

Chapter 4 — Key Learnings and Takeaways

The Dos and Don'ts of Navigating ESG / Sustainability in Asia

What This Chapter Is About

This chapter focuses on the practical execution of ESG and sustainability strategies in Asia, moving from intention to implementation. It examines how companies can design, govern, and communicate ESG policies in a way that is credible, resilient, and aligned with real operational capacity. The chapter highlights common pitfalls—such as greenwashing, greenhushing, and over-ambitious commitments—and explains why disciplined policy design and governance oversight are essential for maintaining investor trust.

Core Takeaways

1. ESG policy design is a strategic exercise, not a branding exercise

Credible ESG policies are grounded in business strategy, risk management, and operational reality. Treating ESG as marketing or reputation management increases regulatory and reputational risk.

2. Materiality is the foundation of credible ESG policies

Effective ESG strategies prioritise issues that are financially, operationally, and strategically material to the company, rather than attempting to address every possible sustainability topic.

3. Ambition without execution capacity creates risk

Highly ambitious targets can backfire if systems, data, and governance are not in place. Realistic, staged commitments are often more credible than sweeping promises.

4. Incentives and internal ownership determine outcomes

ESG policies succeed only when responsibilities are clearly assigned and incentives—across management and employees—support delivery rather than symbolic compliance.

5. Governance underpins ESG credibility

Board oversight, management accountability, and integration with core decision-making processes are critical to translating ESG commitments into action.

6. Greenwashing and greenhushing are both damaging

Overstating ESG progress exposes companies to legal and reputational harm, while undercommunicating genuine efforts undermines transparency and investor confidence.

7. Balanced communication builds trust

Effective ESG communication is factual, proportionate, and transparent about progress and limitations. Investors value consistency and honesty over perfection.

8. Execution quality shapes investor perception

From an investor perspective, credible ESG strategies are reflected in consistent progress, governance discipline, and alignment between words and actions.