

HUMAN RESOURCES

At L&T, Human Capital is recognised as one of the most vital enablers of long-term, sustainable value creation. The Company's workforce is a dynamic, evolving ecosystem of individuals who bring passion, purpose, technical brilliance and leadership to everything they do.

With a multi-generational talent pool spread across geographies, business verticals and disciplines, L&T thrives on the strength of its people — men and women, who challenge the ordinary, solve complex problems and deliver outcomes that shape India's infrastructure, manufacturing and technological progress.

The Company's Human Capital approach is built on five foundational pillars:

- ▣ Capability building at scale
- ▣ Culture of continuous learning and innovation
- ▣ Fairness and inclusiveness
- ▣ Performance with purpose
- ▣ Well-being as a strategic enabler

These pillars are aligned with the Company's long-term strategic blueprint, Lakshya 2026, and ensure that human capital development remains an integral part of business success and stakeholder value creation.

Acquiring Talent & Consolidating the Employer Brand

L&T's Young Professional Talent Acquisition team recruited and onboarded over 2,600 young engineering professionals (GETs/PGETs) across various businesses within the L&T Group. GETs and PGETs were recruited primarily through campus processes held across the country. Over the past three years, the total number of women hires in the GET/PGET recruitment process was more than 30% of the total intake. More than 1,600 young professionals were also recruited during the year comprising MBA Graduates, Chartered Accountants, Cost Accountants, Diploma Engineers, and other trainees.

Beyond recruitment, the Group focused on reinventing the Employer Brand through campus engagements, strategic sponsorships at various engineering institutes, social media activation, and other initiatives. Through leadership talks and industry-academia connects, L&T's leadership shared inspiring narratives about shaping India's infrastructure. These initiatives continue to reinforce L&T's position as

an employer of choice by engaging with top talent across premier engineering institutes.

CreaTech, the flagship case study competition for engineers, plays a key role in expanding campus interaction by offering students real-world problem-solving experiences that mirror industry challenges. During the year, the Company relaunched OutThink – a business case study competition, which recorded more than 6,500 registrations from 34 premier B-schools across the country.

Managing Talent and Succession

L&T's Performance Management System (PMS), the foundation of the Company's meritocratic culture, ensures that talent is differentiated, recognised and rewarded effectively. The PMS is also integrated with the Career Development and Succession Planning Modules to facilitate seamless succession planning. The Company has a robust process for identifying and nurturing high-potential employees through Development Centres (DCs), designed to assess and groom future business leaders, and a Technology Leadership Programme (TLP), focused on employees in specialised technical domains such as engineering design, construction methods, plant and machinery, precast and formwork. In FY 2024-25, over 1,500 employees were assessed through DCs, and Individual Development Plans (IDPs) were prepared to map their personalised growth journeys.

Talent Review:

To enhance visibility and support critical talent from across business units, the Company further strengthened the 'Talent Review Process' for all employees. Led by the Talent Council, this re-structured approach involves quality discussions and a user-friendly Talent Review software module. A digital tool has been developed to capture the requisite data on critical talent and help track progress of interventions.

Special Initiatives for Workers:

The Company's Infrastructure segment has initiated a worker cash incentive scheme to improve retention of workers at project sites. The scheme pays out a cash incentive to workers who stay for more than 90 days at a project site. During the year, more than 25,000 workers availed of the scheme.

The Group Performance Assistance Scheme, a performance-based earning model has been initiated by the Heavy Engineering business. The scheme is designed to encourage enhanced worker performance by linking it to the prospect of increased incentive-based compensation. It has played a vital role in increasing efficiency, reducing delays and ensuring safe working conditions.

Learning & Leadership Development

At L&T, Learning & Development is deeply embedded in the Company's ethos, driving both individual and organisational growth. The Company has built a legacy of nurturing talent from within. Leveraging cutting-edge AI tools and innovative digital platforms, L&T provides employees with continuous learning opportunities, ensuring that they are equipped with the latest skills.

The flagship Seven-Step Leadership Development and Ascent – an integrated leadership competency development programme -- continues to strengthen the leadership bench, ensuring a seamless transition into future leadership roles.

L&T's Management Development Programmes (MDPs) strengthen functional management skills and build a sustainable competitive advantage. Conducted in partnership with XLRI, IIM-B, IIM-C and other premier B-schools, the MDPs train over 800 employees annually through a structured learning approach. For executive and supervisory levels, the Company runs Executive Development Programmes (EDPs) and Supervisory Development Programmes (SDPs) in collaboration with SIBM and NMIMS.

The People Leadership Excellence Framework introduced in 2023-24 has become the cornerstone for developing leadership excellence through several initiatives. This framework articulates the journey and attributes of a people leader through five dimensions – Personal Excellence, People Relations Excellence, People Performance Excellence, People Development Excellence and People Leadership Excellence.

Long-Term Education Programmes

Investing in long-term education programmes is a strategic approach to develop young talent within L&T and meet the personal aspirations of employees who are in the early stages of their career. Some of the notable programmes are Build India Scholarship with IIT Madras, IIT Delhi, NIT Trichy and NIT Surathkal. In FY 2024-25, the Company collaborated with NICMAR to offer co-branded M. Tech Programmes in Construction Technology & Management and Infrastructure Project Management. The programmes will be rolled out in their Pune campus in FY 2025-26.

The Company conducts skilling programmes for workmen in the construction industry. During the year, more than 10,000 candidates were skilled and trained by Construction Skills Training Institute (CSTI). The training involves a 90-day modular training programme which, upon successful completion, enables a candidate to gain employment opportunities in the construction industry. In addition, over 4,000 candidates were placed under National Apprenticeship Promotion Scheme (NAPS).

Upskilling and re-skilling of workers is also done by giving 'site-based' training and 'on-the-job-training'. Over 25,000 candidates have benefited through these schemes.

ATL Varsity

L&T's virtual learning platform, ATLVarsity, offers a host of self-paced learning courses and modules in areas pertaining to technical, functional and behavioural areas. The ATLVarsity, in addition to its own hosted content, offers curated content from other learning platforms such as Coursera, Skillsoft and Coach Vani. Expanding beyond content creation, ATLVarsity leverages GenAI for skill assessments and benchmarking, providing employees with personalised feedback and learning experiences.

HR Digitalisation & AI Enablement

The Company has launched a new AI-enabled chatbot, "HEERA Plus" - an AI-powered employee assistant designed to transform employee query resolution and serve as a self-service platform for all HR related queries, at 3 personas - employee connect, HR connect and Leadership connect.

The Company launched a state-of-the-art Learning Management System (LMS) as a part of the SAP Success Factors suit, marking a significant step in enhancing employee training and development programmes. This cloud-based LMS provides a personalised and meaningful learning experience, prioritising compliance and continuous growth.

Another key Gen AI-driven innovation is CAISY, a Conversational AI Simulator designed as a scenario-based, personalised coaching tool for managers, enabling them to practise difficult conversations and enhance their communication skills. CAISY offers over 70 scenarios across three distinct personas — defensive, aggressive and dismissive — providing a realistic and immersive environment for skill development.

Additionally, L&T has launched a new digital library through the Percipio platform, providing employees with access to over 15,000 books and articles. This extensive digital library supports continuous learning and professional development by offering resources from various fields and disciplines.

The Company added AI-based 270-degree report as part of the People Leadership Excellence Feedback Instrument giving people managers a comprehensive overview on their competencies, strengths and blind spots. It also helps in framing customised development plans for people leaders.

Another achievement in HR digitalisation is the launch of an attrition prediction module - Retain Pulse.AI - an in-house platform developed by HR and the COE – Advanced Analytics, designed to predict employee attrition using workforce data such as demographics, attendance, training and performance.

Diversity, Equity & Inclusion (DEI)

Fostering diversity and inclusion at workplace continues to be a key priority for the organisation, with a focus on hiring diverse talent and creating an equitable environment where all employees feel included. This year the focus has been to strengthen initiatives based on the four pillars of the DEI Charter – Induct, Engage, Develop and Enable.

During the year, the Company hired 'People with Disability' (PwD) candidates in technical roles. A workshop was organised to ensure support from stakeholders and an accessibility assessment was carried out for the office campus.

The WINSPIRE programme is designed to focus on addressing the developmental needs of women at various stages of their careers that covers participants in their early-career to mid-career stages, with each programme customised for the respective cohorts. 765 women employees have undergone the WINSPIRE series of Leadership Development Programmes since its launch.

The Company emphasises on building an enabling environment for women in general and working mothers in particular. The existing policies such as flexibility for new mothers, traveling with infant and caretaker, ergonomic chairs, wellness rooms, creche facilities, hybrid working post-maternity, and the newly introduced menstrual leave, have been well accepted.

Employee Experience & Engagement

As part of ensuring an enhanced onboarding experience, the Company conducts Pulse Engage surveys on the HEERA platform in a conversational mode at critical milestones (7 days, 30 days, 60 days and 180 days) for new joiners. Over 8,000 laterals and 2,800 campus joiners in FY 2024-25 responded to Pulse Surveys.

With over 140 podcasts covering various themes like Leadership Series#, Health & Wellness#, L&T Cares#, and employee's children's achievements in Academics & Sports, **L&T Radio** has become a vital cog in engagement and employee connect.

From 1,500 participants in its inaugural season to over 5,200 participants in FY 2024-25, the **QuizWiz** initiative has cemented itself as a knowledge-driven competitive event, emblematic of L&T's values and its emphasis on continuous learning. **The ART Beats** programme which brings out the artists in the employees, has inspired camaraderie and artistic innovation among employees.

Internal HR Excellence Initiatives – Over the years, L&T has benchmarked its internal people processes. This year, the Company organised the 13th edition of its HR Excellence Model (HREM) awards where applications were assessed by 30 CII-certified assessors. The initiatives taken by HR teams across businesses were recognised as part of the Annual HR Awards programme.

Health & Well-being

The organisation has curated various initiatives to support the mental health and overall well-being of employees. To increase awareness of holistic well-being among employees, the Company conducted a pilot survey based on the Four Pillars Wellness Framework – physical, social, emotional and financial.

The Company organised various programmes covering – health awareness sessions, diagnostic/screening camps/ workshops and training programmes.

The Company offers mental health counselling services both internally and through external counselling service providers that ensure that employees have confidential access to counselling, mental health resources and support for both personal and workplace challenges.

The MHFA (Mental Health First Aider's) campaign was launched in December 2024, inviting nominations from employees across India. 50 participants were chosen to take part in this initiative which aims to equip employees with the skills to identify mental health challenges, support individuals in need and provide guidance on accessing professional help.

Larsen Memorial Run

This run is organised every year as an ode to the co-founder. From the first edition in 2013, the number of participants has increased every year with more employees actively participating along with family and friends.

The second edition of the Atal Setu L&T Marathon took place on February 16, 2025. Besides being a platform for fitness enthusiasts, the run is also a celebration of the L&T Spirit.

Outlook & Strategic Priorities

As the Company expands into new businesses and geographies, its commitment to talent development has deepened. The focus is to ensure that the workforce is equipped with the skills, expertise and leadership acumen needed for sustainable growth. The Company actively invests in continuous learning and targeted upskilling programmes along with leadership development initiatives that align with evolving industry dynamics.

The Company upholds an unwavering commitment to human rights, fostering a workplace anchored in integrity, fairness and inclusivity. By embedding ethical principles across the workforce, the Company creates an environment where employees thrive, collaborate and contribute meaningfully.