



## TERMS OF REFERENCE (TOR)

### 2024 TDB INTEGRATED REPORTING CONSULTANT

TDB Group invites proposals from qualified and experienced firms to provide sustainability integrated reporting services. In collaboration with the TDB Group Taskforce on sustainability reporting, the selected firm will be responsible for consolidating, analyzing, and presenting financial, environmental, social, and governance (ESG) and development impact performance data in a comprehensive and transparent manner in an integrated report pursuant to the requirements of IFRS S2.

#### 1. BACKGROUND

TDB Group is a regional development finance group that was founded in 1985. It is a multilateral, treaty-based, investment-grade development finance institution. Its diverse shareholder base includes regional and non-regional member states and institutional investors from Africa, Europe, and Asia.

TDB Group's membership spans across 25 countries from across the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Southern African Development Community (SADC), the Intergovernmental Authority on Development (IGAD), and most recently, West Africa. TDB Group's mandate is to finance and foster trade, regional economic integration and sustainable development through various financial services, including trade finance, project and infrastructure finance, asset management, and business advisory support. The Group is dedicated to promoting development in line with the global sustainability agenda.

TDB Group comprises all subsidiaries and strategic business units, as entities over which it has control or significant influence. This assignment includes reporting on the activities of the Trade and Development Bank (TDB), Trade and Development Fund (TDF), Eastern and Southern African Trade Fund (ESATF), Eastern and Southern African Trade Advisors Limited, (ESATAL) the fund management company, TDB Captive Insurance Company (TCI) and the TDB Academy.

TDB Group is committed to enhancing transparency, accountability, and sustainability in its operations. Integrated reporting is a key tool to communicate the Group's financial performance alongside its social and environmental impacts. By adopting integrated reporting, TDB Group aims to provide stakeholders with a holistic view of its business model, strategy, and value creation process in addition to meeting the regulatory financial and environmental reporting requirements.

## 2. OBJECTIVES OF THE ASSIGNMENT

The goal of this assignment is to support the production of the 2024 Integrated Report for TDB Group.

## 3. SCOPE OF THE ASSIGNMENT

### Gap and Materiality Assessments

The selected firm will be expected to:

- a) Conduct a materiality assessment to understand the priorities of TDB Group with respect to the production of 2024 integrated report.
- b) Provide insight and/or roadmap to the TDB Group taskforce regarding the key activities leading to the production of the integrated report.
- c) Review existing relevant documents, including annual reports, financial statements, sustainability and development impact reports, annual ESG reports and any other relevant materials.
- d) Compare and benchmark current reporting practices against peer groups, best practices and the requirements outlined in international standards for integrated reporting and other non-financial reporting standards such as GRI, TCFD and IFRS S1 and IFRS S2.
- e) Conduct stakeholder engagement to understand their information needs, priorities and timelines.
- f) Use the information gathered from stakeholder engagement and internal analysis to identify information gaps and material topics that are most significant to TDB's business and its stakeholders.
- g) Facilitate consensus meetings with internal stakeholders.

### Understanding TDB's sustainability and development impact practices

The Consultant will undertake diagnostic exercise to understand TDB Group's current integration of sustainability across Governance, Strategy, Risk Management, and Metrics and Targets. This exercise will mainly serve to assess TDB Group's sustainability and development impact practices vis-à-vis IFRS S2 and against best practices and determine the gaps.

This exercise will:

- Focus on the following areas (aligned with the TCFD/IFRS S2 approach)
  - **Governance:** This should include an assessment of board oversight over sustainability and development impact matters; roles and responsibilities over sustainability and development impact matters across the organisation; skills and capacity to embed climate-related matters in decision making.
  - **Strategy:** This should include an assessment of whether sustainability and development impact practices are reflected in the TDB strategy, business model, and relevant policies and processes.
  - **Risk Management:** This should include an analysis of current practices relating to the identification and assessment of sustainability-related physical and transition risks, integration of sustainability-related risks in the risk management framework and relevant policies, and the use of relevant climate metrics and targets.
  - **Metrics and Targets:** This should include an analysis of current practices on the use of relevant metrics and targets in respect to sustainability and development impact.
  - **Disclosures:** This should include an analysis of current practices relating to reporting and public disclosure of the Group's sustainability and development impact activities, including engagement efforts with relevant stakeholders on these matters.

### Disclosure Reporting

- Provide advice and recommendations on factors based on materiality assessment (e.g., sustainability and development impact and climate topics, risks, opportunities) to be considered in the development of the TDB's integrated report and advise on metrics/targets against TDB's sustainability and climate goals.
- Provide advice and recommendations on a TDB Group's approach to disclose and report sustainability and climate-related risks and opportunities in accordance with international standards (e.g., International Integrated Reporting Framework, GRI, TCFD and IFRS S1 and IFRS S2).
- Recommend modalities and systems for collection, recording and analysis of sustainability data and generation of the integrated report.
- Provide advice and recommendations on the preparation of financial disclosures relating to the quantitative and qualitative financial impact on TDB's financial position, financial performance and cash flows, in addition to recommending appropriate systems and financial models to prepare these disclosures.

### 3. PROPOSAL REQUIREMENTS

Interested firms are requested to submit proposals addressing the following:

- Overview of the firm's experience in providing integrated reporting services, including examples of past projects (track record).
- The preferred firm will be expected to have at least 5 years' experience in undertaking similar assignments.
- Proposed methodology for data collection, analysis, and reporting.
- Team composition and qualifications, including relevant certifications.
- Timeline for delivering the integrated reports.
- Cost structure, including fees and any additional expenses.
- References from previous clients.

### 4. EVALUATION CRITERIA

Proposals will be evaluated based on the following criteria:

- Experience and expertise in corporate financial reporting principles, sustainability and integrated reporting.
- Knowledge and experience of integrating disclosure standards such as GRI, TCFD and IFRS S1 & IFRS S2 in Integrated Reporting Framework.
- Quality and comprehensiveness of the proposed approach and methodology.
- Qualifications and experience of the proposed team members.
- Proposed timelines and deliverables.

### 5. DELIVERABLES

1. Inception report. This will outline the work plan and methodology for the assignment. This will also include the implementation plan for this assignment and timelines.
2. Gap and materiality assessment report. This will present the findings of the gap and materiality assessments and recommendations on addressing the gaps.
3. Training and capacity building on IFRS S2 reporting. This will include the training curriculum and actual training provided to the TDB Group members on the IFRS S2 reporting.

4. Data collection, analysis, interpretation and synthesis
5. Advisory throughout the implementation period
6. Preparation and presentation of draft integrated report
7. Presentation of final Integrated report for 2024

## 6. Timelines

The integrated report will be finalized by the end of quarter one of 2025. The following timelines will guide the preparation of the integrated report.

No.	Activity	Timeline	Responsible
1.	Inception report	10 working days after signing of the contract	Consultant
2.	Gap and materiality assessment report and recommendations	20 working days after inception report	Consultant and TDB
3.	Training of TDB Group team on IFRS S2 reporting	25 working days after inception report	Consultant and TDB
4.	Data collection, analysis, interpretation and synthesis	September to December 2024	Consultant and TDB
5.	Advisory to the TDB Group	Throughout	Consultant
6.	Draft report	January 31, 2025	Consultant
7.	Review of draft report by TDB	February 1- 14, 2025	TDB
8.	Revision of draft report	February 17-21, 2025	Consultant
9.	Final review by TDB	February 24-March 14, 2025	
10.	Presentation of the final report	March 21, 2025	Consultant

## 7. INVITATION TO SUBMIT PROPOSAL

Proposals should contain the following elements:

### Technical Proposal

- Comments on the ToR and understanding of objectives.
- Description of methodology and approach.
- Outline of team structure, including roles and responsibilities of team members.
- CVs of key individuals, tailored to the assignment, annexed to the proposal.
- Summaries of at least 3 relevant previous assignments.
- At least 3 relevant references and their conduct details.

## 7.1 Financial Proposal

- An itemised budget for both professional fees and reimbursable expenses, including fee rates.
- The budget should be in USD net of taxes.

## 8. DURATION OF THE ASSIGNMENT

The duration of the contract will be up to 9 months.

## 9. PRESENTATION AND DECISION PROCESS

Shortlisted firms will be advised and, if necessary, will be expected to present to the TDB Group Taskforce at an agreed upon date and time. The Taskforce will deliberate and decide on the appointment of the winning firm. The final decision will be communicated to the winning bid. TDB Group reserves the right not to communicate further with those who do not make it past the shortlisting process. TDB Group is not bound to accept the lowest bidder.

## 10. CONFIDENTIALITY AND SUBMISSION DEADLINE

Any confidential information provided to the Consultant by TDB Group is to be treated in accordance with confidentiality requirements to be specified by TDB Group. Proposals should be:

- a) Dated and signed, and
- b) Submitted electronically in Microsoft Word or Adobe Acrobat format and sent with the subject **2024 TDB SUSTAINABILITY INTEGRATED REPORTING CONSULTANT** to the following email: [procurement@tdbgroup.org](mailto:procurement@tdbgroup.org).

The bids should be submitted no later than 17h00 hours Nairobi Time on Friday 26<sup>th</sup> July 2024.

*Disclaimers: This RfP is subject to TDB Group Procurement Policy and TDB reserves the right to reject any proposal that is not in the abovementioned email mailbox by the deadline. Only the successful bidders shall be contacted for further negotiations.*

*TDB Group reserves the right to independently verify submitted documents, listed clients and similar works. TDB Group is not obliged to give any reason for not selecting any persons/firm. TDB Group reserves the right to discontinue this process without reference to any entity.*