

VANTAGE 2025

The ESG Reset Opportunity

5th June 2025

ESG Reset: A Global Pause, India's Play

As Envint marks its anniversary this World Environment Day, we're not looking back. We're looking ahead.

Vantage is our perspective on the evolving ESG landscape, rooted in experience of client engagements, market insights, regulatory analysis and research on trends.

After seven years of navigating change, one thing is certain: ESG isn't fading, it's evolving.

This inaugural edition captures the global ESG reset, a moment of recalibration and an opportunity for Indian businesses to lead with clarity and credibility.

Progress Meets Pushback: Inside the ESG Reset

After years of momentum,
ESG is undergoing a course correction.

What began as a push for sustainable
business practices is now facing scrutiny.



Regulatory Rollbacks

Policy Pullback Slows ESG Momentum

- In its first 100 days, the new US administration reversed 145 ESG-related policy measures¹
- The EU's Omnibus Package allows CSRD compliance to be deferred from 2026 to 2028²

Why the Reset?



Fragmented, **shifting regulations** raised costs and confusion



Media hype often outpaced on-ground impact



Tick-box compliance has eroded credibility



Dilution of Corporate Action

Disclosures Decline, Support Recedes

- 67 of the top 100 U.S. companies under-reported their environmental initiatives in 2024³
- Global corporate contribution to SBTi dropped by \$10 Bn⁴



ESG Capital Exodus

Investor Pullback Fuels Uncertainty

- ESG funds in the U.S. saw \$6.1 Bn in outflows in Q1 2025, marking the worst quarter on record⁵
- Only 48% of global private investors now factor ESG into investment decisions compared to 66% in 2021⁶

India's ESG Momentum: Building Steadily

As global ESG outlook turns cautious, India's trajectory is set to reverse this trend.

From policy shifts to improved disclosures and capital flows, we observe a move from intent to implementation, one that's grounded and shaped by local context. Though the journey is still unfolding, early signals point to growing alignment, credibility, and long-term value, a foundation Indian businesses can build on.



Regulatory Balance

Balancing Growth Priorities with Climate Goals

Sectoral Emission Targets

CCTS sets emission phase-out targets for four sectors by 2026-27⁷

Capital for Green Growth

Climate Finance Taxonomy aims to direct capital to green technologies and activities⁸

Climate Risk Disclosure Framework

RBI launches draft Disclosure Framework on Climate-related Financial Risks to enhance resilience amongst regulated entities⁹



Disclosure Depth is Increasing

*India Inc. Builds on BRSR**

Policies aligned to NGRBCs

> 95% of org. policies aligned to National Guidelines for Responsible Business Conduct

ESG in the Value Chain

> 40% of companies disclosed details on value chain engagement

Independent Assurance Adoption

> 60% of companies opt for independent assurance of disclosed data

**As per Envint's analysis of top 250 companies of FY2024*



Confidence in Indian ESG

From Awareness to Allocation

Global Funds Target India

41 international ESG funds have allocated 25% of investments in Indian equities¹⁰

India's Clean Tech Ascent

India becomes the second-largest clean tech funding hub in Q3 2024, surpassing China with \$2.4 Bn¹¹

Sustainability ROI

58% of Indian businesses expect high financial return on their sustainability investments within the next five years¹²

Our ESG Playbook for India

The ESG reset compels businesses to rethink external and internal drivers.

Our approach, which is built on pragmatism, resilience, and future-proof capabilities offers a way forward.

For Indian companies, it's an opportunity to lead with responsibility.



Policy, Regulation, National Targets

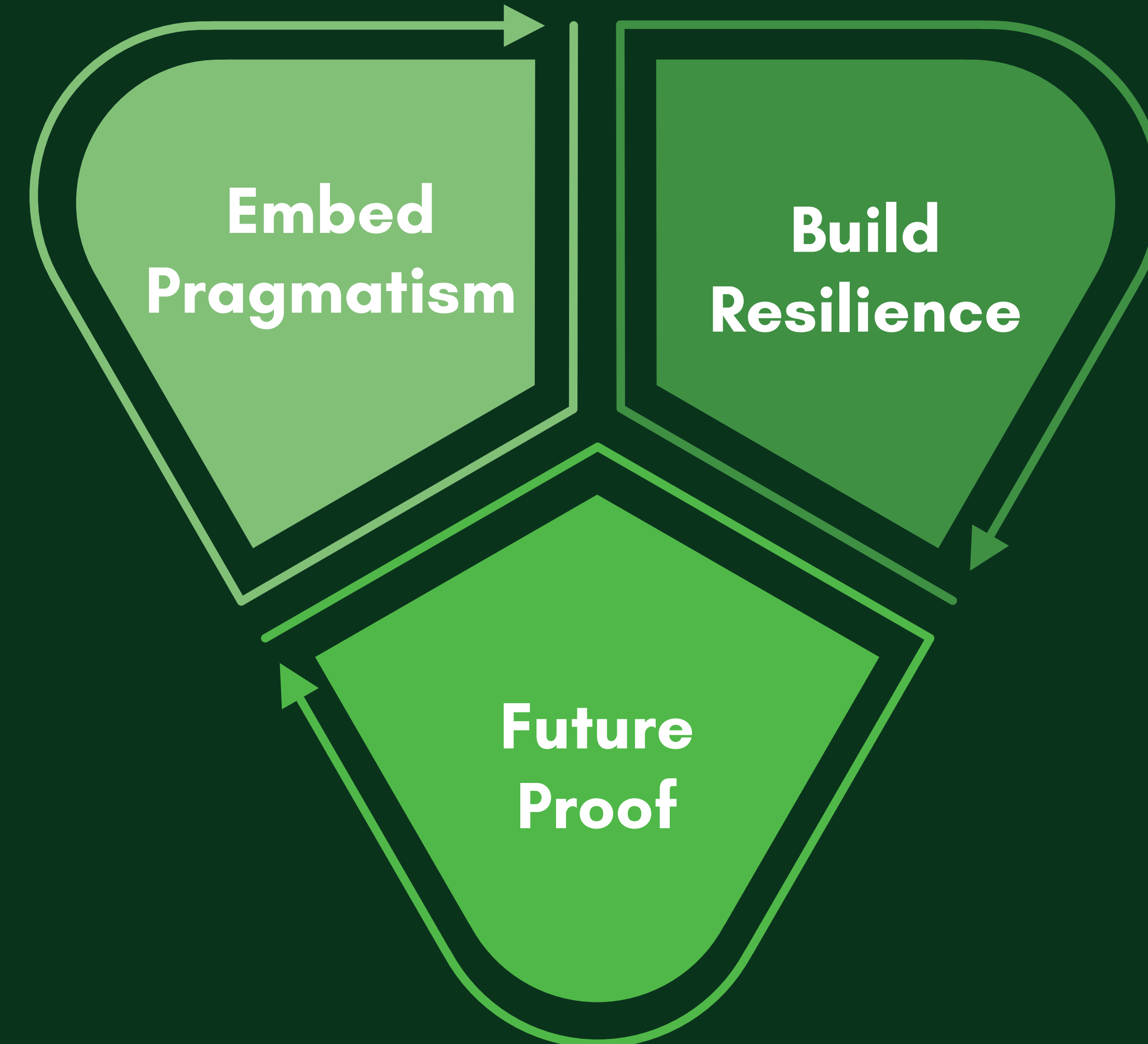
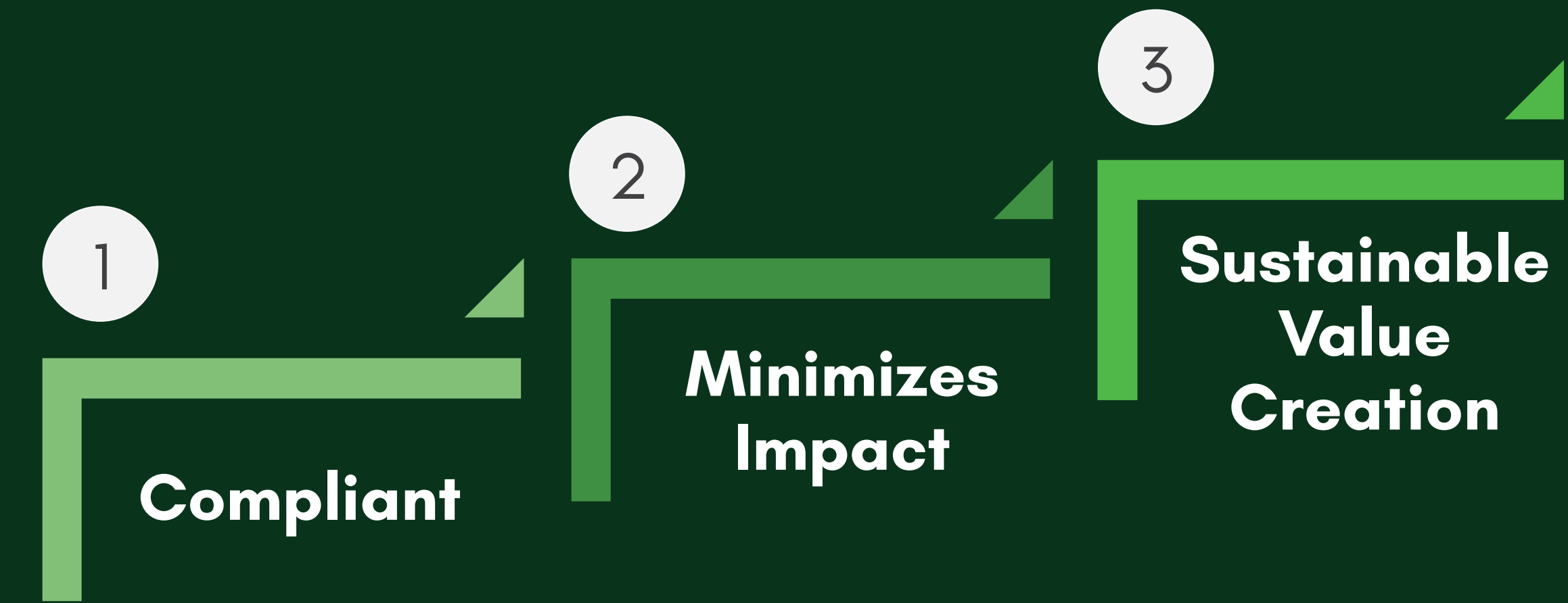
Viksit Bharat

Carbon Markets

India NDC / Net Zero

BRSR

ESG Maturity



ESG Playbook

Organizational Factors

Baselines & Goals

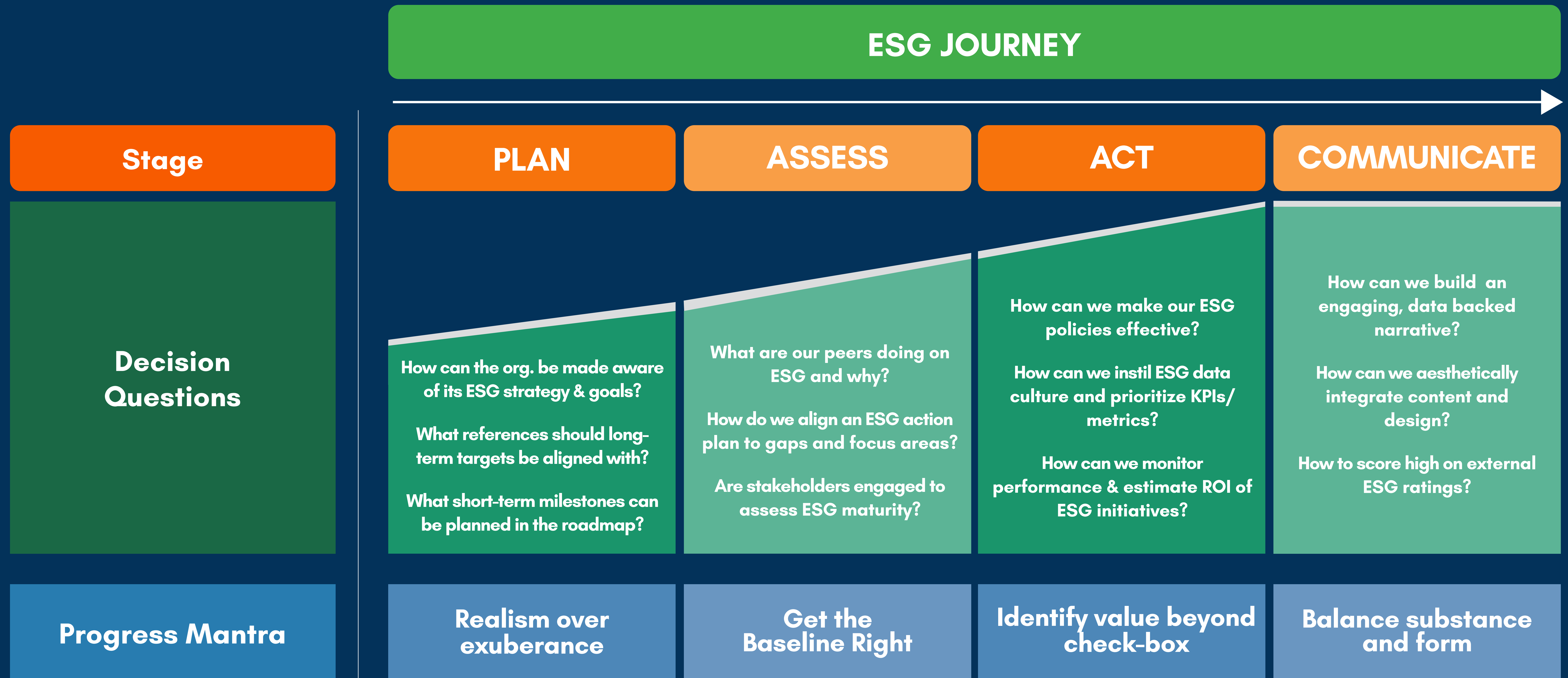
Material Issues

Business Model

Stakeholders

Embed ESG with Pragmatism

Driving meaningful progress in ESG demands more than ambition, it calls for a grounded strategy backed by a healthy dose of pragmatism. **Are you asking these questions on each stage of your organization's ESG journey?**



Build Resilience where it matters

Our work across ~150 ESG Risk assessments of early stage companies has shown that understanding of sector and context specific risks are critical for building strong ESG foundations.

ESG Risks ● High ● Medium ● Low

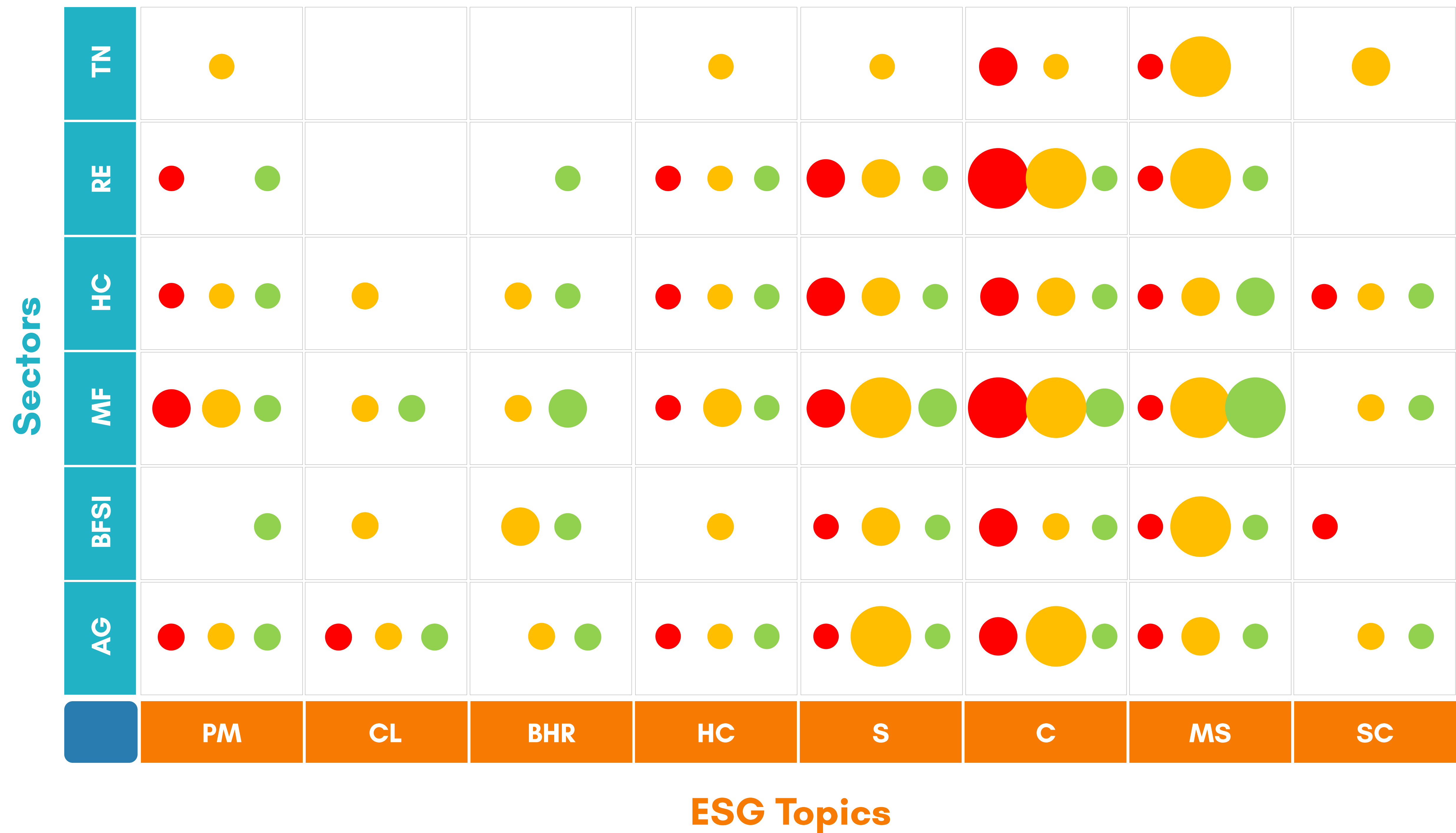
No. of Findings ○ ○ ○

ESG Topics

- PM:** Pollution Management
- CL:** Climate
- BHR:** Business & Human Rights
- HC:** Human Capital
- S:** Safety
- C:** Compliance
- MS:** Management System
- SC:** Supply Chain

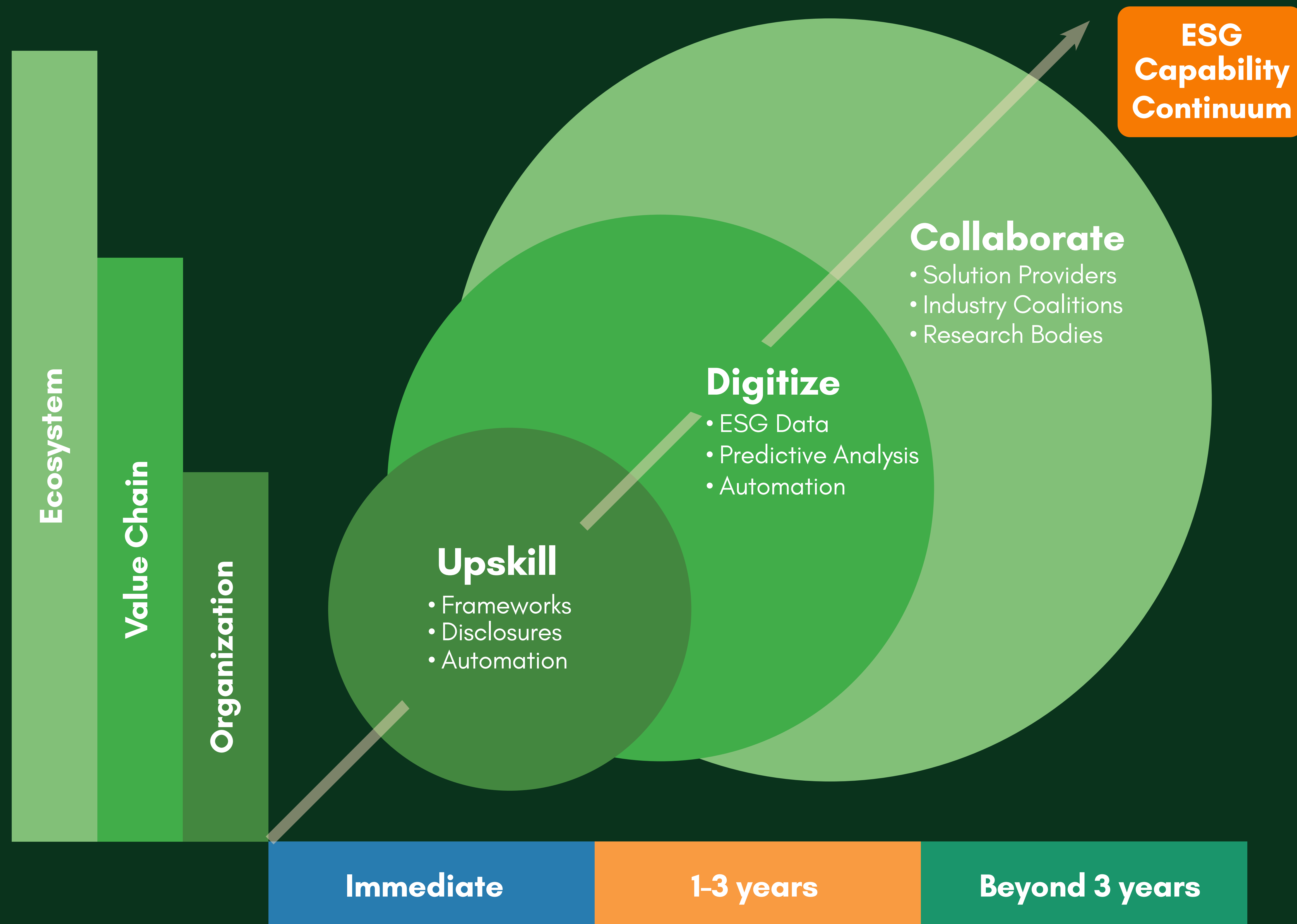
Sectors

- AG:** Agriculture Allied Sectors
- BFSI:** Banking, Financial services & Insurance
- MF:** Manufacturing
- HC:** Healthcare
- RE:** Real Estate
- TN:** Technology



Develop Future-Proof Capabilities

The ESG Capability Continuum needs to start with upskilling the organization in the immediate. Over the short term, the focus should broaden to the value chain, and extend to the wider ecosystem in the long term.



Collaborate with Partners

Ecosystem collaboration with startups, academia and think tanks can be explored once the essentials of upskilling and digitization are accomplished to a fair extent.

ESG Digitization across Value Chain

While digitization of ESG data management should begin within the organization, it also needs to encompass critical elements of the value chain.

Upskill Organization

ESG success begins with identifying and upskilling a core team of advocates and enablers, who can further pollinate within the organization.

And be ready for the

REBOUND

While headlines question the future of ESG, we believe this moment marks a recalibration, not a retreat. The foundational forces behind ESG – **environmental urgency, systemic inequity & stakeholder scrutiny** are intensifying.

A rebound is not just likely.

It's inevitable.

Why is it certain?

The Planet Won't Wait

- **Top 4** long-term global risks as in WEF's Global Risks Report 2025 are environmental¹³
- The WMO reports that **2015-2024** are the warmest ten years on record.¹⁴



People Expect Better

- **64%** of global consumers are mindful of sustainability¹⁵
- **58%** global employees believe that sustainable workplace culture boosts their health and performance¹⁶



Markets Are Still Moving

- **\$300-400Bn**/year global ESG investments over the last decade¹⁷
- CAGR of **17%** projected for global ESG investing from 2024-2032¹⁸

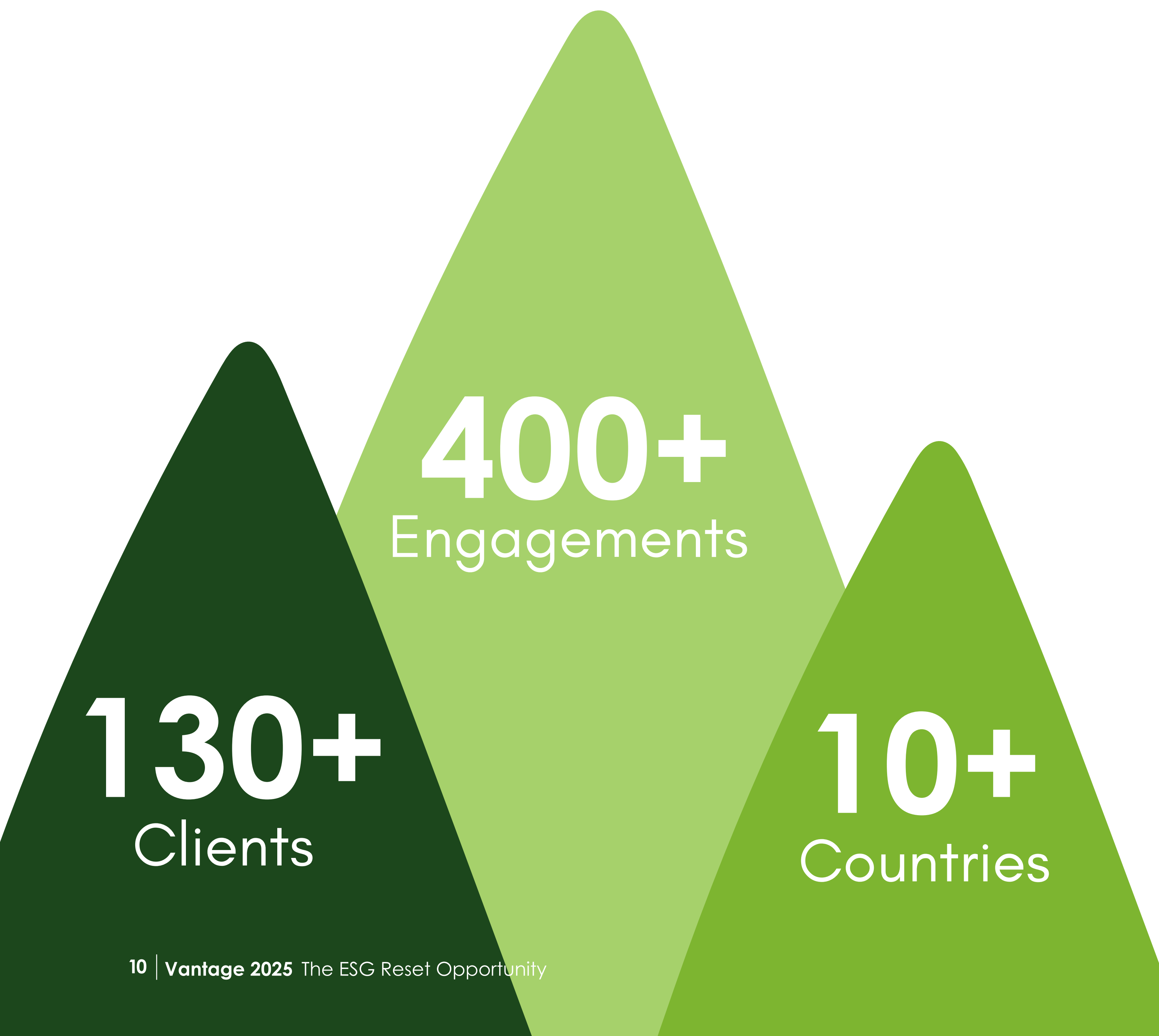


We help businesses progress on sustainability



Challenges and opportunities in sustainability are unique, emerging and complex. Our tiered capability model brings together service lines, sector and thematic expertise, and proprietary tools for effective delivery.

Our Capability Model



Services	Sustainability Integration	Climate Action	Responsible Investment	
Sectors	Infra & Real Estate	BFSI	Manufacturing	Energy
	Healthcare	Technology	Agriculture	Metals & Mining
Themes	Disclosures	Decarbonization	Supply Chain	BHR & DEI
	Circular Economy	Water	Biodiversity	Impact
Tools	EnvSaGe (ESG Data)	EmCal (GHG Assessment)	ADD (Automated DD)	MapSense (Ecosystem Scan)

Better Is Possible, and Worth Building

Our purpose is to shape a more liveable planet for the coming generations

Our mission is to drive sustainability into mainstream thought and action, with the belief that

"Green makes sense beyond conscience"



What have we learnt at

Entrepreneurship and ESG have both taught us a lot. Here are some of our favourite (and slightly irreverent) lessons:

A side benefit of entrepreneurship is that it gives weight to your aphorisms

Staying the course is easy, only with a good bank balance

Corporate purpose needs to get food on the table

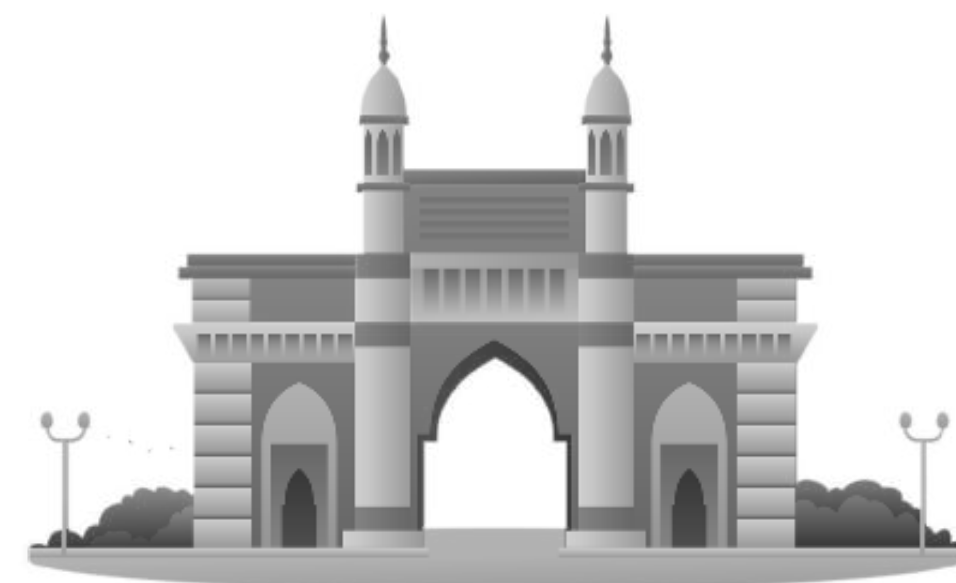
Focus solves more problems than ambition

Deadlines shape decisions. Even the fake ones

Simplicity is underrated. Especially in ESG

ESG landscape can be knotty. That's one good reason to call us

Let's stay connected



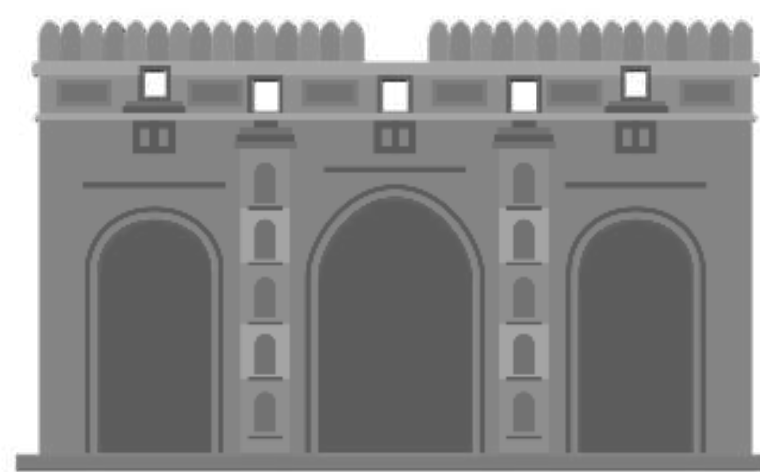
Mumbai



Delhi



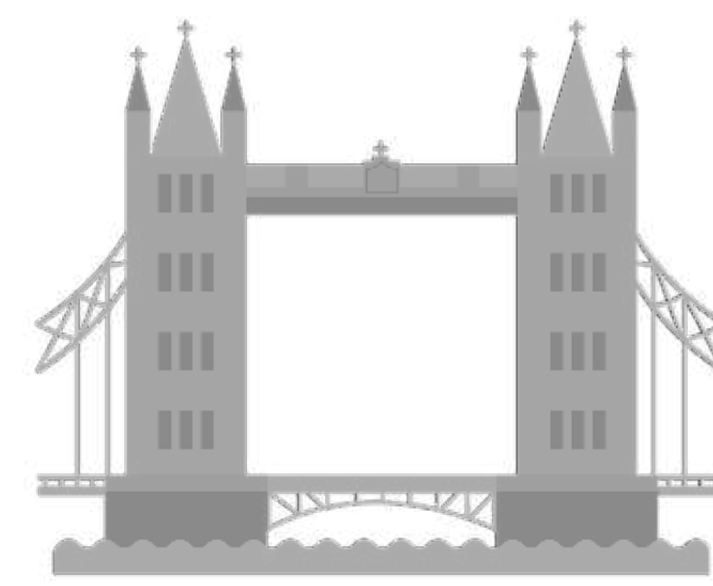
Bengaluru



Pune



Kolkata



London

Better doesn't have to be big or bold. Sometimes, it's just about making the next right move.

If you are looking for an ESG partner who keeps things clear and real, write to us.

 www.envintglobal.com

 connect@envintglobal.com

 [envintglobal](https://www.linkedin.com/company/envintglobal)

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