

## INFORMATION SUMMARY FOR THE PUBLIC

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| Host Country:          | Botswana  |
| Name of Borrower:      | Pluczenik Botswana (Pty) Ltd.   |
| Project Description:   | A revolving working capital loan for the expansion of a Botswana-based diamond cutting and polishing business.  |
| Proposed OPIC Loan:    | \$30 million  |
| Total Project Costs:   | \$40 million  |
| U.S. Sponsor:          | Botswana Finance LLC  |
| Foreign Sponsor:       | N/A   |
| <b>Policy Review</b>   |   |
| U.S. Economic Impact:  | The Project is not expected to have a negative impact on the U.S. economy. The Project involves the domestic development of diamond cutting and polishing by a DeBeers' sightholder with operations in Botswana. This company cuts and polishes diamonds in Belgium, Botswana and Namibia, but does not conduct this work in the U.S. As such, there does not appear to be the potential for a significant negative impact on the U.S. economy. There is no U.S. procurement associated with this Project. The Project is expected to have a neutral impact on U.S. employment and the U.S. trade balance.  |
| Developmental Effects: | This Project is expected to have a positive development impact by supporting efforts in Botswana to build the domestic diamond cutting and polishing industry. In the past, uncut diamonds were shipped from Botswana to the U.K. to be sold at DeBeers sightholders sales in London. However, the government of Botswana and DeBeers reached an agreement to shift the location of these sales to Gaborone. With this shift, this Project will provide credit to a DeBeers sightholder to purchase diamonds in Botswana. The Project Company will cut and polish diamonds in Botswana export the finished product. In addition to supporting the local development of the diamond polishing industry, this Project will create new job opportunities in Botswana. The Project will help Botswana achieve UN Sustainable Development Goal #8 (Decent Work and Economic Growth).                             |
| Environment:           | <p><b>SCREENING:</b> The Project has been reviewed against OPIC's categorical prohibitions and determined to be categorically eligible. Diamond cutting and polishing projects are screened as Category B Projects under OPIC's environmental and social policies. The major environmental and social issues associated with such Projects include worker health and safety and proper disposal of hazardous substances, effluents and solid waste.</p> <p><b>APPLICABLE STANDARDS:</b> Under OPIC's Environmental and Social Policies, the Project is required to comply with applicable local 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 International Finance Corporation (IFC) Performance Standards (PS):</p> |

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|                    | <ul style="list-style-type: none"> <li>• PS 1: Assessment and Management of Environmental and Social Risks and Impacts;</li> <li>• PS 2: Labor and Working Conditions;</li> <li>• PS 3: Resource Efficiency and Pollution Preventions; and</li> <li>• PS 4: Community Health, Safety and Security.</li> </ul> <p>The borrower is an existing facility that is located on an industrial plot in Gaborone, Botswana. No new land will be cleared for the Project and the Project’s facilities are not located in or near protected areas or sensitive ecosystems. Therefore, PS 6 is not triggered at this time.</p> <p>The Project is also subject to the IFC General EHS Guidelines (2007).</p> <p>The Project is expected to have minimal greenhouse gas emissions.</p>   |
| Social Assessment: | <p>The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance Standards, OPIC’s Environmental and Social Policy Statement and applicable local laws. OPIC’s statutorily required language will be supplemented with provisions concerning non-discrimination, hours of work, the timely payment of wages, and hazardous working conditions. Standard and supplemental contract language will be applied to all workers of the Project.</p> <p>This Project involves a revolving loan facility for Pluczenik to purchase, cut, and polish diamonds in Botswana for export. The Project has developed and implemented policies and procedures that addresses social risk, including labor, commensurate with the risks associated with the Project’s activities.</p> <p>This review covers the commensurate human rights risks associated with diamond cutting, polishing, and exporting in Botswana.</p> |