

L&T Finance Ltd. joins the Partnership for Carbon Accounting Financials (PCAF)

The Company now aims to further enhance its carbon accounting and align its disclosures more closely with global evolving standards

Mumbai, April 02, 2025: L&T Finance Ltd. (LTF), one of the leading Non-Banking Financial Companies (NBFCs) in the country, is pleased to join the Partnership for Carbon Accounting Financials (PCAF).

With this initiative, LTF has demonstrated its leadership in climate accountability, by being amongst the early adopters in the NBFC sector and Banking, Financial Services, and Insurance (BFSI) industry to disclose and measure its financed emissions using the PCAF methodology, for its select retail portfolio. By formally becoming a PCAF's signatory, the Company aims to further enhance its carbon accounting and align its disclosures more closely with global evolving standards.

Ms. Apurva Rathod, Company Secretary and Chief Sustainability Officer at LTF said, "India is at a crucial juncture in climate transition, with ambitious goals to achieve net-zero emissions by 2070 and reduce the economy's emission intensity. We believe that financial institutions play a key role in enabling this transition by measuring, managing, and mitigating financed emissions. By becoming a PCAF signatory, we at LTF are reinforcing our commitment to transparency and enhanced disclosures aligned with global standards. We will continue to refine and align our reporting with PCAF's best practices and strengthen our role towards decarbonisation. This commitment is also part of our broader sustainability strategy, ensuring a data-driven approach to help manage climate risks and opportunities."

LTF's Scope 1 and 2 emissions, i.e., direct and indirect greenhouse gas (GHG) emissions, have steadily decreased on a year-on-year basis since the financial year 2021-22. The Company uses energy-saving equipment and undertakes energy assessments of its facilities to ensure optimal energy consumption. Approximately 39% of LTF operations are powered by green energy.

In order to increase carbon sinks, the Company invested in 'Project Prakruti' and planted over 1 lakh saplings in the financial year 2024-25. LTF also earned 14064-2:2019 certification for its Miyawaki plantation and carbon sequestration efforts, demonstrating adherence to international best practices. The plantation has also significantly contributed to supporting local biodiversity.

In addition, the Company has taken several measures to reduce water consumption in its operations, like sensor-based taps, water-saving faucets, and water recycling through Sewage Treatment Plants (STP) at corporate office. Moreover, the Company implemented significant water conservation initiatives beyond its operations, such as constructing rainwater harvesting structures in drought-prone regions. Thus, replenishing more than 50 times the water consumed in its operations back to society. LTF takes various initiatives to ensure it achieves its carbon neutrality target by 2035, as well as helps achieve and maintain its water surplus targets over the years.

About L&T Finance Ltd (LTF):

L&T Finance Ltd. (LTF) (<https://www.LTFINANCE.com>), formerly known as L&T Finance Holdings Ltd., (LTFH) is a leading Non-Banking Financial Company (NBFC), offering a range of financial products and services. 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 has been certified as a Great Place To Work® and has also won many prestigious awards for its flagship CSR project – “Digital Sakhi”- which focuses on women's empowerment and digital and financial inclusion. Under Right to Win, being in the ‘right businesses’ has helped the Company become one of the leading financiers in key Retail products. The Company is focused on creating a top-class, digitally enabled, Retail finance company as 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. Fintech@Scale is one of the pillars of the Company's strategic roadmap - Lakshya 2026. The Company has around 2.5 Crore customer database, which is being leveraged to cross-sell, up-sell, and identify new customers.



About the Partnership for Carbon Accounting Financials (PCAF)

The Partnership for Carbon Accounting Financials (PCAF) was launched globally in September 2019. Currently, more than 500 financial institutions have subscribed to the PCAF initiative. PCAF participants work together to jointly develop the Global GHG Accounting and Reporting Standard for the Financial Industry to measure and disclose the greenhouse gas emissions of their loans and investments. PCAF is a collaboration between financial institutions worldwide to enable harmonized assessments and disclosures of greenhouse gas emissions financed by loans and investments. With more than 500 financial institutions from six continents, the group is rapidly expanding in North America, Latin America, Europe, Africa and Asia-Pacific.

For more information see <https://carbonaccountingfinancials.com/>