

East Ventures' net-zero vision: Planting mangroves and embracing climate tech



In a significant stride towards combating climate change, East Ventures, as part of the Indonesian Chamber of Commerce and Industry (KADIN) Net Zero Hub, has pledged to become a net-zero company by 2060 at the latest. This commitment aligns East Ventures with the global efforts to reduce greenhouse gas (GHG) emissions and foster sustainable practices within our own firm and in broader ecosystem activities. The following are the various initiatives that East Ventures has undertaken in pursuit of this goal:

1) **Disclosing our GHG inventory**

To lay a strong foundation for our net-zero journey, East Ventures initiated the calculation of our GHG inventory for the year 2022, adhering to the GHG Protocol Corporate Accounting and Reporting Standard, and disclosed this data in the East Ventures [Sustainability Report 2023](#). Knowing our emissions scopes allow for more effective planning of climate actions. Moreover, the practice of calculating and disclosing GHG inventory will be beneficial for the company, particularly when the carbon market in Indonesia and Southeast Asia is getting mature, carbon emissions will hold monetary value through carbon credits. These credits signify the reduction or removal of one metric tonne of GHG emissions from the atmosphere.

2) **Carbon offsetting**

With a clear grasp on our GHG emissions, East Ventures advances towards reducing emissions through carbon offset initiatives. In collaboration with the Komodo National Park, our company has planted [5,000 mangrove seedlings](#) in Komodo National Park, Labuan Bajo, with [additional plantings](#) scheduled for several other coastal areas. Mangroves, also known as Indonesia's green belt, boast significant importance for local coastal communities whose main livelihood revolves around being fishermen, as well as for the nation and the planet at large. These coastal communities heavily rely on the rich ecosystems provided by mangroves, as they serve as vital nurseries for various marine species, support sustainable fishing practices, and enhance their resilience against natural disasters.

Moreover, mangroves attract tourists, making tourism another essential sector benefiting from their presence, fostering economic growth and promoting environmental conservation. Most importantly, Mangrove ecosystems are “blue carbon” ecosystems, known for their incredible capacity to sequester carbon, capturing carbon dioxide and storing it in their leaves, branches, roots and soils.

Indonesia is home to over a fifth of the world's mangrove forests, harboring the largest area and diversity globally. These forests hold around [3.14 billion metric tons](#) of carbon, which is a carbon storage capacity five times greater per hectare than tropical forests. Unfortunately, mangroves have been facing rapid depletion due to activities such as clear-cutting for forestry, shrimp and fish farms, as well as rice paddies. This loss has far-reaching consequences, including heightened vulnerability to sea level rise, degradation of clean water supply, salinization of coastal soils, erosion, land subsidence, and an increase in GHG emissions.

To ensure the credibility of carbon offset initiatives, permanence is a vital [criteria](#). GHG emissions reductions or removals from mitigation activities must be permanent to be considered high-quality carbon offsets. Therefore, the government and companies need to put their attention on the significance of restoring and conserving mangrove ecosystems. At East Ventures, we recognize the power of mangrove reforestation to not only help achieve our net-zero goal but also in generating social co-benefits, making a lasting impact on local communities and combating climate change.

3) Developing a Sustainable Investment Framework



Since East Ventures signed the Memorandum of Understanding (MoU) with KADIN and World Resources Institute (WRI) Indonesia on November 11, 2022, we have translated our conviction into investment activities and several other initiatives. We firmly believe that venture capital firms must not overlook the profound influence of the companies they invest in. Recognizing this responsibility, East Ventures have developed our own sustainable investment framework as the firm's guideline and to empower our portfolio companies. Our primary aim is to assist them in understanding and effectively measuring their [Environmental, Social, and Governance](#) (ESG) performance and overall impact.

4) Climate tech focus

Lastly, with this strategic alliance in place, East Ventures has a strong focus on climate tech solutions, especially in the sub-sectors of energy, food & agriculture, urban & mobility, waste management & circular economy, and carbon ecosystem. East Ventures and Temasek Foundation have collaborated to launch Indonesia's largest climate tech innovation platform of the year, the [Climate Impact Innovations Challenge](#).

The platform provides a stage for Indonesia's brightest minds to showcase their innovations in addressing ecological challenges and mitigating the impacts of climate change. 12 finalists have been chosen to receive invaluable mentorship and resources, leading up to the highly-anticipated Grand Finale on 2nd September 2023. Here, they will pitch their solutions for a chance to win from a generous prize pool of IDR 10 billion, paving the way for pilot projects that will drive positive change within Indonesia.

The Grand Finale of CIIC will take place during the prestigious ASEAN Sustainability Forum 2023, a side event of the ASEAN-Business Advisory Council (ASEAN-BAC) 2023, in conjunction with ASEAN Indonesia 2023. To watch the Grand Finale of the Climate Impact Innovations Challenge 2023, register through the ASEAN BAC Indonesia [website](#) in the 'Sideline Events' section.

About East Ventures

[East Ventures](#) is a pioneering and leading sector-agnostic venture capital firm. Founded in 2009, East Ventures has transformed into a holistic platform that provides multi-stage investment, from Seed to Growth stage investments, for over 300 tech companies across Southeast Asia.



As an early believer in the startup ecosystem in Indonesia, East Ventures is the first investor of Indonesia's unicorn companies, namely Tokopedia and Traveloka. Other notable companies in East Ventures' portfolio include Ruangguru, SIRCLO, Kudo (acquired by Grab), Locket (acquired by Gojek), Tech in Asia, Xendit, IDN Media, MokaPOS (acquired by Gojek), ShopBack, KoinWorks, Waresix, and Sociolla.

East Ventures was named the most consistent top performing VC fund globally by Preqin, and the most active investor in SEA and Indonesia by various media. Moreover, East Ventures is the first venture capital firm in Indonesia to sign the Principles of Responsible Investment (PRI) supported by the United Nations (UN). East Ventures is committed to achieving sustainable development and bringing positive impacts to society through its initiatives and ESG-embedded practices.

For more information, please contact:

Pheseline Felim

Head of Media and Marketing, East Ventures

E: p.felim@east.vc