

SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Country:	Kenya
Name of Borrower:	Bridge International Academies Limited, an entity organized under the laws of Kenya (“Bridge International”, “Bridge” or the “Company”).
Project Description:	Development and operation of 237 low-cost private schools, an expansion upon Bridge International Academies’ 133 schools currently operating in Kenya. These schools will educate an estimated 300,000 children by 2022.
Proposed OPIC Loan:	\$10,000,000 with a 10-year tenor including a 4-year grace period
Total Project Costs:	\$26,000,000
U.S. Sponsor:	NewGlobe Schools, Inc. (“NewGlobe Schools” or the “Parent Company”), a Delaware corporation
Policy Review	
U.S. Economic Impact:	The project is not expected to have a negative impact on the U.S. economy as it provides educational services within the host country. There will be no U.S. procurement associated with this project, so the project will have a neutral impact on U.S. employment. The project will have a net negative impact on the U.S. balance of payments over the first five years.
Developmental Effects:	This project will have a highly developmental impact with the expansion of low-cost pre-primary and primary education in Kenya. The investment will provide high quality education to rural and poor urban children utilizing technologically advanced data-driven systems to manage operations, finance and classroom instruction. The project creates jobs and provides training for its employees for professional development, while introducing new technology and data-driven management techniques in the education sector.
Environment:	<p>Bridge International Academies is seeking a direct OPIC loan to expand its financing of low-income private schools in Kenya (the “Project”).</p> <p>Screening: The Project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving loans to schools which involve construction are screened as Category B projects under OPIC’s environmental and social guidelines because impacts are</p>

site-specific and readily mitigated. The primary environmental and social issues associated with the Project include the need for appropriate solid and sanitary waste disposal, the supply of potable water for drinking, assurances that during remodeling and construction adequate occupational health and safety measures are in place to protect workers, that appropriate land acquisition measures were taken when applicable, and the need for a robust environmental and social management system to ensure that individual school projects are developed, implemented, and managed in accordance with IFC Performance Standards 1 through 8 and IFC's General Environmental Health and Safety (EHS) Guidelines.

Applicable Standards: Under OPIC's Environmental and Social Policies, the Borrower is required to comply with applicable national laws and regulations related to environmental and social performance. OPIC's environmental and social due diligence indicates that the investment will have impacts which must be managed in a manner consistent with the following Performance Standards (PS) of the International Finance Corporation (IFC):

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts;
- PS 2: Labor and Working Conditions;
- PS 3: Resource Efficiency and Pollution Prevention; and
- PS 4: Community Health, Safety and Security;
- PS 5: Land Acquisition and Involuntary Resettlement;
- PS 6: Biodiversity Conservation and Sustainable Management of Natural Resources;
- PS 7: Indigenous Peoples; and
- PS 8: Cultural Heritage.

The Borrower represents that any land purchases (as opposed to leases) on which schools will be constructed will be purchased from existing land owners voluntarily at market rates. The Borrower represents that no persons will be physically or economically displaced nor will there be any impacts on indigenous peoples or cultural heritage as a result of any schools that will be constructed as part of the Project. In addition, the Borrower represents that no greenfield construction will occur; all school buildings will be constructed on previously cleared and utilized property, usually for residential or commercial purposes. However, because the sites for the Project are unknown, OPIC will require the Borrower to incorporate certain prohibitions and requirements in the loan agreements, have systems to assess and address potential impacts relevant to PS 5, 6, 7, and 8 incorporated into their

	Environmental and Social Management System (ESMS), and submit an annual report on newly constructed schools. The Project will be required to meet applicable provisions of the IFC's General Environmental Health and Safety (EHS) Guidelines.
Workers Rights:	OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining, minimum wage, hours of work, the timely payment of wages and hazardous working situations. Standard and supplemental contract language will be applied to all workers of the Project. The Project will be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions.
Human Rights:	OPIC issued a human rights clearance for the Project on September 21, 2012