



**Committed  
Resilient**

*Together*





A top-down view of a child's hands assembling colorful LEGO bricks on a light-colored wooden surface. The child is holding a yellow brick and a green brick, with another green brick already attached. A blue brick is lying nearby. The background is a plain, light-colored wall.

## Towards T2030

We delivered a carbon neutral Temasek.

We are now committed to halve the aggregate carbon emissions of our growing portfolio by 2030, and drive towards net zero carbon emission by 2050.

These are ambitious intergenerational goals.

The digital economy is accelerating apace.  
Deep knowledge is even more critical.

Committed to sustainability as always;  
Staying resilient in adversity; and  
Working together in partnership

We do well, do right, and do good,  
ultimately to uplift lives in a kinder world,  
build resilient and inclusive communities,  
and leave a better world as our legacy.

COVID-19 is a devastating reminder  
to stay prepared for the unknown.

**Committed, Resilient, Together**

# The Temasek Charter

## An active investor and shareholder

We deliver sustainable value over the long term

## A forward looking institution

We act with integrity and are committed to the pursuit of excellence

## A trusted steward

We strive for the advancement of our communities across generations



Discover the Temasek Charter at [temasekreview.com.sg/charter](https://temasekreview.com.sg/charter) or scan the QR code

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# Ten-year Performance Overview

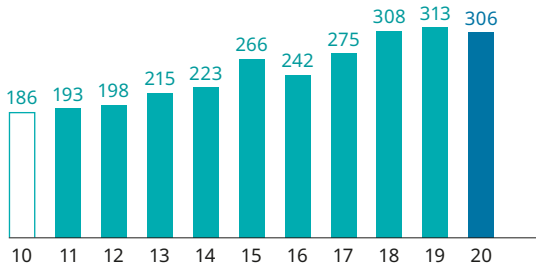
We ended the year with a net portfolio value of S\$306 billion<sup>1</sup>.

(as at 31 March)

Net portfolio value

**S\$306b**

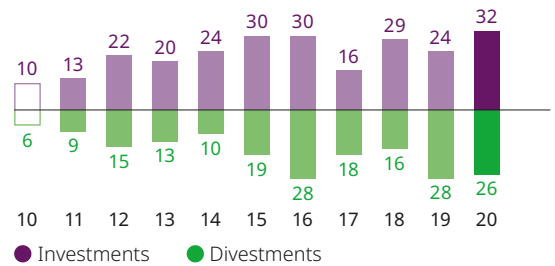
Net Portfolio Value (S\$b)



Invested during the decade

**S\$240b**

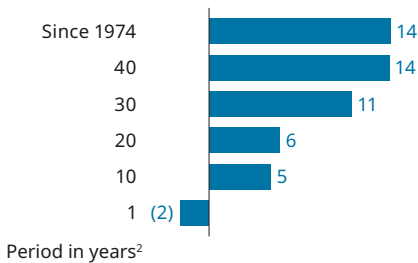
Investments & Divestments (S\$b)



One-year return to shareholder

**-2.28%**

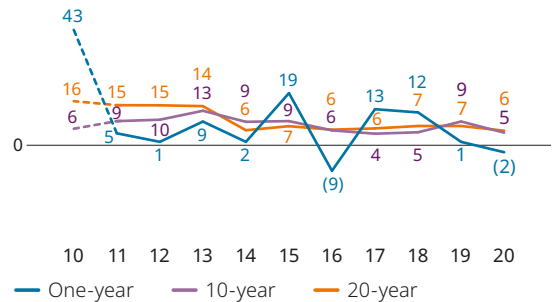
S\$ Total Shareholder Return (%)




20-year return to shareholder

**6%**

Rolling S\$ Total Shareholder Return (%)



 Read our Investment Update at [temasekreview.com.sg/update](https://temasekreview.com.sg/update) or scan the QR code

 Read about our Total Shareholder Return at [temasekreview.com.sg/tsr](https://temasekreview.com.sg/tsr) or scan the QR code

<sup>1</sup> Equivalent to US\$214 billion, €196 billion, £174 billion and RMB1.52 trillion as at 31 March 2020.

<sup>2</sup> As at 31 March 2020. TSR in US\$ terms was -7%, 5%, 7%, 12%, 15% and 16% for 1, 10, 20, 30, 40-year and since inception periods respectively.

# Portfolio Highlights

Overview

Two thirds of our underlying exposure is in Asia.

(as at 31 March)

## Geography<sup>3</sup> (%)



	2020	2019	2018
● China	<b>29</b>	26	26
● Singapore	<b>24</b>	26	27
● North America	<b>17</b>	15	13
● Asia (ex Singapore & China)	<b>13</b>	14	15
● Europe	<b>10</b>	10	9
● Australia & New Zealand	<b>5</b>	6	7
● Africa, Central Asia & the Middle East	<b>1</b>	2	2
● Latin America	<b>1</b>	1	1

## Sector<sup>3</sup> (%)



	2020	2019	2018
● Financial Services	<b>23</b>	25	26
● Telecommunications, Media & Technology	<b>21</b>	20	21
● Consumer & Real Estate	<b>17</b>	17	16
● Transportation & Industrials	<b>16</b>	16	16
● Life Sciences & Agribusiness	<b>8</b>	7	6
● Energy & Resources	<b>2</b>	3	3
● Multi-sector Funds	<b>8</b>	8	8
● Others (including Credit)	<b>5</b>	4	4

## Liquidity (%)



	2020	2019	2018
● Unlisted assets	<b>48</b>	42	39
● Liquid & sub-20% listed assets <sup>5</sup>	<b>37</b>	36	36
● Listed large blocs (≥ 50% share)	<b>10</b>	12	15
● Listed large blocs (≥ 20% and < 50% share)	<b>5</b>	10	10

<sup>3</sup> Distribution based on underlying assets.

<sup>4</sup> Exchange rates as at 31 March 2020.

<sup>5</sup> Mainly cash and cash equivalents, and sub-20% listed assets.

# Excerpts from Our Chairman's Message

Last year, we delivered a carbon neutral Temasek at the company level, and committed to reducing net emissions attributable to our portfolio to half the 2010 levels by 2030.



A promising 2019 was cut short by the arrival of the COVID-19 pandemic in the last quarter of our financial year ended 31 March 2020. The resilience of our portfolio cushioned its worst effects.

Nonetheless, we remain committed to our ambitious T2030 goals, even as we press on in the face of short term adversity, and work together in partnership to keep everyone safe.

**LIM BOON HENG**

Chairman, Temasek Holdings



## Doing Things Today with Tomorrow in Mind

In 2003, we had committed to set aside a portion of our positive Wealth Added returns for community purposes. Our disciplined execution ever since, has given us the wherewithal to fund various COVID-19 related initiatives at this time.

Our staff worked with our portfolio companies and partners, big and small, local and international, who have improvised, experimented and innovated to find solutions to the COVID-19 challenges. These efforts range from protective solutions like hand sanitisers and masks, to the COMET negative pressure transporters for safe transport; from safe swabbing booths, to the development and production of test kits; from international donations, to increasing private test lab capacities; and more.





## Leading through Uncertainty

The global economic outlook remains uncertain. We may yet see more, or bigger, second waves of the pandemic around the world in the months ahead.

Despite the significant uncertainty and complexity ahead, we continue to maintain course for our T2030 goals.

This means strengthening our capabilities and introducing new strategies to enable Temasek and our portfolio companies to weather the storm and emerge future ready.

We will continue to invest in our network to add value to others, even as we derive greater value from working together.



## Building a Sustainable World

Sustainability is at the core of everything we do.

Apart from delivering carbon neutrality in our last financial year, we have intensified our efforts to translate the Sustainable Development Goals (SDGs) into the reality of an *abc World*, of **a**ctive economies, **b**eautiful societies and a **c**lean Earth.

By 2030, we aim to reduce net emissions attributable to our portfolio to seven million tonnes of CO<sub>2</sub> equivalent, which represents half the estimated carbon emissions in 2010 and approximately a quarter of current emissions. This will be a decade long journey, working with our portfolio companies on their carbon reduction plans.

Our ambition is to deliver a net zero emissions portfolio by 2050.



## Thanking Our People

I am amazed at the spirit of Temasek in these difficult times. Our staff volunteered salary reductions, adapted to working from home, and took on volunteer efforts in the COVID-19 fight around the world. They do this while continuing to maintain their day job responsibilities.

Some of our portfolio companies, like Singapore Airlines, have been hit especially hard. Yet, their staff rallied, with many volunteering to take up support services in hospitals and the community. Others worked hard to continue delivering essential services, especially providing humanitarian air freight connections between countries. We shared experiences and business continuity learnings across the portfolio. Most importantly, I thank everyone involved for their emphasis on keeping our workers safe.

Read the full message from our Chairman at [temasekreview.com.sg/message](https://temasekreview.com.sg/message) or scan the QR code



# The DNA of Temasek

## A 14<sup>th</sup> century trading sea town to a trusted steward in the 21<sup>st</sup> century.

Harking back to the 14<sup>th</sup> century crossroads of Asia, Temasek is an old name for Singapore, a former trading sea town, perhaps a minor kingdom linked to the Chola Dynasty of South India in the 11<sup>th</sup> century.

### Pragmatic Idealism

Temasek started in 1974 with a S\$354 million eclectic portfolio of 35 companies, including some cash. Neither a sovereign wealth fund, nor an operating conglomerate, Temasek paid taxes and dividends, like any company; and contributed to the community.

Helmed by pragmatic leaders and staffed by idealistic youngsters, it was a microcosm of a newly independent Singapore. Temasek began life questioning its role and purpose.

This constant questioning, even to this day, keeps Temasek rooted to doing well, doing right, and doing good, as an investor, institution and steward.

### Investor

Temasek is an active investor, constantly reshaping our portfolio, always peering into the future, and asking where the world is going.

We work actively with our portfolio companies to think ahead about the future. We share risks we see, such as an unknown infection outbreak in Wuhan, China, in early January 2020, and engage them on long term issues like climate.

### Institution

We do things today with tomorrow clearly in our minds, always looking at the future implications of what we choose to do today.

We can succeed only if our community succeeds. We care deeply about the values of our people, helping them grow as individuals and as a Temasek team.

### Steward

To do good, a good heart should be supported by practical and sustainable solutions. We look to connect people and places, and spur dialogue for better understanding between people. We look to support research and technology, to help build a sustainable planet for future generations. We look to uplift lives and communities, so that no one is left behind.

Our non-profit philanthropic arms like Temasek Trust and Temasek Foundation give expression to the commitment to do well, do right and do good in the larger community.



## No One is Safe till Everyone is Safe

Our COVID-19 response is an example of our approach as a steward.

Beyond redirecting some of the community funds accumulated since 2003, we tapped on our networks and staff, and tutored ourselves every day along the way.

This pandemic is an exponential challenge. The infections multiply every day that we miss identifying an infectious case. So, we decided to run ahead of the curve, even before we knew it would be a pandemic.

We took risks that would make a difference if greater risks emerge; otherwise, they are an insurance premium well spent if the pandemic subsides. For example, risk orders for new diagnostic test kits made by innovative small companies gave them the means to scale their production quickly. We worked through the entire chain, to reduce bottlenecks and improve throughput affordably.

It was also clear that we should not allow COVID-19 to be the biggest plastic pollution event. Thus, we supported campaigns for reusable DIY masks and #BYOBclean for hand sanitiser collection, to reduce plastic waste.

We kept an open mind for better or more cost effective solutions, moving from deep nasal swabbing to getting saliva samples validated for COVID-19 mass testing; from drawing blood for antibody tests in labs, to 15-minute finger prick serology tests.

We do our share, often with the support of others, and always in partnership with anyone who has willingness and a bold idea or solution.

With COVID-19, no one is safe till everyone is safe. We supported donations in and outside of Singapore. Even as Temasek focuses on our longer term T2030 goals, our staff volunteer selflessly to support a multitude of COVID-19 projects.

See our initial portfolio at  
[temasekreview.com.sg/portfolioat inception](https://temasekreview.com.sg/portfolioat inception)  
or scan the QR code



# Building a Sustainable Future

We are heading towards a 4°C world. We must act now, together, to secure a more viable future for all.

We advocate strongly for an *abc World* of active and productive economies, beautiful and inclusive societies, and a clean, cool Earth.



We held the 6<sup>th</sup> edition of *Ecosperity* since 2014 – to twin ecology and prosperity as a sustainable pathway for growth.

**2014**

**2020**

The world has barely a decade left to deliver the 2030 United Nations Sustainable Development Goals (SDGs).



We must reduce carbon emissions urgently to cool the Earth below the +1.5 degrees Celsius tipping point<sup>1</sup>.

**2030**

**2050**

Temasek aims to play its part to deliver a net zero emissions portfolio by 2050.

We achieved carbon neutrality for our company last year, and are working to reduce the net emissions attributable to our portfolio to half the 2010 levels<sup>2</sup> by 2030.



In September 2020, we became an official supporter of the recommendations of the Task Force on Climate-related Financial Disclosures. We are embedding sustainability in our investment assessment, and will be adopting a notional carbon price in our investments.

## Our Sustainability Goals

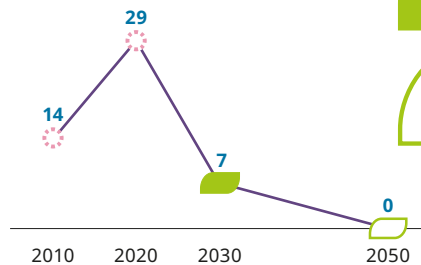
### Temasek Company

Achieves carbon neutrality by 2020



### Temasek Portfolio

Estimated Net Carbon Emissions



Reduce net carbon emissions to **half** the 2010 levels by 2030

Deliver **net zero** carbon emissions by 2050

Estimated net carbon emissions (million tonnes CO<sub>2</sub>e)<sup>3,4</sup>

<sup>1</sup> A tipping point in the climate system is a threshold that, when exceeded, can lead to significant and irreversible changes in the system.  
<sup>2</sup> This target is approximately seven million tonnes of carbon dioxide equivalent emissions.  
<sup>3</sup> Figures are based on estimates for Scope 1 and 2 emissions.

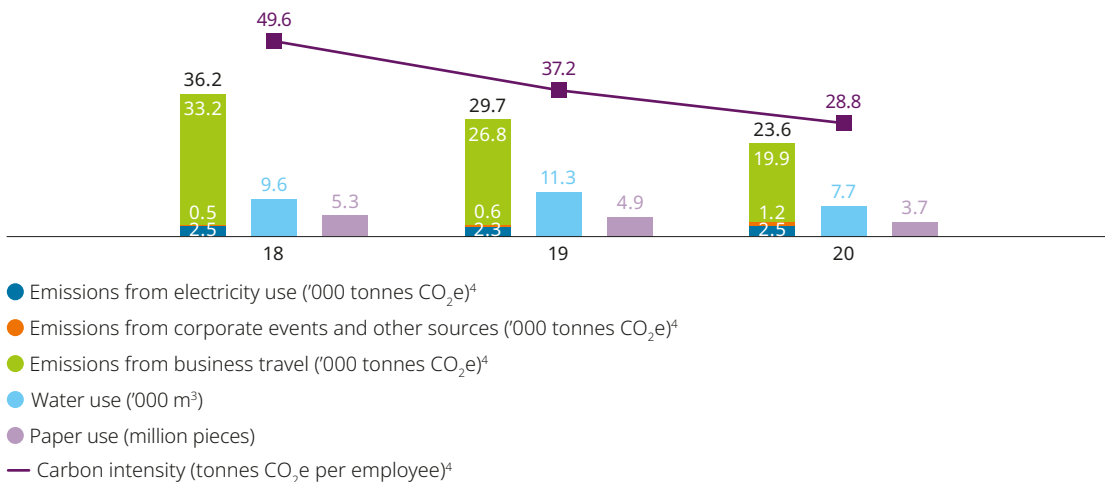
## Operating Sustainably

We achieved our target of carbon neutrality for our company by 2020.

This journey began with taking stock of our environmental footprint. We plan to further reduce our emissions and resource use in our operations, including purchasing carbon credits to offset our unavoidable emissions.

(for year ended 31 March)

### Three-year Environmental Footprint



### Embedding Sustainability in our Investment Approach

We incorporate sustainability-related assessments in our investment analysis. This includes company-level Environmental, Social and Governance (ESG) information, as well as relevant industry, thematic and macro sustainability considerations.

We are engaging our current portfolio companies on their carbon reduction plans, and actively exploring new investments which have track records of better carbon intensity and efficiency.

We will also seek out companies with business models that deliver carbon avoidance, such as renewable energy and plant-based proteins; or carbon negative businesses and solutions that combat climate change, such as nature-based solutions.

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



<sup>4</sup> Carbon dioxide equivalent (CO<sub>2</sub>e) is a standard unit used to compare emissions from different types of greenhouse gases.

# How We Invest

We are an active investor and owner, aiming to deliver sustainable value over the long term.

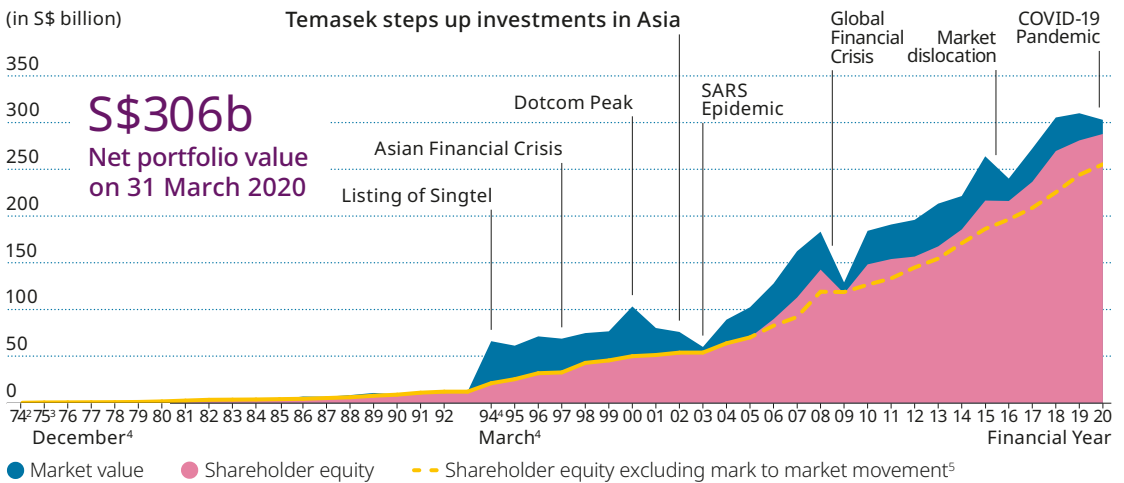
Our investment philosophy has been underpinned by four investment themes:

- Transforming Economies
- Growing Middle Income Populations
- Deepening Comparative Advantages
- Emerging Champions

We aim to build a forward looking and resilient portfolio of companies, through our Environmental, Social and Governance framework, that contributes to the progress of society, and achieves a better world for this and future generations.

As at 31 March 2020, our net portfolio value was S\$306 billion<sup>1</sup>.

## Temasek Net Portfolio Value since Inception



<sup>1</sup> Equivalent to US\$214 billion, €196 billion, £174 billion and RMB1.52 trillion as at 31 March 2020.

<sup>2</sup> Incorporation of Temasek on 25 June 1974.

<sup>3</sup> Financial year 75 began on 25 June 1974 and ended 31 December 1975.

<sup>4</sup> Financial year-end was changed from 31 December before 1993 to 31 March from 1994 onwards.

<sup>5</sup> From the financial year ended 31 March 2006, the accounting standards require sub-20% investments to be marked to market.

# 12-month Returns Simulation

Investor

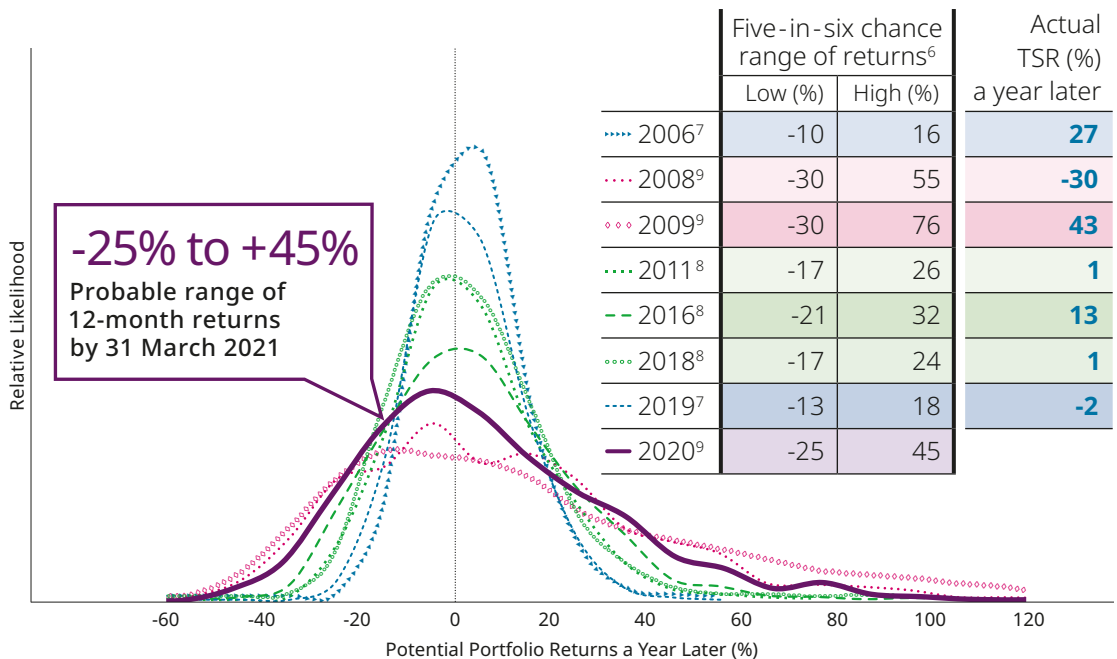
We manage our portfolio for long term multi-year returns, and expect volatile annual returns for a mostly equity portfolio.

For our current Temasek portfolio mix, our Monte Carlo simulations show a five-in-six chance that our one-year forward portfolio returns may range from -25% to +45%. Our annual returns ranged from -30% to +43%, during the past decade or so.

Narrower curves in the chart below mean less volatility compared to the flatter curves of the 2008/09 Global Financial Crisis years.

(as at 31 March)

## Simulation of 12-month Forward Portfolio Returns



<sup>6</sup> Based on Monte Carlo simulation for 12-month forward portfolio returns distribution, assuming no change in market conditions or portfolio mix.

<sup>7</sup> Periods of low market volatility.

<sup>8</sup> Periods of medium market volatility.

<sup>9</sup> Periods of high market volatility.

# 20-year Returns Outlook

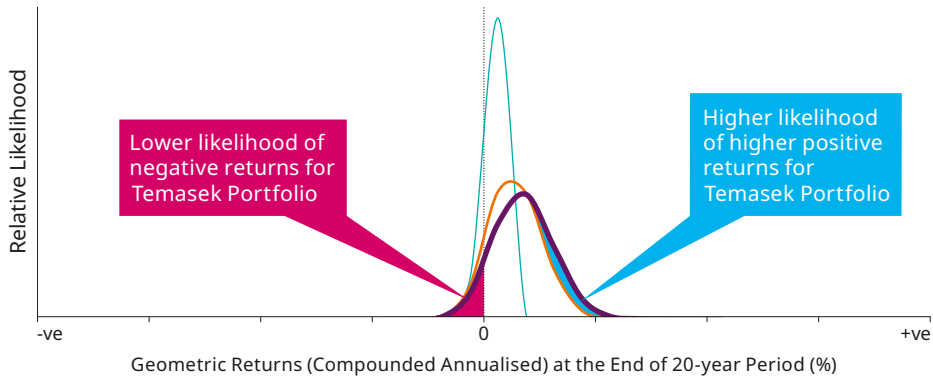
Our Temasek Geometric Expected Return Model, or T-GEM, simulates the range of possible returns for our portfolio over the next 20 years. These simulations do not predict actual outcomes.

## 20-year Expected Returns for Different Portfolio Mix

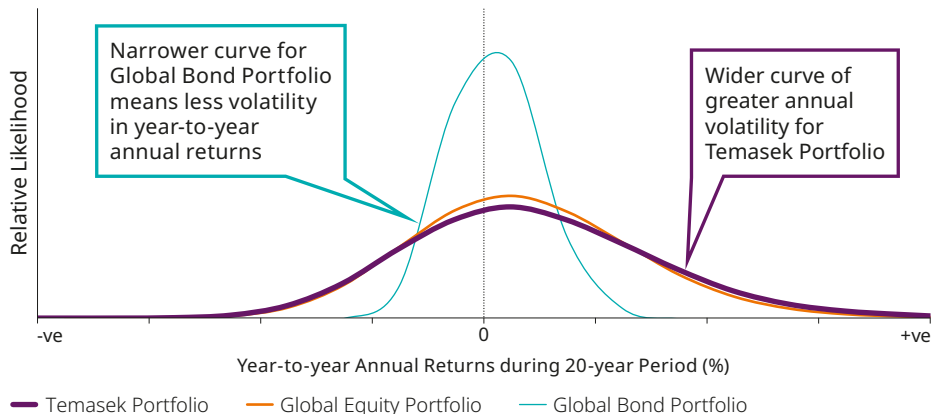
Under our Central Scenario, the Temasek Portfolio has the highest upside potential (see blue shaded), but also the highest volatility, as shown in the charts below. The Global Bond Portfolio has the lowest upside potential and the least year-to-year volatility.

(as at 31 March 2020)

### Likelihood of Geometric Returns (Compounded Annualised) at the End of 20-year Period, by Portfolio Mix



### Likelihood of Year-to-year Annual Returns during 20-year Period, by Portfolio Mix



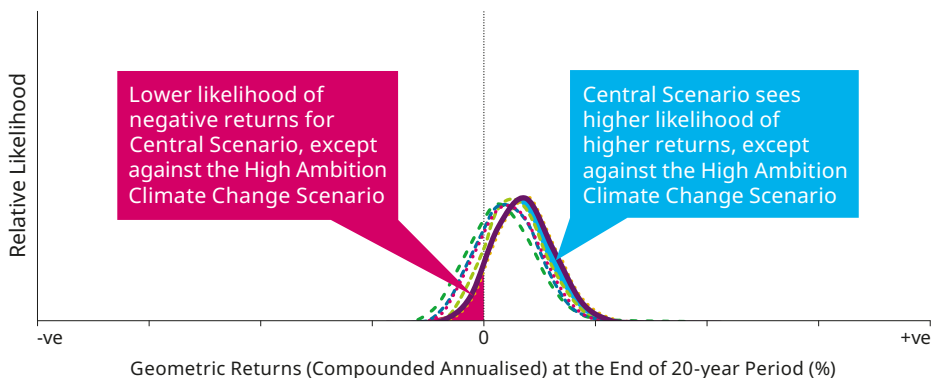


## 20-year Expected Returns for Various Temasek Scenarios

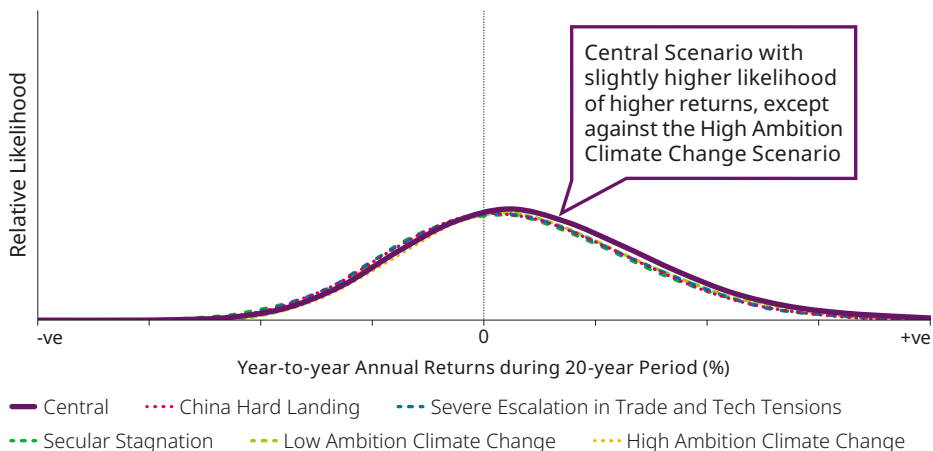
The Central Scenario offers higher expected 20-year returns for the Temasek Portfolio, compared to those under the alternate scenarios of China Hard Landing, Low Ambition Climate Change, Secular Stagnation and Severe Escalation in Trade and Tech Tensions.

(as at 31 March 2020)

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



### Likelihood of Year-to-year Annual Returns during 20-year Period, by Potential Scenario



# A Forward Looking Institution

The character of Temasek is shaped by our values and conduct as we strive to do right, as individuals and as a team.

Integrity and Respect for others form the foundation of our character. Meritocracy and Excellence are our guideposts to bring out the best in our people. Teamwork and Trust enable us to deliver with discipline and agility. These MERITT values shape our forward looking posture.

## Building a Better, Smarter, More Sustainable World

As we invest for the long term, sustainability is at the core of everything we do.

We look for opportunities to invest in companies addressing global sustainability challenges. We incorporate environmental, social and governance considerations into our investment decision-making and management.

We encourage our portfolio companies to adopt policies and practices that safeguard and enhance long term sustainability and resilience of their business and the wider community.

We seek to build a resilient Temasek by developing our people, capabilities and processes around sustainability and good governance.

We foster partnerships and seed endowments to uplift lives, build resilience in our communities, and foster best practices around sustainability and governance.

## Promoting Good Governance

We advocate good governance and uphold the Santiago Principles for sovereign investments. We supported the International Monetary Fund initiative to frame these principles in 2008.

## Our Board and Management

Chaired by Mr Lim Boon Heng, our Temasek Board and management ensure compliance with the rules and regulations wherever we have investments or operations.



Read the full description of our Board at [temasekreview.com.sg/board](https://temasekreview.com.sg/board) or scan the QR code

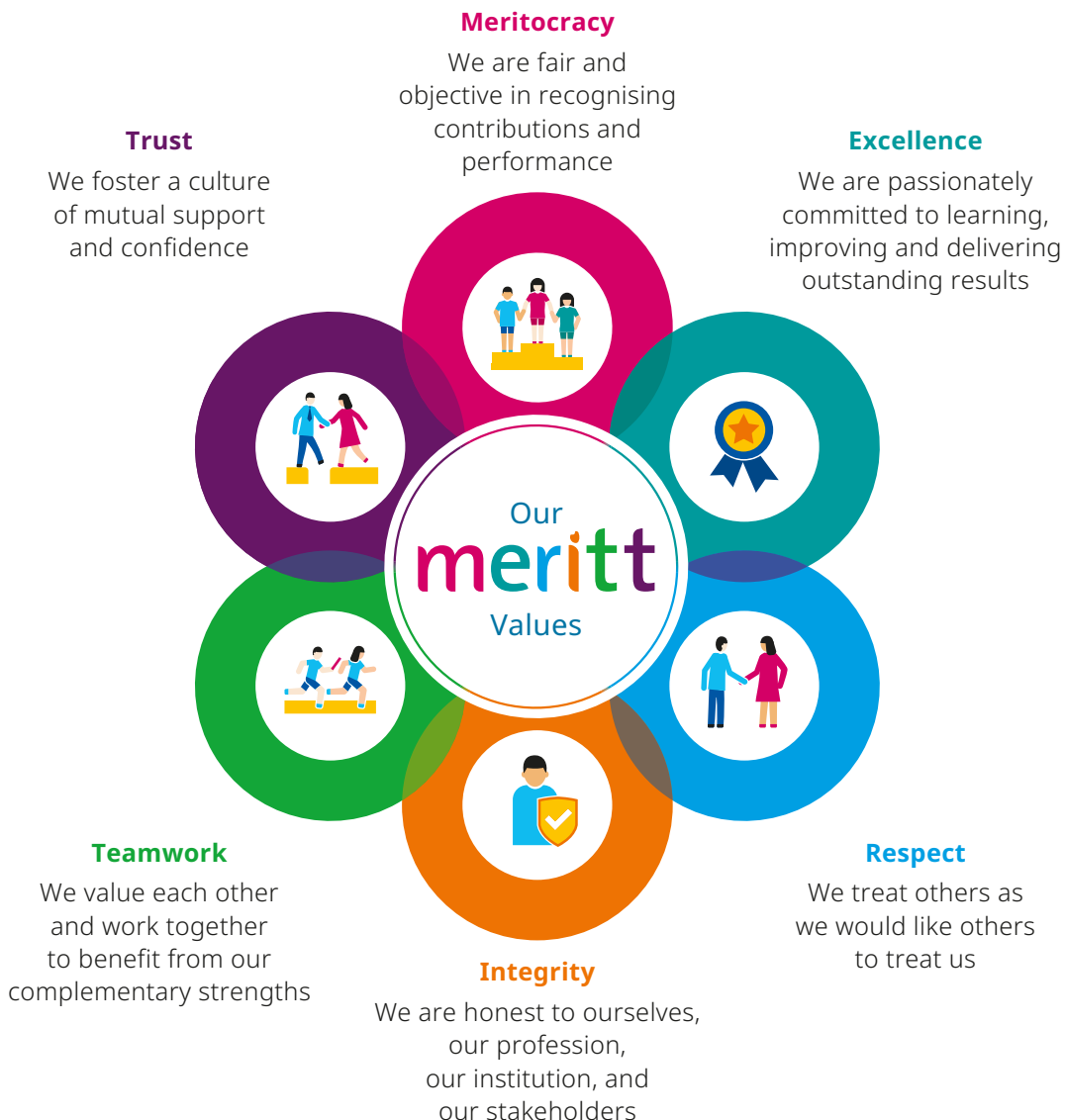


See the list of our senior team at [temasekreview.com.sg/team](https://temasekreview.com.sg/team) or scan the QR code

Our MERITT values shape our thoughts, actions and habits as individuals and as one team.

We are guided by our Temasek Charter, to do well, do right, and do good, as an active investor, a forward looking institution, and a trusted steward.

Our people give back to their communities, including working through *T-Touch*, a staff driven volunteer initiative.



# Our *OneTemasek* Team

We have over 800 people, spanning 32 nationalities across 8 countries, investing and working together for a better tomorrow.

We strive to do well, do right, and do good, to build a brighter, kinder and more inclusive tomorrow for this and future generations.

The crux of this ambition is our people – their values, passions, capabilities, and their willingness to learn, lead and take on new ideas and responsibilities.

## Rooted in Meritocracy

Temasek has its roots in Singapore, a country founded on the ideals of meritocracy, regardless of race, language or religion. Our character is shaped by the values, the integrity and the capability of our people.

We are an active global investor, and a forward looking institution. We value diversity, the cross fertilisation of experiences and ideas across geographies and cultures, and the ability to connect diverse dots.

## Developing Our People

We continue to transform and evolve constantly as we have done through the years.

We encourage mobility as a way of developing our talent, both between functions and across geographies. Our colleagues are given opportunities to broaden their experiences and networks, outside their home base, and also to build their leadership capabilities across our global network.

This is critical, as we strive to deliver our T2030 goals for a more resilient and sustainable future.

## Strength in Diversity

We strive to build capable teams in various parts of the world, with a good mix of local knowledge and global outlook. We bond as *OneTemasek*, regardless of the colour of our skin, or the colour of our passports.

This interaction among all of us from diverse backgrounds, perspectives and experiences allows us to grow individually and collectively, as an institution, to bring value to our stakeholders.

Local nationals form the vast majority in each of our offices around the world.

Our current nationality mix is about 60% Singaporeans and 40% other nationals, which includes about 10% Singapore Permanent Residents (PRs). This mix will continue to change as we work towards opening more offices in Asia, Europe and elsewhere.

## Supporting Our Communities

Our staff are active volunteers who give back to their communities in many ways. They support and supplement company-wide programmes to help the less fortunate.

Our annual Community Day is on 25 June, our incorporation date. Staff in our various offices work with their adopted beneficiaries on this day, over and above other community programmes through the year.

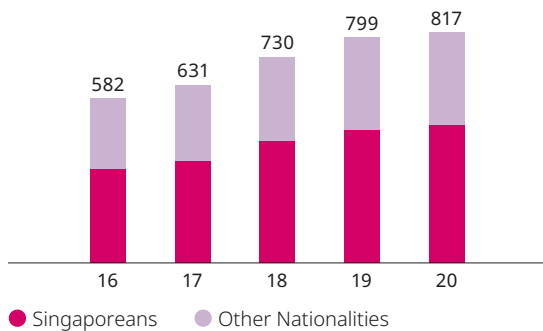
This year, over 400 of our staff volunteered to support our community response towards COVID-19 – from distributing hand sanitisers to the public, to setting up swab testing, and sorting and segregating operations for our migrant worker dormitories.



Geraldine Goh, a Director in Temasek's Enterprise Development Group, worked with our partners to plan swabbing operations at COVID-19 testing sites in Singapore.

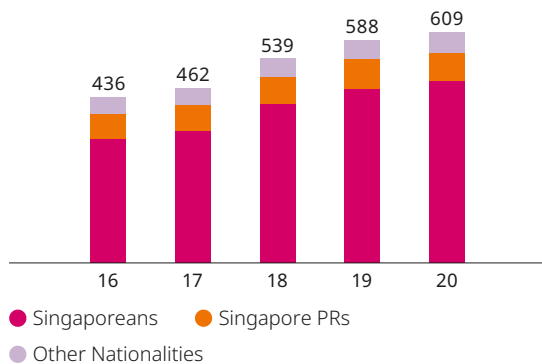
(as at 31 March)

### Our Staff Composition – Global



About 60% of our staff across our 11 offices in 8 countries are Singaporeans. Chinese (9%), American (7%), Indian (6%), British (3%) and Malaysian (3%) constitute the next 5 largest nationalities.

### Our Staff Composition – Singapore



We have grown over the last two decades, from less than 200 to over 600 strong in Singapore.

Learn more about our people at [temasekreview.com.sg/heartbeat](https://temasekreview.com.sg/heartbeat) or scan the QR code



# Instilling Ownership

**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 culture where our employees think and act as long term owners, with a strong sense of intergenerational duty. We balance reward for short term performance and long term value creation, and share gains and pains alongside our shareholder.

Longer term incentives can be deferred up to 12 years, and are subject to market risks and clawbacks, to ensure sustainability of returns over market cycles.

Deferred incentives and clawbacks are integral to our remuneration. In the last decade, we had four clawback pools. Of these, we had to carry forward clawback balances on three occasions, when clawback amounts exceeded the deferred Wealth Added (WA) incentives from prior years. Such clawback balances, carried forward on a company-wide basis, were made good from positive WA in the following years.

## Annual Cash Bonuses – Short Term Incentives

Our short term annual cash bonuses are capped within budgeted limits, and driven by company-wide, team and individual performance.

## WA Bonus Bank – Medium Term Incentives

A portion of our WA incentive pool is distributed into each employee's notional WA bonus bank account, based on the individual's performance and contributions over four years. A negative pool is effectively a clawback.

## Co-ownership Grants – Long Term Incentives

We may award co-investment grants, which vest according to performance or time-based conditions, and lapse after 12 years.

## Co-ownership Alignment in Practice

Since 2016, clawbacks will only be applied when both WA and portfolio returns are negative.

We have a clawback pool for the year ended 31 March 2020 from our negative returns. Deductions will be from employees' WA bonus bank balances and prior years' undistributed WA incentives pool.

Our ownership ethos has been tested through market cycles and major economic crises, with the sharing of gains and pains over years.

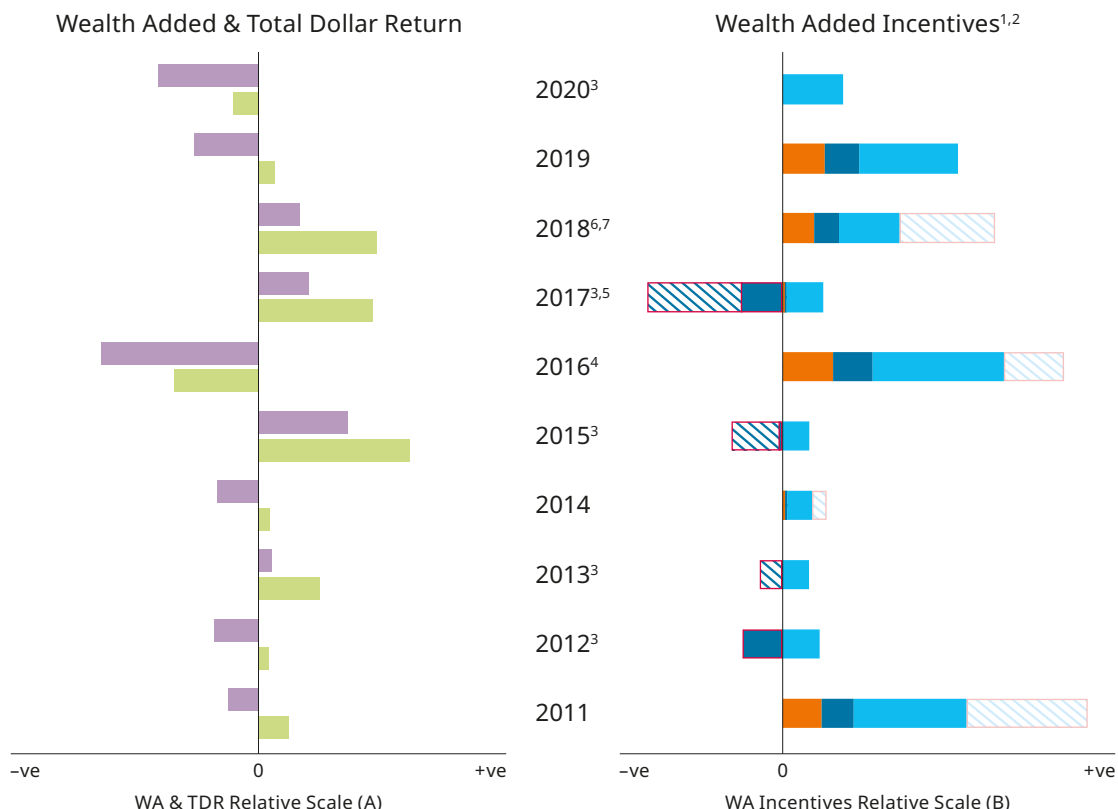
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<sup>1</sup> WA incentives awarded in the year were for WA performance in the prior year.

<sup>2</sup> WA incentives of key management team which includes CEOs, Presidents, Senior Managing Directors, Managing Directors, as well as management Directors.

<sup>3</sup> No new T-Scope pool was generated due to negative WA in the prior year.

## WA Incentives of Key Team



- Wealth Added (WA) in dollars
- Total Shareholder Return in dollars (Total Dollar Return or TDR)
- Paid-out portion of WA Bonus earned for prior year's performance
- Deferred portion of WA Bonus earned for prior year's performance, with future clawback risks
- Co-investment units which grow or shrink with total returns to shareholder, and are subject to performance and time-based conditions
- Clawback of deferred WA Bonus from prior years
- Clawback balances carried forward for future bonus offset
- Part of earned WA Bonus used to offset the clawback balances brought forward from prior year

<sup>4</sup> Excludes two tranches of deferred bonus from Alibaba's WA, to be allocated in years ending 31 March 2017 and 2018, subject to sustained performance.

<sup>5</sup> WA Bonus due to deferred bonus from Alibaba's WA allocated in the year ended 31 March 2017, post clawback for negative return on the investment.

<sup>6</sup> Includes WA Bonus due to deferred bonus from Alibaba's WA allocated in the year ended 31 March 2018.

<sup>7</sup> The WA for the year ended 31 March 2018 was restated from S\$14.0b to S\$11.8b due to an error in the allocation of cash flow to an investment for computation of its WA contribution. The allocation was in relation to a *dividend in specie* distributed to Temasek in the form of shares. WA incentives had been correspondingly adjusted. This error had no impact on net portfolio value and total shareholder return.

# Public Markers

Our *Temasek Review*, Credit Profile and Temasek Bonds serve as public markers to anchor our commitment as a robust and disciplined institution through generations.

The *Temasek Review* is our annual scorecard.

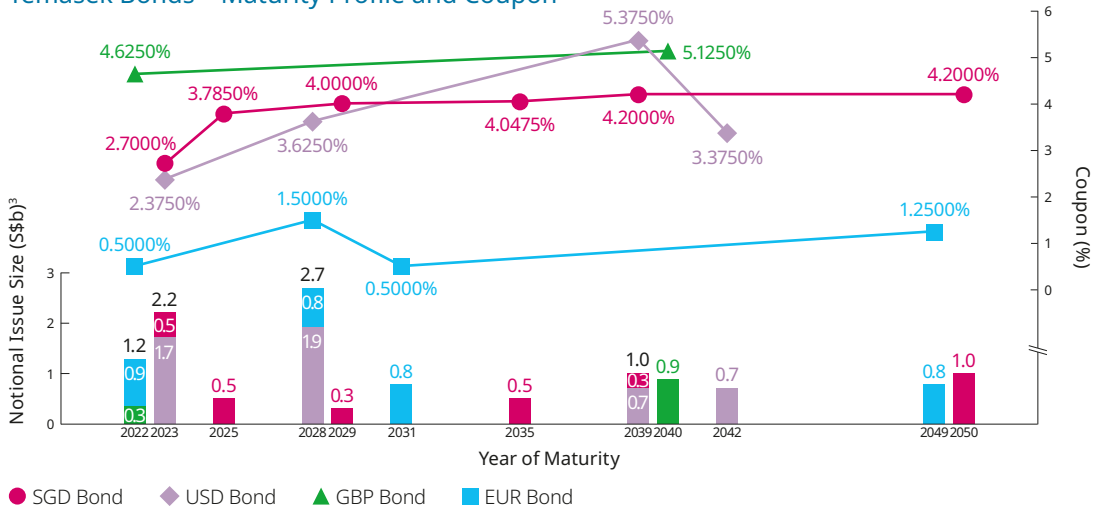
Our Credit Profile covers our key credit parameters<sup>1</sup> in terms of leverage, interest coverage, and debt service coverage. Our credit ratios facilitate a quantitative assessment of our credit quality, and demonstrate our fundamental strength as an investment company.

We have received the top ratings of Aaa/AAA by Moody's Investors Service and S&P Global Ratings respectively<sup>2</sup> since our inaugural ratings in 2004.

We issue Temasek Bonds and Euro-commercial Paper periodically to retail, institutional, accredited and/or other specified investors as part of our financial discipline. Their credit spreads are living public market signals of any perceived changes in Temasek's credit quality.

Our public markers instil financial discipline, broaden our stakeholder base, and facilitate our communications with the wider community.

## Temasek Bonds – Maturity Profile and Coupon



Read more on Temasek's Credit Profile at [temasekreview.com.sg/credit](https://temasekreview.com.sg/credit) or scan the QR code

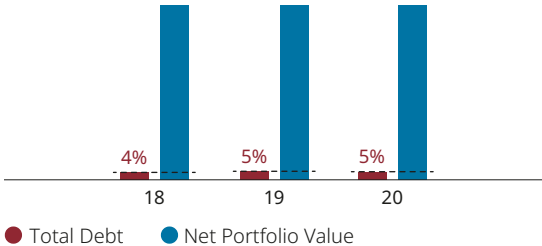
<sup>1</sup> Based on the financial information of Temasek as an investment company, namely Temasek Holdings (Private) Limited (THPL) and its Investment Holding Companies (IHCs). IHCs are defined as THPL's direct and indirect wholly owned subsidiaries, whose boards of directors or equivalent governing bodies comprise employees or nominees of THPL, wholly owned Temasek Pte. Ltd. (TPL), and/or TPL's wholly owned subsidiaries. The principal activities of THPL and its IHCs are that of investment holding, financing, and/or the provision of investment advisory and consultancy services.



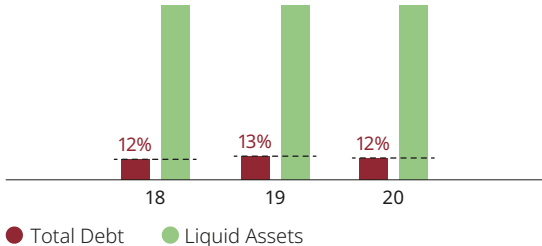
Our Temasek Credit Profile is a snapshot of our credit quality and financial strength<sup>1</sup>.

(for year ended 31 March)

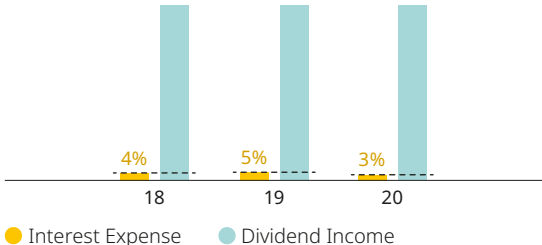
Total Debt **5%**  
of Net Portfolio Value



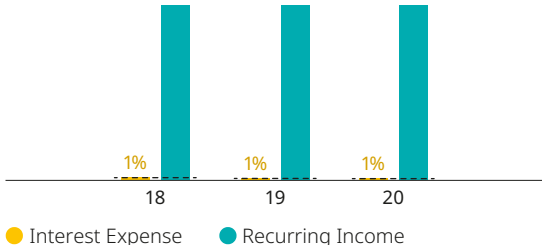
Total Debt **12%**  
of Liquid Assets<sup>4</sup>



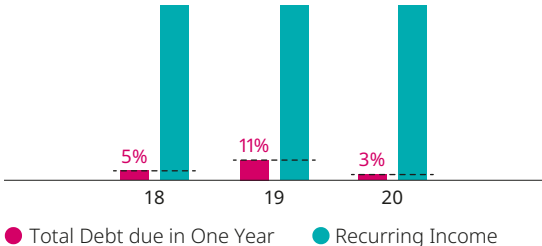
Interest Expense **3%**  
of Dividend Income



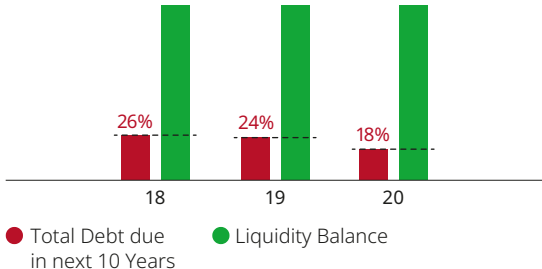
Interest Expense **1%**  
of Recurring Income<sup>5</sup>



Total Debt due in One Year **3%**  
of Recurring Income<sup>5</sup>



Total Debt due in next 10 Years **18%**  
of Liquidity Balance<sup>6</sup>



<sup>2</sup> From time to time, rating agencies may modify their rating criteria. Such criteria changes may lead to a revision in the rating assigned to an entity, sometimes even when the entity's financial position has not materially changed.  
<sup>3</sup> Exchange rates as at 31 March 2020.  
<sup>4</sup> Mainly cash and cash equivalents, and sub-20% listed assets.  
<sup>5</sup> Divestments, dividend income, income from investments and interest income.  
<sup>6</sup> Cash and cash equivalents, and short term investments.

# A Trusted Steward

We do things today with tomorrow clearly in our mind, aiming to do right, do well, and do good, for our present and future generations.

Our Charter defines who we are and what we do as an investor, institution and steward.

We own and manage our portfolio for the long term, as a commercial company registered under the Singapore Companies Act, guided by our Board. We pay taxes on our net profits.

Our added responsibility under the Singapore Constitution is to safeguard the past reserves<sup>1</sup> of our Company. Neither the President of Singapore<sup>2</sup> nor the Singapore Government is involved in our investment or other business decisions, except in relation to the protection of our past reserves.

Temasek does not manage Singapore's Central Provident Fund savings. Nor are we a fund manager of Government reserves, surpluses or foreign exchange reserves.

## Relating to the President of Singapore

Both the Board and CEO of Temasek have a duty to seek the President's approval before any draw occurs on our past reserves. There is no draw on our past reserves if our total reserves equal or exceed our past reserves. Mark to market declines on existing investments are not a draw on past reserves. We have a duty to ensure every disposal of investment is transacted at fair market value<sup>3</sup>. A realised loss arising from such disposals at fair market value is not a draw on past reserves.

## Relating to Our Shareholder

We declare dividends annually in accordance with our dividend policy.

## Relating to Our Portfolio Companies

Companies in our portfolio are guided and managed by their respective boards and management. Temasek does not direct their business decisions or operations. We expect companies to abide by sound corporate governance and codes of conduct and ethics.

## Relating to Our Communities

We gift endowments for our communities based on the twin pillars of sustainability and good governance. The endowments, managed by Temasek Trust, and deployed by Temasek Foundation, strengthen social resilience, foster mutual exchanges, and advance science and nature at home and beyond.

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<sup>1</sup> Under the Singapore Constitution, Temasek's past reserves are those accumulated by the Company before the current term of Government.

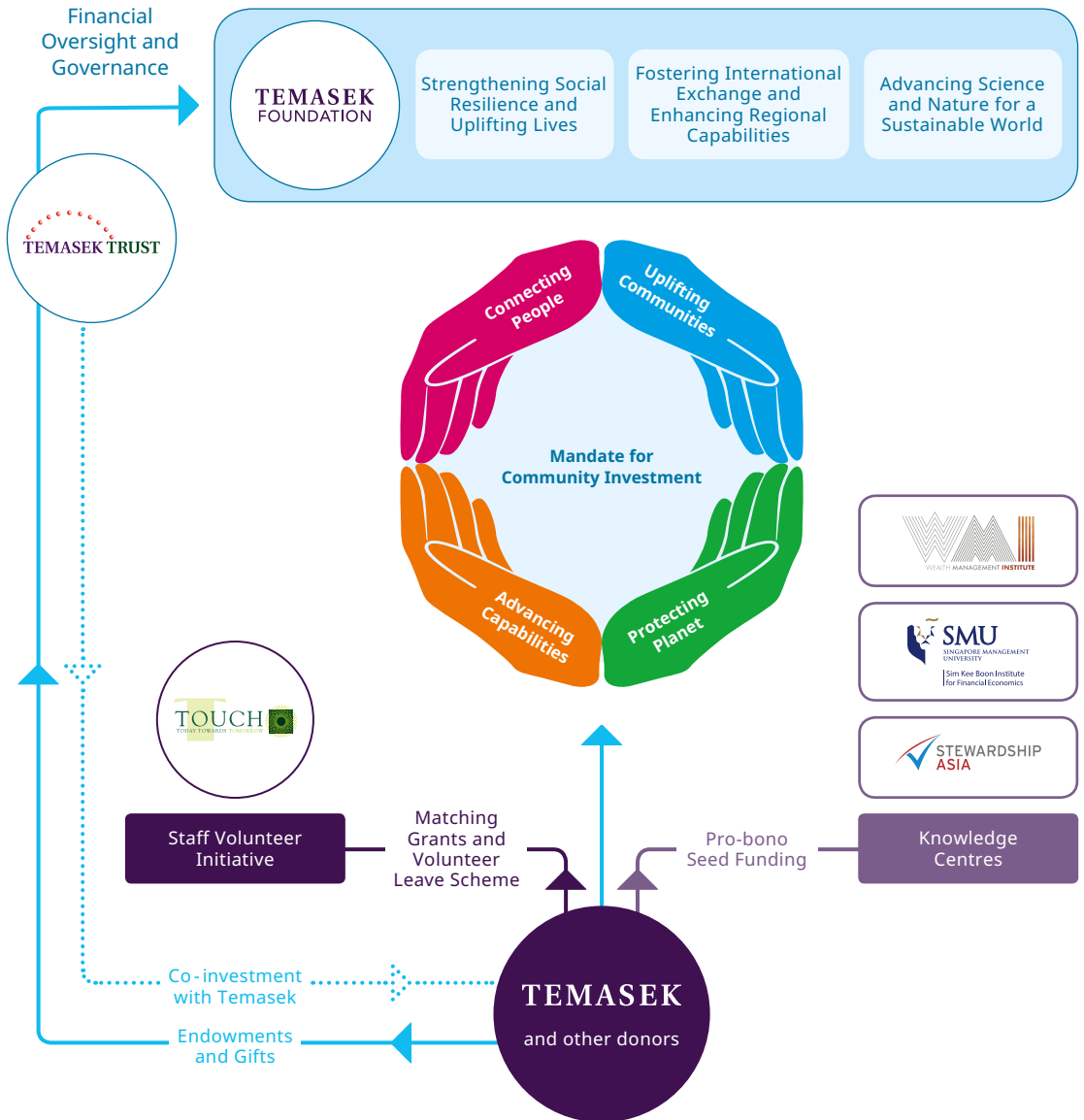
<sup>2</sup> The Singapore President has an independent custodial role under the Singapore Constitution to safeguard the respective past reserves of the Singapore Government and the Fifth Schedule entities, including those of Temasek.

<sup>3</sup> Fair market value is the price agreed between a willing buyer and a willing seller on an arm's length basis.

# Enabling a Better World

Steward

We invest in endowments to connect people, uplift communities, protect our planet and advance capabilities, in Singapore, Asia and beyond.



See how we enable a better world at [temasekreview.com.sg/touchinglives](https://temasekreview.com.sg/touchinglives) or scan the QR code



# Fighting COVID-19 Together

COVID-19 is a global pandemic which demands a global response, as no one is safe till everyone is safe.

COVID-19 has impacted economies and livelihoods around the world. Temasek has been playing an active part, marshalling our network, connecting the dots, and underwriting risks. Efforts to support those in need in Singapore, and around the world, have been driven by Temasek Foundation.

Our *Stay Prepared* initiatives are centred on five areas: diagnosis, containment & contact tracing, treatment, protection & prevention and enablement.



## Containment & Contact Tracing

We have introduced initiatives to curb the spread of the virus through containment and contact tracing. Vehicles called the COVID-19 Multi-Passenger Enhanced Transporter (COMET), were retrofitted to transport passengers. The vehicles have an air tight partition separating the driver from passengers, to minimise the risk of transmission.



## Diagnosis

Temasek Foundation worked with healthcare and corporate partners to test priority segments. Among other things, we provided booths that offer additional protection for healthcare workers when they conduct the swab tests.



Find out more about our COVID-19 initiatives at [temasekreview.com.sg/COVID-19](https://temasekreview.com.sg/COVID-19) or scan the QR code



### Treatment

Temasek Foundation partnered one of our investee companies, Advanced MedTech, to design and manufacture a novel ventilator that can be controlled remotely, and is suitable for treating patients with infectious diseases.



### Protection & Prevention

We have leveraged our network and partners to fill supply gaps for essential items to protect communities both in Singapore and overseas. #BYOBclean, a nationwide initiative, was launched in March to offer free hand sanitisers to all households in Singapore.



### Enablement

We donated essential supplies including masks, sanitisers, test kits and ventilators to some 35 countries. We also partnered with Singapore Airlines and the World Food Programme to transport medical and humanitarian items to points of need.



Read more about our #BYOBclean initiative at [temasekreview.com.sg/BYOBclean](https://temasekreview.com.sg/BYOBclean) or scan the QR code



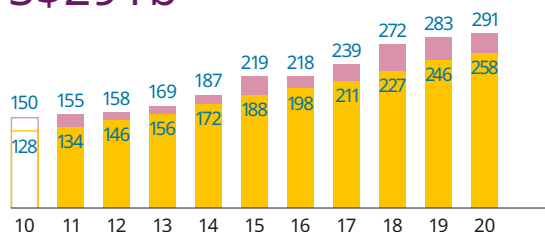
# Group Financial Highlights

Group shareholder equity was S\$291 billion, with group net profit of S\$9 billion.

(as at 31 March<sup>1</sup>)

## Group Shareholder Equity (S\$b)

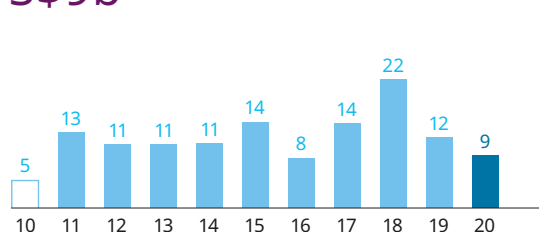
**S\$291b**



- Mark to market (MTM) movement of sub-20% investments
- Shareholder equity excluding MTM movement of sub-20% investments

## Group Net Profit (S\$b)

**S\$9b**



## Group Income Statements (in S\$ billion)

For year ended 31 March <sup>1</sup>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	83.5	83.5	94.3	92.4	101.6	101.5	97.0	107.4	114.6	<b>118.6</b>
<b>Group net profit</b>	<b>12.7</b>	<b>10.7</b>	<b>10.7</b>	<b>10.9</b>	<b>14.5</b>	<b>8.4</b>	<b>14.2</b>	<b>21.7</b>	<b>11.8</b>	<b>8.8</b>
Group net profit, including unrealised MTM losses of sub-20% investments <sup>2</sup>									11.8	<b>8.8</b>
Add: Unrealised MTM losses of sub-20% investments									1.0	<b>2.6</b>
<b>Group net profit, excluding unrealised MTM losses of sub-20% investments</b>	<b>12.7</b>	<b>10.7</b>	<b>10.7</b>	<b>10.9</b>	<b>14.5</b>	<b>8.4</b>	<b>14.2</b>	<b>21.7</b>	<b>12.8</b>	<b>11.4</b>

From the financial year ended 31 March 2019, IFRS 9 requires unrealised MTM gains or losses of sub-20% investments to be included in the Group net profit.

**View the full Group Financial Summary at [temasekreview.com.sg/groupfinancials](https://temasekreview.com.sg/groupfinancials)**

## Group Balance Sheets (in S\$ billion)

As at 31 March <sup>1</sup>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total assets	297.9	302.6	341.5	344.0	405.8	415.8	447.6	490.6	509.0	<b>595.0</b>
<b>Shareholder equity</b>	<b>155.5</b>	<b>158.2</b>	<b>169.2</b>	<b>187.4</b>	<b>218.6</b>	<b>218.1</b>	<b>238.9</b>	<b>272.1</b>	<b>283.5</b>	<b>290.5</b>
Net debt <sup>3</sup>	9.5	16.1	19.6	9.0	32.6	44.4	39.3	49.7	51.9	<b>83.3<sup>4</sup></b>

<sup>1</sup> On 1 April 2018, the Group adopted International Financial Reporting Standards (IFRS) with retrospective application for the year ended 31 March 2018. Comparative financial statements for the years ended 31 March 2010 to 2017 were prepared based on Singapore Financial Reporting Standards. View the full Group Financial Summary at [temasekreview.com.sg/groupfinancials](https://temasekreview.com.sg/groupfinancials)

<sup>2</sup> From the financial year ended 31 March 2019, IFRS 9 requires unrealised MTM gains or losses of sub-20% investments to be included in the Group net profit.

<sup>3</sup> Total debt less cash and cash equivalents.

<sup>4</sup> Group net debt increased from S\$51.9b to S\$83.3b primarily due to adoption of IFRS 16 and consolidation of new subsidiaries during the year ended 31 March 2020.

# Contact Information

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Singapore 238891

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temasek.com.sg/contacts  
or scan the QR code  
for our full contact information



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