



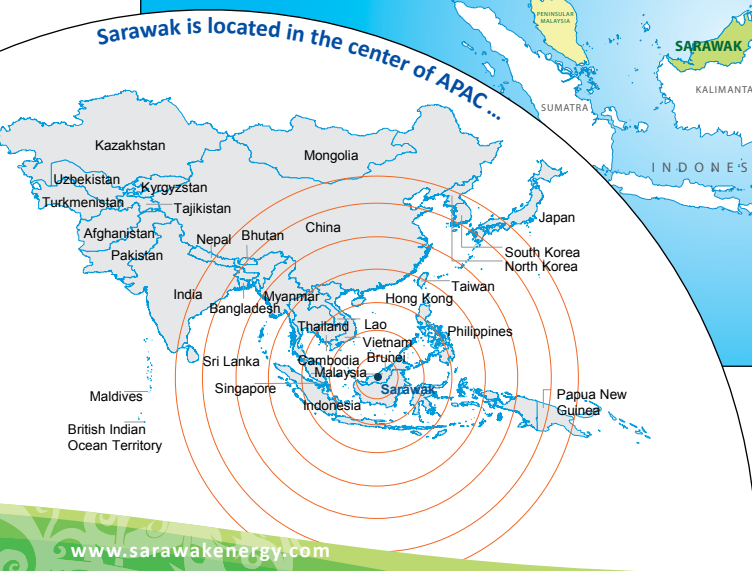
sarawak  energy

INVESTOR GUIDE

Power to Grow

Where is Sarawak?

Sarawak, Malaysia's largest State, is located on the northwest coast of Borneo, just a few degrees from the equator, between West Kalimantan (Indonesia), Brunei and Sabah.



About Sarawak

Part 1: About Sarawak



Sarawak: The Natural Home for Power Intensive Industries in ASEAN

- Location - perfectly positioned at the center of APAC, bordering South China Sea
- Connectivity - excellent air and sea connections
- Excellent industry infrastructure and sea port
- Lowest industrial and commercial electricity tariff in Malaysia and among lowest in South East Asia
- Competent and experienced power provider
- Long term Power Purchase Agreement of up to 20 years available. To date, 14 long term agreements signed, for a total of more than 3000 MW, to supply electricity for industry and export since 2012
- Sarawak expects to bring a further 25 terawatt hours (equivalent to approximately 3000 MW) of additional capacity (mainly from hydropower and natural gas) to market at a competitive price by the early 2020s



What is Sarawak?

Development-oriented and business-friendly State Government and an efficient and helpful civil service.

A vibrant meeting place of cultures, with 27 distinct ethnic groups speaking over 40 different languages and dialects, living in an atmosphere of ethnic and religious harmony with English used as the main language of commerce.

A rich reservoir of mega-biodiversity, with vast rainforests and mighty rivers that are home to iconic species such as orangutans, proboscis monkeys and hornbills.

A nature-lover's paradise, with the largest network of national parks, wildlife sanctuaries and other protected areas in the region.

A "country within a country" with its own unique way of life and a singular pride in being Sarawakian, reflected in the warm and sincere hospitality extended to visitors.

Most of all, it's a state that's going places - fast - which makes it a wonderful place to live, work, build and invest.



Aerial view of Samalaju Industrial Park.

Photo Credit: RECODA



**SARAWAK
SCORE**

CORRIDOR OF RENEWABLE ENERGY

What is SCORE?

SCORE is the Sarawak Corridor of Renewable Energy, a unique development initiative that aims to harness Sarawak's strategic advantage in the production of bulk sustainable energy at globally competitive prices to attract investments to the State.



sarawak energy

Who is Sarawak Energy?

Sarawak Energy Berhad is a vertically integrated electricity utility and a power development company, 100 per cent owned by the State Government of Sarawak.

Introduction to Sarawak

Sarawak is situated on the northwest coast of Borneo, bordering Indonesia (West, East and North Kalimantan), Brunei Darussalam and Sabah (Malaysia). Its land area of 124,450 km² is almost the size of England, making it Malaysia's largest state by far. Yet with only 2.6 million inhabitants it has the country's lowest population density - only 20.89 people per km².

Sarawak enjoys significant political autonomy, with its own democratically elected State Government, its own English language legal system, strong institutions and a professional and helpful civil service.

The English-speaking multi-racial population comprises 27 distinct ethnic groups speaking more than 40 different languages and dialects. They include indigenous communities collectively known as Dayak (50%) as well as Chinese (28%), Malays (20%), Indians and others (2%). (Source: Sarawak Convention Bureau, 2014)

Sarawak's infrastructure is modern and efficient in the urban areas and the road network is constantly expanding. The state is well served with airports (both international and regional) and sea ports accepting all types and sizes of vessels.



Investing in SCORE

Investing in SCORE

1 THE DRIVING FORCE

SCORE – the Sarawak Corridor of Renewable Energy – is the largest and most ambitious of Malaysia’s five regional development corridors, covering an area of more than 70,000 km² and stretching 320 km along the Sarawak coast from Tanjung Manis to Samalaju.

SCORE is managed and promoted by the Regional Corridor Development Authority (RECODA) and aims to drive economic growth by developing new industrial activities and expanding existing ones in areas where Sarawak has a comparative advantage.

SCORE leverages on Sarawak’s abundant natural resources and the huge land area available. Twenty thousand (20,000) MW of hydropower potential and 1.46 billion tons of coal reserves are expected to trigger accelerated industrialisation, driving economic growth.

Sarawak is located in the center of APAC ...








Source: Aluminium Demand Model; DCD Intelligence projections; OECD-FAO; Team analysis

Target Industries

Shortlisted industries


- 1 Aluminum smelting
- 2 Mechanical pulp
- 3 Poly-silicon
- 4 Zinc smelting
- 5 Chlor-alkali
- 6 Ferroalloys & manganese
- 7 Aquaculture farms
- 8 Carbon fiber
- 9 Data centers

I Heavy industries


-  Aluminum smelting
-  Poly-silicon
-  Zinc smelting
-  Ferroalloys & manganese
-  Carbon fiber

- Power Intensive
- Internationally tradeable
- Growing Demand



II High-tech

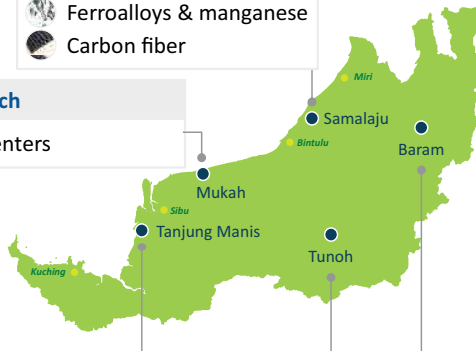
-  Data centers

III Halal hub

-  Agriculture farms, commercial agriculture, food processing, nutraceuticals, pharmaceuticals

IV Timber-based industries

-  Chlor-alkali
-  Mechanical pulp



2 THE SUCCESS STORY

Since its inception, SCORE has had a powerful impact on the Sarawak economy, especially in the Samalaju Industrial Park, where Sarawak Energy has signed 14 long term agreements for a total energy supply of more than 3,000 MW.

The resounding early success of SCORE has created an industrial infrastructure and ecosystem that is now ready to accommodate further, larger and downstream investors, with its integrated package of industrial land, educated workforce, financial incentives and affordable green energy.

3 IT & ELECTRONICS

While SCORE remains the driving force behind Sarawak's future growth, investment opportunities exist for the IT & Electronics sector at the **Sama Jaya Free Industrial Zone**, a duty-free Hi-Tech Park in Kuching's bustling Southern Corridor. Established in the early 1990s, Sama Jaya is home to a number of major domestic and international electronics manufacturers. Its principal attractions are import and export tax exemption, as well as exceptionally competitive energy tariffs – which are up to 50 per cent lower than the equivalent tariffs published in West Malaysia. It is conveniently situated within easy reach of Kuching International Airport and is also an easy commute for potential employees. Three nearby university campuses offer the potential for technology partnerships.

Major Companies in Sama Jaya FIZ

Name of Company	Products
Comtec Solar International (M) Sdn. Bhd.	Solar Wafer & Solar Ingot
Sunedison Kuching Sdn. Bhd.	Solar Wafer & Solar Ingot
Taiyo Yuden (Sarawak) Sdn. Bhd.	Multilayer Ceramic Chip Capacitor
HGST Malaysia Sdn. Bhd.	Glass & Aluminium Substrates for Hard Drives
Toko Electronic (Sarawak) Sdn. Bhd.	IF Transformers & Coil
X-Fab Sarawak Sdn. Bhd.	Semiconductor – Fabricated Wafer
OMG Electronic Chemicals (M) Sdn. Bhd.	Industrial Gases

4 LIGHT & MEDIUM INDUSTRIES

If your business doesn't fit SCORE's or Sama Jaya's product mix, there are plenty of other locations to choose from which may suit your needs. There are 4 main agencies developing industrial zones and estates throughout Sarawak: the Ministry of Industrial Development (MID), Sarawak Economic Development Corporation (SEDC), Sarawak Timber Industry Development Corporation (STIDC) and the Bintulu Development Authority (BDA).

Investment

Investment Incentives

Both Federal and State Governments offer a wide range of powerful incentives for investing and setting up businesses in Sarawak. These may vary according to the type of industry and proposed location.

1 FEDERAL GOVERNMENT INCENTIVES

The Federal Government offers tax incentives such as Pioneer Status, Investment Tax Allowance (ITA), Reinvestment Allowance (RA) and Import Duty Exemption.

Investors who site their projects at Sama Jaya Free Industrial Zone (Hi-Tech Park) in Sarawak can enjoy import and export tax exemption if at least 80% of their production is exported. Customised incentives are also offered for high impact and strategic projects. These incentives can be negotiated with the Malaysian Investment Development Authority (MIDA).

For more information on the various tax incentives offered, kindly visit MIDA's website at <http://www.mida.gov.my>

Types of Federal Government Incentives

Incentive	Description
Pioneer Status	70% tax exemption on statutory income for 5 years
Investment Tax Allowance	60% allowance on qualifying capital expenditure incurred within 5 years & can be utilised to offset against 70% of statutory income
Reinvestment Allowance	60% allowance on qualified capital expenditure & is free to offset against 70% of statutory income
Import Duty Exemption	Full import duty exemption on raw material and/or component and machinery and/or equipment which is not available in Sarawak.

2 SARAWAK STATE GOVERNMENT INCENTIVES

The Sarawak State Government offers:

- Competitive land premium for Industrial Land, ranging from RM2.50 to RM10.00 per square feet depending on location;
- Flexible terms of payment for industrial land and rebates (if completed within specified period)

3 UTILITY TARIFFS

Qualifying companies investing in Sarawak are entitled to competitive electricity and water tariffs as shown below:

Region	Water	Electricity
Kuching Region	RM1.06/1,000L >25,000L	Industrial Rate (I 2)*: 21.7 sen/unit Industrial Rate (I 3)* – SAMA JAYA: Peak: 22.9 sen/unit (8am to 10 pm) Off-peak: 13.9 sen/unit (10 pm to 8 am) * Subject to minimum charges NOTE: Sarawak's industrial tariff is one of the lowest in South East Asia Exchange rate as of 8 March 2016: 1 Hong Kong Dollar equals 0.53 Malaysian Ringgit, 1 Chinese Yuan equals 0.63 Malaysian Ringgit.
Bintulu Region	RM1.21/1,000L	
Miri Region	RM1.32/1,000L	

Competitive Advantages

1 MALAYSIA'S COMPETITIVE ADVANTAGES

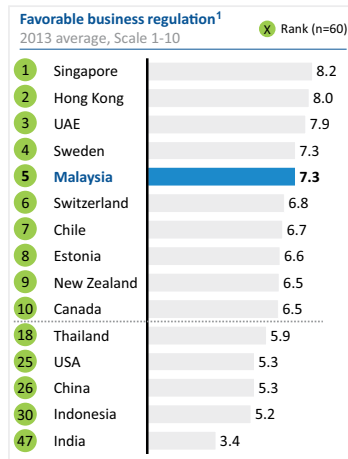
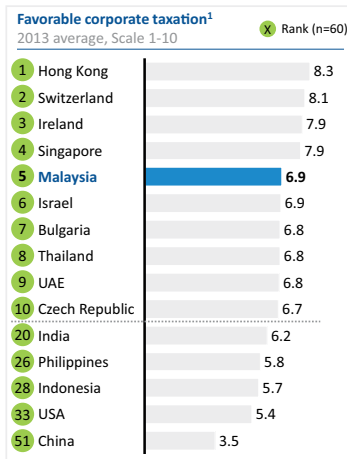
The advantages listed here are not exhaustive and are based on national level rankings. Many of the advantages listed for Sarawak (below) also apply to the country as a whole.

Malaysia is ranked **5th in the world** (out of 60 countries surveyed) for **favourable corporate taxation**. It is also the - highest-ranked middle income country. Malaysia is

ranked **5th in the world** (out of 60 countries surveyed) for **favourable business regulation**. It is also the highest-ranked middle income country. Malaysia is ranked **6th in the world** (out of 189 countries surveyed) for **ease of doing business**. It is also the highest-ranked middle-income country.

Malaysia is a **low-risk country financially**, politically and geographically.

Malaysia is internationally recognised for its pro-business policies according to the latest international benchmarks



Based on Executive Opinion Survey with 4,200 respondents across 60 countries

Source: IMD World Competitiveness Yearbook 2013

Malaysia Scores Well in World Bank – “Doing Business” 2016



DOING BUSINESS

Measuring Business Regulations



This page summarizes *Doing Business 2016* data for Malaysia. The first section presents the Ease of Doing Business rank (out of 189 economies) and the distance to frontier (DTF)** measure, overall and by topic. The second section summarizes the key indicators for each topic benchmarked against regional averages.

ECONOMY OVERVIEW

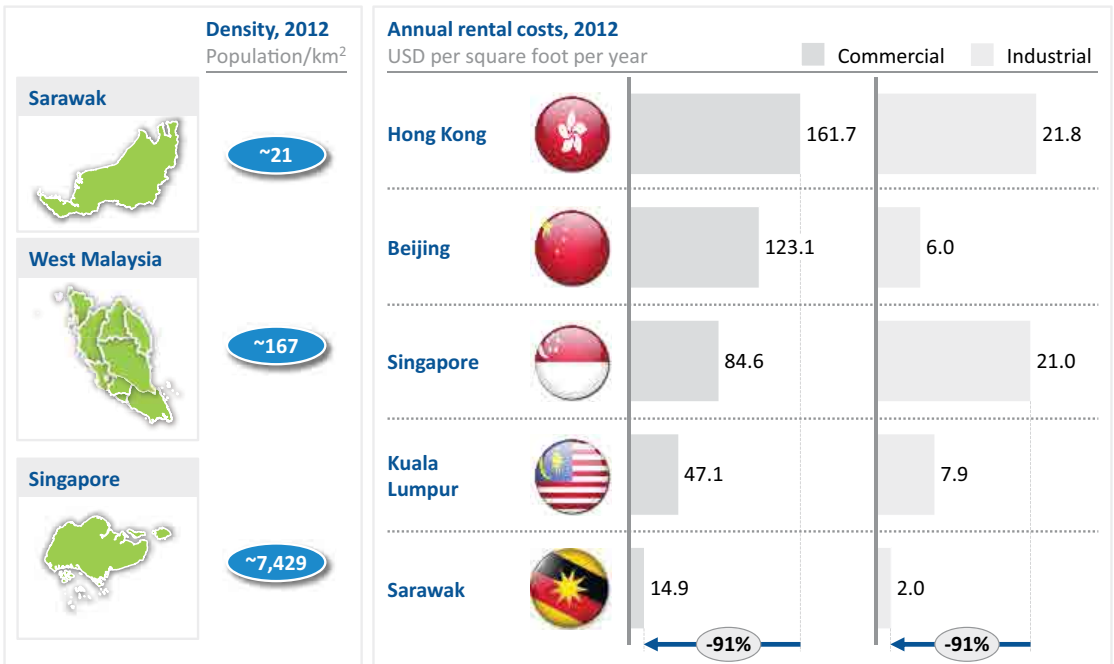
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REGION	East Asia & Pacific	DOING BUSINESS 2016 RANK	DOING BUSINESS 2015 RANK (a)	CHANGE IN RANK
INCOME CATEGORY	Upper middle income	18	17	↓ -1
POPULATION	30,187,896			
GNI PER CAPITA (US\$)	10,660	DOING BUSINESS 2016 DTF (% POINTS) (a)	DOING BUSINESS 2015 DTF (% POINTS) (a)	CHANGE IN DTF (% POINTS) (a)
CITY COVERED	Kuala Lumpur	79.13	79.08	↑ 0.05

2 SARAWAK'S COMPETITIVE ADVANTAGES

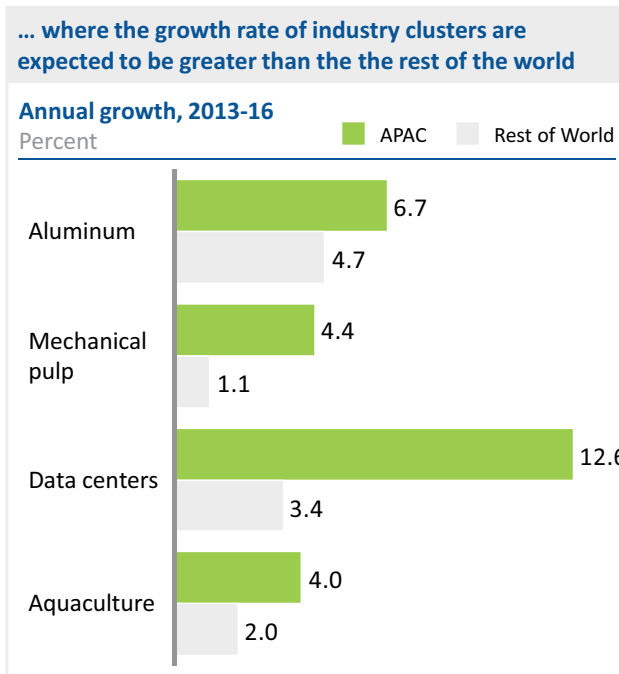
Land - Sarawak has more land available at lower cost than any other location on the region.

Sarawak has cheaper and more land available compared to other locations in the regions



Location - Sarawak is strategically located at the centre of the key growth region of APAC, with easy access to a vast market.

Sarawak is strategically located within the key growth region of Asia Pacific to capture maximum potential



Sustainability -Sarawak's energy is the greenest in the region; the focus on hydropower ensures clean power and a low carbon footprint whatever the industry.

There is an abundance of clean power available through SCORE

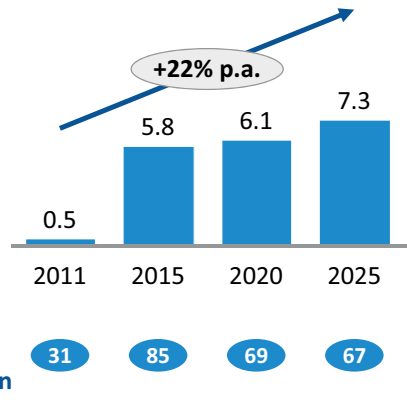
Asia Pacific CO₂ emissions map

Kg CO₂/kWh



Sarawak hydro power generation capacity, 2011-2025

GW



Language

- English is very widely spoken and can be used for virtually all official and legal correspondence and documentation. Every decision-maker speaks the language fluently. Mandarin Chinese is also widely spoken.

Political Stability

- Sarawak has had only six chief ministers since independence. The current incumbent enjoys widespread popular support, is continuing his predecessor's politics of development and the political situation in Sarawak is widely viewed as more stable than any other state in the country.

Efficient Administration

- The Sarawak Civil Service is recognised as among the most effective and efficient in the country, and Sarawak also pioneered e-government in Malaysia.

Workforce

- The workforce is young, highly educated and mostly English-speaking. Approximately 81% of the urban workforce have at least secondary education qualifications.

Labour Costs & Relations

- Wages are generally lower than in West Malaysia and industrial action is rare. The workforce is also racially and religiously diverse, making it easy to arrange cover during holiday seasons.

Education & Training

- Sarawak has 33 higher education institutions, including international players such as Swinburne University of Technology and Curtin University. Under the U-SCORE initiative, over 9,000 people have already been trained for jobs in SCORE industries.

Safety & Security

- Sarawak is a fundamentally safe place with a low crime rate and a very low violent crime rate.

Communications Infrastructure

- All major towns have a minimum of ADSL connectivity and fibre optic connections are being implemented throughout the state. Cellphone coverage is near 100% in urban areas and major corridors, with 3G and 4G data connections in major urban centres.

Sea Transport

- Sarawak has four major ports at Kuching, Tanjung Manis, Bintulu and Miri. A fifth port is currently nearing completion to service the Samalaju Industrial Park.

Air Transport

- All major towns have modern regional airports, while Kuching and Miri have international airports with frequent connections to destinations throughout the region.

Road Transport

- All major towns are connected by modern tar-sealed highways and upgrading of all major roads is ongoing.

Waste Management

- Sarawak has an effective modern waste management system in place for safe and secure disposal of industrial waste and by-products. Regulations are strictly enforced.

Working & Living Working & Living in Sarawak in Sarawak

Kuching city powered by Sarawak Energy.



1 BUSINESS LOCATIONS

Kuching (pop. 650,000) is the historic state capital and administrative centre. One of the most liveable cities in Southeast Asia, Kuching is a WHO Healthy City offering an excellent quality of life, comprehensive business infrastructure and attractively priced commercial real estate to suit almost all types of businesses. Kuching's competitive advantages include connectivity (frequent flights to Singapore, Kuala Lumpur, Kota Kinabalu

and other destinations in Malaysia) and airport location – only 30 minutes from the city centre. The city is being fully rewired for fibre-optic communications (currently 60% completed) and enjoys comprehensive cellular data coverage using 3G and (increasingly) 4G.

Kuching is well known for its museums, other historic sites, a well-preserved colonial-era city centre and many beaches and national parks within a short driving distance. Education facilities are approaching first-world standards, including three major universities and two international schools. Healthcare facilities are among the best in the region and include a major teaching hospital and a wide selection of private healthcare providers.



Bintulu (pop. 180,000) is the centre of Sarawak's oil & gas industry and the gateway to SCORE. It has well-developed industrial and commercial infrastructure and abundant commercial real estate. Its greatest advantage as a business location is probably its proximity to the Samalaju Industrial Park, which is only 30 minutes from the town centre, and its high-capacity deep-water port.

Bintulu offers attractive and affordable housing for both expatriates and local employees, good social and cultural amenities, comprehensive internet and cellphone coverage, attractive parks and beaches, and frequent air links to Kuching and Kuala Lumpur.

2 EXPATRIATE LIFESTYLE

While cost, location and investment incentives are paramount when making an investment decision, investors will often need to attract and retain key expatriate staff. Fortunately, expatriates in Sarawak do not need to live in guarded and gated compounds. In fact, Sarawak is a safe, congenial, and family-friendly expatriate posting.

Housing

- Sarawak offers a wide range of affordable rental housing, ranging from short-term serviced apartments to upscale villas and penthouses. Rental rates for quality housing are among the lowest in the region.

Education

- All major towns in Sarawak have an international schools catering to children of expatriates – Kuching even has two. Two major Australian universities – Curtin and Swinburne – have branch campuses in Miri and Kuching respectively.

Health & Wellness

- All major towns and cities have well-equipped private hospitals, while public sector hospitals in Kuching and Miri are among the best in the country. Family doctors and medical specialists also operate from their own clinics in all urban areas. Pharmacies are widely available to deal with minor ailments and personal care, while alternative healthcare systems (such as Chinese traditional medicine, chiropractic, osteopathy) are also available. Even the family pet is well cared for, with an extensive network of private veterinary clinics.

Food

- Sarawak is a melting pot of cuisines, mixing Malay, Chinese, Indian, Indonesian and indigenous cooking styles. Sarawakians love to dine out, and fresh seafood is one of the main attractions. However, expatriates will also find a variety of cuisines whether Western (Italian and German) or Asian (Japanese, Korean, Vietnamese and Thai). Fresh local ingredients can be purchased in wet markets, while a large number of supermarkets and delicatessens cater to expatriate tastes.

Recreation

- With the largest network of national parks in the region, Sarawak is a nature lover's paradise, home to exotic rainforest species such as the orangutan, proboscis monkey and the rafflesia, the world's largest flower. It also boasts the world's largest cave system at Mulu National Park. The long coastline also offers superb unspoilt beaches, and the rivers and creeks can be easily explored in small boats or kayaks.

Sport & Fitness

- The great outdoors beckons with mountaineering, rock climbing, scuba diving, deep-sea fishing, longboat racing, jet-skiing, yachting, kayaking, off-road 4WD safaris and of course jungle trekking. Golf features strongly, with courses that were either designed by Arnold Palmer, launched by Tiger Woods, or once had Vijay Singh as teaching pro. Other popular sports include badminton, tennis, squash, football and a host of local traditional sports. Well-equipped gyms and fitness centres can be found in all major towns.

Summing Up

SARAWAK'S VALUE PROPOSITIONS

General value propositions

Macro-environment



Factor costs & availability



- A Stability of political system
- B Business-friendly environment
- C Incentives for foreign investment
- D Young and educated workforce
- E Cheap and available land
- F Abundance of clean power through SCORE
- G Low-risk geography
- H Competitive power price
- I Proximity to APAC growth centers

Cluster-specific value propositions

I Heavy industries



- Ia Access to deep water port
- Ib Established cluster and local scale
- Ic Strategic location for raw material sourcing

II High-tech



- IIa Strong connectivity
- IIb Prioritisation of hi-tech industries
- IIc Development of tech-savvy workforce

III Halal hub



- IIIa Access to clean water
- IIIb Strategic location
- IIIc Established halal industry

IV Timber-based



- IVa Access to local timber
- IVb Proximity to demand growth
- IVc Established industry

About Sarawak Energy

Part 2: About Sarawak Energy



About Us

Sarawak Energy Berhad (Sarawak Energy) is a state - owned vertically integrated electricity utility and power development company with a vision to achieve sustainable growth and prosperity for Sarawak by meeting the region's need for reliable, renewable energy. With a multidisciplinary workforce comprising about 4,300 employees, Sarawak Energy serves a population of over 2.6 million and close to 600,000 customers across the state.

Building on a strong foundation of 100 years as the single provider of electricity in the state, Sarawak Energy is taking bold steps to support the transformation of Sarawak in its vision to become a developed state by the year 2030. In line with these broader roles and responsibilities, Sarawak Energy has embarked on a massive transformation journey, to become a modern and agile corporation.

As Sarawak Energy strives for excellence, we have achieved recognition of our achievements by winning various national and international awards.



People is the greatest asset of Sarawak Energy. Together we serve close to 600,000 customers across Sarawak.

Our Vision

To achieve sustainable growth and prosperity for Sarawak by meeting the region's need for reliable, renewable energy.

Power Purchase Agreements

Larger energy consumers investing in Sarawak may negotiate power purchase agreements (PPA) directly with Sarawak Energy. The PPA offered for new customers are typically:

- For loads greater than 5 MW;
- Available at a discount to the published tariff;
- Subject to annual indexation of 2.5% for the life of the PPA;
- For a term of up to 20 years;
- Inclusive of transmission charges to the Samalaju Industrial Park;
- Subject to appropriate take or pay commitments and security package (performance, payment and termination guarantees)



Core Business

Core Business Activities

Sarawak Energy is focused on the generation, transmission, distribution and retail of electricity. We generate power through hydro, coal and gas, capitalising on Sarawak's abundant indigenous resources, and supply to our customers throughout the state through an extensive network.

Murum Hydroelectric Plant (944 MW).



Hydro

Blessed with high rainfall and an abundance of rivers, Sarawak has a competitive advantage in harnessing renewable energy through hydropower development.

Sarawak Energy's first hydroelectric plant at Batang Ai (108 MW) was commissioned in 1985, followed by Murum Hydroelectric Plant (944 MW) which was fully commissioned in the second quarter of 2015. Sarawak Energy also purchases the entire output from Bakun Hydroelectric Plant (2400 MW) through a Power Purchase Agreement signed in 2011.

Sarawak Energy is pursuing the development of indigenous hydropower resources and has identified a further twelve sites as being highly promising for the construction of hydroelectric projects, which would produce just over 4000 MW.

In addition to large hydroelectric projects, Sarawak Energy has also identified potential small hydropower sites that could be developed to support rural electrification in Sarawak's many remote villages.

Mukah Coal Power Station (270 MW).



Thermal

Sarawak Energy generates thermal power mainly through our coal and gas plants.

Current installed capacity exceeds 1,200 MW, with five major power stations connected to the Sarawak State Grid and a number of standalone rural power stations.

The Bintulu Combined Cycle Plant, with a combined capacity of 317 MW, was registered with the United Nations under the Clean Development Management (CDM) scheme on 18 September 2010. The CDM scheme is part of the Kyoto Protocol environmental agreement and aims to encourage sustainable development and reduce greenhouse gas emissions. The Bintulu facility is the first CDM plant in Malaysia.

Our latest development is the construction of the 2 x 300 MW Balingian Coal-Fired Power Plant located in Mukah. Balingian commenced construction in May 2014. The project is expected to be completed in the first quarter of 2018 with power generation by the end of 2017.

Sarawak Energy has also secured 250 mmscf/day of natural gas that will lift the total of gas-fired generation to about 1950 MW by 2020.



Grid System Operator

On behalf of the Regulator, Sarawak Energy is the Grid System Operator (GSO) which operates the Sarawak State Grid to meet the state's future power requirements. This includes power generation scheduling and despatch.

Transmission

Sarawak Energy is responsible for the maintenance and operation of the network to ensure reliable electricity supply throughout Sarawak. Towards strengthening our network system, in addition to the existing 275 kV State Grid Transmission Lines, Sarawak Energy has embarked on the construction of the 600 km second backbone 500 kV transmission lines, which are expected to be completed in 2016.

Distribution

Sarawak Energy maintains an efficient distribution network. This includes overseeing data collection by regional Global Information System (GIS), providing policy and technical specifications, undertaking maintenance and installation planning, and managing the inventory of all electrical equipment stocks.

Our 24/7 Customer Care Centre attends to enquiries on technical and customer services.



Coal resources.



Retail

Our Retail arm serves close to 600,000 customers throughout the State. Our Customer Care Centre operates 24 hours a day, seven days a week, to handle enquiries on technical and customer services. The system is equipped with state-of-the-art technology to handle the influx of calls especially during outages, has intelligent queuing call back feature, broadcast announcement and a monitoring system to keep track of the transactions for continuous improvement of our services.

We have also developed an extensive payment network for consumers, through partnerships with other utilities, banks, retail outlets and various other payment channels, so that nowadays our customers have literally hundreds of locations (and a number of online portals) where they can manage their accounts and make payments.

Coal Resources

Sarawak Energy has recently been mandated to become an owner and developer, rather than merely a buyer, of Sarawak's coal resources. Through this more active strategy we will be able to secure stable coal supplies for our operations and strengthen our ability to leverage on Sarawak's indigenous coal resources.

Project Execution

In line with our growth, Sarawak Energy embarks on new projects to strengthen our generation and network systems. Through project execution, Sarawak Energy establishes a common methodology, terminology and documentation framework for our projects across the organisation, from evaluation of business opportunities through to project development, execution and handover to operations.

Electricity Supply



- Lowest industrial and commercial tariff in Malaysia and among the lowest in south East Asia
- Reliability of Supply
 - 500kV Transmission Line backbone project is due for completion in June 2016
 - Ongoing construction of new 275kV & 132kV Lines, and related EHV Substations
 - Continuous expansion and upgrading of distribution network
- Generation Mix
 - Currently: 75% hydro, 25% thermal
 - Long-term target: 60% hydro, 40% thermal



Sustainability

Sarawak Energy is committed to sustainable hydropower development. We are governed by Sarawak and Malaysia laws, and guided by international best practices, such as the International Hydropower Association's (IHA) Hydropower Sustainability Assessment Protocol.

As a member and Sustainability Partner of the IHA, we adopt best practices according to the guidelines set out by the protocol on a voluntary basis, going beyond legislative requirements. Our headquarters, Menara Sarawak Energy, has been certified as the first green building in East Malaysia, and awarded the Final Green Building Index (GBI) Silver Rating, under the Non-Residential New Construction (NRNC) Category.

In 2015, we began trialling the feasibility of electric vehicles as a means to promote sustainable use of energy. In addition, Sarawak Energy has recently embarked on a corporate sustainability reporting initiative, which demonstrates our strong commitment towards sustainability in hydropower project development as well as in our operations throughout Sarawak.

This is in line with our goal of positioning Sarawak Energy as a leading provider of renewable energy in the region.

After resettlement, the community embraces the change in lifestyle from a semi-nomadic to a more settled way of life.



Community & Individual Rights

A comprehensive report recording the State's strong performance on human rights was submitted to the United Nations Human Rights Council Working Group on the Universal Periodic Review (UPR) of Human Rights in Malaysia in late 2013. This is the strongest possible level of transparency and underlines our total commitment to the protection of human rights.

The development of hydropower and other natural resources in the state supports basic human rights and represents a well-considered strategy designed to maximise the well-being of the people and accelerate the rate of economic progress of the state.

The strategy brings the affected native communities, living in remote interior regions and traditionally dependent on subsistence farming or semi-nomadic lifestyle, into the mainstream of Malaysian society, while ensuring recognition and protection of their indigenous rights.

Sarawak Energy's major projects are guided by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).



Powering Community Growth

As a socially responsible corporate citizen, Sarawak Energy pursues four main Corporate Social Responsibility (CSR) priorities:

- education and young people;
- culture and heritage;
- environment management and conservation; and
- community development and entrepreneurship





Murum Penan Literacy Programme

Sarawak Energy's flagship CSR programme, the 'Murum Penan Literacy Programme' launched in 2012, is a specifically tailored literacy programme to close the literacy gap, while preparing the affected Penan communities in Murum for resettlement.

The Penans in Murum are an indigenous community who were resettled as a result of Sarawak Energy's Murum Hydroelectric Project, located in the interior of Sarawak, 6 hours' drive from the nearest town, Bintulu.

In partnership with the Society for the Advancement of Women and the Family Sarawak (SAWF), Sarawak Energy has carried out adult literacy classes for the affected Penan community in Murum. About 400 participants of the literacy programme are now able to perform simple reading, writing and numeracy.

The 'Murum Penan Literacy Programme' has won Sarawak Energy the 'Excellence in Provision of Literacy and Education Award (Gold)' at the Global CSR Summit and Awards.



Setting Up Schools in Murum Resettlement

Sarawak Energy has set up two national primary schools, SK Tegulang and SK Metalun, in partnership with the Ministry of Education. Prior to this, only about 20% of these 300 students were receiving regular formal education.

Sustainable Livelihood through Handicraft Development

Sarawak Energy sources our premium gifts from the Murum Penan community in line with our effort to enhance cultural and economic development. In addition, Sarawak Energy offers entrepreneurial opportunities and additional training to the community, such as handicraft-making programmes for parangs and beads.

SARES

ALTERNATIVE ENERGY OF SARAWAK


Lighting Up Off-Grid Communities

The Sarawak Alternative Rural Electrification Scheme (SARES) is a RM500 million initiative to accelerate the construction of alternative systems to remote rural off-grid communities. The initiative will provide reliable 24-hours power supply to over 8,700 households in 300 isolated villages.

The State Government headed by the Chief Minister's Office, together with Sarawak Energy, are embarking on a bold integrated effort to power up these villages utilising renewables like solar and micro-hydro. Based on a government-community partnership model, the SARES team help villagers build, own and operate sustainable and affordable electricity generation systems and provide long-term support and maintenance.

SARES systems cater to typical rural household needs and are designed for safety and simplicity of operation. Villagers may also choose to maintain separate diesel generators as a backup during festive celebrations or during seasonal monsoons or droughts.





In arriving at innovation solution for off-grid challenges, the ultimate goal is to ensure that everyone in Sarawak - however remote - has access to constant 24-hours renewable electricity supply

SESCO standard overhead lines from micro-hydro powerhouse to Long Rusu village, Ba' kelalang



Micro-hydro dam generates electricity for Long Rusu, Ba'Kelalan

Micro-Hydro

Sarawak Energy is continuously looking into villages with hydro potential to be supplied with micro-hydro. In 2014, a micro-hydro station was built and commissioned in Long Banga supplying to 138 households. Sarawak Energy plans to extend the station with two more 160 kW turbines to supply three adjacent villages. When the extension is completed, Long Banga will supply an estimated of 152 new households.

Solar Hybrid

The solar hybrid system is used for island, mountainous landscapes or areas in the deep interior of Sarawak. The State has considerable solar potential but it is not competitive for utility scale grid generation when compared to large hydropower. Nevertheless, solar photovoltaic applications are practical in the remote rural areas.



Bario Solar Hybrid Power Station



The 8-household Rumah Jangong in Pala Taong is one and a half hours boat ride away from the Batang Ai public jetty and has no road access

Batang Ai Solar Home System

Rumah Kino and Rumah Manggat in Batang Ai are connected with the Solar Home System. The project is expanded to be installed three more villages in Nanga Jengin and Ulu Delok-Rumah Griffin, Rumah Jangong and Rumah Ninting.



Installation of solar panels for a solar freezer system at Batang Ai

Awards & Recognition

As Sarawak Energy strives for excellence, we have garnered prestigious external validation of our achievements. Here are some of Sarawak Energy's accolades:



'Most Sustainable Brand Awards 2015-2016' at The Brand Laureate Awards



'Excellence in Provision of Literacy and Education Award' at Global CSR Summit and Awards 2015 and 2016



'Utility of the Year' and 'Asia CEO of the Year' in conjunction with Power & Electricity World Asia 2015



'Winner in the Customer Service Category' at the State Civil Service Awards Ceremony 2015

These awards reflect Sarawak Energy's relentless efforts, and will further inspire us towards greater heights.

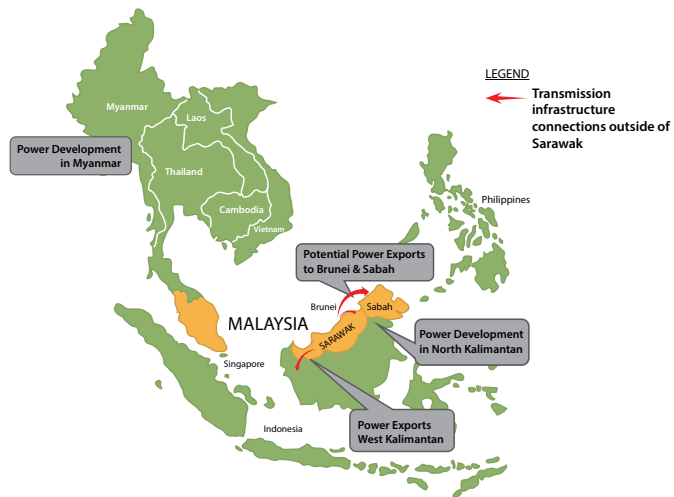
A Regional Powerhouse for ASEAN

Sarawak Energy aspires to be the main renewable energy player in the ASEAN region.

On track to becoming a regional powerhouse in ASEAN, Sarawak Energy concluded a Power Exchange Agreement (PEA) with Indonesian national utility Perusahaan Listrik Negara for the export of 230MW of power to Indonesian West Kalimantan. Sarawak Energy commenced the initial export of power to Indonesia since January 2016 and the parties are on track to fully implement the PEA by July 2016.

Sarawak Energy has also developed plans with our neighbours, Brunei and Sabah, for further interconnection projects that will advance the concept of the ASEAN Grid.

Power to Grow



Key Contacts

Sarawak Energy

Contact Person : Mr Chang Ngee Khiong (Business Development)
Phone Number : 082-388388 (ext. 8275)
Address : Menara Sarawak Energy
Level 9, North Wing, No.1, The Isthmus,
93050 Kuching, Sarawak, Malaysia.

You are welcome to contact Sarawak Energy for any enquiry regarding investment in Sarawak. We will put you in touch with all of the relevant enabling agencies. Should you wish to contact them directly, their contact details are shown below.

RECODA, the Regional Corridor Development Authority (RECODA) is the agency tasked with overseeing and managing SCORE.

Regional Corridor Development Authority

Phone Number : +6082444851 | +6082444852
Website : www.recoda.com.my
Address : 2nd Floor, Old State Legislative Building Petra Jaya
93050 Kuching Sarawak, Malaysia

State Planning Unit

Contact Person : Ms Riyta William Toyad (Assistant Director of SCORE, Industry and Tourism)
Phone Number : 082-319392
Address : State Planning Unit 6th & 7th Floor, Wisma Bapa Malaysia, Petra Jaya,
93502 Kuching, Sarawak

Ministry of Public Utilities

Contact Person : Mr Syed Fauzi Mohd Shahab (Director of Electricity Inspectorate Unit) / Mr Zaini Ramli
Phone Number : 082- 440062
Address : Electrical Inspectorate Unit 11th Floor, Wisma Satok,
93400 Kuching,















Ministry of Industrial Development

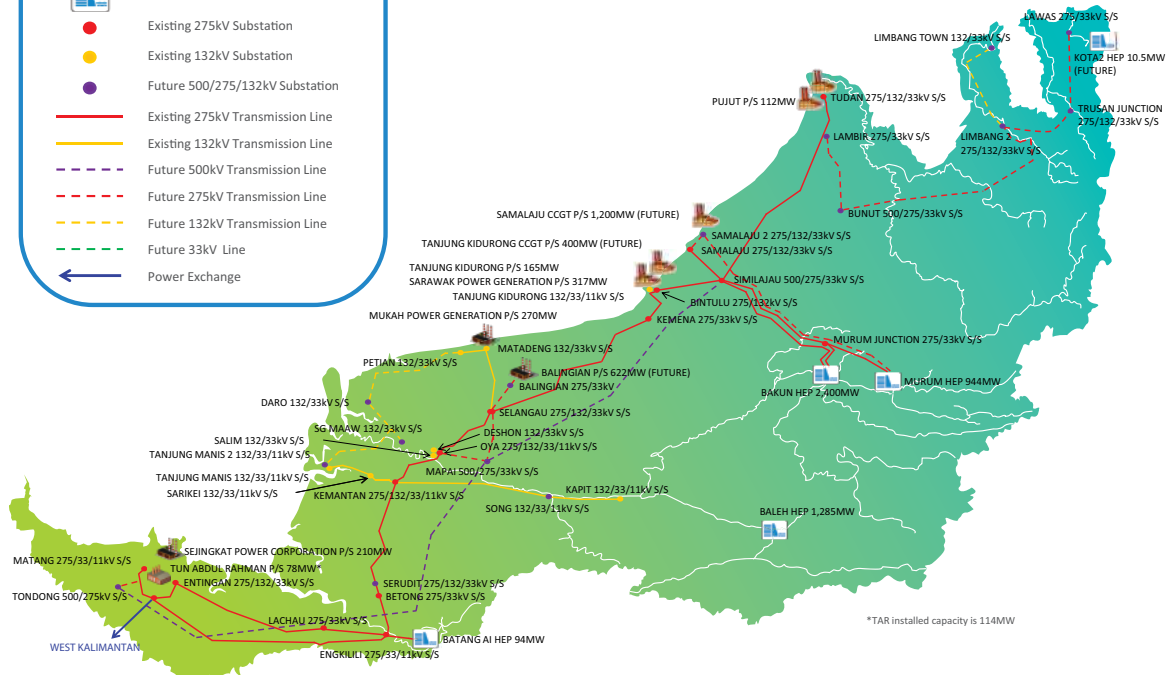
Contact Person : Mdm Cassie Tong Yui Lin (Assistant Secretary)
Phone Number : 082-441 519
Address : Kementerian Pembangunan Perindustrian, Level 12 & 13, Wisma Sumber Alam,
93050 Kuching

Malaysian Investment Development Authority

Contact Person : Mr Ruhizam Idris (Director of MIDA Sarawak)
Phone Number : 082-237484
Address : MIDA, Tingkat 4, Bangunan Bank Negara,
93400, Jalan Satok Kuching.

Sarawak Power Generation and Network

-  Diesel Power Plant
-  Gas Power Plant
-  Coal Power Plant
-  Hydroelectric Plant
-  Existing 275kV Substation
-  Existing 132kV Substation
-  Future 500/275/132kV Substation
-  Existing 275kV Transmission Line
-  Existing 132kV Transmission Line
-  Future 500kV Transmission Line
-  Future 275kV Transmission Line
-  Future 132kV Transmission Line
-  Future 33kV Line
-  Power Exchange



*TAR installed capacity is 114MW







Sarawak Energy Berhad

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