SUSTAINABILITY REPORT 2025

TEMASEK

Contents

About This Report

This marks Temasek's second Sustainability Report. Building on the foundation laid in our inaugural Sustainability Report, this report demonstrates our ongoing commitment to transparency and accountability in our sustainability practices and disclosures, as we progress towards net zero, nature positive, and inclusive growth.

Reporting Approach and Coverage

In the preparation of this report, we have considered, where possible, the disclosure requirements of the IFRS Sustainability Disclosure Standards S1 and S2 (ISSB Standards) issued by the International Sustainability Standards Board (ISSB).

During the year, we conducted a double materiality assessment to examine and identify key sustainability matters from both financial (risks and opportunities impacting our portfolio and operations) and impact (impact of our activities on environment and society) perspectives. The results are included on page 16 of this report.

As the global sustainability reporting landscape evolves, we remain committed to tracking and assessing the applicable disclosure requirements, as we seek to expand our sustainability disclosures to achieve further alignment to the ISSB Standards and other relevant standards in the coming years.

Information disclosed in this report covers Temasek and its sustainability activities as an asset owner for the year ended 31 March 2025, unless otherwise stated. Our holdings in the portfolio companies are treated as investments, where the business decisions and operations of the portfolio companies are independently guided and managed by their respective boards and management.

As far as possible and practically feasible, selected sustainability information disclosed in this report has been externally verified by an independent third party to enhance the quality and reliability of our disclosures and performance data. Please refer to the external assurance report in Annex 1, as well as Sustainability Performance Data in Annex 2, which is prepared in accordance with the Reporting Criteria available on our corporate website.

This report should be read in conjunction with the *Temasek Review 2025* in addition to other sustainability-related disclosures on our corporate website.

Message from Our Chief Executive Officer

Staying the Course During Turbulent Times

Dear Stakeholders,

Since we launched our inaugural Sustainability Report last year, the global landscape has been undergoing tectonic shifts. Geopolitical fragmentation, policy fluctuations, the rise of Artificial Intelligence, and pressing issues of security and affordability are reshaping our operating environment. We are entering a new phase in global affairs — one that is more arbitrary, protectionist, and uncertain.

At this critical crossroad, we must remain agile in meeting today's demands while staying the course on addressing tomorrow's needs to build a resilient, future-proof portfolio. As a generational investor, we remain committed to embedding sustainability in everything we do — to build a sustainable institution and invest in businesses that deliver long-term sustainable returns not only for the benefit of our shareholder but also for our stakeholders including the communities we operate in.

This requires us and our portfolio companies to deliver operational and financial excellence while embracing continuous transformation — from responsible products and services, harnessing innovation and technology, to effective capital management as well as ensuring strong risk management, a deep management bench, and workforce transformation.

Building long-term resilience also requires us to address one of the most pressing issues of our time — climate change. The impacts of climate change have become more evident, and inaction will inevitably come with a hefty price tag. Yet, pursuing the net zero ambition also presents a multi-trillion dollar economic opportunity that comes with co-benefits of health resilience, creation of green jobs, and biodiversity protection. This is why it is important for all stakeholders to stay the course on climate action.

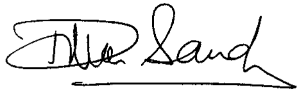
As the prevailing geopolitical headwinds may steepen the cost curve of carbon mitigation, we will need to remain agile and fine-tune our approach where required. In this report, you will see how we are navigating the headwinds by strengthening partnerships with other like-minded investors who bring synergies and deep operating capabilities, and taking a systems approach across the value chain to accelerate the transition. We prioritise deploying capital to enable the mainstreaming of promising climate technologies, identifying viable transition pathways for our portfolio, and catalysing climate financing with right-sized risk-reward profiles.

In addition, we continue to invest in human potential and to uplift communities. Our impact investments are focused on access and affordability for emerging markets. Through our Workforce 4.0 Taskforce, we engage our Temasek portfolio companies together with the labour movement and government agencies in Singapore to enable the development of a future-ready workforce. As an institution, we are focused on empowering and supporting our employees to reach their fullest potential. We are committed to fair employment practices, with zero tolerance for discrimination. Our policies are designed to ensure that all employees have an equal opportunity to succeed, underpinned by meritocracy as a key principle.

Sound and strong governance is foundational to any good business. Our internal governance approach ensures strong accountability and ownership, and a culture of trust and integrity. We also believe that diverse, yet complementary skills, experiences, and perspectives strengthen business decision making.

As we advance our sustainability strategy, we will continue to engage stakeholders and improve transparency of our journey. We understand that trust is built through consistent actions and measurable outcomes. Thus, we will hold ourselves accountable and articulate the benefits of our sustainability initiatives, not just in terms of environmental and societal impact, but also in how they drive innovation, reduce risks, and create new financial opportunities.

Our commitment to sustainability remains unwavering. We look forward to your continued support and partnership as a collective community in navigating and charting a sustainable future — so every generation prospers.



DILHAN PILLAY SANDRASEGARA
Executive Director & Chief Executive Officer
July 2025

Message from Our Chief Sustainability Officer

Progressing with Agility, Determination, and Collaboration

Dear Stakeholders,

Amid the geopolitical headwinds and the need to balance security and affordability, the pursuit of sustainability is facing a challenging juggling act. There is pullback from the global commitment to net zero and Environmental, Social, and Governance (ESG) issues are being questioned. The adverse impacts of climate change and biodiversity degradation as well as growing societal challenges are no longer distant — they are here and now.

Companies with strong board oversight and management teams that can navigate these material issues are better positioned to strengthen their long-term competitive advantage and generate sustainable returns. This is why we remain steadfast in our sustainability strategy and continue to advance our climate, nature, and social roadmaps with a focus on material risks and opportunities. Over the past year, we deepened engagements with top emitting companies in our portfolio on climate transition readiness. We also integrated a biodiversity risk assessment tool and rolled out a more systematic social baseline risk assessment.

We have continued to invest in Sustainable Living trend-aligned opportunities with a S$46 billion[1] portfolio value as at 31 March 2025, up S$2 billion from last year. However, given policy volatility, we have been more targeted in our capital deployment. We focused on differentiated technologies with competitive moats and follow-on investments that have cashflow visibility and geopolitical resiliency. We also leveraged public market dislocations to take companies private and help them scale.

We strengthened partnerships with other investors who have deep operating capabilities and synergies to enhance execution and amplify collective impact. This includes core-plus infrastructure opportunities that facilitate energy transition. These investments not only contribute to our sustainability goals but also offer attractive defensive characteristics with inflation-protected cashflows. Through our debt financing platforms, Pentagreen Capital and Clifford Capital, we forged strategic partnerships to unlock innovative climate financing solutions for Asia's emerging markets.

A low-carbon future requires the transition of incumbent industries. Investing in climate transition, including the brown to green transition, is an imperative. We remain open to climate transition opportunities where we can have a real-world impact even though this could mean emissions attributable to our portfolio will rise before they fall. We have been working with partners including the Monetary Authority of Singapore and our carbon solutions platform, GenZero, on the development of high-integrity transition credits to fill a critical financing gap.

We also continue to engage and support high-emitting portfolio companies in their decarbonisation journey. Given that these businesses continue to grow amidst slower scale-up of much needed solutions for hard-to-abate sectors, such as sustainable aviation fuel, green hydrogen, and carbon capture and storage, it will be challenging to meet our interim portfolio target of halving our emissions on an absolute basis by 2030. But we are not taking our foot off the pedal. In addition to monitoring technological inflections, we are helping to build ecosystem capabilities and taking a systems approach to bring greater demand visibility and financing mechanisms to support the scaling of such critical solutions.

The road ahead will remain bumpy, but it is also filled with opportunities. By staying true to our Purpose — *So Every Generation Prospers* — and by leveraging our strengths and collaborating with partners that share a common vision, we will navigate these turbulent times and continue creating positive impact and long-term sustainable value.

KYUNG-AH PARK
Chief Sustainability Officer
July 2025

[1] Made up of listed and unlisted investments aligned with the Sustainable Living trend; and excludes other assets and liabilities.

Key Highlights

Sustainability in Our Investments

S$46 billion[1]

Portfolio value of Sustainable Living trend-aligned investments as at 31 March 2025, comprising S$39 billion of sustainability-focused investments and S$7 billion of climate transition investments

CLIMATE

Net zero by 2050

Target to halve the net carbon emissions attributable to our portfolio by 2030 (from 2010 levels) with an ambition to achieve net zero by 2050

21 million tCO_2e

Total Portfolio Emissions[2] remained flat for the year ended 31 March 2025

▼ 52%

Reduction in Portfolio Carbon Intensity (PCI) from 2010 levels

▼ 23%

Reduction in Portfolio Weighted Average Carbon Intensity (WACI) from 2022[3]

Continued to step up efforts to encourage decarbonisation across our portfolio and invest in less carbon-intensive businesses

Catalysing climate action through three key pathways:

Investing for a low-carbon economy, including

- **Atlantica Sustainable Infrastructure**, a clean energy transition company focused on renewable energy
- **Brookfield's Catalytic Transition Fund**, which focuses on accelerating investments in decarbonisation solutions in emerging markets and developing economies
- **Neoen**, a fully-integrated renewables development platform

Encouraging decarbonisation efforts in our portfolio companies

TPC Sustainability Council Meeting | TPC Sustainability Leaders Network

Dedicated engagement platforms on sustainability

91%

Engaged 17 major portfolio companies representing 91% of Total Portfolio Emissions

14

Out of 17 major portfolio companies engaged have set net zero targets by 2050 or earlier

Enabling carbon markets solutions

Joined ***Green Fuel Forward***, an initiative by the World Economic Forum in collaboration with GenZero, to leverage Sustainable Aviation Fuel certificates (SAFc) to scale demand for sustainable aviation fuel in the Asia-Pacific region

NATURE

Developed a biodiversity risk assessment tool to identify physical assets located within proximity to Key Biodiversity Areas and Protected Areas

SOCIAL

Systematically integrated social baseline risk assessment into our investment process following a pilot last year

[1] Made up of listed and unlisted investments aligned with the Sustainable Living trend; and excludes other assets and liabilities.
[2] Total Portfolio Emissions reflect the absolute emissions (Scope 1 and Scope 2) associated with our investment portfolio, expressed in tCO_2e. Our investment positions in private equity funds, credit, and other assets are excluded.
[3] First year of reporting for WACI.

Key Highlights *continued*

Sustainability in Our Operations

ENVIRONMENT

▲ 8%

Year-over-Year increase in Carbon Intensity per employee due to higher emissions from business travel, reduced by the procurement of Renewable Energy Certificates (RECs) by our China offices

Initiated a landscape study to assess key suppliers' practices for progressive integration of sustainability considerations into our procurement processes

Our Shanghai and New York offices obtained the LEED Gold Award and LEED Silver Award certifications respectively for compliance with green office practices and standards

Purchased SAFc to mitigate a portion of business travel emissions

PEOPLE

32

Nationalities represented among Temasek employees

Build a **diverse, inclusive, and fair** corporate culture rooted in the principle of **meritocracy**

Growing Our Talent through skilling, upskilling, and reskilling to build a diverse and future-based workforce

Supporting Our People through employee programmes, benefits, and engagements

GOVERNANCE

Attained full marks for the 2024 Governance, Sustainability, and Resilience (GSR) Scoreboard by Global SWF

Established a **voting policy** that formalises our expectations and sets out principles to reinforce the judicious exercise of our rights through voting at shareholder meetings

Awarded **Cyber Trust Mark certification** at Advocate tier, the highest tier, by the Cyber Security Agency of Singapore

Accelerating Sustainability Through Collaboration

TURNING AMBITION INTO ACTION

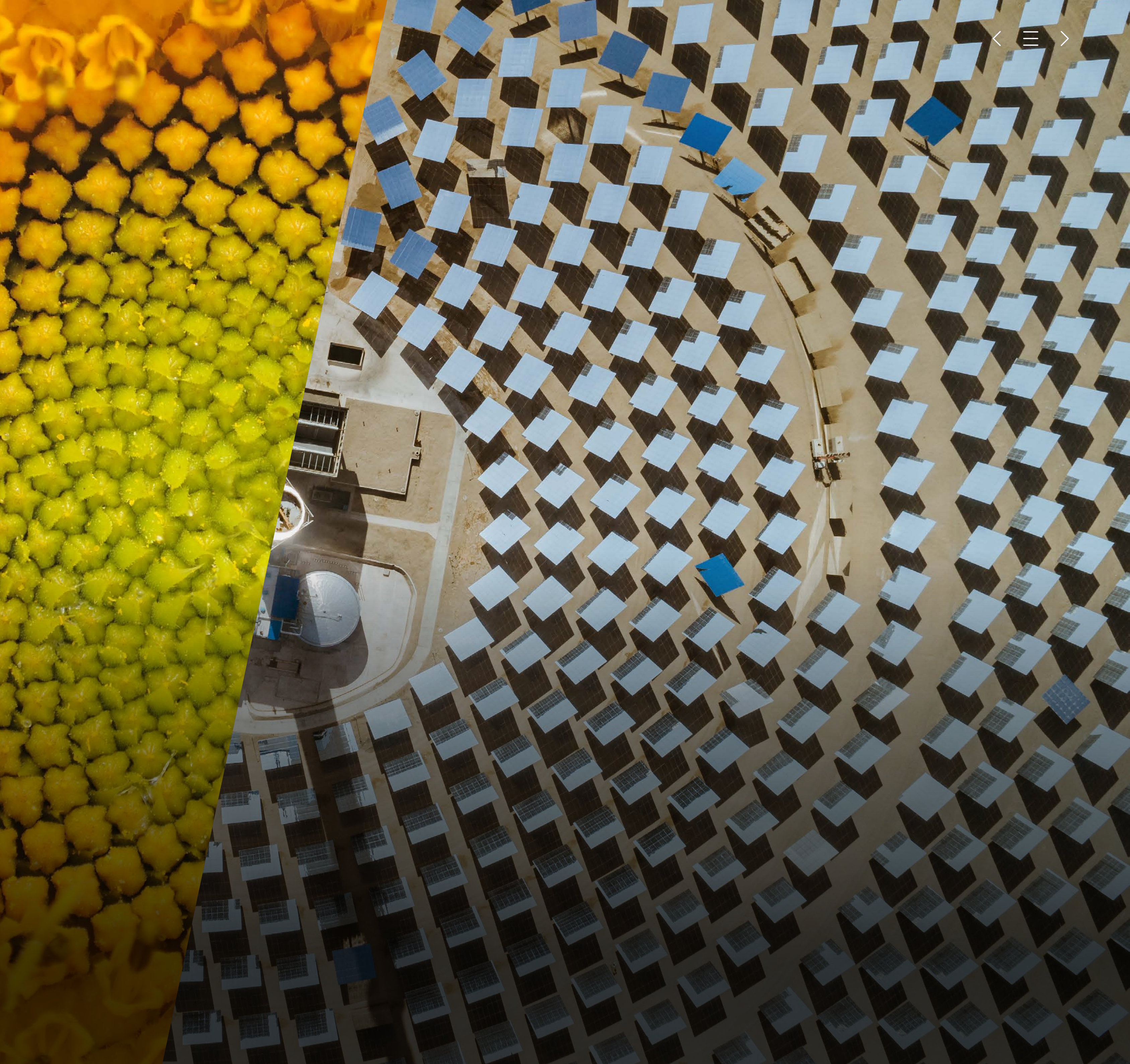
Drew a record turnout of over 4,000 participants across the globe at the 11th edition of *Ecosperity* Week in 2025, themed **"Asia's Race towards 2030: All Systems Go"**

Launched a report on ***The Private Equity Opportunity in Climate Adaptation and Resilience* (A&R)**, detailing the investment opportunities across climate A&R themes for private equity

Launched the sixth edition of ***Southeast Asia's Green Economy Report***, highlighting a systems-based approach to accelerate decarbonisation pathways to 2030 in Southeast Asia

OUR COMMUNITY

Set aside S$100 million of our community gifts as **Concessional Capital for Climate Action (CCCA)** to support marginally bankable climate action initiatives



Sustainability at the Core

> *"Sustainability is central to who we are and how we invest. As a generational investor, we embed it across our strategy, portfolio, and operations, guided by our conviction that long-term value creation depends on resilient institutions, inclusive societies, and a healthy planet."*

LIM Ming Pey
Chief of Staff, Executive Office
Deputy Chief Corporate Officer
Joint Head, Corporate Strategy

1.1 Who We Are

We are a generational investor, seeking to make a difference always with tomorrow in mind.

1974
Temasek's year of inception

13
Offices across 9 countries

S$434b
Net portfolio value as at 31 March 2025

Temasek is a global investment company headquartered in Singapore. Our global portfolio spans a broad spectrum of industries: transportation & industrials; financial services; telecommunications, media & technology; consumer & real estate; as well as life sciences & agri-food.

Temasek is credit rated Aaa/AAA by Moody's Investors Service and S&P Global Ratings respectively.

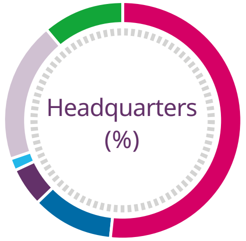
Temasek has about 960 employees across 13 offices in 9 countries.

Temasek was incorporated in 1974 under the Singapore Companies Act and is wholly owned by the Singapore Government through the Minister for Finance, a body corporate constituted under the Minister for Finance (Incorporation) Act 1959 of Singapore.

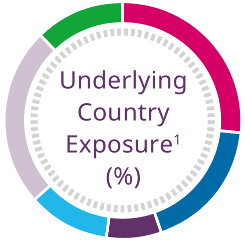
Temasek's net portfolio value amounted to S$434 billion as at 31 March 2025. Marking our unlisted portfolio to market would provide S$35 billion of value uplift and bring our net portfolio value to S$469 billion.

Our portfolio comprises both listed and unlisted assets, including our investments in funds. As at 31 March 2025, 51% of our portfolio was in liquid and listed assets, and 49% was in unlisted assets and funds.

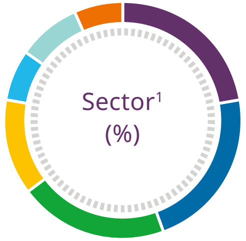
(as at 31 March)



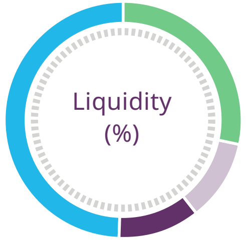
Headquarters (%)	2025	2024	2023
Singapore	52	53	54
China	11	13	15
India	5	5	3
Asia Pacific (ex Singapore, China & India)	2	2	2
Americas	19	17	16
Europe, Middle East & Africa	11	10	10



Underlying Country Exposure[1] (%)	2025	2024	2023
Singapore	27	27	28
China	18	19	22
India	8	7	6
Asia Pacific (ex Singapore, China & India)	11	12	11
Americas	24	22	21
Europe, Middle East & Africa	12	13	12



Sector[1] (%)	2025	2024	2023
Transportation & Industrials[2]	22	22	23
Financial Services	22	21	21
Telecommunications, Media & Technology	20	18	17
Consumer & Real Estate	13	15	16
Life Sciences & Agri-Food	7	9	9
Multi-Sector Funds	9	9	8
Others (including Credit)	7	6	6



Liquidity (%)	2025	2024	2023
Liquid & sub-20% listed assets[3]	29	29	27
Listed large blocs (≥20% and <50% share)	11	9	9
Listed large blocs (≥50% share)	11	10	11
Unlisted assets	49	52	53

[1] Distribution based on underlying assets.
[2] The Transportation & Industrials sector includes investments in Energy & Resources.
[3] Mainly cash and cash equivalents, and sub-20% listed assets.

1.2 At the Core: Business Sustainability and Resilience

We focus on building a sustainable institution and portfolio with resilient business models to deliver long-term sustainable returns and value to our stakeholders.

Sustainability at the Core is one of the four key pillars of our T2030 strategy. It anchors our commitment to embed sustainability into 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.

We believe our long-term success as an investor and institution is contingent on the presence of thriving businesses and economies, cohesive societies and communities, and resilient people and planet.

Our ability to play our part by aligning our investment activities and institutional practices towards protecting our planet, uplifting our communities, and fostering an inclusive environment for our employees and partners is rooted in the strength and resilience of our own organisation and portfolio.

It is important for us and our portfolio companies to have sustainable business models focused on continuous transformation and excellence, taking into account matters that affect long-term financial sustainability and operational effectiveness. This includes advancing good capital management, technology adoption, and taking a continued focus on organisational development. These efforts encompass skilling, upskilling, and reskilling of employees, and the development of management bench strength, equipping our workforce to adapt and thrive in an ever-evolving business landscape.

Financial, organisational, and portfolio resilience enables us to adopt a long-term horizon in capital deployment and contribute to protecting our planet, uplifting communities, and building inclusive societies across generations. This includes our support for the Temasek non-profit ecosystem and other community initiatives.

As we invest for the long term, we embed principles of sustainability, inclusivity, and good governance in our processes, and anchor ourselves with a strong set of values.

OUR FOUR KEY PILLARS

1.3 Our Sustainability Journey

Our commitment to sustainability has evolved over the years and continues to deepen as a strategic pillar under our T2030 strategy.

Phase 1 (2007–2014)
Setting Strong Foundations

- ecosperity
- Temasek Foundation
- Temasek Trust

Phase 2 (2015–2017)
Articulating Our Commitment

- Issued Responsible Investing Statement
- Developed ESG Approach
- Established Sustainability Function

Phase 3 (2018–2020)
Formalising Our Commitment

- Temasek Sustainability Advisory Panel
- Developed Impact Investing Strategy
- abc IMPACT
- Anchored Sustainability as Core Pillar of T2030
- Set Climate Targets for Portfolio and Institution

Phase 4 (2021–Present)
Advancing the Roadmap and Deepening Partnerships

- Set initial Internal Carbon Price
- Established ESG Investment Management Function
- LeapFrog Investments
- Decarbonization Partners (BlackRock | Temasek)
- Brookfield
- Established the Board Risk & Sustainability Committee
- GenZero
- CIIP (Centre for Impact Investing and Practices)
- Launched *Inclusivity@Temasek* and formed *Temasek Women's Network*
- Pentagreen
- Developed Nature and Social Roadmaps
- Breakthrough Energy
- Established Sustainability Reporting Function
- Formed Green Investments Partnership, part of the Financing Asia's Transition Partnership (FAST-P)
- Joined Transition Credits Coalition (TRACTION)
- Established Investment Stewardship Function
- 2024: **Launched Inaugural Temasek Sustainability Report**
- 2024: **Set aside S$100 million as Concessional Capital for Climate Action (CCCA)**

● Advancing Sustainability Strategy and Building Functional Capabilities
● Accelerating Sustainability Through Collaborations with Broader Ecosystem

Our Sustainability Strategy

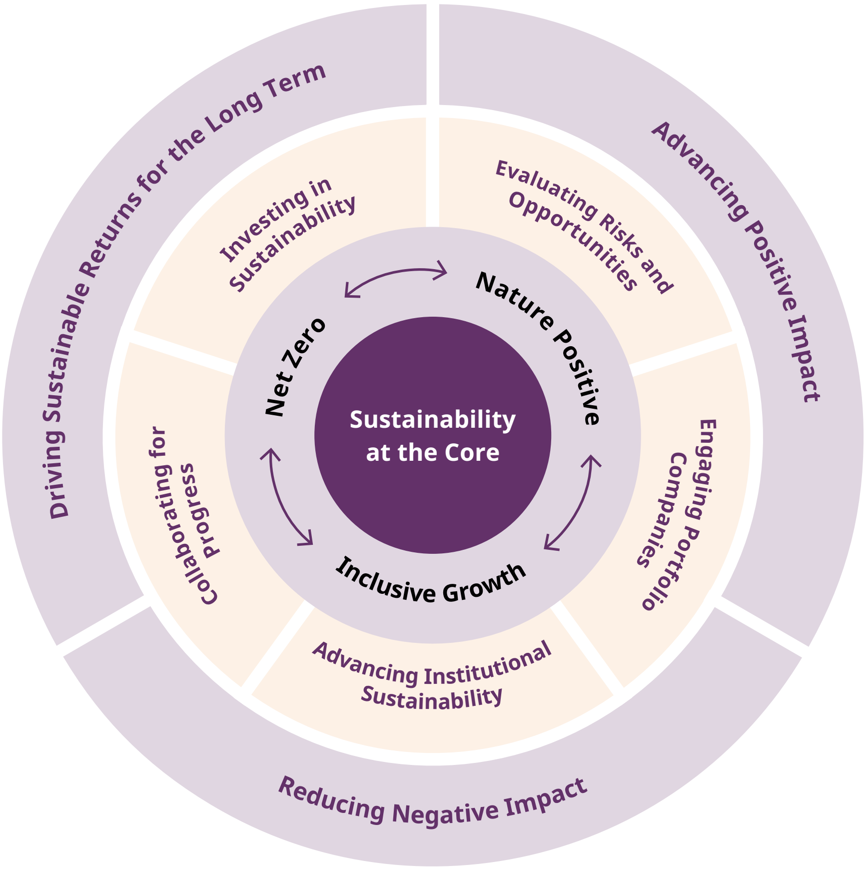
"Working towards net zero, nature positive, and inclusive growth is in our intrinsic interest, as it is the pathway towards building a resilient portfolio, ensuring stable, long-term returns, and fostering a thriving global economy."

Franziska ZIMMERMANN
Managing Director, Sustainability

2.1 Towards Net Zero, Nature Positive, and Inclusive Growth

Our sustainability strategy is core to our remit to build a resilient and forward-looking portfolio that not only generates sustainable returns over the long term, but also catalyses positive outcomes towards net zero, nature positive, and inclusive growth.

TEMASEK'S SUSTAINABILITY APPROACH



Sustainability has become a clear and urgent business imperative. Our success as an investor and institution hinges on thriving businesses and economies, cohesive societies and communities, a resilient planet, and the well-being of people. As an asset owner with a diverse portfolio spanning sectors and geographies, sustainability poses tangible risks to our investments and the returns we aim to generate and preserve. It also provides an opportunity to uplift value and invest in structural sustainability tailwinds.

As such, our sustainability strategy is focused on reducing negative impacts and advancing positive ones across three thematic areas of net zero, nature positive, and inclusive growth.

Net Zero

We are already witnessing the impact of climate change on economies, with US$2 trillion in costs over the past decade[1]. Extreme weather events are increasingly impacting companies' productivity and profitability as a result of property damage and supply chain disruptions, as well as affecting access to and affordability of insurance. An orderly transition to a low-carbon future is not only necessary but could provide a 7% boost to global GDP by 2050[2]. Building long-term sustainability requires us to address climate change and its long-term effects. We recognise this is a journey that must be balanced with maintaining a resilient business model and strong balance sheet. This approach ensures we have the necessary resources for a just transition. We aim to achieve net zero by 2050, and are taking active steps towards reducing our institutional and portfolio emissions, by investing in promising green solutions and brown to green transition opportunities, as well as engaging our portfolio companies to encourage the adoption of low-carbon strategies and practices. Our climate strategy is therefore integrated with our overall business strategy, allowing us to pursue climate goals while maintaining financial resilience.

1 International Chamber of Commerce, The economic cost of extreme weather events (2024)
2 Network for Greening the Financial System, The green transition and the macroeconomy: a monetary policy perspective (2024)

2.1 Towards Net Zero, Nature Positive, and Inclusive Growth *continued*

Nature Positive
More than half of the world's GDP — equivalent to about US$58 trillion — is moderately or highly dependent on nature[1]. We are at a tipping point with ecosystem degradation posing serious risks to the natural resources that underpin our economy and quality of life. Global initiatives such as the UN Kunming-Montreal Global Biodiversity Framework (GBF) and the Taskforce on Nature-related Financial Disclosures (TNFD) are rallying global actions to halt and reverse nature loss.

We are doing our part by embarking on a Nature Roadmap to stay front-footed in understanding the dependencies and impacts of our business and portfolio so we can more effectively manage the risks and capture the opportunities that come from adopting nature positive business models and practices.

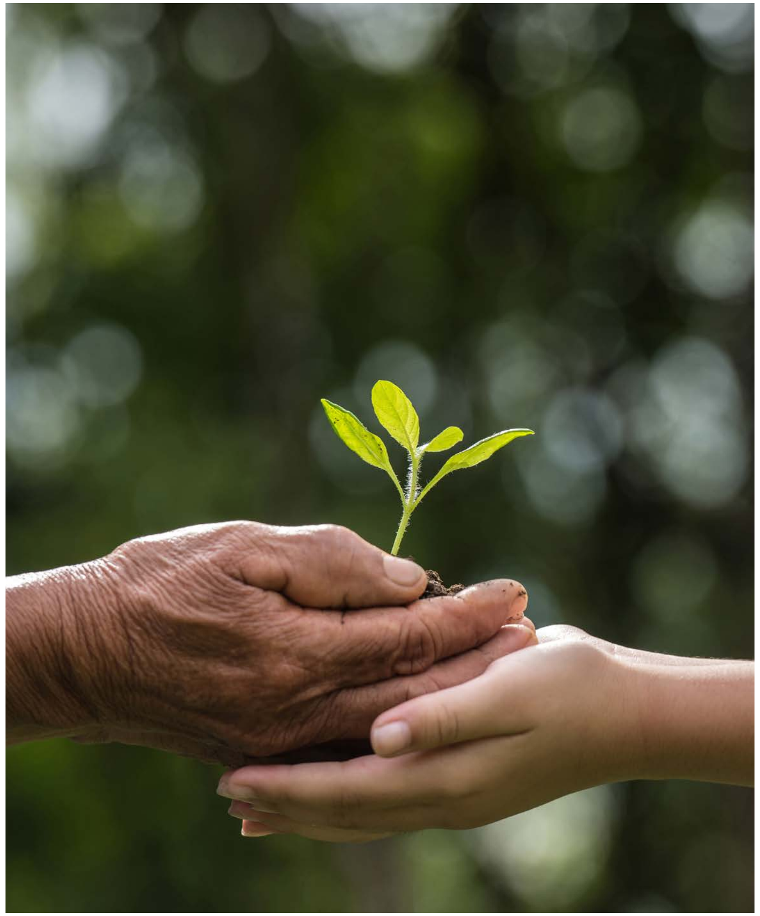
Inclusive Growth
Economic progress should benefit everyone, not just a select few. Rising social inequality, exploitation, and exclusion can lead to instability and hinder sustainable development. This is exacerbated by extreme weather events that disproportionately impact the most vulnerable, the rapid pace of technological innovation which can leave people behind, as well as rising inflationary pressures that make affordability and access more challenging. Data privacy, responsible Artificial Intelligence (AI), and consumer health and safety are also becoming pressing challenges. Investors and companies have an important role to play in addressing these issues.

With this in mind, we have developed a Social Roadmap to take a more systematic approach in addressing risks across our portfolio and operations while enabling and elevating opportunities over time that go hand in hand with uplifting the potential of our people and workforce as well as contributing to inclusive growth.

To achieve progress towards net zero, nature positive, and inclusive growth, we prioritise five key levers:

1. **We deploy capital to catalyse solutions that can enable companies to transition to a more sustainable future, and continuously increase our investments that are aligned with the Sustainable Living trend.**
2. **We embed an Environmental, Social, and Governance (ESG) framework throughout the investment lifecycle. This allows us to systematically evaluate sustainability-related risks and opportunities.**
3. **We engage with portfolio companies to drive ESG value creation and support their transition towards a more sustainable future.**
4. **We "walk the talk" by implementing sustainable practices and develop a company culture that embraces sustainability.**
5. **We seek out opportunities for collaboration with like-minded partners to address some of the systemic challenges, thereby accelerating progress.**

We are cognisant of the collective challenges faced by businesses and society at large when it comes to advancing sustainability. Despite these obstacles, we are committed to driving progress within our institution and across our portfolio, and working in partnership with others to catalyse innovative solutions and enact real-world change.



[1] PwC, Managing nature risks: From understanding to action (2023)

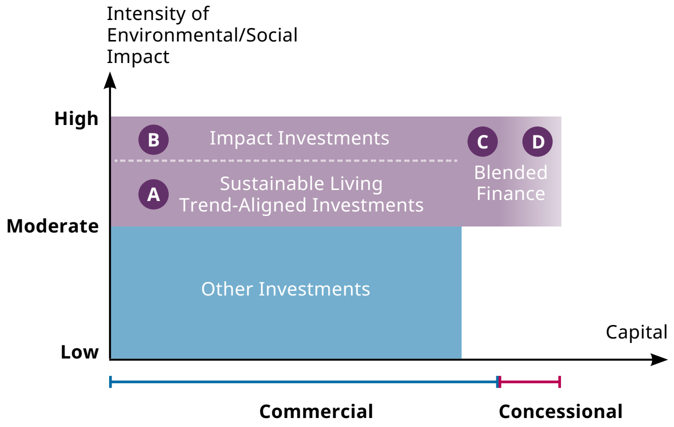
2.2 Beyond Traditional Capital Structures

We deploy capital with purpose — advancing sustainability, enabling climate transition, and catalysing impact — while delivering long-term sustainable returns. Through commercial and flexible capital, we aim to unlock scalable solutions and build a more inclusive and resilient future.

Deploying Capital with Purpose

At Temasek, we deploy capital with the aim of building a resilient and forward-looking portfolio that delivers long-term sustainable returns. This includes investing in opportunities that enable companies to transition to a more sustainable future and continuously increasing our investments aligned with the Sustainable Living trend. While maintaining a commercial approach across our normal course of investments, we recognise that accelerating progress, particularly in Emerging Markets and Developing Economies (EMDEs), often requires more than traditional capital structures. By committing flexible and catalytic forms of capital where appropriate, we aim to unlock private sector investment, crowd in capital from like-minded partners, and amplify impact to contribute to a more resilient and sustainable world.

INVESTMENT BY IMPACT AND CAPITAL



Investing for Sustainable Long-Term Value Creation

As a commercial investor, we prioritise investments that drive long-term sustainable returns while addressing pressing global challenges.

A Sustainable Living Trend-Aligned Investments

We invest in businesses that contribute positively to our long-term vision of net zero, nature positive, and inclusive growth. These investments span companies whose products and services enable a more sustainable future, and climate transition investments in high-emitting sectors that are actively shifting towards lower-carbon solutions. We recognise that being a responsible investor is not only about reducing our financed emissions, but also about enabling real economy emissions reductions through financing the transformation of high-emitting sectors to drive systemic change.

B Impact Investments

As a subset of our Sustainable Living trend-aligned investments, our impact investments are targeted towards achieving measurable impact, primarily in EMDEs, with an emphasis on environmental or social outcomes. Our dedicated Impact Investing team ensures that each investment by the team in impact funds or businesses is guided by a clear impact thesis and assessed using our proprietary impact framework for impact investing. This allows us to deliver positive, measurable environmental or social outcomes while achieving sustainable returns over the long term.

Bridging the Climate Finance Gap

The ability to leverage diverse pools of capital provides us with the flexibility to drive meaningful progress and support high-impact projects that may be challenging to realise within the constraints of traditional capital structures.

C Blended Finance to Unlock Scalable Solutions

Blended finance supports innovative climate solutions by bringing together public, private, and philanthropic capital with differentiated risk-return profiles. It allows us to participate in structured investment vehicles where concessional capital plays a catalytic role in addressing real or perceived risks, thereby unlocking commercial investment. Blended finance enables the scaling and deployment of green technologies in EMDEs. By integrating policy support, development finance, long-term offtakes, and project funding for first-of-a-kind commercialisation, it seeks to address the higher perceived risks of implementing established solutions like renewable energy in EMDEs.

D Concessional Capital as Catalytic Funding

In conjunction with our 50th anniversary, we set aside S$100 million of our community gifts as Concessional Capital for Climate Action (CCCA). It will play a catalytic role in mobilising the broad spectrum of capital required to close the climate finance gap, particularly in EMDEs, where capital is scarce yet most needed. We recognise that certain climate solutions may not attract adequate commercial financing without risk-tolerant or flexible capital to unlock the investment case. Our concessional capital will be deployed strategically to reduce perceived risks and improve the investability of high-impact opportunities, thereby creating a multiplier effect.

2.3 Sustainability Perspectives and Insights

Temasek regularly engages distinguished industry, policy, and thought leaders through our advisory panels and network of corporate advisors to obtain broader insights and perspectives on business, financial markets, and global affairs. We also exchange ideas and share knowledge on a variety of topics with our partners and portfolio companies.

Temasek Sustainability Advisory Panel (TSAP)
The TSAP brings together eminent leaders with relevant sustainability policy, academic, and industry experience to further augment Temasek's knowledge and provide relevant inputs in support of our sustainability strategy and development. The advisors provide market insights, engage with the Temasek ecosystem, and foster strong linkages that seek to tackle sustainability-related challenges such as climate change, nature conservation, and social inclusion.

In May 2025, we held a conversation with our TSAP advisors focused on the themes of climate transition and the role of AI. Amidst the key challenges associated with portfolio decarbonisation and hard-to-abate sectors, the conversation called out the difficult dilemmas related to transition investing, and how it could be a credible lever to work towards a net zero economy. In addition, we explored the potential of AI as an enabler of the climate transition and the risks involved in leveraging AI.

Further information on TSAP advisors is available on our corporate website.

Our TSAP advisors attending the May 2025 TSAP meeting at the Temasek office. From left to right: Catherine McKenna, Prof. Carl Folke, Mindy Lubber, Dilhan Pillay Sandrasegara (CEO), Sharan Burrow, and Dr. Arunabha Ghosh. Not in photo: Stanley Loh and Dr. Ma Jun.

2.4 Double Materiality Assessment

Our evolving operating environment requires us to continuously sense and adapt. This year, we conducted a double materiality assessment (DMA) that complements our existing understanding and efforts on sustainability.

Sharpening Our Sustainability Focus for Long-Term Returns

A double materiality approach helps to identify the most material matters pertaining to sustainability by considering how sustainability risks and opportunities impact our portfolio and operations (i.e., financial materiality), and the impact of our activities on the surrounding environment and society (i.e., impact materiality).

The insights gathered from our DMA help inform our sustainability strategies and actions across our portfolio and operations to support the delivery of long-term sustainable returns.

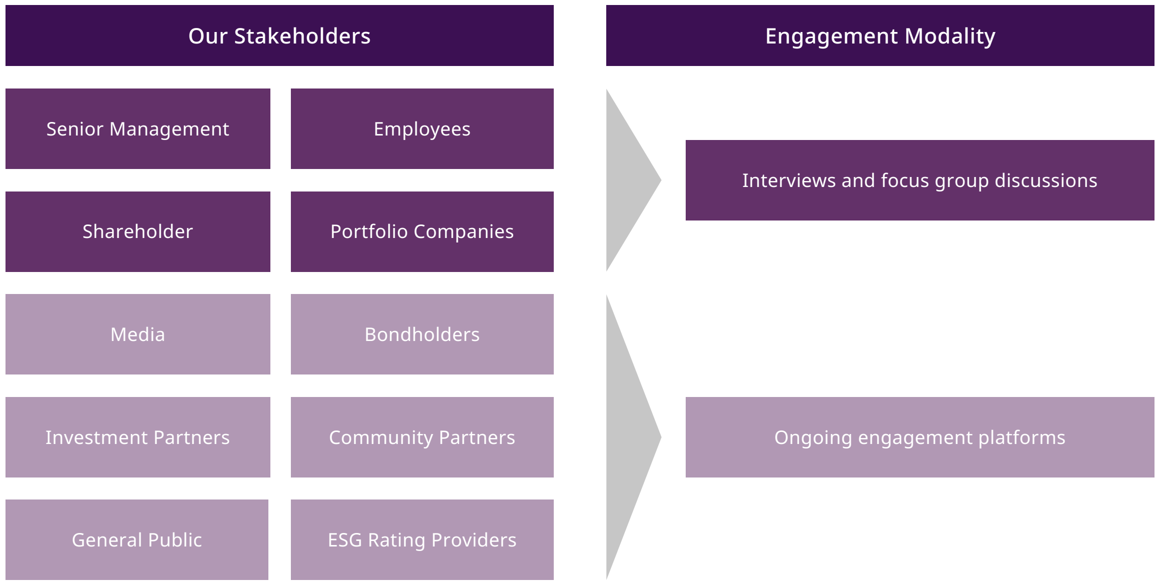
Seeking Perspectives from Key Stakeholders

We sought perspectives from our key stakeholders on potentially material impacts, risks, and opportunities relevant to Temasek's portfolio and operations. Key internal and external stakeholders engaged as part of this DMA included Temasek senior management, employee representatives, our shareholder, and select portfolio companies representative of our portfolio composition.

We considered, where possible, industry best practices and relevant requirements of international sustainability reporting standards in designing the DMA process. We engaged our key stakeholders through interviews and focus group discussions. We also leveraged our ongoing engagement platforms to obtain updated perspectives from other stakeholders, such as the media, bondholders, investment partners, community partners, the general public, and relevant ESG rating providers.

To facilitate the DMA engagements, we shortlisted an initial list of topics across governance, environmental, and social domains based on the benchmarking of Temasek's peers and portfolio companies. The key stakeholders were invited to share their perspectives on the financial and impact materiality of these shortlisted topics and to highlight any other topics they deem material from their respective vantage points.

STAKEHOLDER ENGAGEMENT



2.4 Double Materiality Assessment *continued*

Prioritising Our Path Forward

Our stakeholder expectations clearly emphasised the importance of upholding good governance practices. There was strong consensus that business ethics, as well as anti-bribery and anti-corruption, are considered non-negotiable matters that are essential to maintaining our licence to operate. Cybersecurity and data privacy is another governance topic that warrants resource prioritisation as it can have significant reputational and financial impact if not well managed.

The DMA also reaffirmed the importance of climate change as one of the most material environmental topics for Temasek and its portfolio. There was strong consensus that climate change would likely have a direct financial impact on Temasek's portfolio and operations, given the associated physical and transition risks, as well as the opportunities to address these risks. This DMA insight underscores the importance of keeping up our concerted effort to meet our institutional and portfolio climate commitments.

Most stakeholders viewed employees as the most valuable asset, fundamental to our long-term success. Employee well-being and talent attraction and retention were consistently seen as the most material social topics. Most stakeholders also agreed on the critical role of employee diversity and inclusion in contributing to talent attraction and retention, and emphasised the need to uphold meritocracy.

While other sustainability topics identified were recognised to be important — nature and biodiversity, water, pollution, circular economy and resource use, human rights and labour conditions, supply chain impacts to workers as well as sustainable procurement, most stakeholders were of the view that the materiality of these topics was more variable across sectors and that any impacts, risks, and opportunities associated with these topics may only manifest over the medium to long term. In our engagements with key stakeholders, AI emerged as a topic of growing significance. Stakeholders recognised AI as an enabler for advancing sustainability outcomes, with cross-cutting implications across sectors and corporate functions. At the same time, concerns were raised about its ethical implications and increased energy consumption associated with widespread adoption. These conversations highlighted the need for a thoughtful and considerate approach towards AI development, deployment, and monitoring to enable long-term value creation without unintended consequences.

Based on these insights, we will continue to address these topics in a calibrated manner, refining and stepping up our approach as the environment evolves.

INSIGHTS FROM DOUBLE MATERIALITY ASSESSMENT

Material Topics	Emerging Material Topics
Climate Change	Nature and Biodiversity
Talent Attraction and Retention	Water
Employee Health, Safety, and Well-Being	Pollution
Employee Diversity and Inclusion	Circular Economy and Resource Use
Business Ethics	Human Rights and Labour Conditions
Anti-Bribery and Anti-Corruption	Supply Chain Impacts to Workers
Cybersecurity and Data Privacy	End-User Privacy, Safety, and Inclusion
	Sustainable Procurement
	Artificial Intelligence

Environmental · Social · Governance · Topic surfaced during stakeholder engagement

Sustainability Governance

"Effective oversight of sustainability-related risks and opportunities is crucial for driving long-term sustainable returns. By integrating sustainability considerations in our business strategy, we make decisions that balance short-term performance with long-term value creation, strengthening our portfolio resilience in an increasingly complex business landscape."

CHAN Wai Ching
Chief Corporate Officer

3.1 Oversight, Ownership, and Accountability

Our internal governance approach ensures oversight, ownership, and accountability over our sustainability initiatives.

Board Oversight

Our Board provides overall guidance and policy directions to management. This includes setting out the strategic direction and overseeing the performance and progress of sustainability initiatives that drive long-term value creation for our stakeholders.

The Board has separate and independent access to information to assist it with its deliberations, including the opportunity to request supplementary or explanatory information from management.

Management provides information to the Board on an ongoing basis, including minutes of key management committee meetings, to allow the Board to effectively discharge its responsibilities. This includes an annual update on the Environmental, Social, and Governance (ESG) risks and performance across the portfolio.

The following Board committees, each chaired by a non-executive Director who is independent of management, have been set up with specific delegated authorities:

- Executive Committee
- Audit Committee
- Leadership Development & Compensation Committee
- Risk & Sustainability Committee

Information on the responsibilities and procedures of each Board committee, beyond sustainability, is available in the *Temasek Review 2025* and on our corporate website.

Executive Committee (ExCo)

The ExCo has been delegated the authority to approve new investment and divestment decisions up to a defined threshold, beyond which, transactions will be considered by the Board. In making decisions to manage and shape our portfolio, ExCo also takes into account sustainability-related risks and opportunities, where relevant, among others.

Audit Committee (AC)

Comprising only independent directors, the AC supports the Board in its oversight responsibilities by reviewing, among other things, our system of internal controls and processes used for financial reporting, audit, and monitoring compliance with laws and regulations and the Company's code of ethics and conduct.

The AC is supported by Internal Audit (IA). To ensure its independence, IA reports functionally to the AC and administratively to the office of the CEO of Temasek Holdings. IA has full and unrestricted access to all records, properties, and personnel to effectively perform its functions. IA conducts a comprehensive risk assessment across all aspects of Temasek's operations to formulate a risk-based audit plan. Key control processes, including anti-bribery and anti-corruption as well as compliance with applicable laws, regulations, policies, procedures, and guidelines on ethical business conduct, are incorporated into the respective process scope and audited at least once every three years. IA also undertakes special reviews upon requests from the Board, AC, or senior management.

GOVERNANCE STRUCTURE

3.1 Oversight, Ownership, and Accountability *continued*

Leadership Development & Compensation Committee (LDCC)
The LDCC is responsible for recommending Board and management leadership plans to the Temasek Board. These include Board and CEO succession, as well as guidelines and policies on performance measurement and compensation plans. In its deliberations, the LDCC ensures the Board and management exhibit and continuously build upon the broad and diverse skill sets necessary to meet Temasek's long-term strategic objectives, including the competencies necessary to oversee the organisation's response to sustainability-related risks and opportunities, including climate-related risks and opportunities. At the Board level, this is done by taking into account the combined skill sets of existing and potential Directors when considering the appointment of new Directors to the Board. Full biographies on our corporate website outline the experience of each Director and demonstrate the Board's comprehensive expertise to discharge its duties.

Risk & Sustainability Committee (RSC)
The RSC was established to enhance focus on opportunities and risks arising from sustainability trends, including climate change, and other financial, reputational, operational, and cyber risks. The RSC supports the Board in its oversight responsibilities by reviewing, among other things, our portfolio risk appetite and profile, risk management, material sustainability and ESG matters, sustainability strategies, targets, frameworks and policies, as well as key public statements relating to risk, sustainability, and ESG.

The RSC coordinates with other standing Committees of the Board, such as the AC and the LDCC, in its oversight of risk and sustainability matters, where relevant.

Senior Management Oversight

Senior management sets the tone and culture of our institution, leading the delivery of Temasek's vision and mission.

Our senior management oversees Temasek's key business strategies and organisational initiatives, including sustainability-related matters. Senior management is supported by the following committees, which are chaired by our CEO and comprise members of senior management:

Strategy, Portfolio and Risk Committee (SPRC)
The SPRC reviews macroeconomic, political, industry, technological, and social trends that provide the context in which new opportunities and risks may arise in both existing and new markets. It also reviews our overall portfolio construction efforts and investment strategies. In so doing, it integrates sustainability-related considerations, including climate change and climate transition planning, in the firm's strategy, investment, risk, and operational management processes.

Senior Divestment and Investment Committee (SDIC)
The SDIC manages and shapes our portfolio on an ongoing basis and decides on investments and divestments up to the authority limits as delegated by our Board. In its considerations, it also takes into account sustainability-related risks and opportunities.

Senior Management Committee (SMC)
The SMC reviews and sets overall management and organisational policies. It oversees the operationalisation of corporate initiatives and processes within the frameworks and overarching principles approved by the Board. Examples include our sustainability-related policies and initiatives, in addition to our institutional sustainability strategy.

Further information on the responsibilities of each Committee, beyond sustainability, is available in the *Temasek Review 2025* and on our corporate website.

Temasek achieved full marks and remained in the top tier of the major State-Owned Investors surveyed by Global SWF. The GSR Scoreboard is a comprehensive analysis of the Governance, Sustainability, and Resilience (GSR) practices of major State-Owned Investors including sovereign wealth funds and public pension funds. The assessment tool was first introduced by Global SWF in 2020 to jointly address important aspects such as transparency and accountability, impact and responsible investing, and long-term survival. It has become a widely recognised metric among sovereign and pension funds globally and one barometer of the industry's best practices. Temasek is among the world's Top 200 sovereign wealth funds and public pension funds being assessed.

3.1 Oversight, Ownership, and Accountability *continued*

Functional Capabilities

Senior management works with a dedicated team of functional experts supporting the delivery and evolution of our sustainability strategies, frameworks, and programmes.

Reporting to the CEO, our Sustainability Group initiates, develops, and implements our overarching strategy and initiatives on sustainability. As part of its remit, the Sustainability Group partners internal and external stakeholders to catalyse and invest for long-term positive impact, to support the transition to a net zero, nature positive, and socially inclusive world, to build a sustainable organisation, and to collaborate for global progress.

The integration of sustainability considerations across our investment lifecycle is supported by a dedicated ESG Investment Management (ESG IM) function. As part of the Sustainability Group, ESG IM oversees ESG integration efforts pre- and post-investment as well as climate transition readiness. It serves as a centre of knowledge and expertise on ESG issues, partners investment teams to analyse material ESG issues, and engages portfolio companies to build portfolio resilience and uplift ESG practices. This includes identifying and assessing the emission profiles of our portfolio companies.

Through functional experts sitting across various teams, Temasek holds itself accountable to ensuring it has the appropriate skills, competencies, and knowledge to implement its sustainability strategy, including climate transition planning from an asset owner perspective.

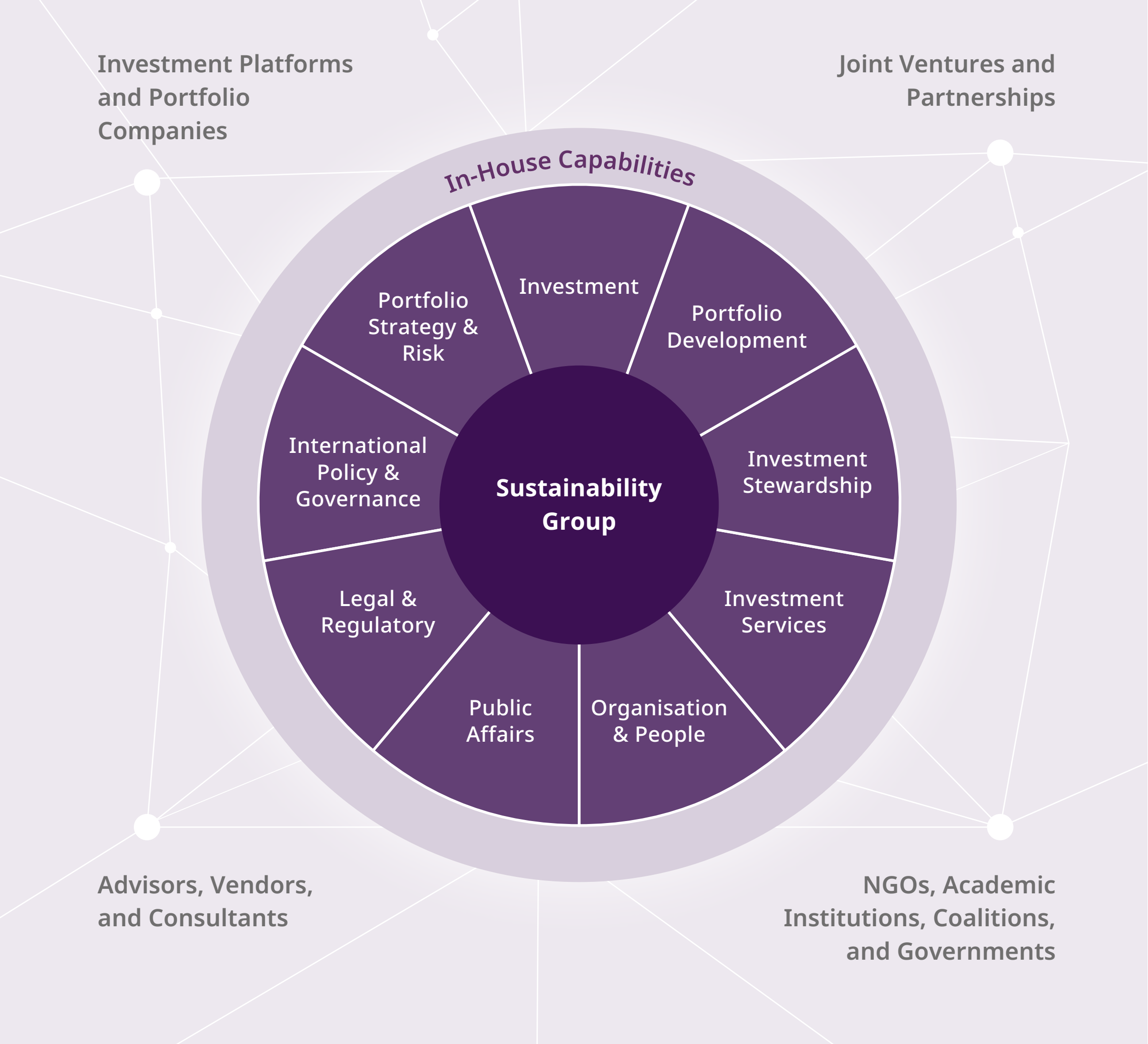
Compensation Linked to Sustainability Goals

Our ownership ethos places the institution above the individual, emphasises long term over short term, and aligns employee and shareholder interests over economic cycles. Our compensation framework aims to foster a high-performing and responsible culture, where our employees think and act as owners with a strong sense of intergenerational duty, sharing gains and pains alongside our shareholder.

It balances rewards for short-term performance and long-term value creation. It also aligns our staff towards achieving both our financial performance and carbon emissions reduction targets.

To reinforce the commitment to our carbon emission goals, a portion of our Wealth Added incentive pool is ringfenced to be awarded as a performance-based long-term incentive. The vesting of this incentive is tied to our carbon emissions reduction targets. This aligns our interest to the institutional commitment to halve the net carbon emissions of our portfolio from 2010 levels by 2030, and to achieve net zero carbon emissions by 2050.

NETWORK OF SUSTAINABILITY CAPABILITIES



Sustainability in Our Investments

> *"Sustainability is reshaping risk and opportunity across markets. As an investor, we embed ESG and climate considerations into how we deploy capital, shape our portfolio, and engage our portfolio companies — supporting innovation and transition at scale. This positions us to navigate disruptions, capture emerging opportunities, and enhance portfolio resilience in a rapidly evolving market landscape."*

Rohit SIPAHIMALANI
Chief Investment Officer

4.1 Investing with Tomorrow in Mind

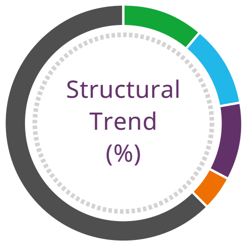
We aim to build a resilient and forward-looking portfolio that delivers sustainable returns over the long term.

Sustainable Living Trend

Our investment activities are aligned to four structural trends that shape our long-term portfolio construction. We expect to increase investments aligned with the Sustainable Living trend, investing into companies whose products and services seek to fulfil environmental and social objectives, as well as those that will benefit from the sustainability tailwinds.

We deploy capital to catalyse solutions that can enable companies to transition to a more sustainable future. We tap on opportunities to invest in future growth sectors and business models, as well as encourage enterprises to transform through efforts in innovation. We also innovate and scale through partnerships which enable us to achieve outcomes unattainable by an organisation acting in isolation.

(as at 31 March)



	2025	2024	2023
Sustainable Living	**11**	12[2]	5
Digitisation	**11**	11	10
Future of Consumption	**11**	10	11
Longer Lifespans	**5**	6	5
Others	**62**	61	69

Referencing global taxonomies and industry practices, our externally reviewed proprietary classification framework identifies investments that align with the Sustainable Living trend.

These comprise sustainability-focused investments in businesses with products and services that contribute positively towards our long-term vision of net zero, nature positive, and inclusive growth, as well as climate transition investments in high-emitting sectors that are looking to transition to products and services that contribute positively to climate objectives. Climate transition investments include those in clean energy transition, power and energy infrastructure, and energy transition commodities.

As at 31 March 2025, our portfolio value of investments aligned with the Sustainable Living trend was S$46 billion[1], of which S$39 billion was sustainability-focused investments and S$7 billion was climate transition investments. During the year, we invested S$4 billion in Sustainable Living trend-aligned opportunities.

[1] Made up of listed and unlisted investments aligned with the Sustainable Living trend; and excludes other assets and liabilities.
[2] The increase in our Sustainable Living exposure is mainly due to a reclassification of selected portfolio companies as at 31 March 2024, to better reflect their alignment with the trend.

4.1 Investing with Tomorrow in Mind *continued*

Our proprietary classification framework for investments that align with the Sustainable Living trend is underpinned by environmental and social objectives, with the aim of advancing net zero, nature positive, and inclusive growth. These investments include established businesses, early- and growth-stage companies, and funds, in key focus areas such as food, water, waste, energy, materials, clean transportation, and the built environment.

Illustrative Examples

Materials

Electra
Revolutionises iron production with its innovative, low-carbon process. Compatible with intermittent renewable energy, its technology refines various iron ores, including those uncommercialised or already mined, into high-purity clean iron. By extracting valuable mineral co-products, Electra minimises waste and preserves critical resources. This approach supports the transition to net zero emissions and promotes a circular economy in the metal industry.

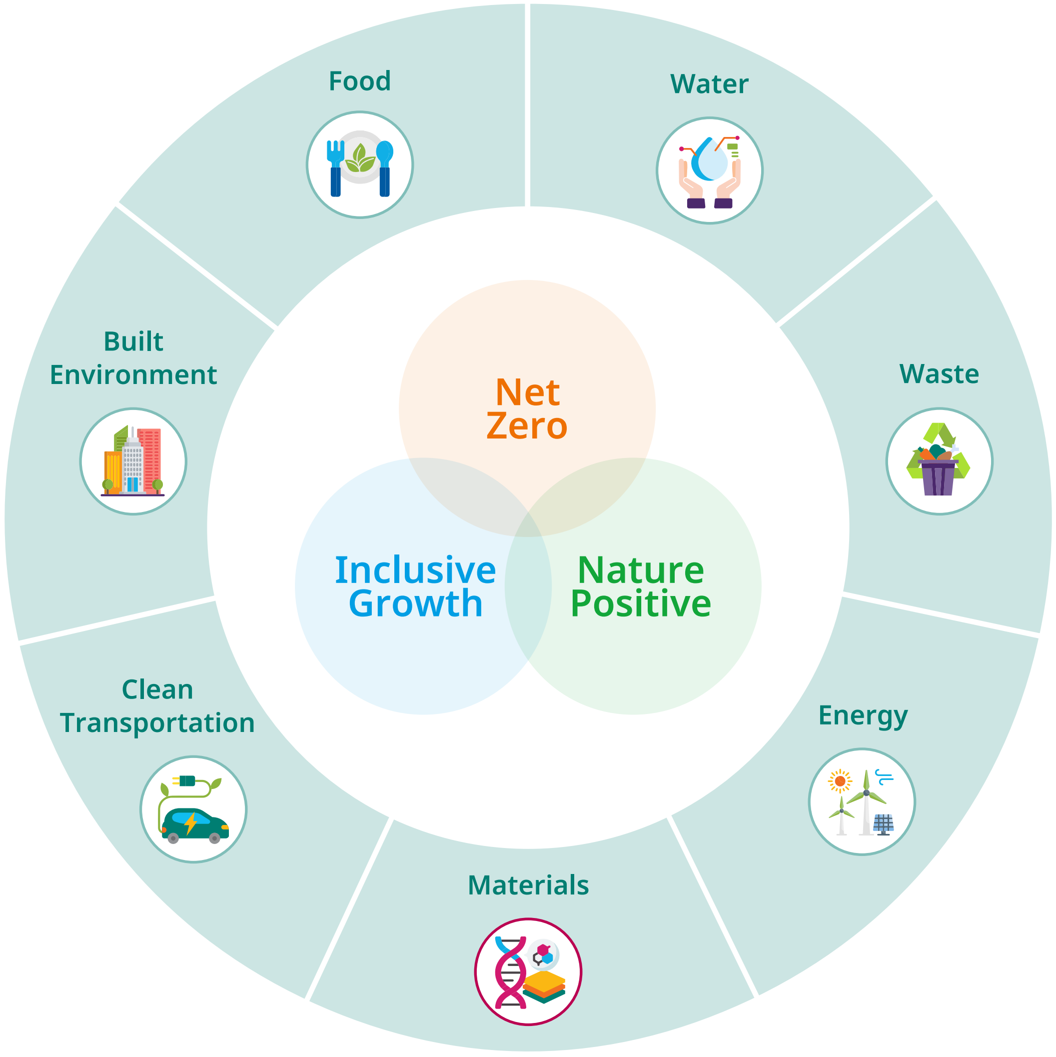
Clean Transportation

Zipline
Designs, manufactures, and operates autonomous delivery systems with battery-powered aircraft, thereby reducing traffic and air pollution, and helping to bring equitable service to more people in both emerging and developed markets. By transforming access to medical supplies, agricultural products, and other goods across the world, Zipline has lowered maternal mortality rates, increased vaccination coverage, and boosted agricultural productivity.

Multi-Sector Fund

Leapfrog Climate Strategy
Focuses on investing in growth-stage companies in Asia and Africa, and decarbonising the sectors that account for more than 80% emissions in these target markets. It invested in Battery Smart, India's largest and fastest-growing battery swapping network for electric two- and three-wheelers, which has improved the livelihoods of over 45,000 active customers with convenient, low-carbon driving range.

FOCUS AREAS AND OUTCOMES OF SUSTAINABLE LIVING TREND-ALIGNED INVESTMENTS



4.1 Investing with Tomorrow in Mind *continued*

Catalysing Climate Action

Investing for a Low-Carbon Economy

The transition to a low-carbon economy requires both growing the green economy and greening the economy.

To grow the green economy, we will continue to make targeted investments in carbon-efficient businesses and decarbonisation solutions, including the advancement of hydrogen technologies, energy-efficient solutions, and alternative production processes. We have developed an internal framework to pilot the measurement of these investments' climate positive impact. The framework draws references from emerging frameworks globally, and our portfolio companies and platforms that have already embarked on this journey. Given the nascency of this field, we expect to refine our approach based on insights gained from our pilot and the continued evolution of global frameworks.

Meanwhile, the transition towards net zero will not be complete without addressing the more challenging task of greening the economy. This requires deep transformation of all sectors, including the hard-to-abate and carbon-intensive sectors. Temasek is prepared to selectively invest in climate transition opportunities, even if this may result in a near-term increase in our portfolio emissions. Through such investments, we hope that our capital brings greater certainty and/or additionality to the decarbonisation trajectory, creates opportunity for value uplift, and contributes to real-world transition.

Encouraging Decarbonisation Efforts in Our Portfolio Companies

Our long-term investment horizon which can span decades, puts us in a unique position to engage our portfolio companies on their business transformation and adoption of climate mitigation actions.

Leveraging our Climate Transition Readiness Framework, we regularly engage our major portfolio companies — especially those where we see the highest potential for impact — on their climate transition plans and decarbonisation journeys.

Over the past years, we have seen our major portfolio companies demonstrate progress. This included enhanced governance and accountability over climate commitments, including senior management incentive plans linked to climate targets. Most companies have also integrated climate risk with enterprise risk management, deepened their climate scenario planning, and carried out initial climate stress tests, where relevant. A key focus of our engagement relates to climate transition planning, covering critical areas such as decarbonisation levers (including value chain), capital expenditure plans, and the development of new green revenue streams.

Enabling Carbon Markets Solutions

Carbon markets hold significant potential as an innovative financing mechanism to unlock greater capital flows towards climate solutions, where there is a large financing gap. They have the potential to bring down the green premium for innovative green technologies and facilitate nature-based projects with co-benefits for ecosystem restoration and local communities. However, carbon markets, especially voluntary carbon markets, have faced challenges over the recent years.

Greater regulatory clarity on the role of voluntary carbon markets is necessary to instil market confidence and bolster demand. Initiatives such as the Integrity Council for the Voluntary Carbon Market and the Voluntary Carbon Markets Integrity Initiative continue to push for higher integrity of carbon credit projects and greater transparency of corporate claims. Singapore has been at the forefront of advancing high-integrity carbon markets, leveraging Article 6 of the Paris Agreement to facilitate international carbon credit transactions with robust environmental integrity.

At Temasek, we take a whole-of-system approach towards scaling carbon markets:

- **Demand lever**: We help to strengthen demand visibility through the purchase of carbon credits for our institutional emissions and participation in relevant buyers' coalitions.
- **Supply lever**: We continue to scale investments in high-integrity carbon projects through our dedicated investment platform, GenZero.
- **Ecosystem lever**: We advocate for high-integrity, liquid, and transparent carbon markets through targeted thought leadership efforts.

4.1 Investing with Tomorrow in Mind *continued*

Catalysing a Sustainable Energy Transition

The energy sector holds the key to averting the worst effects of climate change. While energy transition is a global concern, Emerging Markets and Developing Economies (EMDEs) face greater challenges in balancing their decarbonisation ambitions with energy security and affordability, which are foundational for economic growth. We are taking a multi-faceted approach to address systematic barriers in the energy transition:

Accelerating Renewables Reliably

Renewable energy has emerged as the most economically viable energy option in most regions, with global renewable investments double that of fossil-related investments in 2024[1]. The combination of affordability and faster deployment positions renewable energy to increasingly meet the growing demand, including demand from the fast-expanding Artificial Intelligence (AI) companies and hyperscalers.

However, renewables face several challenges, including intermittency issues and the need for significant grid upgrades. To address these challenges, we have supported the scaling of energy storage systems and strengthened partnerships with infrastructure investors that have deep operating capabilities to enhance execution and amplify our impact.

- **Long-duration storage systems:** We made follow-on investments in Form Energy, an energy storage company that develops and commercialises cost-effective iron-air battery technology to enable the development of multi-day energy storage systems for grid application.
- **Renewable storage and transmission infrastructure:** We partnered Energy Capital Partners to acquire Atlantica Sustainable Infrastructure, a clean energy transition company focused on renewable energy.
- **Expansion of renewable capacity:** We partnered Brookfield to acquire Neoen, an integrated developer and operator of renewable energy projects with a diverse portfolio of solar, wind, and battery storage assets.

Diversifying Baseload Energy Options

Given the expected growth in global energy demand and the need for highly reliable, uninterrupted power supply, a diverse baseload energy mix is essential. This is particularly crucial for regions that face land constraints for renewables deployment.

Nuclear energy

We expect a renewed interest in nuclear energy, driven by technological breakthroughs, safer next-generation reactor designs, and technology-inclusive regulation. Thus, we have been actively monitoring both nuclear fission and fusion technologies, including Small Modular Reactors, and are tracking opportunities across the entire value chain. We invested in Westinghouse, a leading global company in fission reactor technology and fuel fabrication. We have also been an early investor in nuclear fusion, supporting the advancement of Commonwealth Fusion Systems' magnetic confinement pathway to a commercial fusion power plant.

Geothermal energy

Geothermal energy offers an abundant, dispatchable, and clean source of firm energy. Recent technological advances are expanding geothermal energy's potential to deliver round-the-clock clean energy in nearly all countries around the world. We invested in Eavor, a technology company that is developing next-generation closed-loop advanced geothermal systems.

Natural gas

Natural gas is expected to form a material part of the global energy mix for the foreseeable future. To avoid lock-in effects and methane emissions leakage, which can be more than 80 times more potent than carbon dioxide on a 20-year timescale[2], it is crucial to consider (i) sourcing from gas fields with low fugitive methane emissions and ample leak prevention validated by robust field measurements; (ii) ensuring that pipelines are well maintained to minimise methane leaks; and (iii) building gas plants with eventual direct abatement strategies in mind, such as carbon capture and storage or fuel blending with biomethane, low-carbon hydrogen, or both.

1 International Energy Agency (IEA), World Energy Investment (2024)
2 Sixth Assessment Report of the Intergovernmental Panel on Climate Change (AR6), Contribution of Working Group I: The Physical Science Basis (2021)

4.1 Investing with Tomorrow in Mind *continued*

We invested in Svante, a leading carbon capture and removal solutions provider. One of its initiatives included a joint development agreement with General Electric Gas Power to develop carbon capture technology for natural gas-fired turbines. We also invested in Electric Hydrogen, which manufactures, delivers, and commissions electrolysers for critical industries.

Scaling Innovative Financing Mechanisms

Emerging economies face disproportionate challenges in the energy transition, with critical projects often struggling to secure financing due to perceived or real risks. Innovative financing mechanisms such as blended finance and carbon markets can help unlock the needed capital towards transition opportunities.

Blended Finance

We partnered like-minded investors in support of Brookfield’s Catalytic Transition Fund (CTF), which blends commercial capital with up to US$1 billion of catalytic capital provided by ALTÉRRA. It focuses on deploying capital into clean energy and transition assets in emerging markets across South and Central America, South and Southeast Asia, the Middle East, and Eastern Europe.

Our collaboration with Allied Climate Partners, International Finance Corporation, and the Monetary Authority of Singapore (MAS) to establish the Green Investments Partnership (GIP) is a reflection of our efforts to expand the financing toolbox. The partnership is part of MAS’ Financing Asia’s Transition Partnership (FAST-P), a Singapore blended finance initiative in collaboration with key public, private, and philanthropic sector partners that aims to mobilise up to US$5 billion to de-risk and finance transition and marginally bankable green projects in Asia. Pentagreen Capital (Pentagreen), a joint venture between HSBC and Temasek, has been appointed to manage GIP. GIP aims to identify and deploy capital to marginally bankable green and sustainable infrastructure in Asia, such as renewable energy and storage, electric vehicle, transport, as well as the water and waste management sectors.

Carbon Markets

We joined the Transition Credits Coalition (TRACTION) as a knowledge partner to explore the use of transition credits to improve the economic viability of financing the early retirement of coal-fired power plants (CFPPs).

Our wholly owned investment platform GenZero joined ACEN, Keppel, Mitsubishi, and Diamond Generating Asia in signing a Memorandum of Understanding to explore the use of transition credits to accelerate the shutdown of a 246MW CFPP in the Philippines from 2040 to 2030. We are encouraged to see progress on demand and supply which will further support the scaling of transition credits. These include the launch of the first transition credits methodology by Verra, as well as the Kinetic Coalition, an alliance to aggregate corporate demand for high-integrity energy transition credits.

Sustainable Aviation Fuel certificates (SAFc) can harness demand from both airlines and corporates to facilitate faster scaling of Sustainable Aviation Fuel (SAF) production. We joined *Green Fuel Forward*, an initiative by the World Economic Forum in collaboration with GenZero, which aims to scale demand for SAF in the Asia-Pacific region. To demonstrate our commitment to use SAFc as part of our institutional carbon mitigation strategies, we purchased SAFc from Singapore Airlines that is equal to approximately 1% of our business travel-related emissions for the year ended 31 March 2025. We will endeavour to increase the amount of SAFc purchased over time. We hope that our small action can catalyse more demand from the broader ecosystem and, together, we can make a bigger and tangible impact to accelerate aviation decarbonisation.

4.1 Investing with Tomorrow in Mind *continued*

Building Strategic Partnerships

We are building strategic partnerships across different investment stages to accelerate outcomes on climate and inclusive growth, crowd in like-minded capital, and tap on synergistic capabilities.

- **Breakthrough Energy Ventures (BEV)** focuses on early-stage investments in climate and energy innovation across manufacturing, electricity, agriculture, transportation, and buildings, backing technologies that can scale globally and compete on cost and performance. To date, BEV has invested in over 120 companies and has 10 shared investments with Temasek. These include Electra, a clean iron production company, and Rize, a technology-enabled platform for sustainable rice farming that aims to reduce methane emissions in rice cultivation in Asia.
- **Decarbonization Partners**, a collaboration with BlackRock, targets late-stage venture capital and early-stage growth equity investments in proven next-generation decarbonisation technologies. It currently has 11 companies in its global portfolio, including companies like Neustark, a Swiss-based carbon removal solution provider, and Guidewheel, a US-headquartered AI-powered factory optimisation platform that helps factories track and manage their energy and carbon emissions to drive both sustainability and financial goals.
- **Brookfield's Global Transition Funds I and II**, and **Brookfield's Catalytic Transition Fund** drive investments in core-plus infrastructure to accelerate the transition to a net zero economy, with a focus on clean energy, business transformation, and decarbonisation solutions. Investments include OnPath Energy, a UK renewable energy developer of wind, solar, and storage projects, and Leap Green Energy, a renewable platform based in India that provides clean energy solutions to commercial and industrial customers.
- **ABC Impact** is an impact investment firm deploying capital into businesses that address some of Asia's most urgent social and environmental challenges. Guided by a thematic strategy, the firm focuses on climate and water solutions, sustainable food and agriculture, healthcare and education, and financial and digital inclusion. In April 2025, ABC Impact closed its second flagship vehicle, Fund II, building on the momentum and portfolio learnings of Fund I. Across both funds, the firm has invested in more than 13 high-impact companies across the region. Recent investments of Fund II include Aye Finance in India, which supports micro and small enterprises by providing access to tailored credit, and Tekoma Energy in Japan, a renewable energy platform developing utility-scale solar projects.

Establishing Climate Financing Platforms

We are committed to further driving and facilitating climate action through various financing platforms and mechanisms, mobilising capital towards decarbonisation, and increasing the bankability of sustainable projects in Asia.

- **GenZero**, a Temasek investment platform, is focused on accelerating decarbonisation globally. Investments include Aurora Sustainable Lands, a leader in nature-based solutions that is actively managing and conserving forestlands in the US, and CleanJoule, a US-based company focused on the production of SAF from agricultural residues. GenZero has also stepped up on efforts to advance the development of high-integrity carbon markets, with investments in companies like BeZero Carbon, a global carbon ratings agency that provides independent, science-based climate project ratings using data, models, and expert analysis to assess credibility and risk.
- **Clifford Capital**, a Temasek portfolio company, is an infrastructure credit platform with a sustainability focus, which provides debt financing and distribution solutions that support the energy transition and other critical infrastructure needs. In 2024, Clifford Capital Asset Management was established as an investment platform to manage funds for institutional investors. It leverages the group's origination capabilities and institutional network to raise capital for its suite of thematic funds. In 2025, it supported Sembcorp Industries on the financing of Indonesia's first co-located solar PV and battery energy storage system in Indonesia's new capital city and has also supported multiple bond offerings for Greenko, a leading renewable energy developer and operator in India, to fund its renewable power and pumped hydro storage projects.
- **Pentagreen**, our joint venture with HSBC, focuses on accelerating the scale-up of marginally bankable sustainable infrastructure in Asia. In 2024, Pentagreen partnered Clifford Capital to provide a green loan to BE C&I Solutions for the construction of distributed sustainable bioenergy projects across Southeast Asia and India. In March 2025, it structured a joint loan with British International Investment to provide crucial mezzanine financing to ib vogt, a leading utility-scale solar development platform, for solar and battery storage projects across Southeast Asia. Pentagreen is also the manager for Singapore's FAST-P's GIP, which aims to increase the bankability of green and sustainable projects in Asia.

4.1 Investing with Tomorrow in Mind *continued*

Impact Investing

Our dedicated Impact Investing team was established with the dual mandate of generating positive impact for underserved communities in emerging markets and achieving sustainable returns over the long term.

We constructed our portfolio of impact investments systematically over the years, focusing on social and climate challenges faced by people in emerging markets. This journey began with investing in solutions that address social challenges, such as a lack of essential financial or healthcare services, before expanding into climate investments to address the vulnerability of an estimated 1.2 billion people in emerging markets who face severe risks from climate hazards.

During the year, we engaged an independent impact verification provider to verify the alignment of our proprietary impact framework for impact investing with industry best practices. We achieved ratings at or above the top quartile of the relevant 2024 industry benchmark in all assessment pillars. The framework is based on three pillars: Impact Thesis, Impact Practice, and Temasek Contribution and is used to identify, assess, and monitor all impact investments.

Our portfolio consists of investments in impact funds and businesses. For funds, we work alongside ABC Impact and LeapFrog Investments as strategic partners and invested with specialist impact fund managers such as Elevar Equity and Quona Capital.

During the year, we committed to a dedicated investment vehicle with Blue Earth Capital to invest in differentiated opportunities at scale across emerging markets. We also committed to GEF South Asia Growth Fund III, which focuses on climate investments in India, and made a follow-on investment in SarvaGram, a company that provides financial and productivity enhancing solutions to rural households in India.

We build enduring relationships with our investees who provide us with valuable insights on local markets that inform the decisions we make on our future investments. In particular, on-the-ground insights of the underserved have shown the potential and vibrancy of serving such communities.

During the year, our portfolio provided essential goods and services in areas such as healthcare, financial, and climate-related sectors to 39 million[1] customers, supporting 53,000[1] full-time jobs.

Examples of how our portfolio has impacted the underserved include:

- Electronica Finance (a LeapFrog portfolio company), a secured Micro, Small and Medium Enterprises lender that enables small enterprises to grow with financing for the purchase of livelihood-generating machinery and rooftop solar. To date, Electronica has established over 200 offices and served over 50,000 customers.
- DCDC Kidney Care (an ABC Impact portfolio company), a dialysis chain operating in over 200 clinics providing affordable, life-saving treatments to patients with chronic kidney diseases in largely Tier 2 or higher cities in India.
- Sahyadri Farms (a GEF portfolio company), a farmer-owned horticultural producer enabling smallholders to increase their profitability by providing access to markets, processing infrastructure, and yield improvement through climate-resilient varieties of select crops. To date, Sahyadri Farms has over 28,000 registered farmers in its network.

We also contribute to various industry-leading efforts. The annual *Impact Investing Roundtable*, hosted in collaboration with Temasek Trust's Centre for Impact Investing and Practices, further solidified its standing as a marquee event for impact investors in the region.

Suryakant Jadhav, founder of Kedar Industries, a small manufacturing enterprise that obtained a loan from Electronica Finance (EFL) to finance the installation of rooftop solar panels in his facility.

> *Thanks to the Solar Panel Loan from EFL, our business is shining brighter than ever! Not only are we saving on electricity bills, we are also making a positive impact on the environment. EFL made the process seamless, and we are thrilled with the results.*
>
> **SURYAKANT JADHAV**
> Founder of Kedar Industries

We continue to support the Global Impact Investing Network's Impact Lab initiative to build impact performance tools.

Looking to the future, we remain committed to investing in solutions that positively impact the underserved while achieving sustainable returns over the long term. We will deepen the rigour of our impact capabilities, support thought leadership efforts, and evolve alongside the impact investing industry to drive further growth.

[1] Represents numbers directly reported by the investees, excluding any apportionment to Temasek's invested capital. Aggregated figures have been independently verified.

4.2 Embedding ESG as Part of Our Investment Process

Generating sustainable returns over the long term depends on stable, well-functioning, and well-governed social, environmental, and economic systems. The decisions we take today, as an asset owner, will impact future generations.

Environmental, Social, and Governance (ESG) risk is included in the Investment Risk pillar of Temasek's Organisational Risk Management Framework. We have integrated an ESG framework across our investment process from pre-investment due diligence to post-investment engagement. This enables us to better manage material risks and engage our portfolio companies to advance ESG practices in order to strengthen portfolio resilience and alignment with our sustainability objectives.

We believe companies that recognise the importance of ESG factors and manage them effectively are better positioned to navigate risks and generate sustainable value over the long term. Thus, we evaluate sustainability-related risks and opportunities across our investments through the lens of our ESG framework, which also integrates climate change and supports our net portfolio carbon emissions target.

Our ESG framework centers around the idea of continuous improvement. ESG integration helps us identify material issues that can affect the companies' performance and impact the environment, the workforce, and societies at large — be it through the products and services they offer or through the practices they apply in their operations.

It is designed to help:

- expand opportunity sets in businesses that generate positive environmental or social impacts through their products or services;
- advance ESG practices through pre-investment ESG due diligence and post-investment engagement with portfolio companies;
- manage exposure to companies that have the potential to cause negative environmental or social externalities;
- avoid investing into companies in restricted industries.

Our approach is rooted in our broader governance model, where we hold the boards and management of our portfolio companies accountable for the activities of their companies, but do not direct their day-to-day business decisions or operations. We protect our interest by exercising our shareholder rights, including voting at shareholder meetings.

This broader framework is supported by various tools that help us in the day-to-day investment decision making.

One example is a set of internal guidelines that specify the conditions and necessary safeguards for investments in sectors and business activities with more inherent risks of negative impacts on the environment, workforce, or society. Another example is our growing collection of sector- and issue-based ESG guidelines that lay out key due diligence questions to better understand a company's ESG performance, as well as industry best practices to benchmark investment targets.

Similarly, we leverage tools such as our Climate Transition Readiness Framework and ESG Value Creation Playbook to support our post-investment engagement efforts. Through this process, we encourage portfolio companies to understand and manage climate- and sustainability-related risks, focus on continuously improving operational practices and, where possible, seize opportunities to build competitive advantage, for example, by expanding business involvement in sustainability-focused products or services.

During the year, our approach to identifying and managing ESG risks, including climate-related risks, remained consistent with previous reporting periods.

4.2 Embedding ESG as Part of Our Investment Process *continued*

Pre-Investment ESG Due Diligence

The ESG analysis forms an integral part of the overall investment analysis for all our investment proposals.

During deal evaluation, our investment teams employ a broad-based research approach to assess material company-level ESG considerations, performance against peers in the respective industry, as well as forward-looking sustainability trends that are likely to affect the business and its competitive positioning.

Each investment is first evaluated against a set of core ESG topics such as climate change, social compliance, and general ESG governance. These topics are deemed universal and fundamental for us to obtain a baseline understanding of the company's ESG awareness and practices. In addition, investment teams will also assess materiality-based ESG topics depending on the company's sector and business model, leveraging our sector- and issue-based ESG guidelines. Key insights and findings are incorporated into the overall investment assessment for review and approval by the relevant investment committees.

We have dedicated in-house ESG professionals to support our investment teams on ESG due diligence. Where appropriate, we also engage external ESG advisors or technical specialists to deep dive into issues of concern and map out corresponding post-investment action plans.

BROAD ESG CONSIDERATIONS

4.2 Embedding ESG as Part of Our Investment Process *continued*

ESG Diligence and Engagement in Practice: A Case Study

The online food service and delivery industry in India has emerged as a high-growth sector, presenting long-term opportunities amid rapid urbanisation and increasing disposable incomes. One investment opportunity we evaluated in 2024 was for a fast-growing food platform company that operates over 10 online-first food brands through its network of over 300 kitchens.

The company employs a highly differentiated central kitchen model and demonstrates robust kitchen sales growth and improved operating margins. Its core brands also enjoy superior customer awareness and local support. However, we recognised that the industry itself faces unique challenges, particularly in maintaining food safety and quality at scale in a diverse and complex market like India.

The food service industry is subject to a range of material food safety risks that can have severe consequences for both consumers and businesses. These risks include contamination during the sourcing of food ingredients and from improper food handling and storage, poor hygiene practices, and degradation of food quality during delivery. Comprehensive quality management practices across the entire operational value chain are essential to ensure the delivery of safe and hygienic food products to consumers. Substandard practices in any area could potentially lead to food safety incidents, resulting in harm to customer health, financial losses, and long-lasting reputational damage to the company and its investors.

Recognising the materiality of food safety risks and the technical complexity of food safety practices in the industry, we conducted comprehensive ESG due diligence. To ensure a thorough assessment, we enlisted the support of a third-party ESG consultant with strong expertise in food safety evaluation. Supported by the consultant, we conducted a detailed review of the company's food safety management systems, including its policies and protocols. On-site inspections of selected central kitchens were conducted to verify the company's practices. To provide a broader perspective, the consultant performed a peer benchmarking analysis which provided valuable insights into industry best practices.

Our due diligence revealed that the company had implemented a food safety management system, with kitchens certified to Hazard Analysis Critical Control Point standards. Standard Operating Procedures (SOPs) were in place to guide kitchen staff, and the company conducted annual audits for every kitchen, which were supplemented by ongoing monitoring during daily operations. However, our site visits uncovered instances of potential food contamination and instances of non-compliance with regulations. These findings highlighted the need to further enhance discipline in standardising kitchen operations and improve the implementation of SOPs.

With respect to supply chain management, the company has established a set of measures to ensure food quality and safety. These include certification checks, reviews of safety policies and procedures, and quality assurance audits at key supplier facilities. Nevertheless, we noted that further formalisation of these processes, particularly the integration of environmental and social factors into supplier evaluation, would help the company enhance its overall food safety performance.

Upon identifying these key gaps, we held detailed discussions with the company's management. This dialogue ensured that the management was fully aware of our concerns and provided the management with an opportunity to offer additional context or information as needed. We then documented our ESG due diligence findings, along with our proposed post-investment actions, in the investment committee memo.

Our ESG due diligence process proved invaluable in identifying key risks in a highly technical industry, enabling us to make a more informed investment decision. This thorough assessment not only highlighted areas of concern but also established a foundation for ongoing collaboration with the company to enhance its food safety practices.

Following our investment, we have been actively partnering with the company to develop a comprehensive 100-day ESG Action Plan. Through this plan, we aim to develop and implement specific corrective actions designed to address the gaps identified during our initial due diligence and outline a roadmap for continuous improvement in the company's ESG practices, guided by our governance model.

4.2 Embedding ESG as Part of Our Investment Process *continued*

In-Depth Focus on Climate
Given the potential short- and long-term impacts across industries and the severity of these impacts, climate change is a material consideration in all our investments. Therefore, our ESG framework mandates climate analysis for all new investments that are evaluated by the relevant investment committees, examining the following issues:

- Potential portfolio company's contribution to climate change through its carbon footprint;
- Effects of climate change on the company's operations or commercial prospects, arising from physical and transition risks;
- Any potential new opportunities arising from technology innovations, government regulations, and evolving customer needs.

As part of our transition risk analysis, we consider how the prospective portfolio company might be impacted by policy, legal, technology, and market changes associated with the transition to a low-carbon economy, taking into account the product portfolio and the company's strategic positioning. An internal carbon price (ICP) is applied to each investment to better assess the potential climate transition impact.

In addition, we utilise a range of point-in-time and forward-looking metrics and approaches, including:

Carbon Metrics

- **Total Carbon Emissions**
  Absolute greenhouse gas (GHG) emissions (Scope 1 and Scope 2), expressed in tCO_2e.
- **Carbon Intensity**
  Absolute GHG emissions (Scope 1 and Scope 2) per million dollars of market value, expressed in tCO_2e/S$M market value.
- **Carbon Efficiency**
  Absolute GHG emissions (Scope 1 and Scope 2) per million dollars of revenue, expressed in tCO_2e/S$M revenue.
- **Carbon Spread**
  Proprietary metric which reflects our ICP modelled as a spread on top of our risk-adjusted cost of capital, thereby acting as a trigger for deeper analysis into the investee's climate transition and decarbonisation plans.

Climate Value Impact Assessments
We estimate the potential impact on equity value of individual assets under specific climate scenarios using a third-party climate modelling tool. We take into consideration factors such as company emissions, price elasticity, and cost pass-through.

We also review the company's potential exposure to physical climate risks, including acute and chronic climate hazards. We assess potential impacts of these risks on the company's physical assets, operations, and, where relevant, critical supply chains. We do so by taking into account existing or planned mitigation efforts.

As part of our efforts to build long-term resilience across the portfolio and also drive opportunities for value creation, we assess potential climate-related opportunities, such as the development of new products and services, expanding access to new markets, enhancing supply chain efficiencies and resilience, and driving resource efficiencies and cost savings.

Social Baseline Risk Assessment
Following a successful pilot in 2024, social baseline risk assessment has been formally integrated into our pre-investment ESG due diligence processes. This includes a set of core social business practices that we encourage investment targets and portfolio companies to adopt in their own operations, supply chains, and stakeholder interactions. The topics involved include human rights and labour practices, inclusive workplaces, talent management, product quality and safety, data privacy and security, and supply chain responsibility.

Going forward, all new direct investments will be assessed against these standard social practices. We will conduct more in-depth evaluations when practice gaps are identified. We continue to scale our capability to assess social issues through the roll-out of topic-specific due diligence guidelines and training for our investment teams.

We will progressively deepen our engagement with portfolio companies on their social practices, tailoring our approach based on their material issues and respective levels of maturity, as guided by our governance model.

4.2 Embedding ESG as Part of Our Investment Process *continued*

Material Nature Considerations

We evaluate material nature-related risks for companies in sectors that are highly dependent on nature, or have the potential to significantly impact nature. We are enhancing our pre-investment ESG due diligence and post-investment engagement processes to understand, mitigate, and adapt to nature-related risks more systematically, while unlocking nature-related opportunities. To this end, we are particularly focused on biodiversity, water, as well as other natural resource use, alongside waste and pollution. We continue to develop our institutional capacity while expanding our due diligence guidelines and toolkits to cover sectors with material dependencies and impacts in these areas.

Biodiversity Risk Assessment Tool

We developed a biodiversity risk assessment tool to identify physical assets located within proximity to Key Biodiversity Areas and Protected Areas[1]. This allows us to understand interfaces with ecologically sensitive locations in our new and existing investments. Companies with business locations in proximity to ecologically sensitive areas may have significant dependencies and impacts, and may face elevated biodiversity risks. Where we believe a company presents significant biodiversity risks, we will conduct a more in-depth assessment to determine the nature and severity of the risk.

Governance Considerations

Good corporate governance is fundamental to a well-managed company and demonstrates trustworthiness and resilience. It is also an indicator of a company's commitment to conduct business with integrity in a sustainable manner. As part of our due diligence process, we consider the policies and procedures companies have established and implemented to govern their organisation and to ensure transparency and accountability in corporate activities. We also seek to understand a company's oversight on ESG issues including climate, where material, as well as its efforts to prevent ESG incidents and to remain up to date and compliant with changing regulations.

Portfolio Monitoring

We track and monitor sustainability-related risks and performance at the portfolio and investment level through the following activities:

ESG Risk Monitoring

We provide annual updates to the Board and senior management on key ESG risk areas including our involvement in industries with heightened ESG exposures, external ESG ratings across our listed portfolio as a data point from an outside-in perspective, ESG incidents and controversies, key performance indicators (including portfolio carbon emissions and carbon metrics), and material ESG issues.

In addition, we utilise a third-party climate modelling tool to monitor climate-related risk at the asset level for our listed portfolio and significant unlisted holdings. We evaluate exposure under certain scenarios and pathways that are consistent with those used in our portfolio level scenario analysis. Where critical risks are identified, they are escalated on a case-by-case basis as required.

Carbon Budget

We have set GHG emissions budgets for each sector and each market investment team to ensure that teams are managing their respective investments' contribution towards the overall portfolio emissions target.

Portfolio Carbon Analytics and Reporting Tool

We created and utilise an in-house measurement, reporting, and analytics tool with sector and market dashboards to help relevant functional teams track and monitor carbon emissions for their investment portfolio.

[1] Key Biodiversity Areas and Protected Areas reflect areas of biodiversity importance. Protected Areas, based on the World Database on Protected Areas (WDPA), includes marine and terrestrial protected areas and are clearly defined geographical spaces, recognised, dedicated, and managed through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values. Key Biodiversity Areas are sites that contribute significantly to the global persistence of biodiversity.

4.3 Engaging Our Portfolio Companies

As an asset owner, the success of our portfolio companies underpins our own success. We view sustainability as a key lever to drive long-term portfolio resilience and value creation.

Our Engagement Philosophy

As part of our post-investment monitoring, we work to understand the environmental and social positioning as well as progress of our portfolio companies, both in terms of the products or services they provide and their operational practices.

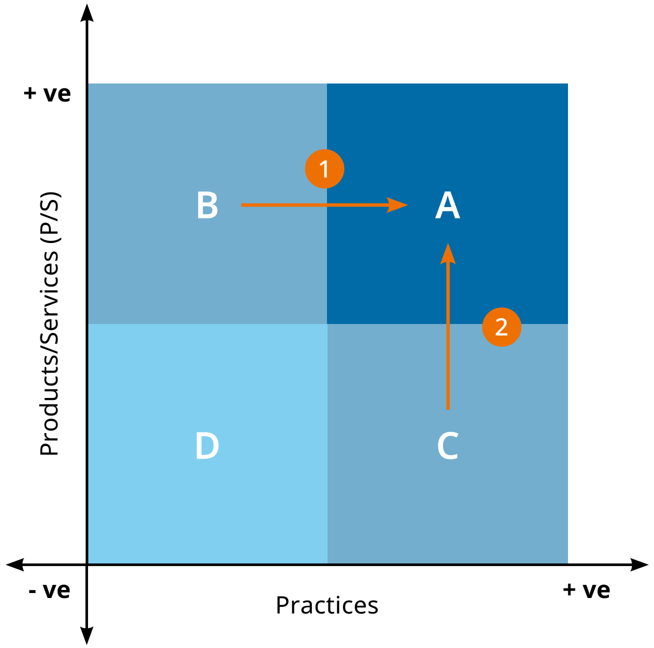
While we do not manage their day-to-day business decisions, as an owner and shareholder, we communicate our expectations on sustainability and encourage our portfolio companies to adopt policies and practices that safeguard and enhance long-term performance, including polices and practices in ESG-related areas critical to their businesses.

We engage our portfolio companies through their boards and management teams. We add value as a shareholder by exchanging ideas, sharing best practices, and organising roundtables and networking events. Temasek values these engagements and conducts them thoughtfully on the basis of factual evidence. Ultimately, a company's board is accountable to its shareholders for its total performance: business growth and other economic factors, as well as ESG issues.

We exercise our shareholder rights through voting at shareholder meetings. Through our vote, we express our opinion on how a company should be governed and managed, and hold its board and executives accountable for their actions, decisions, and performance.

We view voting and engagement as key levers that are essential to long-term value creation and formed a dedicated Investment Stewardship function to augment our efforts in this respect.

USING ENGAGEMENT AS A LEVER FOR CHANGE



A **Champions**
P/S: clear sustainability value proposition for P/S
Practices: leading sustainability practices

B **Trend Setters**
P/S: clear sustainability value proposition for P/S
Practices: nascent or developing sustainability practices

C **Performers**
P/S: neutral sustainability value proposition for P/S
Practices: leading sustainability practices

D **Laggards**
P/S: neutral sustainability value proposition for P/S
Practices: nascent or developing sustainability practices

1 Engagement Focused on Improving Practices

2 Engagement Focused on Advancing Sustainable Products or Services

4.3 Engaging Our Portfolio Companies *continued*

Engaging on ESG Matters

Our engagement with portfolio companies follows an internal prioritisation process. Taking into account the diverse range of companies in Temasek's portfolio, we identify where we can drive the most significant impact. We consider each company's ESG maturity, ESG relevance, and Temasek's potential influence. Based on the results, we prioritise companies that are long-term holds and are earlier in their ESG journey, in addition to companies where we identify strong opportunities for value creation or foresee a clear pathway for ESG transformation.

We have formulated an ESG Value Creation Playbook, which guides our investment teams in identifying opportunities and driving ESG value creation. We seek to identify opportunities to engage and support our portfolio companies to uplift their ESG practices, for example, by accelerating their decarbonisation and driving growth in sustainable products and services. Where relevant, we work with the portfolio companies to establish sustainability-related key performance indicators that can form the basis for outcomes-focused approaches to compensation and financing.

Ultimately, the aim of the ESG Value Creation Playbook is to strengthen the portfolio companies' resilience, improve competitiveness, enhance their ability to access capital, and position them for new growth opportunities.

We are encouraged by the progress of our portfolio companies in implementing sustainability strategies. One example is Country Delight, a subscription-based food essentials platform that drives impact by partnering smallholder farmers in their value chain. One of the key focus areas for the company is improving cattle healthcare practices through education and veterinary support services. This enables improved animal welfare, increased productivity and yield, and higher income. The company has also made efforts to manage the environmental impacts of its operations, with a specific focus on addressing packaging waste and improving recycling rates.

Engaging on Climate

Against the backdrop of the global transition to a net zero economy and the expected physical effects of climate change, it is in our interest to encourage our major portfolio companies to adopt effective climate change mitigation and adaptation measures.

Our engagement on climate transition with portfolio companies is informed by our Climate Transition Readiness Framework. It provides a structured methodology on the basis of which we can assess the maturity of our portfolio companies in addressing climate-related risks and opportunities. It serves as a starting point for in-depth dialogue to convey our climate expectations, which include setting a 2050 net zero ambition and interim decarbonisation targets. In addition, it serves as a source of insight on challenges and opportunities for further collaboration.

Utilising publicly available sources and information shared through ongoing engagements, we assess our portfolio companies across several dimensions. These are:

- governance and organisational competencies on climate change;
- climate transition strategy;
- capital allocation;
- scenario planning;
- risk management;
- GHG reduction targets and progress;
- advocacy and engagement;
- external verification and disclosures.

During the year, we continued our engagements with 17 major portfolio companies that constitute 91% of Total Portfolio Emissions[1] for the year ended 31 March 2025. Of these 17 major portfolio companies engaged, 14 portfolio companies have set targets to achieve net zero by 2050 or earlier, up from 11 last year.

We engaged relevant members of the portfolio companies' senior management teams, including the Chief Sustainability Officer and Chief Financial Officer, where appropriate. Initiated at the board and CEO level, these engagements provided an opportunity for us to relay our expectations for climate action and establish the foundation for regular dialogue and collaboration.

Since our initial engagement in 2023, we have seen our major portfolio companies advance in their climate transition readiness, including on climate scenario planning and integration of climate risks into their enterprise risk management processes. They also developed more in-depth climate transition plans that include both decarbonisation of value chains and development of new green revenue streams. Many of them have already tied, or are considering tying, climate-related key performance indicators to remuneration.

This year, we also laid out company-specific expectations according to each portfolio company's maturity level. In terms of priority, we focused on understanding each portfolio company's progress towards interim milestones and on its decarbonisation pathway to 2030. Going forward, we will continue to encourage portfolio companies to develop climate transition plans, including capital allocation plans, to provide stakeholders with greater clarity on their climate transition strategies.

[1] Total Portfolio Emissions reflect the absolute emissions (Scope 1 and Scope 2) associated with our investment portfolio, expressed in tCO_2e. Our investment positions in private equity funds, credit, and other assets are excluded.

Key Contributors to Total Portfolio Emissions

Singapore Airlines, Sembcorp Industries, Olam Group, PSA International, and ST Telemedia collectively contributed to approximately 82% of Total Portfolio Emissions for the year ended 31 March 2025.

Singapore Airlines

Singapore Airlines (SIA) is a global company providing passenger and cargo air transportation services. As part of the hard-to-abate aviation sector, SIA faces decarbonisation challenges arising primarily from a heavy reliance on fossil fuels for its flight operations.

The SIA Group is firmly committed to achieving net zero carbon emissions by 2050 as part of its ongoing journey towards environmental sustainability across its operations. This requires multiple levers, including investments in new-generation aircraft, achieving higher operational efficiency, adopting low-carbon technology such as sustainable aviation fuels (SAF), and sourcing for high-quality carbon offsets. The Group also actively collaborates with like-minded partners in the aviation ecosystem to achieve this long-term goal.

SIA also operates a young fleet with an average age of seven years and eight months as at 31 March 2025. SIA continues to invest in fuel-efficient aircraft such as the Airbus A350s and Boeing 787s, which are approximately 25% more fuel-efficient than older generation aircraft on similar missions. SIA will be taking delivery of new aircraft in the coming years, which include the new Boeing 777-9s as well as the A350F freighters. The A350F freighters are expected to burn up to 40% less fuel compared to SIA's current freighter fleet.

SIA participates in the *Carbon Offsetting and Reduction Scheme for International Aviation* (CORSIA), the first global market-based measure for any sector, established under the International Civil Aviation Organization (ICAO). As part of CORSIA, SIA is committed to achieving ICAO CORSIA's baseline of 85% of 2019 emissions level from 2024 annually.

SAF is a key decarbonisation lever for the airline industry, given its potential to reduce carbon emissions by up to 80% on a life cycle basis compared to conventional jet fuel. In November 2023, SIA and Scoot, the two airlines within the SIA Group, announced their target of replacing 5% of their total fuel requirements with SAF by 2030.

The SIA Group has made incremental SAF purchases over the last few years and fostered long-term offtake agreements with suppliers with the aim of building a more robust, resilient, and diversified supply chain. These include an agreement signed with Neste in May 2024 to purchase 1,000 tonnes of neat Neste MY SAF, and an additional agreement in March 2025 to purchase 1,000 tonnes of CORSIA-certified SAF. Neste's SAF, which is produced entirely from renewable waste and residue raw materials, reduces greenhouse gas emissions by up to 80%[1] over the fuel's life cycle.

To accelerate and scale up the adoption of SAF in its flight operations, the SIA Group also signed a Memorandum of Understanding (MoU) with Aether Fuels (Aether), a climate technology firm, in February 2025. This agreement outlines the SIA Group's intention to procure neat SAF for five years when Aether's plants begin commercial production, with an option for a five-year extension.

The SIA Group recognises that close collaboration with partners and stakeholders is critical to achieving its long-term decarbonisation goals. In June 2024, Cathay and SIA entered into a MoU to collaborate on two key areas, namely advocating for greater use of SAF in the Asia-Pacific region and exchanging best practices to reduce single-use plastics, minimise waste, and improve energy efficiency in ground and cargo operations. This will enable both Cathay and SIA to enhance their sustainability performance and accelerate the development and implementation of sustainable solutions in their operations.

More details on SIA's decarbonisation journey can be found here.

1 The reduction of lifecycle carbon emissions of up to 80% referred to above is when SAF is used in neat form (i.e., unblended) and calculated with established life cycle assessment methodologies such as the CORSIA methodology. The calculation includes both production and transport emissions.

4.3 Engaging Our Portfolio Companies *continued*

Sembcorp Industries

Sembcorp Industries (SCI) is an energy and urban solutions provider led by its purpose to drive energy transition. With the power sector accounting for almost 40% of global GHG emissions, SCI has an important role to play in supporting the responsible use of clean energy across Asia.

SCI's 2024 to 2028 strategic plan entails growing its renewables portfolio, supporting energy needs with reliable gas-fired power assets while advancing low-carbon alternatives, to create lasting value for its stakeholders. Having achieved its 2025 gross installed renewables capacity target of 10 GW ahead of time, SCI has expanded its ambition with an aim to grow gross installed renewables capacity to 25 GW. This will be achieved through the sustained implementation of differentiated strategies across its diversified portfolio, tailored to the unique conditions of each market. SCI maintains a strong focus on asset quality and returns, ensuring a disciplined investment approach. In 2024, SCI achieved early commercial operation of the Manah II Solar Independent Power Project in Oman, its largest utility-scale solar farm with a 588 MW peak capacity, backed by a 20-year power purchase agreement. In addition, SCI secured over 2 GW of hybrid renewables projects in India, expanding in a key growth market.

SCI's Manah II Solar Independent Power Project in Oman.

SCI recognises that the energy transition to green holds its own set of operational challenges. During this critical phase of transition, the role of gas remains indispensable in upholding the energy security required by businesses and communities every day. For regions with poor renewables resource endowments, gas-fired generation remains the most accessible source of electricity, with a lower emission intensity compared to coal or oil. Through active management of its gas portfolio, SCI continues to bridge the gap through the gradual transition to clean energy. SCI's recent acquisition of a 30% interest stake in Senoko Energy, one of the largest electricity suppliers in Singapore, strengthens its ability to meet Singapore's growing energy needs and explore levers to decarbonise assets. This includes investing in technology and innovation for cleaner fuel alternatives and improving plant efficiency. It also divested its 49% stake in Chongqing Songzao during the year, and its portfolio is now free of coal-fired power assets.

Complementing its integrated urban solutions, SCI introduced a Decarbonisation Solutions segment under the 2024 to 2028 strategic plan. By tapping into abundant low-carbon electricity in the region through investments in low-carbon solutions such as renewables import, green hydrogen, and ammonia, SCI seeks to lower the carbon emissions intensity of SCI's assets and support customers' emission reduction efforts. Marking a landmark deal, SCI has signed a two-year supply agreement with Tenaga Nasional Berhad to import 50 MW of renewable energy from Peninsular Malaysia to Singapore, reinforcing its position as a low-carbon solutions leader in the region.

SCI's strategy is underpinned by climate action targets developed with reference to the Science Based Targets initiative's (SBTi) guidance and tools for the power sector. Aligned with the collective goal to limit global warming to 1.5°C, SCI has committed to delivering net zero emissions by 2050.

More details on SCI's decarbonisation journey can be found here.

4.3 Engaging Our Portfolio Companies *continued*

Olam Group

As a food and agri-business, Olam Group (Olam) operates across land use sectors which contribute significantly to global warming. Companies within the agri-food sector face several obstacles to decarbonisation, including mapping emissions throughout the value chain, aligning actions among stakeholders, reaching smallholders, and implementing fit-for-purpose finance mechanisms.

Driven by their purpose to re-imagine global agriculture and food systems, Olam has established a GHG emissions target in line with SBTi 1.5°C alignment guidance, pending validation within the next two years. In support of this target, each of Olam's operating groups has a decarbonisation strategy in place, refined and developed on an ongoing basis, which tap on the three decarbonisation levers of energy efficiency, climate-smart agriculture and nature-based solutions, and changing sourcing patterns.

Olam's approach to decarbonisation reflects their belief that combatting climate change requires looking beyond their own environmental impact, and includes promoting best practices across the industry, partners, and supply chains. Recognising the dual benefit of many decarbonisation solutions in cutting emissions while also facilitating adaptation and climate resilience, Olam retains a focus on regenerating nature. This involves regenerative agriculture, agroforestry, and reforestation initiatives, which enable carbon sequestration and climate smart practices which can reduce emissions per tonne of product.

In 2024, as part of its new Choices for Change sustainability strategy, ofi undertook various initiatives in selected supply chains, including helping customers cut carbon using its Carbon Scenario Planner, reducing emissions across certain facilities, and conducting carbon footprint and hotspot analysis. Meanwhile, Olam Agri refined its sustainability strategy to better support the climate transition and regenerate agricultural landscape. Its decarbonisation key focus areas include optimising processing facilities, substituting fossil fuel energy with renewable alternatives, reusing heat waste, recycling biomass waste, and implementing good water stewardship principles.

Calculating carbon capture for cocoa agroforestry: ofi combines the measurement of cocoa tree survival rates with its AI-powered Carbon Stock Monitoring tool to provide customers a detailed assessment estimate of the carbon cocoa trees have sequestered.

More details on Olam's decarbonisation journey can be found here.

4.3 Engaging Our Portfolio Companies *continued*

PSA International

PSA International (PSA) is a global port operator and trusted partner to cargo stakeholders, with a portfolio comprising over 70 deep-sea, rail, and inland terminals, across more than 180 locations in 45 countries.

This sector has a heavy reliance on fossil fuels and faces challenges in electrifying terminals equipment and large vehicles as well as decarbonising supply chains. This makes innovative solutions and technologies crucial in advancing decarbonisation efforts.

As a leading global port operator and supply chain partner, PSA is a key facilitator of global trade flows and is positioned to play a significant role in impacting emissions within the value chain. Recognising this, the company has committed to achieving net zero carbon emissions by 2050 through a decarbonisation strategy that prioritises key decarbonisation levers.

PSA focuses climate efforts on process efficiency and optimisation, electrifying their fleet, adopting low-carbon fuels, and expanding the use of renewable energy to significantly reduce Scope 1 and 2 emissions. Projects include switching from conventional combustion engines to hybrid or electric, introducing smart grid systems and energy storage systems, and investing in renewable energy assets such as solar and wind. In 2024, PSA achieved 80% electrification and hybridisation of cranes, expanded the adoption of electric prime movers and tractors, and utilised 374,000 MWh of renewable energy throughout their operations. These efforts are enabling PSA's sustainable growth while driving progress on decarbonisation.

More details on PSA's decarbonisation journey can be found here.

PSA actively explores low-carbon fuel alternatives such as hydrogen. (Pictured: a hydrogen prime mover and refuelling facility being trialled at PSA Singapore).

ST Telemedia

ST Telemedia (STT) is a strategic investor specialising in Communications, Data Centres, and Infrastructure Technology businesses globally. STT is committed to maintaining zero market-based Scope 2 emissions for its own operations, a milestone achieved in 2022, and supporting its portfolio companies in halving their carbon emissions by 2030, compared to 2021. With a sizeable portion of its emissions originating from its Data Centres portfolio, an energy-intensive sector, STT's overall decarbonisation efforts are expected to be complex, but they present an opportunity to drive innovation and enhance operational efficiencies.

To foster collaborative action and innovation, STT regularly hosts ESG forums with its major portfolio companies to facilitate sharing of insights, best practices, and knowledge around sustainability topics including decarbonisation.

Within its Data Centres porfolio, ST Telemedia Global Data Centres (STT GDC) has made notable progress on its carbon targets, despite being one of the world's fastest growing data centres providers. STT GDC achieved its 2026 Carbon Intensity and Renewable Energy Factor interim targets three years ahead of schedule by enhancing the energy efficiency of its portfolio and making operational improvements to its buildings, as well as leveraging renewable energy through onsite renewable installations.

Reaching these milestones has been made possible not only through STT GDC's strong commitment to achieving carbon neutrality by 2030 — which underpins a broad and ambitious suite of decarbonisation initiatives — but also through the added impetus of its Sustainability-linked Financing Framework (SLFF). Launched in 2022 and further strengthened in 2024 with more rigorous sustainability targets, the SLFF ties STT GDC's financing approach directly to its ESG progress. This serves as another key enabler in accelerating STT GDC's decarbonisation commitments including accelerating the adoption of renewable energy across the Group.

More details on STT's decarbonisation journey can be found here.

4.3 Engaging Our Portfolio Companies *continued*

Decarbonisation Challenges in Hard-to-Abate Sectors

Aviation

Aviation faces unique challenges in decarbonising: aircraft weight and space constraints favouring energy-dense fossil fuels, long innovation cycles, existing infrastructure optimised for conventional fuels, and complexity in scaling alternatives. SAF remains the most significant decarbonisation option for aviation. However, it has a substantial price premium, costing approximately two to seven times more than conventional jet fuel[1], depending on production method and market conditions.

Power Generation

Renewables offer a promising path to low- or zero-carbon energy production, though renewable energy generation potential can be limited for land-constrained countries. High energy density and low-carbon solutions like green hydrogen blending and carbon capture with sequestration applied to existing natural gas-fired power plants could provide a pathway forward, but both have only been demonstrated on a limited basis globally to date.

Agriculture

Emissions from agriculture are a significant source of GHG emissions globally. Addressing them requires tackling direct sources in agricultural systems such as the overuse of fertilisers, as well as indirect sources from land use change.
A variety of solutions to reduce fertiliser emissions intensity, including alternative farming practices and new technologies to increase nitrogen fixation in plants, can potentially become essential pathways, alongside increased value chain collaboration and capacity building for farmers.

Port Operations

Port operations can be largely decarbonised by leveraging a combination of electrification and renewable energy. However, electrified assets may not have the same operability as conventional assets and cost barriers remain for electrified assets. Clean electricity may not be readily available in port locations, and sourcing in-country or near site options can be challenging.

Data Centres

The scale-up of AI is underpinned by the deployment of new compute hardware with energy demand several times that of traditional hardware. Low-carbon energy procurement needs to be scaled substantially to meet the power demands of these new facilities, while new cooling technologies also need to be deployed to reduce their total energy demand.

Deep-Dive Studies for Technological Unlocks

As part of our engagement efforts with top emitters, we conducted deep-dive analysis of each company's decarbonisation journey. Leveraging the combined expertise of both Temasek and the individual portfolio companies, we identified key decarbonisation challenges in each hard-to-abate sector and corresponding technology unlocks. To closely monitor the key decarbonisation unlocks, we developed internal dashboards and established regular engagements with these companies. These insights help us identify future strategic partnerships with our top emitters, while also guiding wider institutional action relating to technology inflections in these sectors.

1 Watson, M.J.; Machado, P.G.; Da Silva, A.V.; Saltar, Y.; Ribeiro, C.O.; Nascimento, C.A.O.; Dowling, A.W., Sustainable aviation fuel technologies, costs, emissions, policies, and markets: A critical review. Journal of Cleaner Production, 449, p.141472 (2024)

4.3 Engaging Our Portfolio Companies *continued*

Dedicated Platforms with Programmatic Engagements

Temasek convenes two key platforms to bring together the CEOs and sustainability leaders of our major portfolio companies on specific sustainability topics where we see the opportunity to build capacity and foster collaboration between the companies.

The annual *Temasek Portfolio Companies* (TPC) *Sustainability Council* brings together CEOs to share successful sustainability strategies and forge potential collaborations on sustainability initiatives. The bi-annual *TPC Sustainability Leaders Network* focuses on knowledge sharing and capacity building on top-of-mind sustainability topics that are common across our major portfolio companies. It also seeks to foster a strong community of sustainability leaders to advance our shared sustainability agenda together. Given the evolving disclosures landscape and the importance of sustainability transparency for value and resilience, we deep dived into the topic of sustainability disclosures across our two platforms in 2024.

The *TPC Sustainability Council* meeting discussed the business case for sustainability transparency from a standards, investor, and ratings perspective. The *TPC Sustainability Leaders Network* workshop followed up to equip portfolio companies with practical knowledge on how sustainability disclosure standards impact their businesses and the way they report. We also explored strategies to remain at the forefront of the rapidly changing disclosures landscape, in particular to understand the interoperability of various standards and the frameworks which could guide a credible climate transition plan.

Through these platforms, we hope to accelerate sustainability leadership in our portfolio companies and deliver on investor expectations and other stakeholder expectations.

Panel discussion at the *2024 Temasek Tripartite Conversations Dialogue* on AI Enabling Workforce Resilience.

At the implementation level, for the sixth year running, we continue to organise an annual Sustainability Reporting workshop to provide relevant functional leads in our major portfolio companies with training to build and elevate sustainability reporting capabilities within the Temasek ecosystem. The annual event continues to provide an avenue for the functional leads to exchange notes on pragmatic approaches to address reporting requirements and challenges.

Through our Workforce 4.0 Taskforce, we work with portfolio companies, the labour movement, and government agencies to build a future-ready workforce that can anticipate shifts, evolve with change, and stay resilient. A key initiative is the *Temasek Tripartite Conversations*, which brings together stakeholders to tackle workforce transformation challenges. During the year, discussions centred on AI enabling workforce resilience, highlighting the need for organisations to recognise emerging trends early, equip employees with the right skills, and create pathways for sustainable growth in an AI-driven world.

Beyond discussions, we translated insights into action. We partnered the National Trades Union Congress and a global cloud infrastructure and services company to introduce AI fundamentals to business and union leaders, helping them structure projects for better organisational readiness. Our Temasek Digital Tech team and AI Pod team explored how AI can enhance corporate service excellence, ensuring businesses remain competitive.

We also facilitated knowledge sharing sessions with government and labour movement representatives on critical workforce policies, such as the Tripartite Guidelines on Flexible Working Arrangement Requests, ensuring our portfolio companies remain informed about the latest workplace regulations.

By fostering these engagements, we enable businesses and workers to stay attune to industry shifts, build agility to navigate change, and create opportunities for long-term success. It is an ongoing journey, and by embracing innovation and inclusivity, organisations can position themselves to thrive in an evolving world.

4.4 Engaging Our Fund Managers

As a sustainability-focused long-term investor, we engage our Partners, Fund Managers, and Asset Management Companies to advance responsible investment practices.

Making up around 23% of our portfolio as at 31 March 2025, our Partnerships, Funds, and Asset Management Companies allow us to tap on a broad range of opportunities by collaborating with industry leaders to offer and scale capital solutions such as private equity, private credit, public market investments, and tailored financing options.

Our Partnerships and Funds include our impact investment partnership with LeapFrog Investments and strategic partnerships with Brookfield and Global Infrastructure Partners; as well as a high-quality portfolio of funds diversified across geographies, sectors, and vintages.

Our Asset Management Companies have over S$90 billion of assets under management as at 31 March 2025. These include third-party capital as well as our capital in ABC Impact, Aranda Principal Strategies, Decarbonization Partners, Heliconia, Pavilion Capital, Seviora Holdings, Vertex Holdings, and 65 Equity Partners.

While our investment exposure through Partnerships, Funds, and Asset Management Companies is relatively small when compared to our direct investments, we also extend our ESG philosophy to these investments.

In assessing external fund managers, we evaluate their ESG approach from an investment lifecycle perspective to understand their ESG commitment, due diligence, stewardship practices, and reporting to investors on ESG. In line with our own climate commitment, we seek to understand how they manage climate-related risks and opportunities, referencing leading international frameworks.

On an ongoing basis, we engage in conversations with these managers to foster mutual learning and best practice sharing. We expect the external managers to adopt a similar mindset of continuous improvement and to strive to apply best industry practices in managing material ESG issues for their portfolios. We monitor the ESG practices of our key external managers through an annual ESG survey, where they share their latest ESG initiatives and plans going forward, for the core areas of our assessment. We also have deeper and more regular engagements with external managers for which we have active investment positions in the fund management company, beyond just fund investments.

Managing Sustainability and Climate Risk and Performance

"In the face of the climate crisis, tracking sustainability and climate risks in our investment portfolio is not just prudent, it is imperative for long-term value creation as we position ourselves to capitalise on the transformative opportunities arising from the global shift towards a sustainable future."

Michael BUCHANAN
Chief Macro Strategist
Head, Australia & New Zealand

5.1 Scenario Analysis and Resilience

With increasing temperatures, more frequent extreme weather events, and a shifting regulatory and technological landscape, climate change presents an urgent sustainability-related risk.

The future climate is expected to be significantly warmer, with global average temperatures projected to rise by up to 4°C by the end of the century if greenhouse gas (GHG) emissions continue at their current rate. This warming will lead to more frequent and severe weather events, such as heatwaves, storms, and heavy rainfall. Additionally, sea levels are expected to rise, causing coastal flooding and erosion.

These changes will lead to significant economic losses. The impacts will not be evenly distributed, with some regions experiencing more intense effects than others. Given these projections, it is crucial to expand our focus beyond climate mitigation and enhance resilience to these changes.

Overview of Scenario Analysis

Scenario analysis is a key tool for generational investors like Temasek to manage and assess climate-related risks and opportunities under various policies, social and technology pathways, and associated temperature outcomes. This information enables us to evaluate the implications on our portfolio of different climate scenarios and make informed investment decisions.

From a top-down perspective, the climate scenario analysis is applied as an overlay on our macroeconomic forecasts alongside other geopolitical events in our Temasek Geometric Expected Return Model (T-GEM), which uses a scenario-based approach to simulate our 20-year long-term expected returns.

From a bottom-up perspective, we apply our Climate Value Impact tool, utilising a scenario-based approach to estimate potential climate-related impacts. In addition, our internal carbon price takes into account various climate scenarios' carbon price assumptions.

Combining both a top-down and bottom-up approach in our climate risk assessment, anchored by a consistent set of scenarios, facilitates a deeper understanding of the climate risks and opportunities our portfolio may face.

5.1 Scenario Analysis and Resilience *continued*

Climate Scenarios

Our most recent climate scenario analysis was carried out in 2023. We use three climate scenarios to assess the potential climate-related physical and transition risks and impacts on our portfolio.

Name	Scenario	Assumptions	Temperature Increase (by 2100)
Low Ambition	Network for Greening the Financial System (NGFS) Hot House World	**Low Transition Costs, High Physical Costs** • No further climate mitigation efforts from 2022, such that regulatory policies, energy use, and energy mix remain largely consistent with the actual state of the world in 2022. • Slow and insignificant progress on green transition technology changes, given the lack of policy impetus and demand, with low uptake of carbon dioxide removal. • Significantly larger physical costs given the lack of policy traction, with greater climate sensitivities than initially assumed in climate models, which result in a worse temperature outcome.	>4.0°C
Medium Ambition	Inevitable Policy Response Forecast Policy Scenario (IPR FPS)	**Medium Transition Costs and Physical Costs** • Significant acceleration in policy by 2025, with the speed and intensity of regulatory change, in addition to the forecasted policy levers, varying across economies depending on assessed readiness. • Higher transition costs upfront, resulting in lower physical costs compared to the Low Ambition Scenario. • Consistent total energy consumption, with an energy mix shift resultant from decreased fossil fuel demand and fast growth in renewables generation. • For ease of modelling, assumes governments across all economies recycle carbon tax revenues equally between personal tax cuts, investments, and debt reduction. Also assumes central banks react to inflation changes. • Post 2050, no new breakthroughs in technology and land-use constraints limit negative emission technologies.	~1.8°C[1]
High Ambition	NGFS Net Zero	**High Transition Costs, Low Physical Costs** • Immediate enactment of stringent climate policies and green innovation, in line with more ambitious global efforts to mitigate climate change. This supports the transition to net zero carbon emissions around 2050, with some jurisdictions reaching net zero for all greenhouse gases by this point. • Rapid adoption of technology, including carbon capture and storage, to accelerate decarbonisation. • Physical costs are relatively lower than the Medium and Low Ambition scenarios. • Initial interest rate spikes caused by immediate transition policies, with stabilisation over time. Assumes negative short-term impact on GDP, with initial losses offset by future cost savings. • Transition away from fossil fuels with renewables and biomass delivering above 80% of global primary energy needs by 2050.	1.5°C

1 Post 31 March 2025, we will be revising the associated temperature of the IPR FPS to reflect the latest developments.

5.1 Scenario Analysis and Resilience *continued*

The Medium Ambition scenario, which references the IPR FPS, constitutes our baseline. The IPR FPS was commissioned by the UN-supported Principles for Responsible Investment (PRI) and the climate scenarios were jointly developed by a consortium of technical partners. It receives strong endorsement from the financial sector, which it was designed for.

The IPR FPS represents a high conviction policy forecast scenario and is not a normative scenario. It possesses transparency and granularity with detailed policy and technological assumptions that allows for signposting. We regularly refresh our assessment of the baseline climate scenario to reflect latest developments. Post 31 March 2025, we will be revising the associated temperature of the IPR FPS to reflect the latest developments.

Given that the forecasts and climate sensitivities are subject to considerable uncertainty, we also model two alternative scenarios to simulate the range of plausible outcomes. First, the High Ambition Scenario simulates a net zero outcome, where the more ambitious goal set out in the Paris Agreement, to limit temperature increase to 1.5°C, is achieved. At the other end of the spectrum, the Low Ambition scenario simulates an outcome where climate policy traction is very weak such that global temperature increase rises above 4.0°C.

In our climate scenario analysis, the two climate risk impact channels assessed are physical risk and transition risk.

As a generational investor, Temasek closely monitors climate-related risks and opportunities across different time horizons by incorporating climate scenario analysis in our investment process and expected returns simulations. Our financial discipline in maintaining a strong balance sheet gives us the investment flexibility to reshape and rebalance our investment holdings as we build a resilient portfolio and deliver sustainable returns over the long term.

For physical risk, we apply a top-down approach to assess impact on GDP growth and inflation. This includes assessing acute risks such as extreme weather events and chronic risks such as the consequences of long-term shifts in climate patterns on productivity. For transition risk, we apply top-down and bottom-up approaches. At the country level, we assess the impact of carbon taxes on government revenues and take into account second-order impacts. This includes three-channel fiscal recycling of carbon tax revenues (personal tax cuts, investments, and debt reduction) and monetary policy response to changes in growth and inflation.

Similarly, from a bottom-up perspective, on top of the demand creation and destruction effects that carbon taxes elicit, we consider second-order impacts via company responses. This includes abatement, cost pass-through, and competition effects. The incorporation of second-order impacts enhances the realism of the simulations.

We recognise the trade-off between transition risks in the shorter term and physical risks in the longer term. While greater policy action may increase transition risks in the shorter term, this will reduce the magnitude of physical risks in the longer term. As a result, we adopt differing time horizons for the two categories of risk. For physical risks, we consider up to 2050 as short term and 2050–2100 as long term. For transition risks, we consider a five-year time horizon as short term, a 10-year time horizon as medium term, and a 20-year time horizon as long term. However, as implied by the differing time frames adopted for physical and transition risks, we generally expect the effects of climate-related transition risks to occur across a shorter time horizon, over the next 20 years, and the effects of climate-related physical risks to occur across a comparatively longer time horizon, up until 2100.

5.1 Scenario Analysis and Resilience *continued*

Using the risk inputs we assess as part of our scenario analysis, we mapped out the climate risk impact channels in further detail.

CLIMATE RISKS — KEY DRIVERS AND IMPACT CHANNELS

Transition Risk

Policy

Policy measures and price and non-price mechanisms, such as carbon taxes and/or phaseouts, result in both macro impacts such as growth and inflation and company-level impacts via a shift in the competitive landscape.

Technology

Technological innovation to support the transition to a lower-carbon economy could cause a shift in the competitive landscape such that new sectors emerge while certain existing ones become unviable.

Potential Impacts

- A supply shock that erodes capital stock and impacts corporate profits and household costs, causing inflationary impacts.
- Fiscal revenues raised through carbon taxes impact growth and inflation through the three channels of personal tax cuts, investments, and debt reduction.
- Further second-order impacts to growth and inflation as a result of monetary policy reaction.
- Corporate profits impacted through inter-related channels: stranded assets as certain sectors and companies become unviable; formation of new sectors and companies as competitive positions are altered; and second-order impacts including abatement costs, cost pass-through, and competition effects.

Physical Risk

Sustained Higher Temperatures (Chronic)

As global temperatures rise, exposure to extreme heat could become more frequent, severe, and occur over longer periods of time.

Increased Rainfall (Chronic)

Unpredictable weather patterns could cause more locations to be susceptible to increased frequency and intensity of heavy rainfall.

Sea Level Rise (Chronic)

Sea level rise could cause increased vulnerability to coastal flooding.

Extreme Weather Events (Acute)

Extreme weather events such as wildfires, flooding, famines, and water insecurity could increase in frequency and intensity.

Potential Impacts

- Decrease in labour and agricultural productivity, causing disruptions to business activities and value chain.
- Increased workforce health and safety risk exposure across business activities and value chain.
- Increased land loss and/or increase in damage to and loss of physical assets including property.
- Increased operating costs associated with higher insurance premiums and property maintenance costs.
- Higher capital expenditure for protection mechanisms.

5.1 Scenario Analysis and Resilience *continued*

Climate Value Impact Assessment

As part of Temasek's ongoing risk monitoring initiatives under our Organisational Risk Management Framework, the climate resilience of our portfolio is also assessed on an annual basis using a bottom-up approach, where the overall value impact contribution from individual portfolio companies is considered.

The climate value impact assessment focuses on direct investments from our listed portfolio and our 20 largest unlisted assets by value (hereafter referred to as "Temasek's aggregated portfolio"). Together, these investments represent over 75% of our direct investments. We demonstrate the expected valuation impact of the IPR FPS scenario on Temasek's aggregated portfolio. The impact is further broken down into channels, which indicate how transition and physical climate impacts are transmitted from changes in physical climate, policy, and technology to the financial performance of companies.

Modelling Framework

In assessing the climate resilience of Temasek's aggregated portfolio using a bottom-up approach, we follow a modelling framework that starts by adopting a consistent set of climate scenarios as per the top-down approach, factoring in economic, energy system, and climate variables. It then analyses how economic shocks under different scenarios would impact the annual earnings of our assets, considering a time horizon of up to 2050, to project changes in asset value.

The model accounts for company-specific characteristics, such as the markets in which the company operates, revenue segmentation, and emissions intensity. In simulating the company's response to shocks, the model considers the adoption of economically optimal abatement opportunities, and captures the effects of competition dynamics, such as changes in market share and cost pass-through to consumers.

The output from the model includes changes in the current value of the company under the selected climate scenario, disaggregated into impact channels. This supports the identification of climate risk and opportunity drivers at portfolio, sector, region, and company level.

PHYSICAL AND TRANSITION RISK: SEVEN IMPACT CHANNELS

Physical Risk	-ve impact	1	**Physical Impacts** Damages from extreme weather events and chronic impacts from changing climate
	+ve impact	2	**Adaptation** Actions that reduce the negative effects of physical impacts on financial assets
Transition Risk	-ve impact	3	**Demand Destruction** Impact from reduced demand for emission-intensive products
	+ve impact	4	**Demand Creation** Increasing demand for low-carbon products and materials, with positive impact for companies involved
	-ve impact	5	**Carbon Costs** Increase in costs from carbon price applied to the companies' emissions
	+ve impact	6	**Abatement** Steps taken to reduce emissions in response to rising carbon costs
Market Considerations	-ve or +ve impact	7	**Market Impacts** Positive impact from ability to pass through costs and variable impact from changes in market share (depending on the company's emissions intensity compared to its competitors)

5.1 Scenario Analysis and Resilience *continued*

Scenario Analysis Results and Insights
The modelling outputs showing the indicative assessment of climate adjusted value impact are illustrated in the chart on the right.

The results demonstrate that the expected overall valuation impact of climate change on Temasek's aggregated portfolio, considering physical and transition driven economic shocks up to 2050, is broadly neutral under the IPR FPS scenario.

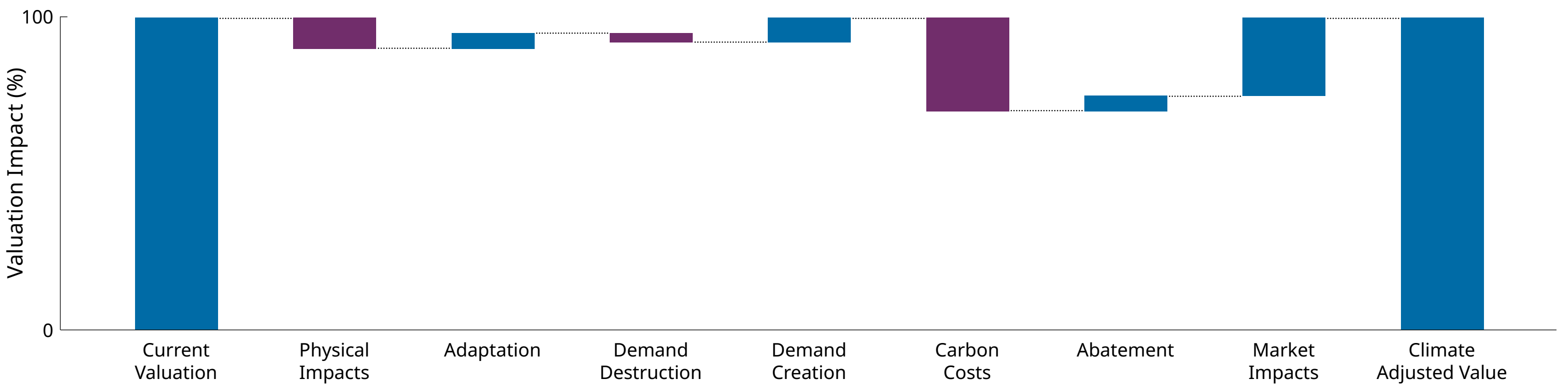
Negative impacts to the climate adjusted value are largely driven by direct carbon costs imposed on our operating companies in transition-sensitive sectors, such as transportation and utilities. However, companies may be able to offset these effects by passing the carbon costs to customers or taking market share from more emission-intensive competitors, or both.

It is important to note that limitations remain in climate scenario modelling, including potential gaps in the quality, availability, and scope of climate data for particular regions and sectors.

Proxies may be employed to address such gaps, which limits the precision of analysis. Accurately modelling the impact from low-carbon technologies is a further challenge given inherent technological uncertainty. Additionally, the results from climate scenario analysis are sensitive to the baseline scenario employed.

(as at 31 March 2025)

Valuation Impact for Temasek's Aggregated Portfolio Under IPR FPS, by Physical and Transition Impact Channels



Spotlight on Temasek's Internal Carbon Price (ICP)
Temasek set an initial ICP of US$42 per tCO_2e in 2021 to embed the cost of carbon in our investment and operating decisions, and to further align our portfolio and business to our net zero target. This was subsequently increased to US$50 per tCO_2e in 2022 and to US$65 per tCO_2e in 2024, with a view for the carbon price to reach US$100 per tCO_2e by 2030. A review of the ICP is performed every two years that takes into account the carbon price projections by international bodies.

Our ICP serves various purposes. It not only informs our transition risk analysis, thereby strengthening portfolio resilience, but also helps us build a forward-looking portfolio in alignment with the global ambition for net zero.

Furthermore, our ICP has been incorporated into various internal management tools in an effort to align our institutional practices and encourage climate-aligned decisions and behaviour among our employees.

Objectives	Related use cases
Portfolio Resilience Appropriately identify and account for transition risk in investment decisions to ensure acceptable exposure at asset and portfolio level	• Evaluation of new investments where our return requirements take into account an additional carbon spread
Portfolio Alignment Increasingly align our portfolio to help meet our net carbon emissions target of half the 2010 levels by 2030 and net zero carbon emissions by 2050	
Institutional/Ecosystem Alignment Encourage behaviours and outcomes across the organisation that lead to progressive emissions reduction	• Carbon charge taken against Wealth Added incentive pool • Carbon charge taken against business travel operating budget

5.1 Scenario Analysis and Resilience *continued*

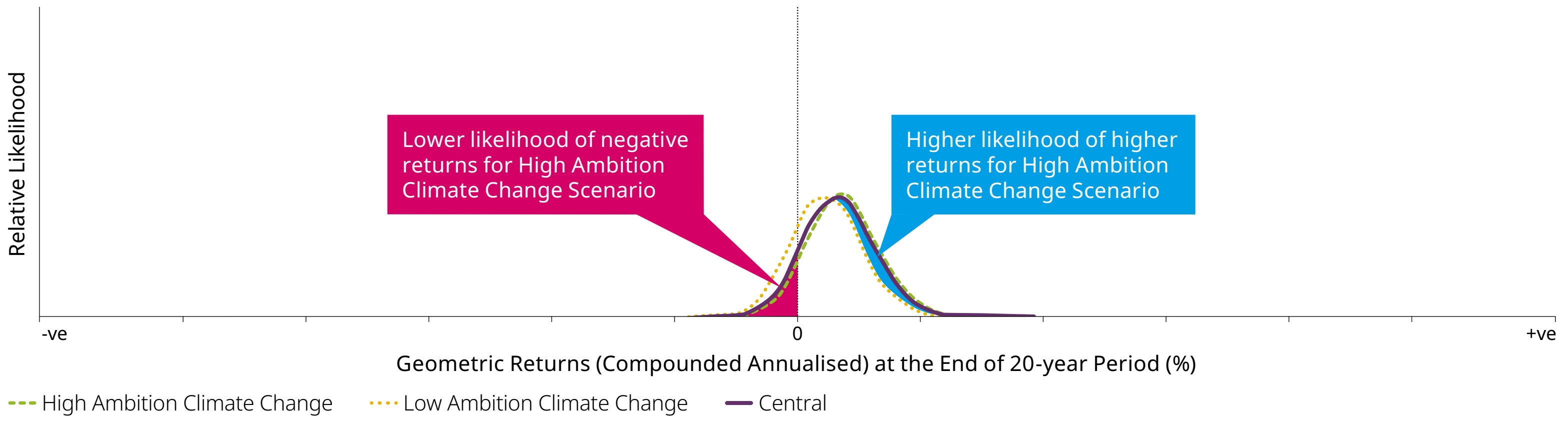
Impact on Expected Returns

Our Central Scenario incorporates the Medium Ambition Climate Change Scenario and offers higher 20-year expected returns for the Temasek Portfolio compared to the Low Ambition Climate Change Scenario, but lower 20-year expected returns compared to the High Ambition Climate Change Scenario, where there is concerted effort and strong actions to mitigate climate change and carbon emissions for a more liveable world. These results reaffirm our belief in the importance of looking beyond portfolio decarbonisation and working to drive real economy carbon reduction through collaboration on climate action with our portfolio companies and our wider ecosystem.

It is important to recognise that whilst T-GEM simulates a range of possible returns for our portfolio over a 20-year period, these should not be viewed as predictions of actual outcomes. Rather, the climate assumptions incorporated into T-GEM assist us in understanding the potential implications of different climate scenarios and importance of building a resilient portfolio. There are several significant areas of uncertainty that we consider in assessing the overall resilience of our strategy to the climate-related risks identified and the potential impact on expected returns. This includes the complex nature of climate scenario analysis, which requires assumptions to be made on the inputs used, as well as continuous updates as data becomes more robust.

In addition, the extended time horizon of scenario analysis increases uncertainty regarding the assumptions relied upon. Our assessment also depends on and makes assumptions around the response of companies to conditions or circumstances of the climate scenarios considered. Combined, these significant uncertainties increase the degree of judgement necessary to assess our climate resilience.

Likelihood of Geometric Returns (Compounded Annualised) at the End of 20-year Period, by Potential Scenario



Nature-Related Risk

We conducted a heatmap assessment to understand the potential exposure of our investments to sectors with financially material impacts and dependencies. This sector-level analysis enables us to understand our exposure to natural capital risks by identifying the highest exposures to key drivers of biodiversity loss and dependencies on ecosystem services.

The analysis also enables us to identify priority nature-related topics. Loss or degradation of natural capital may expose our portfolio companies to potential physical and transition-related risks, disrupt business processes, and lead to financial losses. We are focused on the topics of biodiversity, water, other natural resource use, waste, and pollution as the key areas of nature engagement with our portfolio companies.

The heatmap assessment provides a top-down industry view and serves as a first step in understanding our exposure to nature risk. We are advancing our efforts to further this capability, leveraging physical asset location data, assessing how individual portfolio companies impact and depend on nature, the actions they are taking to mitigate their risks, and expanding the analysis into their value chains.

5.2 Portfolio Metrics and Targets

The journey towards our decarbonisation goals requires collaborative efforts across our portfolio companies. To enhance transparency in disclosures, we continuously review and refine our methodology and approach in reporting on our progress towards our targets.

Portfolio GHG Emissions Target

We target to reduce the net carbon emissions attributable to our portfolio to half the 2010 levels by 2030, as we aim for net zero portfolio emissions by 2050[1].

This target was set in 2020 with reference to the Intergovernmental Panel on Climate Change Special Report (IPCC SR1.5), which detailed the science-based pathways to limit global warming to 1.5°C, in alignment with the Paris Agreement.

Tasked with supporting the Board in overseeing our sustainability goals and targets, the Board Risk & Sustainability Committee (RSC) is responsible for reviewing the appropriateness of our emissions target and providing guidance where needed.

Whilst our target has not been independently verified, we keep abreast of and regularly evaluate methodologies and best practices in target setting to ensure that the target underpinning our net zero commitment remains ambitious and current.

As an asset owner, the achievement of our net zero target depends on the decarbonisation outcomes of our portfolio companies. It is therefore essential that our portfolio companies have their own targets in place alongside credible net zero transition plans.

In recent years, we have made significant progress on decarbonising our portfolio, driven by the efforts of our portfolio companies, as well as our internal carbon price which embeds the cost of carbon in our investment decisions. Nonetheless, we recognise that achieving our target remains challenging given the concentration of portfolio emissions from companies in the hard-to-abate sectors. The solutions to drive the significant emissions reductions required in these sectors have yet to be commercialised and scaled. Ultimately, systems-level changes are required to enable us to reach net zero.

1 The target is based on Total Carbon Emissions (tCO_2e) as defined within the Task Force on Climate-related Financial Disclosures (TCFD) Supplemental Guidance for the Financial Sector. It reflects the absolute GHG emissions (Scope 1 and Scope 2) associated with our investment portfolio, expressed in tonnes of carbon dioxide equivalent (tCO_2e.). Our investment positions in private equity funds, credit, and other assets are excluded. Due to the nature of our business as an asset owner and the diversified makeup of our portfolio, our emissions target does not disaggregate between the different GHGs. Instead, we quantify all emissions using tCO_2e.

5.2 Portfolio Metrics and Targets *continued*

Portfolio GHG Emissions Metrics

Our portfolio climate target was set to track our progress towards net zero. Metrics reflecting the absolute emissions of portfolio companies allow us to track the carbon reduction efforts attributable to our investment portfolio, which is crucial for understanding our overall impact on climate change. However, we recognise that relying solely on metrics reflecting absolute emissions may not always reflect the full picture of the decarbonisation efforts and achievements of our portfolio.

Thus, we also monitor intensity-based metrics, which measure carbon emissions relative to a unit of output or economic value, enabling us to:

- account for changes in portfolio size and composition;
- measure efficiency improvements across assets from different sectors and industries;
- provide a complementary lens to metrics reflecting absolute emissions in understanding decarbonisation progress;
- facilitate meaningful comparisons between companies of different sizes or in various growth stages.

By leveraging both types of metrics, we aim to present a more accurate and comprehensive assessment of our climate performance and ensure that we drive meaningful action across our portfolio.

As part of our annual reporting and tracking of progress towards our climate target, we measure and disclose both absolute and intensity-based metrics with reference to the GHG Protocol, as well as recommendations of the TCFD for Asset Owners.

Metric	Type	Description
Total Portfolio Emissions[1]	Absolute	The absolute GHG emissions (Scope 1 and Scope 2) associated with our investment portfolio, expressed in tCO_2e.
Portfolio Carbon Intensity (PCI)[2]	Intensity	The GHG emissions associated with our portfolio normalised by the market value of the portfolio, expressed in tCO_2e/S$M portfolio value.
Portfolio Weighted Average Carbon Intensity (WACI)[3]	Intensity	The sum of each asset's carbon intensity (tCO_2e/S$M revenue) multiplied by the weight of that asset in the portfolio (the market value of that asset relative to the market value of the portfolio), expressed in tCO_2e/S$M revenue.

Total Portfolio Emissions encompass Temasek's direct investments in public and private equities, which account for 77% of our investment portfolio as at 31 March 2025. Our investment positions in private equity funds, credit, and other assets are excluded, given current limitations in the availability of data. The portfolio emissions reported include Scope 1 and Scope 2 emissions of the underlying companies based on the latest available data sets.

We use a combination of company-reported emissions data and modelling approaches to establish Total Portfolio Emissions based on our proportionate shares (i.e., ownership interests) in the assets.

We adopt the following hierarchy in data sources, taking into account the availability and timeliness of reported data:

- **Company-Reported Data:** GHG emissions data reported by the company, either directly to Temasek or made available through S&P Global Sustainable1.
- **Company-Specific Estimates:** GHG emissions for each company estimated by Temasek or S&P Global Sustainable1 using relevant industry-level carbon intensity or carbon efficiency averages as proxies (GHG emissions normalised by revenue/market capitalisation/other relevant operational unit of measurement). In cases where industry averages do not provide a meaningful proxy for the company, carbon intensity or efficiency data of comparable peers may be used instead.

This measurement approach has remained unchanged since the last reporting period.

[1] This metric is also known as Total Carbon Emissions (tCO_2e) within the TCFD Supplemental Guidance for the Financial Sector.
[2] This metric is also known as Carbon Footprint (tCO_2e/$M invested) within the TCFD Supplemental Guidance for the Financial Sector.
[3] This metric is also known as Weighted Average Carbon Intensity (tCO_2e/$M revenue) within the TCFD Supplemental Guidance for the Financial Sector.

5.2 Portfolio Metrics and Targets *continued*

Portfolio GHG Emissions Performance

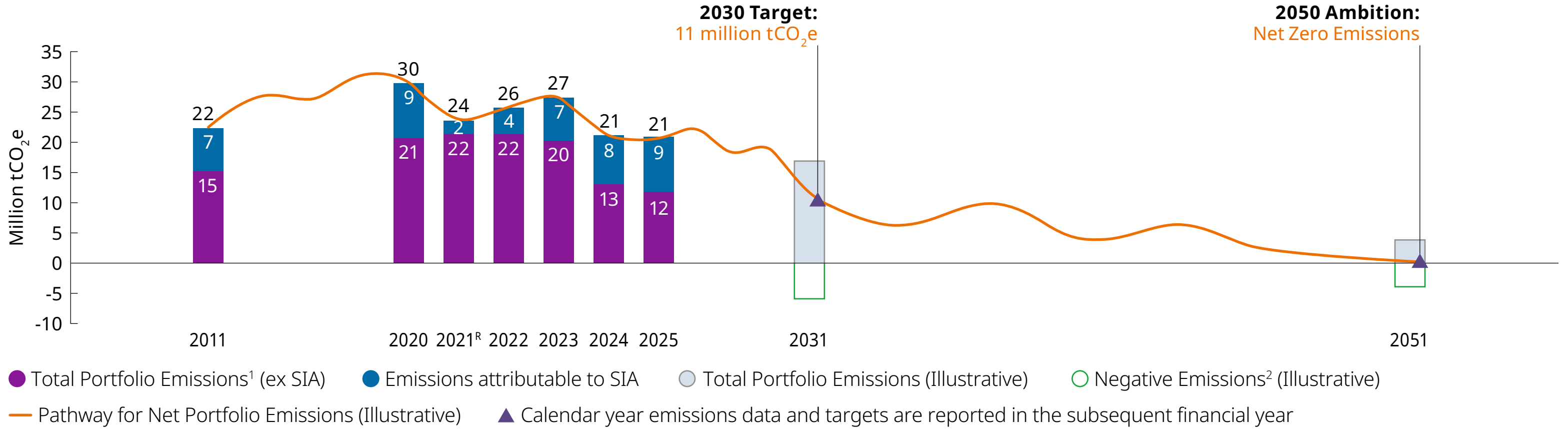
The reported Total Portfolio Emissions account for 77% of our investment portfolio as at 31 March 2025. Total Portfolio Emissions and Portfolio Weighted Average Carbon Intensity remained at 21 million tCO_2e and 92 tCO_2e/S$M revenue respectively for the year ended 31 March 2025. Meanwhile, Portfolio Carbon Intensity decreased to 63 tCO_2e/S$M portfolio value, from 73 tCO_2e/S$M portfolio value a year ago.

The movements in Total Portfolio Emissions during the year were mainly attributable to increase in emissions from Singapore Airlines (SIA), driven by strong demand for air travel and cargo uplift, as well as the refinement and expansion of emissions reporting boundaries of some portfolio companies. This was balanced out by decrease in emissions from Sembcorp Industries, who completed the transfer of its Phu My 3 Power Plant to the Vietnam Electricity, decarbonisation efforts of some portfolio companies, as well as changes in portfolio composition.

In reporting the progress towards our portfolio climate target, we recognise that our portfolio companies are advancing on their respective climate journeys at different paces, with unique decarbonisation challenges for their industries or businesses. This year, we provided an additional lens on climate emissions metrics, excluding SIA, in recognition that the hard-to-abate aviation sector is committed to the Carbon Offsetting and Reduction Scheme for International Aviation's baseline requirements and hence follows a different decarbonisation trajectory from the rest of the portfolio. Aviation decarbonisation remains challenging given the high costs associated with scaling up sustainable aviation fuels.

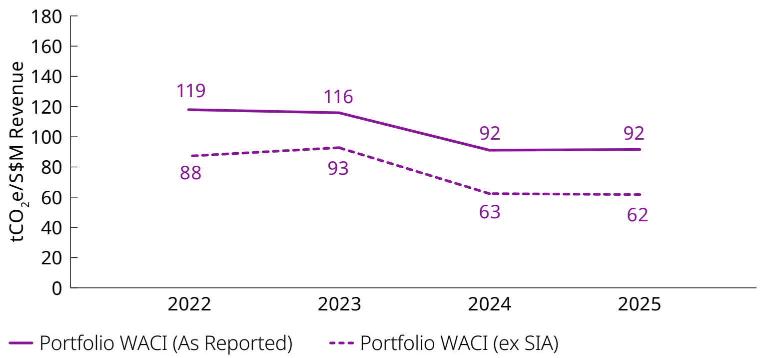
(for year ending 31 March)

Towards Net Zero



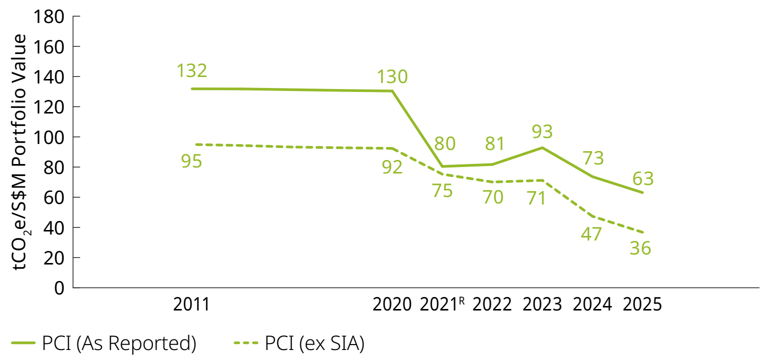
(for year ended 31 March)

Portfolio Weighted Average Carbon Intensity (WACI)



(for year ended 31 March)

Portfolio Carbon Intensity (PCI)



R 2021 figures have been restated to reflect updated emissions data (Scope 1 and Scope 2) from some of our portfolio companies.

1 Total Portfolio Emissions reflect the absolute emissions (Scope 1 and Scope 2) associated with our investment portfolio, expressed in tCO_2e. Our investment positions in private equity funds, credit, and other assets are excluded.

2 Negative emissions acquired through investments and high-quality carbon offsets.

5.2 Portfolio Metrics and Targets *continued*

To date, we have not used carbon credits to offset Total Portfolio Emissions. We focus our efforts on engaging portfolio companies on their decarbonisation pathways and supporting the development and introduction of decarbonisation solutions, where relevant and feasible.

The pace of decarbonisation outcomes across our portfolio will differ and will be slower in the hard-to-abate sectors, where relevant decarbonisation solutions may not be available in the near-term. We therefore expect the trajectory of Total Portfolio Emissions to remain non-linear. This is especially true in the event of climate transition investments that may result in a temporary increase in the Total Portfolio Emissions.

Inherent Reporting Challenges for GHG Emissions

Carbon reporting remains a complex and evolving challenge for many organisations. Absence of uniform market practices, inconsistencies in methodologies, and lack of credible, complete, and comparable data will impact the quality of emissions information reported.

Our reported Total Portfolio Emissions currently cover Scope 1 and Scope 2 emissions of our public and private equity investments. We are beginning to track the material Scope 3 emissions of our in-scope investments. Measuring the 15 categories of Scope 3 emissions across the value chains remains challenging due to data limitations. To address the data gaps, we continue to engage with our portfolio companies, advocating for more comprehensive disclosures of material Scope 3 emissions.

Discussions on International Sustainability Standards Board (ISSB)-aligned reporting requirements at *Temasek Sustainability Reporting Workshop* in November 2024.

With respect to reporting emissions associated with our investments in private equity funds, data challenges remain, notably:

- data availability and quality of disclosures across funds and their underlying companies;
- inconsistent reporting standards among companies within each fund;
- difficulties in attributing emissions to underlying companies within the funds;
- delays in emissions reporting;
- potential for double-counting due to complex ownership structures and value chains.

Notwithstanding these ongoing reporting challenges, we remain committed to increasing transparency in our disclosures. We regularly review and refine our methodology and approach to align with prevailing market practices and international reporting standards and frameworks.

Sustainability in Our Operations

"We believe that organisations that embrace inclusive meritocracy and invest in diverse talent create a powerful engine for innovation, growth, and sustainable success in today's dynamic business landscape."

Sherlyn LIM
Head, Organisation & People

6.1 Environment

We are committed to reducing the overall environmental impact arising from our operations.

Enabling a Sustainable Company

Beyond advancing sustainability through our investments and engagement with our portfolio companies, we recognise that sustainability starts within Temasek as an institution. While our emission footprint is largely driven by our portfolio, we understand the important role we have as an investor, in setting an example for our portfolio companies.

In our annual reporting cycle, we measure emissions associated with our operations both in absolute and relative terms (emissions per employee). This process enables us to identify critical emissions hotspots within our operations, refine data collection and measurement processes, and tailor our carbon mitigation strategies.

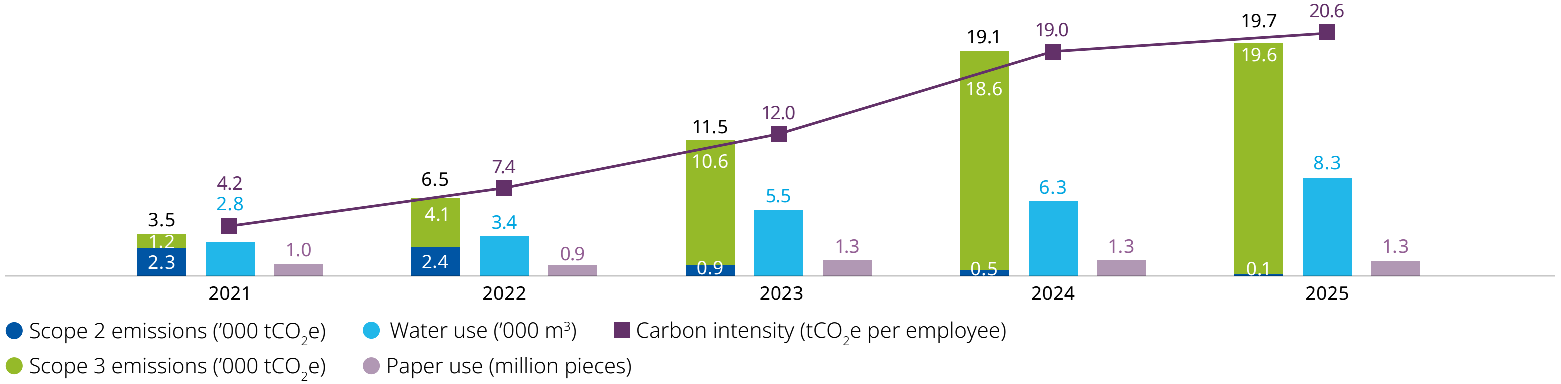
For the year ended 31 March 2025, our operations reported total emissions of 19,731 tCO_2e, a slight increase from last year. Scope 3 emissions[1] continue to represent the most significant portion of our operational carbon footprint, with business travel accounting for 87% of this category.

The increase in total emissions from our operations during the year was mainly attributable to higher emissions from business travel. At the same time, we were able to reduce our Scope 2 emissions through the procurement of Renewable Energy Certificates (RECs) by our China offices.

Despite the inherent complexities in Scope 3 emissions reporting, we remain committed to gradually expanding our reporting scope. Our ongoing efforts to enhance our understanding of underlying data and improve measurement techniques will contribute to more comprehensive reporting over time.

(for year ended 31 March)

Our Five-Year Environmental Footprint



[1] Our reporting coverage for Scope 3 emissions from our operations can be found in Annex 2. Financed emissions from our investment portfolio is reported separately as Total Portfolio Emissions.

6.1 Environment *continued*

Carbon Mitigation Strategies

We consider a carbon mitigation hierarchy when developing mitigation strategies to address the emissions from our operations, focusing on key sources of emissions such as energy consumption and business travel.

Hierarchy	Mitigation Measures
Direct Mitigation Prioritise direct avoidance and reduction measures	**Carbon Charge on Business Travel** As part of our annual budget process, we incorporate a carbon charge for business travel using our prevailing internal carbon price. This serves as a lever to promote disciplined travel practices across teams. Staff are encouraged to plan their upcoming business trips in advance, optimise travel efficiency, and explore alternatives such as teleconferencing where possible. **Office Improvement Plan** We have established a five-year improvement plan for our Singapore headquarters focusing on energy, water, and waste recycling. Key initiatives implemented during the year include smart metering in our Singapore office for better energy management and improved waste segregation techniques. Our international offices have also made significant strides in sustainable practices. During the year, our Shanghai and New York offices obtained the LEED Gold Award and LEED Silver Award certifications respectively. These globally recognised green office certifications assess compliance with green office practices and standards in areas such as energy and water efficiency, indoor air quality, and materials management. These accomplishments reflect our ongoing commitment to reduce our environmental impact and promote employee well-being. **Sustainable Procurement and Events Guidelines** As part of our commitment to responsible business practices, we are taking steps to better manage environmental and social impacts across our value chain. We have initiated a landscape study to assess key suppliers' practices and will progressively integrate sustainability considerations into our procurement processes. This forms part of our broader efforts to embed sustainability into our operations. Additionally, we have implemented Sustainable Events Guidelines to encourage event owners to adopt sustainable practices when planning and executing events. These guidelines enable us to demonstrate our sustainable practices through the major external events we host, addressing not only emissions reduction but also waste management and inclusivity.
Indirect Mitigation Prioritise in-sector solutions to mitigate energy- and travel-related emissions	**Use of Renewable Energy and RECs** To reduce energy-related emissions, we purchase renewable electricity directly from electricity providers where available. In markets where renewable energy is not fully integrated into the grid, we procure verified RECs based on prevailing local regulations and industry best practices. During the year, our UK and India offices continued to procure renewable electricity directly from providers while our Singapore and China offices procured RECs verified by global standards or national issuing bodies, with renewable power generation from solar plants and wind farms. **Use of Sustainable Aviation Fuel certificates (SAFc)** We purchased SAFc from Singapore Airlines, equal to approximately 1% of our total emissions from business travel. The underlying sustainable aviation fuel is produced using tallow with no land use change impact and is expected to generate lifecycle emission savings of 94% compared to conventional jet fuel.
Compensation Leverage high-quality carbon credits for unavoidable residual emissions	**Use of Carbon Credits** For emissions sources that cannot be avoided, reduced, or mitigated through in-sector approaches, we procure high-quality carbon credits to compensate for the residual emissions. During the year, we purchased carbon credits from Climate Impact X and GenZero, prioritising carbon credits with stronger quality attributes. All carbon credits acquired are verified by established global standards and have a vintage of five years or less. We remain dedicated to support a diverse range of project types, including nature-based projects that accrue varied nature and social co-benefits for a diverse range of geographical regions.

6.2 People

Our focus on sustainability as an institution extends from planet to people.

Fostering a Diverse, Inclusive, and Fair Workplace

At Temasek, we believe that diversity, inclusion, and fairness are strategic attributes of our culture. These values form the cornerstone of our innovation and performance. We respect and embrace differences in race, gender, age, religion, sexual orientation, nationality, ethnicity, physical ability, and neurodiversity. We foster an environment where all individuals feel they belong and are empowered to unlock their potential, and drive creativity, adaptability, and excellence across the firm.

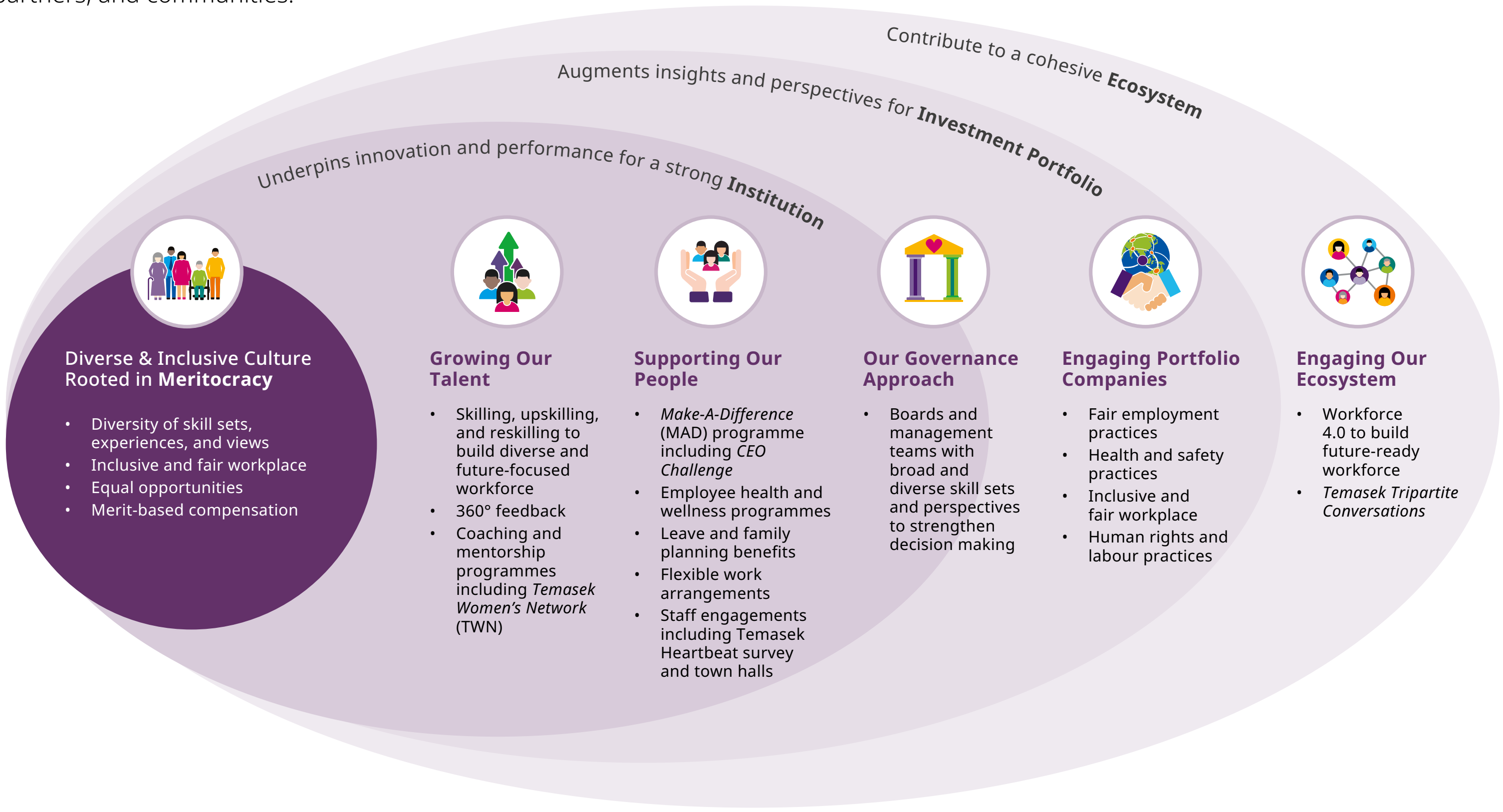
Our commitment to diversity, inclusion, and fairness does not, however, alter our unwavering belief in meritocracy, the principle that aligns rewards with performance and impact. Our ambition is to build an inclusive meritocracy — a diverse and inclusive corporate culture rooted in the principle of meritocracy.

We are intentional in creating opportunities for all employees to contribute to their fullest potential and feel valued and respected regardless of their background. This includes providing access to resources, mentorship, and career development opportunities, ensuring that our team is well equipped to deliver their best to our organisation.

To ensure that meritocracy remains at the heart of our diversity and inclusion efforts, we adopt a holistic development and assessment approach where 360º feedback has become an integral part of our process. We regularly review our policies and practices to identify and eliminate any biases that may hinder equal opportunity.

Recognising that our people have diverse needs and responsibilities, we offer flexible work arrangements that support better work-life integration while maintaining our commitment to delivering on our

So Every Generation Prospers – We aspire to help every generation thrive by promoting the well-being of our people, portfolio companies, partners, and communities.



performance and collaboration. We actively seek feedback through Heartbeat, our employee engagement survey, and other engagement forums, creating space for open dialogue and co-creation of meaningful workplace practices. These platforms help us better understand the evolving needs of our workforce and shape initiatives that strengthen employee well-being, inclusion, and connection. By continuously listening and adapting, we aim to cultivate a dynamic and supportive work environment where every voice matters and everyone can thrive.

6.2 People *continued*

From left to right: Deborah Ho, Country Head for Singapore and Regional Head for SEA at BlackRock; Png Chin Yee, Chief Financial Officer at Temasek; Jacqueline Poh, CEO-Designate of JTC Corporation; and Chiong Suet Chee, Managing Director of Decarbonization Partners, at an *International Women's Day* panel discussion jointly organised by Temasek and BlackRock where they shared insights on career growth and challenges they faced as leaders in their respective fields.

Our *Inclusivity@Temasek* initiatives continue to strengthen our inclusivity practices and reinforce our culture of belonging. One such initiative, *Temasek Women's Network* (TWN), supports and inspires our staff in their career journeys. Highlights during the year included our annual keynote event, *Women Rising*, that provided learnings and career advice for professionals; our *International Women's Day* celebrations featuring the journeys of women entrepreneurs; a panel discussion with male leaders on how men can actively support equality by being strong allies; and small group sessions featuring top-of-mind topics such as family matters and mentorship. These sessions were open to all staff, with the aim of forging a culture of understanding, where everyone feels respected and empowered. Another initiative was the hiring of two neurodiverse individuals in our procurement function, who bring not only their unique perspectives, but also complementary strengths to the team.

Today, our staff encompass 32 nationalities with a gender mix of 53% male and 47% female. Our senior management is 74% male and 26% female. We continue to embrace and work towards diversity while ensuring a fair, meritocratic, and inclusive workplace.

Developing a Culture of Sustainability

We curate initiatives that engage and empower our employees to adopt sustainable mindsets and behaviours. For the year ended 31 March 2025, our colleagues participated in more than 15 sustainability-focused activities.

Project GO! (Green Office) is an internal staff awareness series designed to enhance sustainability knowledge and encourage employees to volunteer their time to contribute to environmental objectives. In support of National Parks Board's *OneMillionTrees* movement, we contributed to enhancing Singapore's green spaces by planting 100 trees. Other initiatives included an immersive trip to Sembcorp Tengeh Floating Solar Farm, where employees learned about Singapore's innovative efforts to achieve its solar energy goals.

We also hosted educational workshops to further raise environmental awareness and empower participants to take actionable steps towards a more sustainable future.

Participants observing the innovative infrastructure at the Sembcorp Tengeh Floating Solar Farm, the largest inland floating solar farm attempted in Singapore.

Staff participating in a clean-up activity at the scenic Marina Reservoir.

One example was the screening of the documentary *Wasted*, which gave participants a deeper understanding of the harsh realities of waste, and its connection to human health and the climate crisis, highlighting the urgent need for change. Another example was the *Biodiversity Collage Workshop*, where participants gained valuable insights into natural ecosystems and the impact of human activities on their delicate balance. This learning experience was delivered in a collaborative and accessible manner, making complex topics more engaging and understandable.

Beyond these efforts, some employees have stepped up to organise and lead self-driven sustainability activities as Sustainability Champions. These efforts included park and river clean-ups, as well as clothing and book donation drives held across our offices in Singapore, London, San Francisco, and New York. Participants in these events not only contributed to environmental stewardship but also fostered community building.

6.2 People *continued*

Supporting Our People

Our *Make-A-Difference* (MAD) programme has been an integral part of our life in Temasek since 2008. MAD promotes a culture of personal ownership and responsibility. Individual and company-wide MAD targets extend beyond financial targets to cover self-development, institution, community, and sustainability goals.

At Temasek, we value the well-being of our employees and offer a comprehensive range of benefits that support our staff in achieving their desired work-life blend.

These benefits are designed to provide a core level of medical and insurance coverage for our staff. We strive to foster a pro-family environment, encourage community contributions, and adopt a proactive approach towards employee health and wellness.

We offer a broad range of parental and family planning benefits, such as maternity leave of at least 26 weeks and paternity and adoption leave of at least 20 weeks, as well as fertility and family planning subsidies. Our flexible leave provisions allow staff to take time off for childcare, eldercare, or for their own well-being. Additionally, rejuvenation leave is offered to help staff recharge at specific career milestones. We also encourage our staff to support and contribute to the community through volunteer leave provisions.

Our hybrid work model and flexible work arrangement options empower our staff to balance their professional and personal responsibilities effectively.

Our Temasek Heartbeat survey, which is conducted regularly, helps us understand what our employees feel is important to make Temasek a better place to work. This survey provides us with valuable insights into employee sentiments in areas where we are excelling, and areas where we can further improve on.

CEO Challenge

Building on the foundation laid by last year's self-paced sustainability learning programme, this year's *CEO Challenge* reinforces our ongoing commitment to sustainability. The initiative was designed to inspire all employees to innovate and develop solutions that can support our firm's sustainability goals.

This year's *CEO Challenge* consisted of two phases — a Foundation phase where participants explored climate change science and ideated solutions for key sustainability challenges; and the Future-Forward Phase, focusing on refining, implementing, and scaling proposed solutions.

A total of 769 participants took part in *CEO Challenge*, presenting an array of innovative proposals. These ranged from strategies to promote sustainable personal behaviours to leveraging Generative AI to optimise our investment portfolio for sustainability.

The three winning teams of *CEO Challenge*.

6.2 People *continued*

Growing Our Talent

Our employees are critical to advancing a more sustainable organisation. We continuously upskill and equip them with diverse skill sets and competencies to navigate an increasingly complex world and to remain relevant for the future.

Our forward-looking approach to talent development is anchored on the 4Es of Experience, Exposure, Education, and Enrichment. The inherent commitment within these 4Es to supporting the growth of our people contributes to attracting external talent. This, combined with our efforts to evolve our training curriculum to ensure current employees are continuously building future-focused skills in areas such as Environmental, Social, and Governance, Cybersecurity, and Artificial Intelligence (AI), ensures a strong pipeline of talent.

Employees participating in a workshop to find their purpose and meaning at work during *Employee Development Week.*

We have dedicated flagship workshops, conferences, and seminars for our senior leaders and respective management levels to support their growth as a leader. The themes of the programmes range from strategic thinking and change management to self-leadership, ensuring that our leaders are well-equipped to drive the organisation forward. Developed in collaboration with leading educational institutions, our training programmes are designed to educate and upskill our employees on current and future-focused topics. We also bring in leading subject matter experts to deliver masterclasses on select topics including leadership, global trends, and team performance.

To empower our people to excel in their respective roles, we have implemented function-specific trainings and teach-ins. Learning roadmaps tailored to different staff grades are provided to our employees to support their development. In addition to training on business conduct, we have expanded our learning programmes to include topics such as our approach to sustainability, as well as inclusivity.

We also provide support for employees who wish to pursue degrees and certifications through our course sponsorship programme, which allows employees to deepen and complement their skills within and beyond Temasek.

For the year ended 31 March 2025, each employee underwent an average of 31 hours of training, including mandatory training as well as our course sponsorship programme.

Our annual performance management process applies to all employees. It enables recognition of our people's achievements and takes into consideration alignment with our MERITT values. This is supplemented by 360º feedback, including a real-time feedback mechanism and the use of AI to summarise feedback, which supports ongoing review of performance and development.

Health & Safety

Our *Because You Matter* initiative provides resources and programmes that focus on caring for the emotional, social, and physical well-being of our staff.

This includes a Well-Being Resource Hub to help our colleagues improve and maintain their health and well-being. It includes onsite health screening, mental resilience and mindfulness workshops, and fitness activities organised by staff volunteers.

Our Employee Assistance Programme provides staff and their family members with access to practical advice and counselling.

Finally, we are committed to creating a safe and conducive physical workplace. We do so by ensuring compliance with local safety regulations as well as our workplace health and safety policies.

6.3 Business Resilience

Our actions are guided by our unwavering commitment to integrity and rigorous ethical standards.

Business Conduct

The Temasek Code of Ethics and Conduct (T-Code) provides the framework to guide Temasek's employees in their daily dealings. With integrity as a key overarching principle, the T-Code policies cover areas such as anti-bribery and anti-corruption, gifts and entertainment, personal securities dealings, conflicts of interest, anti-harassment, and whistleblowing. New joiners are required to complete mandatory training on the T-Code. Employees are required to observe and comply with the T-Code. Failure to comply with the T-Code will result in the matter being escalated to Temasek's Ethics Committee for review, which could have employment and financial consequences for the employee involved.

All staff undergo mandatory training on business conduct, including in anti-bribery and anti-corruption, sanctions compliance, anti-harassment and discrimination, as well as the prevention of insider dealing, underscoring our commitment to a zero-tolerance approach in these areas.

Through our whistleblowing form, parties can report any alleged misconduct by Temasek directors or employees, including breaches of laws, regulations, or business ethics. We are committed to handling such reports with integrity, expediency, independence, and confidentiality. We also have a non-retaliation policy to protect persons making such reports from victimisation or retaliation.

To foster a positive work environment and uphold trust and transparency, we have instituted an employee grievance process. This process applies to all full-time, part-time, and contract employees, and ensures that all employees have a fair and transparent way to raise and resolve any workplace grievances confidentially.

Information and Cybersecurity

Temasek has published a set of Information Security Policies (Policies) that is approved by the Senior Management Committee. Available to all employees over the Temasek intranet website, the Policies are reviewed annually. We are committed to ensuring the Policies are appropriately scrutinised such that they remain applicable and relevant. Additionally, we conduct reviews of our IT policies at least annually, or as required, to ensure their suitability, adequacy, and effectiveness.

As part of our efforts to protect personal and sensitive data, we have also published Access Management and Data Security Policies on the Temasek intranet website for employees to refer to. Setting out our overarching governance on access control and the treatment of data, these policies help protect us against associated risks. We have also appointed a Data Protection Officer to ensure that Temasek complies with applicable personal data protection laws and regulations.

Temasek was awarded the Cyber Trust Mark at the Advocate tier by the Cyber Security Agency of Singapore.

Temasek has been awarded the Cyber Trust Mark certification at the Advocate tier, the highest tier, by the Cyber Security Agency of Singapore. This highest attainable level certifies the robustness of our cybersecurity practices across 22 domains. Through the process of certification, Temasek has gained a more in-depth understanding of its risks and the measures required to address these risks. We continue to engage our portfolio companies through cyber initiatives and regular sharing sessions to champion cybersecurity best practices and elevate our respective cyber defence and resilience capabilities.

Accelerating Sustainability Through Collaboration

"No single organisation can solve the climate crisis alone. Collaboration — across sectors, borders, and disciplines — is essential to accelerate sustainable solutions. By working with partners to shape markets, scale innovation, and advance shared standards, we aim to turn ambition into impact and help build a more resilient, inclusive, and sustainable future for all."

Ravi BALASUBRAMANIAN
Managing Director, Investment (New Energy & Industrials)
Managing Director, Porfolio Development Group

7.1 Driving Partnerships for Change

In a world facing interconnected crises, collaboration is crucial for finding comprehensive solutions to address issues like climate change, ecosystem degradation, and social disparities.

Over the past months, the perception of increasing global instability, driven by political tensions and economic uncertainties, has become more prevalent. The fading willingness to find common solutions to global challenges threatens to slow down progress on critical issues such as climate change.

As a small, low-lying city-state, Singapore is particularly vulnerable to the impact of climate change. At the same time, operating from one of the world's most open economies, Singapore businesses have an intrinsic interest in multilateral, rules-based solutions to global issues.

SSFA launches white paper on financing natural capital in April 2025, with Temasek among some of the contributors.

With this in mind, Temasek continues to actively engage and participate in a wide range of local, regional, and global initiatives to advance industry standards and best practices, catalyse solutions, and shape new markets.

Promoting Long-Term Thinking and Industry Best Practices

As a long-term oriented investor, we advocate for market and industry practices that encourage long-term value creation. Our participation in global platforms, such as the Focusing Capital on the Long Term initiative and the World Economic Forum, allows us to engage in multi-stakeholder dialogues on the solutions required to enable broader system changes towards a sustainable and prosperous economy.

We also contribute to advancing industry frameworks and practices domestically through our active participation as a convening member of the Singapore Sustainable Finance Association (SSFA).

Advancing Capital Mobilisation

Countries across the world face a significant shortfall in climate financing. With public finances under strain, the conversation about how the vast potential of private capital can be more effectively unlocked to accelerate climate action has become critical.

Through our participation in the World Bank Group Private Sector Investment Lab, our engagements with the Glasgow Financial Alliance for Net Zero, and our collaboration in Financing Asia's Transition Partnership (FAST-P), we are actively contributing to finding solutions that address existing barriers to private sector investment in emerging markets and developing economies, particularly in Asia.

The energy transition also gives rise to new industries and markets, such as hydrogen and carbon markets. We participate in relevant platforms such as the Hydrogen Council and the Integrity Council for the Voluntary Carbon Market to stay abreast of developments, contribute our perspective, and connect with stakeholders along the value chain to identify opportunities to accelerate and scale solutions required on our journey to decarbonise our economies.

7.1 Driving Partnerships for Change *continued*

Advocating for Globally Harmonised Disclosures

Sustainability factors have become an integral part of investment decision making. We support the call for companies to provide high-quality, globally comparable information on sustainability-related risks and opportunities. We also see the need to address a fragmented landscape of voluntary, sustainability-related standards and requirements that add cost, complexity, and risk to both companies and investors.

Against this backdrop, we continue to support efforts aimed at the harmonisation and advancement of sustainability disclosure standards. We do this through our participation in the Investor Advisory Group of the International Sustainability Standards Board as well as our support of the climate reporting proposals by the Accounting and Corporate Regulatory Authority and Singapore Exchange Regulation in Singapore.

Beyond Temasek's participation in aforementioned initiatives, our staff also advance sustainability leadership in their individual capacities, through participation in sustainability-related committees and working groups in various industry associations and professional bodies such as the Singapore Institute of Directors, the Institute of Singapore Chartered Accountants, the Singapore Venture & Private Capital Association, the International Institute for the Unification of Private Law, and the International Swaps and Derivatives Association.

Accelerating Sustainability Innovations in the Region

With Asia accounting for more than half of global emissions, accelerating the region's transition through innovation is critical in achieving global climate targets. New technologies are needed to reduce the financial and economic barriers associated with decarbonisation, and more needs to be done to cultivate talent and develop key capabilities in the region.

Our efforts to nurture researchers and innovators in the region alongside strategic and ecosystem partners, with the aim of fostering a pipeline of potentially scalable innovations, are multifold.

One such partnership is *Breakthrough Energy Fellows — Southeast Asia*, a tripartite climate technology acceleration programme set up alongside Breakthrough Energy (BE), the climate organisation founded by Bill Gates, and Enterprise Singapore. The first two Southeast Asia Fellows teams have since been awarded for their projects: one is developing a new catalyst to convert biogas to methanol, targeting application in the maritime industry; while another aims to reduce dependence on mining by extracting raw materials from recycled batteries with their electro-metallurgical refining technology.

Another partnership is *Singapore Climate Ventures*, a venture exploration education programme organised in collaboration with Nanyang Technological University, National University of Singapore (NUS), and BE. Through mentorship and classes, the programme equips participants with essential skills to take their climate innovations from lab to market, through diverse projects in areas such as green hydrogen and lithium-sulfur battery technology.

With hydrogen emerging as a critical solution for global decarbonisation and as a potential key pillar in Singapore's energy transition, the research undertaken by the Centre for Hydrogen Innovations (CHI) at NUS is important for enabling the deployment of hydrogen at scale, and in a cost-effective manner. CHI was first established as a virtual centre in July 2022 with an investment of S$25 million, including a S$15 million endowed gift from Temasek's community gifts and additional funding by NUS and the Singapore Government. In July 2024, CHI launched an advance research facility as its flagship innovation hub, spanning over 600 square metres and furnished with state-of-the-art research equipment. Over the past two years, CHI has provided more than S$4.2 million in grants to support 17 innovative projects in hydrogen-related research.

7.2 Turning Ambition into Action

Through *Ecosperity*, we aim to catalyse system-wide momentum for progress, to promote a future where ecology and prosperity go hand in hand.

The *Ecosperity* platform has grown and evolved since the first *Ecosperity* Conference in 2014. From a modest half-day event, it has blossomed into an extensive ecosystem with the support of many like-minded partners that also believe in building a better world. Our annual sustainability event *Ecosperity* Week brings together key decision-makers to share insights and best practices on sustainable development, with a focus on Asia.

Convening Industry
Ecosperity as a Standalone Event

2014 Launch of *Ecosperity* Conference

2017 Aligned agenda to the UN Sustainable Development Goals

Introduction of the *Ecosperity* Conversations series

Partnering with Others
Ecosperity as an Ecosystem of Like-Minded Organisations

2019 Onboarded additional partners at *Ecosperity* Week to amplify efforts and progress

2021 Partnered BlackRock and the International Finance Corporation (IFC) to convene a sustainable investing and financing-focused conference

2022 Inaugural participation at *COP27* in Sharm El-Sheikh, Egypt

2023 Partnered BlackRock and the Monetary Authority of Singapore to launch the *Financing Asia's Transition* (FAST) *Conference*, to mobilise capital at scale and accelerate Asia's transition

Convened key climate finance decision-makers at *Climate Week NYC*

Catalysing Action
Ecosperity as a Global Platform to Catalyse Momentum for Action

2024 Introduction of the *Ecosperity* Action Hub as a launchpad for climate solutions and action-oriented initiatives

2025 and beyond
Advance systems-level solutions to accelerate and advocate for Asia's transition pathways and technology solutions that dovetail with Temasek Portfolio Companies' and the region's decarbonisation needs; tracking progress on outcomes and impact

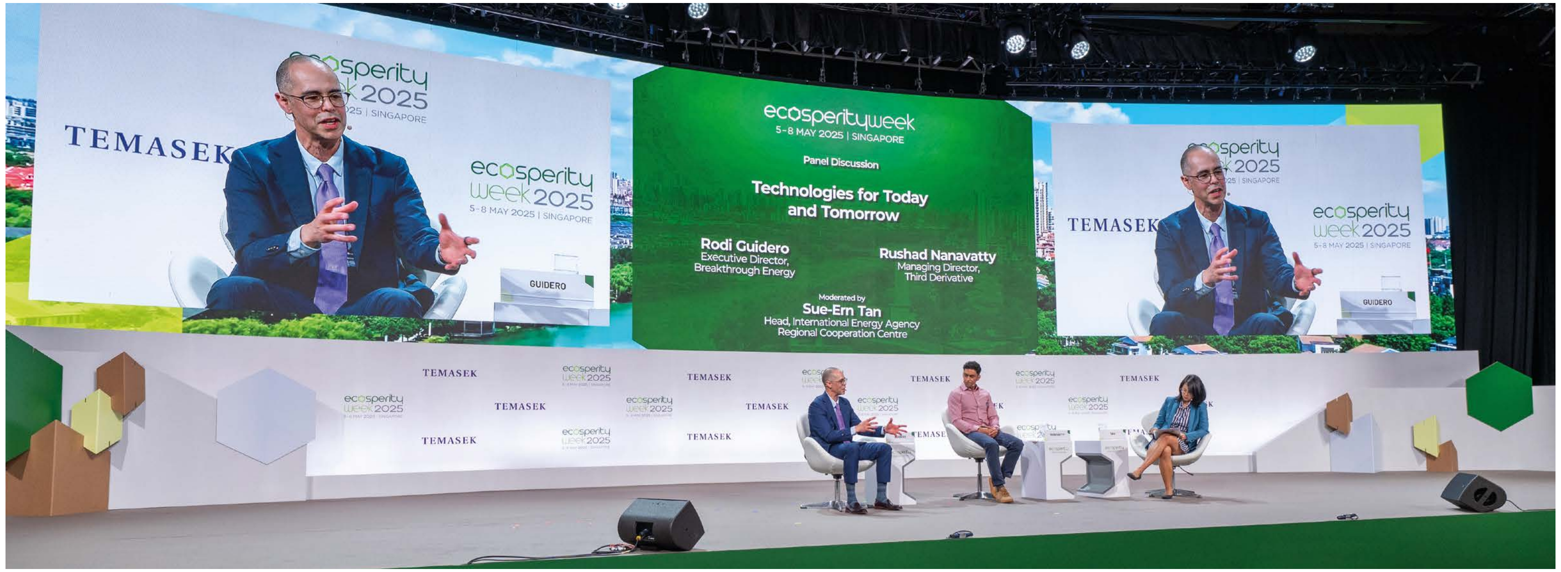
7.2 Turning Ambition into Action *continued*

We convened the 11th edition of *Ecosperity* Week in 2025. Themed "Asia's Race towards 2030: All Systems Go", the event drew a record turnout of over 4,000 participants in-person and online, as well as some 30 regional and global partners from the business, investment, government, and philanthropy sectors. This year's *Ecosperity* Week assessed Asia's decarbonisation pathway to 2030 and highlighted strategic areas for systems-level change.

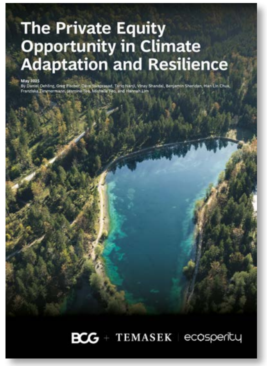
We launched the sixth edition of the *Southeast Asia's Green Economy Report*, titled "*Unlocking Systems for Growth and Impact*", at the *Ecosperity* Conference. Jointly authored with Bain & Company, GenZero, Google, and Standard Chartered Bank, the report highlights how a systems-based approach to decarbonising Southeast Asia could drive significant regional economic growth while closing the emissions gap in a concerted manner over the next five years. For the first time, the report also provided a deep dive into the interconnections and opportunities for collaboration between Southeast Asia and the wider Asia-Pacific region to advance decarbonisation. The report findings could help inform the agenda for future editions of the *Ecosperity* convenings to 2030.

Given the accelerating frequency and intensity of extreme weather events, there has also been a growing demand for climate adaptation and resilience solutions. During *Ecosperity* Week, we launched a report in partnership with Boston Consulting Group, detailing the urgent need, massive financing gap, and opportunities in climate adaptation and resilience investment for private equity.

In addition to the flagship *Ecosperity* Week, we also engage with private and public sector stakeholders through our year-round *Ecosperity* Conversations series. In 2024, we convened several panel discussions at *COP29* in Baku, Azerbaijan. The sessions underscored the role that the private sector can play by leaning in with catalytic capital to scale up blended finance for marginally bankable climate projects, as well as innovative business models and enabling policies that can help Asia's emerging markets to leapfrog to cheaper and cleaner alternatives.



Panel discussion at *Ecosperity* Week 2025 exploring low-carbon technologies and how to scale them.



The report highlights that global demand for climate adaptation and resilience solutions could reach US$0.5 trillion to US$1.3 trillion a year by 2030, offering a vast, largely untapped opportunity for private capital to invest in solutions such as flood defense, climate intelligence, and water efficiency technologies.

Launched at *Ecosperity* Week 2025, the sixth edition of the *Southeast Asia's Green Economy Report* found that taking a systems-based approach could potentially provide a US$120 billion uplift in GDP growth, create 900,000 new jobs, and close up to 50% of the emissions gap by 2030 in six Southeast Asia countries.

7.3 Relating to Our Community

Our not-for-profit gifts aim to Connect People, Uplift Communities, Protect our Planet, and Advance Capabilities, in Singapore, Asia, and beyond.

As a global investor, our social licence to operate depends on our ability to create value for all stakeholders, including our communities. We believe in seeding social capital to foster a more inclusive and resilient world, so every generation prospers.

Our journey in building social capital started over 20 years ago, when we adopted a deliberate and structured approach, anchored on the twin pillars of governance and sustainability, to give back to communities.

Since 2003, we have been setting aside a portion of our net positive returns above our risk-adjusted cost of capital for community gifts. These are approved by the Temasek Board and then donated to partners to achieve our community objectives of Connecting People, Uplifting Communities, Protecting our Planet, and Advancing Capabilities.

Temasek Trust (TT) has been the primary beneficiary of our gifts. TT disburses grants for programmes to be developed and delivered by our non-profit ecosystem, including Temasek Foundation (TF), Temasek Life Sciences Laboratory (TLL), Stewardship Asia Centre, and Mandai Nature. Our non-profit ecosystem has evolved over the years to better handle multi-faceted and complex social challenges.

To date, Temasek's gifts to TT have impacted about 4.4 million lives across Singapore and beyond.

TT continues to build on its vision of being a responsible steward of philanthropic assets. It aims to catalyse positive impact aligned to Temasek's community objectives.

4.4 million

To date, Temasek's gifts to TT have impacted about 4.4 million lives across Singapore and beyond

Among TT's new initiatives were the acquisition of MoneyOwl, a financial advisor with a social mission to empower people to improve their financial security, and the establishment of TT Foundation Advisors which provides philanthropy advisory and management services.

TF implemented about 150 community programmes over the last financial year. One of these was the *Temasek Foundation – Autism Resource Centre (Singapore) Supported Living and Training Programme* for individuals aged 18 and above who are on the autism spectrum with low to moderate needs. The programme aims to support them in community living through independent skills training.

TLL's *Decarbonising Rice Project* was recognised as a *Breakthrough Scientific Contribution* and won the World Economic Forum's *Giving to Amplify Earth Action Award*. The project aims to mitigate the effects of climate change and meet the growing global demand for rice by reducing methane emissions, conserving water, and enhancing yields. The project has attracted funding from global funders via Philanthropy Asia Alliance, and large acreage trials are ongoing in Laos, India, and Indonesia.

Beyond our non-profit ecosystem, Temasek works with partners from the Public, Private, and People sectors to advance our community objectives, where our philanthropic capital, network, and industry insights can make the most impact.

7.3 Relating to Our Community *continued*

Advancing Capabilities

Last year, we announced T-Spring, a S$150 million gift to advance capabilities in Singapore and build a resilient and future-ready workforce. Over the year, Temasek partnered local universities to award scholarships to Singaporeans who wish to pursue tertiary degrees in Science, Technology, Engineering, and Mathematics at the undergraduate to PhD level.

T-Spring also seeded the *Temasek Fellowship* programme which aims to attract best-in-class industry leaders to collaborate with Temasek and its partners to drive innovation in data science and blockchain, sustainable solutions, and life sciences. In April 2025, the programme's inaugural Temasek Fellow, Professor Henrik Christensen, was appointed. He is a leading figure in Artificial Intelligence and robotics from the University of California, San Diego, and will help deepen Singapore's expertise in these two areas.

Under T-Spring, Temasek is supporting the *President's Challenge Springboard Fellowship,* which empowers individuals who have faced setbacks in life to pursue new pathways through education and skills or entrepreneurship training. Temasek staff will also provide mentorship to these individuals.

Finally, our T-Spring gift has committed to supporting the Employment and Employability Institute's new employment platform. The platform matches age-friendly employers and senior jobseekers and provides training, career coaching, and job redesign support.

S$100 million

Set aside S$100 million of our community gifts as Concessional Capital for Climate Action (CCCA) to support marginally bankable climate action initiatives

Strengthening Climate Action

We have set aside S$100 million of our community gifts as Concessional Capital for Climate Action (CCCA) to support marginally bankable climate action initiatives. CCCA represents a novel way of advancing Temasek's deployment of philanthropic capital, going beyond conventional grantmaking, and a deepened commitment towards the climate agenda.

Doing Good in Our Communities

As a responsible corporate citizen, we support local charities with donations and staff volunteerism across all our offices. When staff decide to launch a fundraising effort for a charity or cause, Temasek will provide matching grants.

Our programme reach and partnerships continue to widen. As such, we must ensure that our gifts are truly making a difference to communities. We have developed an impact framework for community gifts to guide the measurement of their impact against our community objectives. This framework allows us to evaluate, refine, and maximise the effectiveness of initiatives we support. We see impact measurement as an essential part of good governance in our philanthropic journey. We are working with our non-profit entities and community partners to apply the framework to more programmes. We recognise that impact measurement is an iterative process, and we will continue to refine the framework as more data becomes available.

Lim Boon Heng, Chairman, participating in a mural painting activity on Temasek's 50th anniversary.

Annex 1: Independent Practitioner Report

Independent Practitioner's Limited Assurance Report on Temasek Holdings (Private) Limited's Identified Sustainability Information

Limited assurance conclusion
We have conducted a limited assurance engagement on the Sustainability Performance Data, including the greenhouse gas emissions, of Temasek Holdings (Private) Limited ("Temasek") included in Annex 2 of Temasek's Sustainability Report 2025 (the "Identified Sustainability Information"), as at 31 March 2025 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information is not prepared, in all material respects, in accordance with the basis of preparation applied as explained in the Reporting Criteria.

Basis for conclusion
We conducted our limited assurance engagement in accordance with Singapore Standard on Assurance Engagements 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("SSAE 3000 (Revised)"), and, in respect of the greenhouse gas emissions, Singapore Standard on Assurance Engagements 3410, *Assurance engagements on greenhouse gas statements* ("SSAE 3410").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under these standards are further described in the Practitioner's responsibilities section of our report.

Our independence and quality management
We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Singapore Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Identified Sustainability Information
Management of Temasek is responsible for:

- The preparation of the Identified Sustainability Information in accordance with the Reporting Criteria, applied as explained in the About This Report section in Temasek's Sustainability Report 2025;
- Designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the Identified Sustainability Information, in accordance with the Reporting Criteria, that is free from material misstatement, whether due to fraud or error; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing Temasek's sustainability reporting process.

Inherent limitations in preparing the Identified Sustainability Information
Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Practitioner's responsibilities
Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Identified Sustainability Information.

As part of a limited assurance engagement in accordance with SSAE 3000 (Revised) and SSAE 3410, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of Temasek's use of the Reporting Criteria as the basis for the preparation of the Identified Sustainability Information.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of Temasek's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the Identified Sustainability Information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Annex 1: Independent Practitioner Report *continued*

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Identified Sustainability Information. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the Identified Sustainability Information, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- Obtained an understanding of Temasek's reporting processes relevant to the preparation of its Identified Sustainability Information by inquiring with management and relevant personnel on the gathering, collation and aggregation of the Identified Sustainability Information;
- Evaluated whether all information identified by the process to identify the information reported in the Identified Sustainability Information is included in the Identified Sustainability Information;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Identified Sustainability Information;
- Performed substantive assurance procedures on selected information in the Identified Sustainability Information;
- Evaluated the appropriateness of quantification methods and reporting policies;
- Evaluated the methods, assumptions and data for developing estimates. However, for the Identified Sustainability Information relating to Temasek's portfolio as described in Annex 2 (Total portfolio emissions (Scope 1 and Scope 2), Portfolio carbon intensity and Portfolio weighted average carbon intensity), our procedures did not include testing the data on which the estimates were based or separately developing our own estimates;
- Assessed the disclosure and presentation of the Identified Sustainability Information; and
- For the Identified Sustainability Information relating to Temasek's portfolio as described in Annex 2 (Total portfolio emissions (Scope 1 and Scope 2), Portfolio carbon intensity and Portfolio weighted average carbon intensity), for a limited sample of assets, reconciled the emissions data back to the underlying records. However, our procedures did not include the corroboration of the underlying greenhouse gas emissions and financial data.

Purpose and restriction on distribution and use

We draw attention to the fact that the Identified Sustainability Information was prepared for the purpose of assisting Temasek in reporting the Identified Sustainability Information to Temasek's Board of Directors and for inclusion in Temasek's Sustainability Report 2025 in accordance with the Reporting Criteria. As a result, the Identified Sustainability Information may not be suitable for another purpose.

This report, including our conclusion, has been prepared solely for Temasek in accordance with the letter of engagement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Temasek for our work or this report.

Yours faithfully,

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore
30 June 2025

Annex 2: Sustainability Performance Data

(for year ended 31 March)

Our Portfolio

Metric	Unit	2020	2021	2022	2023	2024	2025
Greenhouse Gas Emissions							
Total portfolio emissions (Scope 1 and Scope 2)	million tCO_2e	30	24[R]	26	27	21	**21**
Portfolio carbon intensity	tCO_2e/S$M portfolio value	130	80[R]	81	93	73	**63**
Portfolio weighted average carbon intensity	tCO_2e/S$M revenue	*	*	119	116	92	**92**

Our Operations

Metric	Unit	2020	2021	2022	2023	2024	2025
Greenhouse Gas Emissions							
Scope 1 emissions from company vehicles	**tCO_2e**	*****	*****	**9**	**5**	**23**	**16**
Scope 2 emissions from electricity (location-based)	**tCO_2e**	**2,467**	**2,286**	**2,348**	**2,373**	**2,409**	**1,018[1]**
Scope 2 emissions from electricity (market-based)[2]	**tCO_2e**	**2,467**	**2,286**	**2,348**	**915**	**501**	**137**
Scope 3 emissions	**tCO_2e**	**21,090**	**1,222**	**4,125**	**10,560**	**18,554**	**19,578**
Category 1: Purchased goods and services	tCO_2e	1,161	725	1,160	1,851	2,459	**1,830**
Corporate events	tCO_2e	1,161	#	21	513	905	**871**
Data centres	tCO_2e	*	725	1,139	1,338	1,554	**959**
Category 3: Fuel- and energy-related activities	tCO_2e	*	*	*	*	*	**397**
Category 5: Waste generated in operations	tCO_2e	*	#	#	#	#	**#**
Category 6: Business travel	tCO_2e	19,929	323	2,782	8,473	15,850	**17,060**
Category 7: Employee commuting	tCO_2e	*	174	183	236	245	**291**
Total absolute emissions[2]	**tCO_2e**	**23,557**	**3,508**	**6,482**	**11,480**	**19,078**	**19,731**
Purchased Renewable Energy Certificates (RECs), Sustainable Aviation Fuel certificates (SAFc), and Carbon Credits							
Purchased RECs to reduce Scope 2 emissions from electricity	tCO_2e	–	–	–	(1,458)	(1,908)	**(881)**
Purchased SAFc to reduce Scope 3 emissions from business travel	tCO_2e	–	–	–	–	–	**(155)**
Purchased carbon credits	tCO_2e	(23,557)	(3,508)	(6,482)	(11,480)	(19,078)	**(19,576)**
Total purchased RECs, SAFc, and carbon credits	**tCO_2e**	**(23,557)**	**(3,508)**	**(6,482)**	**(12,938)**	**(20,986)**	**(20,612)**

R 2021 figure has been restated to reflect updated emissions data (Scope 1 and Scope 2) from some of our portfolio companies.
* Information not available/measured in previous years.
\# Amount is less than 1 tCO_2e.
1 Based on purchased electricity consumed.
2 Included in the calculation of total absolute emissions.

Annex 2: Sustainability Performance Data *continued*

Our Operations

Metric	Unit	2020	2021	2022	2023	2024	2025
Total emission intensity	**tCO_2e/employee**	**28.8**	**4.2**	**7.4**	**12.0**	**19.0**	**20.6**
Scope 1 emission intensity	tCO_2e/employee	*	*	#	#	#	**#**
Scope 2 emission intensity (market-based)	tCO_2e/employee	3.0	2.7	2.7	1.0	0.5	**0.2**
Scope 3 emission intensity	tCO_2e/employee	25.8	1.5	4.7	11.0	18.5	**20.4**
Energy Consumption							
Total energy consumption	kWh	5,727,911	5,357,539	5,499,106	5,597,014	5,574,982	**2,651,088**[1]
From non-renewable sources	kWh	*	*	*	1,879,141	864,293	**528,013**[1]
From renewable sources	kWh	*	*	*	3,717,873	4,710,689	**2,123,075**[1]
Energy consumption intensity	kWh/employee	7,011	6,370	6,249	5,848	5,569	**2,764**
Water Consumption							
Total water consumption	m^3	7,734	2,782	3,373	5,547	6,289	**8,262**
Water consumption intensity	m^3/employee	9.5	3.3	3.8	5.8	6.3	**8.6**
Waste Generation							
Total waste generated	tonnes	*	3.4	11.6	15.7	19.1	**21.7**
Materials Use							
Paper consumption	million pieces	3.7	1.0	0.9	1.3	1.3	**1.3**

* Information not available/measured in previous years.
\# Amount is less than 1 tCO_2e.
[1] Based on purchased electricity consumed.

Annex 2: Sustainability Performance Data *continued*

Our People

Metric	Unit	2020	2021	2022	2023	2024	2025
Employment							
Total number of employees	number	817	841	880	957	1,001	**959**
Staff Composition							
Current employees by gender							
Female	%	46	45	45	46	46	**47**
Male	%	54	55	55	54	54	**53**
Current employees by age group							
≤30 years old	%	24	27	22	24	21	**20**
31–40 years old	%	43	42	42	42	44	**42**
41–50 years old	%	20	20	23	22	23	**25**
>50 years old	%	13	11	13	12	12	**13**
Current employees by nationality							
Singaporeans	%	60	60	58	62	61	**64**
Singapore Permanent Residents (PRs)	%	10	10	11	9	9	**8**
Other nationalities	%	30	30	31	29	30	**28**
Current employees by category & gender							
Senior Management							
Female	%	*	*	22	25	27	**26**
Male	%	*	*	78	75	73	**74**
Management							
Female	%	*	*	41	42	42	**43**
Male	%	*	*	59	58	58	**57**
Support							
Female	%	*	*	86	86	88	**89**
Male	%	*	*	14	14	12	**11**

* Information not available/measured in previous years.

Annex 2: Sustainability Performance Data *continued*

Our People

Metric	Unit	2020	2021	2022	2023	2024	2025
New hires by gender							
Female	%	*	*	37	49	47	**44**
Male	%	*	*	63	51	53	**56**
Turnover by gender							
Female	%	*	*	41	46	42	**42**
Male	%	*	*	59	54	58	**58**
Development & Training							
Average training hours	hours/employee	*	*	31.8	29.8	35.0	**31.0**
Average training hours by gender							
Female	hours/employee	*	*	32.4	30.4	36.2	**32.4**
Male	hours/employee	*	*	31.3	29.4	34.1	**29.8**
Average training hours by category							
Senior Management	hours/employee	*	*	31.6	30.2	42.8	**34.1**
Management	hours/employee	*	*	32.3	30.5	34.9	**31.6**
Support	hours/employee	*	*	29.1	24.9	30.1	**25.0**

* Information not available/measured in previous years.

Cautionary Statement

The material in this report is provided for informational purposes only and is subject to various qualifications and disclaimers which should be read in conjunction with it, including the qualifications and disclaimers available on our corporate website. We expect the practices and approaches discussed in this report and methodologies used to create information in this report to evolve over time, and we may not update historical information for changes in our practices, approaches, or methodology. Similarly, certain statements in this report are forward-looking, which involve subjective judgment and analysis and reflect Temasek's expectations. All statements in this report that do not relate exclusively to matters of historical fact should be considered forward-looking statements. Such statements are subject to significant uncertainties, risks, and contingencies including, but not limited to, changes in economic, market, geopolitical, social, and environmental conditions, among other factors.

These risks include, but are not limited to, risks associated with the energy transition, including the availability or unavailability of energy, renewable energy options and technology to enable transition and the use of renewable energy, the availability of carbon removal technology and options, fuel prices, international trade policy considerations, technological innovations, climate-related conditions and weather events, legislative and regulatory changes, our ability to gather and verify data regarding environmental impacts, our ability to successfully implement various initiatives throughout the company under expected time frames, the compliance of various third parties (including our portfolio companies) with our policies and procedures and legal requirements, our dependency on certain third parties to perform, and other unforeseen events or conditions. To the extent such risks occur, it may cause actual occurrences to differ adversely and materially from such forward-looking statements.

Relatedly, there is no guarantee that we or entities in our portfolio will achieve our sustainability targets or, whether or not such targets are met, ultimately have a positive impact, either on particular sustainability matters or as a whole. We also rely on third-party information for certain of our disclosures; while we are not aware of any material flaws with the information we have used, we do not assume any responsibility for the accuracy or completeness of such third-party information and, unless expressly indicated, may not have undertaken to independently verify this information or the assumptions or other methodological aspects underlying such information.

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Explore our sustainability initiatives and efforts at
www.temasek.com.sg/en/sustainability