

02 September 2020

Sustainability sits high on the agenda for Indian businesses despite current environment: HSBC

*~ Current crisis has not impacted focus on environmental sustainability ~
~ Sustainability – an opportunity to win new business and shape organisational culture ~*

Environmental sustainability sits high on the agenda for Indian businesses and continues to remain a key component of future business strategy, reveals findings from HSBC's [Navigator](#) report, '**Building Back Better**', which surveyed more than 2,600 companies in 14 markets across the world.

The current crisis has not caused firms to backtrack or change focus. This underlines how environmental sustainability is increasingly synonymous with business sustainability and resilience. Despite the events of the past 6 months, over three quarters (78%) of Indian businesses believe that the focus on environmental sustainability has either remained unchanged or has increased. This is significantly higher than the overall average (65%) and second only to Indonesia (80%).

While all markets identified customers, employees, agility and a strong balance sheet as key components of building resilience, businesses in India identified sustainability as a fifth dimension.

There is a near unanimous commitment amongst most (96%) Indian businesses that they need to reassess or review their operations in light of the current pandemic. This will enable them to rebuild their business on firmer environmental foundations. It underlines how sustainability is a key component of future business strategy for Indian businesses surveyed.

Commenting on the survey findings, Rajat Verma, Head of Commercial Banking, HSBC India said, "Environmental sustainability permeates all aspects of business and is increasingly being seen as a critical element of future business strategy and resilience building. We believe this trend will continue and in fact, accelerate going forward. At HSBC, we provide sustainable financing to enable the transition to a low-carbon economy while also developing new energy sources, technology and infrastructure needed for a cleaner future."

The data shows that Indian businesses are feeling the greatest pressure from customers (43%), suggesting that sustainability credentials are an opportunity to win new business rather than simply meet regulatory requirements. This is important because consumers – and particularly millennials – favour sustainable products and companies that share their values. In addition, over half (55%) of Indian businesses feel that regulatory measures (specifically government 35% and industry regulations 26%) will be among the top sources of pressure to become a more sustainable business. While external pressures weigh more heavily, around a third (32%) of Indian businesses recognise the importance of sustainability to their employees. Sustainability therefore goes beyond winning new business to shaping the culture of an organisation.

The three top aspects of sustainability which Indian businesses felt would directly impact their business were sustainable infrastructure (55%), financial inequalities (54%) and energy transition (52%). There is a clear difference in emphasis for international businesses and service companies. Almost half (48%) of international businesses in India feel that sustainability is more important now vis-à-vis a third (32%) of domestic businesses.

ends/more

Media enquiries to:

Kunal Pradhan

+91 22681287

kunal.pradhan@hsbc.co.in**Note to editors:****HSBC Navigator:**

The Navigator survey is conducted on behalf of HSBC by Kantar. It is compiled from responses by decision-makers at 2,604 businesses, ranging from small and mid-market firms to large corporations, across a broad range of sectors. The respondents hold influence over their company's strategic direction and represent a broad range of roles: including c-suite, finance, procurement, supply chain, sales and marketing. A total of 14 markets were surveyed between 28 April and 12 May 2020.

- Americas: Canada, Mexico, USA
- Asia Pacific: Australia, Hong Kong, India, Indonesia, Mainland China, Malaysia, Singapore
- Europe: France, Germany, UK
- MENA: UAE

Results have been weighted to be representative of each market's international trade volume (World Trade Organization data for 2017-2018).

HSBC Commercial Banking

For over 150 years we have been where the growth is, connecting customers to opportunities. Today, HSBC Commercial Banking serves around 1.4 million customers across 53 markets, ranging from small enterprises focused primarily on their home markets through to corporates operating across borders. Whether it is working capital, term loans, trade finance or payments and cash management solutions, we provide the tools and expertise that businesses need to thrive. As the cornerstone of the HSBC Group, we give businesses access to a geographic network covering more than 90% of global trade and capital flows.

For more corporate information visit HSBC.com: <https://www.hsbc.com/who-we-are/our-businesses-and-customers/commercial-banking>

HSBC Bank India

The Hongkong and Shanghai Banking Corporation Limited in India offers a full range of banking and financial services through 26 branches across 14 cities. HSBC is one of India's leading financial services groups, with over 40,000 employees in its banking, investment banking and capital markets, asset management, software development and global resourcing operations in the country. It is a leading custodian in India. The Bank is at the forefront in arranging deals for Indian companies investing overseas and foreign investments into the country.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,923bn at 30 June 2020, HSBC is one of the world's largest banking and financial services organisations.

ends/all