



PRESS RELEASE

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TNB ESTABLISHES TRANSITION FINANCE FRAMEWORK, THE FIRST BY AN ELECTRICITY UTILITY PLAYER IN ASEAN

- Supported by Maybank Investment Bank as the Sustainability Framework Adviser

Tenaga Nasional Berhad (TNB) marks a significant milestone in its energy transition journey by establishing its inaugural Transition Finance Framework, making it the first electricity utility player in ASEAN to do so.

Maybank Investment Bank Berhad acted as Sustainability Framework Adviser for the development of the Framework, which has obtained a Second-Party Opinion by Morningstar Sustainalytics.

The Framework is a set of guidelines to reinforce the link between TNB's financing and energy transition strategy by outlining criteria for existing or new projects that contribute to this transition in adherence with relevant market best practices, including the ASEAN Taxonomy for Sustainable Finance Version 2 and the ASEAN Transition Finance Guidance.

Under this Transition Finance Framework, TNB will be able to issue labelled green, social and/or sustainability debt instruments, including Sustainable and Responsible Investment ("SRI") Sukuk, as well as transition-labelled debt instruments to fund projects which will deliver positive societal and environmental impacts.

TNB President/Chief Executive Officer, Datuk Ir. Megat Jalaluddin Megat Hassan said, "TNB is delighted to be the first electricity utility player in ASEAN to establish a Transition Finance Framework. We are proud of the engagement with Maybank in developing TNB's Transition Finance Framework which will drive forward our energy transition initiatives and accelerate the country's energy transition programme.

"This Framework serves as a guide for our investments in emission-reduction activities and is a proactive measure in our energy transition journey. Guided by our Reimagining TNB strategy and Energy Transition Plan, this milestone further underscores our commitment to transition towards a more sustainable and resilient energy future in alignment with the objectives of Malaysia's National Energy Transition Roadmap ("NETR")."

Maybank President & Group Chief Executive Officer, Dato' Khairussaleh Ramli said, "Maybank is honoured to support TNB in its transition journey and we congratulate TNB for this first of its kind milestone in ASEAN. With its Transition Finance Framework in place, TNB can unlock the full potential of its investments into low-carbon transition activities whilst setting an example for other carbon-intensive sector players. In line with Maybank's M25+ strategic thrust of being a regional sustainability leader, we will continue to play an active role in supporting corporations across ASEAN to decarbonise and transition towards net zero."

The Framework has been developed in alignment with the relevant international, regional, and local sustainable finance guidelines, principles, standards and frameworks. These include the International Capital Markets Association ("ICMA")'s Green, Social Bond Principles, Sustainability Bond Guidelines, Guidance on Green, Social and Sustainability Sukuk, and Climate Transition Finance Handbook.

It also aligns with the ASEAN Capital Markets Forum's Green, Social and Sustainability Bond Standards, Securities Commission Malaysia's SRI Sukuk Framework, as well as the Green and Social Loan Principles of the Loan Market Association, the Asia Pacific Loan Market Association, and the Loan Syndications and Trading Association.

Morningstar Sustainalytics, a globally recognised leader in ESG risk, ratings and data for investors, is of the opinion that TNB's Transition Finance Framework is credible and impactful and aligns with Sustainability Bond Guidelines 2021 along with the four core components of the Green Bond Principles 2021, Social Bond Principles 2023, Green Loan Principles 2023 and Social Loan Principles 2023. Sustainalytics also opined that the Framework aligns with the ASEAN Sustainability Bond Standards 2018, the ASEAN Green Bond Standards 2018 and the ASEAN Social Bond Standards 2018.

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About Tenaga Nasional Berhad

Tenaga Nasional Berhad (www.tnb.com.my) is a leading Malaysian utility company in Asia with an international presence in the United Kingdom (UK), Ireland, Australia, Turkiye, Saudi Arabia, Kuwait, Pakistan, and Cambodia. Within the renewable energy space, as of December 2023, TNB has a total gross portfolio of 3,119MW in Peninsular Malaysia (including 2,536.1MW of large hydro) and 1,183MW across the UK, Ireland, Australia, and Turkiye comprising mainly solar, wind, and hydro energy generation assets. In addition to being the nation's primary electricity generation enterprise, TNB also transmits and distributes all the electricity in Peninsular Malaysia, Sabah, and the Federal Territory of Labuan. As of 30 June 2024, TNB supplies electricity to approximately 11 million customers.

About Maybank Investment Bank Berhad

Maybank Investment Bank Berhad is part of the Maybank Investment Banking Group, the investment banking arm of Maybank. As Malaysia's leading investment bank, Maybank Investment Bank has been supporting clients for more than 50 years through our twin pillars of Investment Management and Investment Banking & Advisory. Our suite of financial solutions includes debt advisory and arrangement via bonds/sukuk, project financing, leveraged financing and loan syndication, corporate finance, equity capital markets, merger and acquisition advisory, sector advisory, equity derivatives, retail and institutional securities broking and research.



TNB President/Chief Executive Officer, Datuk Ir. Megat Jalaluddin Megat Hassan