

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 5362  
**COMPANY NAME** : TENAGA NASIONAL BERHAD  
**FINANCIAL YEAR** : December 31, 2024

### **OUTLINE:**

#### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

#### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors (Board) of Tenaga Nasional Berhad ("TNB" or "the Company") is collectively responsible and accountable for the sustainable long-term success of the Company and the delivery of sustainable value to its stakeholders.</p> <p>It is essential for the Board to govern and set the strategic direction of the Company while exercising oversight on management in discharging its fiduciary duties and leadership functions.</p> <p>Duties of the Board include formulating, periodically reviewing and approving overall business and organisation strategies and key policies of the Company. The Board also sets the Company's core values and adopts proper standards of governance to ensure that TNB operates with integrity and in compliance with the relevant rules and regulations.</p> <p>In order to ensure the effective discharge of its functions and responsibilities, the Board has established its principal Committees to exercise oversight in specific areas, of which are the Board Audit Committee (BAC), Board Finance and Investment Committee (FIC), Board Tender Committee (BTC), Board Nomination and Remuneration Committee (BNRC), Board Sustainability and Risk Committee (BSRC), Board Long Term Incentive Plan Committee (BLTIP) and Board Integrity Committee (BIC).</p> <p>The Board is responsible for the oversight and overall management of the Company. This encompasses TNB's commitment towards Environmental, Social and Governance (ESG) which are now included as a measure within our performance targets by way of an ESG scorecard.</p> <p>In steering the sustainability agenda and realizing TNB Net Zero aspirations, a robust sustainability governance and steadfast leadership structure stand as imperative components. Aligned with the principles of the Malaysian Code on Corporate Governance 2021 (MCCG), TNB</p>

	<p>sustainability governance extends from TNB's Governance Model, forming a vital pillar of the Company's organisational ethos.</p> <p>Emphasising the significance of a resilient sustainability governance framework, supported by effective leadership, we uphold these elements as indispensable for informed and comprehensive decision-making. Situated within the broader TNB Group Governance Platform, our sustainability governance seamlessly integrates with TNB's management committees and subcommittees, solidifying its role as a cornerstone of our corporate governance structure.</p> <p>In order to ensure the effective discharge of its functions and responsibilities, it has established a Governance Model for the Group where specific powers of the Board are delegated to the relevant Board Committees and the President/Chief Executive Officer (CEO).</p> <p>The Board shall assume, among others, the following principal responsibilities:-</p> <p><b>i. Formulating, reviewing and approving the Company's strategic business plan</b></p> <p>The Board assumes a critical role in overseeing the Company's strategic trajectory and sanctioning corporate strategic endeavours devised by the Management. Annually, the Board scrutinises the Company's strategic and business plan, including the proposed annual capital and revenue budget for the upcoming year, alongside the KPIs. This ensures that the KPIs align with the Company's annual strategic and business plan. The Board thoroughly evaluates and deliberates on the Management's perspectives and assumptions to ensure informed decisions are made, considering all relevant factors.</p> <p>Additionally, an informal session known as the Board Breakout Session (BBO) serves as a platform for the Board and Management to exchange views and opinions, formulate strategic plans and address pertinent issues concerning the Group's direction and progress. Coordinated by the Company Secretary's Office, with input from respective Divisions, as required, the BBO facilitates strategic planning and progress reporting.</p> <p>Throughout the Financial Year, the Board conducted two (2) BBOs:-</p> <p>a) On 31 May 2024: Deliberations on the way forward of Single Buyer.</p> <p>b) On 23 July 2024: Review of Reimagining TNB 2.0 (RT2.0) strategy framework and target aspiration, update progress of RT2.0 delivery and setting RT2.0 way forward.</p> <p>Based on the evaluation for the Financial Year under review, the Board collectively affirmed its thorough review of the Company's strategic and</p>
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	<p>financial plans, including the monitoring of implementation and KPI alignment to achieve corporate objectives.</p> <p>More information on the Strategic Review is available in From Our Leadership on pages 34 to 49 of the Integrated Annual Report 2024.</p> <p><b>ii. Identifying and managing principal risks affecting the Company</b></p> <p>The Board, through the BSRC, holds the mandate to oversee the strength of the Group’s sustainability and risk management frameworks and the efficacy of their implementation to realise strategic objectives and sustainability commitments.</p> <p>Throughout the Financial Year, the BSRC held 12 sittings, focusing on various aspects of sustainability and risk management. Deliberations included exposures on strategic business and sustainability risks monitored through forward-looking Key Risk Indicators that reflected the Group’s risk appetite and key risks of TNB business entities, NETR projects, safety &amp; health, legal, digitalisation and cyber security. With the BAC, the BSRC jointly endorsed the Statement on Risk Management and Internal Control, which encapsulates the Group’s risk management practices and internal controls.</p> <p>Through synergistic collaboration with business entities across the Group, the Chief Sustainability Officer and the Sustainability Division execute the Group’s sustainability strategies and initiatives. The Chief Risk Officer leads the Risk Management Department and reports administratively to the Chief Sustainability Officer. This integration ensures alignment between risk management and sustainability efforts.</p> <p>The Risk Management Department ensures the effective implementation of the TNB Risk Management Framework, aligned with ISO 31000:2018, to facilitate informed decision-making.</p> <p>The BSRC remains committed in its oversight role, ensuring that risk management is seamlessly integrated into strategic planning and decision-making processes to drive the Group’s strategic outcomes and long-term objectives.</p> <p>Based on the evaluation for the Financial Year under review, the Board collectively agreed that it has discharged its roles in identifying principal risks and in ensuring that the Group has put in place an adequate risk management framework to effectively monitor and manage the risks of its operational businesses.</p> <p><b>iii. Reviewing the adequacy and Integrity of the Company’s Internal control system</b></p> <p>The Board holds the responsibility of establishing and maintaining a robust reporting framework for internal controls and regulatory compliance across the Company.</p>
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	<p>Regular meetings were conducted to assess the effectiveness of the Company's internal control system, ensuring alignment with regulatory standards and best practices.</p> <p>Following the evaluation of the Financial Year, the Board collectively affirmed its fulfilment of these responsibilities through the diligent efforts of the BAC and BSRC.</p> <p>Details of the Company's internal control system and its effectiveness are provided in the Statement on Risk Management and Internal Control in the Integrated Annual Report 2024.</p> <p><b>iv. Overseeing and evaluating the conduct and performance of the Company's businesses</b></p> <p>The President/CEO assumes the crucial role of overseeing the Company's day-to-day operations and executing Group strategies and policies approved by the Board. This responsibility is facilitated by the dedicated support of various Management Committees. Performance evaluations of Management are conducted, primarily assessing the quarterly Company's and Group's financial performance as well as the achievement of specified KPIs. The Board receives regular updates on the achievement of the Company's strategic initiatives, key operational concerns, and the Group's performance, all aligned with the approved KPIs.</p> <p><b>v. Succession Planning</b></p> <p>The Board, assisted by BNRC, is responsible for developing plans to identify the necessary and desirable competencies and skills of Directors and succession plans to ensure there is appropriate dynamics of skills, experience, expertise and diversity on the Board. In addition, the Board/BNRC also oversees the appointment as well as succession planning of the Top Management.</p> <p>The selection of candidates and appointment of Independent Non-Executive Directors by the Board/BNRC are made with the assistance of an independent consultant, whenever necessary.</p> <p>During the Financial Year under review, there were several movements to the Board. This includes the resignation of Dato' Roslina binti Zainal as Independent Non-Executive Director, effective 13 May 2024. A new addition to the Board, Alan Hamzah Sendut, an Independent Non-Executive Director was appointed with effect from 2 December 2024, as approved by the Board on 28 November 2024. The appointment process was made with the assistance of an independent consultant.</p> <p>With his breadth of knowledge and experience across multiple industries and companies which involved in motor and heavy equipment distribution, manufacturing, plantations, corporate services, corporate strategy, corporate finance, business development and mergers and acquisitions, will assist the Board in making informed decisions.</p>
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	<p>The BNRC, with the approval of the Board, had streamlined a structured appointment process for the Board during the Financial Year.</p> <p>In this process, the BNRC develops and finalises the Key Success Profile for Director having considered the current Board Skills Matrix, the essential skills, experience, age, ethnicity, gender and other relevant criteria required to drive the strategic direction of the Company, with the aim to close the gap and to further strengthen the Board's composition.</p> <p>The BNRC identifies and reviews the potential candidates which are sourced internally and through external/independent sources with reference to the Key Success Profile. The suitability, availability, conflict &amp; potential interest and fit and proper assessment of the potential candidates are also analysed by the BNRC. The BNRC then shortlists the candidates.</p> <p>The BNRC conducts engagement sessions with the short-listed candidates as well, prior to submitting its recommendation to the Board. The BNRC shall recommend to the Board the proposed appointment of the successful candidate. The Company Secretary, with the authorisation by the Board, will arrange the necessary with regards to the appointment accordingly.</p> <p>During the Financial Year under review, there were several movements in the Top Management. The Board/BNRC deliberated on the succession planning for critical positions in TNB vigorously, intended to discover and manage the development of TNB's future leaders.</p> <p>The Board at its meeting on 30 September 2024 had approved the appointment of Badrulhisyam bin Fauzi as the Chief Financial Officer to lead Group Finance Division with effect from 1 January 2025. The appointment was made due to the cessation of office of Nazmi bin Othman upon the expiry of his employment contract on 31 December 2024.</p> <p>Datuk Ir. Azmi bin Md Yusof was appointed as Chief Global Business Solutions Officer with effect from 15 November 2024, replacing Datuk Ahmad Hushairi bin Ibrahim due to his retirement.</p> <p>These appointments were made after intensive deliberations and process as well as considering their qualifications, working experience, expertise, professionalism, knowledge of the Company and industry as well as assessment by independent expert.</p> <p>The Board is satisfied that the BNRC has efficiently discharged its duties pertaining to the nomination, remuneration and succession management functions as set out in its Terms of Reference.</p>
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	<p>Based on the evaluation for the Financial Year under review, the Board collectively concurred that the succession planning for President/CEO and Top Management as well as for the Company's future leaders has been appropriately developed.</p> <p>The roles and responsibilities of the Board are stated in paragraph 2.1 of TNB Board Charter, which is available on the Company's website at <a href="https://www.tnb.com.my/assets/files/Board_Charter_4th_Edition.pdf">https://www.tnb.com.my/assets/files/Board_Charter_4th_Edition.pdf</a></p>			
<b>Explanation for departure</b>	:			
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**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.2**

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman is responsible for the leadership of the Board in ensuring the effectiveness of all aspects of his role. The Chairman is responsible, inter alia:</p> <ol style="list-style-type: none"> <li>providing leadership for the Board so that the Board can perform its responsibilities effectively;</li> <li>setting the Board agenda and ensuring that Board members receive complete and accurate information timely;</li> <li>leading Board meetings and discussions;</li> <li>encouraging active participation and allowing dissenting views to be freely expressed;</li> <li>managing the interface between the Board and Management;</li> <li>ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and</li> <li>leading the Board in establishing and monitoring good corporate governance practices in the Company.</li> </ol> <p>The Chairman, in consultation with the President/CEO and the Company Secretary, sets the agenda for Board Meetings and ensures that all relevant issues are in the agenda.</p> <p>The Chairman is responsible for managing the business of the Board to ensure that:-</p> <ol style="list-style-type: none"> <li>all Directors are properly briefed on issues arising at Board Meetings;</li> <li>sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable a thorough preparation for the Board discussion;</li> <li>the issues discussed are forward looking and concentrate on strategic issues.</li> </ol> <p>Under the guidance of the Chairman, the Board engages in transparent discussions on all matters presented. Regular insights and counsel are sought from Senior Executives within the Group, as well as external advisers when necessary, facilitating the Board's decision-making process. Throughout the review period, the Board delved into a diverse array of topics, fulfilling its obligations with discussions spanning strategy, sustainability, and the operations of the Group, including its principal operating subsidiaries. Financial aspects, legal considerations,</p>



	<p>compliance, governance, and risk matters were also meticulously scrutinised.</p> <p>The Chairman ensures that every Board resolution is put to vote to ensure the will of the majority prevails. The Chairman ensures that the President/CEO looks beyond his executive functions and accepts his full share of responsibilities on governance.</p> <p>The Chairman will have no casting vote if two (2) Directors form a quorum, or if there are only two (2) Directors competent to vote on the question at issue.</p> <p>Tan Sri Abdul Razak bin Abdul Majid shall persist in providing leadership and guidance to ensure the effective operation of the Board, where he has the full support of all Directors in this endeavour. Details of Tan Sri Abdul Razak bin Abdul Majid is on page 158 of the Integrated Annual Report 2024.</p>	
<b>Explanation for departure</b>	:	
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<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The positions of Chairman and President/CEO are held by two (2) different individuals.</p> <p>The roles of Chairman and the President/CEO are separated and clearly defined in the Board Charter. This segregation ensures an optimal balance of independent decision-making, increased accountability and greater capacity for management supervision by the Board.</p> <p>The Chairman serves as the primary link between the Board and the Company. He is also responsible for fostering constructive relations between the President/CEO and the Non-Executive Directors to ensure effective and appropriate communication with the shareholders.</p> <p>The President/CEO of TNB manages the Company's operations and implementing Group strategies and policies as agreed by the Board. In addition, the President/CEO establishes, reviews strategies and plays a key role in instilling the Company's culture and standards, which include appropriate corporate governance practices throughout the Group.</p> <p>Tan Sri Abdul Razak bin Abdul Majid was appointed as Chairman of TNB on 27 March 2023 and MoF Inc. had agreed for his extension of service as Non-Independent Non-Executive Chairman of TNB for another two (2) years term, effective from 27 March 2025 until 26 March 2027.</p> <p>Datuk Ir. Megat Jalaluddin bin Megat Hassan was appointed by MoF Inc., as President/CEO and Non-Independent Executive Director of TNB for a period of two (2) years with effect from 1 March 2024 until 29 February 2026.</p> <p>The distinct and separate roles of the Chairman and P/CEO, with their clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered decision-making powers.</p> <p>The separate roles and responsibilities of the Chairman and President/CEO are provided in the Board Charter, which is available on TNB's website: <a href="https://www.tnb.com.my/assets/files/Board_Charter_4th_Edition.pdf">https://www.tnb.com.my/assets/files/Board_Charter_4th_Edition.pdf</a></p>

Explanation for departure	:	
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Measure	:	
Timeframe	:	

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.4**

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Chairman of the Board is not a member of BAC or BNRC or any other Board Committees.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company Secretary through the Chairman plays an important role in good governance by assisting the Board and its Committees function effectively and in accordance with applicable laws and regulation, respective Terms of Reference and best practices.</p> <p>Ali Munawar bin Haji Salim was appointed as Company Secretary with effect from 1 January 2024, brings more than 29 years' of experience in corporate secretarial, compliance and corporate governance practice. He is a Chartered Company Secretary from the Institute of Chartered Secretaries and Administrators, United Kingdom. He is qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016 (CA 2016). He is also registered with Companies Commission Malaysia under Section 241 of CA 2016.</p> <p>The roles and responsibilities of the Company Secretary include but not limited to the following:</p> <ul style="list-style-type: none"><li>i. manage all Board and Board Committees meeting logistics, attend and record minutes of all Board and Committees meetings and facilitate Board communications;</li><li>ii. advise the Board on its roles and responsibilities;</li><li>iii. facilitate the orientation of new Directors and assist in Directors training and development;</li><li>iv. advise the Board on corporate disclosures and compliance with Company and securities regulations and listing requirements;</li><li>v. manage processes pertaining to the general meetings;</li><li>vi. monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and</li><li>vii. serve as a focal point for stakeholders' communication and engagement on corporate governance issues.</li></ul> <p>The Company Secretary plays a pivotal role in advising the Board on governance matters, facilitating smooth information flow and ensuring compliance with relevant regulations and corporate governance practices.</p> <p>The Company Secretary is a central source of information and advice to the Board and its Committees on issues relating to compliance with rules, regulations, procedures and laws affecting the Company in</p>

	<p>collaboration with the Head (Group Legal) and Chief Financial Officer specifically to statutory laws.</p> <p>The Company Secretary ensures that the attendance and minutes of all Board and Committee Meetings are properly recorded and kept at the Company Secretary's Office including the proceedings of the Company General Meetings. Subsequently the Company Secretary also ensures that all deliberation of Board and Committees Meetings are well communicated to the relevant Management personnels for appropriate actions.</p> <p>The Company Secretary will facilitate to update the Board on the progress of its decisions and recommendations by the Management. Action items would stay as matters arising in the minutes of meetings until they are resolved.</p> <p>The Company Secretary serves as a focal point for stakeholders' communication and engagement on corporate governance issues and plays an advisory role to the Board particularly with regards to the Company's Constitution, Board policies and procedures, corporate governance best practices and its compliance with regulatory requirements, codes and legislations. The Board Members have unlimited access to the professional advice and services of the Company Secretary.</p> <p>The Company Secretary also provides support to the Board in fulfilling its fiduciary duties, roles and responsibilities, apart from facilitating on Board's communications in order to meet the Board's needs and stakeholders' expectations.</p> <p>The Company Secretary assists the Board Continuing Development programme by facilitating the orientation of new Directors through co-ordinating induction programmes as well as arranging internal and external training that are relevant to the Directors/Committee members.</p> <p>The Company Secretary also keeps proper record of trainings attended by each Director/Committee members during the period/year under review for reporting purposes.</p> <p>Newly appointed Directors received an appropriate induction and training on the Company's business, corporate governance and reporting procedures, on which they are continuously updated. In addition, the Directors were advised on policies and procedure of the Board and Board Committees' meetings and their rights and responsibilities.</p> <p>As a matter of practice, induction/onboarding sessions are arranged jointly by the Company Secretary's Office and the respective Top Management to better assist the Directors in understanding the Company's core businesses and its whole operation.</p>
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	<p>The Company Secretary’s Office facilitates the Board in organising internal and arranging external programmes/seminars that are relevant to the Directors. These include the annual Board Development Programme (BDP) which is organised in-house as part of TNB’s Board Continuing Development Programme.</p> <p>The Company Secretary constantly keeps abreast of the regulatory changes, developments in corporate governance and evolving market environment through attendances at relevant conferences, training programmes and networking. Relevant updates are communicated to the Board and Management through in-house/external training programmes and briefings.</p> <p>Trainings attended by the Company Secretary during the Financial Year under review:</p> <ul style="list-style-type: none"><li>i. TNB: Managing Conflict of Interest for Board of Directors and Senior Management</li><li>ii. Reporting Framework For Beneficial Ownership</li><li>iii. 2024 Company Secretary's Office Break-Out Session</li><li>iv. MAICSA Annual Conference 2024: Sustainability Today for Tomorrow</li><li>v. SSM Annual Conference 2024: Enhancing Corporate Transparency. Building Resilience</li><li>vi. MACS National Conference 2024: Empowering the Company Secretary: Digitalization &amp; Sustainability</li><li>vii. 26<sup>th</sup> World Energy Congress 2024, Rotterdam, Netherlands</li></ul> <p>The profile of Company Secretary is provided on page 179 of the Integrated Annual Report 2024.</p> <p>The roles and responsibilities of the Company Secretary are specified in the Board Charter, which is available on TNB’s website: <a href="https://www.tnb.com.my/assets/files/BOARD_CHARTER_2022.pdf">https://www.tnb.com.my/assets/files/BOARD_CHARTER_2022.pdf</a></p>	
Explanation for departure		
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Measure	:	
Timeframe	:	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Prior to each Board meeting, a Pre-Board session is convened to facilitate collaboration between the Management and the Chairman, allowing for the exchange of insights regarding the upcoming agenda. This collaborative effort shapes the agenda for the Board meetings, ensuring alignment with strategic objectives. Utilising advanced meeting software, agenda and Board papers are securely circulated to Board Members within five (5) working days in advance, enabling thorough review and preparation.</p> <p>In addition to the Board papers, the Management presentations are provided to enhance Directors' understanding of the subject matter, allowing for informed discussions. Directors are encouraged to seek further clarification or information during the meeting, promoting an environment conducive to thoughtful decision-making. The core activities of the Board and its Committees are documented and planned on a forward agenda, with any matters arising tracked and addressed in subsequent sessions.</p> <p>The Company Secretary plays a pivotal role in advising the Board on governance matters, facilitating smooth flow of information and ensuring compliance with relevant regulations and corporate governance practices. Effective collaboration with stakeholders across all Group functions, coupled with ongoing training and discussions on key issues, is paramount to maintaining governance standards.</p> <p>Both the Board and Individual Directors have the autonomy to seek independent or professional advice at the Company's expense to facilitate well-informed decision-making. This may involve the attendance of external advisers at meetings or obtaining necessary information from within the Group's workforce.</p>
<b>Explanation for departure</b>	:	
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<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

**Practice 2.1**

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with the MCCG, the Board Charter serves as a source of reference and primary induction literature, providing insights to existing and prospective Board members to assist the Board members in performing its fiduciary duties and responsibilities.</p> <p>TNB Board Charter supports good standards of corporate governance, through the collation of a number of key matters, including:-</p> <ol style="list-style-type: none"> <li>i. The division of responsibilities between the Chairman and President/CEO;</li> <li>ii. The respective roles, responsibilities and authorities of the Board, Individual Director, its Committees' and Management;</li> <li>iii. Reserved Matters of the Board; and</li> <li>iv. Board level policies and practices.</li> </ol> <p>The Board Charter is provided to each Director and the Board reviews its Charter as and when required subject to changes in regulations and best practices. The Board is guided by its Charter which sets out the Board's roles, powers, duties and functions.</p> <p>The Board Charter is available on TNB's website at <a href="https://www.tnb.com.my/assets/files/Board_Charter_4th_Edition.pdf">https://www.tnb.com.my/assets/files/Board_Charter_4th_Edition.pdf</a></p>
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<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p><b><u>Code of Ethics for Directors</u></b></p> <p>TNB Board is guided by high standard of ethical conduct in accordance with the Code of Ethics for Company Directors as established by the Companies Commission of Malaysia.</p> <p>Each Non-Executive Director is equipped with the Non-Executive Directors' Handbook, serving as a reference for their professional responsibilities and the terms and conditions of their service. This handbook undergoes regular updates to reflect changes in applicable rules, regulations, and policies governing Directors' conduct.</p> <p><b><u>Code of Business Ethics (COBE)</u></b></p> <p>The code ensures adherence to laws and regulations, promotes sound employment practices, upholds confidentiality and privacy, and addresses matters such as conflicts of interest, business courtesies, and the proper use of TNB's assets. It also outlines how TNB engages with its shareholders, employees, customers, suppliers, and the communities in which it operates, emphasizing general principles of business integrity. All employees are expected to conduct business in accordance with applicable laws and regulations, contributing to the enhancement and protection of TNB's reputation.</p> <p><b><u>TNB Sustainable Procurement Code of Conduct</u></b></p> <p>During the Financial Year under review, TNB Procurement Code of Conduct was enhanced with sustainability element and rebranded to Sustainable Procurement Code of Conduct (SPCC). The SPCC was approved by GEMC on 13 March 2024 and was enforced on mandatory basis in April 2024.</p> <p>In line with TNB's ESG strategy, the Procurement &amp; Supply Chain Division had developed the SPCC with the sub-element of ESG while maintaining the key elements of anti-corruption and abuse of power.</p>

	<p>TNB is committed to ensuring responsible management of its procurement process. The SPCC outlines the practices and professional conduct expected of all Suppliers/Contractors of TNB towards upholding TNB's values of integrity, transparency and accountability. The SPCC applies to all Employees, Employees Seconded, Directors and Suppliers/Contractors including their employees and directors.</p> <p>The SPCC is guided by the core values of TNB namely integrity, collaborative, professionalism, customer centric, forward thinking and mindfulness, and focuses on three (3) key elements of ethical conduct: (1) Zero tolerance on corruption; (2) No conflict of interest; and (3) Honest and accurate representation of capabilities.</p> <p>Additionally, the Procurement &amp; Supply Chain Policy and Procedures provide comprehensive guidance for executing procurement within TNB. This policy framework enables TNB to achieve optimal value, adopt leading business practices, prioritise business objectives, add value to customers, and maintain high standards of corporate governance. Both TNB's COBE and SPCC are accessible on the respective sections of the Company's website at <a href="http://www.tnb.com.my">www.tnb.com.my</a>.</p> <p><b><u>Conflicts of Interest (COI)</u></b></p> <p>In upholding principles of ethical and independent decision-making and the enhancement to the existing COI disclosures as required by the MMLR, the Directors and Top Management are required to disclose on the nature and extent of any COI or potential COI, including interest in any competing business that the person has with TNB and its subsidiaries.</p> <p>Directors or Top Management with such interests are required to declare them immediately and at the respective meetings to be abstained from participating in the deliberations and voting, in ensuring impartial decision-making. Mitigation actions shall be taken upon any declaration of COI by the Directors or Top Management, with the concurrence of the President/CEO/Chairman/Senior Independent Director.</p> <p>In addition, TNB Directors, Top Management and its Boards of Subsidiaries are required to make COI declaration annually and on ad-hoc basis.</p> <p>To ensure the enhancement of the existing COI disclosures as prescribed by the MMLR, the TNB COI Policy was revised and approved by the TNB Board on 16 December 2024. Additionally, the Guideline on COI Management for the Board of Directors and Key Senior Management of TNB was developed and approved by the BIC on 20 November 2024.</p> <p>The revised TNB COI Policy and Guideline were reviewed jointly by the Integrity Department, Company Secretary's Office, Group Legal</p>
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	<p>Department, Group Internal Audit Department and the external legal advisor in ensuring the alignment with the MMLR on Guidance on COI.</p> <p>In addition, the declaration of COI (if any) is included in the agenda of the respective Board and Board Committees' meetings prior to the tabling of the papers.</p> <p>The COI Policy is a live document which will be reviewed periodically, and as and when the need arises.</p> <p><b><u>Integrity Pacts and Integrity Pledges</u></b></p> <p>As practiced by the Procurement &amp; Supply Chain Division in collaboration with the Integrity Department, each Director shall sign an Integrity Pledge during every BTC/Board meeting. This commitment entails a declaration of any interests related to procurement or matters on the meeting agenda, underscoring the Company's dedication to preventing corruption, mitigating conflicts of interest and safeguarding the confidentiality of information.</p> <p>To inculcate good governance throughout the Company all employees are required to sign the integrity pledge, declare any conflicts of interest annually and specifically when a conflict arises via Employee Self-Service System (ESS).</p> <p>Integrity Pacts set out the behaviours expected of the Company's External Providers when participating in the contracting procedure. Signing the Pact is a prerequisite for entering into a contract with TNB and includes provisions for recognised challenge areas such as collusion between providers, bribing of company personnel, and misrepresentation of products. The Pacts are provided to providers at an early stage of the procurement process.</p> <p>Integrity Pledges establish the expected behaviours of TNB Personnel at all levels participating in tender committees. Like the Integrity Pacts, the Pledges cover the high-risk areas of bribery, sharing of confidential information and collusion. In addition, the Pledges include a COI statement. All members of the committee who are present must sign their Pledges at the start of the meeting.</p> <p><b><u>Anti Bribery Policy</u></b></p> <p>TNB is resolute in articulating its position on bribery and related matters, establishing essential pillars within its framework to fortify the Company against any manifestation of bribery. All forms of bribery related to TNB's activities are unequivocally prohibited. Upholding integrity is a collective responsibility that extends across all levels of personnel.</p> <p>Guided by a stringent Gifts, Hospitality and Related Benefits policy, TNB emphasises integrity through the regular signing of Integrity Pledges and the declaration of conflicts of interest by personnel. While certain exceptions may exist, TNB ensures that these policies are consistently</p>
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	<p>adhered to. Prudent management of business associates acting on behalf of the Company further enhances TNB's commitment to ethical conduct.</p> <p>The reporting of misconduct by personnel or third parties is not only encouraged but expected, with robust protection in place for those acting in good faith as whistleblowers. Enforcing its position on ethical standards, TNB entrusts the Integrity Department with the responsibility of upholding and reinforcing these principles.</p> <p>The TNB Corporate Integrity Management System (TCIMS) Handbook undergoes periodic assessments and updates to ensure its continued effectiveness in upholding the Company's commitment to ethical business practices. This proactive approach reflects TNB's dedication to maintaining the highest standards of integrity in its operations.</p> <p>In 2017, TNB was one of the first listed corporation to embark on the ISO 37001:2016 Anti Bribery Management System (ABMS) certification.</p> <p>During the Financial Year under review, surveillance audits by SIRIM were conducted involving the Procurement &amp; Supply Chain Division (P&amp;SC) and four (4) wholly-owned subsidiaries of TNB, namely Malaysia Transformer Manufacturing Sdn. Bhd. (MTM), TNB Integrated Learning Solution Sdn. Bhd. (ILSAS), TNB Fuel Services Sdn. Bhd. (TNBF) and TNB Repair and Maintenance Sdn. Bhd. (TNB REMACO). There were two (2) recertification audits by SIRIM conducted for Retail Division and a subsidiary of TNB, Tenaga Cable Industries Sdn. Bhd. (TCI). All the entities successfully retained the ISO 37001 Anti-Bribery Management System certification by SIRIM.</p> <p>In 2022, TNB signed a Memorandum of Understanding (MoU) with the Malaysian Anti-Corruption Commission (MACC) and signed the Corruption Free Pledge. This pledge emphasises the pledges and promises made by the leadership of TNB and its staff voluntarily in their capacity as an organisation to ensure that each of us will be more responsible in carrying out our duties and curbing corruption.</p> <p>TNB has conducted the Integrity Health Survey (IHI) in 2024 where 28,451 staff participated in the survey. Based on the survey, TNB received a 91.89% score as opposed to 87.16% in 2023. TNB has also established a systematic approach through the Annual Training and Communication Plan (TCP) capitalizing on 3Es (Education, Engagement and Enforcement) for the areas of improvement identified through the Integrity Health Survey conducted in 2023.</p> <p>In 2024, all activities under the TCP were successfully completed including Seminar for Boards and Top Management. A series of trainings and awareness sessions were conducted by Integrity Department to better equip the Company in line with the implementation of Section 17A of the MACC Act 2009. These include the following:</p>
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	<ul style="list-style-type: none"> <li>• Related programs to Divisions/Departments and Subsidiaries</li> <li>• Three (3) sessions of Fraud and Bribery Risk Management workshop</li> <li>• All staff including Subsidiaries staff were required to complete Anti-Corruption training</li> <li>• All staff are required to sign the integrity pledge, declare any conflicts of interest annually and specifically when a conflict arises</li> <li>• Certified Integrity Officer (CeIO) Program was co-organized by TNB and MACC</li> <li>• Joint integrity programs with MACC</li> <li>• Published 14 Integrity bulletins and 12 e-posters</li> </ul> <p><b><u>Organisational Anti-Corruption Plan (OACP)</u></b></p> <p>TNB OACP serves as a foundational document, this plan outlines a comprehensive strategy aimed at mitigating governance challenges and fortifying integrity within the Company. By proactively addressing potential corruption risks and promoting ethical conduct among employees, the plan seeks to uphold TNB's commitment to governance excellence.</p> <p>TNB's COBE, Sustainable Procurement Code of Conduct, TCIMS Handbook, OACP and Anti Bribery Policy are available at their respective sections on TNB's website: <a href="https://www.tnb.com.my/ethics-governance/">https://www.tnb.com.my/ethics-governance/</a>.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied												
<b>Explanation on application of the practice</b>	:	<p>The Whistleblowing Procedure underscores TNB's commitment to fostering an open working environment, where employees, contractors, and members of the public can confidentially report instances of unethical, unlawful, or undesirable conduct without fear of intimidation or reprisal. An independent investigation team examines all reported concerns and, where applicable, offers feedback on the outcome of the investigation.</p> <p>The objectives of the Whistleblowing Procedure are threefold :</p> <ul style="list-style-type: none"><li>i. to identify and address unacceptable conduct;</li><li>ii. to cultivate a supportive working environment that empowers employees and contractors to raise legitimate concerns with both personal and organizational implications;</li><li>iii. to safeguard individuals who, in good faith, report unacceptable conduct from any adverse consequences.</li></ul> <p>Reporting channels are made easily accessible through the Online Whistleblowing Information System (WBIS) at <a href="http://wbis.tnb.com.my">http://wbis.tnb.com.my</a>. Alternatively, reports can be submitted via email to the designated officers using the Whistleblowing Complaint Form, available in both Malay and English.</p> <table><tr><th>NAME</th><th>DESIGNATION</th><th>E-MAIL ADDRESS</th></tr><tr><td>Ong Ai Lin</td><td>Senior Independent Non-Executive Director</td><td><a href="mailto:ongailin.integrity@tnb.com.my">ongailin.integrity@tnb.com.my</a></td></tr><tr><td>Ahmad Petra Firdaus bin Abdullah</td><td>Chief Integrity Development Officer</td><td><a href="mailto:petrafirdaus.integrity@tnb.com.my">petrafirdaus.integrity@tnb.com.my</a></td></tr><tr><td>Hasbah binti Hasbullah</td><td>Senior Manager (Financial Integrity)</td><td><a href="mailto:hasbahh.integrity@tnb.com.my">hasbahh.integrity@tnb.com.my</a></td></tr></table> <p>Whistleblowing toll free number : 1-800-888-862</p>	NAME	DESIGNATION	E-MAIL ADDRESS	Ong Ai Lin	Senior Independent Non-Executive Director	<a href="mailto:ongailin.integrity@tnb.com.my">ongailin.integrity@tnb.com.my</a>	Ahmad Petra Firdaus bin Abdullah	Chief Integrity Development Officer	<a href="mailto:petrafirdaus.integrity@tnb.com.my">petrafirdaus.integrity@tnb.com.my</a>	Hasbah binti Hasbullah	Senior Manager (Financial Integrity)	<a href="mailto:hasbahh.integrity@tnb.com.my">hasbahh.integrity@tnb.com.my</a>
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Hasbah binti Hasbullah	Senior Manager (Financial Integrity)	<a href="mailto:hasbahh.integrity@tnb.com.my">hasbahh.integrity@tnb.com.my</a>												

	The Whistleblowing Policy is available on TNB's website: <a href="https://www.tnb.com.my/ethics-governance/whistle-blowing/">https://www.tnb.com.my/ethics-governance/whistle-blowing/</a>	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Sustainability principle and implementation in TNB is guided by the TNB Sustainability Framework and TNB Sustainability Governance Structure. The framework embeds sustainability aspirations, commitments, communication to stakeholders, and effective implementations in driving and enhancing sustainability performance in the Group.</p> <p>TNB Sustainability Governance Structure is in place to facilitate oversight, strategic management, and implementation of sustainability strategies and initiatives at all levels. In the structure, TNB Board of Directors deliberate and approve the Group's sustainability direction, strategies, while overseeing the implementation and performance.</p> <p>The Board, based on the recommendation by Board Sustainability &amp; Risk Committee (BSRC), on 29 April 2024 had approved TNB Sustainability Policy, TNB Sustainability Framework and TNB Sustainability Governance Document Approving Authority. The said policy encompasses TNB's commitment to achieve its sustainability and energy transition strategies, and the approach to propel TNB or towards its Environmental, Social and Governance (ESG) goals.</p> <p>The BSRC assists the Board of Directors in fulfilling its responsibilities by overseeing the robustness and implementation effectiveness of the Group's sustainability and risk management frameworks for the achievement of strategic objectives and sustainability commitments, as well as addressing risk exposures and harnessing opportunities.</p> <p>Group Executive Management Committee (GEMC) reviews and endorses sustainability strategies and targets and makes informed decisions that are aligned to corporate strategy, and to ensure strategic integration of sustainability into operations and decision-making.</p> <p>Sustainability &amp; Energy Transition Committee (SETC) deliberates and approves TNB sustainability key focus areas development and</p>

	<p>implementation; steers direction, aligns and advises for energy transition direction and program management. The SETC ensures that the Group's sustainability strategies, initiatives and performance are disclosed in a balanced, transparent, and credible manner that meets stakeholders' needs and expectations.</p> <p>Business Entities identify and implement sustainability and energy transition initiatives, supported by data, to advance the achievement of sustainability strategies and ESG goals as well as managing related risks and opportunities.</p> <p>The administration of TNB Sustainability Governance Structure is entrusted to Sustainability Division, that facilitates sustainability governance and ensures systematic compliance with credible assurance and balanced sustainability disclosures. The division is led by the Chief Sustainability Officer and plays the role in orchestrating the execution of sustainability initiatives, establishes impactful content and support digitalisation of sustainability indicators at scale.</p> <p>In 2024, a key initiative to strengthen the TNB Sustainability Governance Structure was conducted, whereby the Terms of Reference for SETC has been enhanced to become one of approving authority in the Management to drive the implementation of sustainability initiatives across the Group. Additionally, key Group policies, plans and targets were approved by SETC comprised of TNB Labour Rights Policy Statement, TNB Biodiversity Framework, TNB Sustainability Procurement Code of Conduct for Group-wide implementation, and Carbon Management Strategy and Carbon Emission Intensity Reduction Target.</p> <p>Some of the key sustainability items discussed at BOD and Top Management level:</p> <ul style="list-style-type: none"> <li>• Key Policies, strategies, plans, targets, commitments and the progress;</li> <li>• Sustainability disclosure materials;</li> <li>• Materiality Matrix.</li> </ul>	
<b>Explanation for departure</b>	<div></div>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	<div></div>	
<b>Timeframe</b>	<div></div>	<div></div>

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>TNB Sustainability Governance Structure facilitates the deliberation and communication of sustainability strategies, plans, and performance through provision of oversight, strategic management, and implementation of sustainability initiatives at all organizational levels.</p> <ul style="list-style-type: none"> <li>• The Board and its Committees conduct scheduled Board meetings and are adequately briefed on deliberations and recommendations of the proposed sustainability subjects. This ensures the Board and Committees' members are well-informed on the subjects and viewpoints raised that lead to sound decision making. This dynamic perspective exchange allows the Board and its Committees to offer valuable sustainability insights and deliberations.</li> <li>• The SETC via scheduled meetings led by the President/CEO, steers the development of sustainability and energy transition strategies and policies of the Company, and its implementation as well as providing oversight and input on opportunities and risk exposures.</li> </ul> <p>The key functions of the SETC are:</p> <p>To deliberate and approve TNB Sustainability Key Focus Areas Operational Policy Statements, Procedures and Guidelines.</p> <ol style="list-style-type: none"> <li>To deliberate and review TNB Sustainability Policy, TNB Sustainability Framework and TNB Sustainability Statement for onwards endorsement by BSRC and approval by the Board of Directors.</li> <li>To steer, align and advice for divisional sustainability commitment and direction.</li> <li>To approve concept paper on sustainability and Energy Transition for further strategy and commercial consideration.</li> <li>Recommendations and findings of the Committee shall be submitted to the Board or other relevant approving authority based on the prevailing approved Limits of Authority.</li> </ol>

	<p>v. Deliberate and approve key strategic direction on TNB Group's sustainability and energy transition.</p> <p>vi. Approve operational policy statements, procedures and guidelines.</p> <p>TNB highly value all our stakeholders and seek to create better relationships with them through continuous engagement, dialogues, and transparent communication in our dealings with stakeholders. The ultimate objective is to create value for each stakeholder group, building trust and credibility whilst ensuring our actions are aligned with their needs and expectations. TNB practices customised communication plan to communicate sustainability strategies and actions, through mediums such as digital platforms and media communications. Continuous engagements with updated ESG initiatives are carried out with endorsement by Management.</p> <p>TNB Integrated Annual Report (IAR) and Sustainability Report are part of the channels to disclose sustainability information, and prior to official disclosures, the report will undergo review and deliberation at the Board level (via BSRC) and Top Management (via SETC).</p> <p>The TNB Sustainability Statement approved by the Board is published in the TNB Integrated Annual Report, in compliance with the Bursa Malaysia sustainability reporting requirements and guide. Additionally, TNB Sustainability Report that provides further details of the strategies, priorities and performance, is published separately and uploaded to the Company's official website at <a href="http://www.tnb.com.my">www.tnb.com.my</a> as publicly available information.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied										
Explanation on application of the practice	:	<p>The BSRC deliberates relevant sustainability issues in line with the TNB Sustainability Framework. The TNB Sustainability Framework outlines 14 Key Focus Areas clustered into the Environmental, Social and Governance (ESG) pillars. In 2024, the BSRC deliberated matters such as TNB Labour Rights Policy Statement and TNB Carbon Management Strategy and Carbon Emission Intensity Reduction Target.</p> <p>TNB Top Management continues to be committed to the Reimagining TNB (RT) strategies as part of the Energy Transition (ET) journey to deliver the intended RT outcomes and Net Zero 2050 aspiration. The ET plan and initiatives capture the opportunities and overcoming the challenges through three (3) strategic pillars and key enablers. Our ET initiatives that span across the entire electricity value chain, aim to boost the growth and sustainability of TNB operations and support future economic growth in Malaysia.</p> <p>Additionally, the Company recognises the impact it has on climate change, as well the threats of climate change to existing infrastructure and operational resiliency. Since 2019, TNB has voluntarily adopted the Task Force on Climate-Related Financial Disclosures (TCFD) framework to address potential climate-related physical and transition risks and opportunities on TNB business strategy and financial position. Further details are disclosed through the Sustainability Statement in TNB Integrated Annual Report and TNB Sustainability Report.</p> <p>During the Financial Year under review, the Directors had attended conferences and professional trainings related to ESG/Sustainability/Climate Change/Industry Related as follows:-</p> <table><tr><th colspan="2">ESG/Sustainability/Climate Change/Industry Related</th></tr><tr><td>23 January 2024</td><td>Sustainability Reporting Forum - The Next Wave In Corporate Disclosure</td></tr><tr><td>07 February 2024</td><td>IFAC: Educating Accountants for a Sustainable Future</td></tr><tr><td>26 - 27 February 2024</td><td>London Energy Forum 2024</td></tr><tr><td>05 March 2024</td><td>IIC/SIDC CG Conference 2024 - Panel Session: The Role of Institutional Investors in Promoting</td></tr></table>	ESG/Sustainability/Climate Change/Industry Related		23 January 2024	Sustainability Reporting Forum - The Next Wave In Corporate Disclosure	07 February 2024	IFAC: Educating Accountants for a Sustainable Future	26 - 27 February 2024	London Energy Forum 2024	05 March 2024	IIC/SIDC CG Conference 2024 - Panel Session: The Role of Institutional Investors in Promoting
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		Sustainability and Performance Through Good Corporate Governance
06 March 2024		Future Proofing Your Business, What You Need to Know about the “S” in “ESG”
08 April 2024		AIGCC: State of Net Zero Investment in Asia Report
17 April 2024		Directors' Masterclass in Climate Governance 2024: Boardroom Dynamics in Climate Talks
22 April 2024		Enabling Professionals to Create Sustainable Organisations
22 - 25 April 2024		26 <sup>th</sup> World Energy Congress, Rotterdam, Netherlands
30 April 2024		Are You Measuring Your Sustainability Performance Right? - Targets & Metrics
02 - 06 May 2024		EPF Management Conference (EMC) - Sustainable Tomorrow From Purpose to Action
29 May 2024		MSCI Capital for Climate Action APAC Conference
07 June 2024		Kuala Lumpur International Sustainability Conference
12 June 2024		Carbon Markets: What Directors need to know
17 July 2024		CGM Masterclass Series 2024 – Latest Developments in Climate: Aligned Executive Compensation
20 August 2024		International Sustainable Energy Summit 2024 (ISES)
03 - 04 September 2024		Preparing Your Sustainability Report & Understanding IFRS S1 and IFRS S2
09 September 2024		Integrated Assurance Forum 2024
10 - 12 September 2024		National Climate Governance Summit 2024
11 September 2024		Masterclass I Boardroom Climate Essentials
12 September 2024		Masterclass IV, Taking Effective Climate Action Now
24 September 2024		Building Sustainable Credibility: Assurance, Greenwashing And The Rise Of Green-hushing
27 September 2024		MIA e-Learning Series – Essentials of Sustainability & ESG
03 October 2024		Australian Energy Market Operator (AEMO) Session with Board of Directors
07 - 08 October 2024		Khazanah Megatrends Forum 2024
09 - 10 October 2024		Enlit Asia
22 October 2024		Introduction to Simplified ESG Disclosure Guide (SEDG) for SMEs in Supply Chain
22 - 25 October 2024		SIEW Summit



	11 - 22 November 2024	2024 United Nations Climate Change Conference (COP29), Baku	
	24 - 27 November 2024	IEEE Sustainable Power and Energy Conference (iSPEC) 2024	
	03 - 06 December 2024	Powering Net Zero 2024, UK	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.4**

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Sustainability-linked KPIs are embedded within the Board's and senior management's performance evaluation scorecard to drive group-wide accountability in steering our sustainability performance. These KPIs are further cascaded to all levels of the Company.</p> <p>TNB's performance management cycle forms part of the TNB Strategic Planning and Performance Management (SPPM) framework that integrates the annual operating plan, budget and performance. KPIs and targets are aligned with strategic objectives and focus (inclusive of sustainability-related objectives) for the year. Accordingly, KPIs are identified to measure achievement of these strategic objectives. The progress of KPIs execution is tracked and reviewed throughout the year with performance achievement evaluated after the financial year end.</p> <p>To ensure accountability from all management levels and to steer the Group's sustainability performance, performance objectives relating to sustainability, including ESG rating, health and safety measures, Integrity Health Index and the growth of renewable energy capacity, are tied to the President/CEO and Top Management KPI.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.5- Step Up**

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The Board of Directors approved the appointment of Chief Sustainability Officer (CSO) with effect from 1 June 2023.</p> <ul style="list-style-type: none"><li>• The CSO leads the Sustainability Division, with its objective to ensure effective deployment of TNB sustainability strategies to meet targets and to strengthen sustainability governance across the Group. The Division engages, facilitates, collaborates, and advises the Business Entities on the implementation of sustainability and energy transition initiatives.</li><li>• The CSO is a member of the GEMC that reviews and endorses sustainability strategies and targets and makes informed decisions that are aligned to corporate strategy.</li><li>• The CSO coordinates as well as tables to the BSRC proposals or information papers for BSRC deliberation and decision-making in meeting the BSRC's Terms of Reference.</li></ul>

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.1**

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The BNRC is entrusted with the responsibility of assessing and considering the capabilities, commitment and qualities of candidates to be appointed as Board Members as well as Committee members. This evaluation encompasses a range of factors, including diversity, skillsets, backgrounds, relevant experience and fit and proper assessment, ensuring a well-rounded composition of Board members.</p> <p>The TNB Board of Directors' Fit and Proper Policy outlines the criteria for appointment and reappointment of Directors within TNB and its subsidiaries. This policy is structured around three (3) key pillars: character and integrity, experience and competence, and time and commitment. It is readily accessible on the Company's official website at <a href="http://www.tnb.com.my">www.tnb.com.my</a>.</p> <p>Clause 64(1) of the Company's Constitution provides, among others, that one-third (1/3) of the Directors at the time being of whom have been longest in office shall retire by rotation at the AGM of the Company and shall be eligible for re-election.</p> <p>Clause 63(2) of the Company's Constitution provides, among others, that the Directors shall have power at any time and from time to time to appoint any other person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following AGM of the Company and shall then be eligible for re-election.</p> <p>Rohaya binti Mohammad Yusof, Juniwati Rahmat Hussin, Gopala Krishnan K.Sundaram and Dato' Merina binti Abu Tahir are retiring by rotation in accordance with Clause 64(1) of the Company's Constitution and being eligible, have offered themselves for re-election.</p> <p>The Board recognises the Directors' performance are used as basis in recommending their re-election to the shareholders. This, in turn, is determined through their annual evaluation and independence assessment, which were assessed by the BNRC before any recommendation was made to the Board for deliberation and approval.</p>

	<p>Based on the annual independence assessment undertaken by Juniwati Rahmat Hussin, Gopala Krishnan K. Sundaram and Dato' Merina binti Abu Tahir who are retiring at the coming AGM, the BNRC/Board are satisfied that these Independent Directors had complied with the independence criteria as prescribed by the MMLR and continued to bring independent and objective judgement to the Board.</p> <p>They have exercised the duty of care and diligence as Directors in the best interest of the Company, its shareholders and stakeholders. Through the Board Effectiveness Assessment the retiring Directors (save for Alan Hamzah Sendut, who shall be evaluated in FY2025) on average, have received excellent rating, and have met the performance criteria required of an effective and high-performance Board.</p> <p>Alan Hamzah Sendut, who was appointed to the Board during the Financial Year shall retire at the forthcoming AGM in accordance with Clause 63(2) of the Company's Constitution and being eligible, has offered himself for re-election.</p> <p>Rohaya binti Mohammad Yusof is a Non-Independent Non-Executive Director who represents Employees Provident Fund (EPF) on the Board.</p> <p>Based on the declaration of COI by the Directors, the respective Directors shall take necessary mitigation plan/measures to address the COI including any interest in any competing business within the Company or its subsidiaries that could affect the execution of their roles as Company Directors. They will recuse themselves from participating in any discussions pertaining to the matters involving the interest of respective Companies with TNB Group and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings.</p> <p>Having considered their fit and proper assessment including declaration of conflict of interest, due diligence for the newly appointed Director, professionalism, vast experience, material relationship, competency, commitment and individuals' contributions in performing their respective duties, the Board and the BNRC are satisfied that all Directors who are standing for re-election at the 35<sup>th</sup> AGM have met the Board's expectation by continuously discharging their duties diligently as Company Directors.</p> <p>For the Financial Year under review, the Board Effectiveness Assessment (BEA) was conducted internally and facilitated by the Company Secretary through online questionnaires. The questionnaires for the BEA 2024 comprised of Assessments of the Board, Chairman of the Board, each Board Committee and its Chairman, Individual Directors and Board Committee members' Self and Peer (SPA).</p> <p>Based on the 2024 BEA results, the Board demonstrated solid performance with excellent rating on average across various effectiveness indicators, including Corporate Strategy &amp; Direction</p>
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	<p>Setting, Board Governance &amp; Oversight, Board Composition, Boardroom Conduct &amp; Dynamics, and Board Management &amp; Operations.</p> <p>While the SPA of the Directors further underscored the Directors’ performance on average with excellent rating, indicating that each Director was generally effective in dispensing his/her responsibilities.</p> <p>The respective Board Committees and its Chairmen overall scored excellent ratings on average indicating that the Members and Chairmen of standing Committees had effectively discharged their roles in accordance with the respective TORs and added significant value to the Board &amp; Company as well as possessed the required qualification, skill sets, competencies, knowledge and expertise to contribute to the overall effectiveness of the respective Committees.</p> <p>Building upon the insights from the 2023 BEA, the Board continued to showcase strong and effective leadership in 2024. It was highlighted by both the Board and Management that there was a clear distinction of roles and responsibilities of the Chairman and President/CEO, signalling robust and effective leadership in guiding the Company’s direction. Tan Sri Abdul Razak bin Abdul Majid was rated as good and effective Chairman demonstrating decisiveness and an action-oriented approach while creating an open and consultative environment within the Board.</p> <p>The Board was seen to be effective in ensuring the integrity of the Company is aligned with regulatory requirements, internal standards and best practices. The Board was committed to its fiduciary duties and assumed the core responsibilities of reviewing and monitoring the Group’s strategic plan, overseeing and evaluating the conduct of the Group’s business and establishing sound risk management and internal control frameworks for the Group.</p> <p>With that, upon the BNRC’s assessment, the Board resolved to support and recommend the re-election of each Director who is retiring at the upcoming 35<sup>th</sup> AGM.</p>	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		



**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.2**

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>At the issuance of this CG Report, TNB Board consists of 12 members, excluding Alternate Director, of which 50% are Independent Directors.</p> <p>Nonetheless , the Board complies with Paragraph 15.2 (1) of the MMLR of having 50% of Independent Directors on Board, of which the number exceeds the minimum requirement as prescribed by the MMLR.</p> <p>The Board believed the existing Board members have discharged their duties and responsibilities diligently, including Tan Sri Abdul Razak bin Abdul Majid (Non-Independent Non-Executive Chairman), Datuk Ir. Megat Jalaluddin bin Megat Hassan (Non-Independent Executive Director), Ramzi bin Mansor, Selvendran Katheerayson, Rohaya binti Mohammad Yusof and Muazzam bin Mohamad (Non-Independent Non-Executive Directors) have brought added value to the Board dynamics. Their expertise, knowledge and skill sets have been instrumental to effective and informed Board decisions.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	The Board acknowledges the importance of having a majority of Independent Directors on board. Nonetheless, the Board had at all times exercise their powers for proper purpose and in good faith in the best interest of the Company.	
<b>Timeframe</b>	:	Choose an item.	



**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.3**

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board had reviewed and conducted annual independence assessment of the Independent Non-Executive Directors. Throughout the year, none of the Independent Non-Executive Directors had any material business or other relationships with the Group, and no other factors were identified that could compromise their independence of character and judgement, as guided by the MMLR and adhering to the principles outlined in the MCCG.</p> <p>The Board recognises that in view of the characteristics of independence set out in the MCCG, length of service is an important factor when considering the independence of Independent Non-Executive Directors.</p> <p>Currently, none of the Independent Non-Executive Directors has served the Board for more than nine (9) years.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.4 - Step Up**

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

*Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The Board adopts the policy which limits the tenure of its Independent Non-Executive Directors to nine (9) years without further extension.</p> <p>As of to date, none of the Company's Independent Non-Executive Director has served the Board for more than nine (9) years.</p> <p>Further details with regards to their length of tenure are set out on page 157 and the Board of Directors' Profile on pages 158 to 171 of the Integrated Annual Report 2024.</p>

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.5**

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board currently comprises of individuals from a diverse range of skills, industries, backgrounds and experience, which enables a broad evaluation of all matters considered by the Board and contributes to collaborative and constructive discussion.</p> <p>In addition, the appointments of the existing Directors and Top Management were guided by their fit and proper assessment, skills, experience, competency and wealth of knowledge while taking into consideration gender diversity.</p> <p>The Board and BNRC review the Board Skills Matrix. This assessment facilitates the Board in identifying the necessary skills, knowledge, experience and capabilities essential for addressing current and future challenges within the Company in order to maintain a well-rounded mix of expertise on the Board.</p> <p>The Board, guided by the matrix, approved the BNRC's recommendation that in order to strengthen the Board composition to be more dynamic, the skills and gaps that have been identified as critical and need to be filled are technical experience, international business experience and customer centricity.</p> <p>The Board agreed that Alan Hamzah Sendut, who was appointed during the Financial Year under review had met the above required skills.</p> <p>At the issuance of this CG Report, the Board Skills and Experience Matrix, are summarised as follows:-</p>

### SKILLS AND EXPERIENCE MATRIX

Electric Utilities	3	
Audit/Finance	6	
Banking	4	
Business Continuity Management	1	
Commercial/Marketing	4	
Corporate Strategy, Planning & Development	7	
Cybersecurity	1	
Economics/Investment	9	
Engineering	4	
Human Resources	6	
Legal	2	
Project Management	8	
Public Administration	2	
Real Asset & Property	2	
Regulatory	5	
Risk Management	3	
Stakeholders Management	3	
Sustainability	7	
Technology Risk	1	

The Board remains deeply committed to promoting diversity within the Company's senior management. It conducts annual reviews to evaluate recommendations on diversity for these crucial roles.

At the issuance of this CG report, there are four (4) women on Board excluding Alternate Director, namely Rohaya binti Mohammad Yusof, Ong Ai Lin, Juniwati Rahmat Hussin and Dato' Merina binti Abu Tahir, representing 33.3% of the Board. These women Directors hold significant positions on the Board and its Committees whereby Rohaya binti Mohammad Yusof is the Chairman of FIC, Ong Ai Lin is TNB Senior Independent Non-Executive Director and Chairman of BSRC, Dato' Merina binti Abu Tahir is the Chairman of BAC and Juniwati Rahmat Hussin is the Chairman of BNRC and BIC.

At the issuance of this CG Report, the Diversity Composition Disclosures of the Board (excluding Alternate Director) and Top Management are illustrated by the diagrams below:-

	<b>The Board (excluding President/CEO and alternate director):</b>								
	<b>RACE/ETHNICITY</b>			<b>AGE GROUP</b>			<b>GENDER</b>		
	<b>Bumiputera</b>	<b>Chinese</b>	<b>Indian</b>	<b>Below 50 years</b>	<b>50 to 60 years</b>	<b>Above 60 years</b>	<b>Male</b>	<b>Female</b>	
	8	1	2	1	4	6	7	4	
	<b>The Top Management (including President/CEO):</b>								
	<b>RACE/ETHNICITY</b>			<b>AGE GROUP</b>			<b>GENDER</b>		
	<b>Bumiputera</b>	<b>Chinese</b>	<b>Indian</b>	<b>Below 50 years</b>	<b>50 to 60 years</b>	<b>Above 60 years</b>	<b>Male</b>	<b>Female</b>	
	13	1	-	4	10	-	12	2	
	<p>The appointment of Board members/Top Management were made by the Board through fit and proper assessments, intensive deliberations and taking into account their qualification/background, working experience/expertise, professionalism aptitude and knowledge of the Company/Industry.</p> <p>The Board shall continue to assess and evaluate potential/credible candidates of various background/experience to further strengthen its composition, taking into consideration, the criteria identified based on the Board matrix. The assessment of potential candidates will be done accordingly based on their credentials, expertise, background, and other relevant aspects that will enrich the Board’s dynamics and bring value to the Company.</p> <p>The Board of Directors’ Profile and Senior Management Profile indicating their diverse qualifications/experience and expertise are on pages 158 to 179 of the Integrated Annual Report 2024.</p>								
	<b>Explanation for departure</b>	:							
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>									
<b>Measure</b>	:								
<b>Timeframe</b>	:								

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.6**

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The BNRC is entrusted with the responsibility of assessing and considering the capabilities, commitment and qualities of candidates to be appointed as Board Members and Committee Members, taking into account the diversity, required mix of skills, fit and proper assessment, background, experience/expertise/knowledge relevant to the Company's business, existing commitment and potential conflict of interest prior to recommending to the Board.</p> <p>Pursuant to Clause 20(2) of the Company's Constitution, the MoF Inc., being the Special Shareholder of TNB, possesses the right to appoint up to six (6) Directors. Clause 63(2) provides the Board may appoint a new Director either to fill a casual vacancy or to add to the existing Directors but not at any time exceed the maximum numbers set in the Constitution. The Company's Constitution provides that the Company must have at least two (2) Directors but not more than 12 Directors.</p> <p>The Company's Constitution further provides that the Special Shareholder has the right to appoint the Chairman and the Executive Director.</p> <p>The selection of candidates and appointment of Independent Non-Executive Director by the Board/BNRC are made with the assistance of independent consultant, whenever necessary.</p> <p>As at the date of this report, there are 12 members on the Board excluding Alternate Director; one (1) Executive Director and 11 Non-Executive Directors, six (6) of whom are Independent Directors.</p> <p>These Independent Directors are considered by the Board to be independent of Management and free of any business or other relationship or circumstance that could materially interfere with the exercise of objective, unfettered or independent judgement.</p>

During the Financial Year under review, a new addition to the Board, Alan Hamzah Sendut, an Independent Non-Executive Director was appointed with effect from 2 December 2024, as approved by the Board on 28 November 2024. The appointment process was made with the assistance of an independent consultant. With his breadth of knowledge and experience across multiple industries and companies involved in motor and heavy equipment distribution, manufacturing, plantations, corporate services, corporate strategy, corporate finance, business development and mergers and acquisitions, will definitely assist the Board in making informed decisions.

The BNRC, with the approval of the Board, had streamlined a structured appointment process for the Board during the Financial Year.



In this process the BNRC develops and finalises the Key Success Profile for Director having considered the current Board Skills Matrix, the essential skills, experience, age, ethnicity, gender and other relevant criteria required to drive the strategic direction of the Company, with the aim to close the gap and to further strengthen the Board's composition.

The BNRC identifies and reviews the potential candidates which are sourced internally and through external/independent sources with reference to the Key Success Profile. The suitability, availability, conflict and potential interest, fit and proper assessment of the potential candidates are to be analysed by the BNRC.

The BNRC conducts engagement sessions with the short-listed candidates prior to submitting its recommendation to the Board. The BNRC shall recommend to the Board the proposed appointment of the successful candidate. The Company Secretary, with the authorisation by the Board, will arrange the necessary with regards to the appointment accordingly.

	The Board has brought together individuals from various backgrounds and cross-sectoral expertise in the fields of energy, finance and sustainability. By having a balanced blend of skills, experience and independence, the Board is confident of its ability to execute the Group's strategies effectively hence maximising value for the Company.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.7**

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Clause 64(1) of the Company's Constitution provides, among others, that one-third (1/3) of the Directors at the time being of whom have been longest in office shall retire by rotation at the AGM of the Company and shall be eligible for re-election.</p> <p>Clause 63(2) of the Company's Constitution provides, among others, that the Directors shall have power at any time and from time to time to appoint any other person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following AGM of the Company and shall then be eligible for re-election.</p> <p>Rohaya binti Mohammad Yusof, Juniwati Rahmat Hussin, Gopala Krishnan K.Sundaram and Dato' Merina binti Abu Tahir are retiring by rotation in accordance with Clause 64(1) of the Company's Constitution and being eligible, have offered themselves for re-election.</p> <p>The Board recognises the Directors' performance are used as basis in recommending their re-election to the shareholders. This, in turn, is determined through their annual evaluation and independence assessment, which were assessed by the BNRC before any recommendation was made to the Board for deliberation and approval.</p> <p>Based on the annual independence assessment undertaken by Juniwati Rahmat Hussin, Gopala Krishnan K. Sundaram and Dato' Merina binti Abu Tahir who are retiring at the coming AGM, the BNRC/Board are satisfied that these Independent Directors had complied with the independence criteria as prescribed by the MMLR and continue to bring independent and objective judgement to the Board.</p> <p>They have exercised the duty of care and diligence as Directors in the best interest of the Company, its shareholders and stakeholders. Through the Board Effectiveness Assessment the retiring Directors (save for Alan Hamzah Sendut, who shall be evaluated in FY2025) on</p>

	<p>average, have received excellent rating, and have met the performance criteria required of an effective and high-performance Board.</p> <p>Alan Hamzah Sendut, who was appointed to the Board during the Financial Year shall retire at the forthcoming AGM in accordance with Clause 63(2) of the Company's Constitution and being eligible, has offered himself for re-election.</p> <p>Rohaya binti Mohammad Yusof is a Non-Independent Non-Executive Director who represents EPF on the Board.</p> <p>Based on the declaration of COI by the Directors, the respective Directors shall take necessary mitigation plan/measures to address the COI including any interest in any competing business within the Company or its subsidiaries that could affect the execution of their roles as Company Directors. They will recuse themselves from participating in any discussion pertaining to the matters involving the interest of respective Companies with TNB Group and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings.</p> <p>Having considered their fit and proper assessment including declaration of conflict of interest, due diligence for the newly appointed Director, professionalism, vast experience, material relationship, competency, commitment and individuals' contributions in performing their respective duties, the Board and the BNRC are satisfied that all Directors who are standing for re-election at the 35<sup>th</sup> AGM have met the Board's expectation by continuously discharging their duties diligently as Company Directors.</p> <p>With that, upon the BNRC's assessment, the Board resolved to support and recommend the re-election of each Director who is retiring at the upcoming 35<sup>th</sup> AGM.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The BNRC is chaired by Juniwati Rahmat Hussin, an Independent Non-Executive Director with effect from 26 September 2024. Currently she is well supported by four (4) members of whom are, Ramzi bin Mansor, Muazzam bin Mohamad, Gopala Krishnan K.Sundaram and Dato’ Merina binti Abu Tahir.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board is committed in maintaining a diverse mix of skills, experience and expertise to effectively fulfill its duties and responsibilities as well as to address the dynamic landscape ahead. The Board has currently four (4) women members (constituting 33%), exceeding the requirement as prescribed by the MMLR and the 30% benchmark recommended by MCCG.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.10**

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied																																																				
Explanation on application of the practice	:	<p>The Board remains deeply committed to promoting diversity within the Company’s senior management. Annual reviews are conducted to evaluate and implement recommendations on diversity for these crucial roles. Recognizing the continuous need for advancement, this commitment extends beyond the Board level to include the Senior Leadership tier.</p> <p>Currently, there are four (4) women Directors on the Board, constituting 33.3%, which surpasses the 30% benchmark recommended by the MCCG. Within the broader organization, women comprise 21% of the workforce. Gender balance varies across roles, geographies, and bands, with female representation in our Top Management leadership standing at 26%.</p> <p>For the past few years, TNB has implemented robust Succession Management Framework that ensures a diverse pool of successors, including female talents. This initiative drives the development of women's leadership capabilities within TNB.</p> <p>The table below shows the gender diversity of the Board and Top Management as at 31 December 2024:</p> <table><tr><th rowspan="2">Category</th><th colspan="4">Gender</th><th rowspan="2">Total</th></tr><tr><th>Male</th><th>%</th><th>Female</th><th>%</th></tr><tr><td>TNB Board (Excluding Alternate Director)</td><td>8</td><td>67%</td><td>4</td><td>33%</td><td>12</td></tr><tr><td>Top Management (GEMC, C-Suite, Senior General Managers &amp; General Managers)</td><td>292</td><td>74%</td><td>100</td><td>26%</td><td>392</td></tr><tr><td>Senior Managers</td><td>639</td><td>63%</td><td>375</td><td>37%</td><td>1,014</td></tr><tr><td>Managers</td><td>1,399</td><td>59%</td><td>959</td><td>41%</td><td>2,358</td></tr><tr><td>Executives</td><td>1,646</td><td>57%</td><td>1,247</td><td>43%</td><td>2,893</td></tr><tr><td>Non-Executives</td><td>17,044</td><td>86%</td><td>2,850</td><td>14%</td><td>19,894</td></tr><tr><td>Total</td><td>21,028</td><td>79%</td><td>5,535</td><td>21%</td><td>26,563</td></tr></table>	Category	Gender				Total	Male	%	Female	%	TNB Board (Excluding Alternate Director)	8	67%	4	33%	12	Top Management (GEMC, C-Suite, Senior General Managers & General Managers)	292	74%	100	26%	392	Senior Managers	639	63%	375	37%	1,014	Managers	1,399	59%	959	41%	2,358	Executives	1,646	57%	1,247	43%	2,893	Non-Executives	17,044	86%	2,850	14%	19,894	Total	21,028	79%	5,535	21%	26,563
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Explanation for departure	:																																																					

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

### Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

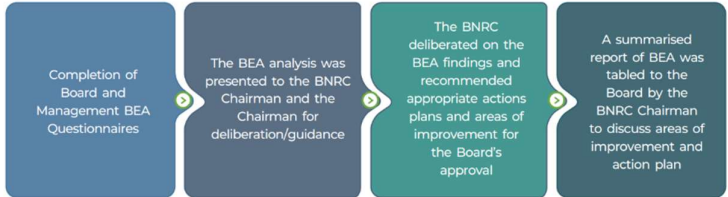
For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

*Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Acknowledging the transformative potential of an objective and well-managed board evaluation process, the Board acknowledges its pivotal role in enhancing Board effectiveness, thereby delivering substantial benefits to the Company. This commitment is manifested through annual performance evaluations, thoughtfully designed induction programs for new Board members and a continuous stream of Board development activities.</p> <p>TNB fully supports Practice 6.1 of MCCG whereby for Large Companies, the Board engages independent experts at least every three (3) years to facilitate objective and candid Board evaluations. The previous Board Effectiveness Assessment (BEA) by an independent expert, was carried out in Financial Year 2023.</p> <p>The 2024 BEA was conducted internally and facilitated by the Company Secretary through online questionnaires. Save for Alan Hamzah Sendut and the Alternate Director, 11 Directors participated in the 2024 BEA. Alan Hamzah Sendut was appointed to the Board on 2 December 2024 and shall be evaluated at the next BEA for the Financial Year ending 31 December 2025.</p> <p>The questionnaires for the 2024 BEA comprised of Assessments of the Board, Chairman of the Board, Board Committees and its Chairman, Individual Directors and Board Committee members' Self and Peer (SPA).</p> <p>The effectiveness of the Board is assessed in the areas of Corporate Strategy and Direction Setting, Board Governance &amp; Oversight, Board Committees' Relevance, Board Dynamics and Composition and Board Management &amp; Operations as well as the Board's key priorities.</p>

	<p>The effectiveness of Board Committees is assessed in terms of structure and processes, accountabilities and responsibilities and its dynamic/composition as well as the effectiveness of the Chairman of respective Board Committees. The SPA for the Board Committee members is similar to the Directors' SPA, which is intended to assess their contribution, performance, calibre and personality in relation to the skills, experience and other qualities they bring to the Board/Board Committees.</p> <p>The feedback from the Top Management was also being sought through this exercise via online questionnaires. The Management's feedback on the Board's role and the extent of collaboration between the Board and Management in certain focus areas and in the review/decision-making process are useful for the Board's consideration in enhancing its overall effectiveness.</p> <p>Based on the 2024 BEA results, the Board demonstrated solid performance with excellent rating on average across various effectiveness indicators, including Corporate Strategy &amp; Direction Setting, Board Governance &amp; Oversight, Board Composition, Boardroom Conduct &amp; Dynamics, and Board Management &amp; Operations.</p> <p>While the SPA of the Directors further underscored the Directors' performance on average with excellent rating, indicating that each Director was generally effective in dispensing his/her responsibilities.</p> <p>The respective Board Committees and its Chairmen overall scored excellent ratings on average indicating that the Members and Chairmen of standing Committees had effectively discharged its roles in accordance with the respective TOR and added significant value to the Board &amp; Company as well as possessed the required qualification, skillsets, knowledge and expertise to contribute to the overall effectiveness of the respective Committees.</p> <p>Building upon the insights from the 2023 BEA, the Board continued to showcase strong and effective leadership in 2024. It was highlighted by both the Board and Management that there was a clear distinction of roles and responsibilities of the Chairman and President/CEO, signalling robust and effective leadership in guiding the Company's direction. Tan Sri Abdul Razak bin Abdul Majid was rated as good and effective Chairman demonstrating decisiveness and an action-oriented approach while creating an open and consultative environment within the Board.</p> <p>The Board was seen to be effective in ensuring the integrity of the Company is aligned with regulatory requirements, international standards and best practices. The Board was committed to its fiduciary duties and assumed the core responsibilities of reviewing and monitoring the Group's strategic plan, overseeing and evaluating the conduct of the Group's business and establishing sound risk management and internal control frameworks for the Group.</p>
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	<p>Following the 2024 BEA outcome, action plans were identified by the BNRC and approved by the Board on 24 March 2025, whereby among others the Board shall continuously put its focus in term of oversight of the Company's strategic direction, to consider the enhancement of the respective Board Committees composition/scope and further improvement to be made regarding the Board management &amp; operation. These will be addressed accordingly by the Board and Top Management to close the gap and to ensure the Board remains effective in discharging its roles and duties for the Company</p> <p>The BEA process for 2024 is summarised as follows:-</p> 	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board, with the assistance of the BNRC, reviews the overall remuneration policy for Non-Executive Directors, Executive Directors and Top Management. The policy aims to attract, retain and motivate executives and Directors who will create sustainable value and generate returns for the Company.</p> <p>The Directors' Remuneration Policy is shaped by the following underlying principles:-</p> <ul style="list-style-type: none"><li>i. Alignment with strategy and business objectives;</li><li>ii. Alignment with shareholders' interest;</li><li>iii. Long-term success of the Company;</li><li>iv. Consistency and transparency;</li><li>v. Reward performance with competitive remuneration;</li><li>vi. Alignment with market/industry practices;</li><li>vii. Support Company values.</li></ul> <p><b><u>Executive Director and Top Management Remuneration</u></b></p> <p>The compensation structure for the Executive Director is designed to correlate rewards with both corporate and individual performance. It encompasses salary, allowances, bonuses, and customary benefits aligned with industry standards. A significant part of the Executive Director's compensation is variable and contingent upon annual performance against individual KPIs embedded in a scorecard aligned with Board-approved corporate objectives. Notably, the Executive Director shall abstain from participating in discussions and voting on his remuneration during Board meetings.</p> <p>The BNRC conducts an annual review of the Executive Director's performance, submitting informed views and recommendations to the</p>

	<p>Board regarding potential adjustments in remuneration or rewards, reflecting the Executive Director's contributions to the Group's achievements for the year.</p> <p>Top Management's remuneration package comprises three (3) distinct components:-</p> <ul style="list-style-type: none"> <li>i. the base salary, fixed allowances and benefits;</li> <li>ii. the Short Term Incentive (STI); and</li> <li>iii. the Long Term Incentive Plan (LTIP);</li> </ul> <p>The base salary is set competitively, considering the scope of work, experience, and anticipated performance. Fixed allowances are separate from the base salary and are granted for specific cash benefits.</p> <p>The STI, contingent on annual performance, is disbursed as bonuses, contingent upon the Company's profitability and the performance of Top Management. Evaluation criteria include quantitative targets and qualitative alignment with the Company's values.</p> <p>The LTIP is designed to retain and reward Top Management, aligning their interests with the long-term success of the Company.</p> <p>TNB places a strong emphasis on a performance-driven culture, where the remuneration policy aims to compensate competitively for sustained performance, aligning with shareholders' interests.</p> <p><b><u>Non-Executive Directors' Remuneration</u></b></p> <p>Non-Executive Directors receive compensation in the form of fixed monthly fees, meeting allowances and benefits-in-kind, covering items among others, such as the reimbursement of medical, utilities bills, business peripherals, travelling and telecommunication.</p> <p>The Non-Executive Directors' Remuneration is structured to reflect the complexity, responsibility and accountability of the Board's role in complying with increasing regulatory demands, to be competitive and to retain the required talent as well as recognising their skills that are highly sought after and to ensure it reflects the time and effort dedicated by the Chair and Directors as part of their roles on the Board and Board Committees. The remuneration structure takes into account the intricacies of the Company's operations and the industry at large. Notably, the remuneration and benefits for Non-Executive Directors was last reviewed in 2013.</p> <p>The Board in 2023 had engaged an independent expert to conduct a holistic and independent review of the Non-Executive Directors' Remuneration with the view to determine its market competitiveness and alignment with the latest regulations/ corporate governance guidelines in Malaysia.</p>
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	<p>Based on the findings, the Board recommended the Director's fees of Non-Executive Chairman to be revised from RM30,000.00 per month to RM32,000.00 per month considering the importance of his roles and responsibilities that he carries for the operation and leadership of the Board in ensuring its effectiveness and in strengthening TNB's relationship with the stakeholders/shareholders. With that, the Non-Executive Chairman's fee competitiveness will sit between P25 and P50 mark of the peer group in the market.</p> <p>In determining the estimated total amount of benefits payable, the Board had considered various factors including the meeting allowances based on the respective committees in term of responsibilities/accountabilities, the frequency of scheduled and special meetings for the Board, Board Committees and boards of subsidiaries along with the number of Non-Executive Directors involved.</p> <p>TNB Board and Its Subsidiary Remuneration Policy together with TNB Top Management Remuneration Framework are available on TNB's website: <a href="https://www.tnb.com.my/listings/corporate_governance/">https://www.tnb.com.my/listings/corporate_governance/</a></p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

**Practice 7.2**

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The BNRC has a dual role, the Nomination function and the Remuneration function. The key functions which among others identify and recommend new nominees to the Board, Board Committees and the Group, and to determine the remuneration packages of the Non-Executive Directors (NED), the Executive Director and the Top Management.</p> <p>The BNRC Terms of Reference is available on TNB's website: <a href="https://www.tnb.com.my/listings/corporate_governance/">https://www.tnb.com.my/listings/corporate_governance/</a></p> <p>The remuneration policy aims 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, the Executive Director and the Top Management.</p> <p>A significant portion of an Executive Director's compensation package is determined by performance during the year against individual KPIs in a scorecard aligned with the corporate objectives as approved by the Board.</p> <p>The BNRC reviews the performance of the Executive Director/President/CEO as well as the Top Management annually and submits views/recommendations to the Board on adjustments in remuneration and/or rewards to reflect the Executive Director's/ Top Management contributions towards the Group's achievements for the year. The remuneration package for the Top Management is also structured to link rewards to corporate and individual performance.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board with the assistance of BNRC is 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.</p> <p>The 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.</p> <p>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.</p> <p>Details of each Director's remuneration for the Financial Year ended 31 December 2024 are as per table disclosed.</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Abdul Razak bin Abdul Majid	Non-Executive Non-Independent Director	360	42.5	-	-	64.05	-	466.55	580	71.5	-	-	64.05	-	715.55
2	Datuk Ir. Megat Jalaluddin bin Megat Hassan (Appointed w.e.f. 01.03.2024)	Executive Director	-	-	1,300	360	19.05	1,467.81	3,146.86	-	-	1,300	360	19.05	1,467.81	3,146.86
3	Ramzi bin Mansor (Appointed w.e.f. 01.03.2024)	Non-Executive Non-Independent Director	200	64	-	-	17.60	-	281.60	200	64	-	-	17.60	-	281.60
4	Selvendran Katheerayson	Non-Executive Non-Independent Director	-	-	-	-	38.72	-	38.72	-	-	-	-	38.72	-	38.72
5	Rohaya binti Mohamad Yusof	Non-Executive Non-Independent Director	240	83	-	-	32.33	-	355.33	240	83	-	-	32.33	-	355.33
6	Muazzam bin Mohamad	Non-Executive Non-Independent Director	360	82	-	-	29.82	-	471.82	360	82	-	-	29.82	-	471.82
7	Ong Ai Lin	Independent Director	240	94	-	-	43.26	-	377.26	240	94	-	-	43.26	-	377.26
8	Juniwati Rahmat Hussin	Independent Director	240	104	-	-	30.61	-	374.61	240	104	-	-	30.61	-	374.61
9	Gopala Krishnan K.Sundaram	Independent Director	240	94.5	-	-	33.03	-	367.53	240	94.5	-	-	33.03	-	367.53
10	Dato' Merina binti Abu Tahir	Independent Director	240	101	-	-	81.11	-	422.11	240	101	-	-	81.11	-	422.11



11	Dato' Zulkifli bin Ibrahim (Appointed w.e.f 01.04.2024)	Independent Director	180	76.5	-	-	10.55	-	267.05	180	76.5	-	-	10.55	-	267.05
12	Alan Hamzah Sendut (Appointed w.e.f. 02.12.2024)	Independent Director	19.35	2	-	-	12.62	-	33.97	19.35	2	-	-	12.62	-	33.97
13	Elaine Ong Yee Lynn (Alternate Director to Selvendran Katheerayson)	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Dato' Roslina binti Zainal (Resigned w.e.f. 13.05.2024)	Independent Director	87.74	28	-	-	6.21	155.10	277.05	87.74	28	-	-	6.21	155.10	277.05
15	Dato' Seri Ir. Baharin bin Din (Cessation of Office as Director w.e.f. 29 February 2024)	Executive Director	-	-	260	520	75.84	2,573.86	3,429.70	-	-	260	520	75.84	2,573.86	3,429.70

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.2**

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company has opted not to disclose the components of the remuneration of its Top Management as such disclosure maybe disadvantageous to the Company's business interest based on the following justifications:-</p> <ul style="list-style-type: none"><li>i. it is unfavourable to the Company where it may bring inharmonious environment between the Top Management and the employees that can jeopardise the Management's existing transformation effort to achieve TNB's Reimagining targets;</li><li>ii. to ensure employee retention efforts are safeguard due to probability of talent pinching;</li><li>iii. the concern about the individual security (including their family members) given the sensitivity of such information;</li><li>iv. that such disclosures are subject to the Personal Data Protection Act (PDPA) 2010, which requires consent from the respective Top Management.</li></ul> <p>The success of Tenaga Nasional Berhad (TNB) as a profitable entity while continuing to be relevant to all stakeholders is dependent on its talents, especially the Top Management team. Therefore, it's imperative that TNB can attract, inspire and retain relevant talented leaders. One (1) of the tools to support this aspiration is a competitive remuneration policy.</p> <p>The key elements of our remuneration package for Top Management can be divided into three (3) areas namely:</p> <ul style="list-style-type: none"><li>i. Base Salary, Fixed Allowances and Benefits;</li><li>ii. Short Term Incentive;</li><li>iii. Long Term Incentive.</li></ul>

	<p><b><u>Base Salary, Fixed Allowances and Benefits</u></b>  Appropriate Base Salary needs to be competitive enough to attract the relevant talents and retain them. Determination of base salary would depend on the scope of the roles, experience the person brings and performance expected from the talent. Whereas fixed allowances are for certain benefits in cash and is not link to base salary. Other benefits are formulated to be cost-effective which would help in attracting and retaining the Top Management.</p> <p><b><u>Short Term Incentive (STI)</u></b>  STI is based on yearly performance and paid as bonuses subjected to the profitability of the Company and the performance of Top Management. Performance is measured mainly on quantitative targets and their alignment to the values the Company stands for which would be qualitative in nature. Based on these results the individual is rewarded appropriately.</p> <p><b><u>Long Term Incentive Plan (LTIP)</u></b>  The LTIP is to retain and reward Top Management to see out the growth and business strategy aligning to the long-term success of the Company. It motivates for sustained performance over multi-year period thus incentivising long-term employee behaviour. LTIP provides a total remuneration package, and it creates an “ownership” mentality for the performing Top Management.</p> <p>In summary, TNB strongly believes in performance culture and the Remuneration policy is to pay competitively for sustainable performance while being in alignment with the shareholders’ interest.</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
<p><b>Measure</b></p>	<p>: The Company has implemented the above method of determining the remuneration for Top Management since 2005 when TNB participated in the GLC Transformation Initiative.</p>		
<p><b>Timeframe</b></p>	<table border="1"> <tr> <td data-bbox="574 1402 964 1495">: Others</td><td data-bbox="964 1402 1393 1495">Please specify number of years.</td></tr> </table>	: Others	Please specify number of years.
: Others	Please specify number of years.		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.

The company's financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Dato' Merina binti Abu Tahir is the Chairman of BAC. She is an Independent Non-Executive Director and is not the Chairman of TNB.  This requirement is also stipulated in the BAC's Terms of Reference which is accessible on TNB's official website at <a href="http://www.tnb.com.my">www.tnb.com.my</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>TNB has in place an External Auditors Policy, revised on 14 February 2022, which requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Committee. Additionally, the BAC's Terms of Reference also includes similar requirement for former partners of the Company's external audit firm or its affiliates firms.</p> <p>Currently, no BAC member has served as a key audit partner of TNB's External Auditor in the past three (3) years.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.3**

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The BAC's Terms of Reference requires the Committee to annually evaluate the suitability, objectivity, and independence of the external auditor to ensure the quality and reliability of audited financial statements.</p> <p>The assessment is conducted by BAC based on TNB's External Auditors Policy, which outlines:</p> <ul style="list-style-type: none"> <li>i. selection and appointment requirements of external auditors,</li> <li>ii. independence,</li> <li>iii. conflict of interest,</li> <li>iv. non-audit services by external auditors,</li> <li>v. rotation of audit partner,</li> <li>vi. annual reporting,</li> <li>vii. annual assessment, and</li> <li>viii. audit fees.</li> </ul> <p>The policy was last reviewed on 14 February 2022 to ensure relevance with applicable laws and best practices.</p> <p>The BAC oversees the appointment, remuneration, and removal of the external auditor. This process is guided by a structured annual evaluation of the auditor's performance, focusing on quality of services, sufficiency of resources, communication and interaction, and independence, objectivity and professional skepticism. The assessment also takes into account the information provided in the audit firm's Annual Transparency Report (ATR).</p> <p>The BAC has also evaluated the independence and objectivity of external auditor including reviewing the fees and list of non-audit services provided by external auditor to TNB and the Group on a quarterly basis.</p> <p>During the year, two (2) meetings were held with the external auditor without the presence of Management and Executive Directors to further reinforce independence of the external auditor. Additionally, the External Auditor confirmed to the Board their independence within the meaning of applicable laws and regulations. The Board, being</p>

	satisfied with the external auditor's performance, had approved the BAC's recommendation on the reappointment of external auditor for shareholders' approval at the forthcoming Annual General Meeting.			
<b>Explanation for departure</b>	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>As at the reporting date, the BAC comprises entirely of Independent Directors, as follows:</p> <ul style="list-style-type: none"><li>i. Dato' Merina binti Abu Tahir, Independent Non-Executive Director (Chairman);</li><li>ii. Ong Ai Lin, Senior Independent Non-Executive Director;</li><li>iii. Juniwati Rahmat Hussin, Independent Non-Executive Director;</li><li>iv. Dato' Zulkifli bin Ibrahim, Independent Non-Executive Director.</li></ul> <p>The membership details of the BAC for Financial Year 2024 are provided in TNB's Integrated Annual Report 2024 which is accessible at TNB's official website.</p>

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

### Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As of 31 December 2024, two (2) members of the BAC i.e. Dato' Merina binti Abu Tahir and Ong Ai Lin are members of the Malaysian Institute of Accountants (MIA). The BAC, therefore, meets the requirement of Paragraph 15.09(l)(c)(i) of the MMLR, which stipulates that at least one (1) member of the Audit Committee must be a member of the MIA.</p> <p>The BAC's Terms of Reference mandates the following regarding members' skills and professional development:</p> <ul style="list-style-type: none"><li>• Keep abreast of the latest corporate governance guidelines in relation to BAC and the Board as a whole.</li><li>• Possess adequate financial literacy in order to continuously apply a critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenge Management's assertions on the Company's financials.</li><li>• Undertake continuous professional development programs to keep abreast of relevant developments in governance practices, accounting and auditing standards, practices and rules, sustainability development and requirements, and other related areas.</li></ul> <p>The BAC members collectively hold a broad range of essential skills required to fulfil their responsibilities. Additionally, the members are from diverse fraternities such as accountancy, petrochemical, economics, and engineering. With their knowledge/ vast experience, they are not only capable to understand the matters under the BAC's purview but also be able to provide sound advice to the Board in terms of financial reporting, internal and external audit reports as well as other matters to be considered by the BAC.</p>

The BAC members have actively pursued continuous development to maintain and enhance their knowledge and skills. During the Financial Year under review, the BAC members also attended conferences and professional trainings related to Audit, Corporate Governance, ESG/Sustainability/Climate Change/Industry Related, Finance and Technology as follows:-

Audit Oversight	
25 January 2024	Get to Know the New Global Internal Audit Standards
05 September 2024	Audit Committee Conference 2024: Global Internal Audit Standards: Key Essential For Audit Committees; Strengthening Tax Governance In A Changing Tax Landscape
19 November 2024	Securities Commission Malaysia's Audit Oversight Board Conversation With Audit Committees
Corporate Governance & Board Effectiveness	
11 January 2024	What Amounts to a Conflict of Interest by Directors?
21 March 2024	Climate Governance 101: A Board's Guide to Effective Oversight
28-29 May 2024	Board Dynamics & Governance Transformation Executive Masterclass Malaysia 2024
19 August 2024	Board's role in value creation
04 October 2024	Managing Conflict of Interest for Board of Directors and Senior Management
21 November 2024	Introduction to Corporate Directorship: Foundations of Effective Board Leadership
ESG/Sustainability/Climate Change/Industry Related	
23 January 2024	Sustainability Reporting Forum - The Next Wave In Corporate Disclosure
07 February 2024	IFAC: Educating Accountants for a Sustainable Future
06 March 2024	Future Proofing Your Business What You Need to Know about the "S" in "ESG"
08 April 2024	AIGCC : State of Net Zero Investment in Asia Report
17 April 2024	Directors' Masterclass in Climate Governance 2024: Boardroom Dynamics in Climate Talks
22 April 2024	Enabling Professionals to Create Sustainable Organisations
30 April 2024	Are You Measuring Your Sustainability Performance Right? - Targets & Metrics
07 June 2024	Kuala Lumpur International Sustainability Conference
12 June 2024	Carbon Markets: What Directors need to know
17 July 2024	CGM Masterclass Series 2024 – Latest Developments in Climate: Aligned Executive Compensation
10 - 12 September 2024	National Climate Governance Summit 2024
11 September 2024	Masterclass I Boardroom Climate Essentials
12 September 2024	Masterclass IV, Taking Effective Climate Action Now.
24 September 2024	Building Sustainable Credibility: Assurance, Greenwashing And The Rise Of Green-hushing
27 September 2024	MIA e-Learning Series – Essentials of Sustainability & ESG
7 - 8 October 2024	Khazanah Megatrends Forum 2024
9 - 10 October 2024	Enlit Asia
22 October 2024	Introduction to Simplified ESG Disclosure Guide (SEDG) for SMEs in Supply Chain
11-22 November 2024	2024 United Nations Climate Change Conference (COP29), Baku
3-6 December 2024	Powering Net Zero Week 2024, UK
Finance/Banking/Investment	
09 May 2024	EY C-suite Forum 2024
11 - 12 June 2024	MIA International Accountants Conference 2024
09 September 2024	Integrated Assurance Forum 2024
11 December 2024	Empowering Businesses through Integrated Reporting: Incorporating IFRS S1 & S2
Technology/Digital/Cybersecurity	
11 March 2024	Future-Proofing Malaysian Business: Navigating Cyber-Threats in the Age of AI & Thriving in a High-Risk Landscape
27 March 2024	Cybersecurity
21 May 2024	Cyber Security Awareness
28 - 29 May 2024	ACCA Asia Pacific Dialogue 2024: Weaving the Fabric of Tomorrow's Success Together
Others	
13 November 2024	Culture in Communications

Explanation for departure

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.1**

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Risk management in TNB is governed by TNB Risk Management Framework, which adopts the principles and guidelines set out in ISO 31000:2018, 'Risk Management – Guidelines'. The framework was approved by the Board Sustainability and Risk Committee (BSRC). The framework provides a structured and consistent approach for risk management implementation across TNB Group. The purpose of risk management is to create and protect value and this is exemplified through each element in the TNB Risk Management Framework.</p> <p>The internal control framework is structured in such a manner that it provides reasonable assurance that the likelihood of an event with significant adverse impact on business objectives is managed within tolerable levels. This is achieved through a combination of preventive, detective and corrective measures.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The features of the TNB Risk Management Framework are leadership and commitment, culture, business strategy, risk assessment, review, monitor and report, communication and integration. A centralised Risk Management Department led by the Chief Risk Officer is responsible for the implementation of the framework across TNB Group and continual improvement of its suitability, adequacy and effectiveness.</p> <p>Various board committees have been set up to promote governance, transparency and accountability as each committee plays its oversight role as stipulated in its respective terms of reference. The responsibility for implementing and executing the risk management and internal control system across TNB Group resides with management, which reviews, monitors and takes relevant and timely action as and when required. Various management committees have been established to direct, monitor and ensure that business operations are carried out in accordance with the Group's approved long-term and short-term strategies and policies.</p> <p>A structured risk assessment process is in place to guide the Group to identify, analyse, evaluate and treat risks. Identified risks are documented and monitored through the TNB Risk Information System (TRIS), an online real-time tool.</p> <p>For the year under review, the Board had reviewed the adequacy and effectiveness of the Group's risk management and internal control systems through reports and updates from the Chief Risk Officer and Chief Internal Auditor.</p> <p>The Company's Statement on Risk Management and Internal Control are on pages 219 to 226 of the Integrated Annual Report 2024.</p>
<b>Explanation for departure</b>	:	



<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The Board Sustainability and Risk Committee ("BSRC") assists the TNB Board of Directors ("Board") in fulfilling its responsibilities by overseeing the robustness and effective implementation of the Group's sustainability and risk management framework, policy, strategy and initiatives to achieve business objectives and sustainability commitments.</p> <p>The BSRC comprises majority of Independent Directors, as follows:</p> <ul style="list-style-type: none"><li>• Ong Ai Lin, Senior Independent Non-Executive Director (Chairman)</li><li>• Selvendran Katheerayson, Non-Independent Non-Executive Director</li><li>• Muazzam bin Mohamad, Non-Independent Non-Executive Director</li><li>• Gopala Krishnan K.Sundaram, Independent Non-Executive Director</li><li>• Dato' Zulkifli bin Ibrahim, Independent Non-Executive Director.</li></ul> <p>The BSRC is guided by its Terms of Reference as follows:</p> <ul style="list-style-type: none"><li>• Deliberate and recommend the sustainability framework and policy for the Board's approval.</li><li>• Oversee on the implementation of the sustainability framework integration into the Group's culture, processes, and structures.</li><li>• Deliberate on TNB's sustainability roadmap based on Board-approved sustainability strategies &amp; targets and ensuring effective deployment across the Group.</li><li>• Oversee the Group's sustainability key performance indicators against approved strategies and targets.</li><li>• Review and recommend on the Group's sustainability disclosures required by Bursa Malaysia for the Board approval.</li><li>• Advise on TNB's sustainability report disclosures to external stakeholders prior to publication.</li><li>• Deliberate and recommend the risk management framework and policy for the Board's approval.</li></ul>

	<ul style="list-style-type: none"> <li>• Oversee the implementation of the risk management framework integration into the Group's culture, processes, and structures.</li> <li>• Deliberate on the Group's strategic, key operating risks and risk issues through timely and regular reports, ensuring the establishment of appropriate systems for risk management. This includes the authority to initiate special investigations, on behalf of the Board, into significant risk management activities when necessary.</li> <li>• Approve the Group's risk appetite and ensure timely actions are taken when risks exceed acceptable ranges.</li> <li>• Jointly review with the Board Audit Committee and recommend for the Board's approval on the Statement of Risk Management and Internal Control disclosure required by Bursa Malaysia.</li> </ul>
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**Intended Outcome**

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

**Practice 11.1**

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>TNB's Group Internal Audit Department (GIA), is established in-house by the Board to create, protect, and sustain value by providing BAC and management with independent, risk-based, and objective assurance, advice, insight, and foresight.</p> <p>The Chief Internal Audit (CIA), Lizah Abd Wahab, reports functionally to the BAC and administratively to the President/CEO.</p> <p>The BAC approves the Group Internal Audit Charter which outlines the mandate, organizational position, reporting relationships, scope of work, types of services, and other specifications relating to GIA. The Charter is reviewed annually to ensure relevance and GIA continues to meet its objective.</p> <p>The CIA declares GIA's independence status on an annual basis to BAC.</p> <p>The BAC reviews the performance of GIA on a quarterly basis through its achievement reports and approves the achievement of CIA's performance management result.</p> <p>During Financial Year 2024, GIA conducted 73 audits comprising 70 planned audits (thematic and non-thematic), two (2) additional audits, and one (1) investigation audit.</p> <p>Internal audit reports were issued to the Management of which contained audit observations, impact, issues, root causes, recommendations, and corrective actions in areas with significant risks and internal control deficiencies. The audit findings were tabled to the BAC for deliberation.</p> <p>Additionally, TNB's state of internal controls for areas reviewed was also tabled to the BAC for their deliberation. Management will present at the BAC meetings to respond and provide feedback on the progress of business process improvement opportunities identified by GIA.</p> <p>Further information on GIA and duties discharged by the BAC to ensure effectiveness and independence of GIA is available in the Statement of Internal Audit Function and the BAC Report of TNB's Integrated Annual Report 2024.</p>

Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

## Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>GIA's activities are governed by the Conflict of Interest of Policy. In ensuring that audits are carried out independently and objectively, auditors are required to declare their independence status prior to commencement of every audit.</p> <p>Additionally, all GIA staff are required to perform an annual declaration that they are free from any relationships or conflicts of interests, which could impair their objectivity and independence. Any conflicts of interest will be reported to the CIA and escalated to BAC if required. Annually, the CIA declares overall GIA's organisational independence status to the BAC.</p> <p>As of 31 December 2024, GIA had a total of 62 auditors with diverse disciplines namely accounting, finance, business, engineering, quantity surveying, data analytics, and information technology.</p> <p>Also, 31 GIA staff members held various professional certifications, demonstrating their commitment to professional growth and enhancing the organization's expertise, credibility, and overall performance, as follows:</p> <ul style="list-style-type: none"><li>• Certified Internal Auditor (14),</li><li>• Certified Information System Auditor (4),</li><li>• Certification in Risk Management Assurance (4),</li><li>• Certified Fraud Examiner (1),</li><li>• Association of Chartered Certified Accountants (4),</li><li>• Chartered Institute of Management Accountants (1),</li><li>• Chartered Accountants - Malaysia (4),</li><li>• Professional Engineer (3),</li><li>• Professional Technologist (12),</li><li>• CISCO Certified Network Associate (3),</li><li>• Information Technology Infrastructure Library (4), and</li><li>• Certified COBIT 5 (4).</li></ul> <p>GIA is headed by Lizah Abd Wahab. She joined GIA in 2004 and was appointed as the CIA on 1 April 2021. She holds a Bachelor of</p>

	<p>Accounting and Finance degree and a Master of Business Administration. She is a Certified Internal Auditor and holds the Certification of Risk Management Assurance.</p> <p>GIA adopts the Global Internal Audit Standards issued by the Institute of Internal Auditors in performing its activities. Additionally, GIA maintains a quality assurance and improvement program covering its internal audit processes, which is subject to an internal assessment annually and an external assessment by an independent external assessor once in three (3) years.</p> <p>GIA is also guided by the internal audit manual as well as the Internal Control Framework of the Committee of Sponsoring Organisations of the Treadway Commission (COSO) and Control Objectives for Information and Related Technologies (COBIT) in assessing and reporting on the adequacy and effectiveness of the design, implementation and efficiency of the Group's overall system of internal controls, risk management and governance.</p> <p>Further information pertaining to the internal audit function is available in the Statement of Internal Audit Function of TNB's Integrated Annual Report 2024.</p>			
<b>Explanation for departure</b>	:			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

**Intended Outcome**

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

**Practice 12.1**

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible for engagement with stakeholders and ensures that appropriate time is provided to discuss their concerns and that sufficient resources are available for the Group to effectively engage. Internally, divisions across the organisation maintain engagement with key stakeholders, ensuring effective communications channels and mitigation of any concerns. Members of executive management, including Executive Director, provide regular updates to the Board, to ensure awareness and inform discussions. The Board takes these opportunities to assess and challenge management's approach relating to engagement.</p> <p>The Group recognises that effective communication and proactive engagement are essentials to fostering a strong relationship with the investment community. In 2024, with the shifting energy landscape, we continued to share our business growth strategy that underscores our commitment to sustainability, in supporting the nation's sustainability aspirations. We remain focused on critical matters such as strategic developments and financial performance, ensuring a fair and equitable dissemination of both financial and non-financial information.</p> <p>In fostering purposeful and strategic relationship with the investment community, our Investor Relations (IR) team facilitates seamless communication between Senior Management and the investment community, reinforcing transparency and instilling confidence in our business.</p> <p>We leverage on a variety of formal communication channels, namely:</p> <ul style="list-style-type: none"> <li>• Quarterly and Full Year Financial Results Announcements;</li> <li>• Engagement sessions with the investment community through one-to-one/group meetings, investor conferences, and Non-Deal Roadshows;</li> <li>• Annual General Meeting;</li> <li>• Bursa announcements and Press Releases;</li> <li>• Annual Integrated and Sustainability Reports;</li> <li>• TNB corporate website's Investor Relations section;</li> <li>• Site visits to TNB power plants for investors; and</li> <li>• Email updates to the investment community.</li> </ul>



	<p>Active communication is crucial in keeping both existing and potential investors informed about our strategic developments, financial performance, technical achievements, and other key priorities, as detailed in the 'Investment Community Feedback' section as stated in the Integrated Annual Report 2024.</p> <p>The Investor Relations section on TNB corporate website at <a href="http://www.tnb.com.my">www.tnb.com.my</a> offers direct and comprehensive access to our financial data and investor presentations, keeping the investment community informed. Our Investor Relations team can also be reached at <a href="mailto:tenaga_ird@tnb.com.my">tenaga_ird@tnb.com.my</a>.</p> <p>As a key beneficiary of the National Energy Transition Roadmap (NETR), coupled with the growing demand from data centres, the year 2024 has presented significant growth opportunities to TNB. Building on these promising developments, the Investor Relations team actively engaged with the investment community, ensuring they are kept well-informed of TNB's business strategies and its progress across various initiatives.</p> <p>In 2024, we recorded a strong 853 engagements with analysts and investors through a range of Investor Relations activities, including conferences, roadshows, site visits, one-to-one/group meetings, analyst briefings, and other communication platforms.</p> <p>Based on Investor Relations' engagement sessions with the investment community, the primary areas of interest include:</p> <ul style="list-style-type: none"> <li>• Business strategy and performance <ul style="list-style-type: none"> <li>➤ Overall demand growth (including from data centres)</li> <li>➤ Grid readiness to support demand growth and NETR</li> <li>➤ GenCo business and operations</li> </ul> </li> <li>• National Energy Transition Roadmap (NETR) <ul style="list-style-type: none"> <li>➤ Flagship catalyst projects</li> <li>➤ Market Aggregator (ENEGEM) and Third-Party Access (TPA)</li> <li>➤ Tariff Reform</li> </ul> </li> <li>• Regulatory framework <ul style="list-style-type: none"> <li>➤ Incentive Based Regulation Regulatory Period 4 (IBR RP4)</li> <li>➤ Imbalance Cost Pass-Through (ICPT) mechanism</li> </ul> </li> <li>• Energy Transition (ET) Plan initiatives and progress <ul style="list-style-type: none"> <li>➤ Decarbonisation plan</li> <li>➤ Renewable Energy growth opportunities</li> <li>➤ Capital expenditure plan for ET</li> </ul> </li> <li>• Financial Management <ul style="list-style-type: none"> <li>➤ Financial sustainability and return</li> <li>➤ Fuel margin</li> <li>➤ Working capital management initiatives</li> <li>➤ Gearing and financial position</li> </ul> </li> </ul>
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	<p>Further details on TNB's Stakeholders Engagement is on pages 213 to 217 of the Integrated Annual Report 2024.</p> <p>Through meaningful interactions with our stakeholders, we can leverage their insights and address any pressing emerging interests or concerns, keeping us focused on key sustainability matters. Ultimately, this will translate into the strategic management of sustainability in delivering long-term value for our stakeholders.</p> <p>For ease of reference and to better facilitate the stakeholders' understanding of the Company's business and the governance policies, various documents pertaining to the organisation, Board and Top Management, corporate governance, the Constitution, policies, the Board Charter, Terms of Reference and other related corporate information are accessible through the TNB's website at <a href="https://www.tnb.com.my/ethics-governance/board-charter/">https://www.tnb.com.my/ethics-governance/board-charter/</a></p> <p>The Corporate Disclosure Policy, as well as associated guidelines, reinforce TNB's commitment to continuous disclosure and outline Management's accountabilities and the processes to be followed in ensuring compliance.</p> <p>TNB's practice is to release all price-sensitive information to Bursa Malaysia Securities Berhad in a timely manner as required under the MMLR and to the market and community generally through TNB's media releases, website and other appropriate channels.</p> <p>The Company Secretary is responsible for reviewing proposed disclosures and ensuring the disclosure of information to the market complies with the MMLR. Each Division in TNB is required to inform the Company Secretary of any potential price-sensitive information concerning TNB as soon as this becomes known.</p> <p>The contact details of IR are available under Corporate Information on page 156 of the Integrated Annual Report 2024 and through the website: <a href="https://www.tnb.com.my/contact-us/investor-relations/">https://www.tnb.com.my/contact-us/investor-relations/</a> .</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		



### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>TNB adopts integrated reporting, which is aligned to global standards. This is also in line with TNB's Strategic Plan to be world-class electricity utility.</p> <p>The preparation of this Integrated Annual Report was guided by the International Integrated Reporting Council's Framework (IIRF). In addition, this report also complies with and is guided by the following:-</p> <ol style="list-style-type: none"><li>International Integrated Reporting Framework (January 2021) under IFRS Foundation</li><li>Malaysian Code on Corporate Governance by the Securities Commission Malaysia (MCCG)</li><li>Bursa Malaysia's Corporate Governance Guide (4th Edition)</li><li>Companies Act 2016</li><li>Malaysian Financial Reporting Standards (MFRS)</li><li>International Financial Reporting Standards (IFRS)</li><li>International Federations of Accounts for International Standard on Assurance Engagements (ISAE) 3000</li><li>Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR)</li><li>Sustainability Reporting Guide by Bursa Malaysia Global Reporting Initiative (GRI)</li><li>Sustainability Reporting Standards 2021</li><li>FTSE4Good Bursa Malaysia Index's Environmental, Social, and Governance (ESG) Indicators</li><li>Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)</li><li>United Nations Sustainable Development Goals (UN SDGs)</li><li>GHG Emission Assessment: GHG Protocol Corporate Accounting and Reporting Standard, Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories, GHG Protocol, and Clean Development Mechanism (CDM).</li></ol> <p>The TNB Integrated Annual Report provides comprehensive and material assessment of the Group's business operation and performance. This year's Sustainability Statement outlines the TNB sustainability agenda through efforts such as renewable energy and</p>

	<p>other environmental as well as social initiatives to add value to the stakeholders.</p> <p>This includes the performance of TNB's domestic and international operations as well as its long-term strategy towards the Company's aspiration to become a renewables leader in the ASEAN region.</p> <p>TNB's Sustainability Report details the manner in which TNB creates value for our stakeholders, focusing on our environmental, social, economic and governance imperatives.</p>			
<b>Explanation for departure</b>	:			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.1**

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board ensures the shareholders are given sufficient notice and time to consider the resolutions that will be tabled and discussed at the AGM. The AGM Notice includes explanatory notes that contain further information on the proposed resolutions.</p> <p>The AGM for year 2024 was held on 21 May 2024. The Notice of AGM was despatched to the shareholders on 22 April 2024. The requirement for at least 28 days' notice is fulfilled in support of the MCCG. In addition, TNB also distributed Administrative Details together with the Notice of the AGM, that provided information to the shareholders regarding the details of the AGM, their right to appoint a proxy and guidance to attend the virtual AGM via remote participation and voting. The explanatory notes in the Notice of AGM provide detailed explanations on each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights.</p> <p>The 34<sup>th</sup> AGM Notice was also published in The Star and Berita Harian newspapers and made available on the Company's website.</p> <p>Notification Cards were also issued to the shareholders via post on 22 April 2024, same date as the 34<sup>th</sup> AGM Notice issued electronically, 28 days prior to the AGM. The Notification Card contained QR code where the shareholders could scan for the following digital documents of the Company which were also made available at TNB's website at <a href="https://www.tnb.com.my/agm">https://www.tnb.com.my/agm</a></p> <ul style="list-style-type: none"> <li>i. Notice of the Virtual 34<sup>th</sup> AGM</li> <li>ii. Administrative Details of the Virtual 34<sup>th</sup> AGM</li> <li>iii. Integrated Annual Report 2024</li> <li>iv. Proxy Form</li> <li>v. Requisition Form</li> </ul> <p>The additional time given to the shareholders to allow them to make the necessary arrangements to attend and participate in our AGM remotely. It also enables the shareholders to familiarise with the Remote Participation and Electronic Voting provided by our Share Registrar, Boardroom Share Registrars Sdn. Bhd.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All Directors attended the 34<sup>th</sup> AGM, including the Chairmen of respective Board Committees. The Engagement Partner of PricewaterhouseCoopers (PwC) was also in attendance at the AGM to answer shareholders' questions on the conduct of the audit, the preparation and content of the audit report, the accounting policies adopted by the Company and the independence of auditors in the audit process.</p> <p>There were 10 Directors who physically present at the Broadcast Venue in accordance with the SC's Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers, with only one (1) Director attended via remote participation.</p> <p>The Directors who attended the 34<sup>th</sup> AGM are as follows:</p> <ol style="list-style-type: none"> <li>1. Tan Sri Abdul Razak bin Abdul Majid – Chairman</li> <li>2. Datuk Ir. Megat Jalaluddin bin Megat Hassan – President/CEO</li> <li>3. Ramzi bin Mansor</li> <li>4. Selvendran Katheerayson – remote/virtual participation</li> <li>5. Rohaya binti Mohammad Yusof</li> <li>6. Muazzam bin Mohamd</li> <li>7. Ong Ai Lin – Senior Independent Non-Executive Director</li> <li>8. Juniwati Rahmat Hussin</li> <li>9. Gopala Krishnan K.Sundaram</li> <li>10. Dato' Merina binti Abu Tahir</li> <li>11. Dato' Zulkifli bin Ibrahim</li> </ol> <p>The Key Senior Management also attended the AGM to provide the necessary support during the proceedings.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	



<b>Timeframe</b>	:		
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### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate—

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The TNB 34<sup>th</sup> AGM was conducted virtually pursuant to the Guidance and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission dated 7 April 2022 (Revised Guidance Note).</p> <p>TNB had leveraged on technology to facilitate shareholders' participation in the AGM remotely via live streaming and online voting using the Remote Participation and Voting (RPV) facilities managed by our Share Registrar. Shareholders were provided with similar opportunities online as they would have had attending the AGM in person. They were able to view presentation by the President/CEO with the highlights of TNB strategic initiatives to pursue business growth, the IBR RP4 proposal, TNB Energy Transition Plan as well as the recognition and appreciation to the former President/CEO, Warga TNB, customers, shareholders and community.</p> <p>A dedicated link was created in our website within a stipulated timeframe so as to provide the shareholders with all information they needed to attend the meeting, including our virtual AGM online guide on how to use the online facility.</p> <p>Proactive measures were put in place to address any infringement of data privacy and potential cyber threats during the virtual AGM. The Share Registrar has in place due process which ensured only registered shareholders are allowed to attend and participate in the virtual AGM.</p> <p>The said technology:</p> <p>a) Are certified to the ISO/IEC 27001:2013 international standard. This provides a robust, auditable and externally verified framework of controls designed to maintain the confidentiality, integrity and availability of customer information and the personal data Lumi processes on their behalf. Lumi uses strong, industry best-practice encryption techniques to ensure customer data is protected from unauthorised access. All data is encrypted,</p>

	<p>with all keys managed directly by Lumi. There is also audit trail on respective Lumi system.</p> <p>b) All products are developed according to Open Web Application Security Project (OWASP) principles by Lumi's highly skilled and trained in-house developers. Information security and data privacy are of paramount importance throughout all stages of the software development life cycle.</p> <p>c) The application is regularly and extensively penetration tested using independent, accredited third-party experts.</p> <p>d) All cloud-based infrastructure is provided by Amazon Web Services ("AWS"), using the latest industry standards in physical and logical controls. Strong controls to protect from Distributed Denial of Service (DDoS) are in place such as AWS Shield, throttling connection attempts, IP blacklisting etc.</p> <p>e) Boardroom's client data is never used for quality assurance purposes and is not retained beyond the purpose of processing Client's proxy forms for the conduct of the AGM.</p> <p>f) All client data is segregated in a multi-tenancy environment. For sovereignty of data, Lumi provides a geographic selection of data centres (Canada, USA, EU, Japan, Singapore and Australia).</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>At the commencement of the 34<sup>th</sup> AGM, the Chairman had briefed the shareholders and proxies present virtually at the AGM of their right to ask questions and vote on the resolutions set out in the Notice of the 34<sup>th</sup> AGM dated 22 April 2024. A total of 1,991 shareholders and proxies representing 3,375,758,718 ordinary shares, registered and participated remotely via live streaming and online voting via the Boardroom Lumi AGM system.</p> <p>Shareholders may post questions during the 34<sup>th</sup> AGM live streaming at <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a>. Shareholders may also submit questions in advance on the resolutions tabled at the 34<sup>th</sup> AGM and Integrated Annual Report 2023 via Boardroom Investor Portal (BSIP) at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a></p> <p>Both the Chairman and President/CEO in their welcoming address and presentation to shareholders with highlights of TNB strategic initiatives to pursue business growth, the IBR RP4 proposal, TNB Energy Transition Plan as well as the heartfelt recognition to the former President/CEO, Warga TNB, customers, shareholders and community. A copy of the presentation is also made available at the TNB's website: <a href="https://www.tnb.com.my/suppliers-investors-media-relations/aggm-minutes-appendixes/">https://www.tnb.com.my/suppliers-investors-media-relations/aggm-minutes-appendixes/</a></p> <p>Questions to the Board were keyed-in directly via the system and responses to relevant questions were provided live or via email after the AGM. All pertinent questions submitted during the meeting were answered by the Chairman/President/CEO, Chief Financial Officer and the Company Secretary at the meeting. In addition, the replies to the MSWG's questions were included in the presentation.</p> <p>To ensure effective communication with the shareholders at the AGM, questions posted by shareholders were displayed on the screen for the</p>

	<p>meeting participants' reference whilst President/CEO, Chief Financial Officer or the Company Secretary provided answers to the questions.</p> <p>The questions posted by the shareholders covered areas amongst others on financials, business prospects, operations and ESG. All responses were available in the Minutes of the 34<sup>th</sup> AGM on TNB's website. Before ending the Q&amp;A session, the Chairman had informed that the questions which had yet to be addressed during the Meeting, would be responded via email to the respective shareholders at the earliest possible time. Shareholders may also pose further questions regarding the AGM by sending their questions and feedback to <a href="mailto:tenaga_ird@tnb.com.my">tenaga_ird@tnb.com.my</a></p>	
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>TNB 34<sup>th</sup> AGM was held virtually at the Broadcast Venue via remote participation and voting (RPV) located at Pusat Konvensyen Leo Moggie, TNB Platinum, No. 3 Jalan Bukit Pantai, Bangsar, 59100 Kuala Lumpur which enabled the Company to ensure the required infrastructure and tools are in place for a smooth broadcast throughout the AGM proceedings. The Company has put in place adequate bandwidth for the broadcasting of the proceedings including back-up for any unforeseen circumstances.</p> <p>TNB has also leveraged on technology to facilitate shareholders' participation in the AGM remotely through live streaming and online voting via the Boardroom Lumi AGM. Shareholders/proxies were able to view the live streaming of the AGM proceedings, post questions and submit their votes in real-time whilst the meeting was in progress.</p> <p>All pertinent questions posted by shareholders and answered live were displayed on the broadcast screen and made visible to all participants during the meeting. Shareholders were provided ample time to pose their question to ensure meaningful engagement with the Board and Management.</p> <p>To encourage shareholder participation, the Administrative Notes for the 34<sup>th</sup> AGM had provided guidance on the process for submitting questions to the Board of Directors prior to and during the AGM. Questions posed by shareholders, including those submitted by the MSWG, were made visible to all meeting participants during the live stream of the meeting.</p> <p>Remote voting was conducted using the Remote Participation and Voting (RPV) facilities managed by our Share Registrar, Boardroom Share Registrars Sdn. Bhd. A presentation on the steps to cast the vote was shown during the meeting, in addition to the guidance in the</p>

	<p>Administrative Notes which was circulated prior to the meeting. Shareholders were allowed to submit their votes from the commencement of the meeting at 10.00 a.m. until the Chairman declared the closure of the voting session at 12.00 noon.</p> <p>The poll voting results were verified and confirmed by Boardroom Corporate Services Sdn. Bhd. as scrutineers. Upon conclusion, the results were displayed and shared live to all meeting participants, thereafter the Chairman declared that all resolutions were carried.</p>			
<b>Explanation for departure</b>	:			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The minutes of the 34 <sup>th</sup> AGM held on 21 May 2024 detailing the meeting proceedings including the list of questions and answers provided during the AGM, was made available on TNB’s website at <a href="http://www.tnb.com.my">www.tnb.com.my</a> on 5 July 2024 no later than 30 business days after the AGM.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT  
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

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