

DANA IMPAK PORTFOLIO



Dana Impak continued to invest in catalytic areas that strengthen Malaysia's economic competitiveness and enhance national resilience, delivering socio-economic benefits and impact to the *rakyat* (community).

As a key pillar under our Advancing Malaysia strategy, Dana Impak is a RM6 billion allocation across six key themes:

Digital Society and Technology Hub

Harness digitalisation and technological developments to boost efficiency and economic growth



Quality Health and Education for All

Ensure equal access to health and education amid global demographic shifts



Decent Work and Social Mobility

Narrow the income and wealth gap to ensure future social stability



Food and Energy Security

Ensure the availability and security of critical resources like food and energy



Building Climate Resilience

Preserve and protect the only habitat we know



Competing in Global Markets

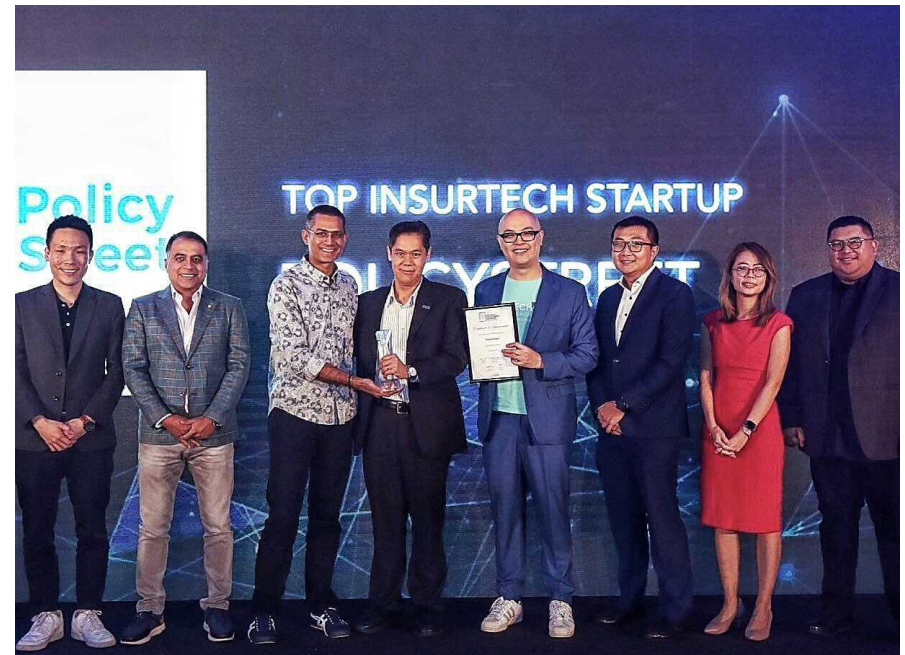
Remain competitive in a multipolar world



In 2023, Dana Impak identified projects worth over RM800 million across the six key themes. Some highlights from 2023 include:

Fostering the Micro-, Small and Medium-sized Enterprises (MSME) Ecosystem

We have invested in a home-grown full-stack Insurtech company, **PolicyStreet**, to enhance protection for Malaysia's underserved market, with over 500,000 gig workers and 50,000 SMEs already benefitting from PolicyStreet's suite of products and services.



► PolicyStreet was honoured as the Top Insurtech Startup at the Fintech Frontiers Awards Malaysia 2023.

DANA IMPAK PORTFOLIO

Together with CGC Digital, we have invested in **Funding Societies**, Southeast Asia's largest unified MSME digital finance platform, to broaden financing access to the unserved and underserved businesses. In Malaysia, Funding Societies aims to address the RM90 billion funding gap for MSMEs. Funding Societies will use the investment to expand its Malaysian coverage to areas beyond Kuala Lumpur, Selangor, Penang and Johor. By the end of 2025, it targets to serve more than 25,000 MSMEs across Malaysia. To create a more significant impact, the investment will facilitate CGC Digital's efforts to advance financial inclusion. This will include developing innovative digital guarantee products and its own guarantee scoring model that aims to narrow the gap and address pain points that MSMEs face when sourcing for financing.

Driving Entrepreneurship – Future Malaysia Programme



► Plug and Play inaugural Malaysia Expo Day with strategic partners Khazanah Nasional, CelcomDigi, Sime Darby Plantation and EDOTCO Group, continuing to accelerate the growth of Malaysia's innovation ecosystem.

Our **Future Malaysia Programme (FMP)** continues to support entrepreneurs and the venture capital (VC) ecosystem. Its premise is to strengthen the start-up ecosystem, which is crucial in driving entrepreneurship, employment, innovation and investment nationwide.

Through FMP, we have partnered with established VC managers, corporate venture programmes and open innovation platforms. This includes key partnerships with leading VC firms such as Gobi Partners and 500 Global, leveraging their investment track record and expertise to facilitate the growth of Malaysian companies on an international scale.

In addition, our collaboration with the PETRONAS FutureTech 3.0 technology accelerator programme is a testament to our dedication to bridging corporates with the tech-driven start-up ecosystem, unlocking new synergies and enhancing business value across various industries.

Furthermore, our partnerships with global innovation platforms like Plug and Play and Antler underscore our mission to nurture Malaysia's entrepreneurial talents. These partnerships provide access to a global network of investors and advisors and open doors to new opportunities, propelling Malaysian entrepreneurs and start-ups toward international expansion and success. These strategic efforts are integral to our overarching goal of advancing Malaysia's position as a vibrant hub for innovation and entrepreneurship on the global stage.

Finally, Khazanah has been tasked with spearheading the strengthening of the VC ecosystem through the centralisation of VC agencies such as Penjana Kapital and Malaysia Venture Capital Management (MAVCAP) as announced in the MADANI Budget 2024. This mandate given by the government is aligned with the objectives of the FMP initiative.

DANA IMPAK PORTFOLIO

Boosting Malaysia's Talent Pool – Future Malaysia Skills

In 2023, we launched the **Future Malaysia Skills** (FMS) initiative to enhance Malaysia's talent pool across various sectors and address the growing skills gap. FMS also supports the FMP initiative by creating a crucial talent pipeline for the local start-up and corporate venture ecosystem. The aim of FMS is to drive continuous talent development and prepare Malaysia for the future of work by promoting in-demand skills and providing access to high-quality jobs, fostering competitive industries and supporting local champions in alignment with Dana Impak's key themes. Some of the digital up-skilling and re-skilling programmes introduced through Future Malaysia Skills include:

- **42 Malaysia**, an innovative peer-to-peer computer science school aiming to develop 10,000 skilled tech talents over a decade. The groundwork has been laid for 42 Malaysia to expand from our flagship campus, 42 Kuala Lumpur, to the new Penang and

Iskandar Puteri campuses in 2024. Campuses in other regions, including East Malaysia, are also in the pipeline.



► At 42KL, students participate in peer-to-peer learning, as the programme is structured to facilitate collaborative engagement among peers for learning.

- **Specialised skillset development** such as **KiddoCare**, an on-demand care service platform, with over 13,000 women empowered economically as professional carers. In line with its aspirations of becoming an end-to-end care solutions provider, KiddoCare aims to venture into eldercare, starting with its initiative to develop the next generation of eldercare carers through its partnership with the

K-Youth Development Programme. Other development initiatives include certification programmes in fields like computer information technology and engineering, in partnership with industry leaders.



► Through various upskilling programmes, Kiddocare empowers women to achieve economic sustainability, elevates the status of caregivers to professionals, and builds a resilient community for the future of care.

- Adopting an all-of-society approach to empowering the next generation of talents by partnering with philanthropic organisations, including Yayasan Hasanah, to increase the accessibility to education through financial support for lower-income groups.

DANA IMPAK PORTFOLIO

Strengthening Food Security through Innovation and Strategic Investments



- ▶ The Khazanah Impact Innovation Challenge 2023 also received support from our Dana Impak Programme Partners including Plug and Play APAC, Outreach Partners - Impact Circle, Cradle, MYStartup, Funding Partners 500 Global, Gobi Partners and Agrobank.

We completed Project Semai in 2023, a comprehensive nationwide survey involving over 2,500 Malaysian smallholders. The insights and findings from this survey, published on our website late last year, provide valuable data to guide future agricultural strategies and policies. In fact, one of the survey findings suggested that climate change is a major challenge for the sector, which led us to launch the Khazanah Impact Innovation Challenge 2023 (KIIC 2023).



Find out more via <https://semai.khazanah.com.my/> and <https://www.khazanah.com.my/kiic/>

The KIIC2023 was an initiative to bolster Malaysia's food security in the face of climate challenges. It focused on generating investment ideas to address

these challenges. From KIIC2023, we selected 15 finalists from diverse business profiles, including alternative protein, automation solutions for agrifood, and marketplace platforms. These innovative projects were awarded grants totalling up to RM5.05 million, supporting their potential to significantly impact the agriculture industry.

Our commitment to future-proofing the agriculture industry is further exemplified by our investment in **BoomGrow**, a local operator of a controlled environment agriculture (CEA) company. This investment, made through the Gobi Dana Impak Ventures, underscores our dedication to cultivating sustainable solutions in the ever-evolving agricultural landscape. As we move forward, we will continue to explore agrifood related investments that involves technology adoption to increase the productivity and efficiency of food production, ensuring a resilient and secure food future for Malaysia.

Measuring our Impact

We have continued to refine the **SEMARAK framework**, an impact assessment tool that we developed to measure the societal impact or creation of societal value in our nation-building journey. This framework integrates global methodologies while tailoring them to fit the Malaysian context, marking a crucial

step in our journey towards a comprehensive impact assessment. We have implemented this framework across all Khazanah's impact initiatives, starting with 42 Malaysia. This will involve tracking key performance metrics such as the number of graduates, successful job placement rates, employer satisfaction scores and demographic statistics, including income groups and geographic distribution.

Going Forward

The impact of the pandemic has made it very clear that an all-of-society approach is necessary to address societal challenges effectively. Consistent with this lesson, we emphasise collaboration across all six Dana Impak themes, seeking partnerships that amplify our impact. The joint introduction of financial safety net products for gig workers in the childcare sector by PolicyStreet and KiddoCare is an example of how Dana Impak portfolio companies are collectively working towards achieving our impact goals. Moreover, our initiatives, especially in food security and talent development, are designed to address immediate needs and lay the foundation for sustainable growth and resilience in Malaysia's economy.

As we move forward, our focus remains on fostering innovation, enhancing economic competitiveness, and building a resilient nation through strategic investments and partnerships.