



TENAGA NASIONAL BERHAD BOARD AND ITS SUBSIDIARY REMUNERATION POLICY

As at 31 March 2020

TNB aims to set remuneration at levels which are sufficient to attract, retain and motivate Executives and Directors who will create sustainable value and returns for the Company's members and other stakeholders. There is a clear distinction between the remuneration structure of the Non-Executive Directors, Executive Director and Top Management.

TNB Non-Executive Directors' Remuneration and its subsidiaries

The overall objectives of the Board Nomination and Remuneration Committee (BNRC) are to determine an appropriate remuneration policy that aligns remuneration with strategy to drive the long-term success of the Company and ensure that the Company may continue to attract, retain and motivate quality leaders.

TNB Board upon BNRC recommendation, shall determine and recommend the remuneration of Non-Executive Directors for shareholders' approval at the Annual General Meeting. The Non-Executive Directors are remunerated through fixed monthly fees, meeting allowances and benefits-in-kind, inclusive of the reimbursement of utilities bills and business peripherals.

Description	TNB Board		TNB Subsidiaries	
	Chairman	Non-Executive Directors	Chairman	Non- Executive Directors**
Monthly fixed fees	RM30,000 per month	RM20,000 per month	Category I – RM20,000 Category II – RM7,000 Category III – RM5,000	Category I – RM15,000 Category II – RM5,000 Category III – RM3,000
*Meeting Allowances (per meeting):				
(i) Board	RM2,500	RM2,000	Category I – RM2,000 Category II & III – RM1,500	Category I – RM1,500 Category II & III – RM1,000
(ii) Board Committees	RM2,000	RM1,500	Category I – RM1,500 Category II & III – RM1,000	Category I – RM1,000 Category II & III – RM800
Benefits	Medical, Business Peripherals, Utilities Bills, Travelling & Telecommunication and other claimable benefits			

* subject to not more than three (3) payments in a month.

**save for TNB Non-Executive Chairman, none of TNB Non-Executive Directors are currently on the board of TNB subsidiaries.

In determining the estimated total amount of benefits payable, the Board has considered various factors including the number of scheduled and special meetings for the Board, Board Committees and boards of subsidiaries along with the number of Non-Executive Directors involved.

Payment of Non-Executive Directors' benefits will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred, subject to shareholders' approval at the Annual General Meeting.