STERLING BANK LIMITED

DFCD Climate Finance Programme

EXECUTIVE BRIEF
TERMS OF REFERENCE (TOR)

Engagement of Technical Consultant for Strengthening Climate Finance Capabilities, E&S/GESI Integration, and Climate Risk Management Systems

Including Strengthening of an Integrated Climate Finance Desk and Ecosystem

Supported by
Dutch Fund for Climate and Development (DFCD)
through SNV Netherlands Development Organisation

April 2026

1. BACKGROUND

Sterling Bank is implementing a DFCD-supported programme to strengthen its climate finance capabilities across lending, risk management, monitoring, and reporting. The programme is structured into four workstreams (A–D) to enable clear tracking, execution, and alignment with DFCD requirements.

2. OBJECTIVE

To build a practical, bank-wide climate finance system fully embedded into core banking operations and aligned with IFRS S1/S2 and global standards.

3. PROGRAMME STRUCTURE (DFCD ALIGNED)

The engagement is structured into four distinct but integrated workstreams for tracking purposes. While structured separately for tracking, delivery is expected to be integrated across all workstreams.

Workstream	Focus	Primary Outputs
A	Training & Capacity Building (with embedded frameworks)	Climate Finance, E&S and GESI training; Training-of-Trainers; departmental action plans and institutionalisation support
B	(Embedded) Framework Development across A, C, D	Practical tools, templates and frameworks embedded within Workstreams A, C and D — translating policy into operational instruments
C	Monitoring & System Development (LMCRS)	Design, build and deploy the Loan Monitoring & Climate Risk System with climate/E&S/GESI tagging and dashboards
D	Climate Risk Policy & Governance	Reviewed Climate Risk Policy, Decarbonisation Strategy, Sustainable Finance Framework and IFRS S1/S2 disclosure readiness

4. WORKSTREAM A: TRAINING & CAPACITY BUILDING

Deliverables:

- Training Needs Assessment Report covering Climate Finance, E&S and GESI competency gaps across all relevant business units
- Modular training curriculum and materials for Climate Finance and E&S/GESI tracks, including Training-of-Trainers (ToT) components
- Delivery of all training sessions (in-person and blended), with post-training knowledge assessments
- Post-training report, departmental action plans and updated E&S/GESI frameworks embedded into credit procedures, business teams and product manuals
- Climate finance tagging mechanism, Climate Finance Desk support and a learning roadmap aligned to the Bank's strategic plan

5. WORKSTREAM C: MONITORING & SYSTEM DEVELOPMENT (LMCRS)

Deliverables:

- Process and control maps (as-is and to-be), RACI matrix and SLA catalogue across all monitored loan processes
- Rules and Alerts Library; integration with core banking, portfolio, insurance and document repositories; configured notification channels
- Portfolio cockpit dashboards, collateral/insurance monitoring dashboards and a configured case-management module
- RBAC framework, maker-checker workflows, audit-trail functionality, data quality rules and data lineage documentation
- UAT systems, SOPs, system go-live support, final project report, handover documentation and post deployment support.

6. WORKSTREAM D: CLIMATE RISK POLICY & GOVERNANCE

Deliverables:

- Approved Climate Risk Framework, Sustainable Finance Policy/Framework, Sustainability Disclosure Policy and associated IFRS S1&S2-aligned frameworks
- Quantitative methodology for transition risk, physical risk, financed emissions (PCAF/GHG Protocol) and NGFS-aligned scenario analysis and stress testing
- Refined Portfolio Decarbonisation Strategy with improved climate-impact measurement
- IFRS S1/S2 gap analysis and benchmarking report; IFRS S1/S2 Implementation Roadmap and FRCN Readiness Test Assessment pack
- Embedding tools for credit workflows (risk registers, screening tools); draft IFRS S1/S2 disclosures; consolidated final report and EXCO presentation
- Governance & Reporting Structure

7. CONTINUOUS VALIDATION (UAT & M&E)

The consultant shall implement continuous validation throughout the programme through:

- Progressive UAT (system testing) — running alongside system build from Phase C
- Continuous M&E (training and adoption) — monitoring competency uptake and framework embedding
- Feedback loops and iterative improvements before final sign-off

8. PROJECT TIMELINE

All workstreams run in parallel across a 12-week engagement. Continuous UAT and M&E run from Week 5 to programme close.

Period	Workstream / Activity	Status at Close
Weeks 1–2	Inception & Diagnostics	Kick-off, workplan, stakeholder mapping

Period	Workstream / Activity	Status at Close
Weeks 1–4	Training — Workstream A	Training delivery complete (incl. ToT)
Weeks 3–10	Policy & Frameworks — Workstream D	Policy delivery; IFRS S1/S2 related activities and frameworks finalised
Weeks 1–9	System Build — Workstream C	LMCRS go-live
Weeks 5–10	UAT & M&E — Cross-cutting	Continuous validation and monitoring
Weeks 10–12	Finalisation	Final integration, handover & close-out

9. PAYMENT MILESTONES (DFCD TRACKING ALIGNED)

Payments are tied to verifiable milestone completion across workstreams, in alignment with DFCD tracking and reimbursement requirements.

Workstream	Milestone	Share of Total
A	Training Completion	**25%**
C	System Deployment (LMCRS Go-Live)	**35%**
D	Policy Delivery (Climate Risk Policy & Frameworks)	**20%**
—	Final Integration & Handover	**20%**

10. CONSORTIUM ELIGIBILITY

Consortium submissions are permitted, with clearly defined roles and a designated lead firm. Each consortium member's contribution and accountability must be set out in the technical proposal, and the lead firm will be the single point of accountability to Sterling Bank.

11. IMPLEMENTATION REQUIREMENT

All outputs must be **practical, implementable, and embedded** into the daily banking operations of credit, risk and business workflows. Theoretical or stand-alone deliverables that do not translate into operational instruments will not be accepted.