

## Background Brief on Lim Boon Heng

### Biography



Lim Boon Heng was appointed Chairman of Temasek Holdings on August 1, 2013, after having served as its Director since 2012. Mr. Lim has served as Chairman of the Asia Business Council since 2019 and has been a member of the Council since 2014.

Mr. Lim is Chairman of National Trades Union Congress Enterprise Co-operative Ltd. He served as Deputy Chairman of the Singapore Labor Foundation from 1997 to 2019. He was previously a Cabinet Minister within the Prime Minister's Office. Mr. Lim's career spans the private and public sectors. He led Singapore's National Trade Union Congress, served as a Member of Parliament from 1980 to 2011, and was Cabinet Minister for Trade and Industry. During his time in the public sector, Mr. Lim chaired the Ministerial Committee on Aging, the Standards, Productivity and Innovation Board, and the Skills Development Council.

Before entering the public sector, Mr. Lim spent a decade at Neptune Orient Lines, where he held roles including Manager of Corporate Planning and Manager of Liner Services, and completed overseas postings in Denmark and Japan.

Mr. Lim holds a Bachelor of Science (Honors) degree in naval architecture from the University of Newcastle-upon-Tyne, U.K.



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## Why investors must look beyond returns

<https://www.telegraph.co.uk/business/how-to-be-green/sustainable-long-term-returns/>

**Lim Boon Heng, Chairman, Temasek Holdings, Singapore**

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Profitability and sustainability can reinforce each other. Business should do well, do right and do good – and it pays

When starting a business, founders grapple with its purpose – the reason for it to exist. This purpose has multiple dimensions, seldom one. These could include: developing goods and services to meet needs in the community; creating employment for people in the region; generating prosperity for its owners and workers; pioneering, innovating and growing; and hopefully, making a positive contribution to the society in which it operates.

Re-establishing a focus on purpose is necessary for any business today against a backdrop of such global challenges as climate change, technology disruptions, social dislocation, and fundamental shifts in the way we live and work. This is all the more so for legacy businesses at risk of being disrupted by newer start-ups while under market pressure to deliver improvements in numbers every quarter.

Shareholders can play a role. They are, after all, business owners. At Temasek, we approach investments with an ownership mindset. We focus on sustainable long term returns, which is not the same as maximising returns. Sustainable returns balance business and owners' interests with a view to ensuring the business is well-positioned for the long term. Core to this philosophy is that, for businesses to thrive, the societies in which they operate must thrive too.

There is a common misperception that companies sacrifice their bottom line by investing in sustainability

Businesses are part of a community; they don't exist in isolation. All businesses want to do well. However, the companies in which we invest should also do right, and do good – behaving not just in accordance with laws, but in line with societies' expectations. They contribute to uplifting the wider community. Their reputations depend on being good citizens.

To do right and do good, a business must first do well. It must deliver on its primary mission, prudently deploying its capital to grow, while also meeting its obligation to generate returns sustainably. It must treat its employees fairly, as well as upskilling and reskilling them to be ready for changes to come. It has obligations to its multiple stakeholders – owners, customers, business partners, vendors, and the like. It must have the discipline to live within its means, and to steadily accumulate reserves to ensure it is well-placed to meet unexpected future challenges.

So doing well – being financially viable and sustainable – is critical to a business' ability to do right and do good.



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There is a common misperception that companies sacrifice their bottom line by investing in sustainability, or in their wider communities. It is quite the contrary: such investments strengthen the sustainability of the business itself. Evidence points to increases in market value, resilience, and the ability to weather crises among businesses that invest in good corporate sustainability practices and integrate that approach into their DNA.

At Temasek, we share part of our net positive returns above our risk-adjusted cost of capital with the community by way of endowments, which are used to fund programmes to strengthen resilience in our community, foster goodwill and advance science and nature.

In 2015, 193 United Nations member countries agreed to 17 Sustainable Development Goals (SDGs) to protect the global commons and to achieve a better, more sustainable future for us all.

We group the SDGs to advocate an ABC World. This is made up of: Active Economies, delivering productive jobs, sustainable cities and economic opportunities; Beautiful Societies, fostering resilient individuals, inclusive communities and just societies; and a Clean Earth, with fresh air, clean water and climate action to combat global warming.

Businesses, governments, civil society groups, even individuals, must play a part in achieving the SDGs. We can't act in isolation of each other. Not all 17 SDGs are within the reach of every business: that's a big ask. The key question then is, what can each do? It could be meeting one, two, or more of them.

At Temasek, we can invest growth capital in companies making a difference. For example, we have invested in Sustenir Agriculture, a local Singapore company developing urban farming to grow sustainable food without using land, soil, fertiliser or pesticides, which reduces water consumption by 95 per cent over traditional farming.

We also bring together advocates of sustainability from business, civil society and governments at our annual Ecosperity week – advancing the position that economic prosperity can go hand in hand with the desire to make our planet more sustainable. We share perspectives and exchange ideas, build knowledge and understanding, and engender co-operation and action to tackle the SDGs. Our theme this year is From Ambition to Action, focusing on what business can do to minimise the impact of climate change.

Together, if we meet the SDGs, we will do something no generation has achieved since the first industrial revolution: we can hand to tomorrow's generation a planet in better shape than we inherited it.

That is more than an opportunity: it is now a critical obligation.

Global warming is impacting life on Earth, and endangering human lives. We are seeing more destructive hurricanes from warmer oceans. There are outbreaks of mosquito-borne diseases in places where the insects were almost unheard of until recently.



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Business cannot flick these problems to governments to manage alone. We have a collective and shared responsibility, because businesses must be active, responsible members of the societies in which they operate.

At Temasek, we look to invest in companies that are positively engaged in their communities, building resilient business models while delivering sustainable returns over the long term. It makes sense to invest growth capital in companies actively addressing the SDGs, as Sustenir is doing, and tackling the global sustainability challenges we all face today – economic, societal and environmental.

For us, this is far more than checking a box on an environmental, social and corporate governance (ESG) scorecard. What's more critical is the purpose of a company in which we invest. There's a question for every business to ask itself: Is there a sustainable long term purpose to what I do, besides making money?

For more information, visit [thegef.org](http://thegef.org)



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## Appendix

[Temasek Review 2020: Building a Sustainable Future](#) [1-min. read; full text attached]

The Temasek Review 2020 describes Temasek's goal of halving the net carbon emissions of its portfolio by 2030 and reaching net zero carbon emissions by 2050.

[Temasek: Incorporating Climate Considerations in our ESG Integration Approach](#) [10-min. read; full text attached]

This case study describes how Temasek takes climate change into account as part of its overall ESG analysis when considering potential investment opportunities.