

COMMUNICATION ON ESG PROGRESS

July 2024





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FOREWORD BY MANAGING PARTNER

James Tan



As a venture capital firm, we have the unique opportunity and responsibility to influence the next generation of businesses. At Quest Ventures, we recognize that our investment decisions and the guidance we provide to our portfolio companies can have profound and lasting impacts. This ESG Report reflects our dedication to integrating environmental stewardship, social responsibility, and good governance practices across our organization, as well as aligning our portfolio companies to embrace ESG initiatives.

Since establishing our Logical Framework Approach in 2019, we have gained a better understanding of practical approaches to measuring our ESG progress. By sharing our ESG journey, challenges, and successes, we aim to foster a culture of openness and continuous improvement. We hope this will inspire and inform our stakeholders, partners, and peers in the industry, encouraging a collective movement towards more responsible and impactful investing. We remain steadfast in our pursuit of excellence in ESG and look forward to continuing this journey together, striving to make a meaningful difference in the world.

1. EXECUTIVE SUMMARY



Quest Ventures' Communication on ESG Progress is a showcase of the firm's current practices, achievements, and future objectives in enhancing its ESG policy. Environmental stewardship is a core component of Quest Ventures' investment strategy. The firm actively seeks out and supports startups that prioritise sustainability and address critical environmental challenges. Its social responsibility efforts are centred around creating inclusive and equitable opportunities for all while adhering to global human rights and labour practices. Quest Ventures upholds the highest standards of accountability, transparency, and ethical conduct through its governance framework.

Quest Ventures has engaged with a select number of its portfolio companies to establish a baseline understanding of current practices and intentions to integrate ESG policies. This approach allows the firm to align its strategy and build capacity and knowledge exchange on sustainability. This report includes a showcase of startups that are at the forefront of innovation and impact, addressing critical environmental and social issues. Their successes not only reflect their commitment to sustainability but also demonstrate the potential for positive impact through responsible entrepreneurship.

2. COMPANY INTRODUCTION

- Overview
- Corporate Purpose Statement
- Breakdown of the Portfolio
- Importance of ESG in Venture Capital
- Responsible Investment: Policy and Principles



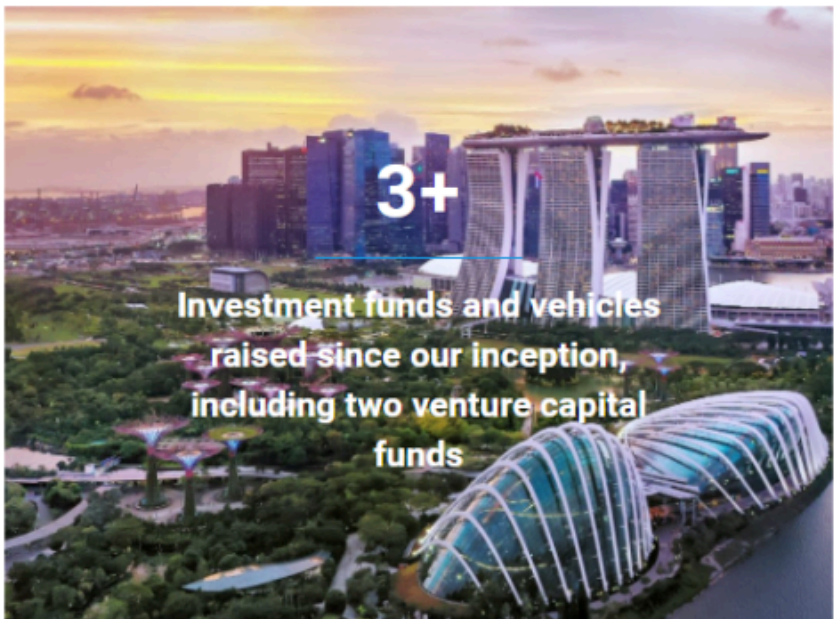
QUEST VENTURES



USD 80+ Million
Assets under management as of 31 December 2022



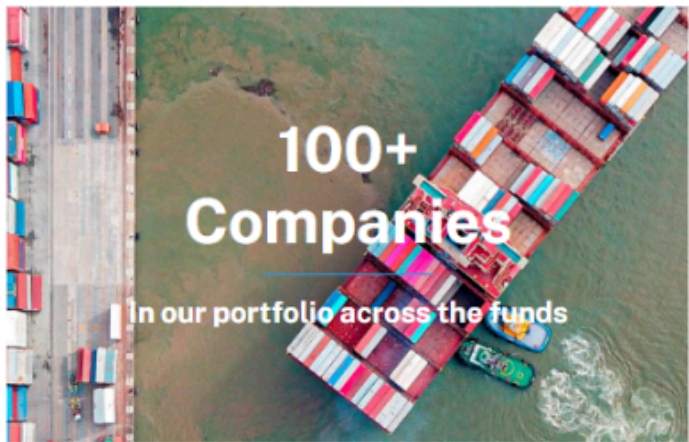
23%+
Cumulative gross IRR generated since 2011 by Quest Ventures' Super Angel Fund compared to just 11.7% achieved by the S&P 500 index over the same period



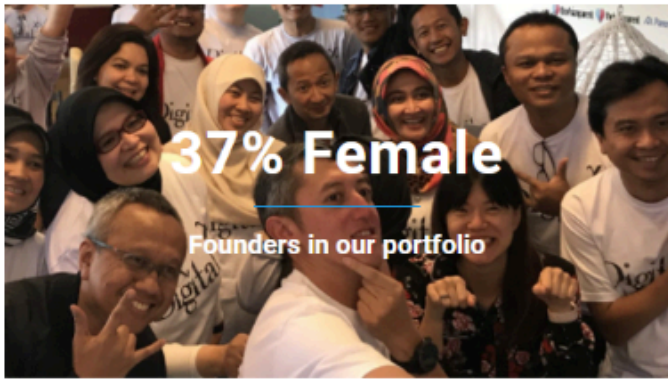
3+
Investment funds and vehicles raised since our inception, including two venture capital funds



Top 10
Most active investors in Southeast Asia and Central Asia



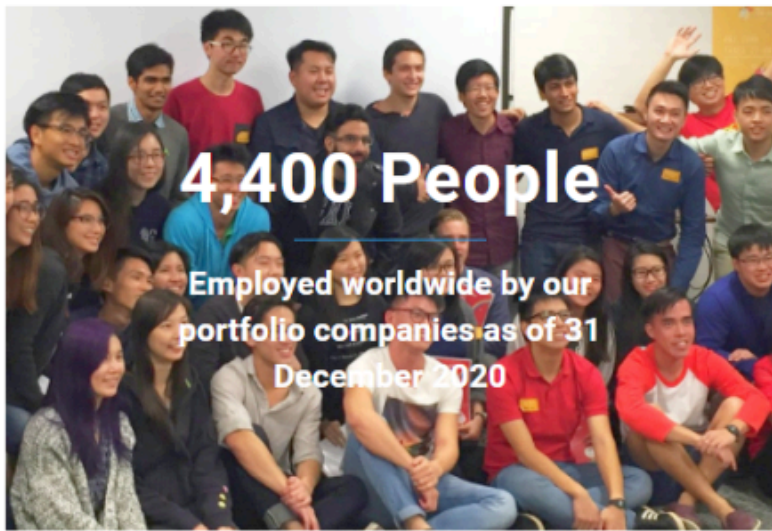
100+ Companies
In our portfolio across the funds



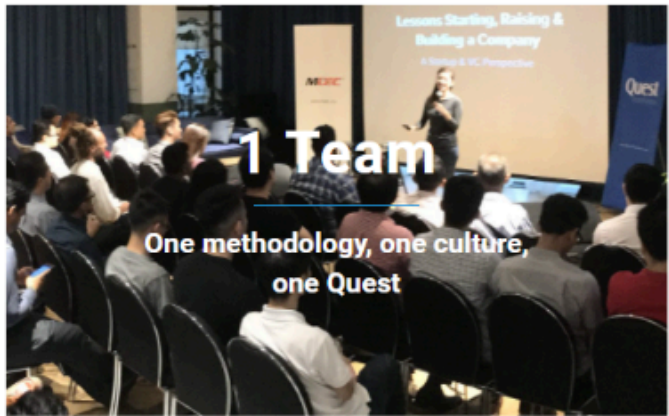
37% Female
Founders in our portfolio



150 Cities
Across Asia where our portfolio companies operate



4,400 People
Employed worldwide by our portfolio companies as of 31 December 2020



1 Team
One methodology, one culture, one Quest



Past performance is not indicative of future results. For illustrative purposes only. There is no assurance that similar investments will be made. Please refer to the general disclaimer.

CORPORATE PURPOSE STATEMENT



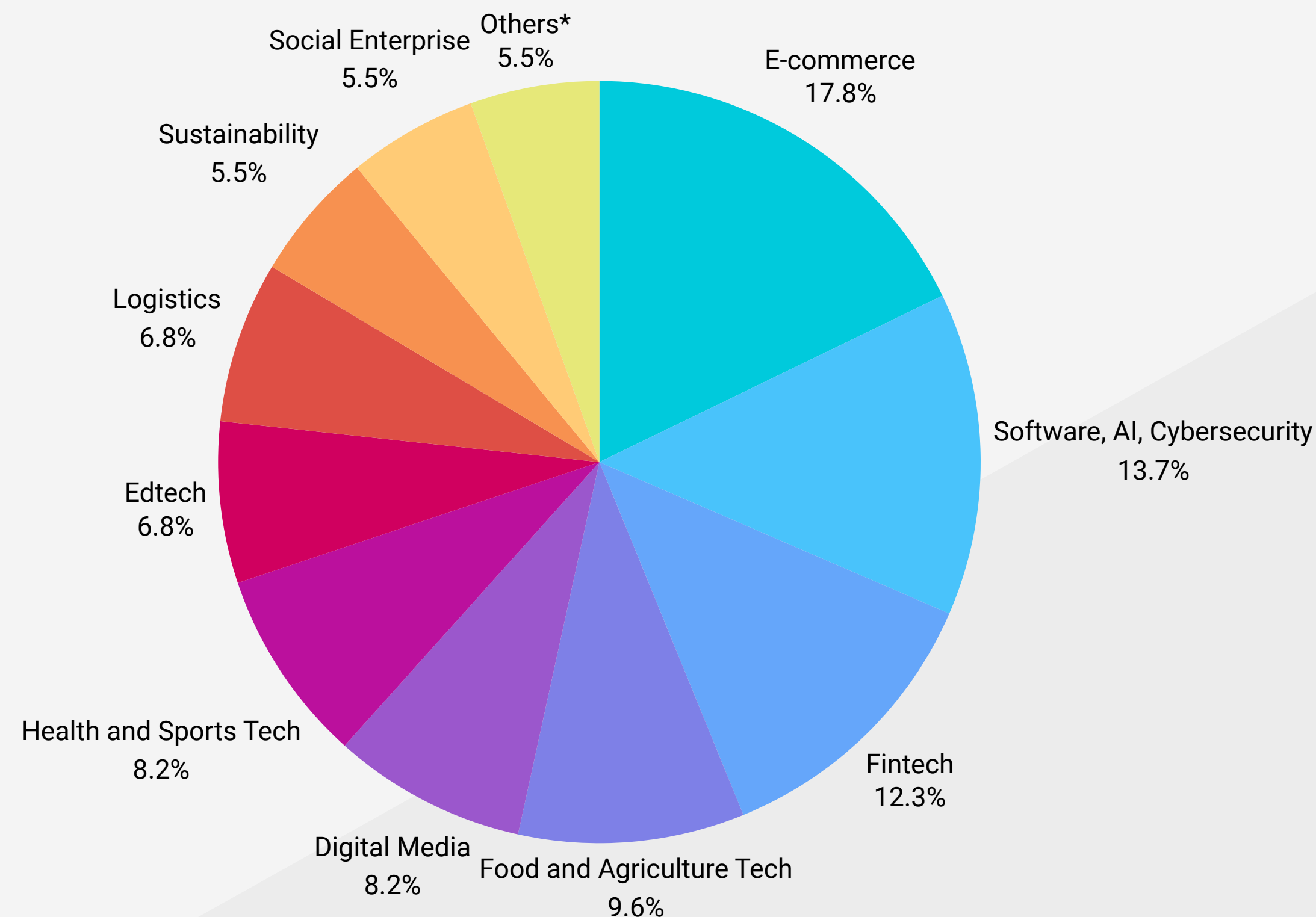
Quest Ventures is committed to driving positive change and fostering sustainable development across Asia. The firm's multi-dimensional ESG strategy pioneers a new standard in venture firms, emphasising support for various social good initiatives. From promoting financial inclusion and gender equality to advancing healthcare and education for all, Quest Ventures strives to create a more equitable society.

The firm's impact acceleration initiatives encompass advocacy, strategic investments, and partnerships with leading organisations, amplifying the reach and effectiveness of its efforts. By collaborating closely with its venture portfolio and offering world-class benefits to its partners, Quest Ventures catalyses meaningful progress towards shared goals.

Quest Ventures firmly believes that responsible investment goes beyond financial returns, encompassing broader objectives such as environmental sustainability and social responsibility. Through selective participation in global initiatives and proactive measures to address challenges like greenhouse gas emissions, the firm aims to contribute to a more resilient and prosperous future.

Recognising the invaluable contributions of non-profit organisations and charities, Quest Ventures actively supports their endeavours to address pressing social issues. Whether through sponsorship, pro bono board directorships, or in-kind assistance, the firm stands alongside these organisations in their missions to create a better world for all. Quest Ventures' focus areas include empowering youth, supporting the elderly, and fostering entrepreneurship, reflecting its commitment to driving positive change across generations and communities.

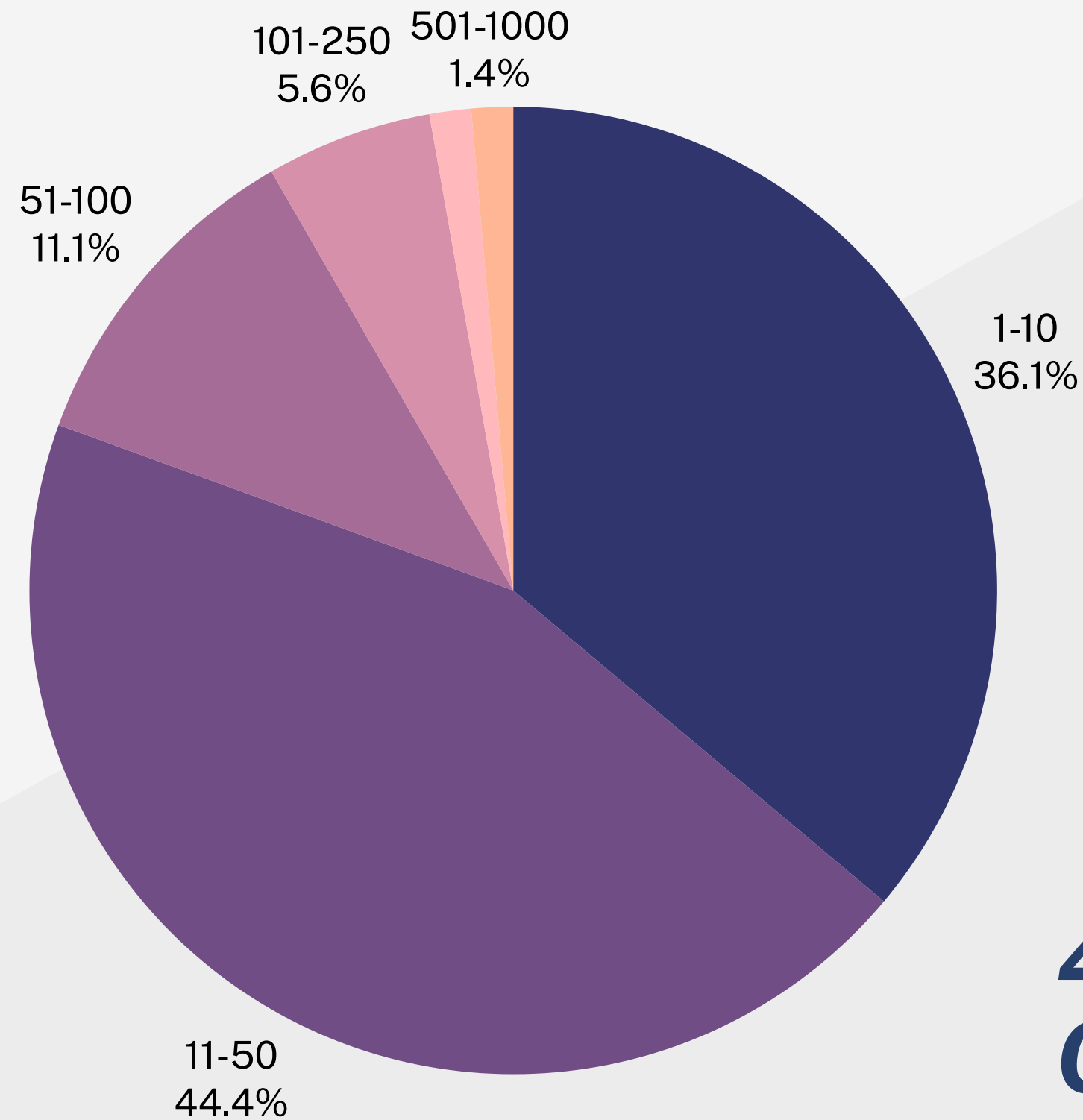
DIVERSIFIED PORTFOLIO



Quest Ventures manages a diverse portfolio of more than 100 companies across various funds. Its portfolio companies operate in over 150 cities across Asia, and its investments have been instrumental in creating more than 4,400 jobs. The firm's strategic investments cover a broad range of industries, with a high concentration of companies operating in E-commerce, Software/AI, and FinTech. Quest Ventures' investment strategy emphasises backing early-stage companies, often providing the first significant investment to help them disrupt their respective industries.

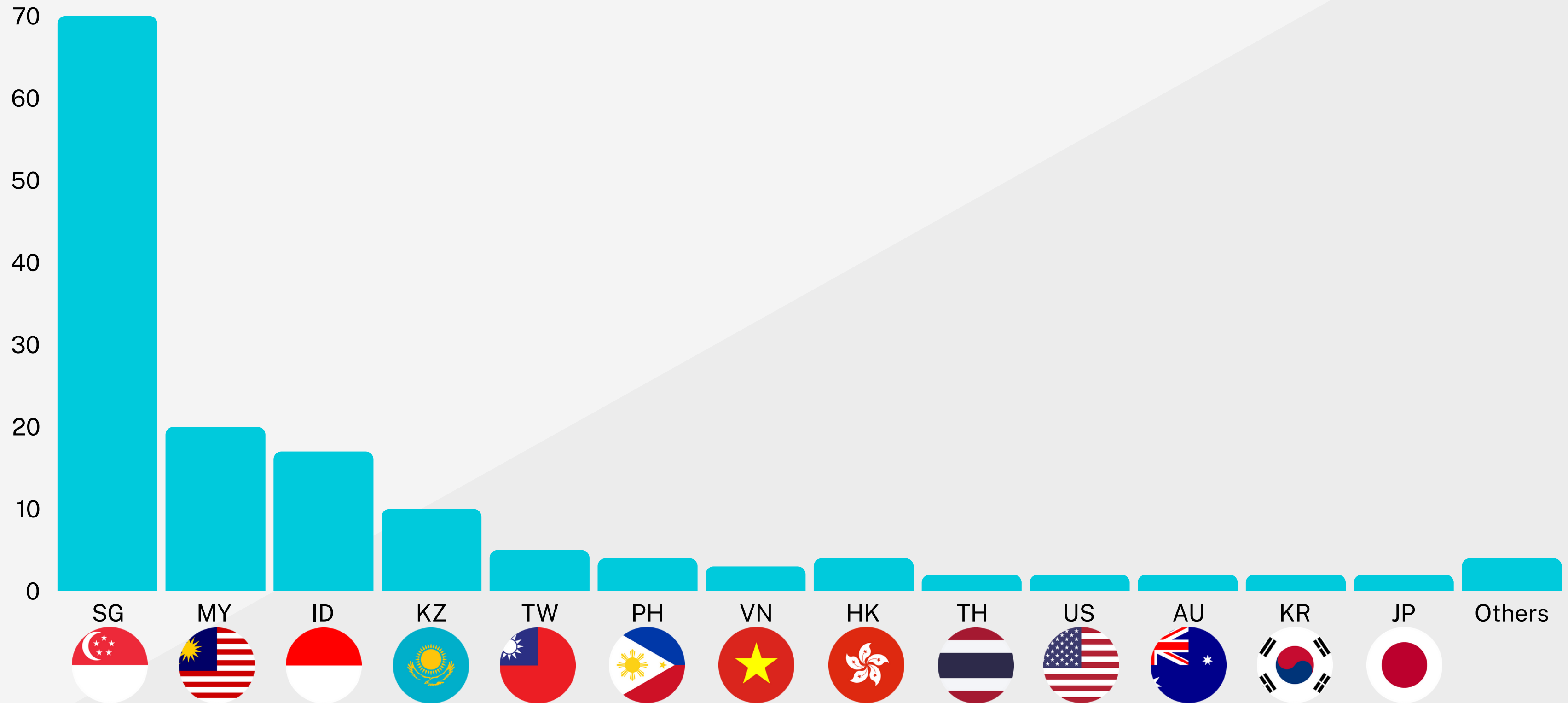
**Others: Property Tech, Travel Tech, Human Resource Management Systems, Fashion, etc*

EMPLOYMENT AT OUR PORTFOLIO COMPANIES

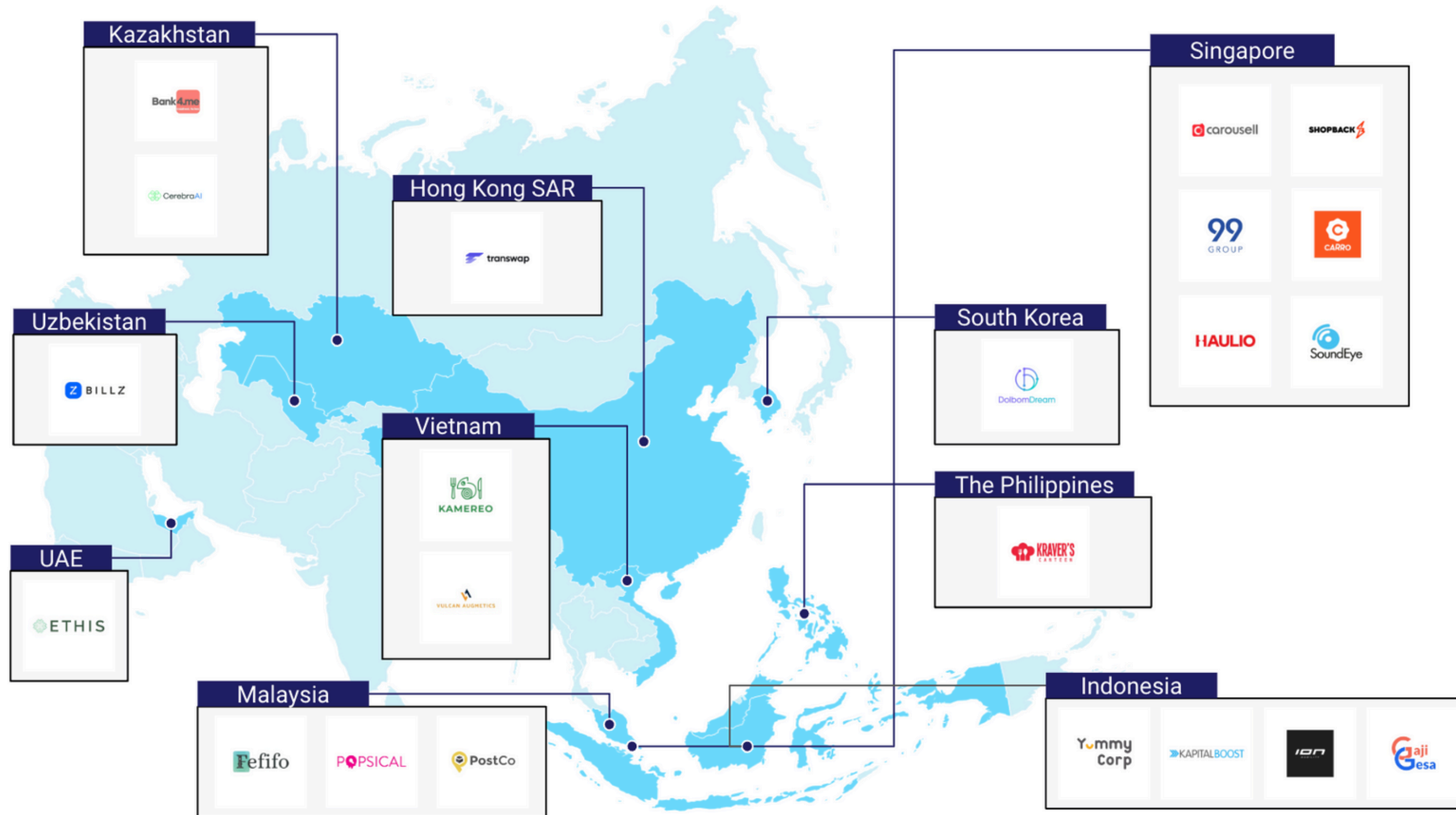


***4,400+ JOBS
CREATED***

INVESTING ACROSS ASIA



INVESTING ACROSS ASIA



IMPORTANCE OF ESG IN VENTURE CAPITAL

As an investor in early-stage startups, Quest Ventures has an opportunity to integrate ESG policies and practices as portfolio companies begin to shape their businesses. This allows for sustainable business practices to become part of the foundation of positive values, leadership culture, and a mission-driven approach for the startup companies. From the startup industry, technology companies will emerge that scale to have global reach and impact across their value chain, from building their products to widespread use by customers and society at large. Providing capital with a responsible investment approach can significantly contribute to sustainability, solving pressing challenges, and improving lives through innovation and technology. By building a portfolio with ESG factors, a sustainability-themed investing strategy is implemented.

Asia's potential is ultimately realised in its people. By the end of 2023, Quest Ventures' portfolio of over 100 venture-backed companies operated in more than 150 cities across Asia, creating employment and advancement opportunities for more than 4,400 employees, while their Enterprise and ESG efforts directly impacted thousands more.



RESPONSIBLE INVESTMENT: POLICY AND PRINCIPLES

As signatory to the Principles of Responsible Investment (PRI) supported by the United Nations, Quest Ventures commit to the following where consistent with our fiduciary responsibilities:

01

Incorporate ESG issues into investment analysis and decision-making processes.

02

Be active owners and incorporate ESG issues into ownership policies and practices.

03

Seek appropriate disclosure on ESG issues by the entities in which the firm invests.

04

Promote acceptance and implementation of the Principles within the investment industry.

05

Work together to enhance the firm's effectiveness in implementing the Principles.

06

Report on activities and progress towards implementing the Principles.

In addition to the PRI Principles, Quest Ventures adopts a pragmatist philosophy to Responsible Investment, integrating ESG factors into investment decisions and ownership with the objective of providing better risk-adjusted returns, particularly over the long term. Moreover, the firm upholds the Ten Principles of the UN Global Compact and supports the principles of the Carbon Pricing Leadership Coalition.

3. ENVIRONMENTAL IMPACT & STEWARDSHIP

- Environmental Policies
- Current Practices & Goals
- Portfolio Companies Engagement



ENVIRONMENTAL POLICIES

Quest Ventures integrates investment criteria, improving operational policies, and engaging portfolio companies to adopt sustainability practices. Recognising the increasing importance of ESG considerations in venture capital investments, Quest Ventures develops its capacity to enhance and advocate integration, including training, education, and collaboration with ESG experts and networks.

SUSTAINABILITY

Portfolio companies address the needs of the present without compromising opportunities for future generations.

SCALABILITY

Quest Ventures invests in platforms, systems, and networks where there is significant opportunity to scale the impact.

REPLICABILITY

Quest Ventures focuses on businesses solving global problems with localised solutions.



CURRENT PRACTICES & GOALS

By adhering to the UN Global Compact and UN Principles for Responsible Investment, Quest Ventures incorporates exclusion and ESG criteria into its decision-making process. The firm will not invest in companies deemed to be in breach of the Principles on human rights, labor, environment, and corruption. It ensures that investments across its portfolio remain responsible and consistent with these Principles, and continues to support entrepreneurs in adopting best practices for ESG integration. Quest Ventures is dedicated to continuous improvement in its environmental practices, regularly reviewing and updating policies to reflect emerging best practices, technological advancements, and evolving stakeholder expectations.

CLIMATE PLEDGE TO CARBON NEUTRALITY

- Sustainable Investments
- Operational Excellence
- Portfolio Engagement

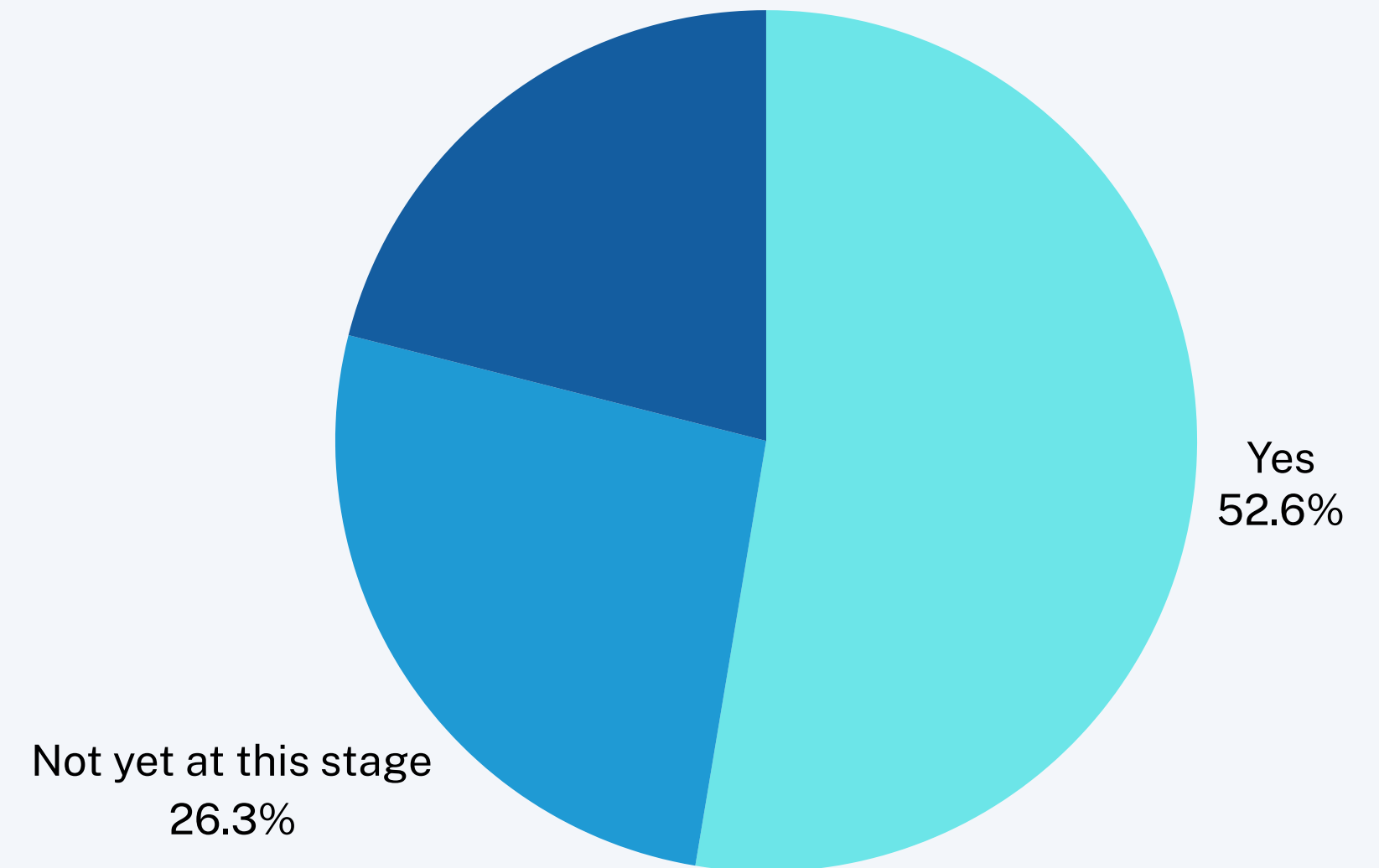
Exclusion List

- Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements
- Cross-border trade in waste and waste products, unless compliant to the Basel Convention and the underlying regulations
- Destruction of High Conservation Value areas
- Forced Labour or Child Labour
- Pornography or Prostitution-related activities
- Production or trade of illegal drugs or narcotics
- Unsustainable agriculture practices, farming and fishing methods
- The development, production or trade of Weapons

PORTFOLIO ENGAGEMENT

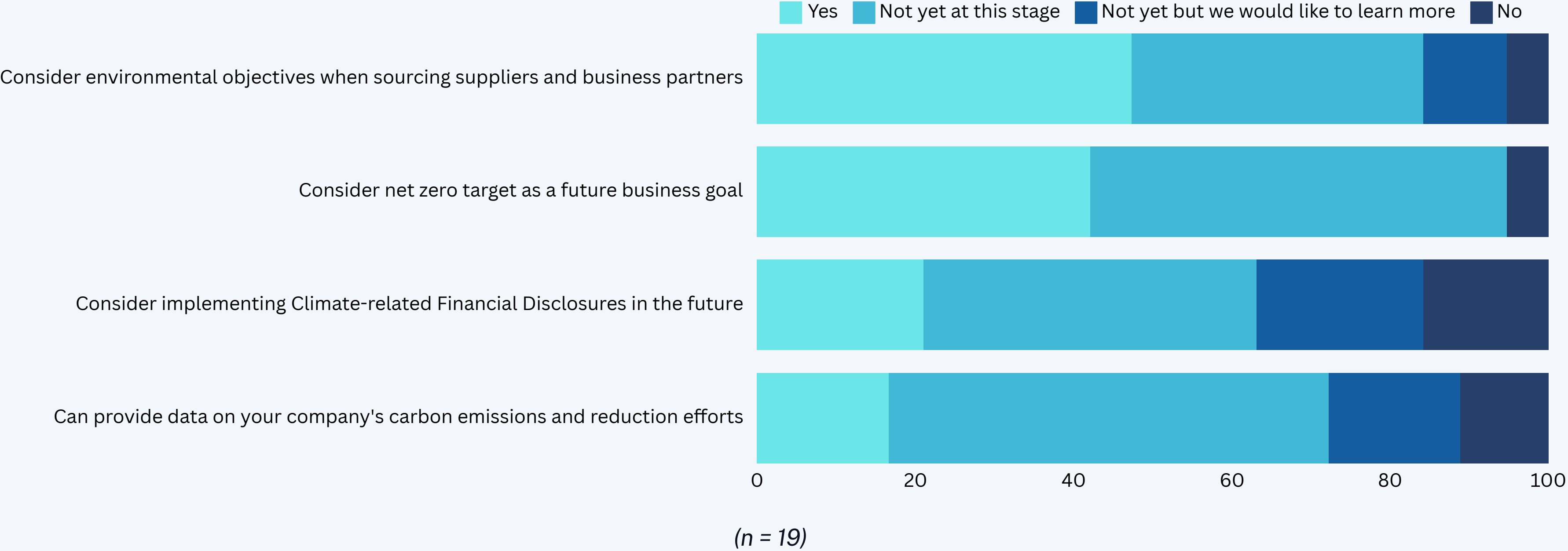
The majority of Quest Ventures' portfolio companies surveyed for the report do take into consideration environmental implications of their business operations to a certain extent or have expressed interest to learn more about it. However, the degree to which each implements environmental responsibilities varies from company to company. While the actions taken are generally limited to date due to the lack of resources as the nature of early stage startups, there are signs of efforts to enact environmental factors in their operations.

Not yet but we would like to learn more
21.1%



*Has your company considered any environmental implications
(positive or negative) of business operations at this stage?
(n = 19)*

PORTFOLIO ENGAGEMENT



4. SOCIAL RESPONSIBILITY & IMPACT

- Social responsibility policy and practices
- Diversity, Equity, and Inclusion (DEI) initiatives
- Community engagement and Partnerships
- Portfolio companies engagement



SOCIAL RESPONSIBILITY POLICY AND PRACTICES

HUMAN RIGHTS AND LABOR PRACTICES

- **Respect for Human Rights:** Ensure that all portfolio companies adhere to international human rights standards, such as the UN Guiding Principles on Business and Human Rights.
- **Fair Labor Practices:** Promote fair labor practices, including fair wages, reasonable working hours, and the right to collective bargaining.
- **No Forced or Child Labor:** Prohibit the use of forced labor, child labor, and any other forms of modern slavery in the operations of portfolio companies.

HEALTH AND SAFETY

- **Safe Working Conditions:** Ensure that all portfolio companies provide safe and healthy working conditions for their employees, adhering to relevant health and safety regulations and standards.
- **Employee Well-being:** Promote employee well-being through wellness programs, mental health support, and work-life balance initiatives.

DIVERSITY, EQUITY, AND INCLUSION (DEI) INITIATIVES



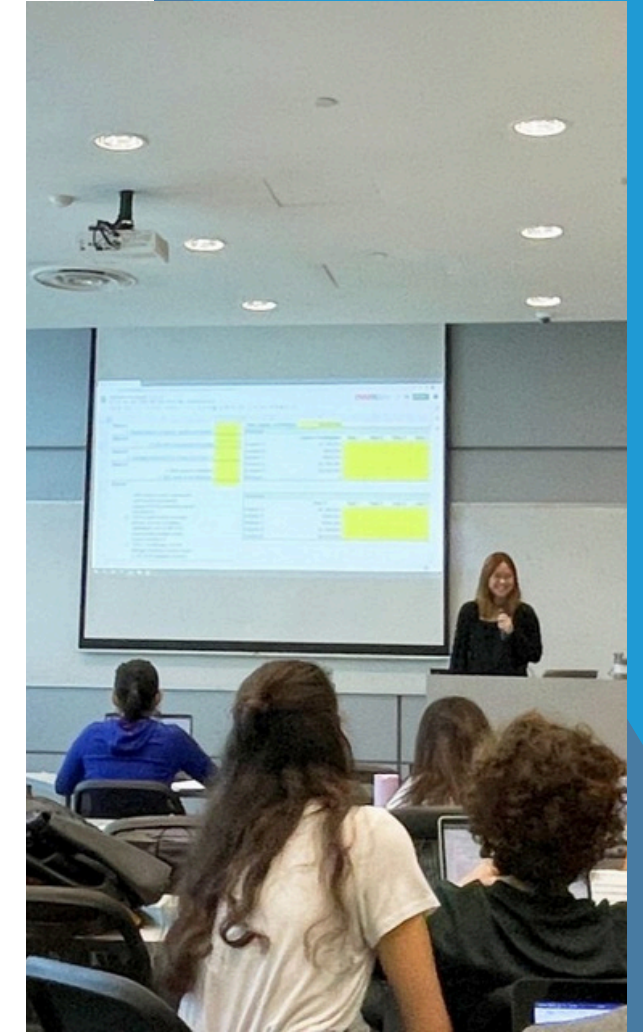
INCLUSIVE WORKPLACE

Foster inclusive workplace by promoting diversity in terms of gender, race, ethnicity, age, disability, and sexual orientation.



EQUAL OPPORTUNITY

Ensure equal opportunity in hiring, promotion, and compensation practices across all portfolio companies.



DEI TRAINING

Provide diversity, equity, and inclusion training for employees and portfolio companies.

COMMUNITY ENGAGEMENT & PARTNERSHIPS



LOCAL COMMUNITY SUPPORT

Encourage employees and portfolio companies to engage with and support local communities through initiatives such as job creation, local sourcing, and community development projects.



PHILANTHROPY AND VOLUNTEERING

Promote corporate philanthropy and employee volunteering programs to support social causes and community initiatives.

SOCIAL IMPACT ACCELERATOR

Quest Ventures, in partnership with the Singapore Centre for Social Enterprise (raiSE), launched the Social Impact Accelerator which aimed to support budding impactful startups by providing financial and non-financial support to help them improve their competencies and gain access to regional and global markets. Through the acceleration program, startups companies have collectively pitched to over 200 investors, corporates, government organisations, and other stakeholders across Asia. Some companies have also successfully raised their next funding round within a few months and gained footholds in markets such as Australia, Malaysia, Indonesia, and Vietnam.



SOCIAL IMPACT CATALYST

Quest Ventures supports the Social Impact Catalyst, a non-profit organisation, across Southeast Asia. The firm believes in the value of developing the skills and mindsets of Asia's youth. Through practical projects and experiences, youths are empowered to use their talent and skills for the community. The young men and women are ready to be catalysts for positive change in the future.



AWARDS & ACHIEVEMENTS



Finalist, Social Enterprise
Champion
President's Challenge



HR Awards for
Diversity & Inclusion
*Singapore Human Resources
Institute*



Champion Of Good
*National Volunteer and
Philanthropy Centre*

PORTFOLIO ENGAGEMENT

Quest portfolio companies have made significant progress with their social responsibility efforts, implementing internal practices and policies that reflect their commitment to social responsibility and fostering an inclusive workplace.

INTERNAL PRACTICES

Benchmarking with industry remuneration, implementing flexible working hours and hybrid remote work arrangement.

Complying with the Singapore's Ministry of Manpower employment requirements and pro-hiring of seniors.

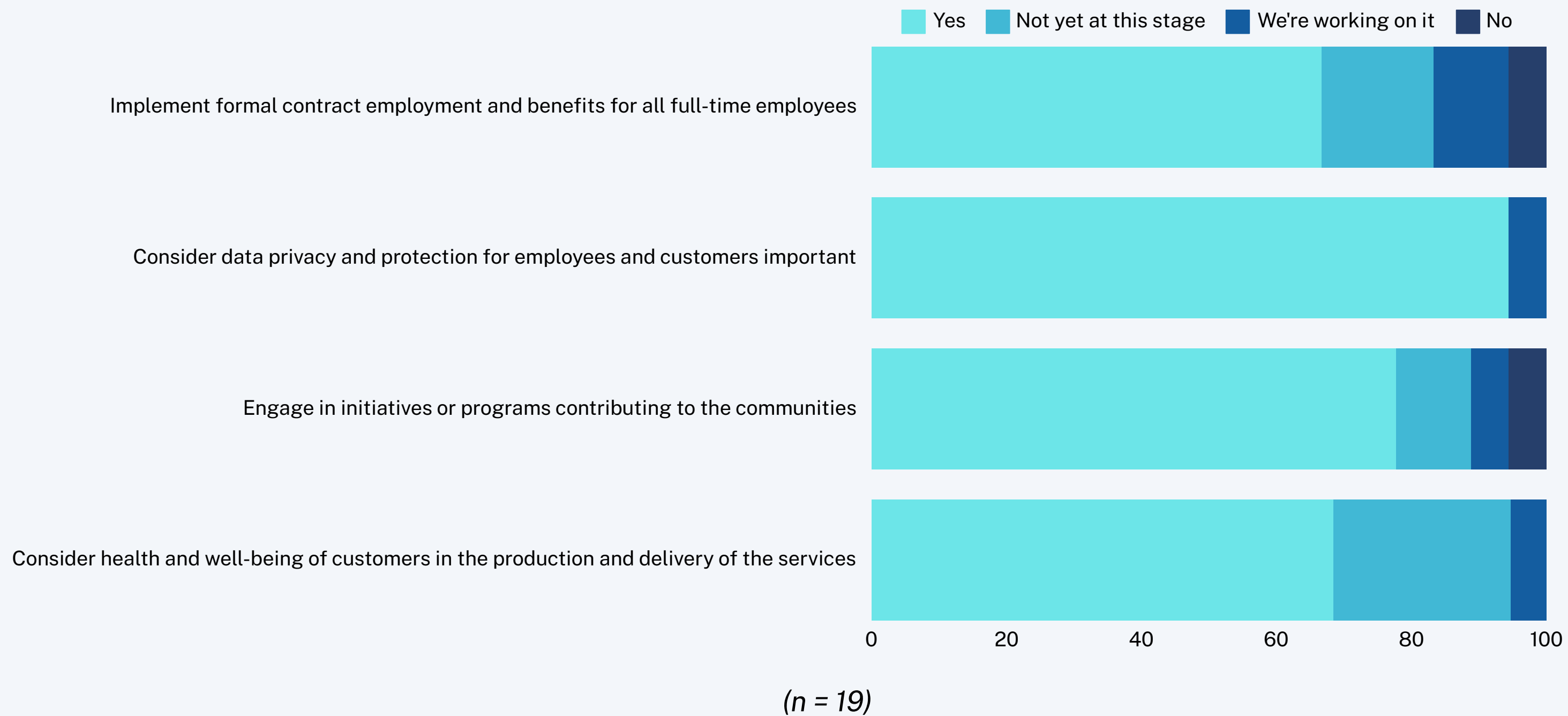
Introducing permanent hybrid work arrangements, bizSafe best practices and well-being program.

Having company policies and HR guidelines in place to ensure fair wages, benefits to employees in accordance with the law.

Conducting an annual employee satisfaction survey to gather feedback, and making adjustments based on the input received.

Implementing a hiring process that promotes diversity and inclusion.

PORTFOLIO ENGAGEMENT



PORTFOLIO ENGAGEMENT

Quest portfolio companies are also engaged in initiatives or programs contributing to the communities they operate in.

The survey results recorded evident commitment to integrating social responsibility as a part of their core values.

COMMUNITY INITIATIVES

Donating usable devices to the B40 community regularly.

Donating food when natural disasters hit within the local region.

Working with beneficiaries and NGOs, hosting groups for educational activities.

Tree planting, building capacity and capability for non-profits.

5. GOVERNANCE PRINCIPLES AND PRACTICES

- Good Governance at Quest Ventures
- Portfolio Engagement



GOOD GOVERNANCE AT QUEST VENTURES

Quest Ventures believes that strong governance is the foundation of sustainable success. Its governance principles and practices are designed to promote accountability, transparency, and ethical behaviour across all levels of the organisation. Quest Ventures is committed to upholding the highest standards of governance to ensure that its operations align with its values and the interests of its stakeholders.





CURRENT PRACTICES

At Quest Ventures, the Compliance Manual serves as the cornerstone of its governance practices, outlining the ethical standards and expectations for all employees. It provides clear guidelines for decision-making and behavior, ensuring that all actions align with the company's core values. Some of its key components include the Code of Ethics and Professional Conduct, Confidentiality, Data Privacy and Protection, Prohibited Market Conduct and Insider Trading, Anti-Bribery and Corruption, Anti-Money Laundering and Countering the Financing of Terrorism, Whistleblower Policy, and Complaints Handling.

By adhering to these guidelines, Quest Ventures ensures that all employees operate within a robust governance framework that promotes ethical behavior, compliance with laws and regulations, and a culture of integrity and accountability.

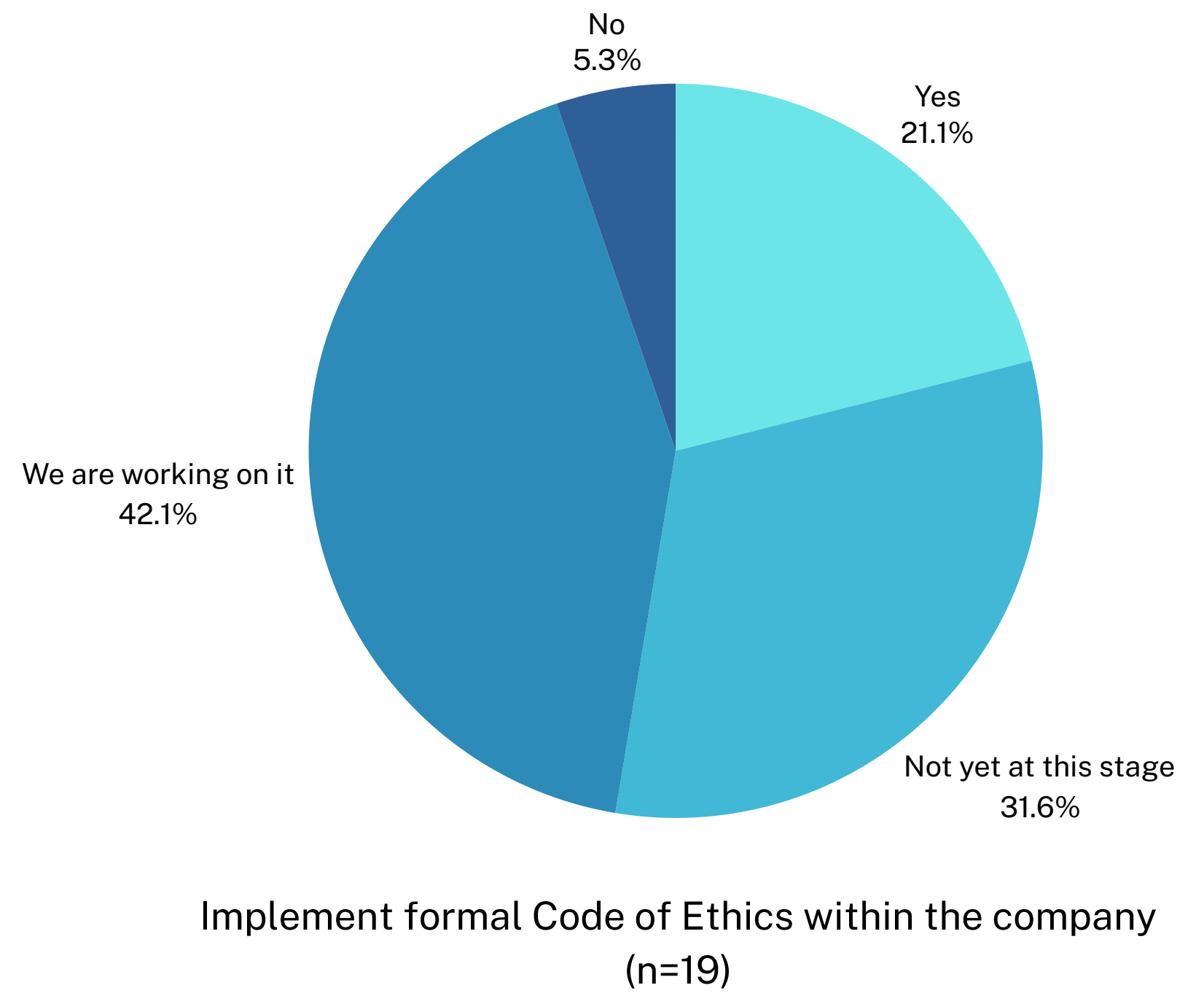
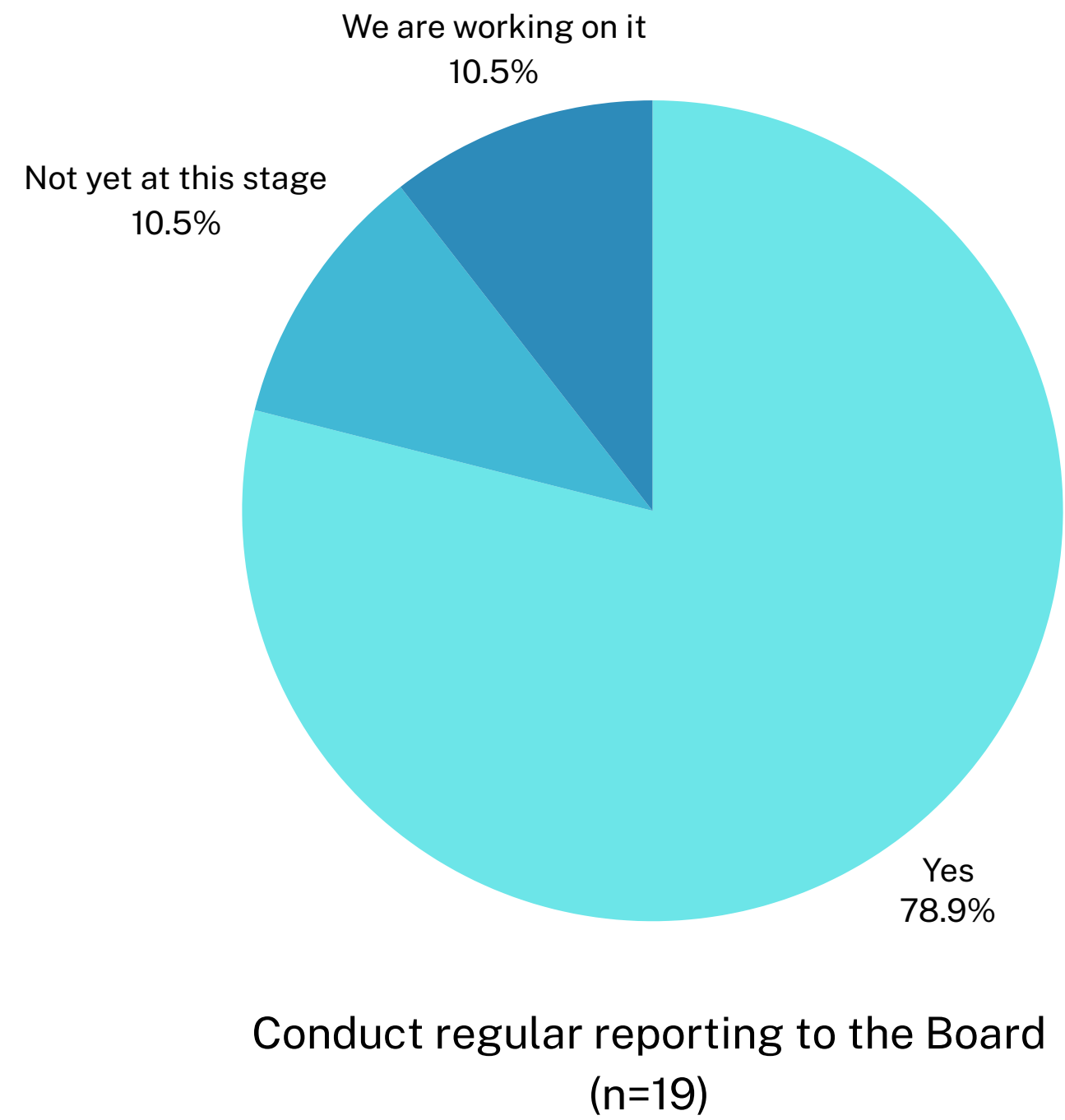


PORTFOLIO ENGAGEMENT

Almost 90% of the respondents from the Quest portfolio conduct regular reporting to their Boards, highlighting their commitment to maintaining transparency and strong governance practices. However, the integration of specific ESG-related commitments into these reports remains limited at this stage of startup development. Most companies have yet to incorporate commitments related to sustainable development, human rights, or climate change into their regular reporting frameworks. While there is awareness of these critical issues, the formalisation and systematic integration into business practices are still evolving.

This ongoing effort reflects the dynamic nature of ESG practices within the portfolio, underscoring both the progress made and the potential for further development. As these companies continue to mature, greater integration of sustainable development, human rights, and climate-related commitments is anticipated, reinforcing their dedication to long-term sustainability and ethical business practices.

PORTFOLIO ENGAGEMENT



6. *STARTUPS SHOWCASE*





Quest Portfolio as Champions of the UN Sustainable Development Goals

2 ZERO HUNGER



Fefifo

KRAVER'S CANTEEN

Yummy Corp

glife

KAMEREO

8 DECENT WORK AND ECONOMIC GROWTH



MADCash

proage

Gaji Gesa

Social Collider .CO

MET Pay 新通支付

Fundigo

3 GOOD HEALTH AND WELL-BEING



BODYNETIC

CerebraAI

DolbomDream

ZumVet

VULCAN AUGMETICS

TETSUYU

SoundEye

SG Assist

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



POVEN

moovaz

HAULIO

TICTAG

VireServe

SMART GAS

LOAD2GO

4 QUALITY EDUCATION



openacademy

Gurulnovatif

hatch

SMARTEST PREP

ACKTEC RETHINK LEARNING

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



HOMA

ION MOBILITY

STYLE THEORY

carousell

配客嘉 PackAge+

treatsure

ERTH



Industry

Secondhand E-commerce

Description

Carousell is the leading multi-category, multi-brand platform for secondhand e-commerce in Greater Southeast Asia. Their online marketplace simplifies the process of buying and selling preloved items.

Country

Singapore

SDG Contributions



Carousell published their own **Circular Economy Impact Report** in 2023.



Carousell's users avoided **116,577 tonnes** of carbon emissions in 2022, the equivalent to **5.3 million** trees absorbing CO2 per year.



Industry

Sustainability

Description

ERTH is a provider of e-waste recycling services. They collect and recycle electronic waste from households and businesses through freelance gig economy workers, providing clients with convenient, fast, and good value for recyclable electronics.

Country

Malaysia

SDG Contributions



Through ERTH's e-waste recycling initiatives, **1,500,000 kg** of e-waste was successfully diverted away from landfills and the informal sector.





Industry

Sustainability

Description

PackAge+ creates sustainable packaging from recycled plastic bottles and glass, enabling businesses to ship products with lower CO2 emissions. This waterproof packaging can be reused over 50 times, saving at least 1.25kg of CO2 per use.

Country

Taiwan

SDG Contributions



“We track every step in the manufacturing process of recyclable packaging. We actively develop relevant software products and collaborate with related institutions to ensure that the reduced carbon emissions comply with the 14067 standards.”





Industry

Sustainability, Automotives

Description

Ion Mobility designs, engineers and manufactures next-generation smart electric motorcycles and charging and energy storage solutions. Their vision is to lead the region's transition towards a low-carbon economy across Southeast Asia.

Country

Singapore

SDG Contributions



Ion Mobility's flagship **ION M1-S electric motorbike** features:

- 150 km range
- 4.3 kWh capacity
- Charge up to 100% in 3.5 hours
- Top speed of 105 km/h
- 26 liters of under the seat storage



Industry

Fintech

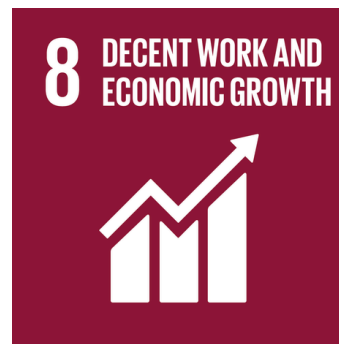
Description

Gajigesa is a financial wellness application intended to improve the financial security of employees. The application encourages employees to participate in economic activities which enable them to become financially independent.

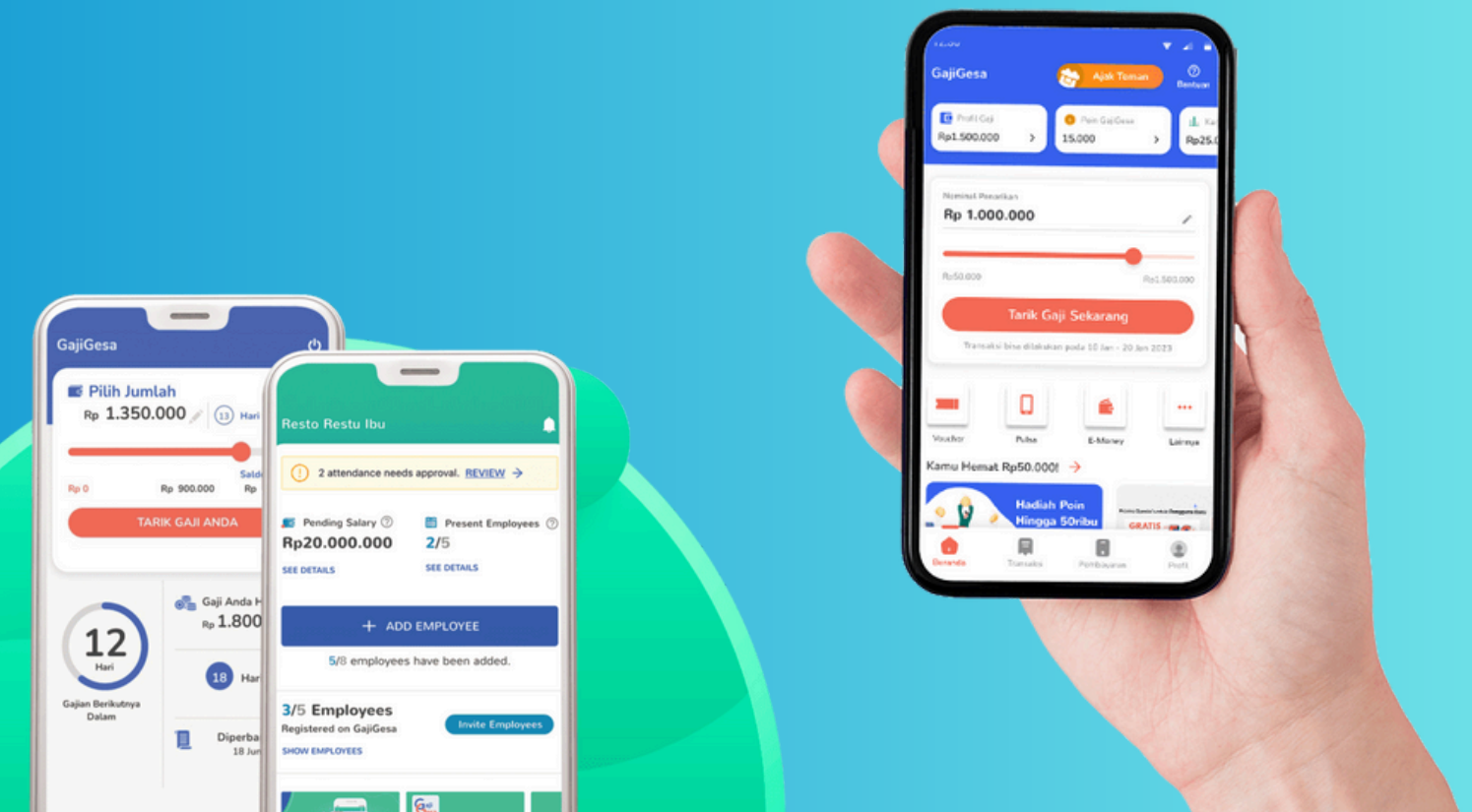
Country

Indonesia

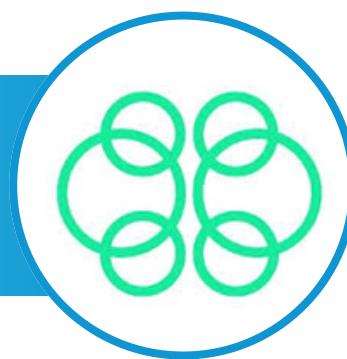
SDG Contributions



GajiGesa's **Earned Wage Access (EWA)** allows employees to access funds during emergencies, providing them with peace of mind and increased financial security.



Cerebra AI



Industry

Health Tech

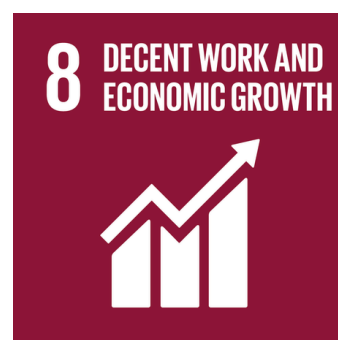
Description

Cerebra AI is an early stroke detection software. The company uses generative AI to detect acute ischemic stroke within 5 minutes using non-contrast CT, enabling hospitals to quickly diagnose and treat stroke patients in the critical time window.

Country

Kazakhstan

SDG Contributions



CerebraAI Heatmap uses Generative AI to quickly analyze Non-contrast CT (NCCT) cases, identifying areas and potential abnormalities within brain tissues.



Dolbom Dream



Industry

Health Tech

Description

Dolbom Dream is the manufacturer of a smart vest intended for people with developmental disabilities. The vest utilises deep touch pressure therapy to help them alleviate stress and anxiety through artificial intelligence-controlled air pressure.

Country

South Korea

SDG Contributions



Ergonomically designed with Deep Touch Pressure effect, the smart vest provides psychological comfort through the feeling of being hugged by automatically inflating air when the wearer feels anxious or in a stressful situation.



Industry

Health Tech

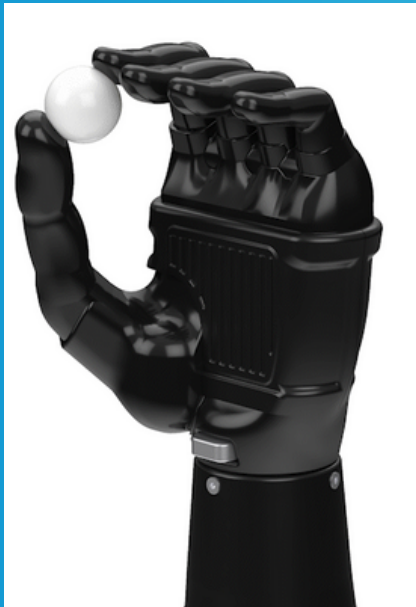
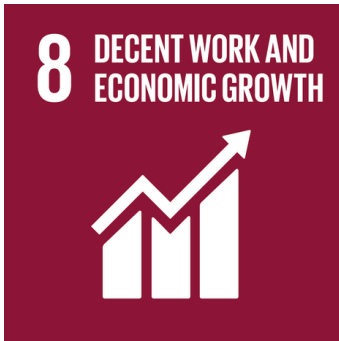
Description

Vulcan Augmetics delivers AI-powered and affordable prosthetics solutions for emerging markets. They developed the world’s first multi-grip myoelectric hand for amputees.

Country

Vietnam

SDG Contributions



The **Vulcan Myoelectric Multi-Grip Hand** offers 3 adjustable thumb positions, 06 practical grip options, and 360-degree wrist rotation. With its intuitive control through EMG technology, the Vulcan hand adapts to the user’s unique muscle signals in just 1 minute.

Vulcan Augmetics actively takes action to reduce their carbon emissions by lowering the number of clinic visits per user, which cuts carbon through travel costs.



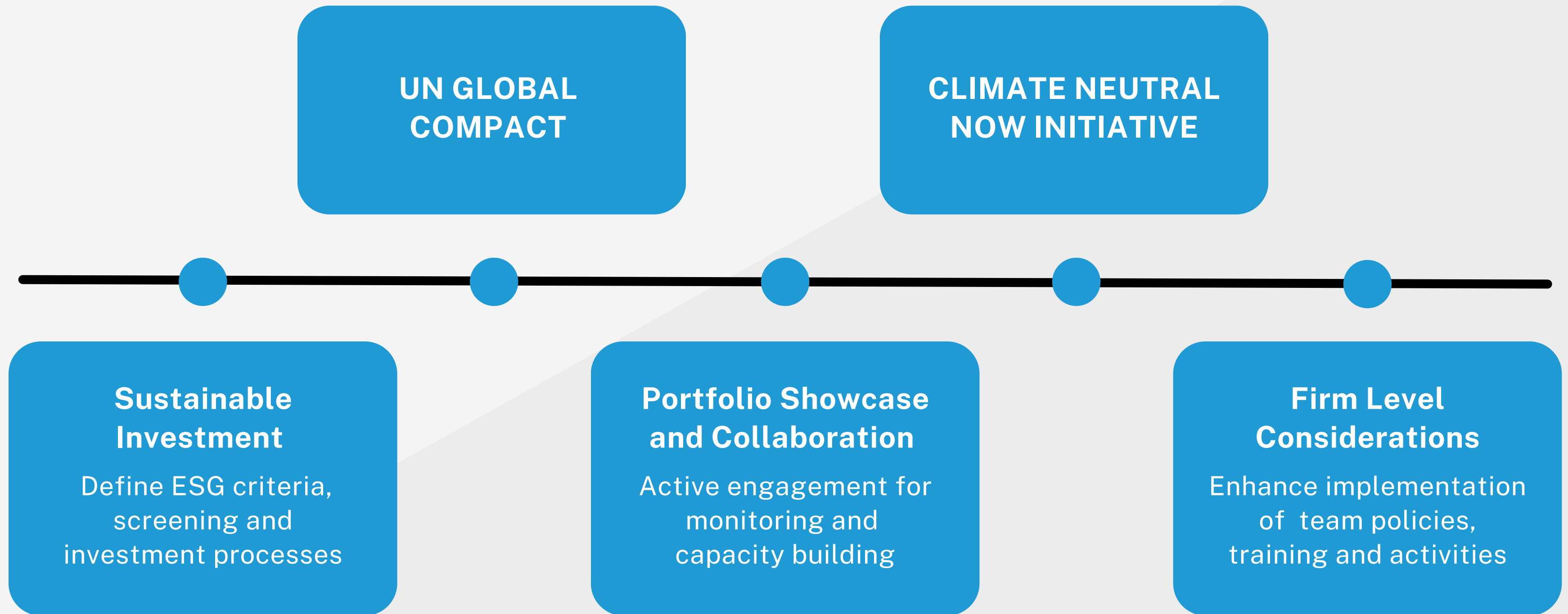


7. JOURNEY FORWARD

Future commitments and initiatives



COMMITMENTS AND ESG INITIATIVES



EMPOWERING STARTUPS, INVESTORS AND INNOVATORS IN THEIR QUEST FOR IMPACT

Looking ahead, Quest Ventures is committed to further advancing its ESG initiatives and taking steps forward to reach its sustainability goals. The firm will continue to collaborate with leading organisations and experts to leverage their knowledge and best practices. Quest Ventures will advocate for responsible investment and aspire to be leaders and partners for the investment community to follow. The firm strives to create value and positive change for its investors, entrepreneurs, and the broader startup community. Together, Quest Ventures aims to build a more sustainable and equitable future.



ESG Investment
Approach in screening
and management



Knowledge and training
programs to strengthen
capacity of team and
portfolio companies



Employee and Portfolio
Engagement in
monitoring progress and
practices



Communication on
Progress and ESG-related
disclosures in line with
the United Nations
Global Compact

Let's get started

esg@questventures.com

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