### April 24, 2018 Nippon Export & Investment Insurance

### Results of Environmental Review

- (1) Reference Number 17-011
- (2) Project Name Geothermal power plant
- (3) Project SiteSouth Sumatra, Indonesia
- (4) Project Outline Construction of geothermal power plants
- (5) Category A
- (6) Reason of Categorization The project has sensitive characteristics and sensitive areas under the Environmental Guidelines.
- (7) Environmental Permission / Approval by the Environmental Authority The Environment and Social Impact Assessment (ESIA) was made under environmental laws and regulations in Indonesia and approved by Ministry of Environment and Forestry in March 2017.
- (8) Pollution Prevention

Appropriate measures are being taken regarding air quality, water quality noise and odor.

(9) Natural Environmental Considerations

There is a protected forest in the project site, however development of geothermal power is permitted by the laws and regulations in Indonesia. Proper measures are taken to maintain the natural environment and biodiversity.

(10) Social Considerations

Appropriate measures, such as compensation and support program are being taken

for the project-affected people. No involuntary relocation is required. There is no cultural heritage near the premises.

- (11) Applied International Standards IFC Performance Standards
- (12) Monitoring

The monitoring results will be reported to the environmental authorities by the project sponsors in accordance with local regulations.

(end)

### Questions

Q1. Please provide the address of the project site.

Address of the project site: Muara Enim Regency, Lahat Regency, Pagar Alam City, South Sumatra Province

Q2. Please provide brief explanation of the project.

Geothermal IPP project for building, owning and operating power plant to sell electricity to PT. PLN. PT Supreme Energy, Engie, and Marubeni Corporation are the sponsors developing the project. PT. Supreme Energy Rantau Dedap, the project company owned by the Sponsors, executed PPA with PT. PLN in November 2012, and now in the stage to achieving the Finance Close.

Q3. Will NEXI insurance be applied to a new project or an executing project? In case of an executing project, please inform of strong claims by stakeholders such as local residents, as well as improvement guidance or cessation orders for construction work / operations, from environmental authorities.

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) New Project Executing Project (without Claim etc.) Executing Project (with Claim etc.) Others (Please specify

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Q4. In case of this project, is it necessary to execute Environmental and Social Impact Assessment (ESIA) based on the laws or regulations of the country where the project is to be implemented? If necessary, please inform the progress of ESIA.

Required (Completed) Not Required Required (Under execution or under planning)
 Others (Please specify

Q5. In case that ESIA is already completed, please inform whether ESIA report is already approved based on the environmental and social assessment system of the country where the project is to be implemented or not. If ESIA report is already approved, please provide the date and name of authorities of the approval.

Approved (without condition) Under approval process	<ul><li>Approved (conditional)</li><li>Others (Please specify</li></ul>	)
Date of Approval:Name of Authorities:	· · · · · · · · · · · · · · · · · · ·	

Q6. If environmental and social permit(s) other than ESIA is required, please provide the name of required permit(s). Have you obtained required permit(s)?

Obtained
Not required

Required, but not obtained yet Others (Please specify

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Name(s) of required permit(s): <u>Environmental Permit</u>, <u>Surface Water Abstraction (SIPA) Permit</u>, <u>Permit to</u> <u>Temporarily Store Hazardous Waste</u>,

Q7. Will the insurance be used for the undertaking that cannot specify the project at this stage (e.g. export or lease of machinery that has no relation with specific project, or Two Step Loan that cannot specify the project at the time of loan agreement)?

(Yes /No)

If you answered "Yes", it is not necessary to reply to the following questions. If you answered "No", please reply to the following questions.

**O8.** Are there any environmentally sensitive area(s) shown below in and around project site(s)?

(Yes / No)

If you answered "Yes", please select applicable items by marking, and reply to the following questions. If you answered "No", please reply to the questions 9 and after.

])(1) National parks, nationally-designated protected areas (coastal areas, wetlands, areas for ethnic minorities or indigenous peoples and cultural heritage, etc. designated by national governments)

 $\mathcal{V}(2)$  Forests with important ecological value (including primary forests and natural forests in tropical areas)

- (3) Habitats with important ecological value (including coral reefs, mangrove wetland and tidal flats)
- (4) Habitats of rare species requiring protection under domestic legislation, international treaties, etc.
- (5) Areas in danger of large-scale salt accumulation or soil erosion
   (6) Areas with a remarkable tendency towards desertification
- (7) Areas with unique archaeological, historical or cultural value
- (8) Areas inhabited by ethnic minorities, indigenous peoples or nomadic peoples with traditional ways of life (including areas which are used for cultural or spiritual purposes) and other areas with special social value

Q9. Does the project involve following characteristics?

(Yes) No)

If you answered "Yes", please describe the scale of applicable characteristics, and reply to the questions 10 and after.

If you answered "No", please reply to the questions 11 and after.

(1) Involuntary resettlement and/or loss of means of livelihood (Number of affective) (2) Pumping of groundwater (Scale: 652 ton			ed pe	ople:		)
$(\Box)$ (2) Pumping of groundwater	(Scale: 652 ton /hr)					
(()(3) Land reclamation, development and/or clearing	(Scale:	land	clea	ring	of	9.51
non-protection forest and 104.8ha protection forest area)						
$(\Box)(4)$ Deforestation	(Scale:	included	in	the	104.8ha	of
protection forest area )						

**O10.** Under the environmental and social impact assessment system of the country where the project is to be implemented, do the applicable characteristics from (1) - (4) of the questions 9 and their scale serve as basis for executing an ESIA for the project?

They do They do not Others (Please specify

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Q11. May the project involve significant social impacts?

# (Yes (No)

If you answered "Yes", please describe the outline of the impacts, and reply to the questions 12 and after. If you answered "No", please reply to the questions 12 and after.

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The likelihood of severe project-related human rights impacts ( Others (

Q12. Will the value insured by NEXI in the export, loan or investment project be equal or less than 5% of the total project cost, or equal or less than SDR 10 million? (In the case of additional support for a past project, this shall be the accumulated total amount)

(Yes No)

If you answered "Yes", it is not necessary to reply to the following questions. If you answered "No", please reply to the questions 13 and after.

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Q13. Does the project belong to either of the sectors that impact on the environment and society is deemed immaterial or is not anticipated under normal conditions (e.g. maintenance of the existing facilities, non-expansionary renovation project, and acquisition of rights and interests without additional capital investment)?

(Yes (No)

If you answered "Yes", it is not necessary to reply to the following questions. If you answered "No", please reply to the questions 14 and after.

Q14. Does the project belong to the following sectors?

# (Yes(No))

If you answered "Yes", please specify the sector by marking, and reply to the questions 15 and after. If you answered "No", it is not necessary to reply to the following questions.

- ] (1) Mining
- (2) Oil and natural gas development
- (3) Pipelines
- (4) Iron and steel (projects that include large furnaces)
- (5) Non-ferrous metals smelting and refining
- (6) Petrochemicals (manufacture of raw materials; including complexes)
- (7) Petroleum refining
- (8) Oil, gas and chemical terminals
- (9) Paper and pulp
- (10) Cement plants (including a greenfield quarry)
- [ (11) Manufacturing and transport of toxic or poisonous substances regulated by international treaties, etc.
- (12) Thermal power
- ] (13) Nuclear power
- (14) Hydro power, dams and reservoirs
- (15) Power transmission and distribution lines involving large-scale involuntary resettlement, large-scale logging or submarine electrical cables
  - (16) Roads, railways and bridges
- (17) Airports
- (18) Ports and harbors
- (19) Sewage and wastewater treatment having sensitive characteristics or located in sensitive areas or their vicinity
  - (20) Waste management and disposal
- (21) Agriculture involving large-scale land clearing or irrigation
- (22) Forestry
- (23) Tourism (Construction of hotel, etc.)

Q15. Please provide information on the scale of the project (project area, area of plants and buildings, production capacity, amounts of power generation, etc.) Further, pleased explain whether an execution of EISA is required on account of the large scale of the project in the country where the project is implemented.

Project Area	114.3ha
	(92% of the site is a protected forest area / 8% of the site is an area of other use)
Production Capacity	92MW (gross)

The project companies is now under process of acquiring ESIA (AMDAL) and permits which are required to develop, construct and operate the geothermal power plant.