

India

India is targeting carbon neutrality by 2070 and is gradually shaping its regulatory framework for sustainable investing. The government has introduced renewable energy targets, green bonds and tax incentives, with a mix of voluntary guidelines and mandatory regulations steering its approach.

Under India’s Business Responsibility and Sustainability Reporting, the top 1,000 listed companies by market capitalisation are required to disclose their ESG-related initiatives and risks.

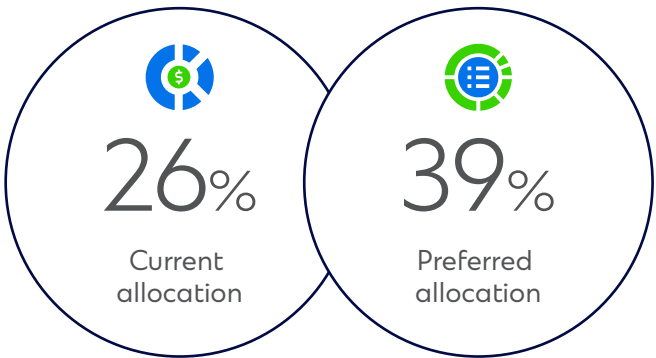
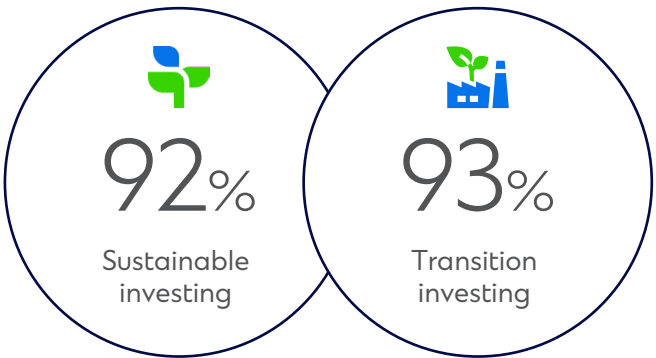
While India has yet to establish an internationally aligned green taxonomy, which would provide clarity on what qualifies as “green”, the government is establishing a climate finance taxonomy. This is a step towards establishing standardised definitions and classifications to help steer the country to a more resilient and low-carbon economy.



General sentiment

Investors in India who took part in our survey showed the highest interest in sustainable investing and transition investing among all surveyed markets.

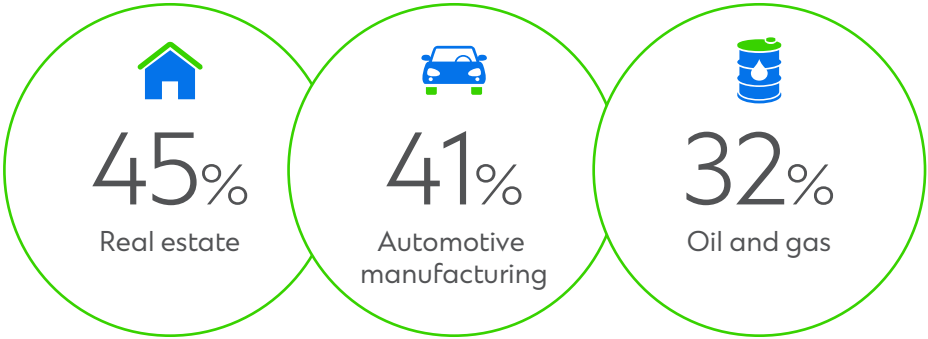
They allocate 26 per cent of their portfolio to sustainable investments. Notably, investors say their preferred allocation is 39 per cent, the most ambitious target among the markets surveyed.



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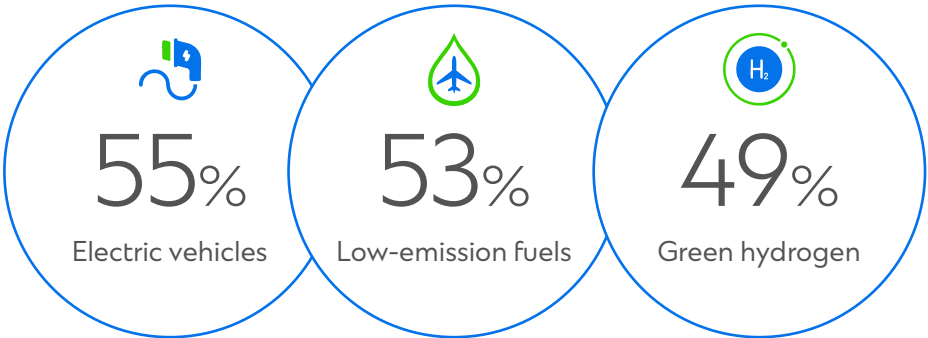
Exposure to high-emitting sectors

A greater proportion of investors in India have exposure to real estate and automotive manufacturers. It was significantly higher than the average across markets surveyed.



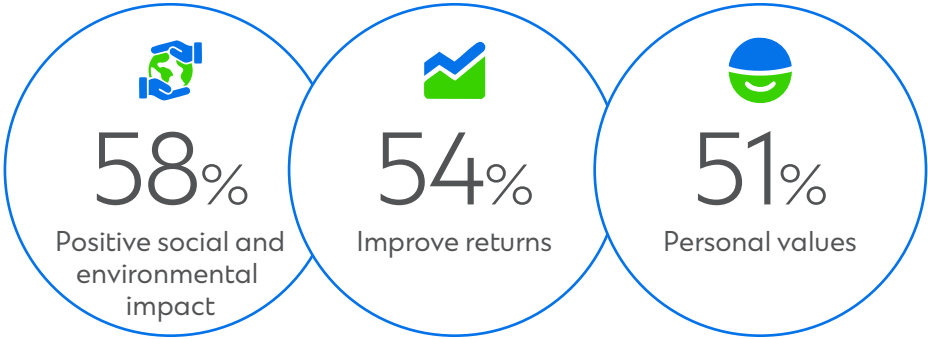
Themes of interest

Investors prioritise themes such as electric vehicles, low-emission fuels and green hydrogen, with interest in electric vehicles being the highest among all markets surveyed.



Investor motivations

Investors in India are driven primarily by the desire to achieve positive social and environmental impact, followed by improving returns and reflecting personal values.



Investor barriers

Investor barrier about low returns dominated, the highest among eight markets. Other barriers include higher risks and a lack of reliable benchmarks.

