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KUALA LUMPUR: The 35 per cent surge in Tenaga Nasional Bhd's (TNB) brand value to US\$2.3 billion (US\$1 = RM4.22) in the recent Energy 100 2025 report for Brand Finance underscores strong market conviction in its financial resilience and operational efficiency.

In the report released recently, TNB also retained its position as the second strongest utilities brand in world, achieving an AAA brand strength rating with a Brand Strength Index (BSI) score of 88.9/100.

TNB being ranked as number one Southeast Asia's utility firm by the world's leading brand valuation consultancy is also a clear endorsement of Malaysia's credibility in energy transition towards sustainability.

UOB Kay Hian Wealth Advisors Sdn Bhd head of investment research Mohd Sedek Jantan said the confidence has been reinforced by RM1.5 billion in dividends distributed in the first half of 2025, directly benefitting Malaysia's largest institutional investors, namely, the Employees Provident Fund (EPF), Khazanah Nasional Bhd, Permodalan Nasional Bhd (PNB) and Retirement Fund Incorporated (KWAP).

This further demonstrates TNB's significance as both a commercial leader and a systemic anchor within the national economy.

Strategically, TNB's "Future

Back" approach aligns its vision with long-term global energy shifts towards decarbonisation, electrification and digitalisation.

"This alignment has created an advantage flywheel: operational excellence strengthens stakeholder trust, which in turn amplifies competitive positioning and brand equity, thereby attracting capital and reinforcing financial resilience," he told Bernama when asked to comment on TNB's high regional ranking.

Mohd Sedek said the exceptionally high BSI of 88.9/100 reflects this dynamic in practice: sustained reliability for 10.5 million customers, combined with targeted marketing and reputational investments, has elevated TNB's stature well beyond traditional utility benchmarks.

He said with a commanding 51 per cent market share in Peninsular Malaysia, brand value becomes not simply a reputational asset but a strategic instrument in mobilising investment and supporting Malaysia's policy priorities.

"In my assessment, this milestone cements TNB as the linchpin of Malaysia's energy transition," said Sedek.

In the report, Brand Finance's managing director Asia Pacific Alex Haigh said the strong performance by TNB and a few other Asean companies reflect how energy brands in the region are not

only competing globally but also leading the way in integrating sustainability into their brand strategies.

"It's encouraging to see that investments in green innovation and stakeholder trust are now translating into tangible brand value and strength.

These brands are proof that a clear commitment to the energy transition is both a strategic and reputational advantage," he said.

On the AAA brand rating, Mohd Sedek said: "I would like to relate TNB's strategy to its 'Innovation-to-Impact' model, which highlights the company's ability to convert research and development into tangible brand value and enterprise outcomes." This model moves beyond traditional research and development by ensuring that innovation is not confined to laboratories or pilot projects, but is systematically embedded into operations, customer engagement, and sustainability initiatives.

"By deploying smart grids, scaling renewable energy capacity, and investing in digital solutions, TNB has demonstrated how innovation can directly translate into measurable brand equity, operational efficiency, and stakeholder trust," Mohd Sedek said.

This Innovation-to-Impact approach positions Malaysia at the forefront of the Asean energy sector, showcasing

how national champions can align innovation with environmental, sustainability and governance (ESG) priorities and long-term policy objectives.

Mohd Sedek also said TNB's global recognition provides a strategic lever to elevate both its corporate reputation and Malaysia's standing as a credible partner in energy transition.

This reinforces confidence among international stakeholders who increasingly allocate capital based on ESG credentials, thereby strengthening Malaysia's visibility as a low-risk, high-growth destination for foreign direct investment.

"Equally important, the milestone cements TNB's role in shaping ASEAN's clean energy architecture.

With rising electricity demand from energy-intensive sectors such as data centres, and underpinned by RM5.2 billion in reliability investments, TNB is well placed to promote Malaysia as both investment-grade and systemically reliable," Mohd Sedek said.

Leveraging digital platforms and strategic brand amplification, TNB can use its market leadership to attract long-term partnerships, deepen capital flows into Malaysia's clean energy sector, and reinforce the country's credentials as a regional leader in sustainable growth, he added. — Bernama