# Delivering Sustainable Energy

Foundation to Low Carbon Economy

4

sarawak

energy

**Sustainability Report 2018** 

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### ABOUT THIS REPORT

This Sustainability Report 2018 represents our fifth report as a private company. While we are not required to adhere to the corporate reporting standards of public listed companies, we continue to embrace voluntary disclosure of our sustainability practices to share our commitment to creating long-term value. We also strive to improve our reporting every year and are pleased to disclose further details on the progress of our sustainability agenda in our report this year.

#### **Reporting Standards**

We pride ourselves in adopting global best practices in our sustainability activities as well as in its reporting. In line with this, we have prepared this report in accordance with the Global Reporting Initiative (GRI) Standards: Core option. The full list of our GRI disclosures and relevant references are available in the GRI content index on pages 70-104 of this report.

As our operations are also guided by the United Nations Sustainable Development Goals (SDGs), in this report we also indicate our progress in contributing to the 17 targets identified under the SDGs.

#### **Assessment of Material Matters**

Our Materiality Issues were identified following an assessment of the most important matters to our business and stakeholders. The Materiality Issues and accompanying materiality matrix is available on page 12 of this report.

#### **Reporting Scope and Boundaries**

Unless otherwise stated, this report covers the entirety of our operations in Sarawak, including our subsidiaries, during the period 1 January to 31 December 2018. This report was produced by taking into account feedback from our stakeholders, and inputs from our evaluation of our operations against developments in the local and global energy industry as well as the economy.

#### Assurance

Selected indicators of this report have been assured by a third party. The Independent Third Party Assurance Statement can be viewed on pages 68-69 of this report.



### Feedback

We look forward to receiving feedback on this report as we continuously seek to improve our standards of reporting. Comments and inquiries on this report can be sent to:

Phone: 082-388 388

Email: sustainability@sarawakenergy.com



### Foundation to Low Carbon Economy

Sarawak Energy Berhad is not just a utility company. We are a company that empowers people while taking care of the environment in which our communities live. We put smiles on the faces of indigenous communities living in remote Sarawak by providing them with non-grid power. We are committed to support the biodiversity conservation efforts of our rainforest in Sarawak. And we lead the region in generating energy that is clean, reliable, renewable as well as affordable. As we grow our business, we endeavour to make an impact on the millions of lives that we touch.



Kuching City with Sarawak State Legislative Assembly Building and the Darul Hana Bridge.

Renewable energy from hydropower plays an important role that provides foundation to address climate action and transition to low carbon economy by providing a reliable, clean and affordable energy while meeting the environmental, economic, and development needs of the state and country.

## Chairman's Foreword

### Feedback



This report also serves to encourage dialogue between ourselves and our stakeholders, especially our customers, suppliers and employees. We welcome your feedback, queries and suggestions on any aspect of our sustainability impacts and performance.

This report is printed on environmentally friendly paper.

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### Sarawak Energy is a member of





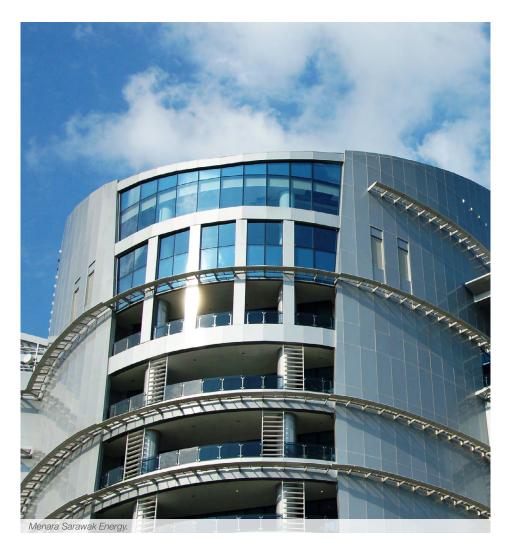






Please contact us at 082-388 388 or via email at sustainability@sarawakenergy.com

### ORGANISATIONAL PROFILE



### **About Sarawak Energy**

Sarawak Energy Berhad is an energy utility wholly-owned by the Sarawak State Government. Our core business comprises the generation, transmission, distribution and retail of electricity in Sarawak. For over 100 years, we have provided clean and sustainable energy to support Sarawak's socioeconomic growth in line with our goal of contributing to the state's longterm development and wealth by fulfilling its requirements for reliable and renewable energy accessible to all.

Our operations are driven by three large hydropower plants in Bakun, Murum and Batang Ai. We also operate nine thermal power stations, led by our Bintulu Combined Cycle Plant registered with the United Nations under the Kyoto Protocol Agreement's Clean Development Mechanism (CDM) Scheme. Of our thermal power stations, our coal and natural gas stations are powered from indigenous sources. In our continuous effort to strengthen the reliability of our system and minimise the risk of power interruptions in the south of Sarawak by providing additional transmission capacity, we are also in the midst of developing our 500kV transmission backbone. Furthermore, since 2016 we have been exporting energy to West Kalimantan, with 3,286 GWh exported to date.

### **Board of Directors**



YBhg. Datuk Amar Abdul Hamed bin Sepawi

Chairman Non-Independent Non-Executive Director



YB Tan Sri Datuk Amar Haji Mohamad Morshidi bin Haji Abdul Ghani

Non-Independent Non-Executive Director



YBhg. Tan Sri Dato Sri Mohd Hassan bin Marican Independent Non-Executive Director



YBhg. Dato Sri Fong Joo Chung Non-Independent Non-Executive Director

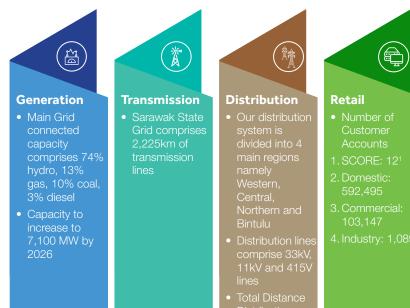


YB Dato' Haji Idris bin Haji Buang Non-Independent Non-Executive Director

### ORGANISATIONAL PROFILE

102-2, 102-6, 102-9, 102-16, 103-1, 103-2, 103-3, EU3, EU4

# **OUR SERVICES**

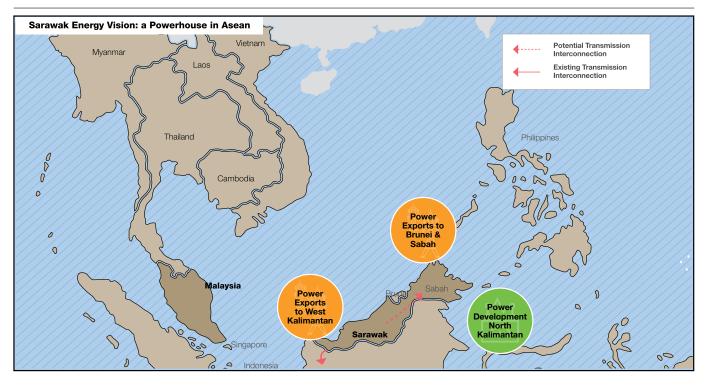


The energy we generate, transmit and distribute serves our domestic, commercial, industrial and SCORE customers. In addition to our presence in Sarawak, we have expanded our reach with the export of electricity to West Kalimantan, Indonesia since 2016.

We aspire to transform ourselves into a modern, international and agile corporation that is driven by a strong corporate ethos and supported by the nurturing of a new mindset in which sustainability is integrated into the fabric of our operations. In line with this aspiration, we have expanded our workforce by over 5,023 employees and have been provided with opportunities to connect with a network of power industry professionals from around the world. This has ensured that we are on track to increase the State's power output from approximately 5,000GWh per year in 2009 to approximately 30,000GWh per year in 2020.

#### Note:

<sup>1</sup> Based on Power Purchase Agreements (PPA) with Sarawak Energy.



### CHAIRMAN'S FOREWORD

Dear Shareholders,

As Sarawak's leading provider of reliable, renewable and affordable energy and the largest producer of renewable energy in Malaysia, sustainability forms a core component of Sarawak Energy's identity and our long-term strategy. For the past eight years, we have endeavoured to build on sustainability by managing economic, environmental and social pressures in alignment with our strategy to ensure we deliver positive value to our stakeholders and the environment while maintaining our relevance as a commercial entity.

Ultimately, these efforts are geared towards steering Sarawak's transition to a low carbon economy in the long-term--minimising the emission of greenhouse gases while accelerating the State's economic development.

Our efforts thus far have been marked by our contribution to decarbonising Sarawak's electricity grid, with renewable energy generation increasing

from 1,248 GWh in 2011 to 20,888\* GWh in 2018. This has allowed  $CO_2$  grid emission intensity to decline significantly by 72% to 193\*  $gCO_2/kWh$  in 2018 from 698  $gCO_2/kWh$  in 2011, even as annual electricity demand in the State has risen 22% since 2010. Remarkably, the  $CO_2$  grid emission intensity for 2018 is also 57% lower than the global average of 450  $gCO_2/kWh$ .

For the full Chairman's Foreword please visit the Sarawak Energy www.sarawakenergy.com

## SUSTAINABILITY AS A CORE DRIVER OF OUR BUSINESS STRATEGY

#### YBHG. DATUK AMAR ABDUL HAMED BIN SEPAWI

Note:

<sup>+</sup> These main grid CO<sub>2</sub> emission intensity and net energy generated data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

Chairman

### CHAIRMAN'S FOREWORD

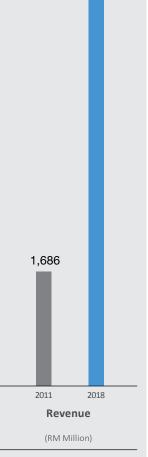


We have been able to achieve these milestones by harnessing opportunities to address multiple environmental, economic and development needs and deliver value to our stakeholders. This has been in tandem with the implementation of the Sarawak Corridor of Renewable Energy (SCORE), a long-term plan from 2008 to 2030 focusing on growing the renewable energy sector through 10 high-impact priority industries.

### Economic Highlights

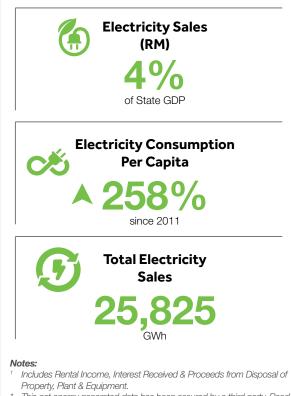
For the past eight years, we have endeavoured to build on sustainability by managing economic, environmental and social pressures in alignment with our strategy to ensure we deliver positive value to our stakeholders and the environment while maintaining our relevance as a commercial entity.

5,555<sup>1</sup>



Prior to SCORE, Sarawak's power generation mix was predominantly from thermal sources (coal, gas and diesel fuel). Since 2011, hydropower generation has surged 1,574% to 20,888\* GWh in 2018 and now accounts for around 78% of the generation mix. The establishment of SCORE enabled our organisation to invest in hydropower projects and lay the foundation towards the transition to a low carbon economy. In turn, renewable energy coupled with energy efficient processes, low carbon technologies and the reduction of greenhouse gas emissions enhances the competitiveness and sustainability of Sarawak's economy.

In formulating and implementing our long-term strategy for sustainability, we are committed to adopting the highest standards of Corporate Governance as overseen by our Board of Directors. In line with this, we seek to continuously strengthen Sarawak Energy's accountability and transparency while safeguarding the interests of our stakeholders in accordance with the Malaysia Code on Corporate Governance as well as with international best practices.



This net energy generated data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

### CHAIRMAN'S FOREWORD

### "

**Renewable** energy will continue to play an important role in providing the foundation to address climate action and drive the shift to a low carbon economy "



Solar panels on the roof tops

Towards this objective, Sarawak Energy embraces a compliance culture through adoption of strict governance practices through management, internal controls and implementation of stringent policies as well as practicing regular corporate reporting through our Annual Reports and Sustainability Reports. We also continue to adhere to the Hydropower Sustainability Assessment Protocol as the global standard on hydropower development.

The implementation of our sustainability adenda has nonetheless been accompanied by its own challenges. These include the continuous pursuit to achieve a balance in meeting the needs for sustainable development, stakeholders' expectations and value creation. Furthermore, in developing a low carbon economy, achieving 100% electricity penetration remains a key challenge, although we have reached 96% coverage in Sarawak.

Additionally, the use of alternative renewable energy solutions such as floating solar, solar hybrid and micro hydro remains limited, while the adoption to low carbon technologies such as electric vehicles, hydrogen technology, plant digitalisation and smart metering has yet to reach scale. In view of this, we will continue to undertake advocacy and education initiatives to raise awareness on renewable energy, in addition to our efforts in research and development to further catalyse the growth of renewable energy not only in Sarawak, but Malaysia.

As we progress on our journey of decarbonisation, we will focus on consolidating and protecting the value created from our sustainability agenda over the years. We will also continue pursuing our long-term growth strategies with a view on achieving value realisation in our next phase of growth.

There is significant correlation between electricity disclosures and socioeconomic development, such as in developed countries where 100% of the population has access to electricity and the average consumption registers at around 8,500 kWh per year per capita. In Sarawak, electricity consumption has increased by 258% from 2,600 kWh per capita in 2011 to 9,200 kWh per capita in 2018, with 78% of generation supplied by renewable energy.

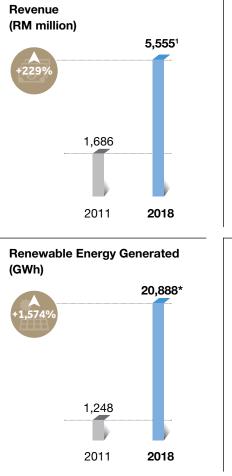
Going forward, renewable energy will continue to play an important role in providing the foundation to address climate action and drive the shift to a low carbon economy by providing reliable, clean and affordable energy while meeting Malaysia's environmental, economic, and development needs.

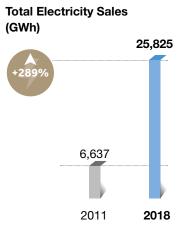
### OUR PERFORMANCE AT A GLANCE

### 2018 KEY HIGHLIGHTS

We at Sarawak Energy measure our performance not only by our ability to supply electricity to our customers, but also through the positive impact we strive to deliver for all our stakeholders. This ensures a holistic approach to attaining our company's vision of achieving sustainable growth and prosperity for Sarawak by meeting the region's need for reliable, renewable energy, allowing us to meet our business needs for financial stability, serve our customer's energy needs, contribute to environmental preservation and champion the well-being of our internal and external stakeholders.

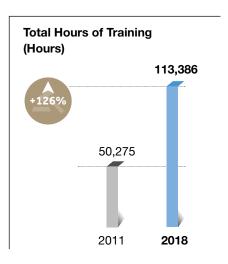
The following is a snapshot of our performance in 2018 based on these metrics.

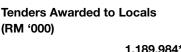


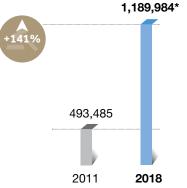


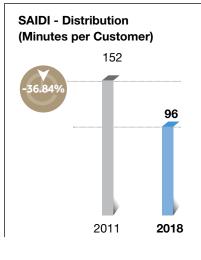
Emission Intensity - Main Grid (tCO,eq/MWh)











Notes:

<sup>1</sup> Includes Rental Income, Interest Received & Proceed from Disposal of Property, Plant & Equipment.

\* These main grid CO<sub>2</sub> emission intensity, net energy generated and total value of tenders awarded to local companies data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

### GCEO'S OVERVIEW



### DATU SHARBINI BIN SUHAILI

Group Chief Executive Officer

 For 2018, we continued to focus on 32 key issues under the Economic, Social and Environment pillars. These issues were then prioritised based on the level of importance to the Company and our stakeholders. Dear Shareholders,

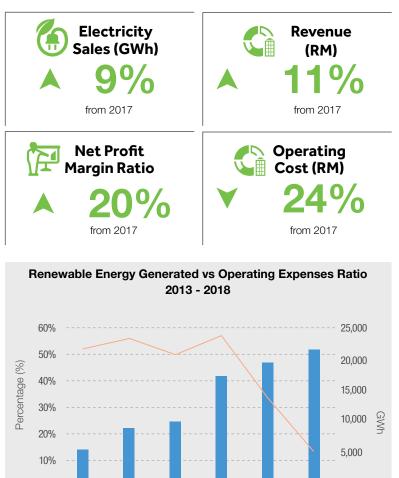
The year 2018 saw Sarawak Energy continuing to deliver on our vision of providing clean, reliable and affordable energy to the people of Sarawak as we journey on towards the development of a low carbon economy. During the year, we registered an average increase of 19% per annum in electricity sales, resulting revenue increment from RM1.69 billion in 2011 to RM5.55 billion in 2018.

This trajectory has been supported by growth of electricity sales by 230% since 2011. Significantly, during the year we attained the lowest grid  $CO_2$  emission intensity of  $0.193^*$   $tCO_2/MWh$ , representing one of the lowest in the region. In line with this, I am pleased to share that Sarawak Energy received recognition for Best Sustainability Strategy and Management as well as Best Sustainability Development Goals at the Sustainability Business Award 2018. These awards recognised Sarawak Energy's overall approach and strategy in addressing sustainability issues as well as integrating Sustainability Development Goals into our existing strategies as benchmarks or targets.

Indeed, the precision of our strategy in driving our sustainability agenda has been illustrated by our financial performance. During the year our revenue rose by 11% from 2017 as a result of an increase of our total electricity sales to 25,825 GWh. Whereby our net profit margin ratio increased from 38% in 2017 to 46% in 2018, which is supported by the reduction of operation cost by 24%.

This was supported by the growing share of our hydropower operations which require little maintenance, allowing low operation and maintenance (O&M) costs. Furthermore, the O&M costs are relatively low compared to other renewable energy solutions, accounting for between 1.5% to 2.5% of investment costs per year. As hydropower is also recognised for its extended lifecycle, the cost will be spread over time, producing a lower and more competitive levelised cost of energy (LCOE).

# **RESULTS IN 2018**



Renewable Energy Generated (GWh)

2015

2014

Operating Expenses Ratio (%)

2018

0

Overall, renewable energy generation has grown by 9% from 19,241 GWh in 2017 to 20,888\* GWh in 2018. Sarawak Energy's electricity sales has increased by 2,150 GWh from previous year. In contrast, our operating expenses ratio has declined by 21% from 2017, indicating that our operation expenses are becoming an increasingly smaller percentage of net sales. This shows that renewable energy generated is helping to lower our overall operating costs, contributing to our bottom line as well as accelerating climate action by decarbonising our CO<sub>2</sub> grid emission intensity.

2016

2017

#### Note:

These main grid CO, emission intensity and net energy generated data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

0

2013



### **IDENTIFYING OUR MATERIALITY ISSUES**

The development of our strategy is led by the identification of our material matters. This is undertaken by assessing the impact of our operations on our stakeholders and the environment, with a focus on the value created.

For 2018, we continued to focus on 32 key issues under the Economic, Social and Environment pillars. These issues were then prioritised based on the level of importance to the Company and our stakeholders.

We also conducted engagement with our stakeholders and narrowed down our key issues to four topical issues affecting three key stakeholder groups comprising our customers, employees and local communities. For further information on our material issues and their impacts on these stakeholder groups, please refer to the subsequent sections in this Sustainability Report.



"

we remain committed to achieving our sustainable growth agenda in our effort to deliver value to all our stakeholders

Our strategy is also aligned with the United Nations Sustainable Development Goals (SDGs). Please refer to the subsequent pages of this Sustainability Report for our disclosures on our contributions to the SDGs.



Night view of Kuching City Waterfront with Sarawak State Legislative Assembly Building and the iconic Darul Hana Bridge.

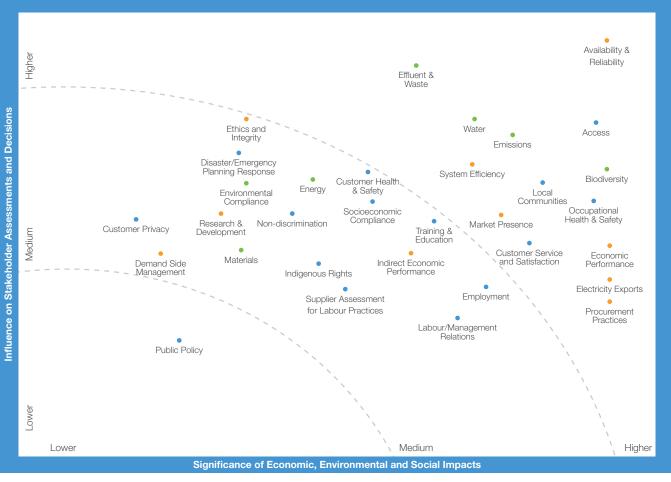
### CONTINUING OUR SUSTAINABILITY JOURNEY

In implementing our sustainability agenda, we recognise the need to adopt a holistic approach in managing long-term sustainability risks and opportunities to create value for our stakeholders while contributing to economic development for Sarawak and sustainable development on the global level.

As we seek to ensure continued sustainability moving forward, we remain guided by our long-term strategy, focusing on consolidating and protecting the value we have created in past years. Furthermore, we remain committed to achieving our growth agenda in our effort to deliver value to all our stakeholders. As we progress into the next phase of our strategy in 2020 and beyond, we will place emphasis on realising the sustainable value we have built in previous years towards building a low carbon economy. With these plans in place, we are optimistic of our ability to contribute positive outcomes to our stakeholders and for the environment for the long-term.

### OUR MATERIALITY ISSUES

### **Materiality Matrix**



Economic 
 Environment 
 Social

# GLOBAL AGENDA

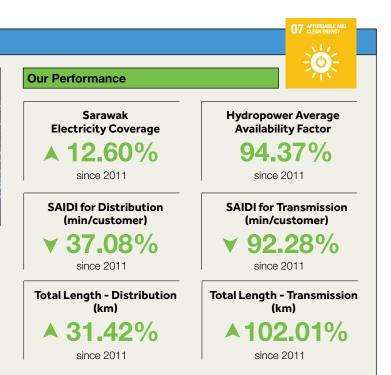
### **SDG #07 - AFFORDABLE AND CLEAN ENERGY**



Night view of Kuching Waterfront.

#### SDG #07 Targets

- ✓ By 2030, ensure universal access to affordable, reliable and modern energy services.
- ✓ By 2030, increase substantially the share of renewable energy in the global energy mix.
- ✓ By 2030, double the global rate of improvement in energy efficiency.
- ✓ By 2030, enhance international cooperation to facilitate access to clean energy research and technology.

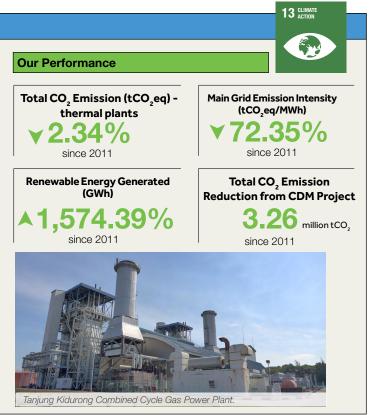


### **SDG #13 - CLIMATE ACTION**



### SDG #13 Targets

- ✓ Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.
- Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.



### GLOBAL AGENDA INTERNALISATION

### SDG #08 - DECENT WORK AND ECONOMIC GROWTH



Power Plant Operators performing daily routine site checking and inspection on the operating condition of plant equipment and system at Murum HEP.

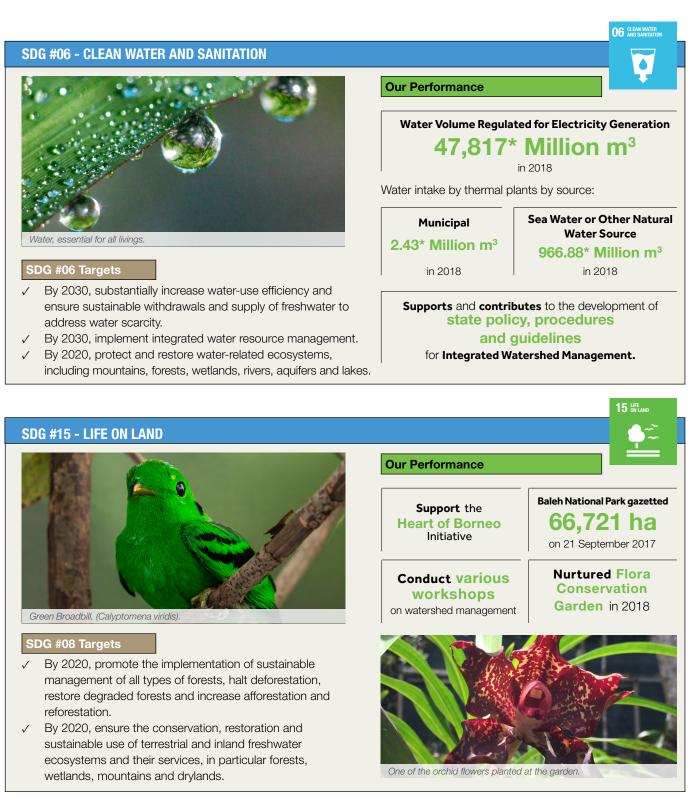
#### SDG #08 Targets

- ✓ Achieve higher levels of economic productivity.
- ✓ Support productive activities, decent job creation, entrepreneurship, creativity and innovation and encourage the formalisation and growth of micro-, small-, and mediumsized enterprises.
- ✓ By 2030, achieve full and productive employment and decent work for all women and men, including for young people and person with disabilities and equal pay for work of equal value.
- ✓ By 2030, substantially reduce the proportion of youth not in employment, education or training.
- ✓ Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of child labour.
- ✓ Protect labour rights and promote safe and secure working environments for all workers.





### GLOBAL AGENDA INTERNALISATION



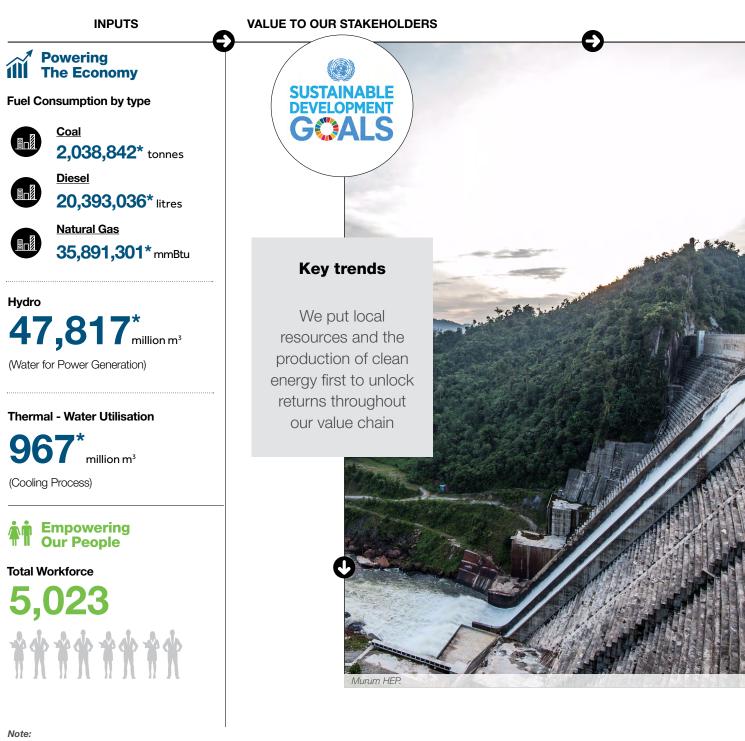
Note:

These annual water volume for electricity generation and total water withdrawn by source data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

### DELIVERING VALUE TO OUR STAKEHOLDERS

Sarawak Energy Sustainability Report 2018

As Sarawak's utility company with a deep-rooted history in the State, we view it as our responsibility to create value which contributes to the betterment of all our stakeholders and the environment.



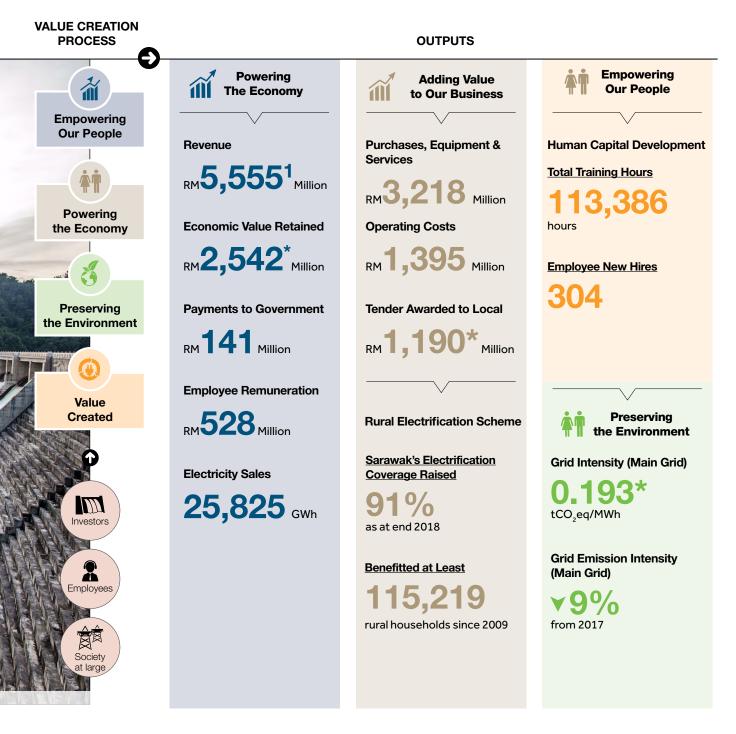
These fuel consumption, annual water volume for electricity generation and total water withdrawn by source data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

Sarawak Energy Sustainability Report 2018

### DELIVERING VALUE TO OUR STAKEHOLDERS

103-1, 103-3, 201-1, 203-1, 204-1, 305-4, EU26

Our business is driven by the production of renewable energy and the use of local resources to derive returns throughout our value chain. We are further guided by the protection of stakeholders' interests and environmental preservation to achieve sustainability.



#### Notes:

Includes Rental Income, Interest Received & Proceeds from Disposal of Property, Plant & Equipment.

\* These economic value retained, main grid CO<sub>2</sub> emission intensity and total value of tenders awarded to local companies data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

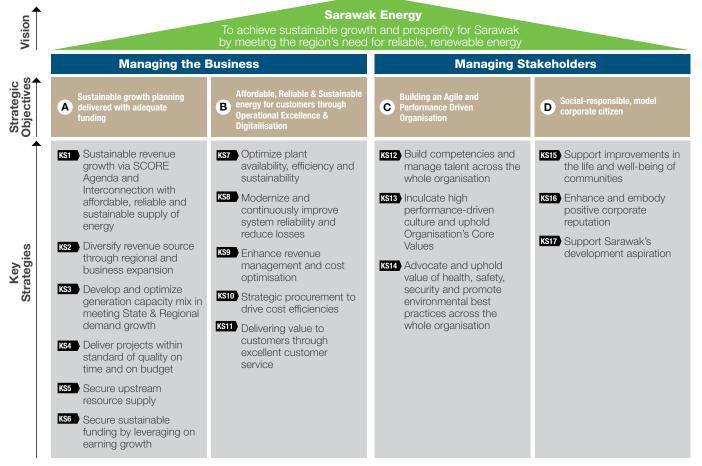
### CORPORATE LONG-TERM STRATEGY



Menara Sarawak Energy is the first office building in East Malaysia to be certified as a green building and awarded a GBI Silver Rating in July 2013. Economic sustainability forms the foundation for our organisation's ability to power the state of Sarawak for more than 100 years. During this time, we have transformed Sarawak Energy into the state's principal provider of reliable, renewable energy to meet our customers' needs while creating opportunities for shared and sustainable prosperity within and outside of our home market.

In doing so, we have been guided by our strategy map, which sets out the achievement of our vision through a two-pronged approach of managing our business and managing our stakeholders. These are further anchored on four strategic objectives, supported by 17 key strategies.

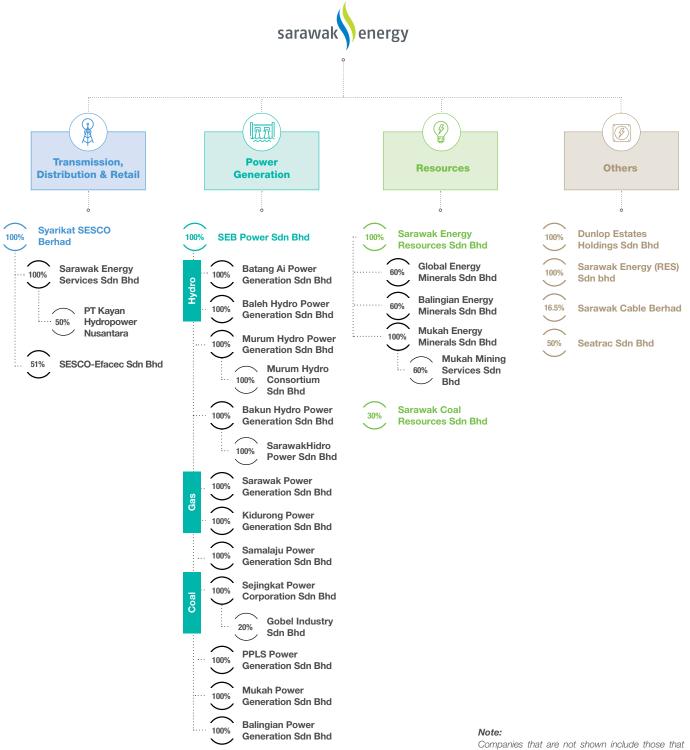
This has further been enabled by growing the proportion of renewable energy in our generation mix, allowing us to produce efficient, affordable and accessible power for our customers which also addresses increasing concerns on climate change both at the global and national levels. In line with this, we also continue to adopt the Hydropower Sustainability Assessment Protocol (HSAP) to ensure that our hydropower projects, which makes up the majority energy source of our generation mix, are developed in a sustainable manner.



#### SARAWAK ENERGY STRATEGY MAP

### ORGANISATION STRUCTURE

### **Our Corporate Structure**



Companies that are not shown include those that have yet to commence operation or that are inactive, struck off or in the process of being struck off during the 2018 financial year.

### GOVERNANCE

### **Group Executive Committee**

In 2018 we restructured our management to enhance the decision-making process. The GEC was formed to deliberate on major issues, as well as to review, assess and endorse our current and future strategic direction. Comprising 13 members, the GEC meets every week to ensure we achieve our short and long-term goals, underlining our sustainable growth.



Datu Sharbini Bin Suhaili Group Chief Executive Officer



Mr. Lu Yew Hung Group Chief Operating Officer



Puan Aisah Eden Executive Vice President, Corporate Services



Mr. Lau Kim Swee Chief Executive Officer, SESCO



Mr. James Ung Chief Executive Officer, SEB Power



**Mr. Pramod Kumar** Karunakaran Executive Vice President, Project Delivery



Mr. Ting Ching Zung Executive Vice President, Strategy & Chief Financial Officer Corporate Development



Mr. Alexander Chin



Tuan Hj. Sulaiman Abd Hamid

Senior Vice President Contract and Procurement



**Dr. Mak Anak Met** Senior Vice President, Human Resources



Mr. Nooruddin Bin Abdullah Senior Vice President, Legal & Enterprise Risk



Mr. Marconi Madai Vice President, Health, Safety, Security & Environment

### **Sustainability Division**

The Sustainability Division was formed in 2012 to oversee our sustainability efforts and to ensure these are integrated into Sarawak Energy's strategic direction. The division is responsible for the processes for the implementation, measurement and verification of the Company's sustainability performance.





**Mr. Nick Wright** Vice President, Business Development Vice President, Information &

Communication Technology

### GOVERNANCE

### HYDROPOWER SUSTAINABILITY ASSESSMENT PROTOCOL (HSAP) INTERNAL ASSESSMENT



HSAP Internal Assessment Team.

We have adopted the Hydropower Sustainability Assessment Protocol (HSAP) within our processes in stages since 2012 and implemented our internal HSAP governing structure in 2014. The protocol is a globally recognised framework used to holistically assess hydropower projects against social, environmental, technical and economic considerations.

Our internal HSAP governing structure has enabled us to firmly integrate sustainability practices into our hydropower development and operation processes. This has ensured that our hydropower development and operations are fully aligned with our sustainability agenda. Since adopting the protocol, it has served as a relevant

model for guided self-assessments in attaining sustainable hydropower development based on recommendations from the World Bank.

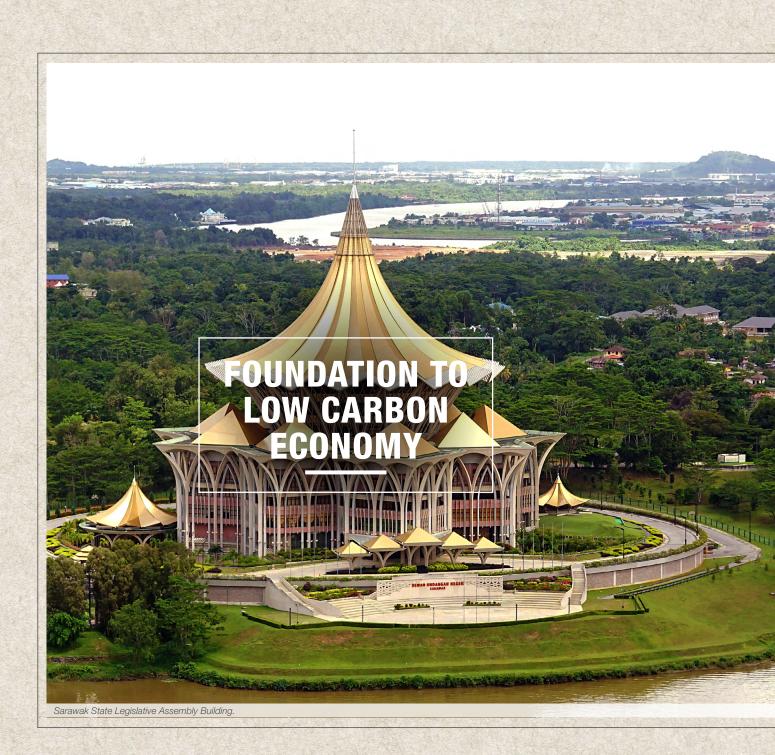
Our Sustainability Division manages the integration of sustainability practices in our hydropower project development and operations according to the following objectives:

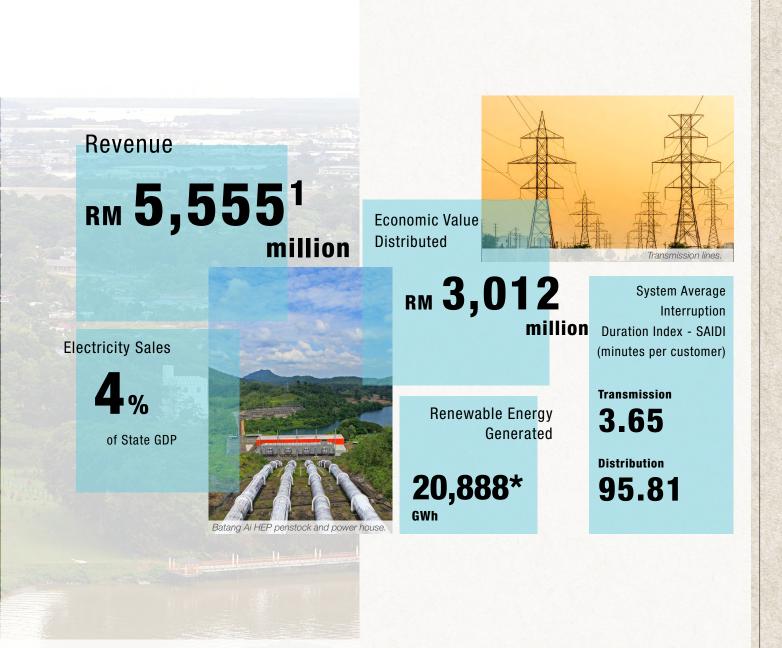
- 1. Benchmarking our internal practices/ processes against global best practices and processes
- 2. Identifying areas for future improvement
- Platform to enhance the adoption of HSAP at the project and corporate levels
- 4. Capacity development of the project team on the Protocol
- Enhancing the technical capabilities of Sarawak Energy's Internal Assessment Team
- 6. Preparing projects for official assessment
- 7. Sustaining our efforts to embed sustainability practices



 Manage the internal 0103 assessment exercise **HSAP** Lead Sponsor Assessors Manage, monitor and Conduct review assessments the assessment and improvement • Ensure Authorise programme responsibility for the independent Act as a reference reviews of internal assessment point for other Improve the documents programme competency of internal assessors and processes the internal IHA Act as a sponsor to determine assessment team Oversee the the extent of for proposals Keep appropriate process of evidence related to the conformity with assessment records collection and HSAP internal assessment to monitor and review evaluate data to programme and determine the the assessment • Prepare the embedding process programme extent of conformity assessment reports Provide support in Define audit · Lead the closing getting necessary objectives, scope, meeting of the resources for the criteria assessment and internal assessment preparation of the programme assessment reports 02 Provide a 04 measurement of **HSAP** Focal effectiveness of the Internal **Point of** management system Assessors to top management Contact

### **Roles & Responsibilities**





#### Notes:

Includes Rental Income, Interest Received & Proceeds from Disposal of Property, Plant & Equipment.

This net energy generated data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

Sarawak Energy Sustainability Report 2018



In 2018, Sarawak Energy registered a revenue of RM5.55<sup>1</sup> billion, representing a year-on-year growth of 10.53% from 2017.

Note: <sup>1</sup> Includes Rental Income, Interest Received & Proceeds from Disposal of Property, Plant & Equipment.

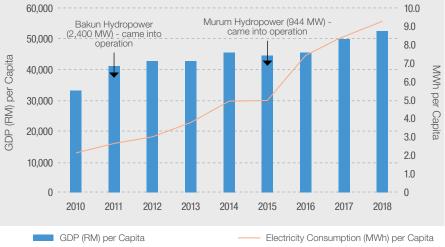
#### ECONOMIC PERFORMANCE

Our company registered revenue of RM5.55<sup>1</sup> billion in 2018, representing a year-on-year growth of 10.53% from RM5.03<sup>1</sup> billion in 2017. These returns were distributed to the government in the form of RM140.7 million in tax, as well as being channeled to our investors through RM949.3 million in interest paid while our employees received RM527.8 million in remuneration.

The Sarawak Corridor for Renewable Energy (SCORE) has provided us with access to invest in hydropower projects, creating a foundation towards building a low carbon economy. In turn, hydropower provides an affordable, reliable and sustainable renewable energy solution to attract foreign investment in energy intensive industries.

While a low carbon economy presents both a significant opportunity and an enormous challenge, it offers a solution to sustainable economic growth based on low carbon generation sources which minimise the output of greenhouse gas emissions. Prior to SCORE, Sarawak's power generation mix mainly originated from thermal sources such as coal, gas and diesel fuel. With the opportunities SCORE, provided by hydropower generation has increased by 1,574% from 1,248 GWh in 2011 to 20,888\* GWh in 2018, representing about 78% of the generation mix.





Electricity Intensity – Electricity Consumption per Sarawak GDP

#### Notes:

1. State of Sarawak GDP (2010 – 2018) at current price.

2. Department of Statistic Malavsia – GDP (2010-2018) & Population (2010-2018).

3. Sarawak Energy - Electricity Consumption (MWh).

Sarawak's GDP has grown steadily on an average of 5.3% from 2010 to 2018 (except for 2015), indicating real economic growth and robust economic output. The State's GDP per capita growth has also demonstrated a strong correlation to electricity consumption per capita, with renewable energy from hydropower forming the key driver of economic growth. From 2010 to 2018, renewable energy registered average growth of around 56% per annum, while electricity demand has also created economic multipliers for the State.

#### Notes:

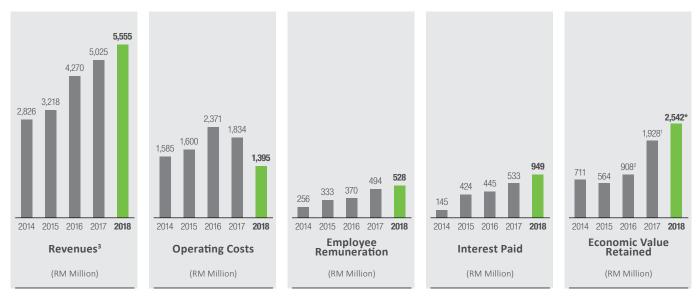
<sup>1</sup> Includes Rental Income, Interest Received & Proceeds from Disposal of Property, Plant & Equipment.

\* This net energy generated data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

## We have transformed Sarawak Energy into the State's principal provider of affordable, reliable and renewable energy.

Affirming our company's financial stability, RAM Ratings ("RAM") upgraded our RM15 billion Sukuk Musyarakah Programme to AA1/ Positive in 2018 and revised both the outlooks for Mukah Power Generation Sdn. Bhd.'s RM665 million Senior Sukuk Mudharabah Programme and Sarawak Power Generation Sdn. Bhd.'s RM215 million Serial Sukuk Musharakah ratings to AA2(s)/Positive. RAM also reaffirmed the AAA/Stable rating for Bakun Hydro Power Generation Sdn. Bhd.'s RM5.54 billion Sukuk Murabahah Programme.



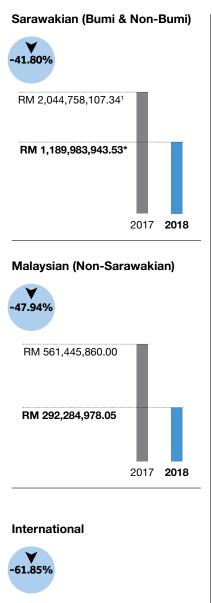


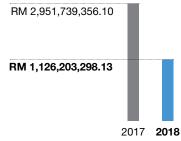
#### Notes:

- <sup>1</sup> This economic value retained data has been assured by a third party for Sustainability Report 2017.
- <sup>2</sup> This economic value retained data has been assured by a third party for Sustainability Report 2016.
- <sup>3</sup> Includes Rental Income, Interest Received & Proceeds from Disposal of Property, Plant & Equipment.
- This economic value retained data has been assured by a third party. Read the Independent Assurance Report on pages 68 69.

#### **Promoting Inclusiveness for Local Businesses**

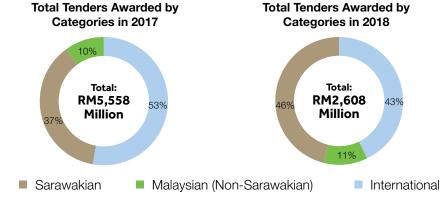
We pride ourselves in adopting procurement practices which contribute to the development of the local economy and community.





During the year, we also conducted our annual Contractor's Briefing on Business Opportunities programme throughout Sarawak, registering the attendance of 500 contractors. The programme is aimed at raising business inclusiveness for local suppliers. We also held trainings and project briefings for the local business community.

Following the introduction of the bid bond waiver for Sarawakian tenderers last year, in 2018, we further introduced a reduction of performance bond and retention sums from 10% to 5%, respectively. This resulted in lowering the maximum exposure of 10% for both, from 20% previously.



#### **Operational Performance**

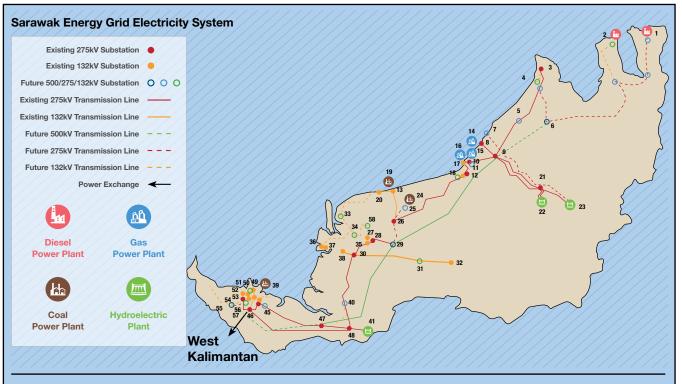
The stability of our economic performance remains underpinned by the efficiency and effectiveness of our electricity generation, transmission and distribution services. During the year in review, peak demand on our system reached 3,504 MW from 3,302 MW in 2017, as our total electricity sales reached 25,825 GWh from 23,675 GWh. Peak demand is expected to rise by 33% to 4,755 MW in 2022. We also committed 2,443 MW to energy intensive industries and export customers via Power Purchase Agreements (PPA) and Power Exchange Agreements (PEA) in 2018.

Electricity Sales (GWh) - by customer type	2018
Domestic	2,368
Commercial	2,857
Industrial	2,367
Public Lighting	110
Bulk Customers	18,123
Total Electricity Sales	25,825

#### Notes:

<sup>1</sup> This total value of tenders awarded to local companies data has been assured by a third party for Sustainability Report 2017.

This total value of tenders awarded to local companies data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

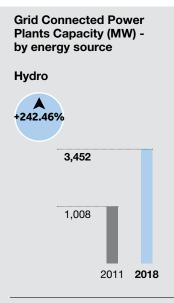


- 1. Lawas 275/33kV S/S
- 2. Limbang Town 132/33kV S/S
- 3. Tudan 275/132/33kV S/S
- 4. Eastwood 132/33kV S/S
- 5. Niah 275/33kV S/S
- 6. Bunut 500/275/33kV S/S
- 7. Samalaju B 275/132/33kV S/S
- 8. Samalaju 275/132/33kV S/S
- 9. Similajau 500/275/33kV S/S
- 10. Bintulu 275/132kV S/S
- 11. Bintulu B 275/132kV S/S
- 12. Kemena 275/33kV S/S
- 13. Matadeng 132/33kV S/S
- 14. New Tanjung Kidurong CCGT P/S 400MW (Future)
- 15. Tanjung Kidurong CCGT P/S 400MW (Future)
- 16. Sarawak Power Generation P/S 317MW
- 17. Tanjung Kidurong 132/33/11kV S/S
- 18. Sibiyu 132/33/11kV S/S

- Mukah Power Generation P/S 270MW
- 20. Petian 132/33kV S/S
- 21. Murum Junction 275/33kV S/S
- 22. Bakun HEP 2,400MW
- 23. Murum HEP 944MW
- 24. Balingian P/S 622MW (FUTURE)
- 25. Balingian 275/33kV
- 26. Selangau 275/132/33kV S/S
- 27. Deshon 132/33kV S/S
- 28. Oya 275/132/33/11kV S/S
- 29. Mapai 500/275/33kV S/S
- 30. Kemantan 275/132/33/11kV S/S
- 31. Song 132/33/11kV S/S
- 32. Kapit 132/33/11kV S/S
- 33. Daro 132/33kV S/S
- 34. Sg Maaw 132/33kV S/S
- 35. Salim 132/33kV S/S
- 36. Tanjung Manis B 132/33/11kV S/S
- 37. Tanjung Manis 132/33/11kV S/S
- 38. Sarikei 132/33/11kV S/S

- Sejingkat Power Corporation P/S 210MW
- 40. Serudit 275/132/33kV S/S
- 41. Batang Ai HEP 108MW
- 42. Muara Tabuan 132/33kV S/S
- 43. Samajaya 132/33kV S/S
- 44. Etinggan 275/132/33kV S/S
- 45. Etinggan B 275/132/33kV S/S
- 46. Mambong 275/132/33kV S/S
- 47. Lachau 275/33kV S/S
- 48. Engkilili 275/33/11KV S/S
- 49. Sejingkat 132/33kV S/S
- 50. Astana 132/33kV S/S
- 51. Semariang 132kV S/S
- 52. Mendu 132/33kV S/S
- 53. Matang 275/132/33kV S/S
- 54. Transmitting 132/33kV S/S
- 55. Tondong 500/275kV S/S
- 56. Semenggo 132/33kV S/S
- 57. Stakan 132/33kV S/S
- 58. Sungai Merah 132/33kV S/S

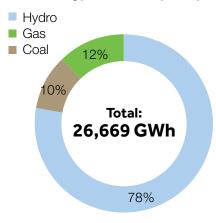




### Sustaining Our Customers' Access to Low Carbon Energy

In line with our transformation into a renewable energy utility, our hydropower plants continue to represent the highest proportion of our portfolio and the only energy source we have invested in growing since 2013. As at the end of 2018, it made up 74% of our grid connected capacity, accounting for 78.32% of our grid energy mix during the year with net generation of 20,888\* GWh.

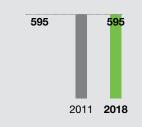
### Grid Energy Mix 2018 (GWh)



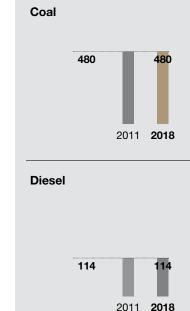
Underscoring our operational performance, we continued to register a high availability factor at an average of 93.46% and an average forced outage rate of 0.25% for our hydropower plants. Of these plants, the Batang Ai HEP recorded an availability factor of 92.10% and a recorded forced outage of 0.01% during the year; the Murum HEP registered an availability factor of 96.08% with a forced outage of 0.50% and the availability factor for the Bakun HEP was 92.23% with a forced outage rate of 0.23%.

As for our thermal plants, we recorded efficiency of 28.16%.

We have identified short and long-term measures in an effort to ensure continued availability and reliability of power for our customers. Over the short-term, these measures are driven by our outage management adoption plan.



Gas



#### Note:

This net energy generated data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.



Switchyard at Murum Junction 275/33 kV S/S.

In the long-term, we continue to fully meet the requirements of the State Grid Code's generation capacity planning, including reserve margin, Loss of Load Probability (LOLP) and Expected Energy Not Served (EENS). We have also put in place our Transmission Network Development to maintain the N-1 reliability requirement. This provides adequate transmission security and capacity for future system load growth from our organic customers, energy intensive loads in the SCORE region and our export of electricity, in addition to serving as the injection point for integrating future new large generation.

#### **Minimising Interruptions to Our Service**

As further testament to the efficiency of our operations, we maintained the rate of transmission losses at 1.99% in 2018 from the same level in 2017. Our distribution losses due to technical reasons such as power dissipation in the transmission and distribution lines, transformers and measurement systems, also remained unchanged at 6.33%. Non-technical distribution losses, which are a result of electricity theft, non-payment by customers and errors in accounting and record-keeping, rose to 4.47% from 3.80%.

Our efforts to minimise the frequency and duration of interruptions by improving our asset management are reflected by our System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI). We continued to reduce these year-on-year, with Distribution SAIDI in 2018 improving to 96 minutes per customer from 110 minutes per customer in 2017 and Distribution SAIFI improving to 1.20 interruptions per customer from 1.28 interruptions per customer. At the Transmission level, SAIDI improved to 3.65 minutes per customer in 2018 from 30.96 minutes per customer in 2017, while SAIFI improved to 0.23 interruptions per customer from 0.68 interruptions per customer. We also commenced measuring SAIDI and SAIFI at the Generation level in 2018, recording 1.90 minutes per customer and 0.03 interruptions per customer, respectively.

#### **SAIFI** (interruptions per customer)



#### SAIDI (minutes per customer)



#### Notes:

<sup>&</sup>lt;sup>1</sup> This System Average Interruption Duration Index (SAIDI) data has been assured by a third party for Sustainability Report 2015.

This System Average Interruption Duration Index (SAIDI) data has been assured by a third party for Sustainability Report 2014.



Launching of the 500kVA mobile gensets.

Description	2014	2015	2016	2017	2018
Transmission Losses (%)	1.65	1.81	1.95	1.99	1.99
Distribution Losses (Technical) (%)	10.87	10.87	10.87	6.33	6.33
Distribution Losses (Non Technical) (%)	2.08	1.65	1.03	3.80	4.47

In an effort to improve our system efficiency and improve distribution losses to minimise service interruptions, we undertook numerous initiatives during the year. These included continuously promoting the adoption of amorphous transformers, which are recognised for energy efficiency and lead to low losses. Our Asset Management team also evaluates different suppliers to procure the most competitive transformers. Furthermore, we are in the midst of replacing some of our existing capacitor banks at five substations, which is expected to improve the network system efficiency. Capacitor banks are used to improve the power factor of electricity. Following the deployment of our Mobile Field Force Automation (MFFA) real-time monitoring and tracking system to three main stations in 2016, we expanded the system to other stations, including outstations in 2017 and 2018. The system which has oversight on the response time of our technical field crews when attending to customer complaints on outages and malfunctioning street lighting.

Since 2016, we have implemented the Remote Monitoring System (RMS) to monitor status of our distribution network on a real-time basis. To date, 150 sub-stations with 554 remote sensors in Kuching, Bintulu and Miri and 41 street lighting feeders in Kuching have been installed with the RMS.

During the year in review, we introduced the Smart Lock System to control the access of smart key users for our sub-stations and control rooms to a specific lock within a set time. This allows remote monitoring of our assets. We received the first batch of 500 smart padlocks and 50 smart keys in October 2018 and completed installation, testing and commission in November. In December, pilot users completed their training for the new system, with the locks to be introduced in stages from January 2019.

Following the completion of our Enterprise Asset Management (EAM) system in September 2018, we undertook EAM change management activities, training and rollout for our Transmission team from October to December 2018, with major adoption and stabilisation of the system targeted for the first quarter of 2019. We will also introduce the system for our Distribution operation & maintenance team in 2019.

The EAM system was developed based on energy industry best practices to support our asset management and improve productivity of our operation and maintenance personnel. It is also available as a mobile version which can be used offline. This will be beneficial for our Transmission field crew who often work on sites with little or no internet connectivity. Moving forward, EAM system for Distribution O&M team will also be rolled out to all four regions in 2019.

Our Geographical Information System (GIS) pilot project, which covers Kuching (Central Business District - CBD, and non-CBD areas), went live in May 2018. The system is available for desktop, web and mobile. The desktop version will be used by GIS staff to draw new overhead lines, underground cables and substation equipment, among others.

Meanwhile, the web version will be used by our operation and maintenance staff to obtain asset and locality information, including power analysis to determine outage areas and information on customers affected if there is a planned or forced outage. As for the mobile version, asset information is collected during site inspection and can be used to capture and save site/asset photos and GIS coordinates. The subsequent phases of this project will be implemented in 2019, covering Kuching Outstations first, followed by other regions.

During the year in review, we also received two units of 500 kVA mobile gensets which are designed to be mounted permanently on a 6x2 rigid truck. Our fleet of mobile gensets contribute to reducing our SAIDI and in 2019, we will receive another three fleet.

We commenced our Covered Conductor Pilot Project in 2018 in Sagah Moyan. The project aims to study the effectiveness of covered conductors against adverse weather conditions and external disturbances to improve forced outages and was tested on an 11 kV overhead



line. The first performance evaluation of the covered conductor proved successful with another assessment to be carried out in January 2019.

While we take every effort to ensure our customers enjoy continuous service, disconnections do arise as a result of late payment of electricity charges. In 2018, we recorded 11,461 disconnected accounts for the Kuching area, valued at RM49.26 million in late charges. Of these, we recovered RM31.03 million in payments from 9,542 reconnected accounts, with electricity restored within 24 hours for 9,414 of these accounts.

Year	Total Account Disconnected	Total Amount Disconnected	Total Account Reconnected	Total Amount Reconnected
2018	11,461	49,260,770.00	9,542	31,030,807.00
2017	15,783	36,335,836.73	11,473	8,897,518.36
2016	9,579	22,014,128.63	6,463	8,981,922.85
2015	8,381	16,313,620.01	6,164	7,426,324.94

#### Length of Time between Disconnection and Arrangement of Payment

Year	<48 Hours	48 - 1 Weeks	1 Weeks - 1 Month	1 Month - 1 Years	>1 Year
2018	8,215	1,232	53	42	0
2017	10,987	358	120	8	0
2016	6,175	208	44	36	0
2015	5,798	168	130	68	0

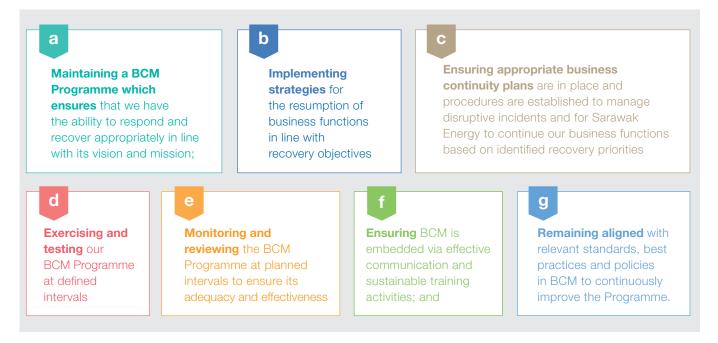
#### units of 1 MVA mobile gensets to add to our Time Taken to Restore Electricity After Payment

Year	<24 Hours	24 Hours - 1 Week	> 1 Week
2018	9,414	128	0
2017	8,089	2,256	1,128
2016	5,925	320	218
2015	6,159	5 (under customer request)	0

#### **Business Continuity Management**

Since 2016, we have established a Business Continuity Management (BCM) Framework to build our resilience for preparedness and effective response in times of crisis or disasters. The framework is benchmarked against ISO 22301:2012, ISO22313:2012 and other relevant Malaysian and international BCM standards and guidelines.

Our BCM policy commits us to maintaining and ensuring the continuity of our services to minimise the impact to our customers in the event of a service disruption. This will be achieved by:



During the year in review, our BCM activities were focused on exercising our people in BCM and working with government agencies, with major initiatives held during the year including Crisis Simulation Exercises for the Similajau 275kV EHV substation, Bakun HEP and Tg. Kidurong Power Plant. A Crisis Simulation Exercise was also held for Group CMT, Group CMST and the Group BCM Secretariat.

### **Ensuring Excellence in Serving Our Customers**

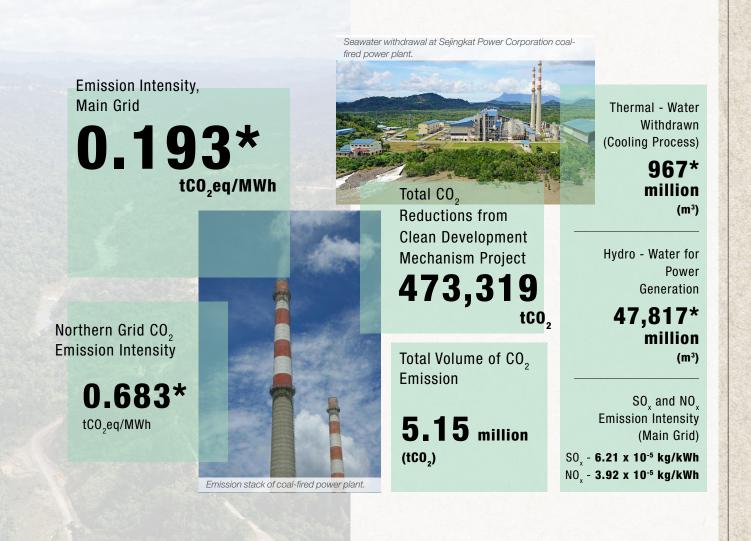
Our efforts to ensure the availability and reliability of our system as well as minimise disruptions have produced continued improvements in our Customer Satisfaction Index, which increased to 94.72% in 2018 from 80.57% in 2017.

Year	2014	2015	2016	2017	2018
Customer Satisfaction Index	75.23%	77.29%	77.42%	80.57%	94.72%

Apart from our technical initiatives, our Retail and Distribution teams have also played their part to achieve excellent service quality for our customers. This includes the introduction of 15 payment kiosks at our major customer service counters in 2017 and the opening of our new Saradise Customer Service Counter to replace the Pending Customer Service Counter during the year. Additionally, the kiosks are now equipped to accept payments for water bills.

With regard to our SEB Cares mobile application, we are in the process of introducing corporate payments via the app. The app currently allows individual users to view and manage their bills, report technical, billing and metering issues and check updates on the status of reported cases. Additionally, users can receive live updates on planned and unplanned outages for customisable areas.





Note:

\* These main grid CO<sub>2</sub> emission intensity, northern grid CO<sub>2</sub> emission intensity, total water withdrawn by source and annual water volume for electricity generation data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.



In 2018, we recorded carbon dioxide (CO<sub>2</sub>) emission intensity of  $0.193*tCO_2eq/MWh$  from our main grid against  $0.213^1 tCO_2eq/MWh$  in 2017.

Notes:

<sup> $^{+}</sup> This main grid CO<sub>2</sub> emission intensity data has been assured by a third party for Sustainability Report 2017.$  $<math>^{*}$  This main grid CO<sub>2</sub> emission intensity data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.</sup>

### OUR COMMITMENT TO ACCELERATE CLIMATE ACTION

Our environmental footprint has emerged as one of the pillars of our business strategy in recent years. This means that instead of simply managing the impact of our business on the natural environment, we have integrated environmental concerns into our operations. This is reflected by our shift into a renewable energy utility, with hydropower as the dominant component of our energy mix.

Through this approach, in addition to our further efforts on environmental conservation and preservation, we are striving to ensure the sustainability of our business, the economy, our local communities and the environment.

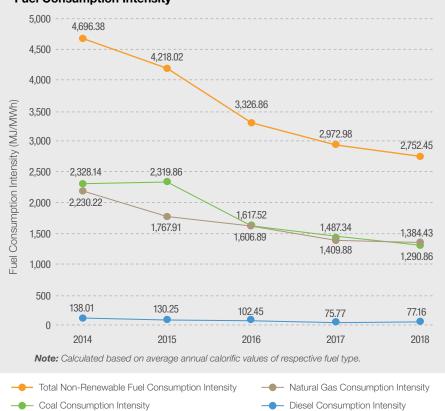
### MINIMISING THE IMPACT OF OUR USE OF RESOURCES

As an energy company, we are deeply cognisant of the energy that both goes into and is generated by producing our electricity. The following data discloses our scheduled waste generation intensity from 2016 to 2018 as well as the volume of water used to produce electricity at our power plants in 2018 and 2017.

#### Notes:

- <sup>1</sup> This total water withdrawn by source data has been assured by a third party for Sustainability Report 2017.
- \* This total water withdrawn by source data has been assured by a third party. Read the Independent Assurance Report on pages 68 -69.



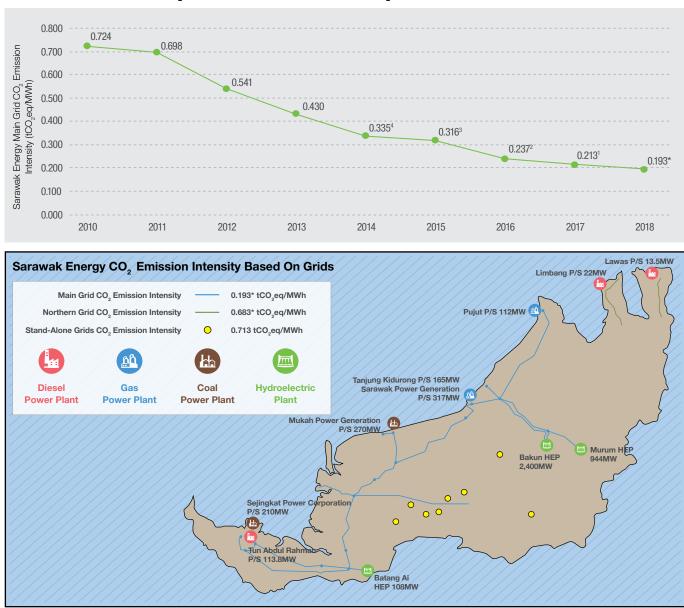


#### Total Water Withdrawal by Source 2017 & 2018

Diant Tuna	Source	Total 2018	Total 2017	
Plant Type	Source	meter cubic (m³)		
Coal	Municipal	2,186,120.00*	2,457,930.00 <sup>1</sup>	
	Sea Water or other natural water source	739,325,453.18*	820,813,896.001	
Combined	Municipal	229,836.00*	157,777.00 <sup>1</sup>	
Cycle - Natural Gas	Sea Water or other natural water source	227,489,565.60*	212,876,380.80 <sup>1</sup>	
Diesel	Municipal	13,952.50*	21,192.00 <sup>1</sup>	
	Sea Water or other natural water source	69,650.00*	1,171,360.00 <sup>1</sup>	

For further details on our use and management of water resources, please refer to the **Conserving Our Natural Resources** section in the subsequent pages of this chapter.

As a result of our continuous efforts to focus on the use and production of renewable energy, our main grid is recognised as having the lowest carbon footprint among electricity companies in the region. In 2018, we recorded carbon dioxide ( $CO_2$ ) emission intensity of 0.193\*t $CO_2$ eq/ MWh from our main grid against 0.213<sup>1</sup> t $CO_2$ eq/MWh in 2017. This was achieved as 78.32% of our grid energy mix is generated from our hydroelectric plants, with a total of 20,888\* GWh of energy generated from all our hydro power plants on the main grid in 2018 from 19,241 GWh in 2017. In addition, our Northern Grid  $CO_2$  emission intensity will be further reduced in 2019 with the completion of our 10MW Kota 2 Run-of-River Hydropower plant in Lawas.



#### Sarawak Energy Main Grid CO, Emission Intensity 2010 - 2018 (tCO, eq/MWh)

#### Notes:

- <sup>1</sup> This main grid CO<sub>2</sub> emission intensity data has been assured by a third party for Sustainability Report 2017.
- <sup>2</sup> This main grid  $CO_2^{\circ}$  emission intensity data has been assured by a third party for Sustainability Report 2016.
- <sup>3</sup> This main grid CO<sub>2</sub> emission intensity data has been assured by a third party for Sustainability Report 2015.
- <sup>4</sup> This main grid  $CO_2$  emission intensity data has been assured by a third party for Sustainability Report 2014.
- \* These main grid  $\hat{CO}_2$  emission intensity, northern grid  $CO_2$  emission intensity and net energy generated data have been assured by a third party. Read the Independent Assurance Report on pages 68 69.

In line with our commitment to minimise our carbon footprint by employing and producing more renewable energy, we continue to retire old and small power plants and shift towards cleaner and more efficient technology. Subsequently, in 2018, we achieved a continued reduction of our CO<sub>2</sub> emissions by 473,319 tonnes from 408,520 tonnes in the previous year through carbon reduction from The Clean Development Mechanism (CDM) project.

The increase of the share of renewable energy in our generation mix has reduced the generation of other pollutants such as sulphur and nitrous oxides, which are by-products of our power plant operations. These emissions remain in line with requirements of the Environmental Quality Act. We also strive to minimise the  $CO_2$  generated from our thermal plants by adopting efficient and environmentally-friendly technology such as Circulating Fluidised Bed (CFB) technology for our new Balingian Coal Fired Power Plant, and conversion from open cycle to combined cycle for our Kidurong Gas Fired Power Plant.

#### Sarawak Energy Main Grid - SO<sub>3</sub>, SO<sub>2</sub> and NO<sub>2</sub> Emission Intensity 2012 - 2018







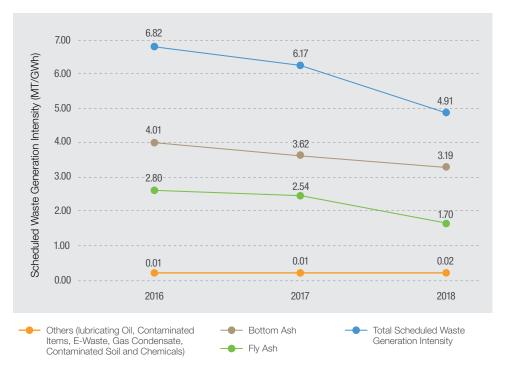
#### Notes:

- For reporting purposes, CO<sub>2</sub> emission is calculated based on the amount of fuel used. NO<sub>2</sub>, SO<sub>2</sub> & SO<sub>2</sub> are calculated based on monthly Stack Emission Monitoring.
- Reports are conducted by third party consultants. In addition, these monthly stack emission reports will also be used to verify the CEMS measurements.
- Continuous Emission Monitoring System (CEMS) is only available at our SPC, PPLS, Bintulu, SPG and MPG power plants and the measurement results are directly connected to the Department of Environment.
- Starting in year 2016, all of the main grid thermal power plants are using  $SO_x$  parameter instead of  $SO_x$
- NO<sub>x</sub> parameter is applicable for Bintulu, SPG, Miri, Sg. Biawak, PPLS, SPC & MPG power plants.

#### Responsible Waste Management

In addition to managing our emissions, we also implement disciplined disposal of our scheduled waste from our plants, which consist of oil, fly ash, bottom ash and other wastes such as contaminated items, electronic waste, gas condensate, contaminated soil and chemicals. The scheduled waste is disposed by a licensed contractor at prescribed premises in accordance with the Environmental Quality (Scheduled Waste) Regulations 2005.

The following data shows the intensity of scheduled waste generated from 2016-2018. Scheduled waste generation intensity has decreased, with a marked decline recorded from 6.17 MT/GWh in 2017 to 4.91 MT/GWh in 2018.





Fly ash from our coal-fired power plant is recycled as a supplementary cementitious material (SCM) in the production of cement concrete.

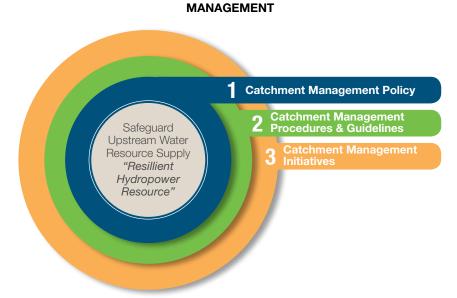
#### **Scheduled Waste Generation Intensity**

### Adaptation to Climate Change -Conserving Our Resources

In 2018, Sarawak Energy generated 20,888\* GWh of energy by regulating 47,817\* million m<sup>3</sup> of water drawn from a 21,584 km<sup>2</sup>-sized water catchment area for our hydropower energy generation. The viability and longterm sustainability of hydropower operation is heavily dependent on land use within the catchment areas. Among the key challenges faced by hydropower operations is reservoir sedimentation, which is mainly contributed by uncontrolled activities within catchment areas. Sedimentation not only reduces the total storage capacity of reservoirs, it also impacts turbines and other mechanical equipment through abrasion.

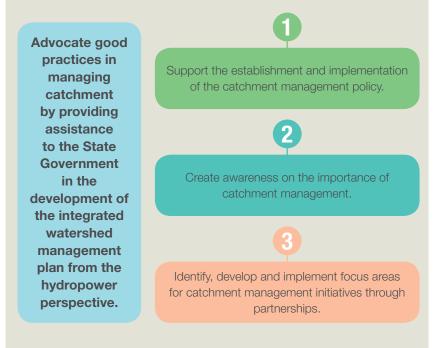
An appropriate catchment management policy, framework, procedures and guidelines are integral to managing these risks. Currently, the Sarawak State Government is in the process of developing the policy, procedures and guidelines on integrated watershed management for Sarawak. In line with Sarawak Energy's long-term key strategies to secure upstream resource supply, we continuously play a proactive role in advocating good practices in managing water catchment and are in a strategic position to provide assistance to the State Government in developing the integrated watershed management plan from a hydropower perspective.

This integrated watershed management plan will benefit hydropower operations by ensuring a healthy catchment that contributes to good water quality and adequate water supply to the reservoir to meet growing energy demand. At the same time, it will ensure continued delivery of environmental social services for downstream needs, protecting the resilience of hydropower resources. This, in turn, enhances the capacity of hydropower to mitigate and adapt to climate change.



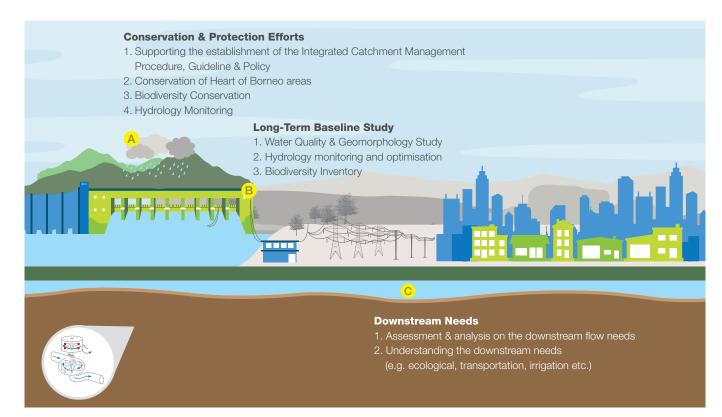
FRAMEWORK FOR INTEGRATED WATERSHED

### SARAWAK ENERGY'S OBJECTIVES ON INTEGRATED WATERSHED MANAGEMENT:



#### Note:

\* These net energy generated and annual water volume for electricity generation data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.



We also implement a Reservoir Management Plan to safeguard the water supply for our company and for the community. The plan monitors hydrometric data such as rainfall, the level of river water, inflow of water into our hydropower plants and sediment concentration from our 25 hydrometric stations.

During the year in review, we installed two new hydrometric stations at Belepeh (Bakun Catchment) and Mengiong (Baleh Catchment). We also undertook quality improvement of the hydrometric network system through ISO 9001:2015 certification.

#### Water Inflow to Our Reservoirs

### 2018

Major Plant	Annual Inflow (million m³) (annual inflow from catchment)	Annual Water Volume for Energy Generation (million m <sup>3</sup> )	Annual Energy Generated (GWh)
Batang Ai	3,576.00	3,646.50*	481.00
Murum	7,737.00	7,932.00 8,022.00* (include EPS²)	6,094.00
Bakun	40,481.00	36,148.11*	14,482.00

#### 2017

Major Plant	Annual Inflow (million m³) (annual inflow from catchment)	Annual Water Volume for Energy Generation (million m <sup>3</sup> )	Annual Energy Generated (GWh)
Batang Ai	3,658.00	3,396.73 <sup>1</sup>	442.32
Murum	10,933.00	7,503.32 7,567.19 <sup>1</sup> (include EPS <sup>2</sup> )	5,717.39
Bakun	49,794.00	32,961.65 <sup>1</sup>	13,078.27

#### Notes:

<sup>1</sup> This annual water volume for electricity generation data has been assured by a third party for Sustainability Report 2017.

<sup>2</sup> Ecological Power Station.

\* This annual water volume for electricity generation data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

#### **BIODIVERSITY CONSERVATION**

Sarawak is home to some of Malaysia's most exotic flora and fauna and we at Sarawak Energy recognise the value of protecting its distinct biodiversity. To this end, we conduct internal and community-based programmes to ensure the State's natural environment continues to flourish for a sustainable future.

2

#### **Murum Flora Conservation Garden Island**

### 1

**ESTABLISHED** in 2015, the garden showcases the rich biodiversity of the Murum area, attracting nature lovers, environmentalists and ecologists alike.

**SERVES** as a pit-stop location for visitors during the long-distance boat-ride along the reservoir and can also be used as a biodiversity research station.

Since its launch, around 4,712 plant saplings have been planted in the garden, including Gaharu trees, the Mixed Dipterocarp species including Ensurai trees, various types of orchids, medicinal herbs such as Tongkat Ali, bamboo and some non-tree species.

### **Community-based Tagang System Fishery Project**

In 2015, we collaborated on the establishment of a fishery project at Sungai Lekasi in the Tegulang resettlement area. Last year, upon suggestions from the project committee for modification and improvement, we conducted a site visit with the committee's representatives and hosted a dialogue session with the community and the Department of Agriculture to highlight the requirements and challenges for the project's success.

Following this, a new project committee was formed, with Sarawak Energy agreeing to allocate a specific budget to help empower the community with the right skills and knowledge to manage the project as well as provide training for the committee.

We will also liaise closely with the Department of Agriculture to obtain required permits for the project and in handling the project.

#### Gaharu Tree Planting Programme

During the year in review, we participated in the Gaharu Tree Planting Programme at Rh. Manggat, Menyang Taih, Batang Ai. The programme represents,

2

1

### **A CONSERVATION**

effort under the Sarawak Forestry Department's Ulu Sungai Menyang Orang Utan Strategic Action Plan (USMOUSAP) AN AIM TO CONSERVE the Ulu Sungai Menyang forest to improve the livelihood of the local communities.

A total of 78 participants from Sarawak Energy, Institut Pendidikan Guru Kampus Batu Lintang, Forestry Department, WWF and local villagers of Rh. Manggat planted 1,500 Gaharu seedlings on the land of the Ulu Sungai Menyang.

### Social and Environmental Impact Assessment (SEIA) for Tg. Kidurong Combined Cycle Power Plant Project

As part of a requirement to obtain financing from the Export Credit Agency, we completed an SEIA for the Tg. Kidurong Combined Cycle Power Plant project in April 2018. The assessment was carried out in line with the requirements of the Equator Principles risk management framework and complied with national requirements as well as the Performance Standard of the International Finance Corporation (IFC). Pursuant to our submission of the assessment, an Environmental and Social Due Diligence exercise was conducted by an international independent environmental and social consultant in May 2018.

The exercise saw us receiving commendations for the quality of our team and system, the level of our cooperation with the contractor and our transparency in meeting the Sarawak Energy was commended of having a good team and system, cooperation with contractor and transparent on every aspect in meeting IFC Performance Standards and national requirements.



Northern Region team signed their pledge on zero polystyrene and reduce single-use plastic to minimize environmental impacts.

### Sarawak Energy Contractor Environmental Impact Assessment (EIA) Compliance Award 2017

As part of our efforts to encourage environmental self-regulation in project implementation, we introduced the Contractor EIA Compliance Award in 2017. The inaugural awards ceremony was held on 1 March 2018 in Sibu, recognising and highlighting efforts by contractors who met a high level of compliance with EIA assessment requirements and standards as well as conditions of approval, enforced at the Federal and State level, in undertaking projects awarded by Sarawak Energy. Fourteen contractors were presented with silver and bronze awards while seven consultants were given certificates for their efforts in observing EIA standards.

The awards were introduced to promote and encourage commitment to environmental care among our community of contractors. We hope that by serving as a platform to recognise and acknowledge the efforts of our contractors in environmental management, and in ensuring compliance with EIA conditions of approval and statutory requirements and standards, the awards will inculcate and embed good environmental practices.

### PROMOTING RESPONSIBLE CONSUMPTION

#### Launch of 'Zero Polystyrene, Reduce Single-Use Plastic' Campaign

We have launched our internal three-year 'Zero Polystyrene, Reduce Single-Use Plastic' Campaign with an aim to eliminate the use of polystyrene packaging and reduce single-use plastic across our organisation, in line with World Earth Day 2018 themed 'End Plastic Pollution'.

Among activities held in conjunction with the launch was an exhibition held on our premises showcasing information related to environment management from various agencies such as Department of Environment (DOE), the Wildlife Conservation Society (WCS), World Wildlife Fund (WWF) and Majlis Bandaraya Kuching Selatan (MBKS), and a colouring contest for our staff's children. An E-waste take-back programme and a recyclable waste sale were also conducted for staff who wanted to discard their items in a sustainable manner.

We also took the campaign on a roadshow to all our four major regional offices and four power stations, with 335 of our staff attending the roadshow, which also included a pledge signing by our regional and station managers and environmental talks.

#### **PALS Club Programmes**

We collaborated with Sarawak Natural Resources & Environment Board (NREB) to organise the annual state-level 'Pencinta Alam Sekitar' (PALS Conference Sarawak) from 10-13 July 2018 in Mukah. The event was attended by 90 students and 20 teachers from secondary schools across Sarawak. The objectives of the PALS Conference were

1	2	3
TO PROVIDE	TO INCREASE	TO ESTABLISH
a platform for PALS	student awareness on	networking among
Club schools to	the need to preserve	students, teachers and
share information	the environment.	environmental agencies.

Over the course of the event, participants engaged in activities including an environmental exploration race and a visit to 'lamin dama' (old house in the Melanau dialect). An exhibition was held on the final day, allowing the 20 participating schools to showcase their projects.

We have also been working with the NREB since 2016 to launch environmental education modules for the PALS Club. The modules, consisting of one each for primary and secondary schools, which will be used by teachers to guide students towards environmental conservation, were launched by YB Datu Hj Len Talif Salleh, Deputy Minister of Town Planning, Land and Environment Sarawak on 4 September 2018 at Hotel Parkcity Everly, Bintulu. Through close collaboration with the NREB and the respective schools' PALS Clubs, the module will be available to all 361 primary and secondary schools throughout Sarawak.



Prof. Yves Prairie (right) and Cynthia Soued, a PhD student from UQAM, Canada (left) are investigating and studying the biogeochemical sciences on the production and propagation of Greenhouse Gases at Batang Ai hydropower reservoir.

### RESEARCH AND DEVELOPMENT

Our research and development (R&D) activities are focused on finding ways to provide a reliable supply of electricity and promote sustainable development. In 2018, we approved a total R&D budget of RM4.06 million for eight projects on instruments, equipment and facilities, various monitoring systems and information management systems.

We have also embarked on a study on the development of GHG emission factor for the electricity sector in Malaysia. Currently, Malaysia does not have a dedicated emission factor for the electricity sector. The existing practice is to use the default emission factor by the Intergovernmental Panel on Climate Change (IPCC), thus putting into question the credibility of GHG emissions reported in Malaysia.

The project will analyse the emission factor of major greenhouse gases, GHG ( $CO_2$ ,  $CH_4$ ) from power plants in Malaysia; establish GHG emission factor guidelines for the power industries and regulators for GHG emissions assessment; analyse and

benchmark the GHG emission factor with other published emission factors; and assess and analyse GHG emissions from the power plants. This will allow Malaysia to develop its own emission factor for coal and gas rather than using the default value in IPCC. As the State of Sarawak uses local coal, we will also be able to know the emission factor of our coal. The project is also aimed at providing precise and emission result for future reporting.

In an effort to address and promote sustainable operations of our hydropower developments, we have teamed up with the University of Quebec in Montreal (UQAM), Canada, for a three-year collaboration field research study on GHG dynamics at the Batang Ai hydropower reservoir.

Findings of the research have allowed us to understand the biological and physical pathways responsible for GHG emissions, with carbon dioxide and methane making up the major GHG measured in the study. There are three major pathways of GHG emission being studied: (i) diffusive fluxes from the surface of the reservoir; (ii) degassing and downstream; and (iii) bubbling.

Overall, at this stage of study, our results show that Batang Ai carbon emissions are in the range of measured emissions for reservoirs globally. The emissions are also much less significant than average natural gas power plants for an equivalent power production.

Our on-going investigation of the GHG status of our reservoirs has helped us advance our knowledge of the causes, pathways and potential solutions of reservoir carbon emissions, which is an important step in our continuous effort to provide clean and sustainable energy through freshwater hydropower.



### **Total Training Hours**

113,386 hours



Our People. Lost Time Injury

**Frequency Rate** (Operation) 0.49

**Total Number** of Staff

5,023



Capacity building for Hydropower Sustainability Assessment Protocol (HSAP) Internal Assessment Team.

Lost Time Injury **Frequency Rate** (Project Execution) 0.20

**CSR** Spending

RM **11.12** million

**Electricity Tariff -**One of the Lowest in Southeast Asia

> **Total Electrification** Coverage in 2018

96%

Sarawak Energy Sustainability Report 2018



From safeguarding the well-being of our employees to helping our local communities, we take pride in our responsibility of providing access to opportunities which contribute to the sustainability of our social fabric.

#### TRANSFORMING SOCIAL OUTCOMES

As Sarawak's primary energy utility with a presence of over 100 years in Sarawak, we view social aspects as integral to our business. From safeguarding the well-being of our employees to helping our local communities, we take pride in our responsibility and contribution to the sustainability of our social fabric.

### POSITIONING OURSELVES AS AN EMPLOYER OF CHOICE

Our employees make up the pulse of our organisation, aiding in our development as Sarawak's leading reliable, renewable energy utility.

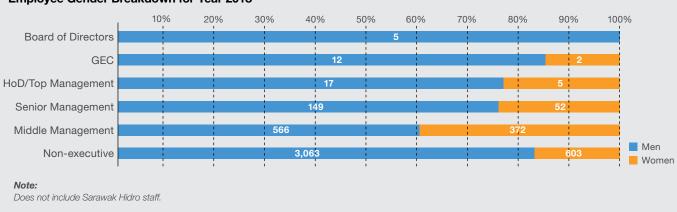
Our recruitment in 2018 remained strong as the company continues to be an employer of choice in Malaysia. In 2018, 304 new hires joined the organization and we were also voted by Sarawak candidates as the Top 3 in the Top 10 Companies Award organized by JobStreet. This shows that the organization is one of the most preferred companies to work at and with our strong brand, the manpower strength has also increased to 5,023 in 2018.



Our employees are the company's greatest asset.

#### **Employee Diversity**

We strive to promote diversity in our workforce, with our employee breakdown by level and gender depicted as follows:



Employee Gender Breakdown for Year 2018

To further encourage diversity within our organisation, we established Sarawak Energy Leading Women Network (SELWN) which is aimed at positioning Sarawak Energy as a brand, partner and employer of choice for women. Under this initiative, we target for a 30% representation of women among our employees, in leadership positions and in Board positions by 2030.

As an employer of choice in Sarawak, we continue to attract interest from potential hires, especially from among youth. Of our 304 new hires during the year, the majority, or 216, comprised those up to 30 years old followed by the 31-50 years' age group (68 new hires), while we also hired 20 new employees from the over 50 years' age group. Although the number of employees who left the company increased to 215 in 2018 from 137 in 2017, our turnover rate<sup>1</sup> of 4.28% remained at an acceptable level.



### **Employee Benefits**

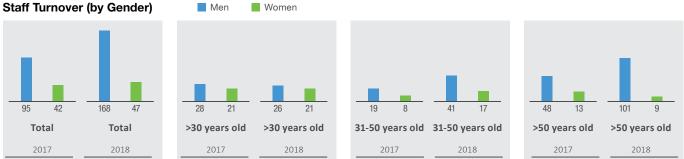
We continue to provide our employees with a wide array of benefits, subsidies, welfare and leaves. For full details on these, please refer to page 88 of the GRI Content Index.

# Optimising Our Human Resource Processes

At Sarawak Energy, we believe in continuous learning of our employees not only for the benefit of our operations, but also for the human capital development needs of the industry as well as State and national economies.

In Q2 2018, we successfully implemented Sarawak Energy People System (SEPS), a platform that digitalized human resource processes. SEPS empowers employees, business leaders and HR professionals by providing a platform which allows all HR related activities to be done online which are accessible anytime, anyplace.

The integrated system has improved the efficiency and effectiveness of our human resource processes, allowing our employees to focus on their core job functions. In an effort to assist our staff in using the system, we conducted a series of staff engagements during the year, which we will undertake continuously to gain feedback for future improvement.



Note:

In accordance to GRI standards, our employee turnover is defined as the employees who leave the organization voluntarily or due to dismissal, retirement, or death in service.



Puan Aisah, the Executive Champion of Sarawak Energy Leading Women Network (SELWN) interacting with women staff during 'Teh Tarik' Session.

#### **Developing Our People**

We have put in place a number of processes and tools to support our employees in attaining their full potential and contribute to Sarawak Energy's as a high-performance organisation.

### **THESE INITIATIVES INCLUDE:**

1

INDIVIDUAL DEVELOPMENT PLAN (IDP)

Introduced as a platform for employees to discuss and plan for their career growth within the organisation, identify their longterm development needs and express their aspirations and wishes, we utilise the IDP to leverage and further develop an employee's strengths, needs and career interests by identifying and implementing respective employees' development plans. The plans are reviewed from timeto-time to keep track of an employee's current development needs, changes in career interests, agreed availability for next assignment and mobility within the organisation. The IDP will also be used in Talent Council discussions where the committees recommend development plans that the employees should consider.

### 

2

The Departure Window is an agreement between employees and their Line Managers that allows the employees to apply for a job of their choosing through Internal Open Resourcing (IOR). This aims to facilitate employees' career growth and encourage them to develop their competencies in line with Talent Management Excellence, in addition to enabling line managers to plan for their staffing needs.

### POTENTIAL ASSESSMENT TOOL (PAT) BASED ON CAPACITY, ACHIEVEMENT, RELATIONSHIPS AND ADAPTABILITY (CARA)

3

Introduced in the second quarter of 2017, the PAT based on CARA is used to assess the potential of the Executive-level employees to identify a talent pool of 'Ready Now' and 'Ready Later Candidates' for succession planning purposes. The exercise is carried out once every two years and for the 2017-2018 cycle, 899 staff were assessed of which 8% were identified as 'High Potentials'. Candidates undergo a series of programmes and initiatives to further develop and expose them to shape their technical/functional capacity and leadership qualities.

As the percentage of High Potential candidates is relatively lower compared to the industry benchmark of at least 20% of the workforce, we have put in place action plans for 2019 to accelerate the development of existing High Potential candidates and identify more candidates.

Further to our targeted employee development programmes, our workforce also undergoes continuous training through a variety of courses made available to them. During the year in review, we recorded 14.10 in the average hours of training per employee, from 12.82 in 2017 as our employees participated in a total of 699 internal, in-house. external and leadership courses during the year.

#### Training

#### **Internal Courses**

No	Course Category (As per monthly Report)	No of Courses
1	Chargeman	5
2	Electrical Courses	8
3	Switching	9
4	Wiring Installation	5
5	Mechanical	2
6	First Aid	2
7	Safety Awareness	6
	Total	37

#### In House Courses

No	Course Category (As per monthly Report)	No of Courses
1	Administration and Management	
2	Electrical	2
3	Environment	4
4	Health, Safety & Environment	7
5	Information Technology	10
6	Mechanical	1
7	Quality Management	11
8	Technical	18
9	Soft skills	1
	Total	63

#### **External Courses**

No	Course Category (As per monthly Report)	No of Courses
1	Administration	118
2	Civil	15
3	Electrical	33
4	Finance	25
5	Health, Safety & Environment	60
6	Information Technology	25
7	7 Legal	
8	Mechanical	8
9	Technical	3
10	Others	18
	Total	316

### Leadership Courses

No	Course Category (As per monthly Report)	No of Courses
1	Leadership	22
2	Communication	1
3	Management	1
4	Women Leadership	2
	Total	26

For full details on the total and average hours of training participated by our employees during the year, please refer to page 91 of the GRI Content Index in this Sustainability Report.

We offer scholarships to our employees and external tertiary students as part of our focus to drive the development of local talents to meet Sarawak Energy's manpower needs. In 2018, over 70 scholarships were awarded where 14 employees were amongst the deserving recipients.

### Assessing and Rewarding Our Staff

Performance appraisal serves as a tool for two-way feedback that promotes excellence among our workforce. In 2018, 100% of our employees at all levels completed the annual performance appraisal, where positive feedbacks were given and development plans were discussed for talent recognition and continuous improvement.

Other initiatives to recognise our employees included Sarawak Energy Hall of Fame and Loyalty Service Awards. During our Leadership Conference 2018, employees who had demonstrated high performance behaviors and a winning mindset were nominated for the Chairman's and GCEO's Awards. Encik Wan Bahrain Wan Othman and the Murum Metalun Unsung Heroes team received the Chairman's Award for the individual and team category respectively, while the GCEO's Award went to Encik Bonniface Linjong and Puan Ahadiah Zamhari for the individual category and SARES and SEPS team for the team category. In addition, the Sarawak Energy Loyalty Service Awards honored more than 300 long-serving employees who had reached milestone years of service with the Company in Kuching, Sibu and Miri.

#### Promoting Employee Health and Wellness

As a responsible employer which cares for the well-being of our employees, we continue to promote their health and wellness through company-wide programmes. These include our health screening programme, of which 2,310 of our staff participated in 2018. This comprised 1,676 of our male employees and 634 of our female employees. The majority of employees participating in the health screening were from the 20-39 years age group, accounting for 1.426 employees.

We also initiated our Body Mass Index (BMI) programme, setting it as a corporate KPI in 2018 and targeting a BMI of below 30 for 75% of staff from each department.

On average, we recorded a BMI of 77% among all departments, while the departmental results showed all but four of our 20 departments achieving the BMI target for 2018

Moving forward, we are targeting a BMI of below 30 for more than 85% of staff in each department in 2019 and more than 95% of staff in 2020.

Further promoting a healthy lifestyle among our employees, we continued to hold our annual Inter-Departmental Bowling event with selected government agencies. We also held bowling and golf friendly matches with DOSH, DOE and NREB.

For our technical staff who carry out much of our work on the ground, we have maintained the practice of regular hearing conservation programmes such as noise monitoring/ mapping and audiometric testing at all regions and power stations which may be exposed to excessive noise levels. This is in compliance with the Factory and Machinery (Noise Exposure) Regulation 1989.

### Promoting a Culture of Safety

Our field of work necessitates a large number of our workforce and contractors to participate in some high-risk activities while on the job. In view of this, we place utmost priority in ensuring the safety of our employees, contractors and others to prevent work-related accidents, injuries and illnesses. This is overseen by our Environment & Occupational Safety and Health (EOSH) Committees which are present in our 10 regional offices and nine power stations, with each regional office and power station as well as Kuching Central Store Centre, Sarawak Energy Resources and project execution unit having its own Environment & Occupational Safety & Health Committee members.

Each committee consists of a Chairman, Secretary, Representative of Employer and Representative of Employees in accordance to the Occupational Safety and Health (Safety and Health Committee) Regulations 1996, Part II, regulation 5.

For 2018, the total EOSH committee members remained the same as in 2017, as follows:



Employer Representative - 133 **Employees Representative - 213** 

In accordance with the Occupational Safety and Health (Safety and Health Committee) Regulations 1996, Part III (Functions of Safety and Health Committee), regulation 11,

### **OUR EOSH COMMITTEES ARE TASKED** WITH FOLLOWING RESPONSIBILITIES:

### 1

**ASSIST** in the development of safety and health rules and safe systems of work

### 2

**REVIEW** the effectiveness of safety and health programmes

### 3

CARRY OUT studies on the trends of accidents, near-miss accidents, dangerous occurrences, occupational poisoning or occupational diseases which occur at the place of work; reporting to us any unsafe or unhealthy condition or practices at the place of work together with recommendations for corrective action and;

# 4

REVIEW the safety and health policies at the place of work and make recommendations for any revision of such policies.

The committees are also responsible for inspecting the workplace and investigating accidents.

To comply with Part IV Occupational Safety and Health regulation 1996 (Safety and Health Committee) regulation 21, committee meetings may be conducted as often as necessary in line with the risks attendant to the nature of our work, at a minimum of once in three months.

Each of our EOSH committee receive support from the Health, Safety, Security and Environment (HSSE) department at our headquarters, with a member of the Corporate Organisational Health & Safety division appointed as a Corporate Environment & Occupational, Safety & Health Committee Representative and assigned to attend guarterly EOSH Committee meetings at our main power stations and regional offices.

The representative serves to assist and advise the committees in matters pertaining to the inspection of workplace findings and recommendations; and review yearly health, safety and environment activities of all regions and power stations as well as monitor HSSE statistics and the achievement of safety objectives and targets. The representative also executes the roles and responsibilities as stated under Occupational Safety and Health (Safety and Health Committee) Regulations 1996.

During the year, we also conducted quarterly Corporate Environment & Occupational Safety & Health (CEOSH) meetings involving members from our top management team. The meetings served as a platform to discuss major Health, Safety and Environment and to deliberate on corporate HSE programmes and KPIs to all Chairmen and Secretaries of the EOSH Committees as part of our effort to achieve a zero-fatality target and raise the Sarawak Energy safety culture.



Tanjung Kidurong Combined Cycle Power Plant Project.

### Safety Performance

We quantify our safety performance using the Lost Time Injury Frequency Rate (LTIFR), an internationallyrecognised safety standard which measures absence from work due to work-related injuries or illnesses. For 2018, we continued to measure LTIFR according to two categories: Operations, which encompasses retail, distribution, thermal and hydropower; and Project Execution, which measures the rate for any ongoing projects.

We achieved our safety performance targets for the year under Operation and Sarawak Energy Resources (SER) Department as well as for Project Execution. During the year, Operation and SER recorded a Lost-Time Injury Frequency Rate (LTIFR) of 0.49 against its target of 0.50, while Project Execution achieved LTIFR of 0.20 compared with its target of 2.00. We also continued to record zero fatalities for the year in review.

We also recorded less man-hours worked in 2018 at 10.21 million with average manpower of 3,510 workers compared to 11.73 million man-hours and 4,438 workers in 2017, as our Project Execution unit had completed the 500kV Transmission Line Project, Transmission Sub Project and Balingian Thermal Project.

Additionally, the construction of the Baleh HEP remains in its preliminary stage and therefore did not contribute much to the overall man-hours worked for 2018.

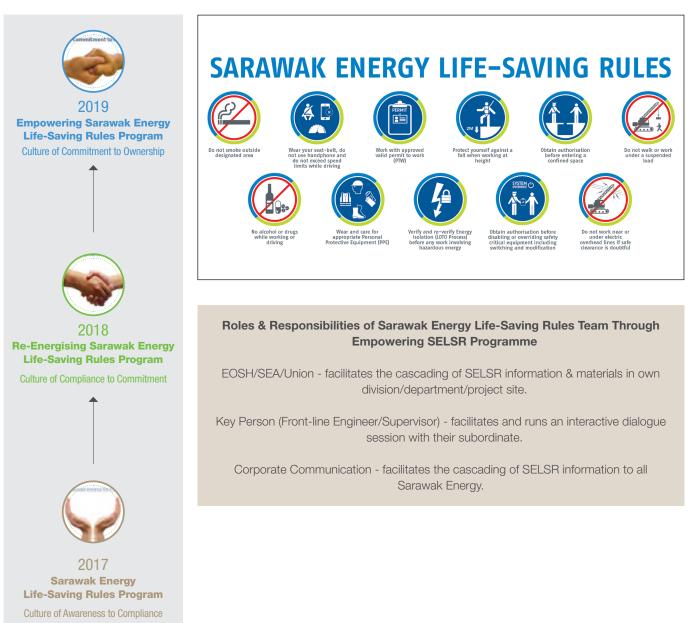
# **Operation & SER** Project Execution Target Target Achievement Achievement

#### SARAWAK ENERGY LTIFR (LOST TIME INJURY FREQUENCY RATE) **TARGET & ACHIEVEMENT FOR 2018**

### Safety Roadmap

Our safety practices are bound to our safety roadmap and master plan, which we commenced with the launch of Sarawak Energy Life Saving Rules (SELSR) in March 2017 to formalise our commitment to maintaining good safety practices and minimising injuries. The rules are mandatory for all employees, subsidiaries and contractors when they are on our premises or when conducting company-related business externally.

Following the roll-out of SELSR up until April 2018, we have recorded a visible reduction in SELSR-related cases as well as greater respect and discipline for rules that save lives. This indicates that our employees and contractors are shifting from a culture of awareness to a culture of compliance. For 2018, we embarked on the next step of our safety roadmap, Re-Energising Sarawak Energy Life-Saving Rules.



#### **Contractor Transformation Programme**

We have implemented our Contractor Transformation Prgoramme (CTP) since February 2017 as a platform to recognise our contractors for their contribution towards HSE excellence. The initiative is in line with our HSE Excellence Key Focus Area as well as the National OSH Master Plan 2015-2020, through which the Department of Safety & Health (DOSH) and Guided Self-Regulation (GSR) introduced by the Department of Environment (DOE) have called for all Government-Linked Companies (GLCs) to lead their contractors towards self-regulating HSE practices.

The first cycle of our CTP was held from 2017-2018 and the second cycle will run from 2019-2020. The programme is aimed at inculcating a sense of partnership between us and our contractors, including RES contractors, by sharing efforts in accident prevention, regulatory compliance and best practices towards creating a culture of health safety and a deep sense of HSE ownership. Additionally, the programme enables us and our contractors to identify gaps and establish remedial measures to correct deficiencies to achieve continuous improvement.

In conjunction with the programme, we also held the CTP Award, recognising the following contractors for the efforts in HSE:

No	Contractor	Award
1	Hii Hua Chuon Electrical Works	Gold
2	Gabungan Binaan Jurutenaga Sdn. Bhd.	Gold
3	Yamaco Engineering Sdn. Bhd.	Silver
4	Promace Engineering Sdn. Bhd.	Silver
5	Timor Kencana Sdn. Bhd.	Silver
6	Metro Glide Sdn. Bhd.	Silver
7	John Ho Company	Bronze
8	High Line Electrical Works	Bronze
9	Hing Lee Electrical Works Sdn. Bhd.	Participation Certificate
10	Hii Brothers Electrical Co.	Participation Certificate
11	Lim Aik Chai Electrical Sdn. Bhd.	Participation Certificate

#### **Reinforcing a Culture of Safety**

Our employees continued to undergo safety training during the year,

# COMPRISING THE FOLLOWING PROGRAMMES:

2

1

### PROCESS SAFETY

This consists of a series of training programmes focusing on process safety, a disciplined framework manage to major hazards accident associated with the release of hazardous materials energy (steam, or water, condensate, chemical, electricity and other hazardous substance).

HSE ORIENTATION PROGRAMME This programme

a range features of safety aspects important in daily operations, ensuring employees conform regulatory to guidelines and requirements, company procedures and adopt best safety practices when performing tasks.

### 3

#### SARAWAK ENERGY SAFETY PASSPORT

А training programme undertaken with the National Institute of Occupational Safety and Health (NIOSH) specifically targeting contractor staff to ensure new and current contractors receive competency and authorisation certifications. We maintain strong links with NIOSH as well as conduct a suite of safety and competency trainings such as for staff working at heights, in transportation, for switching personnel and technicians, among others.



Corporate HSE Week 2018 at Miri gas-fired power plant.

Other safety-related activities undertaken throughout the year include HSSE Audit 2018, 1 million and 2 million man-hours celebrations for the Tanjung Kidurong Power Plant Project, 13 million manhours celebration for the Balingian Power Plant Project, routine as well as spontaneous audit inspections, accident investigations and OHSAS 18001/ISO 14001 audits, Environmental Award 2018, launch of zero plastic use and beach cleaning by contractors. We also conducted

spontaneous drug-testing at our power stations, regional offices and project sites as part of the National Anti-Drug Agensi (Agensi Anti-Dadah Kebangsaan – AADK) programme.

Furthermore, in addition to HSE Weeks independently held at our regional offices and power stations, we also held our annual Corporate HSE Week 2018 at the Miri Regional & Power Station on 30<sup>th</sup> October 2019.

#### **Community Outreach on Safety**

Our emphasis on building a culture of safety is further bolstered by outreach to our communities on safety. During the year, we held 362 electrical safety awareness programmes and safety talks at schools and for annual contractors, public contractors, public utilities and agencies. We also provided an electrical safety awareness/safety talk for the Pan Borneo road widening project. The programmes took place throughout Sarawak during the course of the year, recording over 20,000 participants.



#### **Uplifting Our Local Communities**

As an energy utility company, our responsibility goes beyond that of our business, shareholders and employees. It is our responsibility to also ensure that we minimise any negative impact of our operations and maximise our positive impact on our local communities. In line with this, we have identified the following four areas as having the greatest potential for developing long-term sustainable partnerships that meet the needs of the communities we engage with through our business:

- Education and young people
- Community development and entrepreneurship
- Culture and heritage
- Environmental management and conservation (For reporting on our activities in this area, please refer to the Our Commitment to Improving Our Environmental Footprint chapter in this Sustainability Report)



### EDUCATION AND YOUNG PEOPLE

Education initiatives are among those closest to the heart of our organisation. These initiatives not only allow us to influence better outcomes for our communities, but also help our company build a pipeline of talent for our own human capital needs, as well as those of the industry and economy.

#### **Campus Ambassador Programme**

In a proactive approach to recruitment, we introduced the Campus Ambassador Programme to provide opportunities for our top management to work closely with selected universities in areas of mutual interest. Under this programme, we have included our top management as Campus Ambassadors to collaborate actively with the universities' Vice Chancellors. The influence of the top management in support of this programme is targeted at creating a gateway for us to build symbiotic working relationships between our organisation with selected academic institutions such as UNIMAS, Curtin University, Swinburne University and Universiti Teknologi Petronas, among others.

#### Sarawak Energy Scholarship Awards

We presented the 2018 Scholarships Awards to a total of 71 recipients, comprising 57 outstanding students about to enter college or university and 14 of our employees pursuing continuing education programmes while still at work. The awards form part of our ongoing efforts to help develop Sarawak talent through an annual commitment of RM8 million.

#### **Baleh and Kapit**

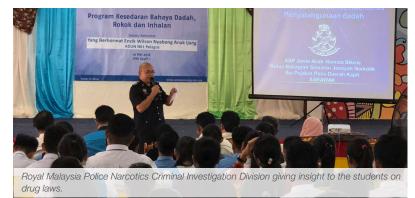
#### Skills and Technical Training

We are targeting 500 youths from Baleh and Kapit to complete a skills training programme through capacity-building and skills development to maximise local participation and benefits for the local community. In 2018, 251 youth were trained and enrolled under various skills courses in civil construction, mechanical-electrical works, administration and human resources associated with the development of hydroelectric project, operation and maintenance of the facilities.

The courses comprise:

- Diploma in Occupational Safety and Health 9 trainees
- Office Administration Support Services Level 2 20 trainees
- Heavy Truck Drivers Course 160 trainees
- Baleh Women Entrepreneurship 62 trainees

Since 2016, a total of 437 young people have attended and enrolled for the training programme.



#### Social Awareness Campaign

During the year, we engaged with 300 students from ten primary and secondary schools in Kapit by organising an awareness programme on drug, cigarette and inhalant abuse and the consequences including punishment under the law. The programme was held in collaboration with the Kapit District Education Office and is in line with our Corporate Social Responsibility initiatives on promoting health and safety awareness among school's students. The speakers for the campaign consisted of officers from the Sibu branch of the AADK and the Kapit branch of the Royal Malaysian Police - Narcotics Criminal Investigation Division. Students from SMK Kapit, SMK Kapit 2, SMK Selirik, SMK Baleh, SK Methodist, SK Sungai Amang, SK Kampung Baru, SJKC Hock Lam, SK Kapit and SK Sungai Kapit attended the programme.

#### Study Camp Programme

In partnership with Institute of Teacher Education (Institut Pendidikan Guru - IPG) Sarawak Campus, Miri and the Kapit District Education Office, we organised a three-day study camp programme at SK Temenggong Koh, Nanga Antawau. The programme, involving students, teachers and parents, was developed to boost examination results for primary six students from Baleh sitting for their Penilaian Sekolah Rendah (PSR) examination through effective studying and examination techniques. The programme saw encouraging participation from about 250 students, teachers and parents from six schools, namely SK Temenggong Koh, SK Nanga Sempili, SK Nanga Entuloh, SK Lepong Gaat, SK Nanga Stapang and SK Nanga Kain.



A lecturer from IPG facilitating discussions among primary school students.



A science lecturer sharing exam tips to the primary school students.

#### **Belaga and Murum**

#### Sports Development for Rural Youth

The Rural Football Development Programme, organised in partnership with the Bintulu Football Association (BIFA) and Sarawak Energy involved youths from Sungai Asap, Murum, Samalaju, Tatau and Sebauh. The programme is part of our CSR initiatives for youth development in the rural areas to expose and discover their potential in and through football, encourage integration as well as strengthen friendship and the spirit of sportsmanship among the youths. As a result of this programme, five players from Murum FC under 19 years old were selected to participate in Piala Belia Sarawak in the coming year, which will further expose them to new challenges and experiences in football.

The programme helped Murum FC emerge third in the Y.B. Dato' Sri Dr Stephen Rundi Utom Cup, where it was also awarded 'Best Rural Team'. The 18 youths from Murum FC are from the Metalun Resettlement.



#### Tertiary Education Support

We collaborated with Kelab Belia Belaga Sarawak and Bakun Charitable Trust to organise the 'Jom Masuk U' programme in March 2018 to encourage students to enrol for tertiary education. The programme aimed to directly connect secondary school-leavers from the Apau Koyan resettled community in Bakun and Belaga to higher education institutions in Sarawak and to facilitate their application into the institutions. The programme was participated by 86 secondary school-leavers from SMK Bakun and SMK Belaga who visited six institutions of higher learning. During the programme, the youths were taken on camps tours and exposed to the opportunities and courses offered by each institution.



Students listening to a briefing at a higher learning institution in Kuching.



Student representatives posing with their newly acquired dictionaries contributed by Sarawak Energy.

#### Academic Incentives

By engaging and working with the communities themselves, Sarawak Energy has developed a suite of programmes that address community needs from their perspective. In 2018, a total of 25 high achieving students from SMK Bakun and SMK Belaga were presented with academic incentives. The presentation ceremony was held at SMK Bakun aimed to recognise and encourage students from Belaga who excelled on the Sijil Pelajaran Malaysia (SPM) exam. A total of 350 dictionaries were also handed over to the students and libraries of SMK Bakun and SMK Belaga during the ceremony.

#### Annual School Aid Contribution

For the fifth consecutive year, we contributed school aid in the form of school uniforms, shoes, school bags and stationery, benefiting 336 students from SK Tegulang and SK Metalun from Murum. The aid is provided annually to encourage more children in Murum to attend school and reduce the financial burden for their parents.

#### **Batang Ai**

#### Batang Ai Education Fund

We had launched the Batang Ai Education Fund at the end of 2017 to mark our greater support for the Batang Ai community. Targeted at local youth from the surrounding area of our first hydropower project site in Batang Ai, the fund is structured as a RM200,000 revolving fund and is aimed at enhancing the quality of primary and secondary learning and motivating students to work towards obtaining tertiary qualifications for a brighter future.

In 2018, 48 students from the community pursued higher education under this fund.

#### Balingian

#### English Language Camp

Some 82 pupils from 10 primary schools in Mukah and Selangau attended an English Language Camp in MRSM Mukah from 12-14 October 2018. The programme was facilitated by trainee teachers from the IPG Rajang Campus and assisted by MRSM's English Motivational Club (EMC). The programme was designed to suit the Highly Immersive Programme (HIP) Out-of-Class activities, geared towards acquiring English proficiency through the creation of an immersive English language environment outside the classroom.

# COMMUNITY DEVELOPMENT AND ENTREPRENEURSHIP

#### Baleh

#### Entrepreneurship Capacity-Building for Baleh Women

The Baleh Women Entrepreneurship Programme was organised for the second year for another group of 30 aspiring women entrepreneurs. The programme is aimed at equipping Baleh women entrepreneurship skills and exposing them to business opportunities. In addition, the programme enables women to partake in local content and benefit from the Baleh Hydroelectric Project, especially those from Baleh and surrounding Kapit areas.

The programme covers four modules: Development of Entrepreneurial Mind-Set, Getting Ready for Entrepreneurship, Starting My Own Small Business and Strategic Marketing.

#### Belaga



Handing over of the new fire engine vehicle to the Persatuan Bomba Sukarela Sungai Asap.

#### Donation of Fire Engine

We contributed a fire engine to the Sg. Asap Volunteer Fire and Rescue Department (BOMBA) Assocation to enable swift action in the event of a fire incident in the area. The new fire engine will facilitate the volunteers, who serve as first responders before the main unit of BOMBA arrives, in their fire-fighting operations. The vehicle complies with BOMBA specifications and we also provided training for the members of the association as well as contributed fire extinguishers and firefighting equipment to the villagers of Sg. Asap. The donations follow the immediate relief we previously provided to victims of fire in Belaga during major fire incidents in 2013, 2017 and 2018.

#### Occupational Safety and Health at School Programme

Around 1,200 students from Sg. Asap benefited from the programme which we organised in collaboration with the National Institute of Occupational Safety and Health (NIOSH) Bintulu, the Belaga District Education Department and SMK Bakun.

The programme, which was held at SMK Bakun, aimed at supporting the Belaga community in improving safety and health through awareness programmes instilled among various age groups in the community. During the programme, students and teachers were given insight on the procedures on occupational safety around the school should an undesirable event arise. In addition, the programme provided information on the career and training opportunities in OSH industries available for school-leavers.



Students listening to NIOSH speaker during the programme.

#### CULTURE AND HERITAGE

#### Murum

#### Annual Batu Tungun Ritual Ceremony

We continue to partner the Murum Penan on community development programmes and events, four years after the commissioning of the Murum HEP and six years after they were resettled, to ensure the community continues to benefit from the project. The partnership includes programmes and projects in education, social and sporting activities as well as traditional celebrations that reinforce community spirit and strengthen cultural heritage.

During the year, we maintained our support for the community during the annual Batu Tungun Bungan ritual, held in October, at the Lookout Point overlooking the Murum HEP. The sacred ritual was performed by community elder Saran Joo, who was joined by Murum Penan Development Community chairman Labang Paneh as well as leaders from Murum and Belaga, including Pemanca Umek Jeno. Teachers from SK Tegulang and SK Metalun, the two primary schools at the Murum Resettlement Scheme, also attended the event.

At the same event, we also presented education incentives to 340 students from SK Tegulang and SK Metalun for academic excellence. The incentive was financed through the RM200,000 revolving Penan Education Fund in collaboration with Bakun Charitable Trust. The funds are utilised for academic incentives for students in primary and secondary schools as well as aid for students pursuing their studies at approved skills development centres or institutions of higher learning in Malaysia. Funds are also available for any other educational development programmes or provision of teaching and learning facilities as deemed necessary and as agreed by the committee.

#### Working with Community Partners at the Rainforest World Music Festival (RWMF) 2018

For the second year in a row, we sponsored Warisan Sape Telang Usan from Baram and artisans from Murum, our partners in cultural heritage, to showcase their music and crafts at the RWMF. The eight-member Warisan Sape Telang Usan troupe enchanted audiences with sape performances at daily pop-up sessions and music workshops with receptive audiences joining them in traditional dances.



Young sape players who performed throughout event.

On the crafts side, four artisans from the Penan community of the Murum Resettlement Scheme displayed and sold over 400 pieces of their handicraft at the Rainforest World Craft Bazaar, a fringe event held within the festival grounds. The activity was part of our commitment to growing sustainable livelihood opportunities for projectaffected initiatives.



Weavers Bawe Adu, Zaria Ugil and Doris Lot demonstrating their weaving skill at the craft bazaar.

#### TRANSPARENCY AND COMMUNITY ENGAGEMENT

As our projects often impact local communities and indigenous peoples who reside in and around our project sites, we exercise the utmost efforts and care to remain transparent and accountable to the affected communities through continuous engagement. Our goal is always to impact their lives and livelihoods for the better and this begins with in-depth stakeholder engagement to enable us to understand and the communities' needs and avoid infringing upon their rights.

We are pleased to report that as a result of our efforts, there were no identified incidents of violations involving the rights of indigenous peoples during the reporting period.

During the year in review, our transparency and community engagement activities were focused on communities affected by the development of our Baleh HEP.

#### Stakeholder Engagement Plan



In September 2018, we set up a unit under the CSR & Sustainability Department to specifically oversee and further strengthen relationships between us and communities affected by our projects, with regard to the communication and consultation process. This effort is part of our commitment to embed Hydropower Sustainability Assessment Protocol (HSAP) practices in our community engagement. We are now working towards developing the Stakeholder Engagement Plan (SEP) to address community-related topics for the Baleh HEP.

We have already implemented some aspects of the SEP to address certain gaps in the communications and consultation process. As the SEP was developed mainly to guide the engagement process with affected communities, we will soon organise a workshop to share and consolidate inputs from related departments in our company. This will allow us to expand the SEP to cover a broader view of the Baleh HEP and integrate



The community at Rumah Nyamok briefed on the latest project status of Baleh HEP.

existing engagement plans or documents by all the various departments to form an overall strategic plan.

Grievances and complaints by stakeholders are part and parcel of a project, particularly if the project affects local community lands, assets and livelihood. These grievances must be addressed and resolved as early as possible to prevent issues from escalating into severe reputation risks for us. The SEP also includes a Grievance Mechanism to outline the processes taken to record, resolve and respond to the various forms of grievances and complaints by Baleh HEP affected communities within a stipulated timeline. In addition, the Grievance Mechanism has been designed to be readily understandable, accessible, culturally appropriate and uphold transparency through good communication.

We will also employ an annual perception survey to enable us to strategically improve our communications and stakeholder relationships to ensure we maintain the quality of our relationships with the community over the course of the project.

#### **Dialogue Session with Baleh HEP Community**

As work progresses on Baleh HEP, we have stepped up our outreach and social investment programme for communities in the area. During the year, we held a dialogue session with residents from 15 longhouses from Sungai Gaat and Nanga Antawau, updating them on the project's progress and sharing socio-economic opportunities and benefits from the project. Held at Rumah Nyamok at Nanga Serau and Rumah Tajai at Nang Sebiro, the session was attended by more than 400 residents.

#### ENSURING ACCESS TO ELECTRICITY

We view our provision of access to electricity as not only our responsibility as an energy utility, but also in meeting the population's socioeconomic right. As at the end of the year, access to electricity coverage in Sarawak had risen to 96.0% from 95.5% in 2017, with rural electricity coverage increasing to 91.0% from 89.8%.

#### Sarawak State Electrification Coverage 2013-2018

Year	2013	2014	2015	2016	2017	2018
Sarawak Electricity Coverage (%)	88.2	90.4	92.3	94.3	95.5	96.0
Rural (%)	74.5	79.0	82.8	87.0	89.8	91.0

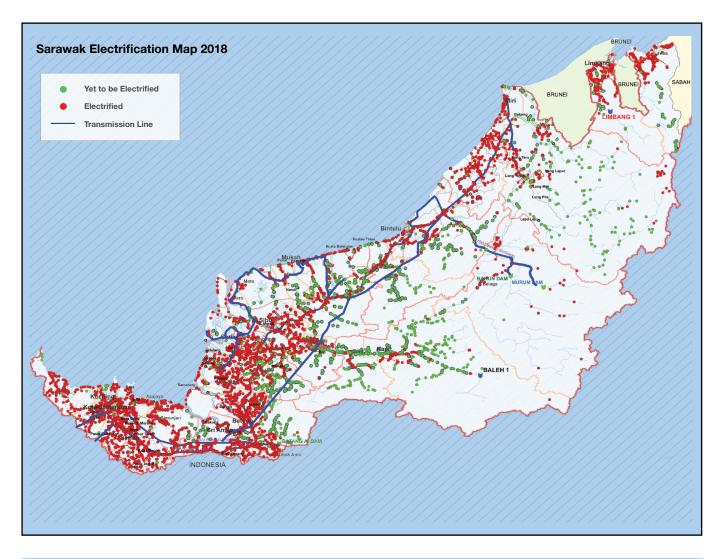
#### **New Households Connected**

Grid/Non-Grid	Year	2016	2017	2018
Grid	Rural Electrification Scheme (RES)	12,697	5,409	3,990
Non-Grid	Hybrid	1,224	966	270
	SARES	719	1,124	1,448
	TOTAL	14,640	7,499	5,748

We continue to implement various electrification programmes to ensure access to electricity reaches all the people of Sarawak. The RES programme has powered up more than 115,000 households with electricity to date. More than RM3 billion has been allocated for the scheme as at the end of 2018.

Further to that, at the end of 2018 Sarawak Government has also allocated RM2.37 billion for the Rural Electrification programme through "Project Rakyat" initiative to accelerate the rural electrification rate with the target to reach 99% (State-wide coverage) by end of 2020. This targets to electrify 1,000 villages with 20,000 households.

Working with the Sarawak State Government, we also implement the Sarawak Alternative Renewable Electricity Scheme (SARES) solar project, which entered its third phase in 2018. We expect to complete electrification for 75 villages and 1,968 households under this phase having recorded an installed capacity of 1,742.86 kW by April 2019.



Year	2016 - 2017 Phase 1	2017 - 2018 Phase 2	2018 - 2019 Phase 3
Installed Capacity (kW)	1,434.87	1,619.69	1,742.86
Villages	58	59	75
Door	1,369	1,601	1,968

Furthermore, under our CSR solar project, since 2014 we have provided seven villages and 119 households with solar power systems with an installed capacity of 123 kW. In addition to one completed project in 2018 for 54 households in Rh Andah in Batang Ai, Lubuk Antu, we also commenced a 30 kW project to provide power to 31 households in Rh Bada in Batang Ai, Ulu Engkari. The project is now undergoing testing and commissioning before its expected completion in May 2019.

In another initiative to ensure access to rural communities, we also implement mini/micro hydropower projects where feasible. In 2018 we commenced the second phase of a mini hydro project in Long Banga, Ulu Baram. The second phase of the project, which is expected for completion in April 2019, will see the installation of 2 x 160 kW capacity to add to the 2 x 160 kW of capacity installed under phase one.

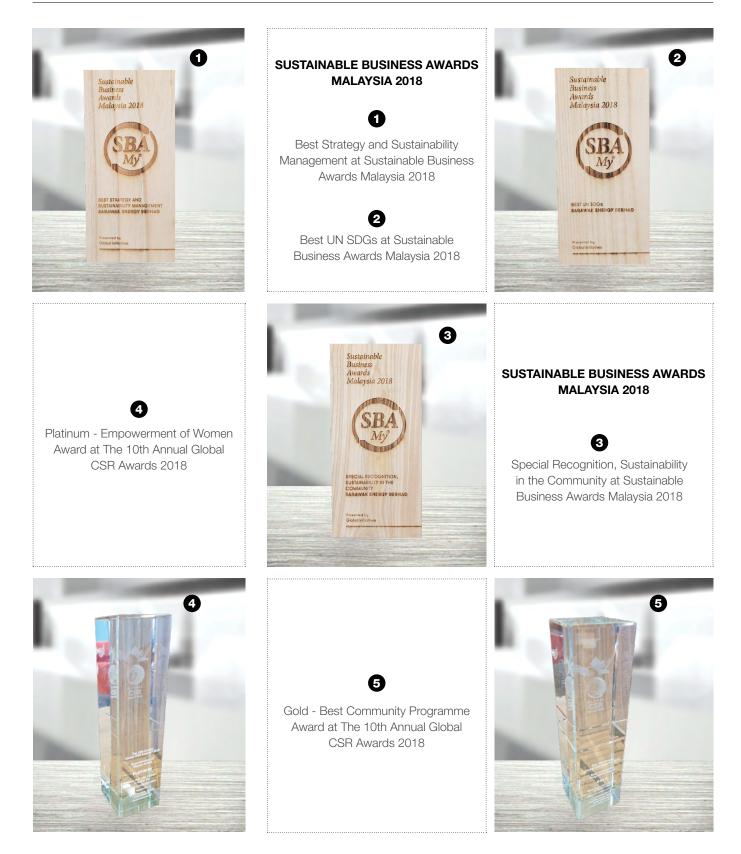


A view of the Bario Central Solar Hybrid Power Station located at Kampung Baru, Bario.

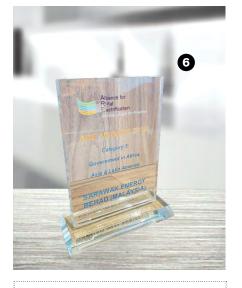
Since 2015, we have also undertaken solar hybrid projects and as at the end of 2018 have completed 30 stations with a total solar installation capacity of 6.97 MW benefiting 2,324 households. In 2018, we completed 901.05 kW of installed capacity, covering 271 households and a population of 1,357.

Year	2015	2016	2017	2018
Population	4,932	1,740	>4,810	1,357
Door	786	263	1,004	271
Installed Capacity (kW)	2,031.89	774.06	3,267.12	901.05

# AWARDS AND RECOGNITION



# AWARDS AND RECOGNITION



### 0

1 Million Manhours Without Lost Time Injury - Bintulu Tanjung Kidurong CCPP Unit 10 & 11



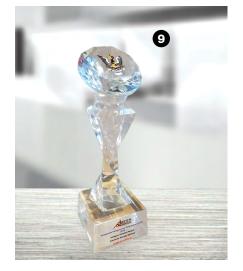
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Alliance for Rural Electrification Awards 2018 - Category 5 -Government in Africa, Asia & Latin America



Second Place - State Quality Civil Services Awards - Key Focus Activities Award 2018

8





Third Place - State Quality Civil Services Awards - Customer Management Awards 2018

### INDEPENDENT THIRD PARTY ASSURANCE STATEMENT

#### Independent Assurance Report To Management of Sarawak Energy Berhad (2018)

We have been engaged by Sarawak Energy Berhad ("SEB") to perform an independent limited assurance engagement on selected Sustainability Information (hereon after referred to as "Selected Information" comprising the information set out in the Subject Matter) as reported in its Delivering Sustainable Energy – Foundation to Low Carbon Economy Sustainability Report for financial year ended 2018 ("SEB Sustainability Report 2018").

#### Management's Responsibility

Management of SEB is responsible for the preparation of the Selected Information included in the SEB Sustainability Report 2018 in accordance with the SEB's internal sustainability reporting guidelines and procedures.

This responsibility includes the selection and application of appropriate methods to prepare the Selected Information reported in the SEB Sustainability Report 2018 as well as the design, implementation and maintenance of processes relevant for the preparation. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by SEB which are reasonable in the circumstances.

#### **Our Responsibility**

Our responsibility is to provide a conclusion on the Subject Matter based on our limited assurance engagement performed in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we comply with ethical requirements, and plan and perform the assurance engagement under consideration of materiality to express our conclusion with limited assurance.

The accuracy of the Selected Information is subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. Our limited assurance report should therefore be read in connection with SEB's internal sustainability reporting guidelines and procedures on the reporting of its sustainability performance.

In a limited assurance engagement, the evidencegathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement.

#### Subject Matter

The following information collectively known as Selected Information on which we provide limited assurance consists of the management and reporting processes with respect to the preparation of the following six (6) Selected Information reported and marked with asterisks (\*) in SEB Sustainability Report 2018 as follows:

- 1. Main Grid CO2 Emission Intensity (tCO2/MWh) for the financial year 2018:
  - Fuel consumption (FCj);
  - Net energy generated (NEGj);
  - Net calorific value (NCVj);
- 2. Northern Grid Emission Intensity (tCO2/MWh) for the financial year 2018:
  - Fuel consumption (FCj);
  - Net energy generated (NEGj);
  - Net calorific value (NCVj);
- Total Water Withdrawal by Source (m<sup>3</sup>) for the financial year 2018;
  - Municipal water (m<sup>3</sup>);
  - Natural water (m<sup>3</sup>) and Operating hours (Hrs);
- Annual Water Volume for Electricity Generation (million m<sup>3</sup>) for the financial year 2018:
  - Operating hours (Hrs);
- 5. Economic Value Retained (RM) for the financial year 2018; and
- 6. Total Value of Tenders Awarded to Local Companies (RM) for the financial year 2018:
  - Operations (RM); Capital works (RM).
  - Capital WOLKS (KM).

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my

### INDEPENDENT THIRD PARTY ASSURANCE STATEMENT

#### Criteria

SEB's internal sustainability reporting guidelines and procedures by which the Selected Information is gathered, collated and aggregated internally.

#### **Main Assurance Procedures**

Our work, which involved no independent examination of any of the underlying financial information, included the following procedures:

- Inquiries of personnel responsible for the Selected Information reported in SEB Sustainability Report 2018 regarding the processes to prepare the said report and the underlying controls over those processes;
- Inquiries of personnel responsible for data collection at the corporate, division and operation unit level for the Selected Information;
- Inspection on a sample basis of internal documents, contracts, reports, data capture forms and invoices to support the Selected Information for accuracy including observation of management's controls over the processes;
- Inquiries of personnel on the collation and reporting of the Selected Information at the corporate, division and operation unit level; and
- Checking the formulas, proxies and default values used in the Selected Information against SEB's sustainability reporting guidelines and procedures.

#### **Independence and Quality Control**

We have complied with the relevant independence requirements and other ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Conclusion

Based on our limited assurance engagement, in all material aspects, nothing has come to our attention that causes us to believe that the Selected Information in the Subject Matter has not been fairly stated in accordance with SEB's internal sustainability reporting guidelines and procedures.

#### **Restriction of use**

This report, including our conclusions, has been prepared solely for the Board of Directors and management of SEB in accordance with the agreement between us, in connection with the performance of an independent limited assurance on the Selected Information in the Subject Matter as reported by SEB in its SEB Sustainability Report 2018. Accordingly, this report should not be used or relied upon for any other purposes. We consent to the inclusion of this report in the SEB Sustainability Report 2018 and to be disclosed online at www.sarawakenergy.com.my, in respect of the 2018 financial year, to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. As a result, we will not accept any liability or assume responsibility to any other party to whom our report is shown or into whose hands it may come. Any reliance on this report by any third party is entirely at its own risk.

ficewaterbourcopa PLT

Kuala Lumpur 17 September 2019

PRICEWATERHOUSECOOPERS PLT LLP0014401-LCA & AF 1146 Chartered Accountants

### GRI CONTENT INDEX FOR 'IN ACCORDANCE' - CORE



This report was submitted for the GRI Materiality Disclosure Service. For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

Disclosure Number	Disclosure Title	Page/Direct Reference	External Assurance	SDG linkage to Disclosure		
GRI 101: Foundation 2016						
General Dis	closures					
GRI 102: Ger	neral Disclosures 2016					
Organizatio	nal Profile					
102-1	Name of the organization	Sarawak Energy Berhad (Sarawak Energy or the Company)				
102-2	Activities, brands, products, and services	Chairman's Foreword, p. 4-6; GCEO's Overview, p. 8-11; Organisational Profile p. 2-3; Organisation Structure, p. 19				
102-3	Location of headquarters	Menara Sarawak Energy, No. 1, The Isthmus, 93050 Kuching, Sarawak.				
102-4	Location of operations	Sarawak, Malaysia	•			
102-5	Ownership and legal form	The principal activity of the Company is that of an investment holding company and information on the Company's structure can be found on p. 19				
102-6	Markets served	<ul> <li>In general, the Company serves two types of customers:</li> <li>a) Organic – domestic, commercial, industrial and public lighting;</li> <li>b) Bulk – SCORE customers and interconnection</li> <li>See Organisational Profile, p. 2-3</li> </ul>				
102-7	Scale of the organization	Organisation Structure, p. 19				
102-8	Information on employees and other workers	Social Inclusiveness, p. 47, p. 49-50		No 8 - Promote inclusive and sustainable economic growth, employment and decent work for all		
102-9	Supply chain	Organisational Profile, p. 2-3				
102-10	Significant changes to the organization and its supply chain	Changes are highlighted under Organisation Structure on. p. 19				
102-11	Precautionary Principle or approach	Chairman's Foreword, p. 4-6; GCEO's Overview, p. 8-11				
102-12 External initiatives		The following is a list of externally developed economic, environmental and social charters, principles or other initiatives to which the Company subscribes to or endorses:				
		<ul> <li>Hydropower Sustainability Assessment Protocol (HSAP)</li> <li>UNDRIP</li> <li>Global Reporting Initiative (GRI)</li> <li>Equator Principles</li> <li>IFC</li> <li>UN Global Compact (UNGC)</li> <li>World Commission on Dams</li> <li>ISO14001</li> <li>OSHA</li> </ul>				

Disclosure Number	Disclosure Title	Page/Direct Reference	External Assurance	SDG linkage to Disclosure
102-13	Membership of associations	As part of the Company's commitment towards sustainability, it signed a "Sustainability Partnership" with the International Hydropower Association (IHA) in early 2011, which requires it to use the Hydropower Sustainability Assessment Protocol as a tool to assess its performance against criteria concerning the project management of social, economic and environmental issues, as well as putting into place adequate and appropriate mitigation measures. Sarawak Energy is a GRI Gold Community Member and is also on the Board of Advisory for the UN Global Compact Network Malaysia.		
Strategy				
102-14	Statement from the most senior decision-maker	Chairman's Foreword, p. 4-6		
102-15	Key impacts, risks, and opportunities	GCEO's Overview, p. 8-11		
Ethics And	Integrity			
102-16	Values, principles, standards, and norms of behavior	Chairman's Foreword, p. 4-6; Organisational Profile, p. 3; GCEO's Overview, p. 8-11		No 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective,

Governan	ice		
102-18	Governance structure	Governance, p. 20-21	
Stakehold	der Engagement		
102-40	List of stakeholder groups	GCEO's Overview, p. 10	
102-41	Collective bargaining agreements	Terms as agreed in Collective Agreement are extended to all non- executive staff under Sarawak Energy Group (except for Bakun HEP – parented staff).	No 8 - Promote inclusive and sustainable economic growth, employment and decent work for all
102-42	Identifying and selecting stakeholders	GCEO's Overview, p. 10	
102-43	Approach to stakeholder engagement	GCEO's Overview, p. 10	
102-44	Key topics and concerns raised	GCEO's Overview, p. 10 & p. 12	
Reporting	Practice		
102-45	Entities included in the consolidated financial statements	Organisation Structure, p. 19	
102-46	Defining report content and topic Boundaries	About This Report (See Reporting Scope and Boundaries), p. i	
102-47	List of material topics	GCEO's Overview, p. 12	
102-48	Restatements of information	No restatements have been made.	
102-49	Changes in reporting	Changes in the list of material topics and topic Boundaries, p. 12	

accountable and inclusive institutions at all levels

Disclosure Number	Disclosure Title	Page/Direct Reference	External Assurance	SDG linkage to Disclosure
102-50	Reporting period	From 1 January 2018 until 31 December 2018. About This Report (See Scope of the Report)		
102-51	Date of most recent report	The Company's 2017 Sustainability Report.		
102-52	Reporting cycle	The Company plans to publish its Sustainability Report on an annual basis.		
102-53	Contact point for questions regarding the report	General questions regarding this report can be addressed to Sustainability Division at:		
		Menara Sarawak Energy, Level 8, No. 1, The Isthmus, 93050 Kuching, Sarawak.		
		Tel: 082-388 388 (ext. 8816 / 8165)		
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option		
102-55	GRI content index	See p. 70-104		
102-56	External assurance	<ul> <li>Disclosures within this year's edition of the Sarawak Energy Sustainability Report that are subjected to external assurance are: (p. 68 - 69)</li> <li>Main Grid CO<sub>2</sub> Emission Intensity</li> <li>Northern Grid CO<sub>2</sub> Emission Intensity</li> <li>Annual Water Volume for Electricity Generation</li> <li>Total Water Withdrawal by Source</li> <li>Economic Value Retained</li> <li>Total Value of Tenders Awarded to Local Companies</li> </ul>	Yes	
Material To	pics			
Economic F	Performance			
GRI 103: Mar	nagement Approach 2016			
103-1	Explanation of the material topic and its Boundary	Foundation to Low Carbon Economy, p. 25		
103-2	The management approach and its components	Foundation to Low Carbon Economy, p. 29		
103-3	Evaluation of the management approach	Foundation to Low Carbon Economy, p. 25-30		
GRI 201: Ecc	nomic Performance 2016			
201-1	Direct economic value generated and distributed	Chairman's Foreword, p. 5 GCEO's Overview, p. 9; Foundation to Low Carbon Economy, p. 23 Delivering Value to Our Stakeholders, p. 17	Yes	No 2 - End hunger, achieve food security and improved nutrition and promote sustainable agriculture
Indirect Eco	onomic Impacts			
GRI 103: Mar	nagement Approach 2016			
103-1	Explanation of the material topic and its Boundary	Foundation to Low Carbon Economy, p. 26-27 Uplifting Our Local Communities, p. 57-61		
103-2	The management approach and its components	Corporate Long-Term Strategy, p. 18; Foundation to Low Carbon Economy, p. 29; Social Inclusiveness, p. 49		
103-3	Evaluation of the management approach	Corporate Long-Term Strategy, p. 18; Foundation to Low Carbon Economy, p. 26, p. 30-33; Social Inclusiveness, p. 47 (see CSR Spending), p. 50-55, p. 57-65		

approach

Disclosure Number	Disclosure Title	Page/Direc	t Reference				External Assurance	SDG linkage to Disclosure
Economic F	Performance							
GRI 203: Indi	rect Economic Impacts 2016							
203-1	Infrastructure investments and services supported	Foundation t	lue to Our Stak o Low Carbon iveness, p. 47 (		No 7 - Ensure access to affordable, reliable, sustainable and modern			
		Average Ta	riff (sen/kWh)	energy for all No 9 - Build resilient				
		Year 2018	Average Tariff (sen/kWh) (Year 2014)	Average Tariff (sen/kWh) (Year 2015)	Average Tariff (sen/kWh) (Year 2016)	Average Tariff (sen/kWh) (Year 2017)	Average Tariff (sen/kWh) (Year 2018)	infrastructure, promote inclusive and sustainable industrialization and foster innovation
		Organic	29.81	28.50	28.20	28.04	27.96	
		Domestic	31.26	28.24	28.30	28.21	28.27	No 11 - Make cities and human settlements
		Commercial	31.93	31.15	30.53	30.54	30.50	inclusive, safe, resilient and
		Public Lighting	47.08	47.09	47.12	47.18	47.17	sustainable
		Industrial	24.95	24.48	24.15	23.86	23.69	
			ong-Term Strat					No 2 - End hunger, achieve food security and improved nutrition and promote sustainable agriculture No 8 - Promote sustainable economic growth, full and productive employment and decent work for all No 10 - Reduce inequality within and among countries No 17 - Strengthen the means of implementation and revitalize the global partnership for sustainable development
Procureme	nt Practices							
GRI 103: Mar	nagement Approach 2016							
103-1	Explanation of the material topic and its Boundary	Foundation to	o Low Carbon I	Economy, p. 27	7			
103-2	The management approach and its components	Foundation to	o Low Carbon I	Economy, p. 27	7			
103-3	Evaluation of the management	Foundation to	o Low Carbon I	Economy, p. 27	7		••••	

Disclosure Number	Disclosure Title	Page/Dire	ct Reference				External Assurance	SDG linkage to Disclosure
GRI 204: Pro	curement Practices 2016	3						
204-1	Proportion of spending on local suppliers	Global Ager Delivering V	lighlights, p. 7 nda Internalisatio alue to Our Stak to Low Carbon I	Yes	No 12 - Ensure sustainable consumption and production patterns			
		Tenders Awarded	Status	Year 2016	Year 2017	Year 2018		
		Capital	Sarawakian	445,710,032.50	1,620,376,421.351	625,917,773.91°	-	
		Works	Malaysia (Non- Sarawakian)	138,620,455.11	501,190,506.73	266,245,214.38	-	
			International	1,565,861,871.58	2,884,065,817.05	1,095,210,392.28	_	
		Operations	Sarawakian	576,656,517.32	424,381,685.991	564,066,169.62°	-	
		and Maintenance	Malaysia (Non- Sarawakian)	83,265,176.00	60,255,353.33	26,039,763.67	_	
			International	86,858,228.00	67,673,539.04	30,992,905.85	_	
Materials		party for S * This total v	ustainability Report alue of tenders aw	2017.	nies data has been as nies data has been as pages 68 - 69.	-		
GRI 103: Mar	nagement Approach 201	6						
103-1	Explanation of the material topic and its Boundary	Accelerating	g Climate Action,	p. 37				
103-2	The management approach and its components	Our Commi	tment to Acceler	ate Climate Action	, p. 37-42			
103-3	Evaluation of the management approach	0	nda Internalisatio 9 Climate Action,		#7), p. 15 (See SD	G#6)		

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							Assurance	SDG linkage to Disclosure		
GRI 301: Mat	terials 2016									
301-1	Materials used by	Global Agenda	a Internalisation,	p. 15 (See SDG#	6)		Yes	No 8 - Promote sustained inclusive and sustainable		
	weight or volume	0	Delivering Value to Our Stakeholders, p.16 Accelerating Climate Action, p. 35							
		Accelerating C	economic growth, full and productive employment							
		Category: No	on-Renewable I	Materials Used i	n 2018			and decent work for all		
		Plant Type	•		Volume			No 12 - Ensure sustainab consumption and		
		Coal			2,038,842.21*	r.	Tonne	production patterns		
		Diesel <sup>1</sup>			20,393,035.80*	ſ	Litre			
		Natural Ga	IS		35,891,301.46*	r	mmbtu			
		<b>Note:</b> 1 Diesel – exi								
		Plant Type	2014	2015	2016	2017	2018			
		Coal	2,100,509.91	2,166,911.46	2,136,639.32	2,228,768.01	2,038,842.21*			
		Diesel	22,712,617.47	19,194,869.94	23,425,847.71	15,675,168.40	20,393,035.80*			
		Natural Gas	26,370,960.45	31,779,419.54	34,622,745.43	34,262,495.10	35,891,301.46*			
		Category: Re	Category: Renewable Materials							
		Major	A	Annual Inflow	Annual water		Annual water			
		Plant		(million m <sup>3</sup> )	volume	Annual	consumption			
				(annual	for energy	energy	(million m <sup>3</sup> )			
			Year	inflow from catchment)	generation (million m <sup>3</sup> )	generated (GWh)	(Spillway discharge)			
		Batang Ai	2018	3,576	3,647*	481	-			
			2017	3,658	3,3971	442	-			
		Murum	2018	7,737	8,022*	6,094	432			
			2017	10,933	7,5671	5,717	3,588			
		Bakun	2018	40,481	36,148*	14,482	4,761			
			2017	49,794	32,9621	13,078	16,948			
		Notes: This annual water volume for electricity generation data has been assured by a third party for Sustainability Report 2017. These annual water volume for electricity generation data and fuel consumption data have been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.								

GRI 103: N	Management Approach 2016	$\mathfrak{d}$
103-1	Explanation of the material topic and its Boundary	Accelerating Climate Action, p. 37
103-2	The management approach and its components	Accelerating Climate Action, p. 37
103-3	Evaluation of the management approach	Accelerating Climate Action, p. 37

Disclosure Number	Disclosure Title	Page/Direct Reference		External Assurance	SDG linkage	to Disclosure	
GRI 303: Wat	ter 2016						
303-1	Water withdrawal by source	Global Agenda Internalisatio Delivering Value to Our Stak Accelerating Climate Action,	eholders, p. 16	Yes	Yes No 6 - Ensure availability and sustainable manage of water and sanitation for all		
		Total Water Withdrawal b	y Source 2017 & 2018				
		Plant Type	Major Plant	Source		Total 2018	Total 2017
		i laite type	ingoi i iant	Course		meter cu	ıbic (m³)
		Coal	Sejingkat Power Corp + PPLS	Municipal		1,386,373.00*	1,603,264.001
				Sea Water or other na	tural water source	353,454,413.18*	366,695,496.001
		Coal	Mukah Power Generation	Municipal		799,747.00*	854,666.001
				Sea Water or other na	tural water source	385,871,040.00*	454,118,400.001
		Combined Cycle - Natural Gas	SPG + Bintulu SESCO	Municipal		220,611.00*	145,623.00 <sup>1</sup>
				Sea Water or other na	tural water source	227,489,565.60*	212,876,380.801
		Open Cycle - Natural Gas	Miri SESCO	Municipal		9,225.00*	12,154.001
				Sea Water or other na	tural water source	N/A	N/A
		Diesel	Sg Biawak SESCO	Municipal		13,952.50*	21,192.001
				Sea Water or other na	tural water source	69,650.00*	1,171,360.001
		Diesel	Non Grid - Limbang	Municipal		22,992.00	19.44
		Diesel	Non Grid - Lawas	Municipal		656.00	299.00
103-1	Explanation of the material topic and its Boundary	Accelerating Climate Action,	p. 41				
103-2	The management approach and its components	Accelerating Climate Action,	p. 41-43				
103-3	Evaluation of the management approach	Global Agenda Internalisatio	n, p. 15 (See SDG#15)				
GRI 304: Bio							
304-1	Operational sites owned, leased,	Global Agenda Internalisatio Accelerating Climate Action,	n, p. 15 (See SDG#6 & SDG# p. 41-43	±15)	No 6 - Ensure a of water and sa		stainable manageme
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high			÷15)	of water and sa No 14 - Conser	nitation for all	bly use the oceans,
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas			÷15)	of water and sa No 14 - Conser seas and marin- development No 15 - Protect of terrestrial ecc combat desertif	nitation for all ve and sustainat e resources for s , restore and pro psystems, sustair	bly use the oceans, ustainable mote sustainable us ably manage forest and reverse land
	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected	Accelerating Climate Action,	p. 41-43 n, p. 15 (See SDG#6 & SDG		of water and sa No 14 - Conser seas and marin development No 15 - Protect of terrestrial ecc combat desertif degradation and	nitation for all ve and sustainab e resources for s , restore and pro psystems, sustair ication, and halt d halt biodiversity wailability and sus	bly use the oceans, ustainable mote sustainable us ably manage forest and reverse land
304-1 304-2	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas Significant impacts of	Accelerating Climate Action, Global Agenda Internalisatio	p. 41-43 n, p. 15 (See SDG#6 & SDG		of water and sa No 14 - Conser seas and marin development No 15 - Protect of terrestrial ecc combat desertif degradation and No 6 - Ensure a water and sanita No 14 - Conserv	nitation for all ve and sustainab e resources for s , restore and pro psystems, sustair ication, and halt d halt biodiversity vailability and sus tion for all	bly use the oceans, ustainable mote sustainable us nably manage forest and reverse land / loss tainable managemen

Disclosure Number	Disclosure Title	Page/Direct R	eference					External Assurance	SDG linkage to Disclosure		
Emissions											
GRI 103: Mai	nagement Approach 2016										
103-1	Explanation of the material topic and its Boundary	Accelerating Clin	Accelerating Climate Action, p. 37-38								
103-2	The management approach and its components	Accelerating Clin	Accelerating Climate Action, p. 37-38								
103-3	Evaluation of the management approach		2018 Key Highlights, p. 7 Accelerating Climate Action, p. 38-39								
GRI 305: Em	issions 2016										
305-1	Direct (Scope 1) GHG emissions	Accelerating Clim 1. Gross direct			in metric tonn	es of $CO_2$ equ	uivalent	Yes	No 3 - Ensure healthy lives and		
		Grid Total Emissions (tCO2eq) (2017) Total Emissions (tC					Emissions (tC	0 <sub>2</sub> eq) (2018)	promote well-being for all at all ages		
		Main	Main 5,325,836.68 5,151,395.				5,151,395.75	-			
		Northern			98,042.77			102,837.43	7.43 No 12 - Ensure sustainable		
		Stand-Alone			11,033.58			11,553.00	consumption		
		Total tCO <sub>2</sub> eq Emission		5	5,434,913.03			5,265,786.18	and production patterns		
		Total CO <sub>2</sub> Emissi	Total CO <sub>2</sub> Emission (Main Grid)								
		POWER STATION (MAIN GRID)	2013	2014	2015	2016	2017	2018	urgent action to combat climate change and its		
		PPLS Power Generation	796,564.42	699,287.53	770,033.30	828,257.76	848,625.75	707,251.87	impacts		
		Sejingkat Power Corp.	734,362.86	825,823.49	836,758.64	889,123.60	916,769.06	854,293.99	No 14 - Conserve and sustainably		
		Mukah Power Sdn. Bhd.	1,521,674.59	1,630,849.29	1,678,345.18	1,572,390.67	1,658,355.86	1,609,253.91	use the oceans, seas and marine		
		Sarawak Power Generation	828,229.82	789,089.66	501,310.17	928,015.97	825,960.98	950,543.09	resources for sustainable development		
		Bintulu PS	603,107.14	475,832.10	446,329.02	407,590.29	526,667.34	545,729.43	·		
		Miri PS	428,360.31	398,087.77	521,034.44	547,229.20	533,748.96	483,172.32	No 15 - Protect, restore and		
		Sg Biawak PS	6,166.68	33,132.06	21,514.69	30,496.82	15,708.73	1,151.14	promote		
		Total tCO <sub>2</sub> eq Emission (Main Grid)	4,918,465.82	4,852,101.90	4,775,325.45	5,203,104.31	5,325,836.68	5,151,395.75	sustainable use of terrestrial ecosystems,		
		Total CO., Emissio	n (Northern Gr	id)					sustainably		
		POWER STATION	1	013 201	14 201	5 2016	2017	2018	manage forests, combat		
		Limbang PS	56,813						desertification, and halt and reverse		
		Lawas PS	32,029						land degradation		
		Total tCO <sub>2</sub> eq Emission <sup>2</sup> (Northern Grid)	88,843				98,042.76		and halt biodiversity loss		

Number

# GRI CONTENT INDEX FOR 'IN ACCORDANCE' - CORE

### Disclosure Disclosure Title Page/Direct Reference

### External S Assurance D

SDG linkage to Disclosure

Total Overall Stand-alone	Total Overall Stand-alone Grid CO <sub>2</sub> Emission (All over Sarawak)										
POWER STATION (STAND-ALONE GRID)	2013	2014	2015	2016	2017	2018					
Kapit PS	23.99	121.26	0.00	55.35	30.09	72					
Belaga PS	3,095.91	3,283.10	3,636.68	3,700.47	3,505.23	3,031					
Song PS	0.00	0.00	0.00	0.00	0.00	2,705					
Ng Mujong PS	143.54	151.97	185.23	220.55	218.59	181					
Ng Ngungun PS	960.75	854.24	933.79	1,095.53	1,118.42	612					
Ng Jagau PS	158.61	159.97	178.61	214.01	226.73	158					
Ng Entawau PS	223.57	242.41	247.75	293.29	295.67	246					
Mulu PS	1,009.72	1,597.18	2,177.35	2,111.50	2,033.42	1,345					
Long Lama PS	2,382.71	2,426.75	2,518.51	2,721.80	2,762.67	2,513					
Pantu PS	725.76	0.00	0.00	0.00	0.00	0					
Banting PS	211.81	216.24	238.22	246.50	264.05	215					
Paloh PS	504.47	536.99	544.46	570.85	578.71	475					
Kg Bruit PS	2,263.87	2,409.49	966.12	8.92	0.00	0					
Kg Saai PS	794.78	905.70	268.97	1.82	0.00	0					
Bakun - Sg Asap PS	4,905.53	4,885.94	126.89	45.18	0.00	0					
Total tCO <sub>2</sub> eq Emission (Stand-Alone Grid)	17,405.02	17,791.24	12,022.58	11,285.77	11,033.58	11,553.00					

Total Net Energy Generated for Main Grids

POWER STATION (STAND- ALONE GRID)	POWER STATION	2013	2014	2015	2016	2017	2018
Coal	PPLS Power Generation	665,653.45	673,067.79	700,422.90	722,881.10	673,687.00	614,127.50*
Coal	Sejingkat Power Corp.	670,717.36	677,982.14	702,452.10	720,113.20	684,111.00	593,489.90*
Coal	Mukah Power Sdn. Bhd.	1,381,055.96	1,481,594.57	1,478,459.86	1,328,886.32	1,494,404.00	1,401,963.65*
BTU- Combined Cycle	Sarawak Power Generation	1,770,203.95	1,638,149.35	1,026,084.62	2,088,595.82	1,738,199.00	2,023,026.02*
BTU-Open Cycle	Bintulu PS	695,162.97	572,782.13	486,779.46	405,355.13	614,311.00	661,306.76*
Miri-Open Cycle	Miri PS	491,203.58	445,644.89	509,402.69	562,562.83	516,563.00	487,506.50*
Diesel- Standby	Sg Biawak PS	5,098.36	37,644.93	22,737.11	33,584.08	16,183.00	-567.91*
Total MWh		5,679,095.63	5,526,865.80	4,926,338.74	5,861,978.48	5,737,458.00	5,780,852.42*

Note:

\* This net energy generated data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

SDG linkage to

Disclosure

External

Assurance

#### Disclosure Disclosure Title **Page/Direct Reference**

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Plant Type	Plant	2013	2014	2015	2016	2017	2018
Hydropower	Batang Ai	349,834.63	311,289.09	315,331.46	444,514.18	442,324.00	480,586.75*
Hydropower	Bakun	5,415,266.50	8,477,979.00	7,721,996.75	12,161,263.00	13,078,267.00	14,351,890.00*
Hydropower	Murum	-	167,945.87	2,129,021.85	3,437,479.87	5,717,385.00	6,053,056.70*
Hydropower	Lundu PS	-	-	3,965.96	3,236.00	2,618.21	2,852.54*
Total MWh		5,765,101.13	8,957,213.96	10,170,316.02	16,046,493.05	19,240,594.21	20,888,385.98*

### Note:

This net energy generated data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

### Total Net Energy Generated for Stand-Alone Grids

Plant Type	Plant	2013	2014	2015	2016	2017	2018
Diesel	Kapit PS	-	-	-	-	-	96.78
Diesel	Belaga PS	3,684.30	3,752.66	4,054.91	4144.13	3,969.62	4,238.20
Diesel	Song PS		-	0.00	0	-	3,816.98
Diesel	Ng Mujong PS	144.69	154.34	205.38	243.70	244.37	250.40
Diesel	Ng Ngungun PS	951.88	985.24	1,084.81	1262.96	1,292.73	858.68
Diesel	Ng Jagau PS	134.26	128.65	123.31	155.97	210.12	210.37
Diesel	Ng Entawau PS	241.23	272.23	278.93	330.61	319.70	343.93
Diesel	Mulu PS	1,067.51	1,811.50	2,423.58	2262.76	2,110.91	1,877.34
Diesel	Long Lama PS	2,945.30	2,962.34	3,069.97	3301.29	3,283.94	3,519.90
Diesel	Pantu PS	864.01	-	-	-	-	0
Diesel	Banting PS	212.45	219.76	244.52	263.54	293.73	319.15
Diesel	Paloh PS	562.11	601.86	616.39	641.65	633.83	662.52
Diesel	Kg Bruit PS	2,507.33	2,699.45	1,064.10	5.56	-	-
Diesel	Kg Saai PS	885.24	987.13	289.88	-	-	-
Total MWh		19,866.12	20,166.72	13,511.78	12,612.17	12,358.95	16,194.24

### Total Net Energy Generated (Northern Grids)

Plant Type	Plant	2013	2014	2015	2016	2017	2018
Diesel	Limbang PS	79,535.69	81,769.58	85,331.79	86,650.77	84,837.18	87,494.23*
Diesel	Lawas PS	42,470.59	44,129.66	49,059.72	53,624.09	48,472.29	52,043.58*
Total MWh		122,006.28	125,899.24	134,391.51	140,274.86	133,309.47	139,537.81 *

### Note:

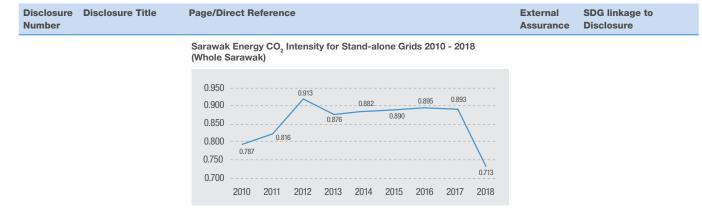
This net energy generated data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

Disclosure Number	Disclosure Title	Page/Direct Refere	nce					External Assurance	SDG linkage to Disclosure
		Plant Type Plant	2013	2014	2015	2016	2017	2018	
		Mini Hydro Lawas M/H (Kalamuku)	3,432.32	3,238.58	-	2,388.01	2,378.72	2,549.86*	
		Mini Hydro Lawas M/H (Sg.Kota)	3,811.00	6,678.60	-	4,698.30	8,916.80	8,508.60*	
		Mini Hydro Sg. Kejin	-	-	-	0.02	-	-	
		Total MWh	7,243.32	9,917.18	-	7,086.33	11,295.52	11,058.46*	
		<ul> <li>This net energy general Assurance Report on p</li> <li>Data assumption:</li> <li>Fuel consumption, fuel data obtained from Op.</li> <li>Net Energy Generated both grid Thermal &amp; Hy</li> <li>Net Energy Generated Request for both non g</li> </ul>	ages 68 - 69. Calorific Value & X. for main grid co. dro (Batang Ai, for non-grid corr	& fuel Specific L nnected power Bakun & Murui nnected power	Density (for C r plants (usin m). plants (using	CO <sub>2</sub> emission g OpX data) -	calculations) - Request foi		
305-4	GHG emissions intensity	Chairman's Foreword, GCEO's Overview, p. 9 2018 Key Highlights, p	9-10					Yes	No 13 - Take urgent action to combat climate change and its Impacts
		Global Agenda Internal Delivering Value to Our Accelerating Climate A	Stakeholders	s, p. 17	3)				No 14 - Conserve and sustainably use the oceans, seas and marine
		Sarawak Energy CC	02 Intensity for	or Northern	Grid (201	0 - 2018)			resources for sustainable development
		0.690 0.680 0.670 0.659 0.650	0.679	0.687	0.668	0.680	0.683*		No 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
		0.640 2010 20	)11 2012	2013 2014	2015	2016 201	7 2018		
		Notes: <sup>1</sup> This northern grid CO <sub>2</sub>	emission intensi	ity data has be	en assured b	ov a third part	y for		

This northern grid  $\rm CO_2$  emission intensity data has been assured by a third party Sustainability Report 2017.

This nothing indported in the state of the

105-55



Plants CO<sub>2</sub> Intensity (tCO<sub>2</sub>/MWh) - Main Grid

Year	Plant (Main Grid)	Total CO <sub>2</sub> Emission	Gross Energy Generated from Thermal	CO <sub>2</sub> Intensity (tCO <sub>2</sub> eq/ MWh)
2017	Sejingkat Power Corp	916,769.06	727,761.85	1.260
	PPLS	848,625.75	767523.858	1.106
	MPG	1,658,355.86	1,666,942.34	0.995
	SPG	825,960.98	1,772,772.00	0.466
	Bintulu SESCO	526,667.34	621,355.60	0.848
	Miri SESCO	533,748.96	523,907.27	1.019
	Sg Biawak SESCO	15,708.73	18,255.47	0.860
2018	Sejingkat Power Corp	854,293.99	673,672.50	1.268
	PPLS	707,251.87	675,296.00	1.047
	MPG	1,609,253.91	1,573,521.05	1.023
	SPG	950,543.09	2,059,519.80	0.462
	Bintulu SESCO	545,729.43	670,339.06	0.814
	Miri SESCO	483,172.32	493,843.86	0.978
	Sg Biawak SESCO	1,151.14	1,044.31	1.102

Disclosure Number	Disclosure Title	Page/	Direct Refe	erence					External Assurance	SDG linkage to Disclosure
305-5	Reduction of GHG emissions		-	rnalisation, p. 13 ( e Action, p. 35	(See SDG#13)					No 13 - Take urgent action to combat climate change and its impacts
										No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development
										No 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
305-7	Nitrogen oxides (NOx), sulfur	Acceler	rating Climat	e Action, p. 39					-	No 3 - Ensure healthy lives and promote well-being for
	oxides (SOx), and other significant air	Year	Plant (Main Grid)	Gross Energy Generated from	Total SOx		SOx Intensity	NOx Intensity (kgNOx/		all at all ages No 12 - Ensure sustainable
	emissions	2017	Sejingkat Power	Thermal (kWh) 727,761,852.00	Emission (kg)	Emission (kg) 250.190	(kgSOx/kWh)	<b>kWh)</b> 3.44 x 10 <sup>-7</sup>		consumption and production patterns
			Corp						_	No 14 - Conserve and sustainably use the
			PPLS	767,523,858.00	763,044.42	225.214	9.94 x 10 <sup>-4</sup>	2.93 x 10 <sup>-7</sup>	_	oceans, seas and marine
			MPG	1,666,942,336.00	1,528,744.32	641.900	9.17 x 10 <sup>-4</sup>	3.85 x 10 <sup>-7</sup>	_	resources for sustainable
			SPG	1,772,772,000.00	3,299.93	1,841,892.013	1.86 x 10 <sup>-6</sup>	1.04 x 10 <sup>-3</sup>	_	development
			Bintulu SESCO	621,355,600.00	152,755.93	858.337	2.46 x 10 <sup>-4</sup>	1.38 x 10 <sup>-6</sup>	_	No 15 - Protect, restore and promote sustainable
			Miri SESCO	523,907,270.00	4,446.65	49,716.173	8.49 x 10 <sup>-6</sup>	9.49 x 10 <sup>-5</sup>	_	use of terrestrial ecosystems, sustainably manage forests, combat
			Sg Biawak SESCO	18,255,470.00	417.42	2.540	2.29 x 10 <sup>.5</sup>	1.39 x 10 <sup>-7</sup>	_	desertification, and halt and reverse land degradation
		2018	Sejingkat Power Corp	673,672,500.00	614,470.31	259.67	9.12 x 10 <sup>-4</sup>	3.85 x 10 <sup>.7</sup>		and halt biodiversity loss
			PPLS	675,296,000.00	479,441.87	234.42	7.10 x 10 <sup>-4</sup>	3.47 x 10 <sup>-7</sup>	-	
			MPG	1,573,521,047.00	495,377.29	402.41	3.15 x 10 <sup>-4</sup>	2.56 x 10 <sup>-7</sup>	-	
			SPG	2,059,519,800.00	35,473.30	1,036,442.01	1.72 x 10 <sup>-5</sup>	5.03 x 10 <sup>-4</sup>	-	
			Bintulu SESCO	670,339,060.00	31,551.82	979.77	4.71 x 10 <sup>-5</sup>	1.46 x 10 <sup>-6</sup>	-	
			Miri SESCO	493,843,860.00	306.44	8,190.26	6.21 x 10 <sup>-7</sup>	1.66 x 10 <sup>-5</sup>	_	
			Sg Biawak SESCO	1,044,310.00	0.00	0.00	0.00	0.00	_	

Disclosure Number	Disclosure Title	Page/Direct	Reference				External Assurance	SDG linkage to Disclosure
Effluent and	d Waste							
GRI 103: Mar	nagement Approach 2016							
103-1	Explanation of the material topic and its Boundary	Accelerating C	Nimate Action, p. 40					
103-2	The management approach and its components	Accelerating C	limate Action, p. 37 & 40					
103-3	Evaluation of the management approach	Accelerating C	Climate Action, p. 37 & 40					
GRI 306: Efflu	uents and Waste 2016							
306-1	Water discharge by quality and destination	Delivering Valu	a Internalisation, p. 15 (See S le to Our Stakeholders, p. 16 Climate Action, p. 35 & 37				Yes	No 3 - Ensure healthy live: and promote well-being for all at all ages No 6 - Ensure availability and sustainable management of water and
								No 12 - Ensure sustainab consumption and production patterns
								No 14 - Conserve and sustainably use the oceans, seas and marine
306-2	Waste by type and disposal method	Accelerating C	Viimate Action, p. 40					No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Accelerating C	Plimate Action, p. 40	Waste Q	uantity by Y	/ear (MT)		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab
306-2		Accelerating C				· · · · · · · · · · · · · · · · · · ·		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant	Type of Waste	<b>Waste Q</b> 2016 9.81	<b>uantity by 1</b> 2017 16.06	<b>/ear (MT)</b> 2018 56.53		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of		2016	2017	2018		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant	Type of Waste Lubricating Oil	<b>2016</b> 9.81	<b>2017</b> 16.06	<b>2018</b> 56.53	-	No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant	Type of Waste Lubricating Oil Contaminated Items	<b>2016</b> 9.81 7.73	<b>2017</b> 16.06 3.63	<b>2018</b> 56.53 5.33		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant	Type of Waste Lubricating Oil Contaminated Items E-Waste	<b>2016</b> 9.81 7.73	<b>2017</b> 16.06 3.63 0.08	<b>2018</b> 56.53 5.33 0.38		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant	Type of Waste Lubricating Oil Contaminated Items E-Waste Contaminated Soil	<b>2016</b> 9.81 7.73 - -	<b>2017</b> 16.06 3.63 0.08 -	<b>2018</b> 56.53 5.33 0.38 0.58		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant	Type of Waste Lubricating Oil Contaminated Items E-Waste Contaminated Soil Chemicals	<b>2016</b> 9.81 7.73 - - -	<b>2017</b> 16.06 3.63 0.08 - 0.05	<b>2018</b> 56.53 5.33 0.38 0.58 0.14		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant Hydro	Type of Waste Lubricating Oil Contaminated Items E-Waste Contaminated Soil Chemicals Total	<b>2016</b> 9.81 7.73 - - - <b>17.54</b>	2017 16.06 3.63 0.08 - 0.05 19.82	2018 56.53 5.33 0.38 0.58 0.14 62.96		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant Hydro	Type of Waste Lubricating Oil Contaminated Items E-Waste Contaminated Soil Chemicals Total Lubricating Oil	2016 9.81 7.73 - - - 17.54 180.08	2017 16.06 3.63 0.08 - 0.05 19.82 233.01	<b>2018</b> 56.53 5.33 0.38 0.58 0.14 <b>62.96</b> 274.86		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant Hydro	Type of Waste Lubricating Oil Contaminated Items E-Waste Contaminated Soil Chemicals Total Lubricating Oil Contaminated Items	2016 9.81 7.73 - - - 17.54 180.08 24.21	<b>2017</b> 16.06 3.63 0.08 - 0.05 <b>19.82</b> 233.01 28.09	<b>2018</b> 56.53 5.33 0.38 0.58 0.14 <b>62.96</b> 274.86 47.91		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant Hydro	Type of Waste Lubricating Oil Contaminated Items E-Waste Contaminated Soil Chemicals Total Lubricating Oil Contaminated Items E-Waste	<b>2016</b> 9.81 7.73 - - <b>17.54</b> 180.08 24.21 1.44	<b>2017</b> 16.06 3.63 0.08 - 0.05 <b>19.82</b> 233.01 28.09 10.03	<b>2018</b> 56.53 5.33 0.38 0.58 0.14 <b>62.96</b> 274.86 47.91 9.06		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainable consumption and
306-2		Type of Plant Hydro	Type of Waste Lubricating Oil Contaminated Items E-Waste Contaminated Soil Chemicals Total Lubricating Oil Contaminated Items E-Waste Fly Ash	<b>2016</b> 9.81 7.73 - - <b>17.54</b> 180.08 24.21 1.44 63,159.42	2017 16.06 3.63 0.08 - 0.05 19.82 233.01 28.09 10.03 65,152.64	2018 56.53 5.33 0.38 0.58 0.14 62.96 274.86 274.86 47.91 9.06 46,552.92		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainable consumption and
306-2		Type of Plant Hydro	Type of Waste Lubricating Oil Contaminated Items E-Waste Contaminated Soil Chemicals Total Lubricating Oil Contaminated Items E-Waste Fly Ash Bottom Ash	<b>2016</b> 9.81 7.73 - - <b>17.54</b> 180.08 24.21 1.44 63,159.42 90,614.83	2017 16.06 3.63 0.08 - 0.05 19.82 233.01 28.09 10.03 65,152.64 92,723.06	2018 56.53 5.33 0.38 0.58 0.14 62.96 274.86 274.86 47.91 9.06 46,552.92 87,253.96		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and
306-2		Type of Plant Hydro	Type of Waste         Lubricating Oil         Contaminated Items         E-Waste         Contaminated Soil         Chemicals         Total         Lubricating Oil         Contaminated Items         E-Waste         Fly Ash         Bottom Ash         Gas Condensate	<b>2016</b> 9.81 7.73 - - <b>17.54</b> 180.08 24.21 1.44 63,159.42 90,614.83 2.20 4.24 0.18	2017 16.06 3.63 0.08 - 0.05 19.82 233.01 28.09 10.03 65,152.64 92,723.06	2018 56.53 5.33 0.38 0.58 0.14 62.96 274.86 274.86 274.86 47.91 46,552.92 87,253.96 15.63 15.63 2.78 0.37		No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development No 12 - Ensure sustainab consumption and

Disclosure Number	Disclosure Title	Page/Direct Reference	External Assurance	SDG linkage to Disclosure
Environmen	tal Compliance			
GRI 103: Mar	nagement Approach 2016			
103-1	Explanation of the material topic and its Boundary	Accelerating Climate Action, p. 37-38		
103-2	The management approach and its components	Accelerating Climate Action, p. 37-38		
103-3	Evaluation of the management approach	Accelerating Climate Action, p. 40		
GRI 307: Env	ironmental Compliance 20	16		
307-1	Non-compliance with environmental laws and regulations	The Company was fined RM 2,000 for violating Environmental Quality (Scheduled Wastes) Regulation 2005 at Limbang Power Station on 23 <sup>rd</sup> February 2018.		No 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
Employmen	t			
GRI 103: Mar	nagement Approach 2016			
103-1	Explanation of the material topic and its Boundary	Social Inclusiveness, p. 49		

103-2	The management approach and its	Social Inclusiveness, p. 49-51
	components	
103-3	Evaluation of the management approach	Social Inclusiveness, p. 49-52

	Disclosure Title	Page/Direc	t Ref	erence													ernal urance	SDG linkage to Disclosure
mploymen	it																	
RI 401: Emp	ployment 2016																	
D1-1	New employee hires and employee	Global Agenc Social Inclusi New Hires ar	venes	s, p. 50		,		)										No 5 - Achieve gender equalit and empower all women and
	turnover	New Hires (by Gender)		2014			2015			2016			2017			2018		girls No 8 - Promo
			Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL	sustained,
		Total number	153	85	238	172	70	242	190	68	258	278	70	348	227	77	304	inclusive and sustainable economic
		By age, in numbers																growth, full and productiv
		Up to 30 years old	134	66	200	145	54	199	167	56	223	244	59	303	158	58	216	employment and decent
		Between 31 and 50 years old	15	19	34	27	16	43	20	12	32	20	10	30	51	17	68	work for all
		Over 50 years old	4	0	4	0	0	0	3	0	3	14	1	15	18	2	20	
		Staff Turnover (by Gender)		2014			2015			2016			2017			2018		
		(), ) ) ) )	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL	
		Total	92	22	114	84	25	109	86	28	114	95	42	137	168	47	215	
		By age, in numbers																
		Up to 30 years old	32	14	46	27	11	38	25	16	41	28	21	49	26	21	47	
		Between 31 and 50 years old	30	7	37	29	7	36	34	10	44	19	8	27	41	17	58	
		Over 50 years old	30	1	31	28	7	35	27	2	29	48	13	61	101	9	110	

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SDG linkage

to **Disclosure** 

External

Assurance

### Disclosure Disclosure Page/Direct Reference Number Title

Employment

New Hires and Turnover by Company

New Hires (by Company)		2014			2015			2016			2017			2018	
	Men	Women	TOTAL												
Total number	153	85	238	172	70	242	190	68	258	278	70	348	227	77	304
By company, in numbers															
Sarawak Energy Berhad	1	3		2	0		82	37		254	61		227	77	304
Sejingkat Power	1	1		1	1		-	-		-	-				
Mukah Power	3	1		7	1		-	-		-	-				
SESCO Headquarters	70	56		93	51		51	21		1	4				
SESCO Kuching	20	8		10	5		3	4		10	1				
SESCO Sri Aman	5	0		2	0		1	0		0	2				
SESCO Sarikei	5	1		0	0		1	0		2	1				
SESCO Sibu	6	2		13	5		16	1		2	2				
SESCO Bintulu	20	1		18	2		23	1		-	-				
SESCO Miri	22	12		12	1		8	3		3	2				
Balingian Power Generation	-	-		14	4		5	1		1	2				
Sarawak Hidro Sdn Bhd	-	-		-	-		-	-		0	0				

#### Disclosure Disclosure Page/Direct Reference

#### External SDG linkage Assurance

to **Disclosure** 

Employment

Title

Number

Staff Turnover (by															
Company)		2014			2015			2016			2017			2018	
	Men	Women	TOTAL												
Total number	92	22	114	84	25	109	86	28	114	95	42	137	168	47	215
By company, in numbers															
Sarawak Energy Berhad	8	2		4	2		6	1		13	8		16	15	
Sejingkat Power	2	0		3	1		3	1		2	0		3		
Mukah Power	6	0		4	0		4	0		2	0		2		
SESCO Headquarters	32	10		24	16		37	17		45	17		52	8	
SESCO Kuching	13	3		7	2		13	3		11	9		18	2	
SESCO Sri Aman	2	0		0	0		1	0		0	0		6		
SESCO Sarikei	0	0		1	0		3	1		2	0		2	1	
SESCO Sibu	11	2		12	2		9	1		7	4		12	2	
SESCO Bintulu	5	2		13	1		5	0		4	0		7	2	
SESCO Miri	13	3		16	1		3	4		8	4		10	2	
Balingian Power Generation	-	-		-	-		2	0		1	0		-	-	
Sarawak Hidro Sdn Bhd	-	-		-	-		-	-		0	0		40	15	

% Turnover rate 2014 = 2.74% % Turnover rate 2015 = 2.53% % Turnover rate 2016 = 2.55%

% Turnover rate 2017 = 2.77%

% Turnover rate 2018 = 4.28%

Disclosure Number	Disclosure Title	Page/Direct Refer	ence		External Assurance	SDG linkage to Disclosure
Employmen	nt					
401-2	Benefits provided	Types of Leave	Description	Remarks		No 8 - Promote inclusive and
	to full-time employees	Annual	(Executive & Management group) E1 - SG5-B = 20 days per annum	Service below 10 years		sustainable economic
	that are not provided to temporary		(Executive & Management group) E1 - SG5-B = 25 days per annum	Service 10 years and above	-	growth, employment and decent
	or part-time employees		(Non-Executive group) NE1 – NE6 = 15 days per annum (Non-Executive group) NE1 – NE6 =	Service below 5 years Service above 5 years		work for all
			16 days per annum (Non-Executive group) NE1 – NE6 = 20 days per annum	Service 10 years and above		
		Maternity	90 calendar days	Limited to 5 surviving children	-	
		Nursing	Maximum 90 calendar days	Unpaid	-	
		Paternity	7 continuous calendar days	Limited to 5 occasions	-	
		Hajj	40 days	Granted only once; should serve for not less than 5 continuous years	-	
		Unrecorded	30 working days per annum - maximum	For the purpose of: • Armed Forces Training • Sporting & Cultural Activities • Koperasi SESCO • Examination • Deepavali – 1 day	-	
		Study	Subject to terms and conditions as determined by the Company			
		Compassionate	3 working days	<ul> <li>For purpose of attending the funeral of any one of the following relatives:</li> <li>Spouse</li> <li>Children who are natural, lawfully adopted or stepchildren</li> <li>Parents</li> <li>Parents in-law</li> </ul>		
		Overtime	Maximum of 15 working days or 120 hours per year	For Executive group only and valid up to the current year	_	
		Sick	Non-hospitalized = 22 days Hospitalized = 60 days	Aggregate 60 days paid leave per annum		
		Prolonged Illness	<ul> <li>On full salary for a maximum period of 2 consecutive months</li> <li>On half salary for a further period of 2 consecutive months</li> <li>Unpaid prolonged illness leave for a further period of 2 consecutive months</li> </ul>			
		Quarantine	Number of days are subject to actual duration of detention granted by relevant Government authority	Paid leave	-	
		Blood donors privilege	1 day		-	

SDG linkage

to **Disclosure** 

External

Assurance

### Disclosure Disclosure Page/Direct Reference

Number	Title
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Employment

Type of Loan	Entitlement (RM)	Remarks	
Housing (Interest subsidy)	360,000.00	(Top management) SG1 - SG5-B	
	300,000.00	(Managers) E5 - E8	
	250,000.00	(Executives) E1 - E4	
	200,000.00	(Non- executives) NE1 - NE6	
Car (Interest Subsidy)	170,000.00	(Top management) SG1 - SG8	
	130,000.00	(Managers) E5 - E8	
	80,000.00	(Executives) E1 - E4	
	50,000.00	(Non- executives) NE1 - NE6	
Motorcycle Loan	7,000.00	All Staff	
Computer Loan	3,000.00	All Staff	

House Moving Expenses Subsidy

Salary Grade	Single (RM)	Married (RM)
(Top management) SG1 - SG5-B	1,950.00	2,600.00
(Managers) E5 - E8	1,425.00	1,900.00
(Executives) E1 - E4	1,125.00	1,500.00
(Non- executives) NE1 - NE6	750.00	1,000.00

### Welfare

Natural Calamity

Deceased Person	Rate (RM)
Serving Employee	3,000.00
Spouse & Children < 21 years old	1,000.00
Parents	500.00
Retiree	500.00

### Note:

As of 1st December 2018, Maternity Leave of 60 calendar days has been revised to 90 calendar days.

Disclosure Number	Disclosure Title	Page/Direct Reference		External Assurance	SDG linkage to Disclosure
Occupation	al Health and Safety				
GRI 103: Mai	nagement Approach 2016				
103-1	Explanation of the material topic and its Boundary	Social Inclusiveness, p. 53			
103-2	The management approach and its components	Social Inclusiveness, p. 53-54, p. 56			
103-3	Evaluation of the management approach	Social Inclusiveness, p. 55, p. 57-58			
GRI 403: Oco	cupational Health and Safe	aty 2016			
403-1	Workers representation in formal joint management-worker	Social Inclusiveness, p. 53 Environment & Occupational Health & Safety (EC	DSH) Members in 2017 & 2018:		No 8 - Promote inclusive and sustainable economic growth, employment and
	health and safety	Types of Leave	Description		decent work for all
	committees	Chairman	19		
		Secretary	19		
		Employer Representative	133		
		Employees Representative	213		
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related	Social Inclusiveness, p. 54			No 3 - Ensure healthy lives and promote well-being for all at all ages No 8 - Promote sustained, inclusive and sustainable
	fatalities				economic growth, full and productive employment and decent work for all
403-3	Workers with high incidence or high risk of diseases related to their	Social Inclusiveness, p. 56-57 (See Reinforcing a	a Culture of Safety)		No 3 - Ensure healthy lives and promote well-being for all at all ages
	occupation				No 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Training an	d Education				
GRI 103: Mai	nagement Approach 2016				
103-1	Explanation of the material topic and its Boundary	Social Inclusiveness, p. 51			
103-2	The management approach and its components	Social Inclusiveness, p. 51			
103-3	Evaluation of the management approach	2018 Key Highlights, p. 7 Global Agenda Internalisation, p. 14 (See SDG# Social Inclusiveness, p. 47 & 52	8)		

#### Disclosure Disclosure Page/Direct Reference Number Title

#### External SDG linkage Assurance

to Disclosure

### Employment

### GRI 404: Training and Education 2016 Average

hours of

year per

employee

training per

- 4	ſ	14	_	1
	~			1

Total and Average of Hours of Training Recorded by Category and Gender (Internal Courses) for 2017 and 2018

20	)17	2	018
Male	Female	Male	Female
38	4	55	11
385	188	362	134
2,569	216	1,908	126
	Male           38           385	38         4           385         188	Male         Female         Male           38         4         55           385         188         362

Year	2017		2018	
Total Hours of Training by Category	Male	Female	Male	Female
Management	371	70	574	119
Executive	5,870	2,811	5,579	2,045
Non Executive	36,855	2,730	26,916	1,420

Year	2017		2018	
Average Hours of Training by Category	Male	Female	Male	Female
Management	9.76	17.50	10.44	10.82
Executive	15.25	14.95	15.41	15.26
Non Executive	14.35	12.64	14.11	11.27

### Total Hours of Training Recorded by Category and Gender (In-House Courses) for 2017 and 2018

Year	2017		2018	
Total Number of Employees by Category	Male	Female	Male	Female
Management	-	-	41	14
Executive	528	259	569	283
Non Executive	1,406	202	2,632	285

Year	2017		2018	
Total Hours of Training by Category	Male	Female	Male	Female
Management	-	-	441	294
Executive	8,531	3,920	7,119	3,157
Non Executive	22,845	2,893	35,622	3,046

Year	2017		2018	
Average Hours of Training by Category	Male	Female	Male	Female
Management	-	-	10.76	21.00
Executive	16.16	15.14	12.51	11.16
Non Executive	16.25	14.32	13.53	10.69

### No 4 - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

No 5 - Achieve gender equality and empower all women and girls

No 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Disclosure Number	Disclosure Title	Page/Direct Reference

External Assurance

SDG linkage to **Disclosure** 

Employ	nent
--------	------

Year	20	017	2018		
Total Number of Employees by Category	Male	Female	Male	Female	
Management	120	55	77	32	
Executive	444	286	330	263	
Non Executive	197 229		227	223	
Year	20	017	20	018	
Year Total Hours of Training by Category	20 Male	Female	20 Male	Female	
		-			
Total Hours of Training by Category	Male	Female	Male	Female	
Total Hours of Training by Category Management	<b>Male</b> 302	<b>Female</b> 108	<b>Male</b> 1,463	<b>Female</b> 427	

Year	2	017	2018	
Average Hours of Training by Category	Male	Female	Male	Female
Management	2.52	1.96	19.00	13.34
Executive	2.46	3.58	17.50	15.36
Non Executive	2.92	1.93	15.39	13.59

Total Hours of Training Recorded by Category and Gender (Leadership Courses) for 2017 and 2018

Year	20	017	2018	
Total Number of Employees by Category	Male	Female	Male	Female
Management	-	5	158	89
Executive	256	198	109	89
Non Executive	252	58	15	9

Year	20	017	2018	
Total Hours of Training by Category	Male	Female	Male	Female
Management	-	105	3,129	1,547
Executive	3,548	2,759	2,135	1,624
Non Executive	3,528	812	210	126

Year	20	)17	2018	
Average Hours of Training by Category	Male	Female	Male	Female
Management	-	21.00	19.80	17.38
Executive	13.86	13.93	19.59	18.25
Non Executive	14.00	14.00	14.00	14.00

404-2

upgrading employee skills and transition assistance programs

Programs for Social Inclusiveness, p. 51

No 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

**Local Communities** 

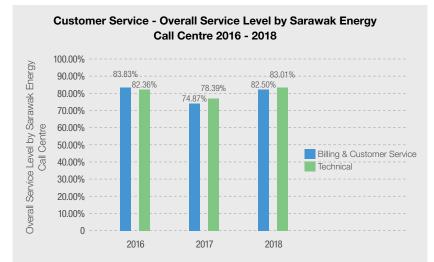
Disclosure Number	Disclosure Title		External Assurance	SDG linkage to Disclosure
Employmen	t			
404-3	Percentage of employees receiving regular performance and career	100%		No 5 - Achieve gender equality and empower all women and girls
	development reviews			No 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Indigenous	Rights			
GRI 103: Mar	nagement Appro	pach 2016		
103-1	Explanation of the material topic and its Boundary	Social Inclusiveness, p. 57		
103-2	The management approach and its components	Social Inclusiveness, p. 57-62		
103-3	Evaluation of the management approach	Social Inclusiveness, p. 57-62		
GRI 411: Rigl	nts of Indigenous	s People 2016		
411-1	Incidents of violations involving rights of indigenous peoples	There were no identified incidents of violations involving the rights of indigenous peoples during the reporting period.		No 2 - End hunger, achieve food security and improved nutrition and promote sustainable agriculture

GRI 103: N	Vanagement Appro	pach 2016
103-1	of the material topic and its Boundary	Social Inclusiveness, p. 58, p. 62-63
103-2	The management approach and its components	Social Inclusiveness, p. 58 & 62

Disclosure Number	Disclosure Title	Page/Direct Reference	External Assurance	SDG linkage to Disclosure
Local Comr	nunities			
103-3	Evaluation of the management approach	Social Inclusiveness, p. 58-63		
GRI 413: Loc	al Communities	2016		
413-1	Operations with local community engagement, impact assessments, and development programs	100% of Sarawak Energy's operations involves and includes local community engagement, impact assessments and development programs, particularly projects categorised under "prescribed activities" by the Natural Resources and Environment Board, Sarawak and Department of Environment.		No 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
Customer F	Privacy			
GRI 103: Mar	nagement Appro	ach 2016		
103-1	Explanation of the material topic and its Boundary	Foundation to Low Carbon Economy, p. 33		
103-2	The management approach and its components	Foundation to Low Carbon Economy, p. 33		
103-3	Evaluation of the management approach	Foundation to Low Carbon Economy, p. 33		

Disclosure Number	Disclosure Title	Page/Direct Reference	External Assurance	SDG linkage to Disclosure
Customer F	Privacy			
GRI 418: Cus	stomer Privacy 2	016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no substantiated complaints regarding breaches of customer privacy and losses of customer data in 2018.  Number of Calls Handled by Sarawak Energy Call Centre and Overall Service Level by Sarawak Energy Call Centre  At Customer Care Centre, we aim to give our customers the optimal services that they may feel valued and fairly treated. In line with that, our executives are trained to handle both billing and technical enquiries that meet the various needs of our customers.  In terms of billing, we offer assistance to customers that covers new applications, billing and meter related issues and general enquiries. Similarly, we also attend to technical enquiries such as outages, faulty street lights and other technical issues.		No 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all
		Customer Service - No. of Calls Handled by Sarawak Energy Call Centre 2016 - 2018		levels
		120,000		





and inclusive institutions at all

Disclosure Number	Disclosure Title	Page/Direct Reference	External Assurance	SDG linkage to Disclosure
Sosioecono	mic Complian	ce		
GRI 103: Mar	nagement Appro	ach 2016		
103-1	Explanation of the material topic and its Boundary	Delivering Value to Our Customers, p. 17		
103-2	The management approach and its components	Social Inclusiveness, p. 61		
103-3	Evaluation of the management approach	Social Inclusiveness, p. 61		
GRI 419: Soc	ioeconomic Cor	npliance 2016		
419-1	Non- compliance with laws and regulations in the social and economic area	<ul> <li>During the year under review, Sarawak Energy did not incur any fines for non-compliance with:</li> <li>i. Products and services on information and labeling</li> <li>ii. Marketing communications including advertising, promotions and sponsorships</li> <li>However, on 9<sup>th</sup> January 2018, SESCO was fined RM25,000 at the Sessions Court Sri Aman by the Department of Safety and Health under Section 15 of the Occupational Safety and Health Act 1994. The fine was due to a fatality incident which occurred during maintenance work in Betong, involving an employee of SESCO's contractor in 2016.</li> </ul>		No 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable

			levels
ELECTR	IC UTILITIES SEC	TOR DISCLOSURES	
Organiza	ational Profile		
GRI 103: I	Management Appro	ach 2016	
103-1	Explanation of the material topic and its Boundary	Organisational Profile, p. 3	
103-2	The management approach and its components	Organisational Profile, p. 3 Foundation to Low Carbon Economy, p. 29	
103-3	Evaluation of the management approach	Organisational Profile, p. 3 Chairman's Foreword, p. 5 Foundation to Low Carbon Economy, p. 28 & 29	
G4 Sector	r Disclosure: Organi	zational Profile	
EU1	Installed Capacity, Broken Down by Primary Energy Source and by Regulatory Regime	Foundation to Low Carbon Economy, p. 28	No 7 - Ensure access to affordable, reliable, sustainable and modern energy for all

# **GRI CONTENT INDEX FOR** 'IN ACCORDANCE' - CORE

Disclosure Number	Disclosure Title	Page/Direct Reference			External Assurance	SDG linkage to Disclosure
EU2	Net Energy Output	Foundation to Low Carbon Economy, p. 29	Yes	No 7 - Ensure access to		
	Broken Down	Major Grid Generation by Plants (GWh), by Energy Source	2017	2018		affordable,
	by Primary Energy	1 Hydro		-	reliable, sustainable and	
	Source and	Batang Ai HEP	442.32	480.59*	_	modern energy
by Regulato Regime	by Regulatory Regime	Bakun HEP	13,078.27	14,351.89*		for all
		Murum HEP	5,717.39	6,053.06*		No 14 -
	Coal				Conserve and sustainably use	
		Sejingkat Power (SPC 1)	684.11	593.49*		the oceans, seas and marine resources for
		PPLS-PG (SPC 2)	673.69	614.13*		
		Mukah Power Generation (MPG)	1,494.40	1,401.96*		sustainable
		Gas				development
		Miri Pujut Open Cycle	516.56	487.51*		
		Bintulu 1-5 Open Cycle	614.31	661.31*		
		SPG Combined Cycle	1,738.20	2,023.03*	_	
		Diesel			_	
		Biawak Power Plant	16.18	-0.57*	_	
		TOTAL ENERGY GENERATED	24,975.43	26,666.4*		

### Note:

\* This net energy generated data has been assured by a third party. Read the Independent Assurance Report on pages 68 - 69.

EU3

Residential, Industrial, Institutional and Commercial Customer Accounts

Number of

Organisational Profile, p. 3

Grid	Tariff	No. of Active Customers' Account	No. of Inactive Customers' Account	Total No. of Customers' Account
Grid	C1	92,615	6,496	99,111
Grid	C2	21	1	22
Grid	C3	37	1	38
Grid	DOM	552,067	22,759	574,826
Grid	11	902	28	930
Grid	12	41	3	44
Grid	13	90	3	93
Grid	14	12	0	12
Grid	PL	10,242	254	10,496
Non Grid	C1	3,746	230	3,976
Non Grid	DOM	16,645	1,024	17,669
Non Grid	11	22	0	22
Non Grid	PL	249	3	252
GRAND TOTAL		676,689	30,802	707,491

### 105-55

# GRI CONTENT INDEX FOR 'IN ACCORDANCE' - CORE

Disclosure Number	Disclosure Title	Page/Direct Refe	rence						External Assurance	SDG linkage to Disclosure
EU4	Length of	<b>o</b>					No 7 - Ensure			
	Above and Underground	<b>Distribution Lines</b>								access to affordable,
	Transmission			Newly Co	nstructed in	2018				reliable,
	and Distribution		33kV Dis	tribution	11kV Dis	tribution	415V Dis	stribution		sustainable and modern
	Lines by	Region	O/H (km)	U/G (km)	O/H (km)	U/G (km)	O/H (km)	U/G (km)		energy for all
	Regulatory Regime	WR Kuching	0.00	31.66	12.89	35.39	38.75	39.16		
	0	WR Sri Aman	61.44	4.25	76.83	4.41	27.36	3.72		
		CR Sarikei	0.00	11.28	3.05	5.24	18.03	2.71		
		CR Sibu	26.29	12.32	2.10	17.21	18.00	8.92		
		NR Bintulu	26.50	8.36	0.00	6.36	29.22	7.84		
		NR Miri	0.00	10.50	3.60	5.88	87.77	18.16		
		NR Limbang	0.00	0.00	8.04	0.00	0.72	0.00		
		TOTAL	114.23	78.37	106.51	74.49	219.85	80.51		
		Transmission Lin	es			2010				
					nstructed in	2018				
			500 energi 275	zed at	275kV	132k	v	Total		
		Overhead (km)	-		36.16	-		36.16		
		Underground (km)	-		-	1.1		1.1		

36.16

\_

1.1

37.26

TOTAL (KM)

Disclosure Number	Disclosure Title	Page/Direct Reference	External Assurance	SDG linkage to Disclosure
Availability	and Reliability			
GRI 103: Mai	nagement Approach 2	2016		
103-1	Explanation of the material topic and its Boundary	Foundation to Low Carbon Economy, p. 29		
103-2	The management approach and its components	Foundation to Low Carbon Economy, p. 25, p. 29-30		
103-3	Evaluation of the management approach	Foundation to Low Carbon Economy, p. 29 & 33		
G4 Sector Di	sclosure: Availability &	Reliability		
EU10	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	Foundation to Low Carbon Economy, p. 27 (See Operational Performance) & p. 29 (See Sustaining Our Customers' Access to Low Carbon Energy)		No 7 - Ensure access to affordable, reliable, sustainable and modern energy for all
System Effi	ciency			
GRI 103: Mai	nagement Approach 2	2016		
103-1	Explanation of the material topic and its Boundary	Foundation to Low Carbon Economy, p. 29		
103-2	The management approach and its components	Foundation to Low Carbon Economy, p. 29		
103-3	Evaluation of the management approach	Foundation to Low Carbon Economy, p. 30-31		

EU11

# GRI CONTENT INDEX FOR 'IN ACCORDANCE' - CORE

### Disclosure Disclosure Title Page/Direct Reference Number

### External SDG linkage to Assurance Disclosure

G4 Sector Disclosure: System Efficiency

Average generation efficiency of thermal plants by energy source and by regulatory regime

on Foundation to Low Carbon Economy, p.29-31

Average generation efficiency (%) of thermal plants by energy source

Plant Type	Major Plant	Total Average Energy Efficiency <sup>1</sup> (%) – Year 2016	Total Average Energy Efficiency <sup>1</sup> (%) – Year 2017	Total Average Energy Efficiency <sup>1</sup> (%) – Year 2018
Coal	Sejingkat Power Corp	28.60	26.42	26.39
Coal	PPLS	33.52	30.19	31.80
Coal	MPG	31.68	33.49	32.70
Combined Cycle - Natural Gas	SPG	40.90	38.22	38.59
Open Cycle - Natural Gas	Bintulu SESCO	17.95	20.94	21.70
Open Cycle - Natural Gas	Miri SESCO	20.81	20.89	21.89
Diesel - Standby	Sg Biawak SESCO	31.68	31.19	24.05
Diesel - Non Grid	Limbang SESCO	35.50	37.08	34.88
Diesel - Non Grid	Lawas SESCO	35.30	36.30	34.69

No 7 - Ensure access to affordable, reliable, sustainable and modern energy for all

No 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

No 12 - Ensure sustainable consumption and production patterns

No 13 - Take urgent action to combat climate change and its impacts

No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development

### Note:

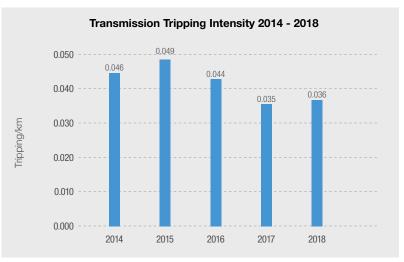
Total average energy efficiency for Sarawak Energy thermal power plants connected to Main and Northern grids.

EU12

### **GRI CONTENT INDEX FOR** 'IN ACCORDANCE' - CORE

#### **Disclosure Title Page/Direct Reference** External SDG linkage to Assurance Disclosure G4 Sector Disclosure: System Efficiency Global Agenda Internalisation, p. 13 (See SDG#7) Transmission and No 7 - Ensure access distribution losses Foundation to Low Carbon Economy, p. 30 (See Minimising Interruptions to Our Service) to affordable, reliable, sustainable and modern as a percentage of & p. 31 total energy energy for all Total Number of Transmission Tripping and Tripping Intensity at Transmission (Year 2014 - 2018) No 8 - Promote sustained, inclusive and sustainable Total Distance of Distribution and Transmission lines: economic growth, full and Total decent work for all 2014 2015 2016 2017 Diete 2012 12 - Ensure sustainable erns 13 - Take urgent action ombat climate change its impacts 4 - Conserve and

Total Distance	Year	2014	2015	2016	2017	2018
Number of	Substation	52	44	56	21	22
Transmission Tripping	Transmission	22	38	20	56	58
	TOTAL	74	82	76	77	80
Transmission Tripping Intensity (Tripping/km)		0.046	0.049	0.044	0.035	0.036



### Disclosure Number

Distance	2014	2015	2010	2017	2010
Distribution - 33kV, 11kV, 415kV (km)	30,483.11	31,719.87	32,802.64	34,421.06	35,095.00
Transmission - 132kV, 275kV 500kV (km)	1,607.80	1,678.65	1,743.90	2,187.59	2,224.85
TOTAL	32.090.91	33.398.52	34.546.54	36,608,65	37,321.15

productive employment and

sumption and production

tainably use the oceans, and marine resources sustainable development 105-55

Disclosure Number	Disclosure Title	Page/Direct Reference				External Assurance	SDG linkage to Disclosure	
Access								
GRI 103: Mar	nagement Approach 20	016						
103-1	Explanation of the material topic and its Boundary	Social Inclusiveness, p. 63						
103-2	The management approach and its components	Social Inclusiveness, p. 63-65						
103-3	Evaluation of the management approach	Delivering Value to Our Stakeholders, p. 17 Social Inclusiveness, p. 63-65						
G4 Sector Dis	sclosure: Access							
EU26	Percentage of population unserved in licensed distribution or service areas	Chairman's Foreword, p. 6 Global Agenda Internalisation, p. 13 (See SDG#7) Delivering Value to Our Stakeholders, p. 17 Social Inclusiveness, p. 63-65 • State electricity coverage – 96% • Rural electricity coverage – 90.8% (115,219 of rur	al household	s electrified in	2018)		No 1 - End poverty in all its forms Everywhere No 7 - Ensure access to affordable, reliable, sustainable and modern	
		NEW HOUSEHOLDS O	ONNECTE	D			energy for all	
		YEAR	2016	2017	2018			
		Normal Rural Electrification Scheme (RES)	12,697	5,409	3,990	-		
		Hybrid Programmes	1,224	966	270			
		SARES	719	1,124	1,448			
		TOTAL	14,640	7,499	5,748			
EU27	Number of residential disconnections for non-payments, broken down by duration of disconnection and by regulatory regime	Foundation to Low Carbon Economy, p. 32					No 1 - End poverty in all its forms Everywhere No 7 - Ensure access to affordable, reliable, sustainable and modern energy for all	
EU28	Power outage frequency	Foundation to Low Carbon Economy, p. 30					No 7 - Ensure access to affordable, reliable, sustainable and modern energy for all	
EU29	Average power outage duration	2018 Key Highlights, p. 7 Global Agenda Internalisation, p. 13 (See SDG#7) Foundation to Low Carbon Economy, p. 23, 30 & 33	2				No 1 - End poverty in all its forms Everywhere No 7 - Ensure access to affordable, reliable, sustainable and modern energy for all	

### Disclosure Disclosure Page/Direct Reference

Title

plant

Average

availability

source and

by regulatory

factor by

energy

regime

External SDG linkage to Assurance Disclosure

No 1 - End poverty in all its

EU30

Number

Global Agenda Internalisation, p. 13 (See SDG#7) Foundation to Low Carbon Economy, p. 29 & 33

Average plant equivalent availability factor (%) and Forced Outage (Hours) by energy source (Thermal Power Plants)

		Year 2	2016	Year 2	2017	Year	2018
Plant Type	Major Plant	Equivalent Availability (%)	Forced Outage (Hours)	Equivalent Availability (%)	Forced Outage (Hours)	Equivalent Availability (%)	Forced Outage (Hours)
Coal	Sejingkat Power Corp	88.00 <sup>1</sup>	398.86	85.91	62.01	88.45	340.77
Coal	PPLS	90.85 <sup>1</sup>	194.75	90.48	217.80	88.63	433.95
Coal	MPG	70.14 <sup>1</sup>	881.14	80.63	784.57	79.33	547.42
Combined Cycle - Natural Gas	SPG	82.53 <sup>1</sup>	678.08	71.88	1,050.09	88.61	87.63
Open Cycle - Natural Gas	Bintulu SESCO	85.22 <sup>1</sup>	582.48	87.58	963.93	91.17	196.93
Open Cycle - Natural Gas	Miri SESCO	80.97 <sup>1</sup>	486.39	75.47	1,365.65	77.96	712.03
Diesel - Standby	Sg Biawak SESCO	98.05 <sup>1</sup>	228.46	92.24	992.93	87.12	4,106.30
Diesel - Non Grid	Limbang SESCO	87.60	11,143.50	97.87	145.50	95.08	1,336.00
Diesel - Non Grid	Lawas SESCO	55.381	97.00	72.30	29.00	76.26	0.00

No 7 - Ensure access to affordable, reliable, sustainable and modern energy for all

forms everywhere

Average plant availability factor (%) and Forced Outage (Hours) by energy source (Hydro Power Plants)

		Year 2	2016	Year 2	2017	Year 2	2018
Plant Type	Major Plant	Availability (%)	Forced Outage (Hours)	Availability (%)	Forced Outage (Hours)	Availability (%)	Forced Outage (Hours)
Hydro	Batang Ai HEP	92.54 <sup>1</sup>	147.19	94.80	35.97	92.10	3.90
Hydro	Murum HEP	96.331	0.00	95.19	48.24	96.08	170.94
Hydro	Bakun HEP	-	-	93.56	1,662.82	92.23	23.37

### Notes:

 <sup>1</sup> This equivalent availability factor (thermal and hydro power plants) data has been assured by a third party for Sustainability Report 2016.

2. Sarawak Energy Hydro operation is using Availability Factor (AF).

Disclosure Number	Disclosure Title	Page/Direct Reference			External Assurance	SDG linkage to Disclosure
Research &	Development					
GRI 103: Mar	nagement Approach 2	2016				
103-1	Explanation of the material topic and its Boundary	Foundation to Low Carbon Economy, p. 45				
103-2	The management approach and its components	Foundation to Low Carbon Economy, p. 45				
103-3	Evaluation of the management approach	Foundation to Low Carbon Economy, p. 45				
G4 Sector Di	sclosure: Research &	Developr	nent			
(Former EU8)	Research and development activity and expenditure aimed at providing reliability electricity and promoting sustainable development	Foundation to Low Carbon Economy, p. 45 (See under Research and Development) Research and Development Projects for 2018				No 7 - Ensure access to affordable, reliable, sustainable and modern energy for all
		No.	Name of Project 2018	Approved Budget (RM)		No 9 - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation No 17 - Strengthen the means of implementation and revitalize the global partnership for sustainable development
		1.	PLS-180084 (Transformer Oil & Lubricating Oil Laboratory-Instruments, Equipment & Facilities)	500,000.00		
		2.	PLS-160156 (Remote Monitoring System)	100,000.00		
		3.	PLS-180082 (REN Electrical & Mechanical Tools 2018)	17,000.00		
		4.	PLS-160192 (Rural Solar Hybrid Monitoring – Leonics)	100,000.00		
		5.	PLS-160210 (Lightning Monitoring System)	2,000,000.00		
		6.	PLS-150002 (Purchase of Equipment for Weather Monitor)	183,000.00		
		7.	PLS-180080 (Balingian Raw Water Monitoring)	175,000.00		
		8.	PLS-180083 (Laboratory Information Management System (LIMS) Software)	980,000.00		



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### Sarawak Energy Berhad

Menara Sarawak Energy, No. 1, The Isthmus, 93050 Kuching, Sarawak, Malaysia.