The use of Machine Learning (ML) is also increasing rapidly as organizations adopt smart systems for better service delivery and higher production efficiency.

6

SUSTAINABILITY

The concept of sustainability, emerging increasingly as the core of business strategies in the modern era, hinges on minimizing resource consumption, managing waste, and mitigating the overall environmental impact. Organizations looking to increase competitiveness and maintain stakeholder goodwill are paying attention to the proactive implementation of sustainable practices, such as measuring emissions and energy use, and then devising the best methods of shrinking the carbon footprint of each business function - from procurement to manufacturing to warehousing.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

Mr. Abhishek Sinha
COO & Whole Time Director

"In recent times, we have seen a seismic shift in the needs and demands of all our stakeholders. In the pursuit of achieving the Company's goals and stakeholder expectations, our operations have evolved efficiently. Being a technology services organization, we live and breathe technology and innovation. We have performed well in our operations especially in our utilization ratios, C&B costs, rise in investments in innovation labs, patents and customer satisfaction.

Our sustainable operational framework is founded on 4 key tenets, viz., celebrating technology every day, excel and obsess on customer delivery excellence, belief in nurturing our ever-evolving talent demographics and investing in cognitive systems. These tenets help us remain relevant and flourish in today's world. We believe that we are primed for the next big leap by focusing on the six strategic big bets, viz. EACV's, 5G, Digital manufacturing, MedTech, AI/ML and Sustainability. Our recent large deal wins showcase our conviction in this aspect. We are of firm belief that carbon neutrality and preserving resources for the future generations is extremely important for a sustainable growth. Towards this, our sustainability offerings in green product compliance, renewable and energy management, light weighting, zero discharge and green sourcing have an exponential growth potential."

– Mr. Abhishek Sinha, COO and Whole Time Director

POWERING SUSTAINABILITY THROUGH STAKEHOLDER ENGAGEMENT

The LTTS success story, be it across business operations or its sustainability agenda, derives from the collective and individual contribution of its external and internal stakeholders. Sustained value creation for the stakeholders is a key priority for the Company.

Being dedicated to the highest standards of ethics and transparency, we have mapped and prioritized significant material issues that have potential to further enhance value for our stakeholders. We have internalized the process of listening to our stakeholders and procuring their feedback by creating a comprehensive mechanism. This, in turn, will help us improve our understanding of their needs and aspirations, and enable us to expand our business horizons to improve our non-financial performance. The frequency of engagement with our stakeholders is based on need-based timelines.

While this is our first Sustainability Report, we have already taken several significant steps towards driving stakeholder engagements worldwide.

Stakeholders	Significance to Business	Engagement Mode
Employees	• Key Assets in delivering operational capabilities • Deliver business goals and targets	• Multiple forums • Transparent Performance Management Systems • Welfare initiatives for the employees • Internal circulars to update about the organizational development/changes in the organization structure • Career development initiatives for all employees • In-house Magazines and CSR programs involving employees

Stakeholders	Significance to Business	Engagement Mode
Communities	• Social Responsibility • Corporate Reputation	• Communities / Group meetings • Annual CSR Report • Collaboration and partnerships with NGOs, academic institutions, rural development organizations
Customers	• Key Stakeholders for Business Growth and Profitability	• Customer Satisfaction Surveys • Regular business interactions • Customer Experience Centers
Partners and Suppliers	• Facilitators for Business Solutions/ Services • Business Growth Partnerships	• Supplier Code of Conduct • Business meetings and interactions • Feedback and Supplier reviews
Regulators/ Government	• Provide regulatory framework (taxation, licensing, infrastructure, economic playing field) for growth • Partnerships across development initiatives	• Press Releases • Quarterly Results • Annual Reports • Annual CSR Reports • Partnerships in CSR developmental programs
Investors and Shareholders	• Financial sustainability • Provide critical assessment of management competencies • Influence business valuations • Influence mitigation of key risks • Market trends	• Regular updates and investor meetings • AGMs • Annual Reports • Quarterly Investor Releases • Dedicated investor contact channels • Press Releases • Annual CSR Report

MAPPING OUR ESG PROGRESS TO MATERIAL TOPICS

We have followed the GRI Standards process to identify key material topics, based on the significant economic, social and environmental impacts that were of prime significance to our stakeholders and our growth plans. We have relied on various communication channels to connect to our stakeholders, as part of our continuous improvement process, across various teams and departments. Coupled with the expertise and unique perspectives of our senior leadership across key departments, we have used the inputs derived from these channels to prepare a list of material issues of importance to various stakeholders.

Our Materiality Assessment Process:

Business Perspective

- **Defining the Materiality process using GRI framework and other ESG frameworks**
- **Analysis of key risks and issues relevant to the Industry and the Company**
- **Selection of topics influencing or impacting to business and stakeholder concerns**

Stakeholder Identification

- **Identifying key economic, environmental and social concerns of prime stakeholders that significantly influence their assessments or decisions**
- **Local community interaction**

Materiality Assessment

- **Prioritization of issues with top management and internal stakeholders of the Company**
- **Prioritization based on importance of issues to both business sustainability and stakeholder influence**

As part of the process, we have also ensured that the prioritized material topics are relevant to the global business outlook, as well as the changing stakeholder perceptions.

The prioritized material topics reviewed and approved by the senior leadership of LTTS as follows:

ENVIRONMENTAL FOOTPRINT	SOCIAL RESPONSIBILITY	ECONOMIC VALUE & CORPORATE GOVERNANCE	CUSTOMER VALUE
Energy consumption	**Employees** Diversity & inclusion Talent management Training and upskilling Employee health & well-being	**Economic performance**	**Service quality & delivery**
Climate change and GHG impact		**New business opportunities**	**Customer satisfaction**
Water consumption	**Community Development** STEM education for disadvantaged communities Community empowerment	**Business ethics & anti-corruption**	**Data privacy & security**
Waste processing		**Business innovation & digitization**	

MEMBERSHIPS AND ASSOCIATIONS

The Company actively participates in various industry forums, and engages with professional bodies to take part in proactive dialogue in order to strengthen its understanding of policies and expectations of various stakeholders.

- Member of the India Electronics & Semiconductor Association (IESA)
- Member of the NASSCOM ER&D Council that seeks to create an eco-system of collaboration and innovation that will propel India's burgeoning ER&D sector into the next phase of growth
- Member of the Confederation of Indian Industry (CII)
- Collaboration with the IEEE (Institute of Electrical and Electronics Engineers) and participation in events organized by the technology body
- Ongoing relationship with FICCI for various measures to promote trade & commerce

We collaborate actively with leading industry bodies worldwide to promote innovation and engineering excellence in the industry and scientific communities. Our senior leadership team offers its expertise and insights during public policy formulation.

LTTS thought leaders are also helping achieve regulatory compliances across passenger safety, autonomous drive, and electrification through ISO 26262 - the global standard which classifies safety integrity levels based on severity of the fault. In addition, we assist automotive manufacturers in reducing the cost and time required for ISO 26262 compliance.

We have also assisted OEMs and Tier 1 suppliers in achieving functional/process safety compliance, while helping them in the development and improvement of software-intensive products.

AWARDS AND INDUSTRY RECOGNITION

Our sustainability-led business philosophy has been recognized and endorsed by leading industry bodies and other organizations. This is evidenced in the various awards and recognitions we have received through the year.

- Stevie 17th International Business Awards: **Brand Experience of the Year (Gold)**

- Stevie 17th International Business Awards: **Most Innovative Tech Company of the Year (Silver)**

- Stevie 17th International Business Awards: **Most Exemplary Employer** (Silver – COVID Response Category)

- Stevie 5th Great Employer Awards: **Most Innovative Workplace Redesign** (Silver – COVID Response Category)

- LTTS won the **SHRM HR Excellence Awards 2020**

- LTTS has been **'Highly Commended'** by 2020 Transform Awards Nordics in the Brand Evolution Category

- LTTS awarded with the **Financial Express BrandWagon Ace Awards 2020** for Best Workplace Practices

- LTTS' Chest rAI & i-BEMS digital solutions have been recognized with the 2021 **BIG Innovation Awards** in the **'Product'** category

- Recognized as one of the '**Most Admired Brands**' in Indian ICT Industry for the year 2020 by VARINDIA

- LTTS wins India Digital Enabler Awards 2020 in **'Best Technology for Healthcare'**

- Brandon Hall HCM Excellence Award for Excellence in **Best Advance in Talent Acquisition Process**

- LTTS' i-BEMS™ framework was the recipient of Frost & Sullivan's Customer Value Leadership Award for **Global Smart Building Optimization & Experience Management**

- LTTS won the Golden Bridge Awards in **North America for Exceptional HR Program**

- LTTS recognized as **Top Performer** by Government of India's STPI

- LTTS honored with the **'Company of the Year'** in the Best Medical Devices Equipment category by CIMS Medica for three-part hematology analyzer

- Confederation of Indian Industry (CII) honored LTTS with the **HR Excellence Awards 2020**

- For its Solar Electrification tribal village project, LTTS was conferred with the **Mahatma Award for CSR Excellence**

- LTTS conferred with **TechCircle Business Transformation** Award 2020

LEADING THE LTTS SUSTAINABILITY JOURNEY

As a responsible corporate, we have committed ourselves to doing business in an ethical and transparent manner that will promote a better life, for now and in the future, while complying with the existing legal framework. We believe in governing the organization in a way that promotes sustainability by adhering strictly to laws that promote sustainable behavior and practices.

GOVERNANCE & ETHICS FRAMEWORK

Our corporate governance framework reflects the LTTS value system and culture. In line with our parent L&T Group philosophy, we firmly believe in adhering to good corporate governance practices and values based on transparency, integrity, professionalism and accountability.

- We have adopted a consolidated Code of Conduct, wherein Part A is for its employees including the Managing Director and the Executive Directors, and Part B is for members of the Board and the Senior Management.

- We have also adopted a Code of Conduct for our Non-Executive Directors, which includes a Code of Conduct for Independent Directors.

- Further, to strengthen the corporate governance culture within the Company, we have initiated a training and awareness program on Corporate Governance and related policies for our employees. As part of the Director's familiarization program, we facilitate training programs, including seminars and conferences, that help in enhancing the role of independent directors.

Our policy is to have an appropriate mix of Executive, Non-Executive & Independent Directors. As on March 31, 2021, the Board comprises 10 Directors, of whom 3 are Executive Directors, 2 Non-Executive Directors and 5 are Independent Directors, including one woman director. The Board is chaired by Mr. A. M. Naik, Non-Executive Chairman.

The Company has a strong legacy of fair, transparent and ethical governance practices. Our Board of Directors, along with the various responsible organization-level committees, possess significant experience, diverse skills and deep expertise, spanning industries. This enables them to provide the requisite leadership and guidance to the senior management team, and to effectively direct, supervise and closely monitor the performance of the Company.

PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND DIRECTORS

The Nomination and Remuneration Committee, as well as the Board, have laid down the manner in which formal annual evaluation of the performance of the Board, Committees, Chairman and Individual Directors has to be made. All Directors responded through a structured questionnaire, giving feedback about the performance of the Board, its Committees, Individual Directors and the Chairman. The Company had engaged an external agency to facilitate the process of annual evaluation of the performance of the Board, the Committees, the Chairman and the Individual Directors. The said external agency was responsible for receiving the responses from the Directors, for consolidating and analyzing their responses, and presenting the same to the Chairman of the Nomination and Remuneration Committee. The external agency used its IT platform for the entire Board evaluation process, right from initiation till conclusion, in order to ensure that the entire process is done in a confidential, transparent and independent manner, without the involvement of the Management or the Company's IT system, to ensure an unbiased feedback. The questionnaires cover the Board's composition, its structure, its culture, its effectiveness, its functioning, information availability, adequate discussions etc. These questionnaires also cover specific criteria and the grounds on which all directors, in their individual capacity, will be evaluated. Evaluation of Independent Directors was done by the Board, including assessment of their performance and their independence of management.

The Board Performance Evaluation activity was discussed in the Independent Directors Meeting held on April 30, 2021; this included areas of improvement for the Directors, Board processes and related issues, for enhanced Board effectiveness. The performance evaluation of the Board, its Committees, Chairman and Directors was also reviewed by the Nomination and Remuneration Committee and the Board of Directors, in their meetings held on May 3, 2021, which showcased the strengths of the Board, and areas of improvement that had taken place in comparison to the evaluation findings of FY20. The observations made during FY20 were acted upon appropriately. Overall, the Board expressed its satisfaction on the performance evaluation process, as well as performance of Chairman, Directors, Committees and Board as a whole.

OUR BOARD OF DIRECTORS

Mr. A. M. Naik
Founder Chairman

Mr. A. M. Naik is the Founder Chairman of LTTS. He is also the Chairman of the L&T Group of Companies – the Group that he has served for over five decades and led for the last two. Mr. Naik is credited with initiating the process of articulating a new vision for the Company, with unprecedented weightage for IT and IT-related technology services. He is the architect of a transformation that saw the organization restructure its portfolio, focusing on carefully curated business lines, accelerating the pace of growth, and boosting shareholder value many times over. In recognition of his role in propagating the development of technical and vocational skills, the Government of India appointed Mr. Naik as Chairman of the National Skill Development Corporation. He is the recipient of some of the most prestigious national and international awards, and has won recognition from academia and professional associations as well as the media for his leadership, engineering expertise and financial acumen. He has also been honored for his contribution to society and community in the critical sectors of healthcare, education and skill-building. Awards won by Mr. Naik include the nation's highest civilian honors – the 'Padma Vibhushan' and the 'Padma Bhushan', and the highest award from the state of Gujarat – the 'Gujarat Garima'. He has been named 'Business Leader of the Year' by The Economic Times, 'Asia Business Leader' by the TV channel CNBC Asia, and 'Business Leader of the Year (Building India)' by NDTV Profit. He is the Hon. Consul General for Denmark in Mumbai, and was honored as a 'Knight of the Order of the Dannebrog', followed by a further honor, 'Order of the Dannebrog Knight 1st Class', by Queen Margrethe of Denmark.

Mr. S. N. Subrahmanyan
Vice-Chairman

Mr. S.N. Subrahmanyan is Vice Chairman of LTTS, as well as the Chief Executive Officer and Managing Director of Larsen & Toubro Limited. In addition, he is Vice Chairman on the Board of Larsen & Toubro Infotech Limited and Non-Executive Chairman of L&T Metro Rail (Hyderabad) Limited. Mr. Subrahmanyan, or SNS as he is popularly known in industry circles, took over the reins in July 2017, having previously, as Deputy Managing Director and President, L&T, headed the construction business of the Group. At the helm, SNS leads the varied businesses of L&T to chart a new growth trajectory, leveraging the potential of digitalization, big data, and predictive analytics that he drives internally with consistency and meticulous planning. With a degree in civil engineering and post-graduation in business management, SNS commenced his professional journey with L&T in 1984 as a project planning engineer. He was largely responsible for establishing L&T as a significant EPC player in the Middle East, Africa and ASEAN. SNS holds positions of pre-eminence on various industry bodies, construction institutions and councils. Recognized as the 'Contractor CEO of the Year' at the Qatar Contractors Forum & Awards function in 2014 in Doha, SNS was ranked 36th in the '2014 Construction Week Power 100', and accorded the Leading Engineering Personality award at the event 'Glimpses of Engineering Personalities' by the Institution of Engineers (India). The Construction Week magazine honored him as the 'Infrastructure Person of the Year – 2012'. SNS has been conferred the Emergent CEO Award at the CEO Awards 2019 for his exemplary leadership and delivering seamless growth for L&T, and recognized as the CEO of the Year by leading Indian news channel, CNBC-Awaaz in 2020.

Mr. Amit Chadha
Chief Executive Officer &
Managing Director

Mr. Amit Chadha is the Chief Executive Officer & Managing Director of LTTS, responsible for providing business and technology leadership, market direction and strategic vision to drive the Company's performance. Mr. Chadha was previously Deputy CEO & Whole Time Director, running the gamut of business operations, delivery, and sales and marketing at LTTS, and preparing the technology roadmap for the Company's future. Mr. Chadha led LTTS' executive management team that oversaw the organization's business and strategy implementation. Mr. Chadha has always been passionate about helping global R&D customers and Fortune 500 companies leverage LTTS' digital engineering offerings for their strategic differentiation and product development. He joined LTTS in 2009 as the Business Head of Americas. Over the years, he has progressively taken on increased responsibility for the Company's business worldwide, and helped in its growth, both organically and via acquisitions. As a core member of the LTTS leadership team, Mr. Chadha was instrumental in driving the Company through a high-profile Initial Public Offering (IPO) in India and successfully listing it on the National Stock Exchange and the Bombay Stock Exchange. Mr. Chadha's career, which spans over two decades in core engineering and information technology outsourcing, is marked with significant achievements. He has managed P&L for multiple business units, spearheaded organization-wide strategic initiatives, and led business development and relationship management activities worldwide. Mr. Chadha is an electrical and electronics engineer who has done his Global Business Leadership Executive Program with Harvard Business School Publishing. He has also done an Advanced Management Program in Business Leadership from INSEAD, France. Mr. Chadha is currently based in Washington DC.

Mr. Abhishek Sinha
Chief Operating Officer and
Whole-Time Director

Mr. Abhishek Sinha is the Chief Operating Officer (COO) and Whole Time Director at LTTS, focusing on quality, cost-efficient delivery, and client and employee satisfaction. Key vertical and horizontal functions roll up to him. A professional with over two decades of industry experience, Mr. Abhishek has a demonstrated track record in Business Leadership in both Engineering and Enterprise Software areas. His key strengths are making the business competitive through strategy formulation and execution, operational excellence, and talent leadership. Clients, peers, senior leaders and the team respect him for his commitment to driving results and transforming concepts to reality. Prior to joining LTTS, Mr. Abhishek was the Chief Operations & Personnel Officer and Executive Board Member at KPIT, where he was responsible for laying out the operational framework and operational governance of all businesses within KPIT to help in achieving profitable growth. In the past, Mr. Abhishek was the Vice President and Global Head for Product Engineering Services (PES) at KPIT. After graduating in engineering from the Banaras Hindu University (now IIT-BHU), Mr. Abhishek joined Infosys in 1993 and worked there till 2013. During his tenure and leadership, the ER&D business at Infosys witnessed one of the fastest growth periods for its business.

Dr. Keshab Panda
Non-Executive Director

Dr. Panda is a Non-Executive Director on the Board of LTTS. He was previously the Chief Executive Officer and Managing Director of LTTS. Dr. Panda has over 31 years of global industry experience in research, conceptualizing, creating, operationalizing and turning around complex technology and engineering services businesses. During his stint as the CEO of LTTS, Dr. Panda has won numerous accolades, including being recognized as CEO of the Year by leading news channel CNBC-Awaaz as a result of his distinguished contributions to the engineering and technology sectors over the past 3 decades. He was conferred with the title of CEO of the Year by ET NOW, as well as the Business Leader of the Year Awards Committee. Dr. Panda joined the L&T Group as Chief Executive of L&T IES in 2009. After L&T IES was rechristened as L&T Technology Services in 2012, Dr. Panda was appointed as the Chief Executive; he was later appointed as the Chief Executive Officer and Managing Director of LTTS on January 21, 2016. Dr. Panda led L&T Technology Services through a high-profile Initial Public Offering (IPO) in India and successfully listed the Company on the National Stock Exchange and the Bombay Stock Exchange. He transformed LTTS into a company focused on innovation and new technology, leading CII to recognize the Company as one of the most innovative Indian companies in the Services category. Dr. Panda obtained a graduate degree in Aeronautical Engineering from Anna University, Chennai, and a postgraduate degree in Aerospace Engineering from Indian Institute of Science, Bangalore. He obtained his Doctor of Philosophy from the Indian Institute of Technology, Bombay, in Aero Servo Elasticity – (Control system fly by wire aircraft). He also holds an advanced management degree from the Aresty Institute of Executive Education, The Wharton School, University of Pennsylvania. Dr. Panda started his career as a Research Scientist in Indian Space Research Organization and worked at the Aeronautical Development Agency, Ministry of Defence, Government of India, as a scientist/engineer for over 8 years. Dr. Panda is based out of New Jersey, USA. His other previous leadership roles include President – Americas, Mahindra Satyam & Head of Europe Operations, Satyam Computer Services Limited.

Mr. Luis Miranda
Independent Director

Mr. Luis Miranda is Chairman & Co-Founder of the Indian School of Public Policy. He is also Chairman of the Centre for Civil Society and CORO and co-founder of Take Charge, a mentoring program for Catholic youth in Mumbai.

Luis, with his wife Fiona, spends his time connecting dots – leveraging their extensive networks to help organizations they are connected with. Fiona and Luis are also #LivingMyPromise signatories, where they have pledged to give away at least 50% of what they have to charity during their lives or in their wills.

Luis serves on the board of Educate Girls and SBI Foundation, is Chairman of ManipalCigna Health Insurance, and a Senior Advisor at Morgan Stanley. He is Trustee, University of Chicago Trust in India and a member of the Global Leaders Group and the Advisory Council of the Rustandy Center for Social Sector Innovation at Chicago Booth.

He has been involved in setting up two highly successful companies – HDFC Bank and IDFC Private Equity. HDFC Bank is India's most valuable bank today. Luis stepped down as CEO of IDFC Private Equity in 2010. In 2009 IDFC Private Equity was awarded Best Private Equity Firm in India by Private Equity International and Asian Infrastructure Fund Manager of the Year by Infrastructure Investor.

Luis blogs for Forbes, Thrive Global, and Spontaneous Order, and teaches at the Accelerated Development Program of Chicago Booth. He has received an MBA from the Booth School of Business at The University of Chicago, and is a member of the Institute of Chartered Accountants of India.

Note:
Mr. Luis Miranda has been appointed as Independent Director with effect from October 19, 2021. Mr. Samir T. Desai has resigned as Independent Director with effect from 26th August 2021.

Mr. Narayanan Kumar
Independent Director

Mr. Narayanan Kumar is an Independent Director of LTTS. He is the Vice Chairman of The Sanmar Group, a multinational USD 1 billion conglomerate headquartered in Chennai, India, with manufacturing facilities in India, Mexico and Egypt. The Group is engaged in key business sectors – Chemicals (including Specialty Chemicals), Engineering (Products and Steel Castings) and Shipping. He is the Honorary Consul General of Greece in Chennai. As a spokesman of industry and trade, he is a former President of Confederation of Indian Industry (CII) and has participated in other apex bodies. He is also the Chairman of the Indo-Japan Chamber of Commerce & Industry. Further, he is on the Board of various public companies and carries with him over four decades of experience in the spheres of Electronics, Telecommunications, Chemicals, Engineering, Technology, Education, Management and Finance. Mr. Narayanan Kumar has a wide range of public interests, going beyond the confines of corporate management, in areas of health, social welfare, education and sports. He is the Managing Trustee of The Indian Education Trust that runs two schools in Chennai. He is also the President of Bala Mandir Kamaraj Trust, Chairman of Madhuram Narayanan Centre for Exceptional Children, and a Trustee of WWF-India (World Wide Fund for Nature - India). Mr. Narayanan Kumar is an Electronics Engineering Graduate from Anna University, Chennai, and a fellow member of the Indian National Academy of Engineering. He is a fellow life member of The Institution of Electronics and Telecommunication Engineers and The Institute of Electrical and Electronics Engineers, Inc., New York (IEEE).

Mr. Sudip Banerjee
Independent Director

Mr. Sudip Banerjee is an Independent Director of LTTS. He obtained a graduate degree in Arts (Honors course) in Economics from University of Delhi, New Delhi. He holds a diploma in management from the All India Management Association, New Delhi. He has over 32 years of experience in the IT industry. Prior to his appointment as an Independent Director in the Company, he held the position of chief executive officer of Larsen & Toubro Infotech Limited between 2008-2011. Mr. Banerjee is also on the Board of Directors of Kesoram Industries Limited and IFB Industries Limited and has been an Operating Partner at Capital Square Partners Advisors Pte Ltd, Singapore. He is a member on the advisory board of TAPMI Business School, Jaipur. Mr. Banerjee worked with Wipro Limited ('Wipro') from 1983 to 2008, and was the President, Enterprise Solutions Division at Wipro, and also a member of the Corporate Executive Council of Wipro between 2002 and 2008. He was a member of the Executive Council of NASSCOM during 2000-2002, and again in 2009-2011. He also served as a member on the Board of Governors of Indian Institute of Information Technology, Allahabad. He was appointed as an Independent Director of the Company with effect from January 21, 2016.

Mr. R. Chandrasekaran
Independent Director

Mr. R. Chandrasekaran has had an exemplary career spanning over 34 years, in the field of Information Technology. Chandra, as he is popularly known, retired as Executive Vice Chairman of Cognizant, India in March 2019. He serves as an Independent Director on the Board of PNB Housing Finance Limited, NSEIT Limited, and Aujas Networks Limited (subsidiary of NSEIT). He is also part of Chairman's Council NASSCOM (National Association of Software and Services Companies). He holds a B.E. (Hons.) degree from R.E.C. Trichy (NITT) and an MBA from IIM Bangalore. Mr. Chandrasekaran joined Cognizant as a member of the founding team. He has been widely recognized as a significant contributor to growing the company to over 250,000 employees, USD 16 billion+ in revenue, and establishing its global delivery footprint. He started his career as an engineer with Ashok Leyland, where he spent four years. After completing his MBA from IIM Bangalore in 1985, he joined TCS, where he held positions of increasing responsibility and stature, including stints in UK and USA.

Ms. Apurva Purohit
Independent Director

Ms. Apurva Purohit is the President of the Jagran Group, one of India's largest multi-media conglomerates. With over three decades of experience in the media and entertainment industry, she leads digital, print, radio and outdoor media in the group. Ms. Purohit was responsible for creating Lodestar, one of the largest media agencies in the country today, and envisioning Times of India's entry strategy into television. She has worked on famed turnarounds like Zee TV, and is also credited with the listing of Radio City on the stock exchanges in 2017, one of the very few successful IPOs at that time. Under Ms. Purohit's leadership, Music Broadcast Ltd, the company which runs the Radio City FM network, has consistently been ranked as amongst the top 10 Best Places to Work in India and in Asia, in the Great Places to Work survey. During her tenure at Jagran, Ms. Purohit has pivoted the group from a deep-rooted reliance on its traditional print businesses to a focus on new-age emerging businesses. The strategies adopted under her tutelage, and her emphasis on excellence in implementation, have increased both the scale and the profitability of these businesses manifold. Over the last 20 years, Ms. Purohit has formed significant partnerships with private equity firms as well as promoters to build and scale up a diverse set of businesses – from early-stage fledgling businesses to setting up new ventures, and to supervising turnarounds in mature and declining organizations. She is on the Board of Mindtree Limited, Midday Infomedia Limited and BD Foundation, and is an advisor to the private equity fund Amicus Capital. She actively mentors entrepreneurs across sectors on building and scaling businesses and shaping inspirational work cultures. Ms. Purohit has won multiple business awards and has been named as one of the Most Powerful Women in Business as per Fortune India in 2018 and 2019, and India Today Group (2016, 2018 and 2019). Ms. Purohit holds a Bachelor's degree in Science (Physics) and completed her PGDM from IIM Bangalore.

THE BOARD COMMITTEES

The Board currently has five Committees - Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee.

Name of the Committee	Function
Audit Committee	• To oversee the Company's entire financial reporting process, ensure the disclosures of relevant information, and guarantee that all the financial statements are correct, sufficient and credible. • Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company. • Valuation of undertakings or assets of the Company, wherever it is necessary. • Evaluation of internal financial controls and risk management systems. • To establish and review the functioning of the whistle blower mechanism.
Stakeholders' Relationship Committee	• To review matters related to grievances of the shareholders and investors, investor complaints and their redressal, queries received from investors regarding the transfer of shares, issue of share certificates, non-receipt of Annual Report, non-receipt of declared dividends, and also ways and means to improve the investor services.
Nomination and Remuneration Committee	• To identify, review, assess and recommend to the Board the appointment of executive and non-executive directors and senior management personnel. • To formulate criteria for determining qualifications, positive attributes and independence of a director, and recommend to the Board a policy for appointment and remuneration of the directors, key managerial personnel and senior management personnel and other employees. • To formulate criteria for evaluation of performance of independent directors and the Board of Directors. • To consider and approve employee stock option schemes and to administer and supervise the same. • Devise a policy on Board diversity.

Name of the Committee	Function
Corporate Social Responsibility Committee	• To formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 including any amendments thereto. • To recommend the amount of expenditure to be incurred on the CSR activities referred to in the above clause, and to monitor the CSR policy of the Company, including instituting a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.
Risk Management Committee	• Framing, implementing, reviewing and monitoring the risk management plan for the Company. • Laying down risk assessment and minimization procedures and the procedures to inform the Board of the same. • Oversight of the risk management policy/enterprise risk management framework (identification, impact assessment, monitoring, mitigation & reporting). • Review key strategic risks at domestic/international, macro-economic & sectoral levels (including market, competition, political & reputational issues), and review significant operational risks and cyber security risks.

The Board, along with the Nomination and Remuneration Committee, has laid down the manner in which formal annual evaluation of the performance of the Board, Committees, Chairman, and individual Directors has to be made. LTTS engaged an external agency to facilitate, through their intelligence IT framework, the process of annual evaluation of the performance of the Board, Committees, Chairman and the individual Directors - right from initiation till conclusion, in order to ensure that the entire process is done in a confidential, transparent and independent manner, without the involvement of the Management or the Company's IT system, to ensure unbiased feedback.

RISK MANAGEMENT FRAMEWORK AT LTTS

The Company has a well-defined Risk Management framework for assessment, monitoring, and treatment of risks. This framework is administered by the Enterprise Risk Management organization. The year has been one of global disruption due to the impact of COVID-19. The risks faced by the Company have also been significantly impacted and in some ways magnified by the pandemic.

The need to pivot from our set processes, and be nimble enough to change and adapt to the new normal, has been challenging. Safety and health of employees has been a key concern and the Company has taken several steps to address the risks pertaining to the welfare of employees. The key risks for the Company and the mitigation plan for the same are listed below:

Key Risks	Mitigation
Impact of pandemic on key segments may continue for an extended period, and this could materially affect revenue growth and profitability. Further, there would also be certain segments that may face cyclical downturns.	• Expand presence in segments that are relatively unaffected by the pandemic. • Diversified revenue mix covering different segments and geographies to address cyclical downturn. • Cross-selling across industry segments, capitalizing on the technology expertise and capabilities developed, thereby limiting dependence on any particular industry segment.
Cyber security risks that could lead to data leakage, malware or ransom ware attacks, hacking etc. This risk also comes into focus in the context of large number of employees working from home.	• Deployment of enhanced security software and controls across the organization to further strengthen cyber security. • Strict implementation of all protocols, policies relating to Work From Home and VPN access. • Conduct of cyber security awareness campaign for all employees. • Periodic assessment of cyber security maturity and conduct of threat hunting exercises to identify gaps.
Inability to innovate and develop new services and solutions to keep up with customer expectations and evolving technologies which could result in lower growth traction.	• Continuous competency and capability building in leading edge technologies, supported by investments in labs and Centers of Excellence, prepares the Company to address changing customer requirements. • Focus on innovation and development of solutions and accelerators to reduce time-to-market for customers.
Exchange rate volatility in various currencies could materially and adversely impact results of operations.	• Long-term cash flow hedges taken to minimize the impact of exchange volatility on Net profit. • Regular evaluation of hedging policy by internal Risk Management teams to assess effectiveness.

Key Risks

Risk of inadequate protection of intellectual property rights of our customers can lead to reputational damage and litigation.

Changes in immigration laws, rules and policies can impact our ability to provide services to customers at foreign locations.

Increased attrition levels may take place in line with trends observed in the industry.

Mitigation

- Robust data security protection and controls to prevent unauthorized access and/or transfer.
- Strict physical access controls for employees across customer delivery centers and secure areas.
- Regular internal audits to comply with customer requirement of confidentiality and data protection.

- Local hiring at multiple locations abroad to reduce the dependency on work visas.
- Proactive engagement with legislative and regulatory stakeholders to improve internal processes for visa filing.

- Various measures of employee engagement and professional enrichment are being implemented to ensure that the Company maintains its attrition levels below industry benchmarks.

DOING SUSTAINABLE BUSINESS IN AN ETHICAL WAY

LTTS' legacy of engineering quality and excellence is rooted in its innate respect for human values. Respecting, promoting and protecting human rights at workplace is an absolute necessity and remains an unwavering responsibility for the organization.

Code of Conduct

Our deep-rooted cultural values, strict accountability and fairness in our business dealings, and our unwavering respect for values and equality, are defined and detailed in our institutionalized Code of Conduct (CoC).

This CoC is also supported by the following policies that endorse the L&T Group's legacy, built on ethics, transparency, intellectual integrity, dependability and disclosure practice.

- Anti-corruption Policy
- Prohibition of Bribery
- Prohibition of Human Trafficking, Slavery and Bonded Labor
- Whistle Blower Policy

Our Code of Conduct, covering Prohibition of Human Trafficking, Slavery and Bonded Labor, strictly prohibits all forms of human rights violation, including slavery, bonded labor, forced labor, debt-bonded labor, child labor and trafficking of labor from any of our establishments to other establishments for conducting business. The consolidated CoC mandates all employees, including the Board of Directors, to remain consistently vigilant and ensure that our operations adhere to our ethics and values.

All employees are guided by the vision statement and values that reinforce success & reputation of the organization. Each employee of the Company is required to provide an annual declaration of his/her adherence to the CoC. The said CoC is also displayed on the website of the Company. Awareness on the CoC is a crucial part of induction program for new joinees, and due notification is provided on introduction of any amendments. Any non-compliance is addressed by a disciplinary committee, and subsequently handled with suitable disciplinary action.

Being Vigilant

A vigilance mechanism is in place to report any concerns by the directors and associates about actual or suspected frauds, unethical behavior or violation of the Company's values or CoC. This is ensured through the Whistle Blower Policy, which has been in effect since 2014 and under which a Whistle Blower Investigation Committee is constituted. The Whistle Blower Policy is also displayed on the website of the Company.

As per the amendments in SEBI (Prohibition of Insider Trading) Regulations in 2018, the Company has implemented a Policy and Procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information (UPSI). If any employee is suspected of leakage of UPSI, necessary investigation and action is taken by the Information Leakage Investigation Committee. Further, as per the recent SEBI Circular, the Company had already amended its Securities Dealing Code in order to enable any Informant to raise concerns, if any, about alleged violation of insider trading laws by the Company.

We ensure that employees are sensitized to human rights clauses by mandating trainings around it, creating awareness using other channels like interactive sessions, intranet channels, policy manuals and posters. New employees are made aware of these policies via an elaborate induction plan. There were no reported complaints on human rights violations during the reporting period.

There have been no reported complaints of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

There has been no case against the Company regarding unfair trade practices, irresponsible advertising, and/or anti-competitive behavior during the last five years and pending as at the end of the concerned financial year. In addition, there are no incidents of corruption charges against the Company.

We have created an online platform - 'Ethics Line', a Whistle Blower mechanism. Ethics Line offers an independent multi-channel interface to employees to report unethical conduct/ malpractice they may see around them, which are addressed by the Company. Complete anonymity is ensured by the management to those who raise their concerns. The platform promotes a culture of trust, transparency, honest communication and ethical conduct, and provides employees with non-threatening and impartial way of communicating their concerns, while allowing the organization to process the given information with the right actions. We promote 'ZERO TOLERANCE' for values violation and unethical conduct at the workplace. During FY21, we have received a total of 5 complaints via Ethics Line. All the complaints were resolved through appropriate actions taken by the Company.

Protection of Women at Workplace

We have constituted an Internal Complaints Committee ('ICC') - in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The ICC has been constituted as per the said Act, to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, 3 cases of sexual harassment were received on POSH (Policy on Prevention of Sexual Harassment) of Women at Workplace. The same were resolved and, wherever necessary, appropriate action was taken by the Company.

> Awareness workshops/training programs are conducted across the Company to sensitize employees to uphold the dignity of their colleagues at workplace, especially with respect to prevention of sexual harassment.

Business Ethics Across the Supply Chain

To ensure long-term sustainable growth, LTTS has expanded the ambit of its ethics commitment to encompass the entire supply chain of the Company. In addition to our institutionalized Code of Conduct, we have also drafted a separate CoC, to be followed and adhered to by our suppliers, NGOs, customers and consultants, in order to uphold business standards. The Company's main purchases are: IT hardware, software, laboratory testing materials & equipment, ancillary services including housekeeping and security support services, administrative services, and various other consultancy services.

> We are certified for the social accountability compliance standard of SA 8000, which requires audit of our key suppliers. In compliance with ISO 26262, we have assisted OEMs and Tier 1 suppliers to achieve functional/process safety compliance, while helping in the development and improvement of their software-intensive products.

CUSTOMER CENTRICITY AND DATA PRIVACY

We are mindful of the need to minimize the consumption-related impact of our actions on the environmental, personal and financial well-being of our customers.

As the innovation enablers and partners to our clients, we engage with our clients through regular customer meets, customer satisfaction surveys, training programs for customer representatives and market-based research. Customer complaints, comments and suggestions are systematically addressed.

CARING FOR THE CUSTOMER

Customer Care and Customer Satisfaction are at the core of the LTTS business processes and practices. Consumer satisfaction trends are measured by capturing CSAT Scores and Net promoter scores.

Our CSAT scores have consistently ranged over 90%. We are continuously on an upward trajectory in terms of customer satisfaction, and key attributes like quality and delivery. Our customers are satisfied with our product development efforts, and over 99% of our customers have rated us as satisfied, very satisfied or delighted.

The Customer Satisfaction Survey analyses the key parameters of:

- Quality of deliverables
- Adherence to agreed schedule
- Responsiveness to problems
- Working relationship
- Overall level of satisfaction

Data Privacy

LTTS has a Privacy Policy based on the principles set out in the European General Data Protection Regulations (GDPR), duly approved by the Management. The Policy emphasizes our commitment to comply with data privacy and security regulations across the geographies in which we operate. We are also certified for ISO 27001:2013 for data and information security, and regular audits are conducted for ISO 27001:2013, TISAX and ITGC Controls. During the reporting period, the Company has not received any complaints on data breaches of customer privacy.

We conduct periodic Information Security Management System (ISMS) training under ISO 27001 and also conduct periodic phishing simulations and assessments. Such simulations are mandatory for all employees. In addition, periodic education mailers are sent to employees to make them aware about the regulations and procedures for data security.

Our Privacy Policy covers key areas such as Data Protection Principles and Data Use Guidelines. The Privacy Policy is applicable to all LTTS employees as well as third parties who may be involved in collection, processing, retention, transfer, disclosure and destruction of personal data collected by or on behalf of LTTS. The Company's Compliance Officer has been authorized for monitoring and updating the said Privacy Policy. All customer/ vendor contracts are reviewed by Data Protection Officer (DPO) to ensure that standard data protection clauses are in place.

ENGINEERING SCALE TO ACCELERATE SUSTAINABLE GROWTH

Mr. Rajeev Gupta
CFO

"At LTTS, our focus is on Engineering Scale – accelerating a long-term sustainable and inclusive growth journey in the coming years.

Fueling our 'engineering scale' proposition to be a billion- and-half-dollar company by 2025, is our Six Dimension and Six Big Bets strategy. The Six Dimensions include industry-leading growth, customer-centricity, people engagement, technology quotient, sustainable operating model, and a robust ESG (environmental, social, and governance) framework. These dimensions, coupled with the power of our Six Big Bets of Electric Autonomous Connected Vehicle (EACV), MedTech, 5G, Artificial Intelligence (AI), Digital Manufacturing, and Sustainability, are long-term, robust and conscious investment pathways to help LTTS achieve USD 1.5 billion revenues by 2025.

Sustainability, thus, for us is not just one of the six big bets; but, as a conscientious and responsible company, it encompasses our cumulative and cohesive efforts to reverse climate change."

– Mr. Rajeev Gupta, CFO

The rapidly evolving trends in the global economy require engineering and technology companies to have a wide range of products and services with the ability to scale up in an agile manner. LTTS is a vanguard in this era, with demonstrated prowess in the five key verticals of its presence.

The role of technology, especially the aspects involving digital twins, ASIC, voice-as-a-service and tele-healthcare, has gained prominence in a year dominated by the need for people to maintain social spacing from each other. These technologies have kept enterprises moving for over a year now, with remote work becoming the new norm across industries.

According to Zinnov, the ER&D sector as a whole has borne the brunt of the pandemic impact, with almost all crucial verticals seeing de-growth. Global ER&D spend in 2020 stood at USD 1.4 trillion, a 6% de-growth over 2019 – the first time since 2012, reflecting the adverse impact of shifting demand patterns from end consumers in key verticals, including Automotive, Aerospace, Energy & Industrials. This translated into corresponding R&D budget cuts.

Zinnov further states that digital engineering continues to drive global ER&D spends, with enterprises across verticals increasingly prioritizing their R&D efforts towards

Working with 69 Fortune 500 companies and 57 of the world's top ER&D companies, LTTS is contributing significantly to trends such as mobility, digital front door and smart machines, to maximize productivity and minimize potential errors. Our deep engineering heritage, derived from the L&T DNA, is helping shape the future of engineering services.

LTTS benefits from having well-defined offerings in the ER&D sector. Our expertise in traditional and core engineering, along with our strength in digital engineering and new-age technologies like Cloud and AI/ML, among others, helps us position the Company as an innovation partner to our customers.

With established credentials as an innovation partner, and leveraging our cross-industry experience, we are well poised to provide a unique proposition to our clients across industries. Our strength in engineering and technology has been recognized by industry experts, such as Zinnov, Everest, ISG, ARC, IDC and NelsonHall, who have consistently rated LTTS as a Leader across various categories.

building new-age digital products and services. Other leading industry analysts predict that the rapid adoption of intelligent, connected and smart initiatives, such as tele-X, intelligent workplaces and contactless commerce, leveraging new-age technologies such as AI, AR/VR and IoT, are set to further fuel ER&D spend across verticals and make enterprises anti-fragile.

LEADING THE ER&D JOURNEY

As per Zinnov, global ER&D spend is likely to grow at a CAGR of 11% over the period 2020-2023, and touch USD 1.9 trillion by 2023, with digital engineering as the key driver. 5G, Digital Thread and sustainable engineering will be the major catalysts supporting higher digital engineering spends.

MITIGATING THE ECONOMIC IMPACT OF THE PANDEMIC

Amidst the pandemic-induced challenges, our engineers demonstrated true resilience by continuing to actively engage with clients and pursue innovative and strategic opportunities. It is a testament to the perseverance of our engineers that LTTS won significant deals even after the pandemic started spreading, reflecting the inherent soundness of our business model. During the financial year, LTTS won its largest ever USD 100 million plus deal from a leading global Oil & Gas major, demonstrating our unmatched expertise in the Plant Engineering space.

With the acquisition of Texas-based Orchestra Technologies last year, LTTS has gained more opportunities in 5G space. With telecom service providers and network OEMs looking to ramp-up 5G rollouts and seeking solutions to manage and optimize networks, we are leveraging digital technologies across our diversified portfolio to further our positioning as innovation partners to customers. LTTS has also been selected as a Consulting and Professional Services provider to support Amazon Alexa Voice Service (AVS) integration – bringing our engineering expertise in the connected devices space to span multiple domains and industries across the globe.

Sustaining Growth through Business Continuity

We have been working aggressively to minimize disruptions to our business, and have proactively communicated our business continuity plans to customers, who have been appreciative of our measures. During the initial phase of the pandemic, our engineers created digital clones of our R&D labs catering to customers in North America and Europe. By virtualizing our labs, we provided an interactive and intuitive 360-degree virtual platform of our India-based design labs for customers. Complete with simulations, tutorials and demonstrations, the platform allows clients to view and virtually experience our innovations at the click of a button.

At the same time, we inaugurated new labs, such as the Electric Vehicles testing lab in our Bengaluru campus, dedicated to helping customers across the globe to evaluate and verify the performance, endurance and functional testing of EVs.

OUR ECONOMIC PERFORMANCE AS A MEASURE OF SUSTAINABILITY

Given the importance of economic growth in the measurement of sustainability, we remain focused on balancing our social, environmental and economic goals to achieve long-term sustainable growth.
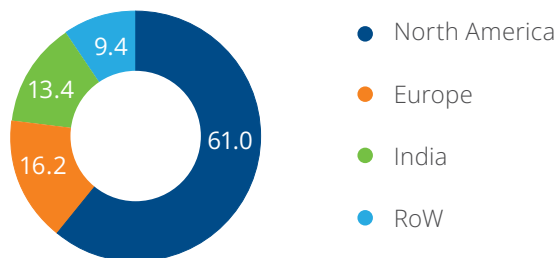
Our performance continues to reflect our strong fundamentals over the last four years, with LTTS growing its consolidated annual revenues at a CAGR of 11% to reach USD 737 million in FY21. The Company's consolidated EBIT margin stood at 14.5% in FY21, while consolidated PAT came in at ₹ 6,633 million. In line with the dividend distribution policy, the LTTS Board declared a final dividend of ₹ 14.50 per share, which translates into a dividend pay-out ratio of 35% for the reporting year.

The standalone gross sales and other income for the financial year under review stood at ₹ 51,383 million as against ₹ 53,936 million for the previous financial year, registering a decrease of 4.7%. The standalone profit before tax from continuing operations, including extraordinary and exceptional items, was ₹ 8,951 million, and the standalone profit after tax from continuing operations including extraordinary and exceptional items was ₹ 6,731 million for the financial year under review, as against ₹ 10,550 million and ₹ 7,900 million respectively for the previous financial year, registering a decrease of 15.16% and 14.80% respectively.

For more details on our annual financial report, please visit:
https://www.ltts.com/system/files/2021-06/Annual_Report_2020-21.pdf

Geography-wise revenue break-up in FY21 (%)

- North America — 61.0
- Europe — 16.2
- India — 13.4
- RoW — 9.4

Business-wise revenue break-up in FY21 (%)

- Transportation — 31.1
- Telecom & Hi-Tech — 22.2
- Industrial Products — 19.3
- Plant Engineering — 14.6
- Medical Devices — 12.8
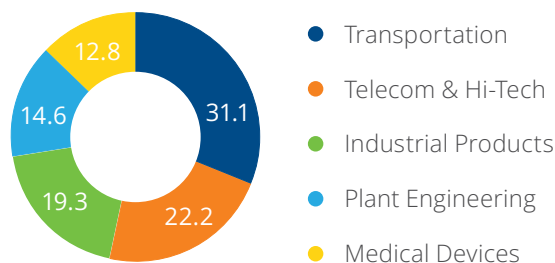
(In ₹ million)

Economic value generated	FY21	FY20	FY19
Revenues:			
a) Net sales by business	**49,640**	51,813	47,120
b) Revenue from financial instruments (includes cash received as interest on financial loans, as dividends from shareholdings, as royalties, and as direct income generated from assets	**1,191**	1,285	454
c) Revenues from sale of assets include physical assets and intangibles	**31**	-	(1)
d) Other Income	**521**	838	1,059

(In ₹ million)

Economic value distributed	FY21	FY20	FY19
Operating costs - Payments to suppliers, non-strategic investments, royalties, and facilitation payments	11,828	13,446	11,458
Employee wages and benefits - Total monetary outflows for employees (current payments, not future commitments)	30,012	29,263	27,648
Payments to providers of capital – All financial payments made to the providers of the organization's capital			
a) Dividends to all shareholders	2,200	2,641	2,449
b) Interest payment made to providers of loans	435	351	11
Payments to government			
a) Tax (corporate, income, property, etc.)	2,220	2,650	2,413
b) Community investments - Voluntary contributions and investment of funds in the broader community (includes donations)	157	326	101

(In ₹ million)

Economic value retained	FY21	FY20	FY19
Economic value retained	6,731	7,900	7,001
Significant financial assistance from government			
Other grants	605	931	276

(In ₹ million)

Defined Benefit Plan Obligations	FY21
Gratuity plan	952
Post-retirement medical benefit plan	68
Provident fund trust managed by holding company	5,644

BUILDING A SUSTAINABLE LTTS FOR TOMORROW

Our verticals and horizontals have a clear mandate to improve LTTS' technology quotient and build reusable assets that can be our differentiator in the marketplace. Our six big strategic areas – EACV, 5G, MedTech, Digital Manufacturing, AI&ML-driven Smart offerings and Sustainability – are designed to help us stay relevant in the marketplace for the coming years, enable us to scale, and assist our engineers in staying ahead of the curve. These six technology areas will become the building blocks to support the domains that our engineers are working in, and will help take our projects to the next level, benefiting customers.

We are committed to making sustainability an integral part of our business operations, and also to the adoption of the best international frameworks and standards to do so. With this report, based on Global Reporting Initiatives (GRI) standards, we are embarking on our ESG reporting journey. We have clearly stated our goals and commitments to the UN sustainable development goals (SDGs) and carbon emissions in this report.

CARING FOR OUR CHANGEMAKERS

Mr. M Lakshmanan
CHRO

"At LTTS, our vibrant culture encourages employee welfare, safety and conducive environment to foster growth. During the pandemic, it was this ethos that helped us overcome the crisis facing the society at large, by successfully tackling the numerous challenges thrown at us by the pandemic.

With the pandemic resulting in a new normal, it was important, and our duty, as a responsible company, to be flexible and empathetic towards our dedicated workforce. Our mantra of collaboration, compassion and common sense motivated our highly energetic 'people' force to set higher benchmarks, innovate, and effectively manage the pandemic. This enables our people to become the crisis managers of today and the changemakers of tomorrow."

– Mr. M Lakshmanan, CHRO

At LTTS, driving change is a twin engine – internal attributes that enable us to engineer change; and outcome-based drivers that push us to create paradigm shifts for our customers. In today's swiftly changing world, adaptability and innovativeness are the key attributes for steering success.

> At LTTS, we ensure that our employees have an open, innovative and diverse workplace culture that encourages agile thinking, multiplicity of ideas and effective decision making. Creating such conducive environment provides room for innovation and better opportunities, thus shaping the changemakers of tomorrow.

We are an equal opportunity employer and continue to focus on hiring more women professionals for business roles. Our people strategy focuses intensely on talent management, diversity, inclusion, training, upskilling and the general well-being of our employees. Our well-being practices are crafted to create an environment that supports work-life balance while fulfilling business needs.

The traditional ways of people management have been transformed through contemporary and competency-based hiring, training and development, rewards and recognition, and career management, with equal opportunity to all irrespective of caste, creed, gender or nationality, thus resulting in a lower attrition rate compared to industry average.

LTTS' permanent employee strength was 15,953 for FY21.

Our strong and progressive Human Resource (HR) policies are framed to keep the talent force motivated through merit-based career progression, job enrichment and performance management. Our Performance Management System is designed to provide reward and remuneration structures and personal development opportunities to attract and retain key employees.

LTTS has a well-defined timeline driven Performance Appraisal System, which is strictly followed, and all eligible employees are appraised as per their eligibility, every year.

By Employee Contract for FY21

12,511
1,176
3,442
384
Male
Female

Permanent   Contract

By Region - FY21

11,172
2,515
3,460
366
Male
Female

India   Overseas

By Age - FY21

5,374
2,394
7,840
1,352
473
80
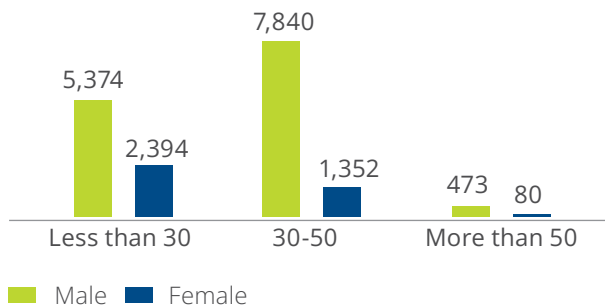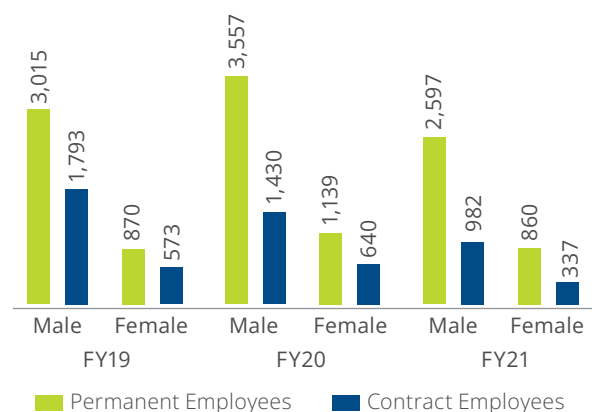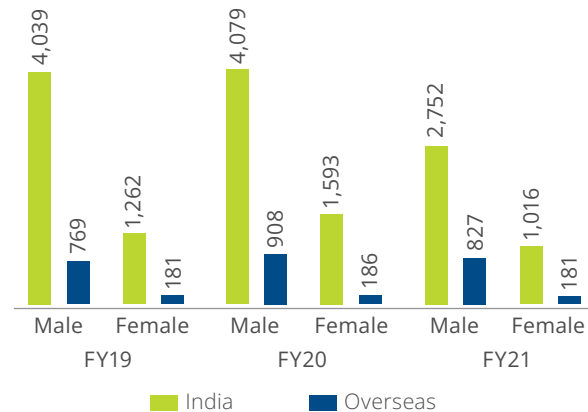Less than 30   30-50   More than 50

Male   Female

Total Number of New Employee Hires by Category, Region, Age, and Gender

Total Number of New Employee Hires by Employee Category

	Permanent Employees	Contract Employees
Male FY19	3,015	1,793
Female FY19	870	573
Male FY20	3,557	1,430
Female FY20	1,139	640
Male FY21	2,597	982
Female FY21	860	337

Total Number of New Employee Hires by Region

	India	Overseas
Male FY19	4,039	769
Female FY19	1,262	181
Male FY20	4,079	908
Female FY20	1,593	186
Male FY21	2,752	827
Female FY21	1,016	181

Total Number of New Employee Hires by Age

	Less than 30	30-50	More than 50
Male FY19	2,348	2,196	264
Female FY19	980	430	33
Male FY20	2,777	1,976	234
Female FY20	1,334	419	26
Male FY21	1,845	1,504	230
Female FY21	857	304	36
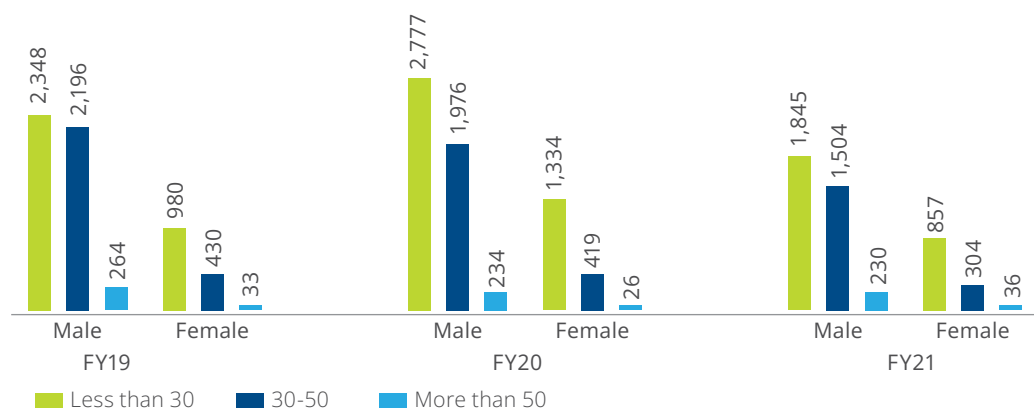
Total Number of New Employee Hires Leaving the Organization in the Reporting Period by Category, Region, Age and Gender

Total Number of New Employee Hires Leaving the Organization by Employee Category

	Permanent Employees	Contract Employees
Male FY19	329	431
Female FY19	69	85
Male FY20	331	446
Female FY20	77	235
Male FY21	275	337
Female FY21	76	168
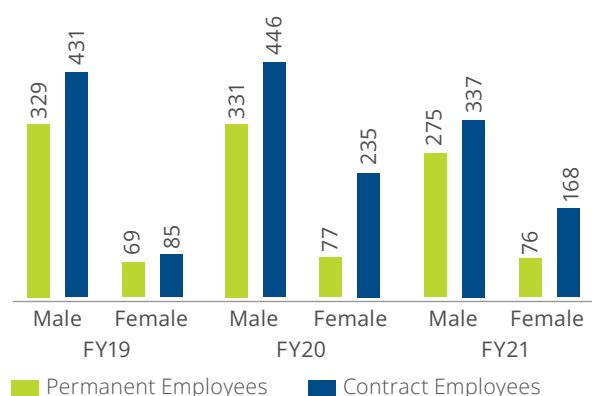
Total Number of New Employee Hires Leaving the Organization by Region
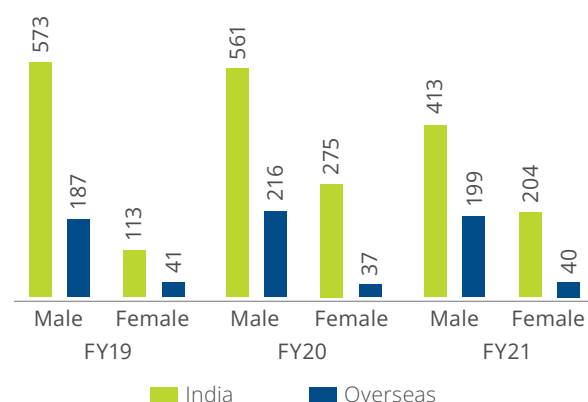
	India	Overseas
Male FY19	573	187
Female FY19	113	41
Male FY20	561	216
Female FY20	275	37
Male FY21	413	199
Female FY21	204	40

Total Number of New Employee Hires Leaving the Organization by Age

Legend: Less than 30 | 30-50 | More than 50

FY19 — Male: 242, 438, 80; Female: 67, 83, 4
FY20 — Male: 397, 305, 75; Female: 229, 79, 4
FY21 — Male: 291, 255, 66; Female: 178, 59, 7
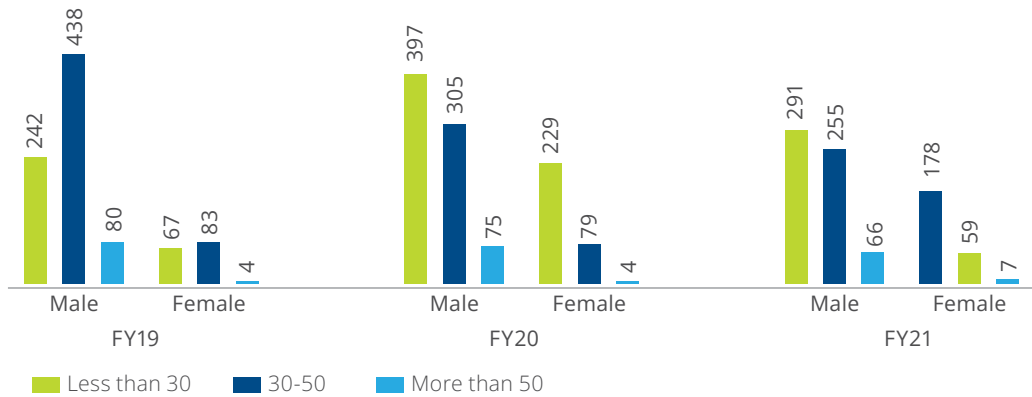
Total Employee Turnover by Category, Region, Age, and Gender

Total Employee Turnover by Employee Category

Legend: Permanent Employees | Contract Employees

FY19 — Male: 2,239, 920; Female: 588, 220
FY20 — Male: 2,328, 1,381; Female: 619, 513
FY21 — Male: 2,676, 1,218; Female: 799, 529
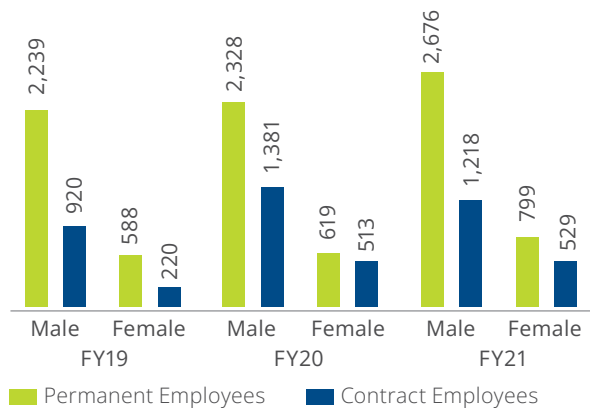
Total Employee Turnover by Region

Legend: India | Overseas

FY19 — Male: 2,622, 537; Female: 694, 114
FY20 — Male: 3,081, 628; Female: 1,004, 128
FY21 — Male: 3,169, 725; Female: 1,179, 149

Total Employee Turnover by Age

Legend: Less than 30 | 30-50 | More than 50

FY19 — Male: 800, 2,156, 203; Female: 312, 482, 14
FY20 — Male: 1,552, 1,947, 210; Female: 690, 422, 20
FY21 — Male: 1,857, 1,780, 257; Female: 909, 389, 30
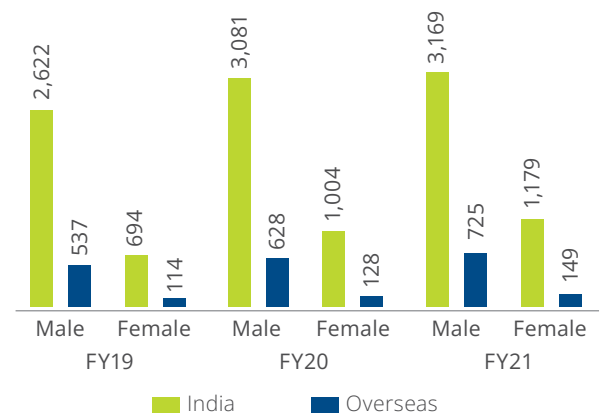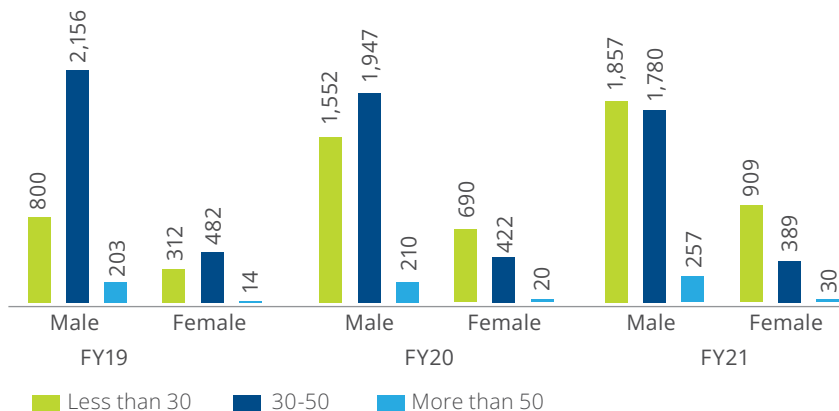
Our attrition rate for the reporting period of FY21 was 22%, which is higher than the attrition rate of 19% for the previous period FY20. Whilst our attrition rate is lower than the prevailing engineering services industry trends, we are working to further reduce the same by focusing on talent management and retention strategies, such as Differentiating Policies, Skill Enhancement Programs, Rewards and Recognition Program and Engagement Programs that include technical and non-technical skills.

TALENT MANAGEMENT: KEY TO SUSTAINABLE GROWTH

The engineering services industry is a rapidly changing technological landscape, driven by the emergence of futuristic technologies like artificial intelligence, IoT, robotics, cognitive computing, etc. As a global leader in the Engineering Research & Development (ER&D) industry, we are continually looking for highly skilled and specialized candidates who can use their transformative skills to contribute to the Company's goals.
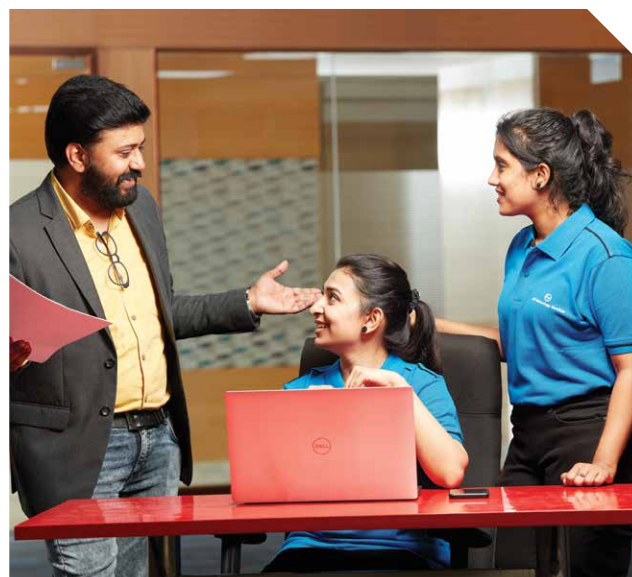
We have strategic alliances with the top colleges and universities of the country to address diversity and project-specific hiring needs for hiring of fresh recruits. We provide final year curriculum review, pre-onboarding training, student engagement initiatives, etc., with our alliance partners.

Our Global Engineering Academy (GEA) has been set up with the mission to provide an opportunity for employees to upskill and reboot their technical skills for staying abreast with the rapid technology changes. As many as 15 technology tracks have been created for employees to advance their digital skillsets and leverage new opportunities. GEA is the compelling 'Business Partner' of choice to Deliver Value to our internal and external customers through cutting-edge Technology Education with a Service Mindset.

Our talent management practices are enablers for employee growth and career development.

- On-boarding strategies - from candidate selection stage to on-the-job training practices; Use of AI-based platforms for interviewing and assessment, including Monjin.

- Employee engagement programs and retention strategies such as Differentiating Policies, Skill Enhancement Programs.

- Learning and Development initiatives – constant learning and skill upgradation of employee's behavioral and soft skills.

- A well-entrenched Rewards and Recognition program.

We use powerful frameworks and robust HR policies to determine our talent needs and plan people management interventions that will meet those. Our focus is on the internal development of our employees, as a tool to to enrich people culture, widen their knowledge base, improve productivity and motivate employees to achieve their long-term career development goals.

Employee Benefits

We foster a healthy work culture, which is free from any harassment. All our facilities are equipped with state-of-the-art and ergonomic infrastructure in a vibrant work environment.

LTTS offers employment benefits, such as healthcare, disability/invalidity coverage, parental leaves and pension funds, for all our employees, including part-time and contractual employees. For our permanent, full-time employees, we also offer life insurance, retirement provision, gratuity and pension funds.

We also work towards maintaining a work-life balance for our employees and have initiated several policies to help them in time of need.

Part-time working policy: Short duration part-time working policy to manage certain personal responsibilities.

Sabbatical policy: To foster work-life balance, provides for personal and professional development opportunities for employees, such as fulfilling a goal, learning a new skill, or attending professional courses to enhance contribution at work.

Flexible working hours policy: A continuous effort to promote work-life balance for our employees, with flexibility provided for a specific amount of time to cater to certain personal emergencies.

Special circumstances leave policy: Employees can meet their leave requirements for paternity and adoption under this policy.

Continuing Learning amid Pandemic

We subscribe to the notion that learning should never stop. In spite of the pandemic, all our learning and development (L&D) initiatives continued in FY21, as we adapted them to a virtual environment, using unique training workshop methods like theatrics, AR/VR based, Learning Management Systems (LMS), classroom programs, leveraging webinars, etc. Our L&D interventions include behavioral and technical programs specially designed to enhance present performance and career progression across functions.

Learning and Development

We are cognizant of the importance of internal development of resources for improving culture, knowledge, longevity with clients while giving them the desired confidence, and focused career management resulting in lower attrition. Our strategic investments in integral strategic organizational development initiatives and transformation projects are aimed at enhancing productivity and operational efficiency, while helping in the overall career development of our employees.

LTTS' learning and developmental initiatives have won many accolades and awards, including the Association of Talent Development (ATD) BEST Award 2021 for Talent Development and the prestigious BML Munjal Award in 2019 for Business Excellence through Learning & Development, presented by the late former President of India, Shri Pranab Mukherjee.

Our Learning Credo

At LTTS, we have adopted the organization's effectiveness framework to the credo – 'To create, promote and foster individual and organizational development and effectiveness by creating a strong learning DNA through alignment, diagnosis and development of interventions in line with the organization's commitment to employee development and organizational enrichment'. The framework is based on role-based competencies aligned to both project-based training as well as Individual Development Plan (IDP) of the employee. We have a robust Training Need Identification (TNI) mechanism that is implemented through our internal Portal - **i-Learn**. Each employee is asked for their IDP in i-Learn at the beginning of the year, and these IDPs become the primary source of training needs and inputs for our Quarterly Training Calendars.

A Look at our Training Programs

- **Young Leadership Program (YLP):** We believe that leadership exists in every rung of the organization, and it is mutually beneficial to recognize leaders early. Our Young Leadership Program (YLP) is a 10-month long initiative that helps young managers make a smooth and successful transition into the leadership role by providing knowledge, essential skills and attitudes. The program also helps in creating high performance teams by imparting the managers with the necessary knowledge to support, motivate and empower their team members to drive performance and results. Through YLP, we seek to develop future leaders of LTTS, as young managers learn and develop effective leadership styles and skills that will serve them throughout their careers.

- **Accelerated Leadership Program (ALP):** ALP is a 12-month intervention program aimed at Account Delivery Managers & Program Managers. It hones the competencies required to perform their jobs with complete business acumen. Our high-potential employees have gone through this program and subsequently delivered consistently greater business results than before. 90% of the participants have experienced career enhancement.

- **CEO Club:** Potential lies everywhere, irrespective of level, function, location, gender, qualification, and experience. It is important to provide a platform to employees for harnessing this potential. The CEO Club has been designed internally to create future leaders, with the execution outsourced to an internationally famed consulting firm to eliminate any bias in choosing the leaders benchmarked against world standards. Shortlisted candidates drive unique projects, assignments, job enrichment, vertical career movement and investment in their continuous learning. The third edition of CEO club saw a huge surge in participation from across the organization.

- **Gladiate:** Gladiate is a very structured process for identification of high potential employees and their development in the Human Resource Function, since HR has been at the center of various transformation programs implemented to steer the organization to the next level.

- **Illuminate:** A mentoring initiative, Illuminate taps into the leadership potential of our people. LTTS leaders at the CXOs and senior management level take up the responsibility to mentor and groom chosen dynamic leaders across Sales & Delivery functions through a well-crafted intervention of 12 months.

- **Design-Thinking Workshop:** This 4-day workshop is aimed at developing a core team of leaders, who can drive innovation using structured methodologies such as Design Thinking, on internal and customer projects, and engage with customers to facilitate innovation in their processes.

- **Glocal:** 666 of our associates are now proficient in foreign languages like French, German, Japanese, Mandarin & Spanish under our initiative Glocal, ensuring ease in communication with clients. This has helped us break communication barriers, strengthen relationships with our clientele, and act as a bridge between the teams and the clients.

- **Cross Culture Training:** The main objective of cross-cultural training is to bring a new level of cultural awareness and appreciation into the workplace. Cross-cultural training attempts to achieve clearer lines of communication and mutual trust, respect, and understanding by raising employee awareness. We conduct country-specific cross culture trainings.

> **Work from Anywhere (WFX Certification)**
>
> The COVID-19 pandemic enforced several changes in our operations and business, requiring our employees to adopt Work From Home culture. In order to adapt effectively, **Omni Opus - WFX Certified** Professional was carved out at LTTS to evolve methodologies for engaging with our customers and delivering projects seamlessly in a virtual environment. Based on the inputs and conversations with the Leadership team, Delivery Managers (DMs) & Project Managers (PMs), we have indigenously conceptualized a LTTS proprietary certification program on **'WFX Certified Professional'**. The main purpose of the certification framework is to equip our PMs/DMs in effective management of projects that are delivered remotely in a hybrid model. The entire framework has been conceptualized and developed internally, taking into account the LTTS business context and the various WFX Models that are implemented.

Soft Skills Training Data for FY21

Category/Level/Grade of Employees	Total No. of Employees per Category			No. of Hours of Training per Category			Average hours of training per year per employee		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Permanent Employees	12,511	3,442	15,953	134,915	34,706	169,621	10.8	10.1	10.6
Contract Employees	1,176	384	1,560	9,932	7,216	17,148	8.4	18.8	11.0

Technical Skills Training Data for FY21

Category/Level/Grade of Employees	Total No. of Employees per Category			No. of Hours of Training per Category			Average hours of training per year per employee		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Permanent Employees	12,511	3,442	15,953	368,100	158,511	526,611	29.4	46.1	33.0
Contract Employees	1,176	384	1,560	6,325	2,352	8,677	5.4	6.1	5.6

Embracing the Paradigm Shift @WFX

The pandemic and the ensuing lockdown in several cities catalyzed an unprecedented situation that required quick and decisive steps for ensuring smooth business operations. A core BCP team, comprising the COO, CHRO, CRO, IT Head, Admin & Facilities Head and BCP Officer, has been set up to ensure that all functions continue to run without disruptions. LTTS is amongst the few engineering companies that were able to achieve over 92% Work From Home (WFH) for employees working on billable roles within a week of the first phase of lockdowns. Wherever required, Secured Labs were set up at employees' homes, complete with backup power systems and office workstations.
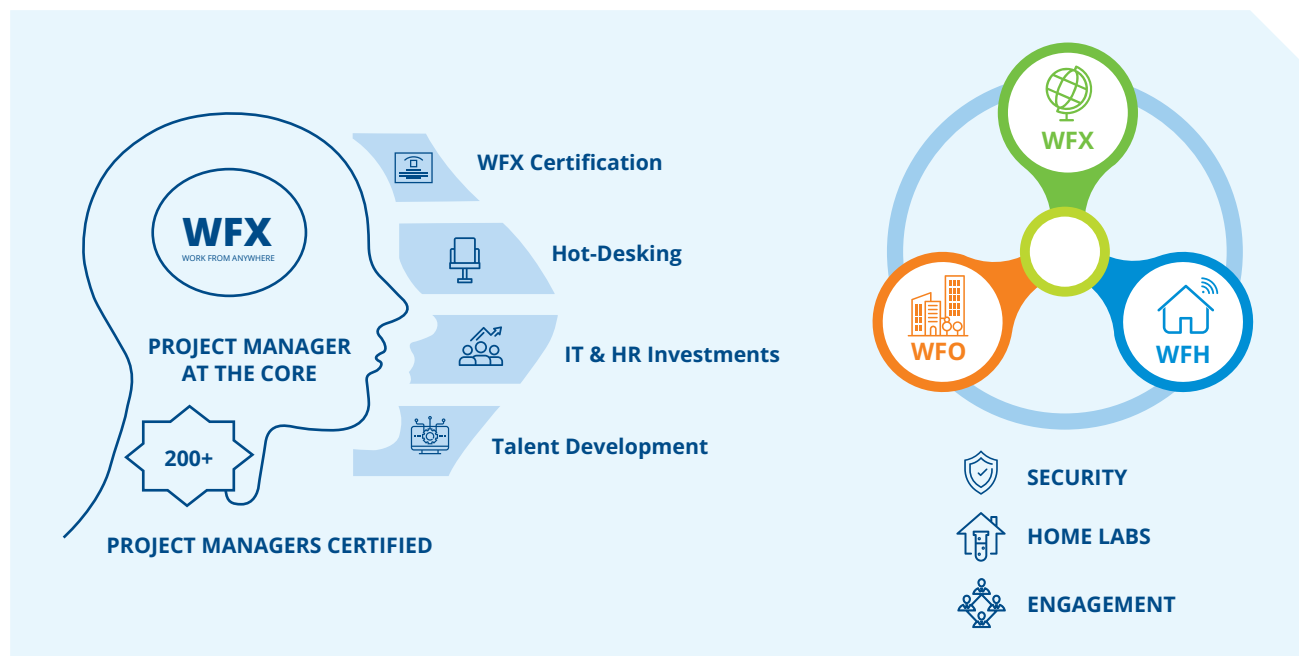
Our core competence in digital solutions had already laid the foundation for a secure and efficient IT system, which was essential for WFH to be a success. In addition to the **Omni Opus - WFX Certification program**, we introduced many lifestyle-oriented HR initiatives to help the employees combat stress and remain motivated.

- **weCare App** - As the unlock process began, LTTS enabled the safe return of a part of its workforce in India by launching the weCare App. This mobile phone application tracked and monitored the safety and health of the employees and their immediate family members, while ensuring employee data safety.

- **'Merci Beaucoup'** - One of the notable motivational initiatives of the year was 'Merci Beaucoup' ('Thank you' in French) - a program to recognize and thank each employee and their family for their contribution to the Company during the pandemic. The program was rolled out across the organization, and every employee received a gift as a token of appreciation from the leadership.

LTTS' HR Team recognized with the 2020 Stevie Award for 'Human Resources Team of the Year: Talent Management (2020)'

LTTS recognized for Best Workplace Practices by Financial Express at the BrandWagon Ace Awards 2020

PROMOTING DIVERSITY @LTTS

WINGS – Soaring to Success

LTTS has initiated WINGS - a Gender Diversity & Inclusion program aimed at building a culture that promotes hiring, developing and retaining women in the workplace. The goal of WINGS is to create an environment where every woman not just realizes her potential but is confident of spreading her wings to take a flight towards success.

We are working to broaden our diversity and inclusion efforts. Diversity and inclusion is addressed at the Board governance level, and monitored periodically at the executive level as well as the Board of Directors' level.

The WINGS Gender & Inclusivity Framework at LTTS

Through our WINGS program, we are focusing on making gender diversity and inclusion a reality by incorporating it into several stages of the workplace lifecycle, i.e., across recruitment, development and retention. The hiring percentage, promotion percentage, attrition percentage, and engagement of women employees are the core metrics used to assess our diversity and inclusion success. The gender diversity ratio for FY21 was 21.57%, and 3 people with disabilities are employed at LTTS.

Diversity and Inclusion Goals
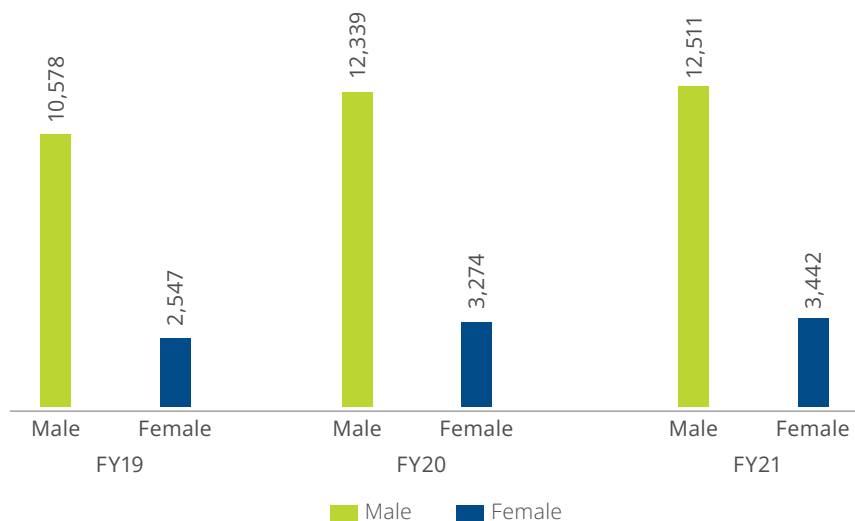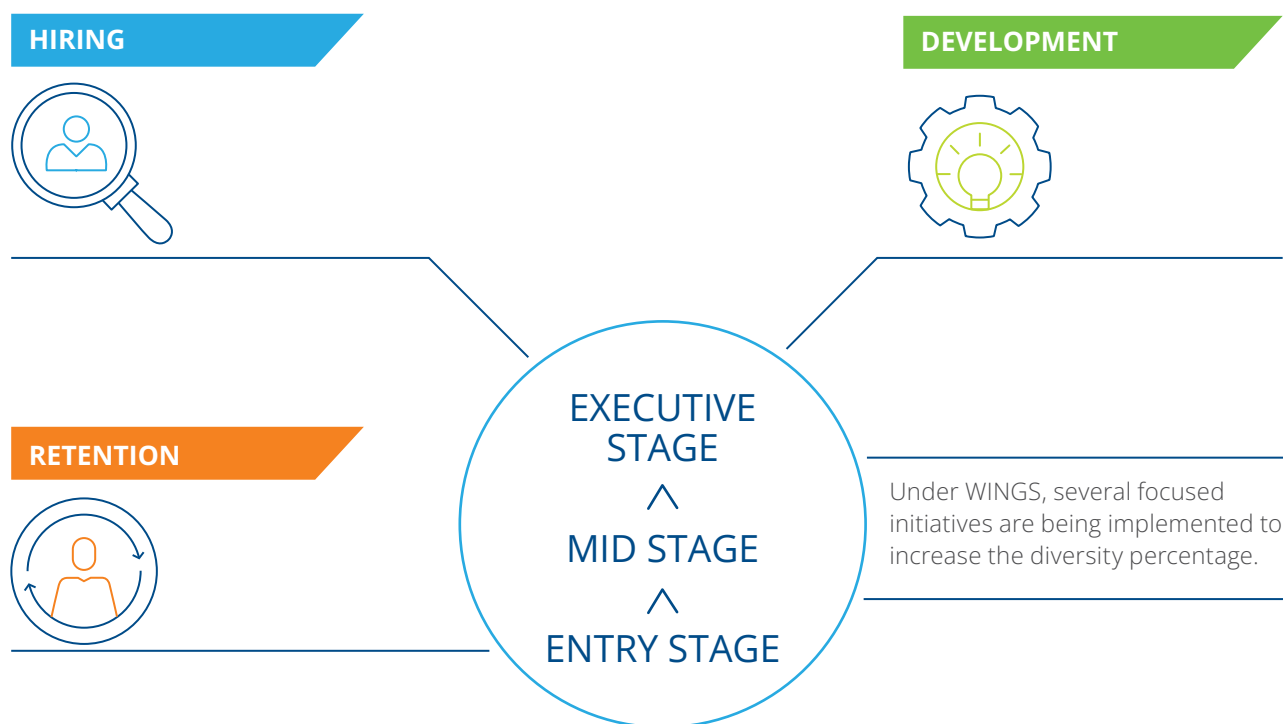
Achieved & exceeded the target of **20%** women employee strength by 2020, with Diversity ratio being **21.57%** for FY21

Increase women employee strength to **25%** by 2025

Employee Break-up by Gender

	FY19		FY20		FY21	
	Male	Female	Male	Female	Male	Female
	10,578	2,547	12,339	3,274	12,511	3,442

■ Male ■ Female

HIRING

DEVELOPMENT

RETENTION

EXECUTIVE
STAGE
∧
MID STAGE
∧
ENTRY STAGE

Under WINGS, several focused initiatives are being implemented to increase the diversity percentage.

Special Women-Focused Hiring Initiatives

Special Women Recruitment Drives: At campus hiring level, we focus on special women recruitment drives and have earmarked three exclusive women campuses for the purpose.

Exclusive Women Referral Program: Our exclusive women referral program at lateral hiring level enlists the help of recruitment partners/vendors in order to provide coverage for only women candidates, notably during Women's Day celebrations.

During the reporting period of FY21, we had 100% rate of return to work after the end of maternity leave of 179 employees who availed of it. A total of 174 employees returned to work after the maternity leave ended and were still employed after 12 months.

Boomerang: This is a recall policy for ex-women employees of LTTS who had taken a professional hiatus and are eager to join back work at LTTS.

### Key Women-Focused Development Initiatives

Other than the general retention policies, including sabbatical leave policies, flexible working hours policy and part-time working policy, we support the needs of our women employees with some special initiatives.

Maternity leave and benefits:

- Assist and support women employees during their pre- and post-maternity periods. We further assist the new mother with re-orientation and resources to facilitate her smooth return to work.

- Bundle of Joy: Celebrating parenthood of employees.

- Safe and comfortable travel: Fostering a healthy work-life balance by assisting expectant women employees through safe travel, and enabling work-life balance besides motivating pregnant employees who are eager to return to work.

	No. of employees entitled to parental leave	No. of employees that took parental leave	No. of employees who returned to work after leave ended	No. of employees who returned to work after leave ended and were still employed after 12 months	Return to work rate	Retention Rate
Maternity Leave	3,506	179	179	174	100%	97%
Paternity Leave	5,843	482	482	450	100%	93%

## Special Women-Focused Development Initiatives
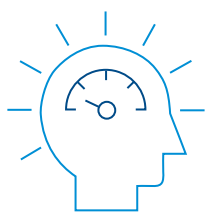
Unlock Your Potential

The program caters to the early and mid-level women professionals of LTTS, and integrates the issues that these young women leaders encounter daily with the skills that they need to succeed. It enhances their leadership capabilities and assists them at the start of their careers in gaining fresh perspectives about business risks, decision-making and asserting themselves.
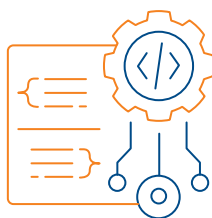
WLP and W-Lead Programs

Both the programs address our women professionals at executive and mid-level stage, and are crafted using diagnostics and assessments to understand the challenges women face in their careers. These women leader programs are designed to create the future leaders of LTTS, and the women professionals are supported with mentors and external speakers throughout their development journey.
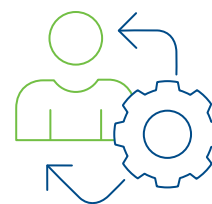
Wings Empowerment Series

A series of relevant workshops for all our women employees are conducted every quarter, on a variety of career themes. The sessions involve external speakers and facilitators, and focus on women's overall development.

Gender Sensitization Sessions

We conduct periodic Gender Sensitization sessions for all our employees – both women and men, as a development intervention aimed at increasing gender awareness and knowledge. Through the sessions, we hope everyone would gain a better understanding of gender roles, stereotypes, expectations and issues, as well as their impact on the organization. These sessions are aimed at minimizing gender triggers, and also providing a working solution towards gender parity besides building a gender-balanced organization.

ENSURING EMPLOYEE WELL-BEING

At LTTS, we believe in providing a safe and healthy workplace for our employees and their families. We are certified for ISO 45001 for identifying, controlling and decreasing the health and safety risks within the workplace. We have a well-formalized wellness system, imbibing the best practices that look at the continued well-being of our employees. We have a 'doctor-on-call' at all our campuses, and also an OPD health clinic at our Vadodara and Mysuru campuses.

Cognizant of the importance of personal time to energize and motivate employees to give their best at work, we have formulated policies and initiatives that enable them to maintain a healthy personal life while pursuing excellence on the professional front.

Vigor: An app developed by our internal team as a digital solution to send reminders at every 45 minutes interval and motivate the user to take a small break of 20 seconds to avoid physical health issues of long sedentary work environment.

Annual Health Check-up: For employees across all age-groups, to enable a positive environment where health and well-being are promoted among them and their spouses.

Globally Empowering Mental Health (GEMS): Special week dedicated to Mental Health Awareness; along with GEMS, we urge employees and their families to identify and address any mental health issues without judgment or fear. (During 5th–9th October 2020, we held Mind Over Matter virtual webinars for employees and their family members.)

Wellness with Yoga: Partnered with a leading Yoga training center to conduct a workshop on meditation and breathing techniques to promote better physical, mental and spiritual well-being during the COVID-19 era. It included an early morning 90-minute session, and multiple Q&A sessions to establish facts about these practices.

Doctors Sessions: A leading Mumbai-based Corporate Healthcare Consultant was invited to address our employees and their families on the scientific truths of the virus and on beating stress for happy living.

> With internal feedback and medical insurance utilization revealing that more than 30% of our employees have experienced or seen their family members undergo cancer treatment, we have partnered with Pink Hope organization to conduct awareness sessions through experts.
>
> During the reporting period FY21, 10 sessions were conducted over a period of 2 weeks, covering 40% of offshore based employees in supporting cancer awareness and prevention. We created a platform for employees to interact with eminent Oncologists and Cancer Survivors. The response has been overwhelming.

One-Touch Program

We combined existing well-being facilities and added new ones in a virtual environment to help our employees combat the COVID-19 pandemic in multiple ways.

i-Call: This one-touch helpline enables employees to talk to a professional anonymously and discuss any stress-related, mental health issue, and COVID-19 related mental issues.

- **Anytime DOC:** Anytime DOC is an awareness/teleconsultation facility with doctors experienced in COVID-19 protocols.

- **COVID-19 Webinar:** Webinar with a leading yoga training center to be equipped and be made aware about COVID-19 related aids via Branding and Organizing of Stress-Busting Session for all employees.

- **LTTS Isolation Facilities:** Awareness drives and providing isolation facilities at all campuses in dire times of non-availability of hospital beds to employees and their immediate family members. Such facilities were as per various guidelines issued by authorities and operated in collaboration with renowned health care service providers. Key features are:

  - 24x7 services of ambulances, nursing, doctor and para-medic support

  - OPD services

  - Diagnostic screening assistance

  - Provision of food, nutrition and pharmacy services

- **Support System Campaign:** Employees supported in fighting the pandemic in terms of financial support and medical insurance.

- **Quarantine Leaves:** For employees or close family members affected with COVID-19.

MAKING ENVIRONMENTAL SUSTAINABILITY A WAY OF LIFE
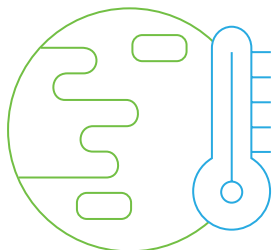
> "Climate change is moving faster than we are, but we don't give up because we know that climate action is the only path."
>
> – Antonio Guterres, the United Nations Secretary General

At LTTS, we understand the need to be aligned with global efforts to preserve the environment and strive to be a partner to all our stakeholders in this endeavor. As an Engineering R&D company, we deliver solutions to optimize resource consumption as one of the key pillars of our business strategy. Leveraging innovative technologies, we aim to create a sustainable future through environment conservation activities for the communities we serve, by enabling carbon neutral operations and services for our valuable customers.

We have aligned our sustainability goals with that of the L&T Group to minimize environmental impact, maximize social outreach, and offer sustainable solutions. As part of this roadmap, we are constantly undertaking various initiatives in the areas of water and energy conservation, as well as efforts to reduce carbon footprint.

ROADMAP FOR CARBON NEUTRALITY

Our focus is towards achieving carbon neutral operations by 2030, in a triple bottom line framework that combines social, economic and environmental aspects within our campus premises and our value chain.

With environmental sustainability a key pillar in our journey towards carbon neutrality, we have undertaken Company-wide exercise to formulate sustainability goals and roadmap. By working in association with our stakeholders and with our efficient operations, we believe in positively contributing towards a sustainable future.

MINIMIZING ENVIRONMENTAL FOOTPRINT

We aim to minimize our footprint through efficient business operations, enhanced energy management, streamlined water conservation, effective waste management, and state-of-the-art green technologies – with focus on key material issues of Energy, Emissions, Water and Waste.

Towards Sustainable Energy Consumption

The Company is continuously exploring new technology to optimize energy consumption in its office infrastructure setup. We have undertaken the following initiatives at our campuses:

- Retrofitted double skin façade (DSF) for our buildings, enabling:
  - Lower thermal energy waste
  - Reduction in cooling consumption
  - Good façade sound insulation levels

- We have initiated optimization of our HVAC systems:
  - At our Vadodara campus, we have installed water-cooled chillers and increased the chilled water temperature by 2°C, thus conserving energy. During the reporting period of FY21, we managed 22% reduction in our HVAC energy consumption and lighting consumption at the Vadodara campus as compared to the previous year.
  - Our Bengaluru office is powered 24x7 by EC fans and VRF units, thus consuming less power as compared to conventional Split ACs. We have also installed timers in all our Air Handling units in both our Bengaluru offices, with further energy saving measures such as temperature control set to 25°C, reduced operational hours during pandemic period in FY21, switching off the AHU whenever employees are not present, and providing fans if there are fewer than ten employees on each floor.
  - At our Bengaluru campus, we have installed a relay with contractors for the emergency lighting circuit, which only switched lights during blackouts or power cuts over time. This has resulted in energy savings of 4,612 kWh per month, translating into approximately ₹ 50,000 per month.

- We have installed occupancy sensors at work areas of all our locations, to switch off lights when there are no employees. At our Chennai campus, by installing 112 occupational sensors, we achieved savings of 1,200 kWh per month.

- At Vadodara campus, we have installed solar panels for street lighting, generating 453.6 KW of power annually

- At all our locations, we have ODD/EVEN Floor Lift operations, and at least 2 Lifts are OFF during NON-PEAK hours, to reduce power consumption by approx. 4,500 kWh per annum.

- We are in the process of replacing CFL Lighting with LED Lighting at all our locations. In FY21, we installed LED lights in part of the Vadodara campus, achieving energy savings of approximately 4,000 kWh per month. We also replaced CFL lighting at our Bengaluru campus office located at Manyata Tech Park. At our Chennai campus, we had installed LED lights in FY20, achieving 30% energy savings.

Reducing Energy Usage

The energy demand at our offices stems from lighting and cooling systems, while in the R&D labs, we use energy for prototype production and testing of units. Our direct energy consumption is through the use of diesel generators in our campuses, whilst our indirect energy is mainly sourced from the electricity grid.

There is only a marginal dip in the energy consumption for FY21 as compared to the previous year in spite of the pandemic-induced lockdown, mainly due to:

- Construction activities conducted at our campus in Mysuru, and also due to a new office building acquisition in Nesra Tech Park, Mysuru.

- We moved most of our lab operations to employees' homes i.e. by usage of virtual labs during the pandemic-induced lockdown, which led WFH employees to remotely access the campus desktops and data servers.

- Due to the nature of our operations and for remote access, there was optimal use of HVACs, IT infrastructure and power at almost all our locations.

- Being a pure-play engineering, R&D company, we also had project specific employees working from our campus locations.

Energy Consumption (in kWh)

Non-Renewable Sources of Energy

| Energy Sources	FY21	FY20	FY19
Direct Energy (Diesel Generator)	991,257.68	6,124,204.91	18,118,115.81
Indirect Energy (eGrid)	17,910,481.88	18,576,444.51	11,695,546.47*

Renewable Energy

Energy Sources	FY21	FY20	FY19
Solar	11,302.16	8,655.74	8,592.01
Wind	1,330,636.83	693,904.81	670,592.57

*Grid electricity data for Bengaluru and Mumbai offices was not available for FY19.

Energy Intensity

Energy intensity (in kWh/employee)

- Specific Indirect Energy
- Specific Direct Energy
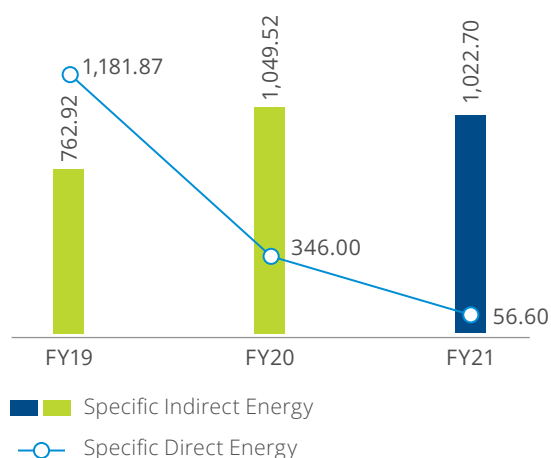
Note: Electricity data for Bengaluru and Mumbai offices was not available for FY19. Hence, not included in Specific Indirect Energy for FY19.

Bringing Emissions to Sustainable Levels

GHG emissions is a key material issue, and we are consciously striving to optimize our energy consumption and cut down on our GHG emissions. Currently, our offices in Vadodara are in Green Certified buildings. Our goal is to shift all our offices to Green Certified buildings in a phased manner.

We are focusing on increasing solar panel installations and decreasing the proportion of electricity from conventional sources by increasing the proportion of green energy source. Under phase-1, our Bengaluru offices will be transitioning towards solar-powered systems. For the reporting period of FY21, we have 'avoided' 1100.39 tons of CO_2 due to use of renewable energy, and saved 573.69 tons of CO_2 due to energy saving measures.

Total Energy Consumption within and Outside Organization (in kWh)

- Indirect Energy
- Direct Energy

18,118,115.81
11,695,546.47
18,576,444.51
6,124,204.91
17,910,481.88
991,257.68

FY19 FY20 FY21

Carbon Emissions (in tons)

- Scope 2
- Scope 1

4,497.30
9,590.35
15,232.68
1,520.16
14,686.60
246.05

FY19 FY20 FY21
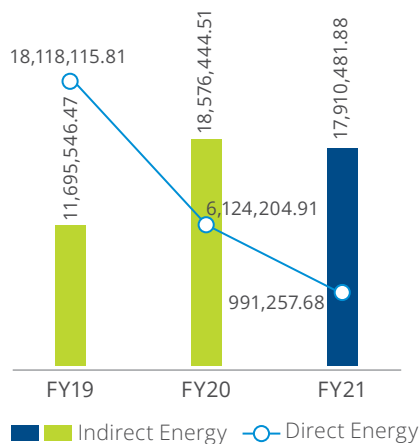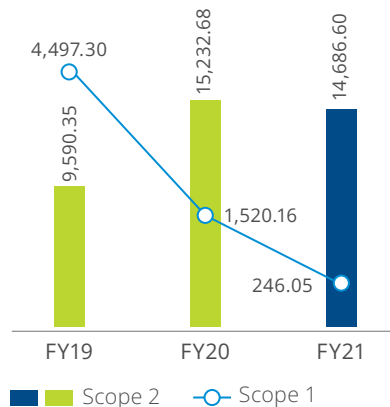
Note: Does not include Electricity data for Powai (Mumbai) and Bengaluru locations for FY19. Hence, not been included in the calculation for Scope 2.

Specific Emissions Intensity

	FY21	FY20	FY19
Scope 1+2 (in tons/employee)	0.85	0.95	0.92
Denominator	17,513	17,700	15,330

Scope 2 Emissions Avoided in tons (Renewable Energy)

	FY21	FY20	FY19
Solar	9.27	7.10	7.05
Wind	1,091.12	569.00	549.89
Total	**1,100.39**	**576.10**	**556.93**

Other Indirect Carbon Emissions (Scope 3)

Business travel by air contributes majorly to our carbon emissions. We also engage buses and shift cabs for employee commute.

Scope 3 - Other Indirect Carbon Emissions (in tons) Consolidated

Sources	CO_2 Emissions (tons)		
	FY21	FY20	FY19
Train	0.46	6.61	-
Cab	123.23	279.49	267.38
Bus	146.81	522.50	441.81
Air (Domestic and International Air Travel)	1,035.80	10,061.39	10,485.85
Total	**1,306.29**	**10,869.99**	**11,195.04**

Total Scope 3 Emissions (in tons)

11,195.04
10,869.99
1,306.29

FY19 FY20 FY21
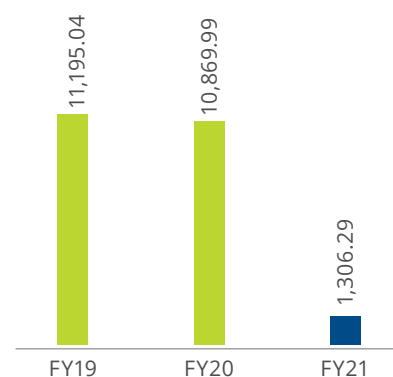
Specific Intensity Emissions (Scope 3)

	FY21	FY20	FY19
Denominator (No. of Employees)	**17,513**	17,700	15,330
GHG Intensity (Scope 3) (in tons/employee)	**0.07**	0.61	0.73

Becoming Water Sustainable

We, at LTTS, understand the growing concerns over water scarcity, and are seeking to reduce our water consumption. At LTTS, water is sourced from municipal / local government water suppliers, though we purchase potable drinking water from private suppliers at some of our locations. Our Vadodara & Mysuru campuses have rainwater harvesting facilities, wherein we have set up rainwater pumps for harvesting runaway water. This is used for various purposes, including, cleaning washrooms, road wash, gardening and hand wash. We have also established rainwater percolation pits to recharge ground water and to have minimum runaways. Most of our locations have sewage treatment plants to optimize water usage.

Among the initiatives undertaken by LTTS for water conservation are:

- Using treated water for flushing, road wash and gardening
- Using rainwater sump, terrace runaway water to use rainwater for raw water usages like hand wash, street cleaning, etc.
- Rainwater percolation pits to recharge groundwater and to have minimum runaways
- Installed pressmatic, aerator taps & aerators to optimize water usage

Total Water Withdrawn by Source (in cubic meter)

Water Source	FY21	FY20	FY19
Ground water	**8,818**	23,164	20,400
Municipal water supplies or other water utilities	**101,613**	165,583	149,268
Purchased from Private Suppliers	**1,199**	1,021	956
Rainwater collected directly and stored by the Company	**5,000**	5,000	5,000
Total Water Withdrawn in cubic meter	**116,630**	**194,768**	**175,624**

We have rainwater harvesting facility at our Mysuru campus, and we recycle water through STPs installed in our campuses.

Total Water Withdrawn (in m³)

FY19	FY20	FY21
175,624	194,768	116,630
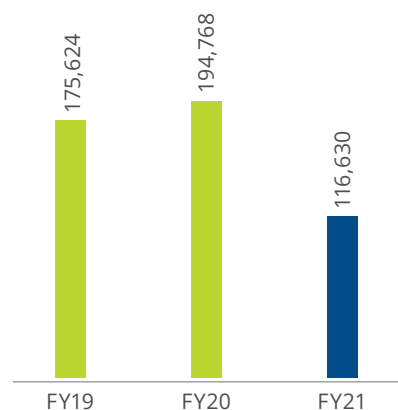
Volume of recycled/reused water (in cubic meters)

FY19	FY20	FY21
16,520	16,520	7,880
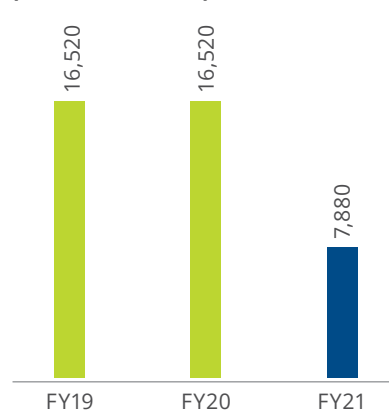
Managing Waste Sustainably

LTTS seeks to reduce its waste generation and safely dispose of the generated waste through local dealers and authorized waste disposal facilities. At the same time, the Company also aims to reuse the maximum amount of waste generated at its facilities. We actively sensitize employees on various waste management methods and encourage them to innovatively recycle waste packaging materials.

Total Weight of Waste by Type and Disposal Method

Since we are not into manufacturing, our waste generation is relatively less, except for e-waste. The total waste generated and disposed of is as follows:

Types of Waste	Unit (as applicable)	FY21		FY20		FY19	
		Amount of Waste Generated	Amount of Waste Disposed	Amount of Waste Generated	Amount of Waste Disposed	Amount of Waste Generated	Amount of Waste Disposed
Hazardous							
E-waste	Tons	10.90	0.06	8.70	7.10	8.40	6.80
Used oil	Lts	230.00	0.00	1,050.00	1,050.00	1,200.00	1,200.00
Bio-medical waste	Kgs	1,645.70	1,645.69	1.40	1.40	6.80	6.80
Used batteries	Nos.	182.00	182.00	72.00	72.00	0.00	0.00
Plastic waste	Kgs	395.70	395.70	560.00	560.00	550.00	550.00
Non-Hazardous							
Paper & packaging waste	Kgs	6,738.00	6,738.00	12,019.00	12,019.00	14,000.00	14,000.00
Dry leaves & garden waste	Kgs	0.00	0.00	0.00	0.00	0.00	0.00
Packaging waste (corrugated boxes & wood)	Kgs	9,788.00	9,788.00	14,140.00	14,140.00	14,329.00	14,329.00
Food waste	Kgs	12,021.20	12,021.20	69,610.00	69,610.00	29,825.00	29,825.00

The different types of waste generated at different LTTS campuses and their respective disposal methods are as follows:

Waste	Types of waste	Method of disposal
Paper waste	Newspapers, used A4 sheets, packaging waste corrugated boxes and cartons	Shredded and disposed to recyclers, purchase of recycled paper
Plastic waste	Plastic covers, chemical bottles, etc.	Disposed to authorized dealers
E-waste	Monitors, CPU, Mouse, PCBs, electronic equipment, accessories & spares	Disposed to Pollution Control Board authorized recyclers
Hazardous waste - used oil, used filters, greased waste cotton etc.	Generated during DG maintenance	Disposed to Pollution Control Board authorized recyclers
Hazardous waste	Used batteries	Buy back with the battery manufacturer
Bio-medical waste	Medical waste from first aid center, expired medicines, COVID PPE kits, etc.	Disposed to Pollution Control Board authorized incinerators
Garden waste	Dry leaves & garden waste	Converted to vermicompost and used for gardening; No chemical fertilizers are used
Wastewater	Domestic wastewater	Treatment of water at STPs - used for gardening
Food waste	Leftover food	Disposed to animal husbandry farms

Some of the innovative ways we have adopted for reuse of waste at our campuses are:

• **Recreated green vertical garden wall through reuse of discarded wooden scrap and house-keeping chemical empty cans**

• **Repurposed house-keeping chemical empty can & wooden scraps as walkway path dividers**

• **Recreated wooden outdoor seating in our campus for employees by reusing recycled materials**

ENGINEERING SOCIAL CO-PROSPERITY FOR COLLECTIVE SUSTAINABLE PROGRESS

Mr. K. N. Prabhakaran
Head-CSR

"LTTS has a rich legacy of social work, with CSR as one of the fundamental pillars through which we are engineering social co-prosperity across India. We believe that CSR is not a legal obligation, but a responsibility. It is gratifying to see how some of our social endeavors have had a positive impact on the beneficiaries.

One such initiative is our Project Neelachala in Puri, Odisha. Under this environment-related intervention, we worked with Habitat for Humanity, India, and the Government of Odisha to build disaster-resilient homes for families affected by Cyclone Fani. Another LTTS CSR activity has helped improve the quality of life of rural elderly in Vadodara, Gujarat, by providing more than 22,000 primary healthcare treatments.

These are just some examples of how LTTS is focused on building a healthy and inclusive society. It gives me immense pride to be associated with our CSR programs. We will continue to work towards deepening and refining our social activities, and collaborate with our CSR partners to create more far-reaching and positive social value in the future as well."

– Mr. K N Prabhakaran, CSR Head

As responsible corporate citizens, we, at LTTS, strive to drive social change by leveraging our core capabilities of engineering and innovative technology. We undertake several transformational initiatives that contribute towards community empowerment and all-round societal development, with strategic social investments in several key areas like healthcare, water availability, environment conservation, skill development, education, and promotion of sports amongst the disabled. We foster long-term sustainable community development, and drive growth initiatives that aim to make a meaningful impact in people's lives.

ENSURING 'INCLUSIVE GROWTH FOR ALL' – LTTS CSR PHILOSOPHY

Our CSR philosophy centers on implementing transformational projects to create value for the society we live in. Despite the hurdles posed by the COVID-19 pandemic, we have continued to undertake projects in the areas of environment, water conservation, health, education and skill development.

The key objective of our CSR policy is to harness our technological expertise and passionate workforce to create a visible impact on the society. It is in our DNA to constantly care for people, both within and outside the organization.

Implement planned and sustainable CSR programs with an objective to 'Build India's Social Infrastructure'

Collaborate with communities, institutions and NGOs to promote areas like skill development, water and sanitation awareness, and health and education

Leverage technology and innovation-based solutions to closely address social needs and issues

Facilitate the development of a progressive, model society, with a high quality of life and no inequities

Empower individuals in socially, educationally and economically backward communities to achieve their potential

LTTS has a robust mechanism to monitor and report the CSR activities at various locations. Our CSR team is responsible for implementing, monitoring and tracking the progress of every program.

For more details on our CSR activities please visit: https://www.ltts.com/about-us/csr

ENVIRONMENT

- 488 people benefited from our solar project
- 51 cyclone-resistant houses handed over to beneficiaries
- 35,000 sq. ft of space maintained
- 28,886 kgs of (dry + wet) waste collected

WATER

- 1,068 people benefited from various socio-economic programs
- 4,635 agro-forestry saplings planted
- 4,364 cubic meters of clearance channel constructed

HEALTH

- 22,359 healthcare treatments provided
- 446 places at which primary care given

EDUCATION

- 8,550 students benefited from our education programs
- Infrastructure support provided to women research scholars

IMPACTING LIVES

SKILL DEVELOPMENT

- 247 youth benefited from digital literacy courses
- 60 youth benefited from office assistantship training

CARING FOR THE ENVIRONMENT, SUSTAINABLY

Empowering Tribal Communities with Solar Energy

LTTS partnered with Swami Vivekananda Youth Movement (SVYM) to provide solar energy to the impoverished tribal communities near Mysuru, Karnataka. LTTS and SVYM teams installed solar panels and streetlights in selected tribal hamlets near Mysuru. Solar lamps were installed in homes, schools, anganwadis and community centers. These installations have had a visible impact on the villagers' lives.

The use of solar power has enabled each household to reduce their kerosene oil usage by 3-4 liters, with savings of ₹ 400 to 500 per month. Dependable and stable electricity connections have made cooking easier and more hygienic after dark. It has also provided them with an opportunity to extend their work hours after dark and increase their income. Meanwhile, solar streetlights have ensured that women and children feel safe and live without the fear of encountering wild animals in the dark hours.

Case Study

Ms Kaveri and Mr Ravi's family lives in the Chikka Baragi Haadi tribal hamlet, which had no electricity earlier. The family had to depend on kerosene or wax candles for light. In the dark, whenever the kerosene lamp was needed, there was a need to use kerosene in moderation. Therefore, they would often complete cooking by sunset and have dinner in darkness. But after the advent of solar light at home, they cook and eat at any convenient time. Everyone in the family enjoys their dinner under the solar light together. Kaveri and Ravi are also happy that they can go to the neighboring house and get necessary things without fear during night hours. Their response to this initiative - "Thank you L&T Technology Services and SVYM for your support in providing solar lamps for our family".

Withstanding Nature's Fury with Disaster-Resistant Homes

Cyclone Fani had ravaged several thousands of homes in Odisha's Puri district. In response to the crisis, LTTS launched Project Neelachala – an initiative to provide disaster-resilient homes to 150 affected families in Puri. As part of this initiative, we are working with Habitat for Humanity, India, and the Government of Odisha to rebuild the lost homes of those affected by the destructive cyclone.

After the government relaxed its lockdown restrictions, the shortage of labor was compensated by locals who were unable to go out for their regular employment. This helped the locals earn a livelihood, and also ensured that the project activities were carried on without any major delays. Moreover, considering that Odisha lies in a cyclone prone area, we have also undertaken disaster management and survival trainings for the local communities.

As of March 2021, we have built and handed over 51 cyclone-resistant houses.

Beautifying Public Spaces, Creating Sustainable Urban Oases

Since 2018, LTTS has collaborated with Meta Design to develop and maintain a road median project on Thane-Belapur Road between Koperkhairane and Rabale, Navi Mumbai, Maharashtra.

As part of this project, the road median was populated with flowering plants, shrubs and creepers to absorb carbon dioxide and aid in cleansing the air. The LTTS and Meta Design teams also installed signage poles, solar lamps and spike lights. Further, the railings along the road divider were painted in VIBGYOR themes with social messages.

- 42,365 flowering plants, shrubs and creepers maintained
- 100 signage poles, 50 solar mashals and 76 spike lights maintained

- 180 Warli paintings and 535 social messages maintained

- Mixed use of tanker water and drip irrigation

Adoption of Flyover in Hebbal, Bengaluru with India Rising Trust

LTTS partnered with the India Rising Trust to adopt the Veeranapalya flyover in Hebbal, Bengaluru, under the Bangalore Municipal Corporation's 'Adopt a Flyover' initiative. It involved beautifying a garbage-dumping area under the Veeranapalya flyover and converting it into a public utility area.

Vertical sheets were used to create models of animals, such as elephants and tigers, in adherence to the 'Wild Karnataka' theme. These realistic models were developed in a way that captured the essence of motion when viewed from different angles. Moreover, recycled plastic benches, sourced from LTTS' solid waste management project in Gujarat, were used in the Under Flyover Wild Arena areas to create awareness on the usage of recycled plastic waste among the local community.

- 35,000 sq. ft of space maintained

- Thousands of people attracted to the wild-life themed public space

- Easy distribution of masks facilitated during the pandemic due to the open space

Thinking Green, Thinking Smart: Recycling Plastic Wastes

In alignment with the Swachh Bharat Abhiyan, LTTS launched a solid waste management project at Dumad village in Vadodara, Gujarat, in partnership with the Society for Clean Environment (SOCLEEN). The main aspect of this project has been the usage of reusable plastic waste to create useful objects, such as benches, paver blocks and bricks.

During the reporting period, 4,579 kg of plastic waste was collected, including 2,216 kg of plastic waste collected by ragpickers. The collected plastic waste was segregated and converted into 1,500 bricks, 16 benches and 300 paver blocks. Some of these benches have been used in our Veeranapalya flyover project.

- 28,886 kgs of waste collected

- 4,579 kgs of plastic waste segregated

PROVIDING WATER SUSTAINABILITY SOLUTIONS

Replenishing Parched Lands, Replenishing Lives

Watershed+ Project in Kathwadi with National Agro Foundation

LTTS partnered with National Agro Foundation to implement agricultural interventions and socio-economic initiatives, ranging from awareness programs to training programs, in Kathwadi village in rural Maharashtra. Two important village institutions, Mahila Pani Samiti (MPS) and Village Watershed Committee (VWC), were incorporated into this project to ensure willful community participation.

- 128 people benefited from veterinary camps

- 28 Mahila Pani Samiti members received soft loans

- 151 people benefited from awareness programs on safe drinking water and improved sanitation

- 20 people benefited from demonstration session on crop management practices

Integrated Watershed Project in Kokkaranthangal, Tamil Nadu with National Agro Foundation

LTTS and National Agro Foundation have engaged in several water conservation and retention efforts in Kanchipuram, Tamil Nadu since 2017. The project covers Kokkaranthangal, Zamin Pudhur Amaindhakaranai, and Arcadu villages in Kanchipuram. This project aims to improve water security and agricultural practices, equipping farmers to withstand irregular and delayed monsoons and increase their yields.

Besides this, we conducted agricultural trainings for Village Watershed Committee (VWC) and Self-Help Group (SHG) members. 50 SHG members were provided livelihood support to purchase sewing machines and milch animals after the pandemic-induced lockdown was over. This provided them with an additional source of income, thus improving their quality of life.

Case Study

Ananta Sakharam Pilane from Katwadi village, Velha Taluk, Pune is a 38-year-old farmer who lives with his family. He is a traditional wheat-growing farmer, who was not aware of interventions like soil testing, recommended fertilizer usage, and pesticides or other pest management strategies. With the help of live demonstration sessions conducted by the National Agro Foundation (NAF) and LTTS, Ananta received proper guidance on soil testing, installation of yellow sticky traps, and purchase of bird perches. He also got acquainted with the recommended dose of fertilizers. With this, he was able to increase his income by 22 per cent with the same wheat crop.

Ananta has now witnessed the benefits of following a scientific method of cultivation, and is eager to adopt this practice for his other crops as well. He is also keen on getting his soil tested regularly, and following scientific instructions to avoid spending excessively on inputs and preserving the beneficial soil bacteria for better yield and profits. He wishes that many more farmers are roped into this project and can avail of the benefits of LEAN farming technologies as well.

- 343 agro-horticulture plants distributed

- 4,635 agro-forestry saplings planted

- 36 productivity enhancement demonstrations conducted

- 55 people benefited from capacity building training

- 50 people benefited from income generation program

Case Study

Mrs. S. Pavithra is 25-year-old and lives with her daily wage laborer husband and their two children. To increase her family income, Pavithra was determined to start her own venture as an additional source of income. Her village did not have a photocopy shop, and people often had to travel 5 – 8 kms to get a photocopy of any document. She identified the opportunity and proposed her interest to the National Agro Foundation (NAF) team with a formal application to provide support for a photocopy machine.

With the support from LTTS and under the Income Generation Program, Pavithra has been able to avail of a loan of ₹ 30,000 and set up a Xerox shop in her village. The shop had been remunerative for her, fetching her average of ₹ 4,500 per month apart from the maintenance charges. Even people from nearby villages visit her shop to avail photocopying facilities. Pavithra is very grateful to LTTS and NAF for making her dream come true and aspires to add many services to increase her income as well as serving the villagers through her efforts.

PROMOTING HEALTH FOR SUSTAINABLE LIVING

Improving Access to Healthcare, Improving Quality of Life

LTTS has been working with HelpAge to address the primary healthcare needs of the elderly since 2019. Our efforts have been focused on supporting HelpAge's Mobile Healthcare Unit (MHU) project in Vadodara, Gujarat. This project has helped people aged above 60 years enjoy a dignified and healthy life.

HelpAge provides healthcare services, such as free basic diagnosis, free treatments and free medicines, through its MHU vans. These vans, which are staffed with doctors, pharmacists, a paramedic team and social workers, visit remote areas to ensure access to quality medical care. The MHUs are equipped with basic diagnostic equipment, such as thermometer, BP apparatus, weighing machine, and glucometer, as well as medicine for common ailments such as diabetes, hypertension and arthritis.

During last year, when the pandemic-induced restrictions were eased, HelpAge team resumed their visits to target villages. Awareness and counseling sessions were held to encourage elders to visit the MHUs. The team also visited the houses of bedridden patients to ensure proper and uninterrupted care. Besides ensuring quality care, counseling sessions were held for elders, caretakers and family members on various aspects of healthy aging.

In addition, the HelpAge staff continued to spread awareness about the COVID-19 crisis and encouraged villagers to take preventative measures like wearing masks, frequent hand washing, practicing social distancing, and getting themselves vaccinated. All these efforts were carried out in adherence to government safety protocols to ensure the protection of public health.

- 22,359 treatments provided

- 9,721 males and 12,638 females benefited from this project

Case Study

- Bhikhiben, 68, lives alone in Anguthan village where she works as a maid to make a living. Even though Bhikhiben suffers from arthritis and was getting treated at a local clinic, she did not get any relief. Through the MHU intervention, Bhikhiben started getting relief with her very first visit. So far, she has taken treatment from the MHU four times. Appreciating the project, Bhikhiben says, "Doorstep service for someone elderly like me is such a great convenience. It's not possible for me to go for treatment outside the village due to financial issues. I am thankful to HelpAge India and L&T Technology Services for giving cost-free treatment to poor people like me."

- Raman, 62, lives alone in Sejapura village in Dabhoi, Vadodara, and works as a daily wager to support himself. Due to heavy labor work, Raman suffers from breathlessness and general weakness. He has also been diagnosed with chronic obstructive pulmonary disease (COPD). Although Raman underwent treatment with a local general practitioner, he did not see any improvement in his condition. Finally, he availed the services of the Mobile Health Unit and received free treatment. Since then, Raman has experienced significant improvement in this health. He says, "I have faced many problems in my life and have not shared my sadness with other people. It's difficult for me to get treatment due to financial problems. But in this doorstep service, I am getting much more than I'd expected, including free treatment, medicine, personal response from the team, etc. I am really thankful to HelpAge India and L&T Technology Services for providing such a great doorstep service free of cost to elderly people like me. I wish the service continues in future as well. Thank you."

TRANSFORMING SUSTAINABLE DEVELOPMENT THROUGH EDUCATION

About 8,550 students benefited from LTTS' education programs in FY21.

Supporting Online Education, Empowering the Future

An online pedagogy project with Agastya International Foundation

As part of our renewed education intervention, Agastya trained teachers on how to use online platforms such as Google Classrooms, Google Meet, and Zoom as teaching tools.

Agastya also developed a training module with a strong visual science-experiment component for the students. Under this 'Explore Play, Learn' (EPL) module, students were given hands-on assignments that could be performed at home using easily available materials such as plastic bottles, food items, and balloons.

The Agastya staff started using Google Classrooms, Google Meet, and Zoom to conduct online classes. This activity was called EPL 2.0. Since June-July 2020, Agastya instructors have been conducting two online EPL sessions per day. To avoid any inconvenience to the students' guardians, most of these sessions were held early in the morning or late in the evening. The instructors also encouraged students to come up with specific problems and demonstrate how they can address them through small working models

- 2,833 online sessions conducted for students
- 359 topics covered through online sessions
- 8 virtual science fairs organized
- 3 teachers training program conducted
- Project locations include – Navi Mumbai, Kanchipuram & Mysuru.
- Infrastructure Support to Women Research Scholars through Indian Institute of Science (IISc), Bangalore

As part of its CSR initiatives, LTTS decided to help IISc's plan to provide infrastructure support to their women research scholars by partly funding the construction of a women's hostel within their campus. Currently, IISc has more than 25% female students, several of whom come

from disadvantaged, backward regions of the country and cannot afford alternative accommodation outside the IISc campus. To address this, IISc and LTTS worked together to construct a new hostel complex for women research scholars in Bengaluru, Karnataka.

Multiple development projects with Indian Institute of Technology (IIT), Madras

LTTS partnered with IIT Madras to carry out various projects during the reporting period as part of its CSR activities. We sponsored 100 customized wheelchairs to the beneficiaries. 20 of these wheelchairs had a motorable attachment that the user could attach to the wheelchair and use it to ride on the road. The wheelchairs have 18 user-based customizations and their smaller footprint, enable the user to access narrow spaces.

In addition, LTTS provided scholarship grants to help underprivileged students to enroll into IIT Madras' foundational level of the B.Sc. in Programming & Data Science program. A total of 690 learners from across 26 states and UTs benefited from LTTS' financial support.

- 100 people benefited from customized wheelchairs
- 690 students benefited from B.Sc data science scholarship
- 4,854 students benefited from career guidance program

A comprehensive learn-from-home project with eVidyaloka

LTTS and eVidyaloka have been leveraging digital technology to modernize the rural education system.

As part of eVidyaloka's 'digital classroom' program, the team set up digital infrastructure across different schools. This enabled the students to access high-quality education. However, last year, as schools were closed due to the pandemic, eVidyaloka initiated a 'Learn from Home' model to help children continue their academic growth. Under this module, the team continued to teach children through live online sessions. The only change being the location of eVidyaloka's digital classrooms. Students who had smartphones could attend the live sessions from the comfort of their homes.

Case Study

Harini's interests include singing and dancing. Her father is a driver and her mother is a housewife. During the lockdown, the situation was very difficult as schools were closed. Harini was apprehensive when she was asked to join Agastya online sessions. But now, she never misses her Agastya online sessions. "Agastya online sessions helps me to understand concepts in detail and I am able to know the nuances of science clearly". In addition, Harini learned that science could be found inside her house too. She was surprised when the instructors used materials easily found inside the kitchen and around the house to conduct various experiments and activities. She said that staying home no more felt like a punishment.

"I was happy to be home in the initial days of the lockdown but gradually it turned out to be like a punishment and my parents too were worried about my education. But once Agastya's online sessions started, things turned out to be a bliss"

– Harini, Student of Class 8,
   Walajabad town in Tamil Nadu

Case Study

Aaryan is a bright student who loves reading and drawing. Due to the COVID-19 pandemic, he could not step out of his house to meet his friends or go to school. However, ARCH's online science theatre program served as a silver lining for him. Instead of getting bored at home during the lockdown, Aaryan attended ARCH's online sessions to learn different scientific principles. He also conducted multiple science experiments using the materials available at home.

He says, "I felt extremely lucky to be a part of ARCH's online science theater workshops. ARCH instructors explained everything in great detail, which increased my participation during the sessions. This helped me gain knowledge from different science experiments and projects. Thank you ARCH and LTTS for making science more fun and easier for me."

- Aaryan Shah, Student of Class 8,
   Vadodara, Gujarat

FOSTERING SUSTAINABLE DEVELOPMENT THROUGH SKILL DEVELOPMENT

Bridging the Digital Gap, Empowering the Youth

A digital literacy project in Gujarat with L&T Public Charitable Trust

At LTTS, one of the main focus areas of our CSR initiatives is imparting basic job-earning skills to the unemployed youth. Through a close collaboration with L&T Public Charitable Trust, we are working to reskill unemployed youth by improving their digital literacy and other basic skills to increase their employment chances.

The team undertook digital literacy and office assistantship training sessions focused on imparting employable skills such as computer literacy, accounting, English language proficiency, and much more. The digital literacy program is designed in partnership with IT advocacy group NASSCOM while the office assistantship course is as prescribed by National Skill Development Corporation. These programs, which include theoretical and hands-on trainings, have a defined syllabus and assessment process.

- 247 youth benefited from digital literacy programs
- 60 youth benefited from office assistance courses
- Project location: Kharel, Gujarat

Case Study

Ms. Disa Prakashbhai Tailor is from Gandeva. After completing her higher secondary, she joined a college at Navsari where unfortunately, she was struggling with her education. Within the second year of her college, she failed in some subjects and dropped out. Disa's father was worried for her. Therefore, he started looking out for a good course for his daughter. At the same time, the mobilization team of Orion Education Society (Kharel) was doing a campaign in Gandeva. He inquired the details about this campaign and found a three-month skill building course of 'Office Assistantship' for unemployed youth. This course is affiliated to Sector Skills Council allows the trainee to get professional training and certificate whilst offering respectable jobs in industry. From the very first day of training, Disa was eager to learn new things in computer. She learnt many system software as well as application software during training. Apart from this, she was also able to develop her soft skills, enabling her to make presentations on a given topic and presenting it in front of people.

The training helped Disa to crack an interview at 'Suyaash Pharmaceuticals'. She is currently working as Computer Operator and earning a monthly salary of ₹ 8,500.

She says, "I am thankful to L&T Technology Services, Larsen & Toubro Public Charitable Trust & Orion Education Society for providing me right direction in life. Special thanks to the Team and trainers who have helped me to know more and grow in my career."

- Ms. Disa Prakashbhai Tailor, Gandeva

REDEFINING SUSTAINABLE DEVELOPMENT THROUGH EMPLOYEE VOLUNTEERING

Nearly 111 LTTS employees dedicated approximately 1,221 hours to volunteer for education-related CSR activities.

Making a Difference, Changing Lives

An e-volunteering initiative with ARCH Development Foundation (ARCH)

Several LTTS employees worked with ARCH to volunteer in an online volunteering initiative called the Angrezi Medium. Volunteers taught 'Spoken English' to students from government or Trust-aided schools across India. Conducted online sessions for students under the Umberlla of 'expressions'. These sessions were dedicated to improving English-speaking skills of the children through poetry, storytelling, song or speech.

- 24 LTTS employees volunteered for ARCH Angrezi Medium project
- 186 students mentored by LTTS volunteers
- 560 volunteering hours dedicated to Angrezi Medium initiative
- Holistic online pedagogy programs with eVidyaloka

LTTS employees also participated in eVidyaloka's online teaching programs such as Learn from Home (LFH), Leadership Curriculum (LC), and Teach through Television (TTT). The team conducted online sessions for children in Grade V-VIII for subjects such as English,

Mathematics and Science. Volunteers recorded video lessons in regional languages which were aired on local television channels in the rural areas to help students learn from their homes.

- 13 LTTS employees volunteered for eVidyaloka initiative
- 731 students benefited from this initiative
- 530 volunteering hours dedicated eVidyaloka's teaching program
- An online-mentoring program with Foundation for Excellence (FFE)

Under the FFE mentorship program, volunteers shared their insights and experiences with the participating students and trained them based on the curriculum provided by FFE. The sessions cover topics such as communication, problem-solving and decision-making, work etiquette, personality development, time management, career development, and stress management.

- 74 LTTS employees volunteered for this project
- 74 FFE engineering scholars mentored
- 131 volunteering hours dedicated to FFE mentoring program

Testimonials

"Education is a journey from darkness to light. It is a necessary tool for human transformation. The progress of the nation relies heavily on education. As a nation we are yet to make a lot of progress in educating rural children. Many NGOs stand with the government as a helping hand for this transformative journey. One among them is e-Vidyaloka. They have leveraged the technology to provide online education to rural kids. e-Vidyaloka has set up digital classrooms in poverty-stricken rural schools and expose students to a new world of education. I found this an interesting approach to educate rural kids digitally. Having no prior experience of working in an NGO was completely a new exposure to me. I came across different students and teachers with diversified backgrounds and talents. I was fascinated when I got to know that people from abroad are also interested in teaching our rural kids.

I have 3+ years of experience in e-Vidyaloka teaching different subjects like Mathematics, Science and Kannada. I have had some unforgettable sweet memories in my life. My surprise visit to the school I teach remains the best moment. The excitement and happiness I saw in the eyes of those students is invaluable. I am proud of being a teacher in e-Vidyaloka. It has given me a sense of gratification in my life. And I will continue to do this throughout my life. I urge everyone to join e-Vidyaloka or such organizations and help transform the lives of millions. Experience the delightfulness in your life by teaching the needy children."

 - Navaneeth S Rao - ICT, Mysuru

"It's been four months into the FFE mentoring program and I couldn't have asked for a more enriching experience. I would like to thank the CSR team at LTTS to have encouraged such a noble initiative. When I first agreed to volunteer, I was a bit apprehensive as I have no teaching experience. Only later I found out that you don't need any. All you need is a willingness to fuel the teacher within you. It gave me an opportunity to work with an amazing student like Sagar. He comes from a small village close to Bengaluru and though a very bright student, he was shy and under-confident due to his poor communication skills (especially in English). As the mentorship program progressed, I saw Sagar improving and becoming more confident. Today, I am proud to say Sagar is a self-assured young man attending his job interviews very confidently. Would I do it all over again? In a heartbeat. In fact, I am planning to register for the upcoming sessions as well. Overall, it taught me that the beginning needn't always have to be big to make a huge difference."

- Mridula Prakash - CTO Office, Mysuru

INDEPENDENT ASSURANCE STATEMENT

Introduction and objectives of work

BUREAU VERITAS has been engaged by **L & T Technology Services Ltd** (hereinafter abbreviated "LTTS") to conduct an independent assurance of its ESG report for the year 2020-21. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the **ESG Report 2020-21** are the sole responsibility of the management of **LTTS**. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

Scope of work

The assurance process was conducted in line with the requirements of the Assurance Standard **AA1000AS version 03, Type 2 and 'Moderate'** assurance. The scope of work included:

- Data and information included in the ESG report 2020-21 for the **reporting period 1st April 2020 to 31st March 2021**;

- Appropriateness and robustness of underlying reporting systems and processes used to collect, analyse and review the information reported;

- Evaluation of the Report against the main principles of the AA1000 Assurance Standard[1]

  - Inclusivity

  - Materiality

  - Responsiveness

  - Impact

- Evaluation of the Report against the principles of Accuracy, Accessibility, Balance, Clarity, Comparability, Reliability, Timeliness and Stakeholder Inclusiveness, as defined in the **GRI (Global Reporting Initiative) Standards[2]** on Sustainability.

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[1] Published by Accountability: The Institute of Social and Ethical Accountability http://www.accountability.org.uk ((AA 1000 AS version 03 is the latest version of the assurance standard)

[2] GRI Standards are published by the Global Reporting Initiative, P.O. Box 10039, 1001 EA, Amsterdam, The Netherlands and can be downloaded from the GRI web site www.globalreporting.org

Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Remote audit through video conferencing was conducted at Hyderabad site on 11th January 2022, Vadodara site on 11th January 2022, Mysuru site on 12th January 2022, Bengaluru site on 12th January 2022, Airoli site on 13th January 2022, Chennai site on 18th January 2022, Corporate Office – Powai Mumbai on 18th January 2022 and remotely interviewed relevant personnel responsible for sustainability performance. Bureau Veritas' experienced assurors and sector specialists remotely conducted the assurance process. The off-site assessment consisted mainly of desk review of the draft ESG report.

2. LTTS had submitted sustainability performance data on reported GRI indicators. The data pertaining to the same was sampled and assessed by Bureau Veritas through the process above described.

3. The data was assessed on a sampling basis. Data on various GRI sustainability indicators was verified for the locations. Later, it was confirmed that the same verified data went into preparation of the final data within the ESG report 2020-21.

4. Bureau Veritas reviewed evidence of stakeholder engagement activities that had been undertaken by LTTS prior to the preparation of the ESG report. The methodology and criteria chosen in order to determine aspects material to LTTS were also reviewed for their appropriateness.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

Our findings

On the basis of our methodology and the activities described above, it is our opinion that:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate or that the information included therein is not fairly stated;

- It is our opinion that LTTS has established appropriate systems for the collection, aggregation and analysis of quantitative data such as Environmental (at all locations), Health & Safety and Human Resources, Labour & Community interventions as well as Product and Investor related data (at Corporate office and HO).

Alignment with the principles of AA1000AS version 03

Inclusivity

There is nothing we came across that would suggest that LTTS does not have processes in place for engaging with a range of key stakeholders including socially responsible investors, shareholders, suppliers & contractors, Government officials, local community representatives and employees.

Materiality

We did not come across any finding to indicate the Report does not address the range of environmental, social and economic issues of concern that LTTS and its stakeholders have identified as being of highest material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns. The material issues were identified by a defined process of stakeholder engagement.

Responsiveness

There is no indication that LTTS has not responded to those issues it has identified as material and has not demonstrated this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.

Impact

There is no finding from our assessment that LTTS had not monitored, measured or has not been accountable for its actions related to its material topics and their effect on the broader ecosystem

Evaluation against Global Reporting Initiative (GRI) Sustainability Reporting Standards

Bureau Veritas undertook an evaluation of **LTTS ESG report 2020-21** against the GRI Standards. This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI reporting option.

Based on our work, it is our opinion that the **ESG report 2020-21** has been prepared in accordance with the GRI Standards including appropriate consideration of the reporting principles and necessary topics and disclosures within each topic, to meet the requirements of **GRI Standards** Reporting Option **"In accordance- Core"**.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period stated hereinabove;
- Positional statements (expressions of opinion, belief, aim or future intention) by LTTS and statements of future commitment;
- Competitive claims in the report claiming "first in India", "first time in India", "first of its kind" and such other claims, if any;
- Our assurance does not extend to the activities and operations of LTTS outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with LTTS;
- Our assurance of the economic and financial performance data of LTTS is based only on the audited annual reports of LTTS and our conclusions rely entirely upon that audited report

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 180 years history in providing independent assurance services.
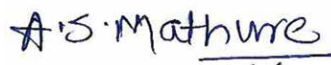
Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with LTTS, its Directors, Managers or officials beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of ESG reports.

Bureau Veritas (India) Private Limited

72 Business Park, 9th Floor, MIDC Cross Road 'C', Opp. SEEPZ Gate #2, Andheri (East) Mumbai-400 093 India.

A.S.Mathure

Amit Suresh Mathure
Lead Assurer

Sanjay Patankar

Sanjay Patankar
Technical Reviewer
ICC-Sustainability & Climate Change Services

Date: 08/03/2022

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NOTES

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L&T Technology Services Limited

Registered Office:
L&T House, N. M. Marg, Ballard Estate
Mumbai-400 001, Maharashta, India.

For Additional Information About
L&T Technology Services, Log on to **www.LTTS.com**
Reach us at **investor@LTTS.com**
corporate.sustainability@LTTS.com