

Guidelines E&S checklist for SME projects

1. Nature of the client's business:
 - name, location (city/town and region)
 - industry sector, product manufactured, capacity, no of employees
 - main markets (domestic/export (specify countries))
2. Key indicators of problems¹
 - House keeping in the work areas
 - Evidence of liquid and solid wastes in the workplace
 - High levels of noise (intermittent or continuous)
 - Strong smell's/irritants
 - Access, fire risk
 - Handling of wastes
 - Whether hazardous or not (check with client)
 - Disposal mechanism
 - Waste water and effluents
 - Treatment
 - Presence of toxic/hazardous materials
 - Disposal
 - Air emissions from stacks (chimneys)
 - Social and labour issues
 - Labour and working conditions and ability to have representation
 - Relations with local communities, disclosure and transparency
 - Records of problems, complaints and protests from local communities
3. Environmental Regulatory Compliance and Liability
 - In the Company in possession of all required HSE permits and approvals (please attach copies)
 - Has the Company paid excess charges or fines/penalties for non-compliance with HSE regulations and standards in the last two years? (please attach copies of most recent inspection report)
 - Is the Company exposed to potentially significant HSE liabilities, such as those arising from land / groundwater contamination, related to the Company's past or ongoing operations? If yes, specify magnitude
 - Has the Company had any significant **accidents or incidents** in the last two years (e.g. oil spills, fires) involving deaths or multiple serious injuries and/or significant environmental damage?
4. Social issues and community relations
5. In the event that the Company is not materially in compliance with HSE regulations and standards, or if there are potentially significant HSE liabilities, please describe further actions required by the authorities and/or planned by the Company to address these issues satisfactorily, and to achieve regulatory compliance.

¹ These aspects provide the credit officer an indication of areas to follow up with client by asking questions and where required seeking evidence from clients.