

L&T Finance Holdings is taking coordinated action on climate issues, shows latest carbon disclosure rating

- L&T Finance Holdings Limited has received a CDP score of 'B' in 2022, a significant improvement from its previous score of 'D'
- The score signifies that the company is taking coordinated action on climate issues

December 22, 2022, Mumbai: L&T Finance Holdings (LTFH), one of the leading, retail finance oriented Non-Banking Financial Companies (NBFC), has scored a 'B' in the recently released CDP score report - climate change 2022. The rating indicates that the company is taking coordinated action on climate issues. LTFH's score improved from 'D' in 2021, highlighting the growing focus on climate issues and steps taken by the company towards sustainable processes and systems.

The significant improvement in the score can be attributed to the fact that the company has made Environmental, Social and Governance (ESG) an important pillar in its strategic growth. The company has also adopted specific targets for carbon neutrality by 2035 and water positivity by 2023. Additionally, the company has aligned its internal policies, processes, and activities, keeping in mind the environmental impacts and opportunities.

Speaking on the development, **Mr. Dinanath Dubhashi, Managing Director and CEO, L&T Finance Holdings** said, "ESG is an important driver for our growth. Our ESG roadmap is aligned to the five-year strategic plan- 'Lakshya 2026' with a commitment to climate leadership, water stewardship, circular economy, green supply chain, biodiversity, green offerings and risk management. We have been focusing on decarbonising our business footprint by using green power and creating carbon sinks to offset our residual emissions in order to ensure that everything is on track to meet the carbon neutrality targets by FY 2035. The significant improvement in the CDP score is a validation of our commitment and efforts to build an ESG-conscious organisation and it also shows that we are well on track to achieve the goals."

Ms. Prarthana Borah, Director, CDP India said, "In 2022, CDP India has seen a 40% increase in Indian companies disclosing to us their environmental data. L&T Finance Holdings is one of them. COP27 has reminded us of the urgent system-wide action to ensure that we limit global warming to 1.5°C to avoid the worst effects of climate change. L&T Finance Holdings has demonstrated its commitment to transparency around its environmental impacts and strategies. We congratulate L&T Finance Holdings for engaging in the climate action journey through disclosures. CDP looks forward to supporting companies who are taking action to identify and address climate risks. It is heartening to see companies stepping up on their climate action commitments."

L&T Finance Holdings has been reporting to CDP India since 2020 on Climate Change. CDP, a global rating agency, is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. The agency's ratings are looked up to as the gold standard of environmental reporting with the richest and most comprehensive dataset on corporate action.

About L&T Finance Holdings (LTFH):

LTFH (<https://www.ltfh.com>), a leading Non-Banking Financial Company (NBFC), offers a range of financial products and services through its wholly-owned subsidiaries. LTFH is the brand name of L&T Finance Holdings Limited and its subsidiaries. Headquartered in Mumbai, the company has been rated 'AAA' — the highest credit rating for NBFCs — by four leading rating agencies. It has also received leadership scores and ratings by global and national Environmental, Social and Governance (ESG) rating providers for its sustainability performance. The company was awarded FICCI's Corporate Social Responsibility Award for "Women Empowerment" and "Maharashtra CSR Award" for its flagship Digital Sakhi project.

LTFH is focused on creating a top-class digitally enabled retail finance company as a part of the 'Lakshya 2026' plan. The goal is to move the emphasis from product-focus to customer-focus and establish a robust retail portfolio with quality assets, thus creating a Fintech@scale while keeping ESG at the core.