



## NOTICE OF THE 28<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Eighth Annual General Meeting ("28<sup>th</sup> AGM") of Tenaga Nasional Berhad ("TNB" or "the Company") will be held on **Tuesday, 15 May 2018 at 10.00 a.m.** at Tun Hussein Onn Hall, Level 2, Putra World Trade Centre, 41 Jalan Tun Ismail, 50480 Kuala Lumpur, Malaysia to transact the following businesses:

### AGENDA

#### AS ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the Financial Period ended 31 December 2017 together with the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors who retire by rotation in accordance with Clause 64(1) of the Company's Constitution and being eligible offer themselves for re-election:
  - Dato' Abd Manaf bin Hashim
  - Datuk Sakthivel Alagappan
  - Gee Siew Yoong
  - Noraini binti Che Dan
- To approve the payment of Non-Executive Directors' fees of RM911,612.90 for the Financial Period ended 31 December 2017.
- To approve the payment of benefits to the Non-Executive Directors (excluding Non-Executive Directors' fees) amounting to RM2,272,600.00 from the 28<sup>th</sup> AGM until the next Annual General Meeting ("AGM") of the Company.
- To re-appoint Messrs PricewaterhouseCoopers PLT, 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.

(Please refer to Note (i) of the Explanatory Notes on Ordinary Businesses)

**Ordinary Resolution 1**

**Ordinary Resolution 2**

**Ordinary Resolution 3**

**Ordinary Resolution 4**

**Ordinary Resolution 5**

**Ordinary Resolution 6**

**Ordinary Resolution 7**

- the shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with by the Directors in the following manner:
  - the shares so purchased may be cancelled; and/or
  - the shares so purchased may be retained as treasury shares; and/or
  - part of the shares so purchased may be retained as treasury shares with the remainder being cancelled;
  - where such shares are held as treasury shares, the Board may distribute the shares as dividends, resell on the market of BMSB, transfer the shares under the employees' share scheme or as purchase consideration or otherwise use the shares for such other purposes as the Minister may by order prescribe.
- the authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until:
  - 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;
  - the expiry of the period within which the next AGM of the Company is required by law to be held;
  - 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 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 8**

- 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 28<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. ("Bursa Depository") in accordance with Clause 45(2) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("SICDA") to issue a General Meeting Record of Depositors ("ROD") as at 8 May 2018. Only a depositor whose name appears on the ROD as at 8 May 2018 shall be entitled to attend the said Meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.

#### BY ORDER OF THE BOARD

**NORAZNI BINTI MOHD ISA**

(LS 0009635)  
Company Secretary

Kuala Lumpur  
17 April 2018

#### AS SPECIAL BUSINESS:

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

- Proposed renewal of authority for the Company to purchase its own shares:
 

"THAT subject to compliance with the Companies Act 2016 ("Act"), the Company's Constitution, 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 in the Company's issued share capital through Bursa Malaysia Securities Berhad ("BMSB") upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided that:

  - the aggregate number of shares purchased pursuant to this resolution shall not exceed 10% of the total issued share capital of the Company ("Proposed Share Buy-Back");
  - 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 at the time of purchase be allocated by the Company for the Proposed Share Buy-Back;

#### EXPLANATORY NOTES ON ORDINARY BUSINESSES:

- Agenda No. 1** is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require shareholders' approval for the Audited Financial Statements. As such, it is not put forward for voting.
- Ordinary Resolutions 1-4 – Proposed Re-election of Directors in accordance with Clause 64(1) of the Company's Constitution**  
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.  
Dato' Abd Manaf bin Hashim, Datuk Sakthivel Alagappan, Gee Siew Yoong and Noraini binti Che Dan being eligible, have offered themselves for re-election at the 28<sup>th</sup> AGM.  
The Board and Board Nomination and Remuneration Committee ("BNRC") have conducted an assessment on the independence of all Independent Directors including Dato' Abd Manaf bin Hashim, Datuk Sakthivel Alagappan, Gee Siew Yoong and Noraini binti Che Dan and are satisfied that they have complied with the independence criteria as required by the MMLR and continue to bring independent and objective judgment to the Board deliberations.  
The Board and BNRC have also considered the Board evaluation including the Self and Peer Assessment results of Dato' Abd Manaf bin Hashim, Datuk Sakthivel Alagappan, Gee Siew Yoong and Noraini binti Che Dan and agreed that they have met the Board's expectation in terms of experience, expertise, integrity, competency, commitment and individual contribution by continuously performing their duties diligently as Directors of the Company.  
The Board/BNRC recommend the re-election of each Director who is retiring at the 28<sup>th</sup> AGM.
- Non-Executive Directors' Remuneration**  
Section 230(1) of the Act stipulates among others that the fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. As agreed by the Board, the shareholders' approval shall be sought at the 28<sup>th</sup> AGM on the Non-Executive Directors' remuneration through two (2) separate resolutions as follows:  
**Ordinary Resolution 5** on payment of Non-Executive Directors' fees in respect of the Financial Period ended 31 December 2017; and  
**Ordinary Resolution 6** on the payment of benefits (excluding Non-Executive Directors' fees) to the Non-Executive Directors amounting to RM2,272,600.00 from the 28<sup>th</sup> AGM until the next AGM of the Company.  
The existing remuneration policy of Non-Executive Directors, last reviewed in 2013 is as follows:

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

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

In determining the estimated total amount of benefits payable, the Board has considered various factors including the number of scheduled and special meetings for the Board and Board Committees.

Payment of Non-Executive Directors' benefits will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred, provided that the proposed Ordinary Resolution 6 be passed at the 28<sup>th</sup> AGM. The Board is of the view that it is fair and justifiable for the payment of benefits to the Non-Executive Directors be made as and when incurred, after the Non-Executive Directors have discharged their responsibilities and rendered their services to the Company.

#### (iv) Ordinary Resolution 7 – Re-appointment of Auditors

Based on the External Auditors Assessment Result for the Financial Period under review, the Board and Board Audit Committee are satisfied with the quality of service, adequacy of resources provided, communication, independence, objectivity and professionalism demonstrated by the External Auditors in carrying out their functions. Being satisfied with the External Auditors' performance, the Board recommends their re-appointment for shareholders' approval at the forthcoming AGM.

#### EXPLANATORY NOTES ON SPECIAL BUSINESS:

##### Ordinary Resolution 8 – 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 share capital of the Company by utilising the funds allocated out of the Company's retained profits. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

The details of the Proposed Renewal of Share Buy-Back Authority is set out in the Statement to Shareholders dated 17 April 2018 dispatched together with the Integrated Annual Report.

##### Additional Information on Ordinary Resolutions 1 to 4

Additional Information on the particulars of the retiring Directors, as required under Appendix 8A of the MMLR is in the Statement Accompanying Notice of 28<sup>th</sup> AGM of the Integrated Annual Report.

#### NOTES:

- A member of a Company shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote at a meeting of members of the Company, in accordance with Section 334(1) of the Act.
- 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.
- A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf. Where a member appoints two (2) proxies, the appointments 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 Clause 51 of the Company's Constitution.
- Duly completed Proxy Form must be deposited at Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than twenty-four (24) hours before the time appointed for the taking of the poll or **no later than 14 May 2018 at 12.00 p.m.**
- Pursuant to Paragraph 8.29A of the MMLR, voting at the 28<sup>th</sup> AGM of the Company will be conducted by poll. Poll Administrator and Independent Scrutineers will be appointed respectively to conduct the polling/e-voting process and to verify the results of the poll.

#### Registration of Members/Proxies

Registration of members/proxies attending the Meeting will start from 7.00 a.m. on the day of the Meeting and shall remain open until such time as may be determined by the Chairman of the Meeting. At the closure thereof, no person will be allowed to register for the Meeting nor enter the Meeting venue. Members/proxies are required to produce identification documents for registration.