



## NOTICE OF THE 25<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth Annual General Meeting ("25<sup>th</sup> AGM") of Tenaga Nasional Berhad ("TNB" or "the Company") will be held on Monday, 14 December 2015, at 10.00 a.m. at Dewan Serbaguna, Kompleks Sukan TNB, Jalan Pantai Baru, 59200 Kuala Lumpur to transact the following businesses:**

### AGENDA

#### AS ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the Financial Year ended 31 August 2015 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note (f) of the Explanatory Notes on Ordinary Businesses)**
- To approve the declaration of a final single-tier dividend of 19.0 sen per ordinary share for the Financial Year ended 31 August 2015. **Ordinary Resolution 1**
- To approve the payment of Directors' fees of RM2,278,571.42 for the Financial Year ended 31 August 2015. **Ordinary Resolution 2**
- To re-elect Tan Sri Dato' Seri Chor Chee Heung who was appointed to the Board during the year and retires in accordance with Article 133 of the Company's Articles of Association. **Ordinary Resolution 3**
- To re-elect the following Directors who retire by rotation in accordance with Article 135 of the Company's Articles of Association:  
(i) Datuk Seri Ir. Azman bin Mohd;  
(ii) Datuk Nozilah binti Bahari. **Ordinary Resolution 4**  
**Ordinary Resolution 5**
- To consider and if thought fit, to pass the following Resolutions:  
(i) "THAT Tan Sri Leo Moggie who retires in accordance with Section 129(6) of the Companies Act, 1965 ("Act") be and is hereby re-appointed as Company Director to hold office until the conclusion of the next Annual General Meeting ("AGM")."  
(ii) "THAT Tan Sri Dato' Seri Siti Norma binti Yaakob who retires in accordance with Section 129(6) of the Act be and is hereby re-appointed as Company Director to hold office until the conclusion of the next AGM."  
**Ordinary Resolution 6**  
**Ordinary Resolution 7**
- To re-appoint Messrs PricewaterhouseCoopers, having consented to act, as Auditors of the Company, to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **Ordinary Resolution 8**

#### AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolutions:

- Specific authority for the Directors to issue shares pursuant to the Long Term Incentive Plan for the Eligible Employees of TNB and its Subsidiaries and Executive Directors of TNB ("LTIP").  
"THAT pursuant to the LTIP as approved at the Extraordinary General Meeting ("EGM") of the Company held on 18 December 2014, approval be and is hereby given to the Directors to allot and issue from time to time such number of new ordinary shares of RM1.00 each in TNB ("TNB Shares") as may be required to be issued to the Selected Employees who have accepted the grant ("Grants") pursuant to the vesting of the Grants under the LTIP, provided always that the total number of new TNB Shares to be allotted and issued shall not in aggregate exceed 10% of the issued and paid-up ordinary share capital of TNB (excluding treasury shares) at any point in time during the duration of the LTIP and that such new TNB Shares shall, upon allotment and issuance, rank equally in all respects with the then existing issued TNB Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions, for which the entitlement date is prior to the date on which the new TNB Shares are credited into the central depository system accounts of the respective Selected Employees who have accepted the Grants, upon vesting of their Grants under the LTIP."  
**Ordinary Resolution 9**
- Proposed Grant and Allotment of Shares to Datuk Seri Ir. Azman bin Mohd.  
"THAT the Board be and is hereby authorised at any time and from time to time, to cause or procure the offering and the allocation to Datuk Seri Ir. Azman bin Mohd, the President/Chief Executive Officer of the Company, of up to 3,900,000 TNB Shares under the LTIP as they shall deem fit, which will be vested to him at a future date, subject always to such terms and conditions of the By-Laws of the LTIP."  
"AND THAT the Board be and is hereby authorised to allot and issue new TNB Shares pursuant to the LTIP to him from time to time pursuant to the vesting of his Grant."  
**Ordinary Resolution 10**
- Proposed Continuation in Office as Independent Non-Executive Director in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012:  
"THAT Dato' Zainal Abidin bin Puthi who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby authorised to continue to act as an Independent Non-Executive Director of the Company to hold office for the next three (3) years until the conclusion of the AGM 2018."  
**Ordinary Resolution 11**
- Proposed renewal of authority for the purchase by the Company of its own shares:  
"THAT subject to compliance with the Act, the Company's Memorandum and Articles of Association, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and all other applicable laws, guidelines, rules and regulations for the time being in force or as may be amended from time to time, and the approvals from all relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM1.00 each in the Company's issued and paid-up share capital through Bursa Malaysia Securities Berhad ("BMSB") upon such terms and conditions as the Directors of the Company ("Board") may deem fit and expedient in the interest of the Company provided that:  
(i) the aggregate number of shares purchased pursuant to this resolution shall not exceed 10% of the total issued and paid-up share capital of the Company ("Proposed Share Buy-Back");  
(ii) the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the Company's aggregate retained profits and/or share premium account at the time of purchase be allocated by the Company for the Proposed Share Buy-Back;  
(iii) the authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until:  
(a) the conclusion of the next AGM of the Company at which time the authority shall lapse unless by an ordinary resolution passed by the shareholders of the Company in a general meeting, the authority is renewed either unconditionally or subject to conditions;  
(b) the expiry of the period within which the next AGM of the Company is required by law to be held;  
(c) the authority is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting, whichever is earlier."  
"AND THAT authority be and is hereby given to the Board to decide in its discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares or to cancel them or a combination of both and/or to resell them on BMSB and/or to distribute them as share dividends."  
"AND THAT the Board be and is hereby authorised to take such steps to give full effect to the Proposed Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company."  
**Ordinary Resolution 12**
- To transact any other business of which due notice shall have been given in accordance with the Act.

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend this 25<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. ("Bursa Depository") in accordance with Article 87(B)(1) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("SICDA") to issue a General Meeting Record of Depositors ("ROD") as at 7 December 2015. Only a depositor whose name appears on the ROD as at 7 December 2015 shall be entitled to attend the said Meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.

#### NOTICE ON ENTITLEMENT AND PAYMENT OF FINAL DIVIDEND

**NOTICE IS ALSO HEREBY GIVEN THAT** subject to the approval of members at the 25<sup>th</sup> AGM to be held on 14 December 2015, a final single-tier dividend of 19.0 sen per ordinary share for the Financial Year ended 31 August 2015 will be paid on 31 December 2015 to Depositors whose names appear in the ROD on 17 December 2015.

**FURTHER NOTICE IS HEREBY GIVEN THAT** a Depositor shall qualify for entitlement to the dividend only in respect of:

- shares transferred into the Depositor's securities account before 4.00 p.m. on 17 December 2015 in respect of ordinary transfers; and
- shares bought on BMSB on a cum entitlement basis according to the Rules of the BMSB.

#### BY ORDER OF THE BOARD

**NORAZNI BINTI MOHD ISA**

(LS 0009635)

Company Secretary

Kuala Lumpur  
20 November 2015

#### EXPLANATORY NOTES ON ORDINARY BUSINESSES:

- Agenda No. 1** is meant for discussion only as the provision of Section 169(1) of the Act does not require shareholders' approval for the Audited Financial Statements. As such, it is not put forward for voting.
- Ordinary Resolution 3 - Proposed Re-election of Director**  
The Board and Board Nomination and Remuneration Committee ("BNRC") have conducted an assessment on the independence of all Independent Directors including Tan Sri Dato' Seri Chor Chee Heung and are satisfied that he has complied with the independence criteria as required by the MMLR and continues to bring independent and objective judgment to the Board deliberations.
- Ordinary Resolution 7 - Proposed Re-appointment of Director in accordance with Section 129(6) of the Act**  
The Board and BNRC have conducted an assessment on the independence of all Independent Directors including Tan Sri Dato' Seri Siti Norma binti Yaakob and are satisfied that she has complied with the independence criteria as required by the MMLR and with the skills, competency, contribution and independent judgment that she brings to the Board. She demonstrated that she is independent of management and free from any business or other relationship of which could interfere with the exercise or the ability to act in the best interest of the Company.  
The Board and BNRC have also considered the evaluation of Tan Sri Dato' Seri Siti Norma binti Yaakob and Tan Sri Dato' Seri Chor Chee Heung and agree that they have met the Board's expectation in terms of experience, expertise, integrity, competency and time commitment by continuously performing their duties diligently as Directors of the Company.

#### EXPLANATORY NOTES ON SPECIAL BUSINESSES:

- Ordinary Resolution 9 - Specific Authority for the Directors to Issue Shares pursuant to the LTIP**  
The proposed Ordinary Resolution, if passed, is to empower the Directors to issue shares in the Company at any time and in accordance with the terms and conditions of the LTIP, which was approved at the EGM of the Company held on 18 December 2014.
- Ordinary Resolution 10 - Proposed Grant and Allotment of Shares to Datuk Seri Ir. Azman bin Mohd**  
The proposed Ordinary Resolution, if passed, is to empower the Directors at any time and from time to time to cause or procure the offering and the allocation to Datuk Seri Ir. Azman bin Mohd, the President/Chief Executive Officer of the Company, of up to 3,900,000 TNB Shares as they shall deem fit, which will be vested to him at a future date, subject always to such terms and conditions of the By-Laws of the LTIP, which was approved at the EGM of the Company held on 18 December 2014.
- Ordinary Resolution 11 - Proposed Continuation in Office as Independent Non-Executive Director in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012**  
For the Financial Year ended 31 August 2015, the Board and the BNRC have assessed the independence of Dato' Zainal Abidin bin Puthi, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommend for Dato' Zainal Abidin bin Puthi to continue to act as Independent Non-Executive Director of the Company to hold office for the next three (3) years until the conclusion of the AGM 2018 based on the following justifications:  
(a) the criteria of the definition of an Independent Director as stated in the MMLR has been fulfilled;  
(b) his vast experience and expertise enables the Board to discharge its duties effectively and in a competent manner;  
(c) he has exercised due care diligence during his tenure in the best interest of the Company by providing independent view to the deliberations and decision makings of the Board and the respective Board Committees of which he is involved in;  
(d) he understands the Company's business operations and the electricity industry that allows him to participate actively during the deliberations/discussions of the Board and respective Board Committees meetings;  
(e) he has proven to be a reliable Independent Director with his professionalism aptitude and outlook of business perspective, devoted sufficient time and attention to his professional obligations for informed and balance decision making.
- Ordinary Resolution 12 - Proposed Renewal of Share Buy-Back Authority**  
The proposed Ordinary Resolution, if passed, is to empower the Directors to purchase the Company's shares of up to 10% of the issued and paid-up share capital of the Company by utilising the funds allocated out of the retained profits and the share premium account of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

Information on the Proposed Renewal of Share Buy-Back Authority is set out in the Statement to Shareholders dated 20 November 2015 dispatched together with the 2015 Annual Report.

#### Additional Information on Ordinary Resolutions 3 to 7 and 11

Additional Information on the particulars of the retiring Directors, as required under Appendix 8A of the MMLR is detailed out in the Statement Accompanying Notice of 25<sup>th</sup> AGM in the Annual Report.

#### NOTES:

- Only members registered in the ROD as at 7 December 2015 shall be eligible to attend the AGM or appoint proxy to attend and vote on their behalf.
- A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
- A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the Meeting provided that, where a member is an authorised nominee as defined in accordance with the provisions of the SICDA, it may appoint up to two (2) proxies in respect of each Securities Account it holds with ordinary shares in the Company standing to the credit of the said Securities Account.
- Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
- The instrument appointing a proxy/Proxy Form shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney. Where the instrument appointing a proxy/Proxy Form is executed by a corporation, it shall be executed either under its common seal or under the hand of any officer or attorney duly appointed under a power of attorney.
- A corporation which is a member may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting in accordance with Article 107(6) of the Company's Articles of Association.
- Duly completed Proxy Form must be deposited at Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJJ 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for the Meeting or **no later than 12 December 2015 at 10.00 a.m.**
- Every question submitted to any general meeting shall be decided in the first instance by a show of hands by members present and being entitled to vote at the general meeting and in the case of an equality of votes the Chairman (unless he is not the Chairman of the Board of Directors) shall, both on a show of hands by members present and being entitled to vote at the general meeting and at a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member.
- At any general meeting unless a poll is demanded by the Chairman or by at least five (5) members present in person or proxy and being entitled to vote at the general meeting or attorney or by any member or members holding or representing by proxy or power of attorney not less than one-tenth (1/10) of the issued share capital of the Company and entitled to vote in respect thereof, a declaration by the Chairman that a resolution has been carried or carried unanimously or carried by a particular majority or lost, or not carried by a particular majority or lost and an entry to that effect in the minutes of the proceedings of the Meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes given for or against such resolution.
- The demand for a poll may be withdrawn. Unless a poll be so demanded, it shall be taken in such manner and at such time and place as the Chairman of the Meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.
- A poll demanded on the election of a Chairman of a meeting and a poll demanded on a question of adjournment shall be taken at the Meeting without adjournment. In the case of any dispute as to the admission or rejection of a vote the Chairman shall determine the same and such determination made in good faith shall be final and conclusive.
- The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the business on which a poll has been demanded.

#### Registration of Members/Proxies

Registration of members/proxies attending the Meeting will be from 7.00 a.m. on the day of the Meeting. Members/proxies are required to produce identification documents for registration.