

# **TNB Power Generation Sdn Bhd (TPGSB) Sustainability Sukuk Wakalah**

## **2026 Annual Sustainability Reporting**



# TPGSB'S RM10 BILLION SUKUK WAKALAH PROGRAMME

On 5 April 2022, the Company established a RM10.0 billion Islamic Medium-Term Note Sukuk Wakalah.

The Sukuk Wakalah Programme has been validated by a reputable rating agency and received multiple awards from various agencies of which portrays clear sign of TNB Power Generation Sdn. Bhd. (TPGSB) credibility as issuer.

## SUSTAINABILITY SUKUK WAKALAH

Following the latest issuance on **10 March 2026**, the Company's Sustainability Sukuk Wakalah issuances under the **RM10.0 billion Sukuk Wakalah Programme** now stand at **RM5.0 billion**, as summarised below:



As of 31 May 2026, the Sustainability Sukuk proceeds have been allocated to **Nenggiri Hydroelectric Power Plant Project ("Project Nenggiri")** and **Life Extension Program of Sungai Perak Hydroelectric Scheme Project ("Project HLEP")**, with remaining proceeds to be utilized for other eligible **Renewable Energy projects** as defined in the Sustainability Sukuk Framework.

TPGSB is committed in managing its corporate sustainability and relevant reporting commitments relating to the Eligible Projects as required under the Sustainability Guidelines. To enable investors to follow the development progress and monitoring of the environmental compliance/social impact, TPGSB has published a Sustainability Sukuk Report, which is publicly available and continue to be updated annually for so long as the Sustainability Sukuk remains outstanding.

The reporting is split into two parts:

## 01 ALLOCATION REPORTING

- The amount of proceeds allocated to the Eligible Projects including broad description of the Eligible Project and amount allocated to such Eligible Project; and
- The remaining balance, if any, of unallocated proceeds at the end of the reporting period and where it is placed/ invested pending utilization.

## 02 IMPACT REPORTING

TPGSB will report on the relevant areas of environment and social impact from the Eligible Projects.

### UN SDG GOALS

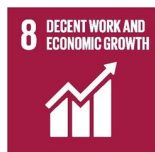
### ELIGIBLE CATEGORY

### IMPACT INDICATORS/ KEY PERFORMANCE INDICATORS



Renewable  
Energy

- Renewable energy capacity installed (in MW)
- Annual renewable energy generation (in TWh)



Economic  
Growth

- Percentage of contract value awarded to local contractors



Climate Change  
Adaptation

- Annual CO2 emission reduction/ avoidance (in tonnes of CO2)

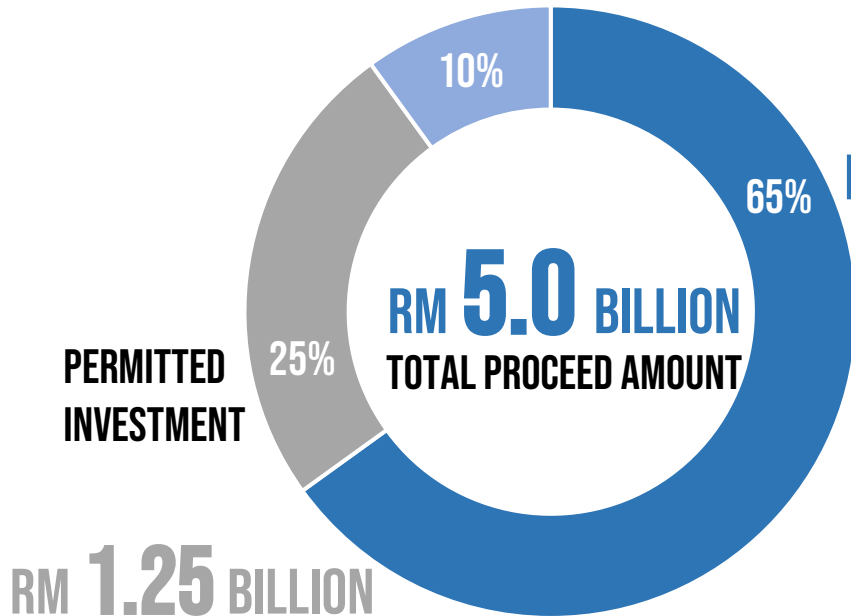
# ALLOCATION REPORTING



## SUSTAINABILITY SUKUK WAKALAH

**HLEP UTILIZATION<sup>1</sup>**  
**RM 0.50 BILLION**

**NENGGIRI UTILIZATION<sup>1</sup>**  
**RM 3.25 BILLION**



01

As of 31<sup>st</sup> May 2026, the utilization of the Sustainability Sukuk Wakalah proceeds amounts to RM3.75 billion of the total RM5.0 billion.

The main utilization of the RM3.75 billion is in relation to the settlement of Project Nenggiri's engineering, procurement and construction contract milestones, engineering consultancy services, land compensation, administrative costs and financing cost during construction, as well as the Project HLEP's refurbishment and upgrading works to extend plant life, improve efficiency and reliability.

03

The unutilized proceeds of RM1.25 billion is being invested with TNB and TNB invested the proceed on behalf of TPGSB into amongst others, Shariah-compliant marketable instruments/ fixed deposits in accordance with TNB's liquidity/investment policy.

02

<sup>1</sup> As of 31<sup>st</sup> May 2026

## DEVELOPMENT OF NENGGIRI HYDRO POWER PLANT PROJECT (COD IN 2027)

**RENEWABLE ENERGY  
INCREASE** BY NEW NENGGIRI  
HYDRO STARTING Q3 2027

**CAPACITY**  
**300** MW

**GENERATION<sup>1</sup>**  
**0.6** TWH/YEAR

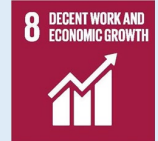


**EMISSION AVOIDANCE<sup>2</sup>**

**0.4** million  
tCO<sub>2</sub>e/year



**42%**  
CONTRACT AWARDED TO LOCAL  
CONTRACTORS IN NEW NENGGIRI  
HYDRO PROJECT<sup>3</sup>



**LOCAL ECONOMIC GROWTH**

1. Based on average forecasted Capacity Factor
2. Emission avoidance calculated based on CO<sub>2</sub> emission emitted by Ultra Super Critical Coal Plant at similar generation output
3. As of 31<sup>st</sup> May 2026

## DEVELOPMENT OF SG PERAK HYDRO LIFE EXTENSION PROGRAM (COD IN PHASES STARTING 2026)

### RENEWABLE ENERGY

**INCREASE** BY HYDRO LIFE EXTENSION PROGRAM  
(HLEP) STARTING Q4 2026 - 2033

#### CAPACITY

**649** MW

#### GENERATION<sup>1</sup>

**3.0** TWH/YEAR



### EMISSION AVOIDANCE<sup>2</sup>

**0.5** million  
tCO<sub>2</sub>e/year



**10%**  
CONTRACT AWARDED TO LOCAL  
CONTRACTORS IN HLEP PROJECT<sup>3</sup>



### LOCAL ECONOMIC GROWTH

1. Based on average forecasted Capacity Factor
2. Emission avoidance calculated based on CO<sub>2</sub> emission emitted by Ultra Super Critical Coal Plant at similar generation output
3. As of 31<sup>st</sup> May 2026



# END OF REPORT

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