



MESYUARAT AGUNG TAHUNAN

Tenaga Nasional Berhad Ke-31

10 Mei 2021



TNB has proven its resilience throughout this challenging period, upholding its service excellence, shareholder value and service to the nation

Our committed people

In these unusual and difficult times, our priority at TNB has been to serve the nation and rakyat. Of utmost priority was to ensure security of supply to keep essential services running and enable entire workforces operating from home.

This has meant that **our essential employees have continued to report for work despite the risks, to keep the nation going – safely and securely.**

Our contribution to the nation

Over and above keeping the lights on, TNB came forward as **one of the first corporate entities to offer aid, extending our full support to the Government's efforts to fight and contain the pandemic.**

As an essential services provider, TNB can play a critical role in supporting the Malaysian Government's efforts to revive the economy and assist those whose livelihoods are affected. Facilitating economic stimulus at this time should be made a priority.

Our robust performance

Despite the unprecedented challenges, our financial performance remained sufficiently **robust, enabling TNB to continue to honour our dividend policy of 30% to 60% payout based on our adjusted profit after tax, and minority interests (PATAMI).**

Our agile strategy bracing for global changes

The year saw us review our 10-year strategic plan, Reimagining TNB, to become a leaner, greener, more efficient organisation.

Uncertainties and instabilities brought resulting from the pandemic have made it **more imperative for us to provide safe and reliable electricity supply in an environmentally sustainable manner, at a cost that is equitable for all stakeholders.**

Our strategy refresh has put us in a better position to fulfil this critical responsibility.

Amid the pandemic and East Coast floods, our people have gone the extra mile to keep the lights on

Our Warga TNB have been working diligently amid the chaos around us to ensure continuity of supply. They have put aside their own fears in the name of the greater good – to bring relief to those confined to homes with no electricity; comfort to the police patrolling red zones; and peace of mind to healthcare workers at our hospitals.



TNB Unsung Heroes



Despite the fear of COVID-19 infections and flood events in the East Coast, our essential staff continuous to ensure:

- Maintenance and services of infrastructure are not interrupted
- Power connection and lighting available in security officials booths and posts to assist MCO enforcement works
- Deployment of mobile generator set to hospital and critical facilities nationwide
- Customer's complaint are attended as soon as possible

Our performance remained resilient despite the operational challenges and economic slowdown. We marked key milestones with the commissioning of Southern Power Generation plant & our large scale solar at Bukit Selambau

FY2020

REVENUE



RM 43,976.0 million
FY2019: RM 50,939.7 million

PROFIT AFTER TAX



RM 3,616.4 million
FY2019: RM 4,445.0 million



Southern Power Generation (1,440MW) - 70% ownership

First power plant that commercially operates using General Electric's latest gas turbine model & most efficient gas turbines

Commissioned on
U1 - 1st Jan'21
U2 - 19th Feb'21

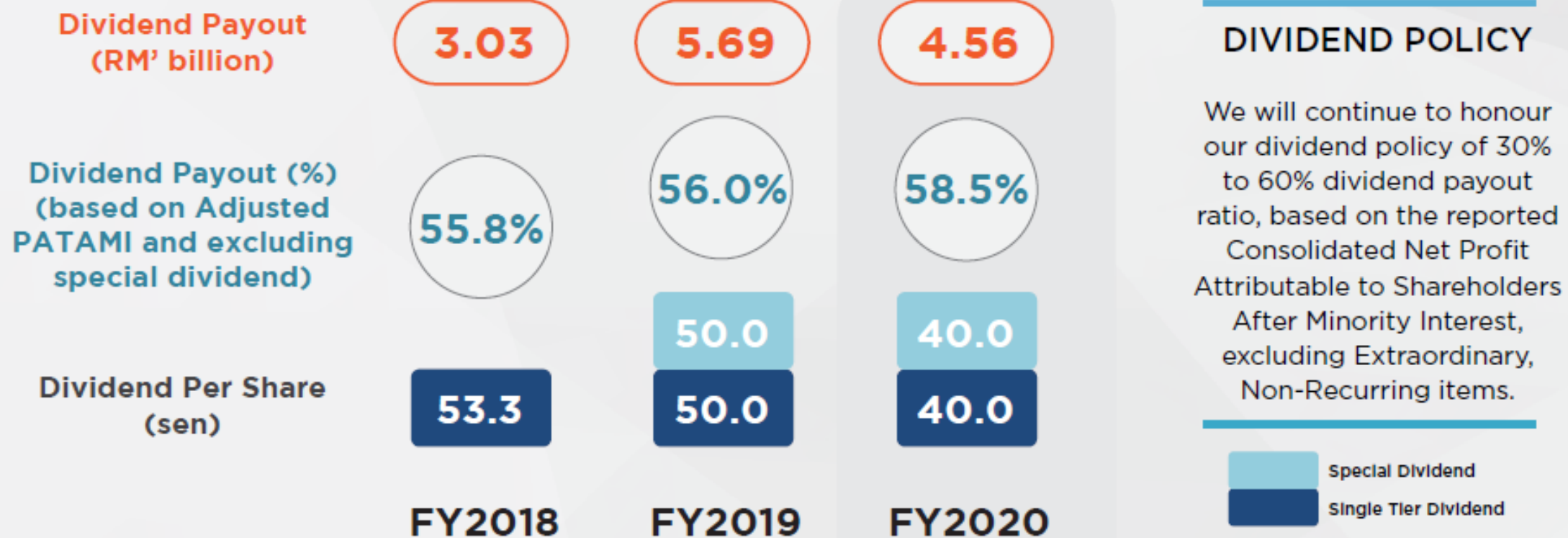


TNB Bukit Selambau (30MW)

Commenced operations of our second LSS project, completed 114 days ahead of schedule

Commissioned on 8th Sept'20

We continue to reward shareholders with a single tier dividend of 40.0 sen per share in addition to a special dividend of 40.0 sen per share








Note:

Dividend payout ratio (%) including special dividend:-

- FY2020: 117.1%
- FY2019: 112.0%

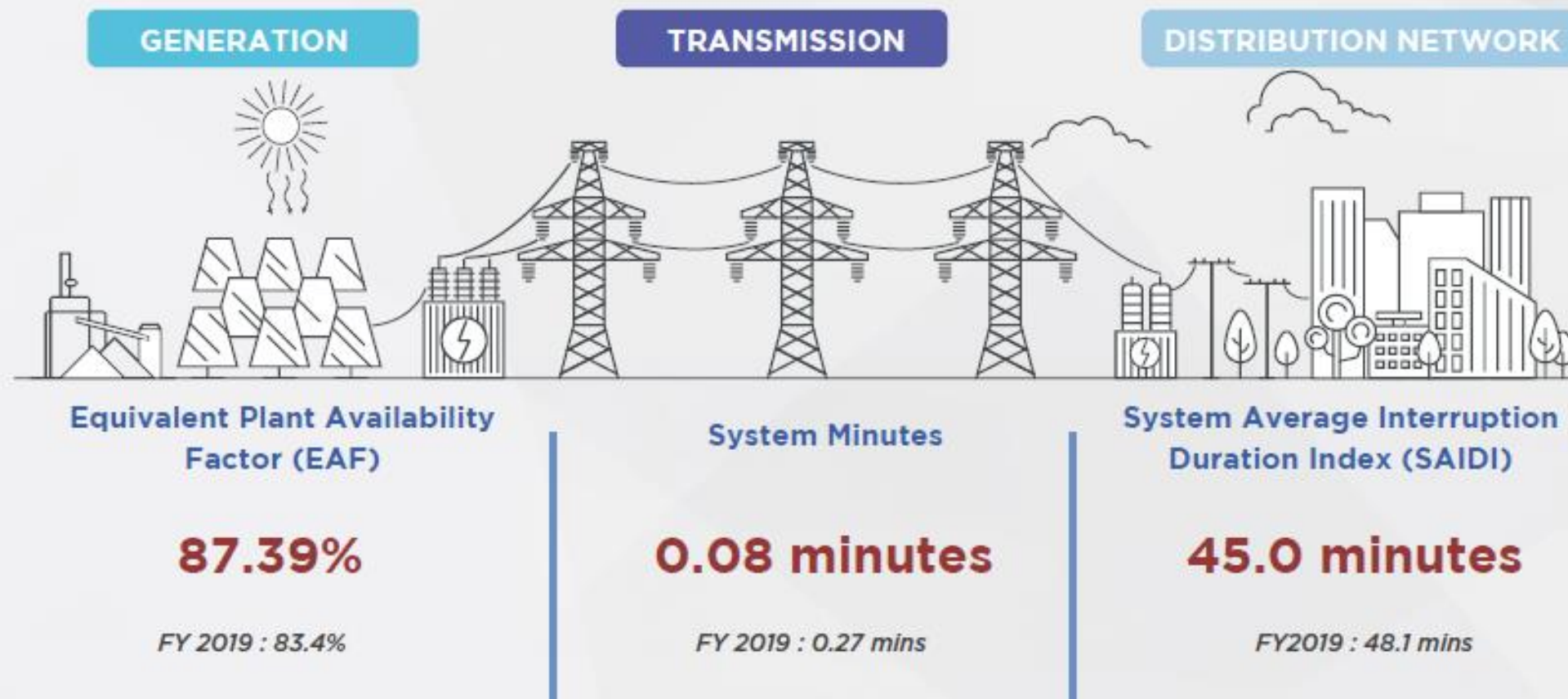
TNB paid out some of the highest dividends to GLICs in 2020, ensuring shared prosperity with the Rakyat as the account holders in these institutions

GLIC	Dividend received RM mil, FY2020	Shareholdings %, Dec'20
 KHAZANAH NASIONAL	1,172.3	25.7
 PNB Permodalan Nasional Berhad	846.7	18.5
 KWSP EPF	809.4	17.7
 KWAP	330.5	7.3
 TABUNG HAJI Tabung Haji	33.6	0.7
TOTAL	3,192.5	69.9

The total of RM4.56 billion dividend payout directly benefits TNB's institutional shareholders such as EPF, PNB, KWAP and Lembaga Tabung Haji, and more importantly, also enriches the Rakyat as the account holders in these institutions

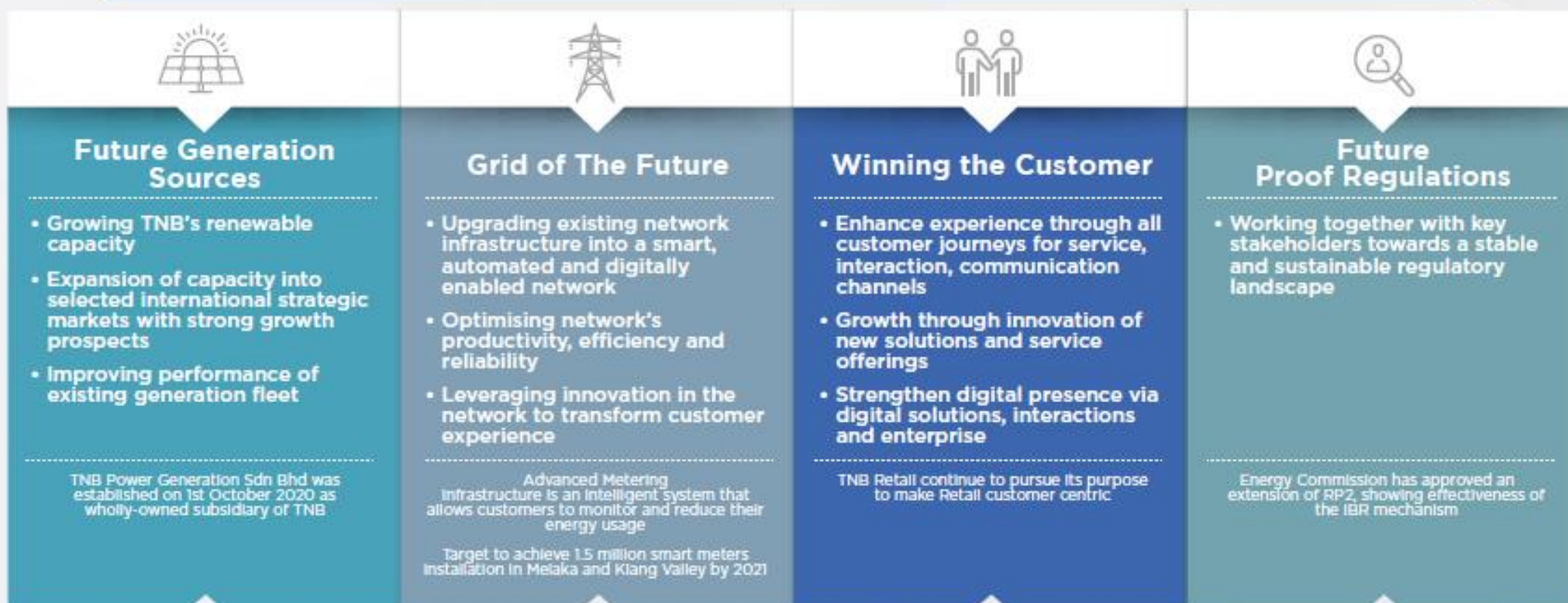
Guided by our Purpose and strong sense of responsibility, our people have gone the extra mile to keep the lights on, charting stronger technical performance from the previous year

IMPROVED KEY TECHNICAL PERFORMANCE

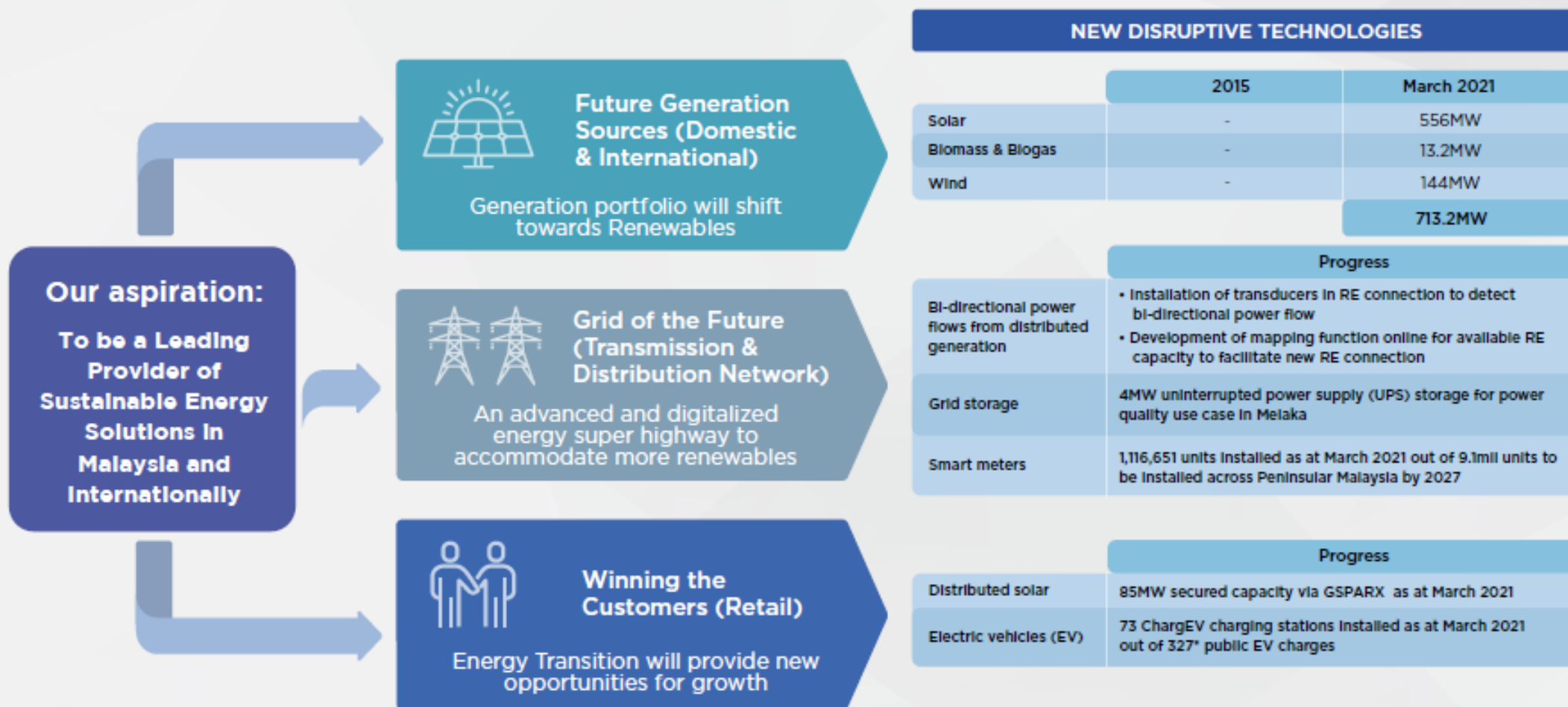


TNB champions an ambitious strategy to drive the nation's Energy Transition amidst a rapidly-evolving industry landscape

TO BE A LEADING PROVIDER OF SUSTAINABLE ENERGY SOLUTIONS IN MALAYSIA AND INTERNATIONALLY



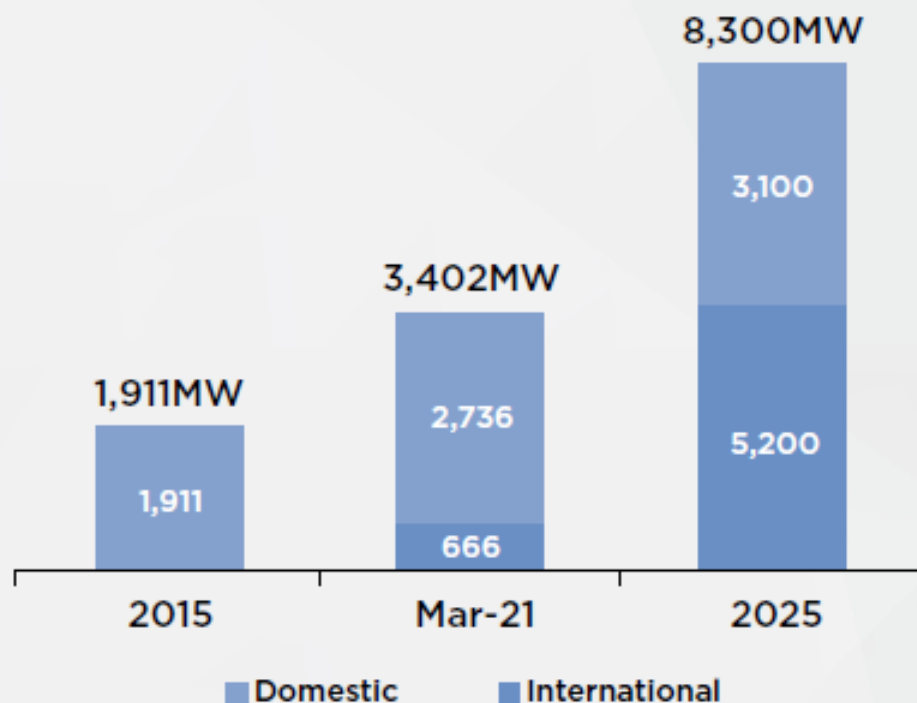
A Strategic Roadmap anchors TNB's aspirations, charting progress in sustainable energy solutions



*Source: <https://chargev.chargev.my/> (as at 26 April 2021)

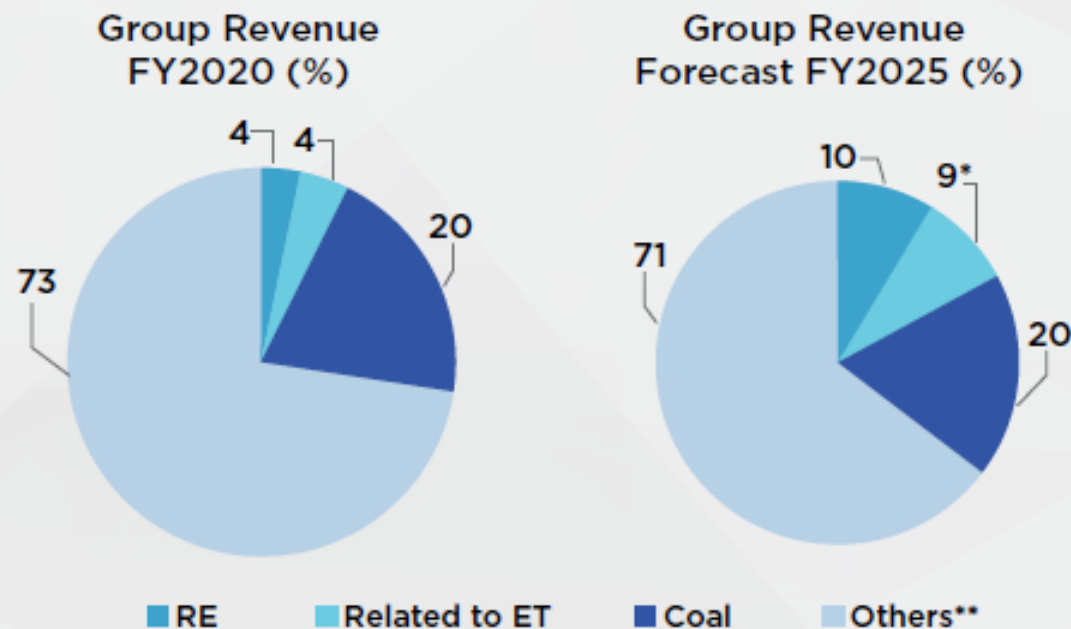
The increasing emphasis on Sustainable Energy sets the tone for ambitious RE targets...

TNB RE Target of 8,300MW by 2025



Note: RE includes large hydro

Our revenue from RE is expected to continuously grow, in line with TNB's RE capacity target by 2025



The Group revenue from the coal generation plants is less than 25%

* Assumed RP3 proposed numbers

** Others include revenue from regulated entities, subsidiaries and generation from gas

In ensuring supply reliability while enabling a sustainable energy ecosystem, continued investments in our Grid infrastructure is key

Regulated businesses spends on average ~16% of its CAPEX towards supporting Energy Transition

Annual Regulated CAPEX to support Energy Transition



Grid of the Future is the largest contributor to the Group's overall EBIT target by 2025, at RM6.1 bil

Renewable Energy (RE) Integration

- Accommodate Intermittent RE generation, EV, Distributed Energy Resource (DER) with target of reducing CO2 emission by up to 50mil kg CO2
- Enabling EV charging Station for electric vehicles up to 500 stations nationwide



Mini hydro



Battery Energy Storage Systems (BESS)



Electric Vehicle

Smart & Resilient Grid

- Grid modernization with Smart Meters to empower consumers to rationalize and control their consumption as well as enable prosumers to sell back to the Grid
- System to optimise voltage flows to facilitate energy conservation as well as deliver resilient, reliable quality power with bidirectional energy flow



Advanced Metering Infra (AMI)



Advanced Distribution Management System (ADMS)



Volt-Voltage Optimisation (VVO)



Advanced Metering Infra (AMI)



Smart Energy Management Infra (SEMI)



LED Relamping (LED)

Grid of the Future will play an Important central role in Malaysia's future electricity sector ecosystem, from a traditional electricity service provider to an energy integrator and facilitator of open markets

TNB is empowering customer participation in the Energy Transition via various programmes and offerings

Empowering The Customer

Encouraging voluntary RE programs



Rooftop PV: Total 85 MW (secured capacity) as at Mar'21



We have sold 487,459MWh / 52% of renewable energy certificates (RECs) out of 941,480MWh tradable units as of Mar'21



Total Subscription 151,900 kWh out of 37,115,300 kWh with a total of 149 customers as at 26th April 2021

Promoting energy efficiency



EE solutions such as smart home energy monitoring and security solution



**District
Cooling**

TNB Engineering Corporation Sdn Bhd (TNEC) will be operating latest district cooling technology with higher efficiency in supplying cooling energy and electricity to KLIA's Main Terminal and its associated facilities

Broadband Business



- ALLO is expanding its fibre broadband footprint to about 150,000 premises in Peninsular Malaysia.
- TNB is also working closely with the regulators to achieve the aspiration of the JENDELA



**Our Customer Satisfaction Index score was 86% In FY2020,
an Increase from 81% In the past 4 consecutive years and the
highest In 20 years**

We strive to make lives better and brighter, investing RM 173.9 mil in 2020 towards providing opportunities to education, sustaining the environment and enhancing livelihoods



Education

We believe that education can transform lives of not just one individual but families and generations.



My Brighter Future



Yayasan Tenaga Nasional



Trust School



Ceria Ke Sekolah



Better Brighter Vision



Community & Social

We believe that capability, social, and community development supports liveability and enhances livelihood by uplifting the economic and social quality of life.



Covid-19 Response Aid (MOH & State Government)



Baiti Jannati & Mesra Rakyat



Hockey Sponsorship



Better Brighter Shelter



TNB Reskilling Malaysia initiative & Training & Development



Environment

We believe that the future of our planet and the next generation depends on our responsible behaviour today



Firefly Conservation



Mangrove Planting Programme



Green Energy Development Fund

We are at the forefront, supporting the Nation during the COVID-19 pandemic

Special relief packages to customers



- On electricity discounts, TNB supported the Government with RM250mil
- Easy Payment Plan (EPP) for all domestic customers until 31st December 2021
- Suspension of disconnection activities up to 30th June 2021 for domestic customers with arrears of not more than 6 months
- Waiver of interest on late payment for all domestic customers until 31st Dec 2020

Supporting nation's healthcare system and frontliners



- RM10mil for the Ministry of Health to provide urgent healthcare and medical equipment
- RM17.5mil to State Governments to procure necessary medical equipment
- Deployment of mobile gen-sets to hospitals & critical facilities nationwide (RM3.6mil)
- Lighting up law enforcement booths and posts for MCO enforcement (RM1mil)
- Dedicated TNB frontliners to keep the lights on

Other contributions to support livelihoods & communities



- RM1mil collection from employees for Tabung Kilat Covid-19 Pelitawanis
- Channeled RM1 million to our regional offices for use in community relief programmes
- RM0.5mil assistance to provide food for animal in zoos

TNB upholds the highest standards of corporate governance embedded in a culture that values ethical behaviour, integrity and sustainability

TNB Corporate Governance Framework	<ul style="list-style-type: none"> • Main Market Listing Requirements of Bursa Malaysia Securities Berhad • Malaysian Code on Corporate Governance 2017 • Companies Act 2016 • Capital Markets and Services Act 2007 • Benchmark against the ASEAN Corporate Governance Scorecard 	
Remuneration	<ul style="list-style-type: none"> • The Board reviews the overall remuneration policy of the Non-Executive Directors, Executive Director and Top Management. • The remuneration policy aims to attract, retain and motivate executives and Directors who will create sustainable value and returns for the Company's shareholders and other stakeholders. 	
Board Diversity	<ul style="list-style-type: none"> • TNB strongly supports diversity within its Board of Directors, including gender, age, professional diversity as well as diversity of thought i.e. TNB Board composition comprises various backgrounds from finance & accounting, legal, engineering and others. • More than half of the Board comprises Independent Directors. 	
TNB Sustainability Reporting Framework	<ul style="list-style-type: none"> • Bursa Malaysia's Sustainability Reporting Guidelines • Global Reporting Initiative (GRI) standards • United Nations Sustainable Development Goals (UN SDGs) 	<ul style="list-style-type: none"> • Task Force on Climate-related Financial Disclosures (preliminary stage) • Sustainability Accounting Standards Board (SASB)* • FTSE4Good*

*Conducting preliminary mapping of sustainability disclosures to SASB and FTSE4Good indicators in FY'20



To all Warga TNB, your
hardwork, commitment
and dedication to TNB
and the people we
serve has been
exemplary. Thank you
for proving that we can
work together for a
Better World and
Brighter Lives.

To all our Stakeholders,
we thank you for your
endless support and
belief in Tenaga
Nasional Berhad.



Thank You

31st Annual General Meeting