

Contemporaneous records in the 14th century told of an ancient Temasek with historical links to Java, China and Vietnam.

Perhaps rooted in the Javanese word, *tasik*, for lake, *Tumasik* was listed as a vassal of the Majapahit empire in a 1365 Javanese court poem, *Nagarakretagama*. Wang Dayuan of China described two trading settlements in 淡马锡, or *Tan-Ma-Si*, in a 1349 account of his travels. Vietnamese records noted Malay envoys arriving at their court from *Sach-ma-tich* in 1330.

These ancient names of Temasek evoke the image of an active sea town, whose fortunes have ebbed and flowed in the centuries since. It re-emerged as a thriving free port and modern Singapore with the arrival of Sir Stamford Raffles in 1819. It achieved local self-government in 1959, and became independent in 1965.

Our DNA of Thrift

The neophyte leaders of Singapore inherited a troubling budget deficit of S\$14 million from their colonial masters in their first year. They pruned hard to deliver a S\$1 million surplus when the year ended.

This seeded the Singapore DNA of thrift, courage and integrity.

Post-independence in 1965, Singapore grew its assets to S\$3.3 billion by 1969, even as she strove mightily to attract investments, create jobs, and build homes for her people.

A Pragmatic Experiment

1974 was nine years after independence – Singapore could breathe a little easier.

The Government carved out an eclectic portfolio of investments, which had been seeded in the fledgling days of economic survival. There was to be a clear division of governance between Government as a policymaker and Temasek as a commercial shareholder and owner.

Temasek was thus born in 1974, with a S\$354 million portfolio of 35 diverse commercial businesses, including some cash.

An Active Investor

Temasek was an active investment manager by 1979. The 1980s saw some companies sold off, while others, like Singapore Airlines, were listed. Some, like DBS, still anchor our portfolio.

The 1990s saw some Government monopolies divested to or through Temasek. Some 1.4 million Singaporeans invested in Singtel alongside other investors during its public listing in 1993. These moves were meant to foster a more open and competitive economy, a vibrant private sector, and an active stock market.

Stepping Out

In 2002, Temasek decided to step out to grow with an emerging Asia.

Severe Acute Respiratory Syndrome (SARS) struck in early 2003. Nonetheless, some S\$10 billion was invested in the region in 2004.

By 2018, Temasek had become a global investor, with 11 offices in Asia, the Americas and Europe.

Opening Up

Temasek has been sharing our performance in our annual *Temasek Review*, since 2004.

Moody's Investors Service and S&P Global Ratings rated Temasek for the first time in 2004. Their respective top ratings of Aaa/AAA set the stage for our inaugural US\$ Temasek Bond issuance in 2005, to create a new group of global and Singapore stakeholders. We have issued Temasek Bonds over the years, including most recently to retail investors in Singapore.

Our *Temasek Review*, Credit Profile and Temasek Bonds are public markers to reinforce our resolve to be a robust and disciplined institution through generations.

Breaking New Ground

Temasek's early portfolio reflected a spirit of venture and innovation, from a startup airline that came to epitomise innovation and service in the industry, to the creation of a development bank, and the early adoption of shipping containerisation. Indeed, Temasek itself was an untested experiment.

The creation of our Enterprise Development Group in 2013 rekindled this spirit of boldness and innovation, to spur us to invest in early stage ideas, and reprise our early role as an innovative enterprise builder.

Do Well, Do Right, Do Good

The Temasek DNA is to do well, do right and do good, as an investor, institution and steward.

We work to add value to our portfolio companies, foster the right values in our people, and care for our communities and planet.

Temasek and its portfolio companies were tested over the years, most severely when Singapore saw a sharp recession in 1985, the Asian Financial Crisis in 1997, SARS in 2003, and the Global Financial Crisis in 2008.

Temasek senior management led by example, volunteering heftier pay cuts than its junior staff, to encourage its portfolio companies and their workforce to pull through these storms together.

Temasek Trust is the financial custodian of non-profit endowments we had been seeding since 2003. Temasek Foundation is separately entrusted to develop programmes for specific community mandates. Temasek staff also volunteer directly through *T-Touch* to help those in need, including the elderly and ex-offenders.

Advocating an *abc* World

Since 2014, Temasek has been promoting the twinning of ecology and prosperity as a sustainable pathway for growth. We want to play our part to create an *abc* World – of **a**ctive economies, **b**eautiful societies and a **c**lean Earth.

Governments, businesses, civil societies and individuals – let's all act now together for a more sustainable and cooler Earth.

This is our common heritage, for humanity now and into the future.



See our initial portfolio at temasekreview.com.sg/portfolioat inception or scan the QR code

