



TalentCorp
GROUP OF COMPANIES



ILHAM KESUMA

Insentif Latihan Amali KESUMA

“Berstruktur, Berbayar & Berkualiti”

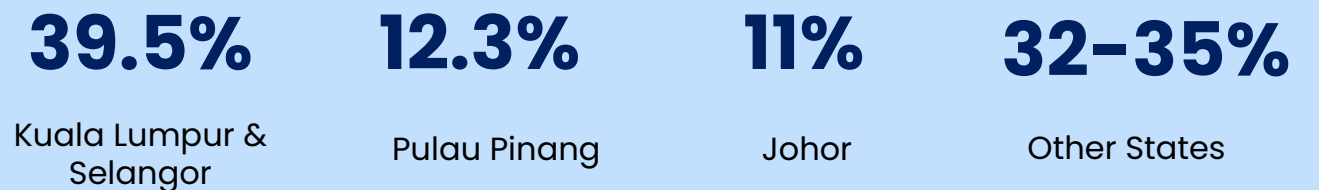
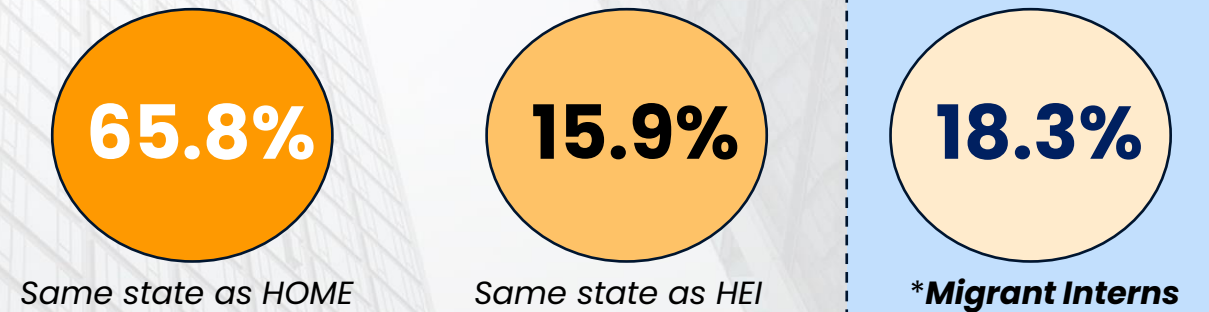
KESUMA's Initiatives for Young Talent Development

Internship: The Scenario

Opportunities: Hotspot vs. Non-Hotspot



Choices of Internship Location



*Declining trend of migrant trainers is due to cost of living & placement opportunities

Over **277,000 students** from higher learning institutions (IPTA/S/ILK) require industrial training annually, making up 2% of the national labor force.

The demand for internship placements across **SKMI-3, DKM, DLKM, Diploma, and Bachelor's** programs continues to grow year on year.

The absence of legal safeguards around safety, welfare, and allowance payments encourages the exploitation of interns as "**cheap labor**".

The debate on internships allowance continue to gain significant traction on social media.



Initiative(s)



Benefit(s)



Target Group



To encourage a meaningful structured and paid internship experience for students to create pool of talent that are relevant to industries.

- **Double tax deduction** for monthly allowance paid (unlimited) and up to RM5k/student/year on;
- Coverage includes training, and other logistic cost , data plan for digital & communication

- SSM registered company
- MNC, GLC, SME & Start-Ups



To encourage SMEs & Start-up to offer paid and structured internship to Malaysia's Young Talents

- **RM2K advanced Grant (for internship min 4 months) starting 1st March onwards**
- **Pay & Claim Matching grant; 50% of allowances paid capped to RM1700 monthly allowance**
- Allocation of RM10 million for 2026

SME & Start-Ups

Dasar Latihan Amali 1:3

Proposed a ratio of **one (1) to three (3)** internship placements for every approved Employment Pass (EP)

- **Implementation with the support of the MySIP double tax initiative**

ESD's registered & approved company



Development of **National Internship Policy/ Guidelines/ Playbook**

- **Supported with MySIP , LiKES, ITS**
- **Leveraging talent, industry, institutions**

- Public/Private Institute of Higher Learning & Technical Education
- Employer/Industry
- Industrial Training Interns



ITS

Industrial Training Scheme

Scheme specially designed by HRDCorp to provide financial assistance to industrial trainees through levying employer contributions

- **Can claim up to 50% of levy balance on full amount of allowance paid to intern.**
- Personal Protection Equipment (only 1 set)
- Insurance Coverage (if any)

- Employer /Industry
- Industrial Training Interns

Dasar Latihan Amali 1:3 – Aspiration & Objectives

TalentCorp's Action on the 1:3 Policy [Feb 2021 – Jun 2024]



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1 A Win-Win-Win Collaboration

The 1:3 progressive policy is not a restriction but an opportunity, a strategic collaboration between industries, government, and young talent to build a future-ready workforce.

2 A Balanced & Forward-Thinking Approach

Reflects a balanced and strategic approach that ensures businesses continue to have access to the expatriate talent they require, while simultaneously investing in the development of local talent.

3 Implementation Support through National Structured Internship Programme (MySIP) Incentives

Companies with approved expatriate (EP) passes can benefit from double tax deduction incentives under MySIP

4 No Impact on Existing EP Holders and Seamless Transition

The implementation of Dasar Latihan Amali 1:3 will not affect the expatriate (EP) approval process.

The full implementation of the policy applies prospectively, taking effect from **1st June 2026** onwards, and will not impact existing EP holders within companies



Chronology of the 1:3 Internship Policy

TalentCorp's Action on the 1:3 Policy [Feb 2021 – Jun 2024]

Decision from the Council of Ministries, 5 June 2024

The Cabinet Meeting **agreed**:

Initial Decision
(Feb 2021)

1:3 Policy Recommendations

MyNext as the National Industrial Training Platform

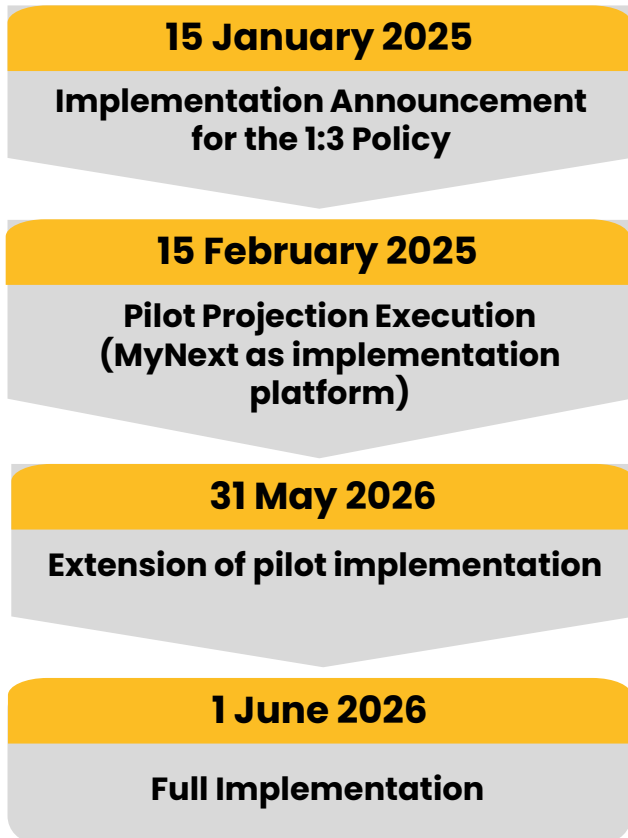
Empowerment of Industry Collaboration

- 1** With a progressive policy it is to **oblige** the approval of expatriate employment passes through the setting of industrial training placement ratios for the development of young local talents who are studying in public and private higher education institutions as well as technical and vocational education and training (TVET) skills institutes;
- 2** Thus, employers/companies **provide a quota of three (3) industrial training placements** to be filled by the local young talent for each approved employment pass (EP). However, adjusting the ratio setting can also be considered for companies starting with one (1) or two (2) industrial training placements, subject to the number/total workforce of the organization; and
- 3** **Exceptions** to this policy will be given to companies/organisations that meet the following conditions:
 - New companies operating in Malaysia for **less than two (2) years**;
 - Companies with **Representative Office/Regional Office (RERO)**;
 - **Companies that are given tax exemption by the Government** for the critical sectors such as digital and energy (not subject to); and
 - Other request for exemptions that are subject to consideration by the relevant Committee, including taking into account the feedback received during the pilot implementation of this policy.

PROGRESSIVE 1:3 POLICY

Progressive Commitment to Development of Industry Ready Local Young Talent

IMPLEMENTATION TIMELINE



By Default

- The (floor*) ratio according to the proposed expatriate level:
 - **EP I – 1:3**
 - **EP II – 1:2**
 - **EP III – 1:1**

APPEAL

- Industrial training placement of 2% from the total workforce.

*Subject to approval

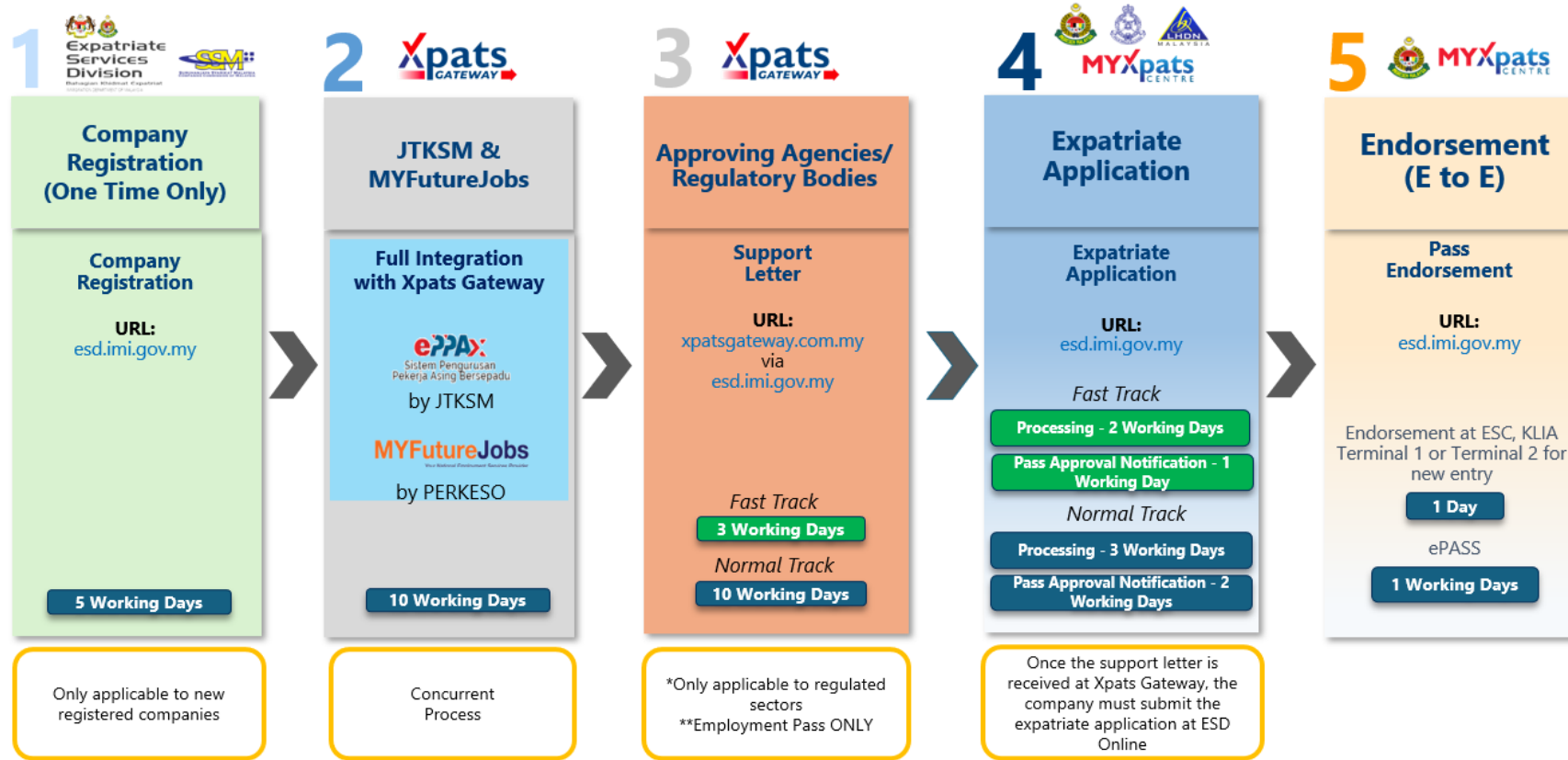


Value Creation:

- **250,000 – 280,000** – Estimated number of students needs to undergo industrial training (certificate, diploma, degree, masters) in a year
- **More than 140,000 Industrial Training placement will be able to offer** if the implementation of the Progressive Policy is carried out according to the recommended ratio of 1:3 (EPI), 1:2 (EPII) dan 1:1 (EPIII)

1:3 INTERNSHIP POLICY [RATIO of ONE to THREE]

Implementation Process Flow



Post-Approval Process

1:3 Implementation



- Data migration – Approved ESD Companies
- Ratio formulation
- Mynext Pre-Registration

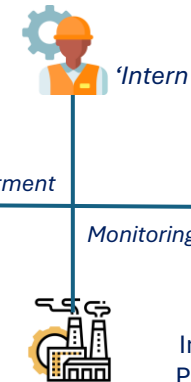
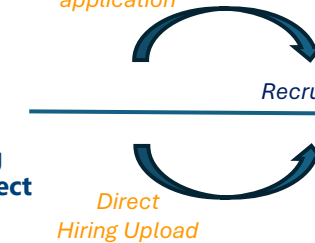


- Companies onboarding
- Account activation
- Internship framework



- Internship Ads
- MySIP Facilitation labelling for incentives (Ads and Direct Hiring)
- Talent Supply matching

Accept/Reject Ads application



Internship Placement

Employment Status



Incentive Endorsement



LOE for double tax deduction



& Key Messaging & Value Proposition

Current MySIP Gazette :
P.U (A) 188 for Year 2022-
Year 2025

New gazette extension
2025-2030

Previous MySIP Gazette :
P.U. (A) 398 for Year 2017-
Year 2022

1



PAID, STRUCTURED & QUALITY
INTERNSHIP for TALENT

2



DOUBLE TAX DEDUCTION incentive for
participating MySIP EMPLOYERS

3



Ensuring **INDUSTRY-READY, FUTURE-READY** graduate/ TVET talent output for the
workforce to drive the economy

4



Strengthen **INDUSTRY-ACADEMIA**
COLLABORATION and linkages

Company Eligibility

- ✓ Minimum of 10 weeks period of internship
- ✓ Pays a minimum of **RM600.00 monthly allowance** or more to Master's degree, bachelor's degree or equivalent such as Diploma Lanjutan Kemahiran Malaysia (DLKM) or professional certificate students
- ✓ Pays a minimum of **RM500.00 monthly allowance** or more to diploma or equivalent such as Diploma Kemahiran Malaysia (DKM) or Certificate or equivalent such as SKM Level 1 to SKM Level 3 students
- ✓ Business entities in all economics sectors that are registered either with SSM, relevant business registration bodies or local authorities (Sabah & Sarawak) and statutory bodies (for professional service providers)
- ✓ Register and apply for MySIP approval and complete the endorsement process with TalentCorp

Student Eligibility

- ✓ Malaysian Citizen
- ✓ Pursuing full time studies at local university or TVET Institutions or university abroad
- ✓ Undergo internship in Malaysia
- ✓ Sign up and complete mynext Talent assessment and apply for internship at mynext or get internship offer from MySIP company
- ✓ Complete the internship by the completion of the eligible study programme

MySIP: National Structured Internship Programme

Overview



- A collaborative effort **between TalentCorp Ministry of Human Resources (MOHR) & Ministry of Higher Education (MOHE)** to encourage a meaningful structured internship experience relevant to industries.
- Industries are eligible for **double tax deduction** for all related expenses incurred on the interns.
- MySIP play a pivotal role in encouraging industry-relevant internship experience which leads to employment.
- Building relevant experience to ease school-to-work transition for graduate

Benefits

	<ul style="list-style-type: none">• Gain professional experience and work skills• Career path exploration• Competitive advantage in the job market
Students/ Graduates	
	<ul style="list-style-type: none">• Industry ready talent• Access to potential talent for organization• Develop and nurture talent for organisation
Industries	
	<ul style="list-style-type: none">• Build and foster stronger ties with industries• Increase employability rate• To explore potential collaboration
Institutions	

Double Tax Deduction

	1. Claim for Monthly Allowances The expenditure for the internship monthly allowances (no limit/restrictions)
	2. Claim for Training a. The expenditure incurred for the provision of training for the students and including;
	2. Claim for Other Relevant Costs b. The expenditure on the meal, travelling and accommodation including cash allowance on Digital and Communication (Up to RM5,000 per student /year)
Incentives for Participating Industries/ Companies	

MySIP: Double Deduction Tax Incentives - Expenses incurred on certain activities can be set off twice against taxable profits.

SAMPLE TAX CALCULATION:

Assuming AinaTech! hired 50 interns, paid RM1,000 allowance per month and internship period is 12 month in a year. The company also invested on training, which includes the logistics cost of meal, accommodation & travelling and pays monthly cash allowance in internet bills (digital & communication)

Description	Per Intern	Total expenses
Internship allowances		
Total monthly allowances (RM1,000 x 50 interns x 12 months)		
TOTAL Per Intern	RM12,000	RM600,000
Training and other expenses		
Training (RM2,400 x 50 interns)	RM2,400	RM120,000
Logistics (RM250 per month x 50 interns x 12 months)	RM3,000	RM150,000
Cash allowances on internet (RM50 per months x 50 interns x 12 months)	RM600	RM30,000
TOTAL per Intern	RM6,000	RM300,000
Grand TOTAL Expenses on Internship Programme	RM18,000	RM900,000

MySIP: Double Deduction Tax Incentives - Expenses incurred on certain activities can be set off twice against taxable profits.



SAMPLE MySIP TAX SAVINGS CALCULATION:

Descriptions	Non-MySIP Company	MySIP Company	Double Tax Deduction Savings	Remarks
Gross Income	7,950,000.00	7,950,000.00		
Less : Expenses				
Direct & Indirect Expenses	-2,050,000.00	-2,050,000.00		
Internship Allowances	-600,000.00	-600,000.00	<i>The first deduction</i>	
Internship Other Expenses	-300,000.00	-300,000.00		
Nett Profit	5,000,000.00	5,000,000.00		
Less : Double Tax Deduction Incentive (MySIP)			<i>The second deduction</i>	
Internship Allowances	0.00	-600,000.00	144,000.00	No restriction
Internship Other Expenses	0.00	-250,000.00	60,000.00	Limit up to RM5,000 per inter/per year (RM5k x 50)
Adjusted Income	5,000,000.00	4,150,000.00		
Tax payable (assume 24%)	1,200,000.00	996,000.00	204,000.00	Tax Savings RM4,080 per intern

1 Intern-to-Work Conversion

Final Year/Final Semester

First Employment Conversion

MySIP > **32.85%**

LIKES > **31.54%**

2 Industry-Readiness

Satisfaction on the internship preparing for the job market (From scale of 1 to 10)

MySIP > **8/10**
LIKES > **8/10**

3 Range Amount of Internship Allowance

RM1,000 – RM1,500 **MySIP** > **60%**
35%

RM500 – RM999 **LIKES** > **22%**
77%

4 Ideal Internship Duration

Up To 6 Months

MySIP > **67.04%**

LIKES > **63.42%**

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100k happy users

75% of interns found their perfect match



FREE: Self-Discovery Empowerment Tools

Personality & Motivation THE BIG FIVE (OCEAN)



Openness
Conscientiousness
Extraversion
Agreeableness
Neuroticism

Work Interests RIASEC (Holland's Code)



Realistic
Investigative
Artistic
Social
Enterprising
Conventional

English Proficiency Test Level 1 - 5



Grammar
• 20 MCQs
Comprehension
• 20 MCQs

Work Values Donald Super



Mastery
Quality of Life
Fellowship
Creating Value

Future of Work Mckinsey



Cognitive
Interpersonal
Self-Leadership
Digital

Employability EntreComp Framework



Ideas &
Opportunities
Resources
Into Action




MARKETPLACE:
Learning Management System [LMS]

Fulfillment Activity

<p>surfactor Asia Pacific Sdn Bhd Internship Production & Maintenance</p> <p>RM 500/mth Pasir Gudang, Malaysia</p> <p>View details</p>	<p>NGC Energy Sdn Bhd Internship Engineering (Plant Facilities & Metal Management)</p> <p>RM 1,000/mth Damansara, Malaysia</p> <p>View details</p>	<p>Kimberly-Clark Regional Services (M) Sdn Bhd Social Media Internship</p> <p>RM 999/mth Petaling Jaya, Malaysia</p> <p>View details</p>
<p>Good Foodie Media Sdn. Bhd. Finance Intern</p> <p>RM 600/mth Georgetown, Malaysia</p> <p>View details</p>	<p>surfactor Asia Pacific Sdn Bhd Human Resource & Admin</p> <p>RM 500/mth Pasir Gudang, Malaysia</p> <p>View details</p>	<p>GrowthOps (APD Digital Services Sdn Bhd) Creative Designer Intern</p> <p>RM 850/mth Kuala Lumpur, Malaysia</p> <p>View details</p>



MINISTRY OF HUMAN RESOURCES

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STRATEGIC . VISIONARY . LEADING
PREPARING THE WORKFORCE FOR THE FUTURE