

## SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

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| Host Country:          | Kenya   |
| Name of Borrowers:     | The International School of Kenya Limited, a non-profit company registered in Kenya and the International School of Kenya Foundation, Inc., a non-profit corporation incorporated in Delaware.  |
| Project Description:   | A campus expansion of the International School of Kenya, involving construction of a new elementary school, library, dining facility, faculty housing units, and infrastructure improvements.   |
| Proposed OPIC Loan:    | Up to \$12 million with a tenor of 15 years and a grace period on principal through November 2015.  |
| Total Project Costs:   | Approximately \$30 million.   |
| U.S. Sponsors:         | Directors and governors of The International School of Kenya Limited and the International School of Kenya Foundation, Inc.   |
| Foreign Sponsors:      | Directors and governors of The International School of Kenya Limited and the International School of Kenya Foundation, Inc.   |
| <b>Policy Review</b>   |   |
| U.S. Economic Impact:  | The project is not expected to have a negative impact on the U.S. economy or employment. The project is expected to have initial and operational procurement, and therefore is expected to have a positive impact on U.S. employment. The project will have a negative U.S. balance of payments impact over the first five years.   |
| Developmental Effects: | This project will have a positive developmental impact on Kenya as it supports improvements in education infrastructure in a low-income country. Subsequently, the project supports foreign direct investment and business in Kenya by providing an international school at a high level of quality that will attract higher-level professionals. Once its facilities expansion plan is complete, ISK will have the best overall infrastructure of any school in Kenya and given the school's high quality education, the school will set the standards for educational quality in Kenya. In addition, the expansion will create new permanent jobs for local Kenyans for building maintenance in addition to temporary construction positions. The school will also expand its teacher training where ISK teachers provide training to local |

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|                        | <p>Kenyan teachers while on sabbatical. Other community benefits include recreational activities and scholarship programs. Presently, Kenyans make up 8.6% of the student population.</p>   |
| <p>Environment:</p>    | <p><b>Screening:</b> The project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving loans to existing schools which involve construction at existing campuses are screened as Category B projects under OPIC’s environmental and social guidelines because impacts are 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; hazardous materials management; and assurances that during remodeling and construction, adequate occupational health and safety measures are in place to protect workers.</p> <p><b>Applicable Standards:</b> 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 International Finance Corporation’s (IFC) 2012 Performance Standards (PS):</p> <ul style="list-style-type: none"> <li>• P.S. 1: Assessment and Management of Environmental and Social Risks and Impacts;</li> <li>• P.S. 2: Labor and Working Conditions;</li> <li>• P.S. 3: Resource Efficiency and Pollution Prevention; and</li> <li>• P.S. 4: Community Health, Safety, and Security.</li> </ul> <p>The project will not acquire land and does not involve physical or economic displacement of any residents. In addition, the project site is in an urban area and not in or near protected areas or sensitive ecosystems (including cultural heritage sites), and no Indigenous Peoples will be impacted as a result of the project. Therefore, Performance Standards 5, 6, 7, and 8 are not triggered by the project at this time.</p> <p>The project will be required to meet applicable provisions of the IFC’s General Environmental Health and Safety (EHS) Guidelines.</p> <p>The project’s greenhouse gas (carbon dioxide equivalent) emissions are estimated to be less than 5,000 tons per year.</p> |
| <p>Workers Rights:</p> | <p>OPIC’s statutorily required standard worker rights language will</p>   |

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|               | be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age for employment, hours of work, the timely payment of wages and hazardous work 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 International Finance Corporation's Performance Standard 2 on Labor and Working Conditions. |
| Human Rights: | OPIC issued a human rights clearance for this project on June 20, 2013.  |