

# Sustainability

## Our focus on sustainability extends from portfolio to planet to people.

Sustainability is at the core of everything we do — from our mandate to deliver sustainable returns over the long term, to our strategy of how we operate as an institution, shape our portfolio, and engage our portfolio companies to build sustainable businesses.

As at 31 March 2024, our investments that are aligned with the Sustainable Living trend represented 12% of net portfolio value. This comprises sustainability-focused investments and climate transition investments, covering key focus areas such as food, water, waste, energy, materials, clean transportation, and the built environment.

### Sustainability Disclosures

We launched our inaugural *Sustainability Report*, which brings together our disclosures and tracks our progress. It takes into consideration the disclosure requirements issued by the International Sustainability Standards Board.

### Pathways Towards Our Climate Targets

Our target is to reduce net carbon emissions attributable to our portfolio to half of its 2010 levels by 2030, with the ambition to achieve net zero by 2050. This requires determined and sustained action. We accelerated efforts to achieve our climate targets through three pathways:



Investing for a low-carbon economy



Encouraging decarbonisation efforts in our portfolio companies



Enabling carbon markets solutions

We continue to invest to support the transition towards a low-carbon economy. This includes solutions that seek to accelerate energy transition and decarbonisation across key sectors.

Our long-term investment horizon puts us in a unique position to engage our portfolio companies on their business transformation and adoption of carbon mitigation actions.

Voluntary carbon markets are key to enabling nature-based and technology-based solutions. Through GenZero, we invest to strengthen the carbon markets infrastructure and ecosystem.

<sup>1</sup> tCO<sub>2</sub>e refers to tonnes of carbon dioxide equivalent, a standard unit of measurement used in greenhouse gas emissions accounting and reporting.

<sup>2</sup> Total Portfolio Emissions reflect the absolute emissions (Scope 1 and Scope 2) associated with our investment portfolio, expressed in tCO<sub>2</sub>e. Our investment positions in private equity funds, credit, and other assets are excluded.

<sup>3</sup> Portfolio Weighted Average Carbon Intensity reflects our portfolio's exposure to carbon-intensive companies by revenue, expressed in tCO<sub>2</sub>e/\$M revenue. Emissions are allocated based on portfolio weights (market value of the investment relative to the market value of the portfolio).

<sup>4</sup> Negative emissions acquired through investments and high-quality carbon offsets.

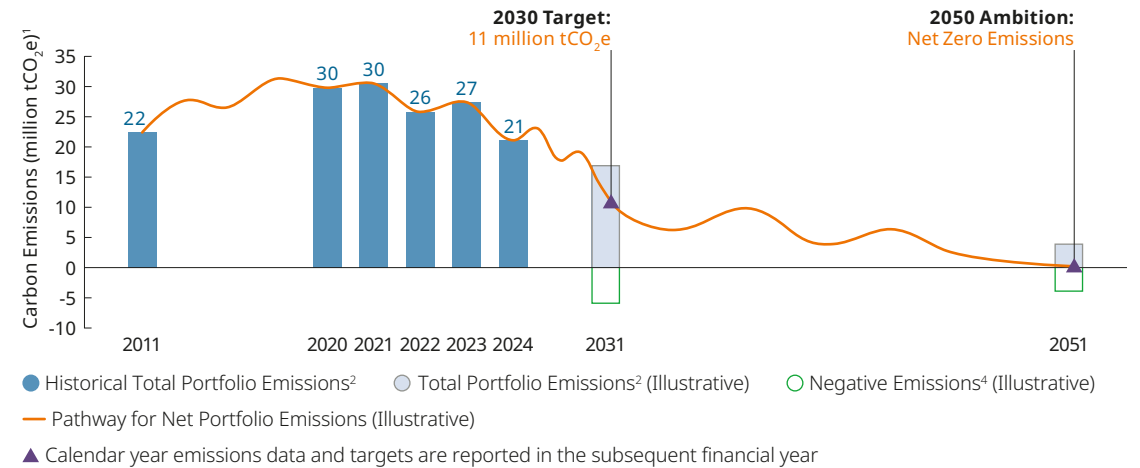
We raised our internal carbon price from US\$50 to US\$65 per tCO<sub>2</sub>e<sup>1</sup> since 1 April 2024, and expect to progressively increase this to US\$100 per tCO<sub>2</sub>e by 2030. Our internal carbon price is applied to each investment to enable a greater focus on the long-term climate resilience of our portfolio.

### Emissions Associated with Our Portfolio

Total Portfolio Emissions<sup>2</sup> decreased from 27 million tCO<sub>2</sub>e for the financial year ended 31 March 2023 to 21 million tCO<sub>2</sub>e for the financial year ended 31 March 2024. Portfolio Weighted Average Carbon Intensity<sup>3</sup> also decreased from 116 tCO<sub>2</sub>e/\$M revenue to 92 tCO<sub>2</sub>e/\$M revenue.

(for year ending 31 March)

### Towards Net Zero



### Building a Sustainable Organisation

We uphold our commitment to carbon neutrality, and make continuous efforts to reduce the environmental impact of our operations. These efforts include the procurement of electricity from renewable sources for our UK and India offices, and obtaining Renewable Energy Certificates for our Singapore office.

We foster an inclusive environment that respects and embraces differences, regardless of gender, age, religion, sexual orientation, nationality, ethnicity, physical ability, or neurodiversity. Today, our staff encompass 34 nationalities with a gender mix of 54% male and 46% female.

Read more about our commitment to sustainability at [temasekreview.com.sg/sustainability](https://temasekreview.com.sg/sustainability) or scan the QR code



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