



Temasek launches GenZero, an investment platform company aimed at accelerating decarbonisation globally

- *Temasek commits an initial amount of S\$5 billion to establish GenZero, an investment platform company that aims to accelerate decarbonisation, for future generations towards a net zero world*
- *GenZero will invest globally across three focus areas: technology-based solutions, nature-based solutions, and carbon ecosystem enablers*
- *GenZero seeks to deliver positive climate impact alongside long-term sustainable financial returns*

Singapore, 6 June 2022 - Temasek today announced the launch of GenZero, a wholly-owned investment platform company dedicated to accelerating decarbonisation globally.

The climate crisis is intensifying and the latest report by the Intergovernmental Panel on Climate Change has warned that the world is not on track to limit global temperature rise to 1.5 degrees Celsius above pre-industrial levels. There is an urgent need to accelerate decarbonisation across all sectors to avoid irreversible damage to the planet by reducing global carbon emissions and address the emissions gap, which is estimated between 19 and 26 gigatonnes of carbon in 2030 for a 1.5 degrees Celsius scenario¹.

GenZero looks to catalyse decarbonisation solutions with its ability to deploy **long-term and flexible capital**. It invests in opportunities ranging from early-stage companies and solutions that require patient capital to commercialise and grow, to more mature ones that are ready to scale.

It has three investment focus areas: (i) **technology-based solutions** that deliver deep decarbonisation impact through climate-driven technologies; (ii) **nature-based solutions** that help protect and restore our natural ecosystems to generate climate impact while benefiting local communities and biodiversity; (iii) **carbon ecosystem enablers** which refer to companies and solutions that support the development of an effective, efficient, and credible carbon ecosystem.

Together, these focus areas present a holistic and integrated approach to address the emissions gap, with solutions across both the near- and longer-term horizons. GenZero seeks to deliver positive climate impact alongside long-term sustainable financial returns.

¹ IPCC 2022: [Climate Change 2022. Mitigation of Climate Change](#). Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change



Commenting on its establishment, Dr Steve Howard, Chief Sustainability Officer, Temasek International, said “GenZero expands Temasek’s focus on deploying capital to catalyse solutions for a better world. Achieving net zero globally will require deployment of around US\$5 trillion annually by 2030², to rapidly adopt and commercialise sustainable energy solutions. Its flexible approach will enable it to catalyse near- and long-term solutions to support ongoing efforts to achieve net zero globally. GenZero will not only support Temasek’s efforts as we strive towards halving our portfolio’s net emissions by 2030 and working towards a net zero portfolio by 2050, but also those of the wider ecosystem.”

GenZero will be managed by a dedicated team of professionals with deep expertise in the investment and sustainability space, led by its CEO-designate, Frederick Teo, who is currently the Managing Director of Sustainable Solutions at Temasek International. Mr Teo has served nearly 12 years in Temasek in leadership positions across a broad range of roles such as sustainability, portfolio management, business continuity and strategic stakeholder engagement. He will fully transition to his role at GenZero on 1 July 2022.

“GenZero is driven by the common purpose to decarbonise for future generations. Recognising the importance of immediate action, we will focus on investment opportunities that can deliver positive climate impact by 2030 while ensuring sustainable financial returns. Besides deploying capital, we will work with our investee companies to address operational challenges and accelerate the deployment of their solutions to achieve our shared net zero target,” said Frederick Teo, CEO-designate, GenZero.

Investing ahead in technology-based solutions

While many decarbonisation technologies and innovations currently exist, they require capital to further advance commercial viability and deployment to scale. GenZero will invest in carbon reduction and carbon removal technologies such as low-carbon materials, Carbon Capture, Utilisation and Sequestration (CCUS), and advanced biofuels such as Sustainable Aviation Fuel (SAF). These opportunities will help deliver fundamental decarbonisation impact in sectors such as power and energy, transport and building, industry and manufacturing.

GenZero has invested in **Newlight**, a US-based manufacturer of biomaterial produced from methane to displace plastics. Through a joint investment with **C-Quest Capital**, GenZero is funding deployment of clean, energy efficient cookstoves to rural households in Southeast Asia to reduce carbon emissions. GenZero will also invest with third-party funds to expand its networks and collaborate with like-minded partners. It is currently working with **Decarbonization Partners**, a Temasek-BlackRock partnership launching a series of funds that focus on late-stage venture capital and early growth private equity decarbonisation solutions investments; and **Brookfield Global Transition Fund**, which aims to accelerate the global transition to a net zero carbon economy by targeting investment opportunities relating to reducing emissions and energy consumption, as well as increasing low-carbon energy capacity and supporting sustainable solutions.

² IEA 2021: [Net Zero by 2050](#)

Protecting and restoring natural ecosystems with nature-based solutions

Nature-based solutions are climate solutions such as the protection, restoration, and management of natural ecosystems to avoid, reduce, or remove carbon emissions, while empowering local communities and enhancing biodiversity. They are a crucial factor in climate action as they can provide over one-third³ of cost-effective climate mitigation needed to achieve net zero emissions by 2050. Yet, less than 3% of global climate finance is going into supporting nature-based solutions⁴, signalling a clear mismatch between its climate mitigation potential and the investments towards that potential.

GenZero will support and scale the deployment of nature-based solutions through investments and project co-development with partners in forestry and agriculture sectors, and leverage carbon credits as a market mechanism to accelerate funding into these solutions.

GenZero has partnered with **Global EverGreening Alliance** to support farming communities in Kenya to improve their livelihoods through land restoration and tree planting. It has also invested in the **New Forests Tropical Asia Forest Fund 2**, which aims to develop a diversified portfolio of sustainable forest plantation assets in Southeast Asia and support the region's transition towards responsible forestry management.

Building an effective and credible carbon ecosystem

Carbon markets can play a critical part in delivering real emissions reduction and driving climate ambition, but only when it is done right. An effective and trusted carbon market will help accelerate decarbonisation by providing a mechanism to fund decarbonisation technologies and projects; while a credible ecosystem and market will be critical to enhance transparency and confidence.

To support this, GenZero will invest in carbon ecosystem enablers including areas such as climate advisory services, carbon trading infrastructure, Monitoring, Reporting & Verification (MRV) technologies and rating providers.

GenZero has invested in global climate solutions firm **South Pole**, which develops and implements emission reduction projects and strategies for companies, governments and organisations around the world. GenZero is also working with **Climate Impact X**, a global carbon marketplace and exchange, which aims to establish a credible carbon trading infrastructure based in Asia. In addition, GenZero has made an investment in **Perennial**, a US-based early-stage start-up using artificial intelligence and remote sensing to accurately quantify soil organic carbon sequestration on agricultural lands.

³ United Nations Global Compact: [Nature-Based Solutions to Address Climate Change](#)

⁴ United Nations Environment Programme and International Union for Conservation of Nature (2021): [Nature-based solutions for climate change mitigation](#)



Operational governance

GenZero is also pleased to announce the formation of its Board of Directors, which brings together experienced leaders with collective expertise spanning sustainability, finance, energy and technology, and nature-related sectors. The Board will be chaired by Mr Sunny Verghese, Co-founder & Group CEO of Olam, and former Chairman of the World Business Council for Sustainable Development.

Members of the Board also include Ms Goh Swee Chen, President, Global Compact Network Singapore; Dr Steve Howard, Chief Sustainability Officer, Temasek International; Dr Ruth Nussbaum, Group Director, Proforest; and Mr Alan Thompson, Operating Partner, Temasek International.

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About GenZero

GenZero is an investment platform company that aims to accelerate decarbonisation, for future generations towards a net zero world. Wholly-owned by Temasek, GenZero has a flexible investment approach and will invest globally across three focus areas: technology-based solutions, nature-based solutions as well as carbon ecosystem enablers. GenZero seeks to deliver positive climate impact alongside long-term sustainable financial returns.

For more information on GenZero, visit www.genzero.co.

About Temasek

Temasek is a global investment company with a net portfolio valued at S\$381 billion (US\$283 billion) as of 31 March 2021. The Temasek Charter defines the company's three roles as an Investor, Institution and Steward, which shape our ethos to do well, do right, and do good. As a provider of catalytic capital, we seek to enable solutions to key global challenges. With sustainability at the core of all Temasek does, it actively seeks sustainable solutions to address present and future challenges, as it captures investible opportunities to bring about a sustainable future for all.

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Sunny George VERGHESE

Sunny is the Co-founder & Group CEO of Olam, a leading food and agri-business, headquartered in Singapore and ranks amongst the top 30 companies in terms of market capitalisation on the Singapore Exchange.

From 2018 to 2021, Sunny was Chair of the World Business Council for Sustainable Development (WBCSD). He also served as a Commissioner of the Business & Sustainable Development Commission (BSDC) in 2016. He served on the Board of International Enterprise Singapore from 2002 to 2013 and was its Chair from 2008 to 2013.

In April 2022, Sunny was appointed as Chairman of GenZero, an investment platform company, wholly-owned by Temasek, dedicated to accelerating decarbonisation globally. He is also currently Chairman of the Board of the Human Capital Leadership Institute (HCLI), Singapore, Chairman of JOil (S) Pte Ltd and also serves on the Board of Trustees of Singapore Management University.

Sunny was conferred The Public Service Medal by the Government of Singapore in August 2010.

He holds a post graduate management degree from the Indian Institute of Management Ahmedabad (IIMA) and has also completed the Advanced Management Program (AMP) from the Harvard Business School.

GOH Swee Chen

Swee Chen is currently the Chairman at the National Arts Council, and the Chairman of Nanyang Technological University (NTU). In addition, she is the President of Global Compact Network Singapore, a UNGC Local Network, and also chairs the Institute HR Professionals. She joined Shell in 2003 and retired as Chairman, Shell Companies in Singapore in January 2019. She was previously with Procter & Gamble and IBM. A global leader, she has lived and worked in Singapore, Malaysia, Netherlands, Australia, USA, Japan and China. Swee Chen has a diverse professional background, having led significant businesses in Oil & Gas, Consumer Goods and IT sectors.

Swee Chen serves on the Boards of Singapore Airlines, SP Group, JTC Corporation, Woodside Petroleum (Australia), and Resilience Collective. She is also a member of the Legal Services Commission, Singapore Research, Innovation and Enterprise Council and Centre for Livable Cities Advisory Panel. Swee Chen had previously chaired/served in the Boards of Shell Joint Ventures in China, Korea and Saudi Arabia, as well as CapitaLand Investment and Centre for Liveable Cities Ltd.

Swee Chen graduated with B.Sc. - Victoria University and MBA - Chicago Booth, University of Chicago. She was named Distinguished Alumni, Chicago Booth, in 2018. She is married with three children.



Dr Steve HOWARD

Steve is currently the Chief Sustainability Officer of at Temasek. He is also Founding Chair of the We Mean Business Coalition and a member of the LeapFrog's Global Leadership Council. In addition, Steve is on the Administrative Board of SEforALL, and until recently was Co-Chair of the World Economic Forum's Global Future Council on Environmental and Natural Resource Security.

Steve was Chief Sustainability Officer at IKEA Group and served on IKEA's Executive Group Management from 2011-2017. In 2015, Steve co-founded We Mean Business, a leading climate change coalition of organisations that helped support the Paris Agreement. Prior to IKEA, Steve was Founder and CEO of The Climate Group, a global NGO that has built networks of cities, states, regions, and businesses committed to a net-zero carbon world. Before the Climate Group, Steve consulted on sustainability for major corporations and institutions, working as a partner at ERM Group in London and a Director at URS Corporation. He has worked with various NGOs and UN bodies on a wide range of global sustainability topics. Earlier in his career, Steve worked in WWF, where he established the Global Forest and Trade Network, chaired the UK Forest Stewardship Council and helped launch and chair The Forest Trust.

Steve is trained as an ecologist and has a PhD in Ecophysiology and Environmental Physics based on research in Kenya.

Dr Ruth NUSSBAUM

Ruth has been working with responsible production and sourcing of natural resources for more than two decades and was a co-founder of Proforest.

Ruth has worked with companies, governments and NGOs in more than 40 countries on the practical implementation of responsible practices, supporting collaboration between different stakeholders, developing international and national policies and standards, and writing a range of guides and books.

Ruth sits on the board of the Climate and Land Use Alliance and the Sustainable Sourcing Advisory Board of Unilever. She is also a member of advisory groups for IDH, TFA, ISEAL and APRIL.



Alan THOMPSON

Alan is currently an Operating Partner at Temasek International. Prior to that he was Joint Head of Strategic Development. Alan was previously Senior Managing Director of the Enterprise Development Group, Joint Head of Private Equity Fund Investments and Managing Director, Portfolio Management, and Managing Director, Telecommunications and Media. He was also based in Sao Paulo for several years as Managing Director, Latin America while he established Temasek's offices in Latin America.

Prior to joining Temasek in 2004, he was a Partner at Stern Stewart & Co, where he led numerous client engagements on managing for shareholder value across a wide range of industries in Southeast Asia, Australia and South Africa.

Mr Thompson previously worked in the private equity fund of a large banking group in South Africa, and had ten years of operational experience in the high-tech sector in South Africa, spanning software engineering, systems engineering and executive management roles.

He holds an MBA, a Graduate Diploma in Engineering and a B.Sc. Engineering (Electrical) degree, from the University of the Witwatersrand in Johannesburg, South Africa.