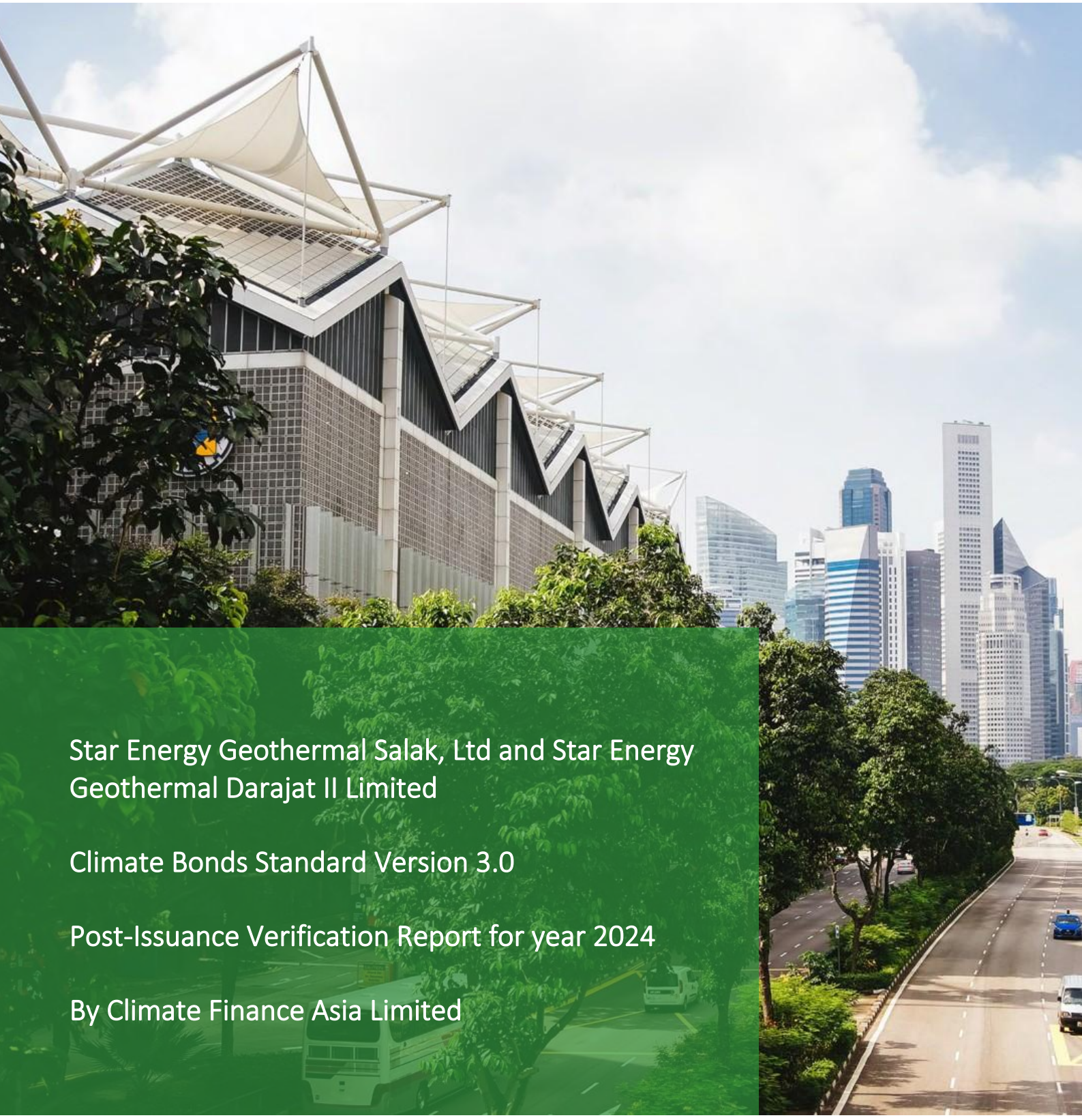
Climate Finance Asia



Star Energy Geothermal Salak, Ltd and Star Energy Geothermal Darajat II Limited

Climate Bonds Standard Version 3.0

Post-Issuance Verification Report for year 2024

By Climate Finance Asia Limited

POST- ISSUANCE VERIFICATION REPORT

Post-Issuance Verification Report for year 2024 for:
The US$320 million Senior Secured Notes due 2029 and US$790 million Senior Secured Notes due 2038 (the "Green Bond")
Issued by Star Energy Geothermal Salak, Ltd and Star Energy Geothermal Darajat II Limited (collectively the "Co-Issuers")

INTRODUCTION AND SCOPE

Star Energy Geothermal Salak, Ltd ("Salak") and Star Energy Geothermal Darajat II Limited ("Darajat") (collectively the "Co-Issuers"), are leading geothermal energy producers in Indonesia. Situated in Sukabumi, West Java province, Salak manages Indonesia's largest geothermal field and is capable of producing 381 MW of electricity. Located in Garut, also in West Java province, Darajat supplies geothermal energy and has an installed capacity of 274.5MW. The Co-Issuers issued a US$320 million Senior Secured Notes due 2029 and US$790 million Senior Secured Notes due 2038 (the "Green Bond") in October 2020. The Co-Issuers commissioned Climate Finance Asia Limited ("CF Asia"/"Verifier") to compile a Verifier's Report to verify, for the year 2024 based on the Green Bond's information for year 2024 and before, whether the issued Green Bond has met the Post-Issuance Requirements of the Climate Bonds Standard issued by the Climate Bond Initiative (the "CBI").

CRITERIA

Relevant Climate Bonds Standard for this Post-Issuance Verification:

- Climate Bonds Standard (Version 3)
- The Climate Bonds Taxonomy: Sector Eligibility Criteria – Geothermal Projects & Assets

ISSUER'S RESPONSIBILITY

The Co-Issuers are responsible for providing accurate information and documentation relating to:

- Projects that have been funded by the proceeds of the Green Bond
- Technical aspects of the nominated projects & assets
- Internal processes & controls
- Updated reportings

VERIFIER'S RESPONSIBILITY

CF Asia conducted this independent Post-Issuance Verification of the Green Bond issued by the Co-Issuers in accordance with the requirements of the Climate Bonds Standard Version 3.0 and the Climate Bonds Taxonomy's Sector Eligibility Criteria for Geothermal assets, and based on the limited assurance procedures as defined by the International Standard on Assurance Engagements, ISAE 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board.

This report relies on the information provided by the Issuer to the Verifier: documentation, interviews with selected staff, and explanations presented during the assessment.

CF Asia's approach to assess whether the Issuer's Green Bond meets the Post-Issuance Requirements and Criteria of the Climate Bonds Standard Version 3.0 is as follows:

- The Issuer provided background documents of the Green Bond and an overview of the assets that was financed or refinanced by the proceeds of the Green Bond.
- The issuer provided answers to the questionnaire raised and information requested by the Verifier that covers all Post-Issuance requirements and criteria of the Climate Bonds Standard V 3.0.
- Based on the answers to the questionnaire and information documents provided, the Verifier carried out an assessment in accordance with the requirements and criteria of the Climate Bonds Standard. In case any answers were unclear or additional information required, the Verifier contacted the Issuer for more details and clarification.

INDEPENDENCE

With the exception of this task, the Verifier provides no other services relating to the Co-Issuers' operation and green finance instruments. The Verifier has applied internal procedures to confirm no conflicts of interest for this verification engagement. Neither the Verifier nor any Verifier's representatives is/ are involved in the arrangement and management of the Green Bond in any form.

OPINION

Based on the limited assurance procedures conducted and evidence obtained, nothing has come to our attention that causes us to believe that, in all material respects the Co-Issuers' Green Bond for the year 2024, is not in conformance with the Climate Bonds Standard's Post-Issuance Requirements.



Water Cheung, Director

Climate Finance Asia Limited

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Central, Hong Kong

29 September 2025

Disclaimer

This verification report shall be read in the context of the inherent limitations of its intended use of the Issuer and Climate Bonds Standard Board.

The scope of verification is limited to the confirmation of information substantiated as evidence and criteria outlined in the Framework. With the exception of reviewing documents and interviewing selected staff of the Issuer, the Verifier did not conduct any site visit at Nominated Projects and Assets.

This report does not assure the financial performance or the value of the bond. The Verifier is not liable for the induced consequences when third parties use this opinion either to make investments decisions or any kind of business transaction.

ANNEX: DETAILED FINDINGS

5. USE OF PROCEEDS

	REQUIREMENT	FACTUAL FINDINGS	EXCEPTIONS IDENTIFIED
5.1	Net proceeds allocation to Nominated Projects & Assets	The entire net proceeds has been allocated to the nominated geothermal assets of Salak and Darajat US$1,110 million proceeds from the green bond was applied to repay outstanding indebtedness and transaction costs of the Existing Senior Debt Facilities to refinance the Salak and Darajat geothermal assets, the funding of the Debt Service Reserve Accounts and Major Maintenance Reserve Accounts, and general corporate purposes relating to the Darajat and Salak Geothermal Operations (including the working capital requirements, future investments in power plants and other equipment, and other distributions of available cash in accordance with their distribution policies).	None
5.2	Conformance with the bond's documented objectives and requirements of Part C of the Climate Bonds Standard	The full amount of the net proceeds has been used to finance or refinance geothermal projects The project financed meet the Geothermal Energy Eligibility Criteria and is in conformance with Part C of the Climate Bonds Standard.	None
5.3	Allocation of proceeds within 24 months of issuance of the bond	The full amount of the net proceeds of the Green Bond were allocated to finance or refinance the nominated projects & assets within 24 months of issuance of the Green Bond.	None
5.4	Nominated Projects & Assets shall not be nominated to other Certified Climate Bonds/ Loans/Debt Instruments.	Nominated projects and assets refinanced by the proceeds of this bond have not been nominated for other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labeled instruments.	None

5.5	Tracking of share of the Net Proceeds used for financing and refinancing	Of the entire proceeds of this Green Bond, around 84% was used for refinancing to repay the outstanding indebtedness incurred for Salak & Darajat geothermal assets, and around 16% for funding of the Debt Service Account and Major Maintenance Reserve Account, as well as working capital of the Salak & Darajat geothermal energy generation facilities.	None
5.6	Tracking of proceeds	The use of proceeds of this Green Bond is tracked via the Green Bond Register which maintain the Sources and the Uses of the proceeds, and the amount of outstanding Green Bond.	None
5.7	The Net Proceeds of the Bond shall be no greater than the Issuer's total investment exposure or debt obligation to the Nominated Projects & Assets.	Net Proceeds of the Bond is no greater than the Co-Issuers' investment or debt obligation to the Nominated Projects & Assets.	None
5.8	Additional Nominated Project & Assets may be added to the portfolio.	No additional nominated projects or assets have been added to the nominated list of projects & assets.	None

6. PROCESS FOR EVALUATION AND SELECTION OF PROJECTS & ASSETS

	REQUIREMENT	FACTUAL FINDINGS	EXCEPTIONS IDENTIFIED
6.1	The Issuer shall document and maintain a decision-making process to determine the continuing eligibility of the projects & assets including: 6.1.1) A statement on the Climate-related objectives of the Bond 6.1.2) Climate-related objectives of the bond in the context of the issuer's strategy 6.1.3) Issuer's rationale for issuance the Bond 6.1.4) Process determining whether the Nominated projects & assets meet the eligibility requirement 6.1.5) Other information	The Process for Project Evaluation and Selection is included in the the issuer's Green Bond Framework: the Use of Proceeds can be proposed by the Treasury Department in line with the Green Bond Framework which will be validated by an Environmental and Social Impact Committee. Since the proceeds of the Green Bond has been fully and entirely used for the financing and refinancing of the nominated projects & assets, the Co-Issuers have reported that there was no project evaluation and selection in 2024. The climate-related objectives of the Green Bond is to help reduce Indonesia's overall carbon emissions. Indonesia's Ministry of Energy and Mineral Resources aims to increase the share of renewable energy in its energy mix to 23% by 2025, up from 13% at 2017 level. The Co-Issuers recognizes the need to take climate action and is well positioned to spearhead the energy transition, having operational geothermal fields of Salak and Darajat with 655.5MW of combined geothermal capacity. The Co-Issuers believe that geothermal and the natural world can not only co-exist but can encourage healthy, sustainable and environmental practices. Proceeds of the issued Green Bonds, which is in accordance with its Green Bond Framework, will only be used in connection with assets with emissions of less than 100g CO2 per kWh and 35 mgH2S/Nm3 estimated carbon intensity, which compares favorably to the local grid (Jamali) average emission factor for electricity of over 870g CO2 per kWh in 2019. Excluded Use of Proceeds include: - Oil and gas power plant; - Clean coal or any other fossil fuel-related technologies; - Nuclear and nuclear related technologies; - Large-scale hydropower plant; - Infrastructure that facilitate the above no.1-4 of energy generation. -	None

7. MANAGEMENT OF PROCEEDS

	REQUIREMENTS	FACTUAL FINDINGS	ERROR OR EXCEPTIONS IDENTIFIED
7.1	Net proceeds shall be credited to a sub account and documented	The entire amount of the net proceeds have been allocated to finance or refinance the nominated projects & assets after issuance.	None
7.2	Issuer shall maintain the earmarking process to manage the Net Proceeds	The issuer has set up a register and put internal systems in place to track the use of proceeds and the amount of outstanding Green Bond. It has earmarked the proceeds for the respective nominated projects and assets.	None
7.3	Use of unallocated proceeds	The full amount of the net proceeds have been allocated to finance or refinance the nominated projects & assets, including repayment of the Existing Senior Debt Facilities immediately after the Green Bond issuance. As per information from the "Green Bond Framework", pending allocation, the net proceeds from Green Bond issuances may be temporarily invested or otherwise maintained in cash, cash equivalents, short-term investments that do not include greenhouse gas intensive projects which are inconsistent with the delivery of a low carbon and climate resilient economy, or used for other general corporate purposes in relation to the Salak and Darajat geothermal energy generation facilities.	None

8. REPORTING

	REQUIREMENTS	FACTUAL FINDINGS	EXCEPTIONS IDENTIFIED
8.1	The Issuer shall prepare an Update Report at least annually to be available for: 8.1.1) Holders of the Bond and Climate Bonds Standard Board; 8.1.2) Public; 8.1.3) Holders of the Bond on a timely basis in case of material developments.	The Co-Issuers publishes Annual Green Bond Report, which is made available to the public on the Company's corporate website (www.starenergygeothermal.co.id) on an annual basis.	None
8.2	The Update Report shall include: 8.2.1) Allocation Reporting; 8.2.2) Eligibility Reporting; 8.2.3) should include Impact Reporting.	The Co-Issuers jointly publishes Green Bond Reports alongside the following information: • Allocation Reporting: The amount of net proceeds allocated within each Green Bond Asset category, as well as the balance of net proceeds not yet allocated to eligible assets; • Eligibility Reporting: The latest indicator of the environment impact of the nominated projects & assets, for complying to the Sector Eligibility Criteria of Geothermal; • The Co-Issuers have individually provided annually a Sustainability Report.	None
8.3	Allocation Reporting	The Co-issuers' Annual Green Bond Report 2025 (dated September 2025) showing the Allocation Reporting on the issuer's website: https://www.starenergygeothermal.co.id/green-document/	None
8.4	Eligibility Reporting	The eligibility details are available in the Co-Issuers' Annual Green Bond Report 2025 (dated September 2025) as well as the verification report. Website link as per above item 8.3.	None
8.5	Reasons for confidentiality	Public disclosure of the nominated projects and assets are available in the Annual Green Bond Report 2025 (dated September 2025) on the Company's website.	None

8.6	Impact Reporting	The relevant details is available in the Co-Issuer's Annual Green Bond Report 2025 (dated September 2025). Website link as per above item 8.3.	None
8.7	The Issuer shall make available to the public any Verifier Reports or material which supports the Update Report	Relevant verifier reports will be publicly available on the Issuer's website.	None
8.8	Availability of information provided to Verifier and Climate Bonds Standard Board for conformance assessment.	Relevant information has been provided.	None

9. PART C: ELIGIBILITY OF PROJECTS & ASSETS – CLIMATE BONDS TAXONOMY

	REQUIREMENTS	FACTUAL FINDINGS	EXCEPTIONS IDENTIFIED
9.1	Matching of Nominated Projects & Assets to climate bond category	The entire amount of the net proceeds is allocated to eligible assets related to the nominated projects & assets which falls within the Geothermal Energy Eligibility Criteria included in the Climate Bonds Taxonomy.	None

10. PART C: ELIGIBILITY OF PROJECTS & ASSETS – SECTOR ELIGIBILITY CRITERIA

	REQUIREMENTS	FACTUAL FINDINGS	EXCEPTIONS IDENTIFIED
10.1	The Nominated Projects & Assets shall meet the Sector Eligibility Criteria documents	The full amount of the net proceeds is allocated to eligible assets related to the aforementioned category and conforms with the relevant eligibility requirements under Part C of the Climate Bonds Standard. Criterion 1: The issuer reported latest environment impact indicator of the projects in the "Annual Green Bond Report 2025 (dated September 2025)", with direct CO2 emission of 89.89 g/KWH and 31.43 g/KWH for Salak and Darajat respectively, which are less than the 100g CO2/KWH threshold, meeting the Geothermal Sector Eligibility Criteria; Criteria 3 & 4 – Environmental, health, safety and social criteria: All projects associated with Climate Bonds were complied with the environmental regulations of the host country. In addition to this, additional criteria was proposed to enhance EHS and social performance for all projects.	None

ANNEX: DOCUMENTS REVIEWED

The list of reviewed documents is as follows:

- Star Energy Geothermal Salak, Ltd and Star Energy Geothermal Darajat II Limited – Annual Green Report 2025 (September 2025);
- Star Energy Geothermal Salak, Ltd and Star Energy Geothermal Darajat II Limited – Green Bond Framework (September 2020);
- Star Energy Geothermal Salak, Ltd and Star Energy Geothermal Darajat II Limited: US$320 million 3.25% Senior Secured Notes due 2029 & US$790 million 4.85% Senior Secured Notes due 2038 - Green Bond Register;
- Star Energy Geothermal Salak, Ltd and Star Energy Geothermal Darajat II Limited: US$320 million 3.25% Senior Secured Notes due 2029 & US$790 million 4.85% Senior Secured Notes due 2038 – Offering Memorandum;
- Star Energy Geothermal (Salak – Darajat) B.V. – Consolidated Financial Statements as of 31 December 2024;