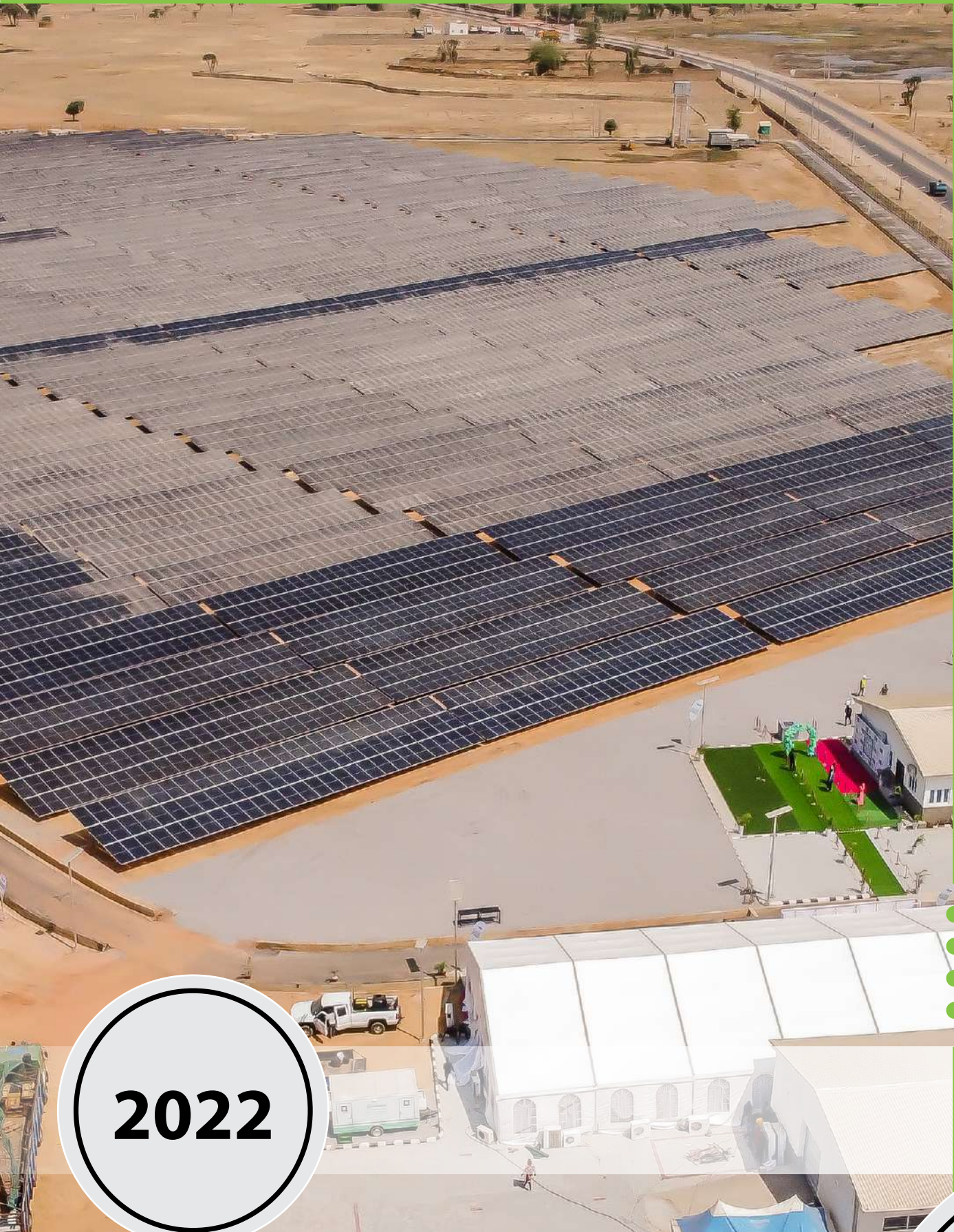


Development Impact Report

| for the Nigeria Sovereign Investment Authority



2022



“At the NSIA, we continue to focus on delivering our mandates to stimulate social and economic development for Nigeria...”

Mr Farouk Mohammed Gumei, Chairman, Board of Directors

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List of Abbreviations









ZNB	Second Niger Bridge
AfDB	African Development Bank
AFC	Africa Finance Corporation
AKR	Abuja Kano Road
AUM	Assets Under Management
BIC	Board Investments Committee
DfID	Department of International Development UK
DD	Due Diligence
ECA	Excess Crude Account
ESG	Environmental, Social and Governance
EXCO	Executive Committee
FCDO	Foreign and Commonwealth Development Office
FAFIN	Fund for Agricultural Finance in Nigeria
FGF	Future Generations Fund
FGN	Federal Government of Nigeria
FHFL	Family Homes Fund
GDP	Gross Domestic Product
IFSWF	International Forum of Sovereign Wealth Funds
IMF	International Monetary Fund
IPS	Investment Policy Statement
IT	Information Technology
KfW	German Development Bank (KfW Bankengruppe)
KPI	Key Performance Indicator
LIE	Lagos Ibadan Expressway
LPAC	Limited Partners Advisory Committee
MSME	Micro, Small and Medium Enterprises
MTPA	Million Tonnes per annum
NDC	National Determined Contributions
NIDF	Nigeria Infrastructure Debt Fund
NESI	Nigerian Electricity Supply Industry
NIF	Nigeria Infrastructure Fund
NSIA	Nigeria Sovereign Investment Authority
NMRC	Nigeria Mortgage Refinance Company
OPSWF	One Planet Sovereign Wealth Fund
PFI	Presidential Fertilizer Initiative
PIDF	Presidential Infrastructure Development Fund
PM	Project Management
SDG	Sustainable Development Goal
SWF	Sovereign Wealth Fund
SWFI	Sovereign Wealth Fund Institute
SF	Stabilisation Fund
UN	United Nations
US	United States
WB	World Bank

About this Report

The annual NSIA Developmental Impact Report provides a comprehensive summary of the impact, milestones, and accolades achieved by the Nigeria Sovereign Investment Authority (NSIA) across its three primary funds and unpacks in detail our commitment to creating impact. The report includes both qualitative and quantitative data, showcasing the direct impact created within the Nigerian economy and the broader impact on the African continent and globally.

The data covers the period from January 2022 to December 2022, with insights provided by investment sector and geography where possible. This report demonstrates NSIA's commitment to driving positive change and fostering economic development through its investment activities.

Icons used in this Report:

-  Agriculture
-  Healthcare
-  Power
-  Innovation and Technology
-  Motorways
-  Financial Markets Infrastructure
-  Gas Industrialisation
-  Climate/ESG



Message from the Board Chairman



Mr Farouk Mohammed Gumel
Chairman, Board of Directors

We are proud to celebrate another year of positive returns, commemorating a decade of consistent profitability for the Nigeria Sovereign Investment Authority, since its inception. This significant achievement is a demonstration of NSIA's commitment to build its asset base, grow Nigeria's wealth and create value within the economy.

The year under review presented the NSIA and the wider investment community with a number of macro-economic challenges which have had far-reaching implications for the Nigerian economy. From global supply chain disruptions due to the ongoing Russia-Ukraine war to sustained forex movements, double-digit inflation, and decreasing levels of per capita income. Financial markets experienced a turbulent year as rising inflation led to monetary authorities tightening interest rates, which impacted all asset classes. The global economy was further strained by China's restrictive Covid-19 policy, which persisted throughout most of the year.

Despite challenging macroeconomic conditions in 2022, it proved to be a decent year for the NSIA as we consolidated gains from previous years, and commenced institutionalizing ESG practices across our investment value chain. The NSIA remained resilient to the challenges as demonstrated by our ability to return a profit after tax of N102.4 billion.

At the NSIA, we continue to focus on delivering our mandates to sustain economic development for Nigerians by; a) building a savings base for future generations of Nigerians, b) enhancing the development of Nigeria's infrastructure and c) providing stabilisation support in times of economic stress, through our three ringfenced funds; i) Future Generations Fund (FGF), ii) the Nigeria Infrastructure Fund (NIF), and iii) the Stabilisation Fund (SF).

The Resilience of the NSIA Funds

Our three Funds were affected by the ever-changing macro-economic conditions. However, by December 2022, the SF and NIF produced positive returns for the year while the FGF returned -3.87%, outperforming major indices and its sovereign wealth fund peers. In the same period, our net asset increased by 10.5% from N919.73 billion in 2021 to N1.02 trillion in 2022 without receipt of additional government contributions. This highlights the resilience of our well-diversified investment portfolio, and the unwavering commitment of our people, processes, and systems.

Through the NIF, we have enabled the efficient movement of goods, services, and

Our net asset increased by 10.5% from N919.73 billion in 2021 to N1.02 trillion in 2022 without receipt of additional government contributions.



Message from the Board Chairman

people, facilitated trade and commerce, attracted investment into the economy, encouraged industrialisation and stimulated overall economic activity.

In turn, we are pleased that this has supported job creation and increased productivity in the economy. The delivery of critical infrastructure in healthcare, energy, transportation, agriculture and financial market infrastructure has been catalytic in several industries and has successfully enhanced the attractiveness of the Nigerian market to both local and foreign investors.

Driving Operational Excellence through Sustainability

At NSIA, we firmly believe that ESG and sustainability are integral to achieving operational excellence. In the current economic and social climate, there are heightened expectations from all our stakeholders and therefore, it is imperative for us to continue creating shared value, optimising risk management, and advancing solutions that ensure inclusive economic growth.

We are adopting ESG and sustainability as critical frameworks across the NSIA value chain to ensure that we continue to minimise the environmental impact of our investments, add value in a climate-resilient manner, prioritise investments that ensure socio-economic impact, and ultimately maintain strong corporate governance. Our commitment to ESG is opening a new vista of opportunities for investment in environmental initiatives such as renewable energy solutions, reduction of pollution, and preservation of ecosystems and biodiversity. We are committing to investing in the transition to clean energy sources and the adoption of sustainable business practices that promote innovation and encourage new economic opportunities in an effort to create a healthier environment for current and future generations of Nigerians.

By fostering strategic partnerships with institutions and forums like One Planet Sovereign Wealth Fund Initiative, and Africa Sovereign Investors Forum, among others, we continually strengthen our ESG footprint and amplify collective actions to improve socioeconomic outcomes for our investments and Nigeria as a whole.

Building on Our Momentum

In 2022, our position as an investment authority was further solidified by the AAA rating received from Agosto and Co, Nigeria's foremost rating agency. This rating acknowledges NSIA's strong capitalisation and liquidity, our diversified investment portfolio, acceptable asset quality, low ESG risk profile and sustained profitability during 2022. It also acknowledges that our operations are underpinned by acceptable

asset quality, asset management expertise and operational excellence.

In 2023, NSIA will continue to leverage technology to streamline our processes, proactively grow our assets under management and drive the integration of ESG across our value chain. In line with global trends and movements, we are also committed to becoming a champion of climate finance and ensuring we implement our people strategy to deepen capacity and ensure the NSIA team can respond to macroeconomic challenges that may arise.

We are looking forward to a year of growth and consolidating the gains we have made as well as deepening our investment and impact across key sectors of the economy.



Message from the Managing Director



Mr Aminu Umar-Sadiq
Managing Director and Chief Executive Officer

2022 was a challenging year for global organizations and sovereign wealth funds, given the macroeconomic headwinds such as the rising inflation levels and resulting interest rate hikes, and supply chain disruptions arising from the Russia-Ukraine conflict. These factors had a significant impact on our externally managed investments as well as the supply of raw materials for the Presidential Fertilizer Initiative. Despite these challenges, the NSIA achieved a respectable perfor-

Net Asset grew by 10.5% to N1.02 trillion in 2022 from **N919.73 billion** recorded in 2021.

Ended the year 2022 with a total comprehensive income of **N96 billion**



mance as a result of our strategic asset allocation and risk mitigation strategy, ending the year 2022 with a total comprehensive income of N96 billion. This performance demonstrates NSIA's resilience, successfully navigating several cycles of global economic uncertainties, volatile markets, and geopolitical complexities.

Future Generations Fund (FGF): The FGF is invested in a diversified portfolio of growth investments across markets with a 30 percent allocation of the total contribution to the Authority. Though the Fund's 2022 performance fell below 2021 due to macroeconomic factors, the Future Generations Fund outperformed major indices and its sovereign wealth funds peers, returning -3.87% (in US\$ terms) for the year ended 2022, with Private Equity being the top-performing sector.

Stabilisation Fund (SF): The SF is largely invested in the U.S.'s sovereign debt instruments and Investment-Grade Corporate Credit utilising 20 percent of the contributions to NSIA. At the end of December 2022, 14.6% of the fund was invested in a portfolio of U.S. treasury bonds tracking the Bloomberg Barclays U.S. Treasury bond 1–3-year index. The SF fund returned 4.08% (US\$ terms) for the year ended 2022.

Nigeria Infrastructure Fund (NIF): The NIF receives 50 percent of the capital contributions to NSIA. In 2022, the NSIA achieved a significant milestone in its infrastructure development and strategy implementation in Nigeria. This was accomplished through the successful completion of key projects across our primary sectors of focus. Some of these projects include: the commissioning of Pandagric Novum by the former Vice President of Nigeria, Prof. Yemi Osinbajo SAN; the mechanical completion and commissioning of the 10MW Kano Solar Power plant by the former President Muhammadu Buhari and substantial completion of the projects under the Presidential Infrastructure Development Fund (PIDF).

Driving Sustainable and Inclusive Growth
Since 2012, the NSIA has embedded Environmental, Social and Governance (ESG) principles into our Funds, initiatives, and programmes. Over the last 10 years, continued commitment to sustainable development, responsible investing, and transparency have been the guiding principles in our investment decisions, as we continue to strengthen our transparency and accountability credentials globally.

High transparency ranking scoring 9 out of 10 in the Linaburg-Maduell Transparency Index



Message from the Managing Director

We are developing a robust ESG framework to guide our operations and investment decisions. We will not only assess new investments through a sustainability lens but also review and monitor our existing portfolios, considering various factors including climate-alignment, gender inclusivity and the support provided to local communities. As concerns around climate change and climate risks continue to grow in Africa, the NSIA is committing to becoming carbon neutral, and we have projected plans in place to actualise this goal.

We remain committed to prioritising initiatives and investments that drive inclusive growth and address the most pressing social and environmental challenges that face our country. I am pleased to present the socio-economic and environmental impact of some of our investments which include:

Renewable Energy: In 2022, NSIA achieved mechanical completion of the 10MW Solar Plant being developed in Kumbotso LGA, Kano State. Situated on a 24-hectare parcel of land, the Project is the largest utility-scale solar installation in Nigeria, consisting of over 21,000 monocrystalline PV modules for efficient solar power generation. NSIA commenced the development of a platform that will replicate similar renewable energy projects across Nigeria.

Innovation & Technology: We introduced the NSIA Prize for Innovation (NPI) as a measure to stimulate the ingenuity of Nigerian innovators and technopreneurs to develop solutions that address real-world challenges with global application. The NPI programme is an ecosystem enhancement initiative to support early-stage, growth-driven tech solutions through education, mentorship, and financing. The programme aims to catalyse the growth of the Nigerian technology ecosystem by identifying budding innovators, enhancing their capabilities, and providing a platform to scale their solutions globally.

Motorways: As at the end of 2022, the projects under the Presidential Infrastructure Development Fund (PIDF) achieved significant completion. The Lagos-Ibadan Expressway (LIE) achieved 88% completion, the Second Niger Bridge (2NB) was at 95% completion, while the Abuja-Kano Road (AKR) which was re-scoped and expanded was at 44% completion.

Climate and ESG: In 2022, NSIA and Vitol commenced discussions to establish a joint venture ("JV") designed to invest in a range of carbon avoidance and removals projects. The JV will exclusively develop projects in Nigeria that combine carbon offsetting with social outcomes that contribute to the attainment of UN Sustainable Development Goals.

Financial Markets Infrastructure: NSIA's investments in financial market infrastructure continue to unlock value in dif-

ferent sectors of the Nigerian economy. While all our financial market's infrastructure investments continue to outperform on their mandate, we continuously seek to address gaps within the ecosystem and catalyse capital towards infrastructure projects. In this light, NSIA and Afrexim, co-developed a Project Preparatory Facility to fund preparatory activities for credible infrastructure projects and generate a steady stream of bankable investment-ready projects.

Conclusion

Despite the challenges faced in 2022, the NSIA has remained vigilant and adaptable to the social, economic, environmental, and political uncertainties and risks facing not only Nigeria but the larger global community. Our commitment to being accountable, transparent, responsive, and inclusive has enabled us to drive sustainable growth in Nigeria and deliver on our 3-fold mandate through our funds.

Our 2022 Impact Report shares our philosophy and underlying approach to tackling key domestic challenges with ESG-focused solutions. As we reflect on the past year, we are proud of our continued growth and look forward to another year of learning from the challenges faced, building on our achievements, scaling up our investments in the healthcare and renewables sectors and operationalising the platforms we have conceptualised.



Message from the Head of Sustainability and ESG



Mrs Nana Maidugu
Head, Sustainability and ESG

At NSIA, we prioritise responsible and sustainable investments by implementing our robust ESG strategy focused on generating positive sustainable development impact. Over the past year, the NSIA has been focusing on developing a framework to drive the integration of ESG into our operations and investment decision process. In addition to fostering ESG practices within the NSIA, we are actively working towards greening our assets, investing in renewable energy and carbon reduction initiatives, and embarking on a journey to achieve net zero emissions.

At NSIA, our ESG and impact approach focuses on three key factors including:

- **Institutional Advancement:** From an institutional standpoint, our aim is to further advance the integration of impact and ESG principles. We will continuously evaluate and improve our internal practices, policies, and frameworks to ensure we can continue creating a positive social impact and contribute towards achieving the UN Sustainable Development Goals (SDGs).
- **Investment Perspective:** We continue to analyse our investments to assess their alignment with NSIA's impact and ESG considerations. We also prioritise climate-aligned and climate-resilient investments that generate positive social and environmental outcomes while delivering financial returns.
- **Learning and Partnerships:** We recognise the importance of collaborating with partners to enhance our impact and promote ESG practices. Our focus lies in leveraging our key learnings and sharing them through partnerships to empower and educate others, while also enhancing our own capabilities. We take pride in the strategic partnerships we have formed and continue to actively engage and support key stakeholders through initiatives like our membership in the One Planet Sovereign Wealth Fund initiative. Through these, we not only showcase the performance of the NSIA and bolster our capacity, but also reaffirm our commitment to sustainability and ensure our Fund activities contribute to addressing social and environmental challenges in Nigeria.

Responding to climate change and focusing on the integration of ESG at NSIA will be a key focus area for 2023. As a responsible investment institution, we recognize the urgent need to address climate change and reverse the damage caused to the environment. Therefore, it is imperative for NSIA to lead the way in mitigating climate-related risks and promoting sustainable practices in Nigeria.

As the ESG and climate space continues to evolve, the NSIA is fully committed to the continuous enhancement of our ESG and impact performance. Our commitment will extend beyond specific sectors, as our goal is to embed ESG principles throughout our entire portfolio. On the climate front, we will continue to identify and support impactful projects and initiatives and work with our partners to achieve meaningful change for all Nigerians. We are proud of the ESG and impact performance presented for 2022 and look forward to continued growth and development in 2023.

Overview of the NSIA

The Nigeria Sovereign Investment Authority (NSIA) is a globally focused Nigeria investment institution established by the Nigeria Sovereign Investment Authority Act 2011 to receive, manage and invest Nigeria's Sovereign Wealth Fund through three ring-fenced funds on behalf of the three tiers of the Federation's government: the Stabilisation Fund (SF), Future Generations Fund (FGF) and Nigeria Infrastructure Fund (NIF). The Authority's core mandates include building a savings base for Nigeria's future generation, enhancing the development of Nigeria's infrastructure and providing fiscal stabilisation support in periods of economic stress, facilitated by funds from Nigeria's excess crude oil revenue.

Mission:

To play a leading role in driving sustained economic development for the benefit of all Nigerians through:

- Building a savings base for the Nigerian people.
- Enhancing the development of Nigeria's infrastructure.
- Providing stabilisation support in times of economic stress.

Vision:

To establish NSIA as a leading sovereign wealth fund globally, playing a role in promoting investments for Nigeria's economic development.

Values:

In our quest to become the yardstick of national fiscal discipline, our culture is shaped by values that transcend the norm in public service.



Integrity

In all our undertakings, the NSIA holds itself to the highest ethical principles which reflect the soundness of character and integrity.



Discipline

We apply ourselves diligently in all we do, observing adherence to the provisions of the enabling law on which our existence is anchored.



Transparency

Ours is an institution characterized by clear and best-in-class business practices.

Our Funds

Our Core Funds

Stabilisation Fund

Stabilisation Fund (SF) acts as a reserve to support Nigeria's fiscal stability. It holds funds that the government can withdraw to meet budgetary shortfalls during challenging economic periods.

Future Generations Fund

FGF focuses on long-term investments, accumulating savings for the benefit of future generations of Nigerians. It invests in a diversified portfolio of long-term assets, ensuring wealth preservation and growth.

Nigeria Infrastructure Fund

NIF is dedicated to investing in critical infrastructure projects within Nigeria. NIF plays a pivotal role in the development of the nation's infrastructure attracting foreign investment, supporting economic diversification, and driving long-term economic growth.

NSIA Investment Activity



¹From this sum, N19.7 billion was returned to the federal Ministry of Finance, Budget and National Planning upon removal of East-West Road project from the PIDF

Aligning to Best Practice

NSIA is a signatory to:



As a signatory to the One Planet Sovereign Wealth Funds Initiative, we acknowledge our commitment to the principles of alignment, ownership, and integration, with the purpose of accelerating the integration of climate change analysis into the management of large, long-term and diversified asset pools.



As a signatory to the International Forum of Sovereign Wealth Funds (IFSWF), a voluntary organisation of global sovereign wealth funds, we are committed to working together and strengthening the community through dialogue, research, and self-assessment and promoting a deeper understanding of sovereign wealth fund activity.



NSIA is also a member of the Africa Sovereign Investors Forum (ASIF). ASIF is a multilateral platform of African SWFs dedicated to enhancing cooperation among its members with the objective of unlocking investment opportunities and mobilize capital for the benefit of the continent.

Partnerships

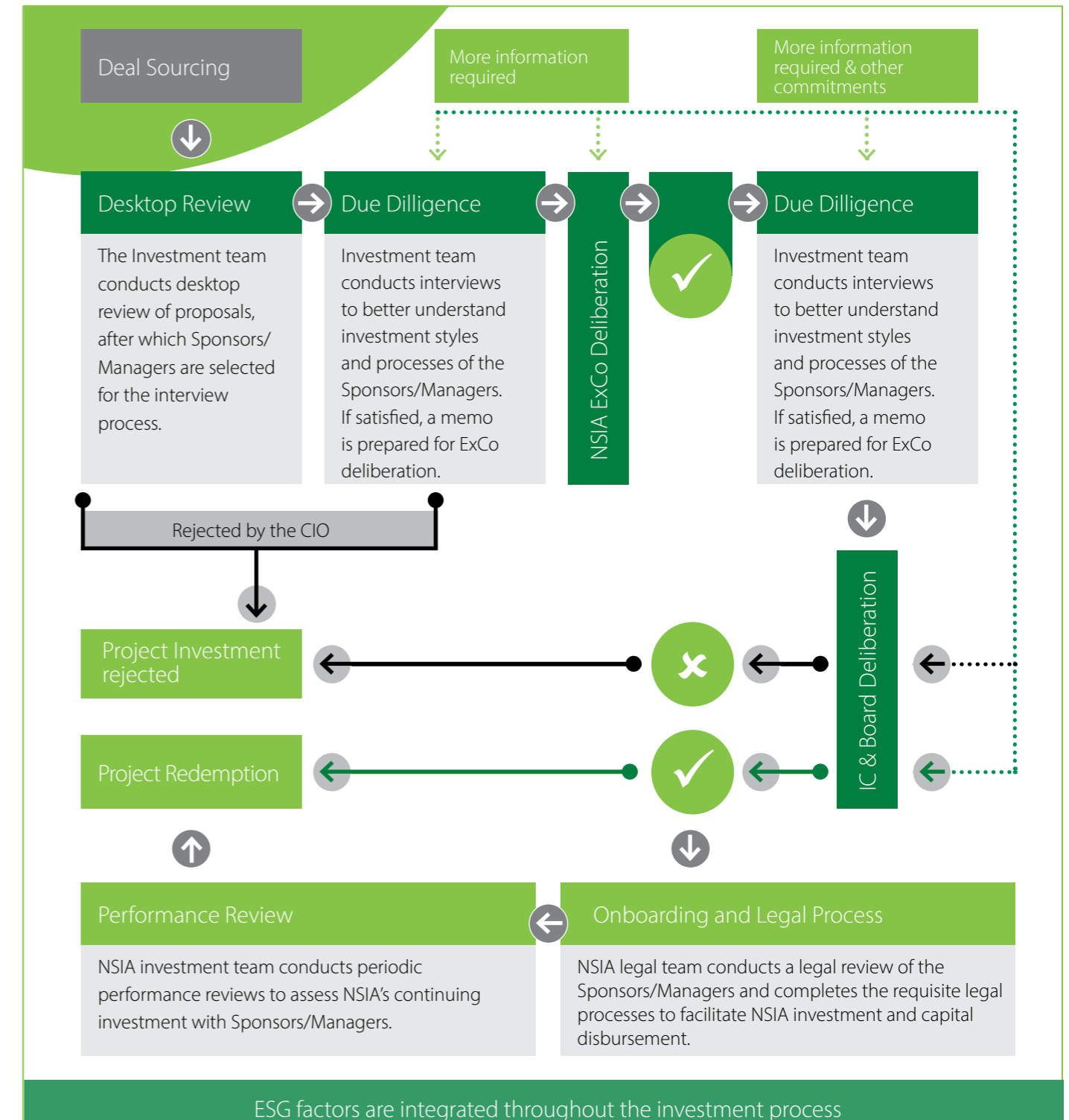
NSIA continues to raise project-specific and co-investment funding (particularly from DFIs) for Nigeria-based infrastructure projects and recycle existing invested capital in subsidiaries.

	United Kingdom's Foreign and Commonwealth Office (FCO, formerly DfID);
	International Monetary Fund (IMF);
	World Bank (WB);
	African Development Bank (AfDB);
	Africa Finance Corporation (AFC)
	German Development Bank (KfW Bankengruppe).

Aligning to Best Practice

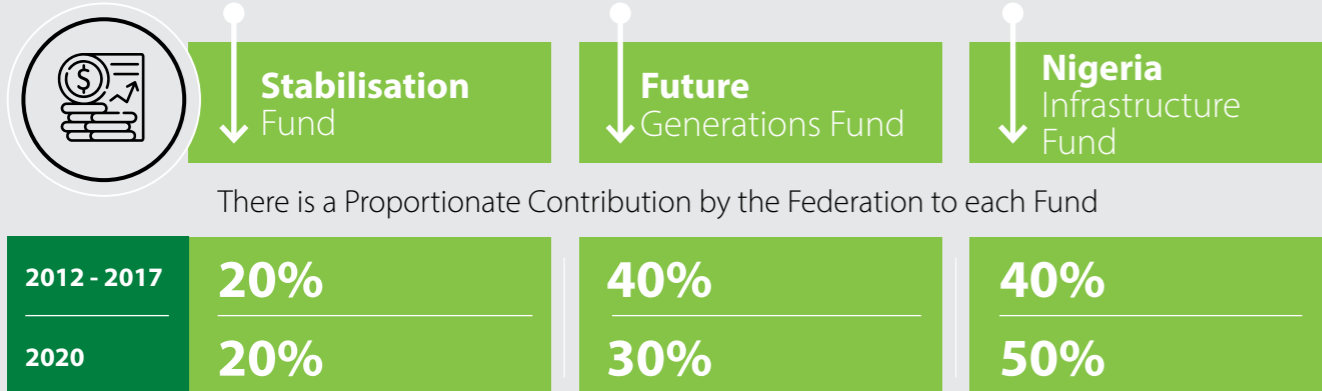
Our Investment Process

The investment process of each NSIA Fund is governed by an Investment Policy Statement (IPS) updated and approved by the board. The investment process establishes a structure of guidelines and policies within which the Fund's Executive Management can exercise their delegated authority and against which recommendations to the Board Investments Committee (BIC) can be evaluated. The following schematics aim to summarise the intent espoused by this policy.



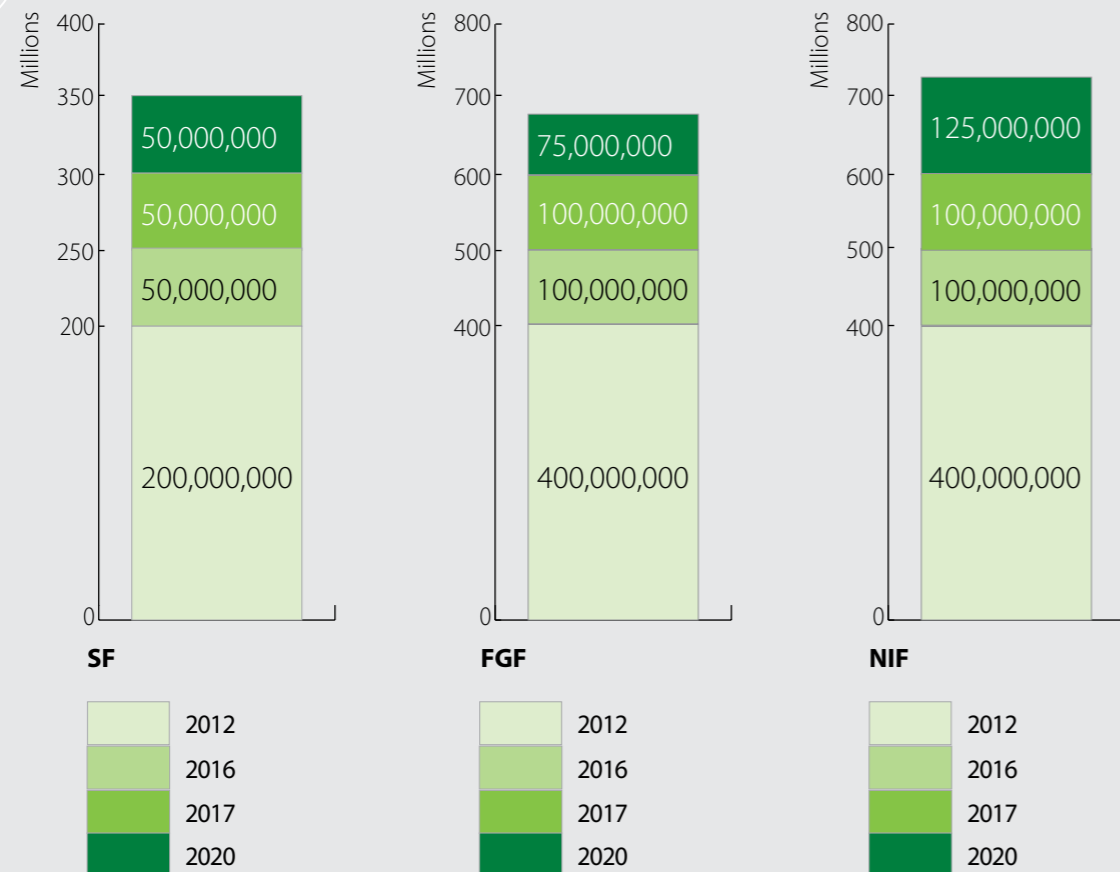
Overview of Each Fund's Performance

NSIA started operations in October 2012, with US\$1 billion seed capital. The positive performance of the funds and confidence in NSIA's management, encouraged the Government to provide additional capital contributions in 2016, 2017, and 2020, totalling US\$750 million. NSIA invests in a diversified portfolio of medium and long-term assets and aims to catalyse co-investment with strategic investors.



There is a Proportionate Contribution by the Federation to each Fund

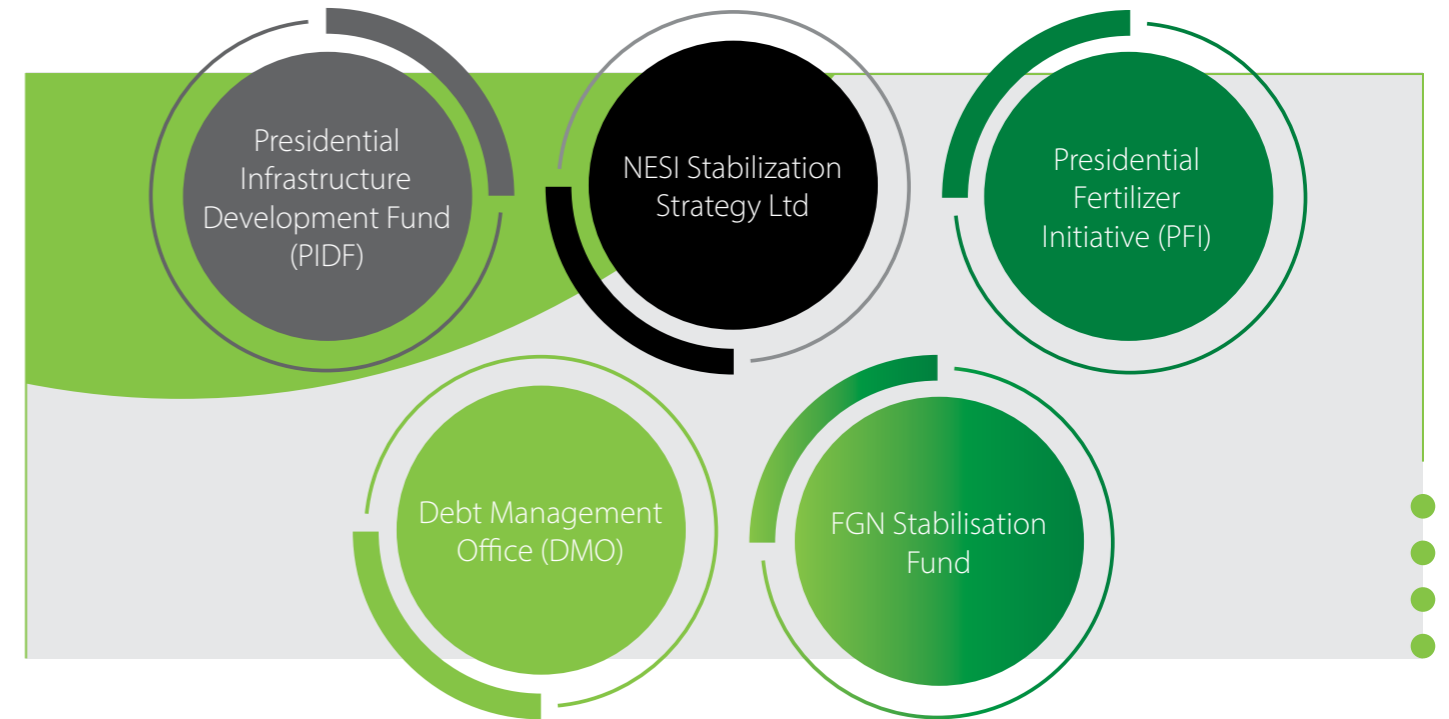
Seed Funding Provided



Overview of Each Fund's Performance

Third-Party Funds

NSIA acts as Fund Manager on behalf of the Office of the President as well as Government Agencies managing:



Despite facing a challenging macroeconomic environment marked by factors such as rising inflation, geopolitical tension, and the impact of Covid-19, particularly in China, NSIA achieved a respectable performance. There was a decline in earnings compared to the previous year as the total Comprehensive Income noted a decline of 34.0% relative to 2021 which was primarily attributable to the decline in the performance of the Future Generations Fund.

However, NSIA's core Assets Under Management (AUM) grew to approximately US\$ 2.27 billion (1.02 trillion naira) as of 31 December 2022, bringing the total AUM for managed and core funds to US\$ 4.2 billion. While the Authority's earnings from interest income, infrastructure business revenue, and fiduciary activities' management fees increased by 34.5% amounting to US\$ 35 million year-on-year growth.

NSIA is resolute in its commitment to delivering increased investments in critical sectors of the economy, driving growth across its funds, and attracting third-party capital into Nigeria's infrastructure sector. NSIA remains confident in its investment strategy and will continue to explore opportunities to mitigate risks and drive financial performance. In 2023, we will be resourcing our various platforms targeted at emerging sectors – renewable energy, sustainability, and innovation – which will ensure the Authority achieves its dual objectives of delivering financial returns and impactful social outcomes.

NSIA investment ownership stake is summarised as follows:

Investment Ownership	2013 ¹	2016 ²	2017 ¹	2020 ^{1,3}	2022
Federal Government	45.83%	51.68%	45.83%	45.83%	45.8%
State Governments	36.25%	26.72%	36.25%	36.25%	36.25
Local Government Areas or Local Council Development Areas	17.76%	20.41%	17.76%	17.76%	17.8%
Federal Capital Territory	0.16%	1.19%	0.16%	0.16%	0.16%

¹Funding source is the excess crude account (ECA)

²Funding source is NLNG Dividends

³In October 2020 the NSIA returned US\$ 150 million to Government from the Stabilisation Fund to cushion the economic stress caused by the Covid-19 pandemic.

Overview of Each Fund's Performance

Stabilisation Fund (SF)

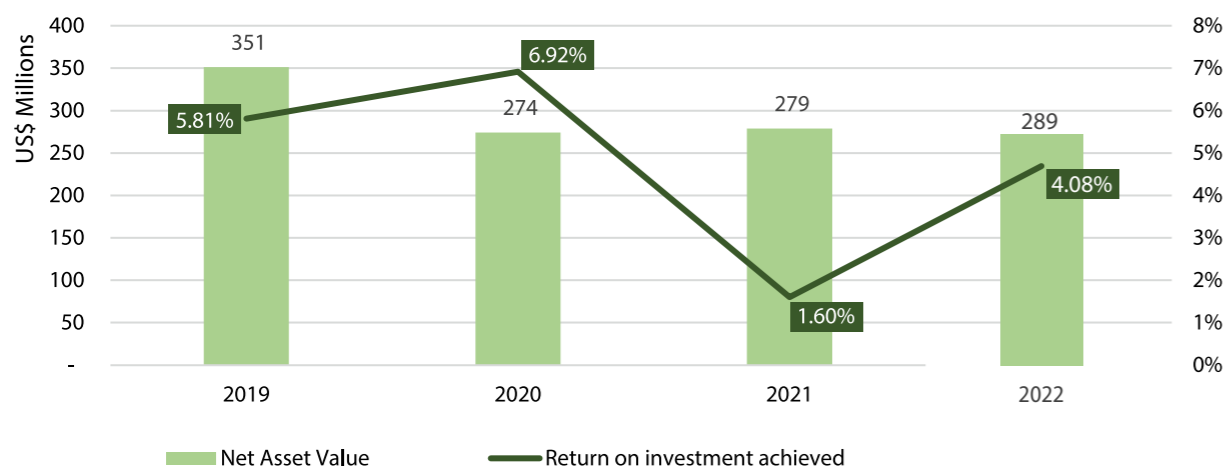
20 percent of the contributions to NSIA are allocated to the Stabilisation Fund. This fund is designed to provide a cushion to the federation in times of economic stress, underscoring the conservative investment approach of the fund. The Stabilisation Fund is invested in investment-grade fixed-income instruments to ensure capital preservation and liquidity, deployed at a short investment horizon, maximising the potential for enhanced returns.

	Policy Target	Benchmark
Growth Assets	75%	Barclays 1-3 Year Corporate Bond
Investment Grade Corporate Bonds		Barclays 1-3 Year Corporate Bond
Hedge Assets	25%	Barclays 1-3 Year Treasury Bond
US T-Bills		91-Day Treasury Bill Index
US Treasuries 1-3 years		Barclays 1-3 Treasury Bond

The Stabilisation Fund is invested in the U.S.'s sovereign debt instruments and Investment-Grade Corporate Credit.

At the end of December 2022, 14.6% of the fund was invested in a portfolio of U.S. treasury bonds tracking the Bloomberg Barclays U.S. Treasury bond 1–3-year index. The fund returned 4.08% (in US\$ terms) for the year.

SF Net Asset and Returns



In 2022, the fund experienced significant volatility as a result of macroeconomic headwinds such as inflation and monetary policy tightening to stem the inflation. These factors had a significant and sudden impact on the global financial markets as Investors faced challenges navigating through uncertainties about stubborn inflation and the path of interest rates. In spite of this, the SF performed better than 2021 as it returned +4.08% in 2022, outperforming its peers.

Overview of Each Fund's Performance

Growth Assets

Nature of allocation in fund for 2022	% Allocation for 2022
Investments are undertaken through a selection of funds, providing exposure to: <ul style="list-style-type: none"> Investment-grade corporate credit The other funds are invested by managers in short to medium-investment-grade US corporate bonds One of the funds is managed as a short-duration investment across very high-quality US corporate and securitised fixed-income instruments The fund also has exposure to structured collateralised deposits with credible counterparties. This provides yield enhancement, with a degree of downside protection, thereby fulfilling the fund's capital preservation goals.	75.7%

Hedge Assets

Nature of allocation in fund for 2022	% Allocation for 2022
This asset provided exposure to US Treasury instruments tracking the Bloomberg Barclays US Treasury bond 1-3-year index with a maturity range of one to three years.	24.3%



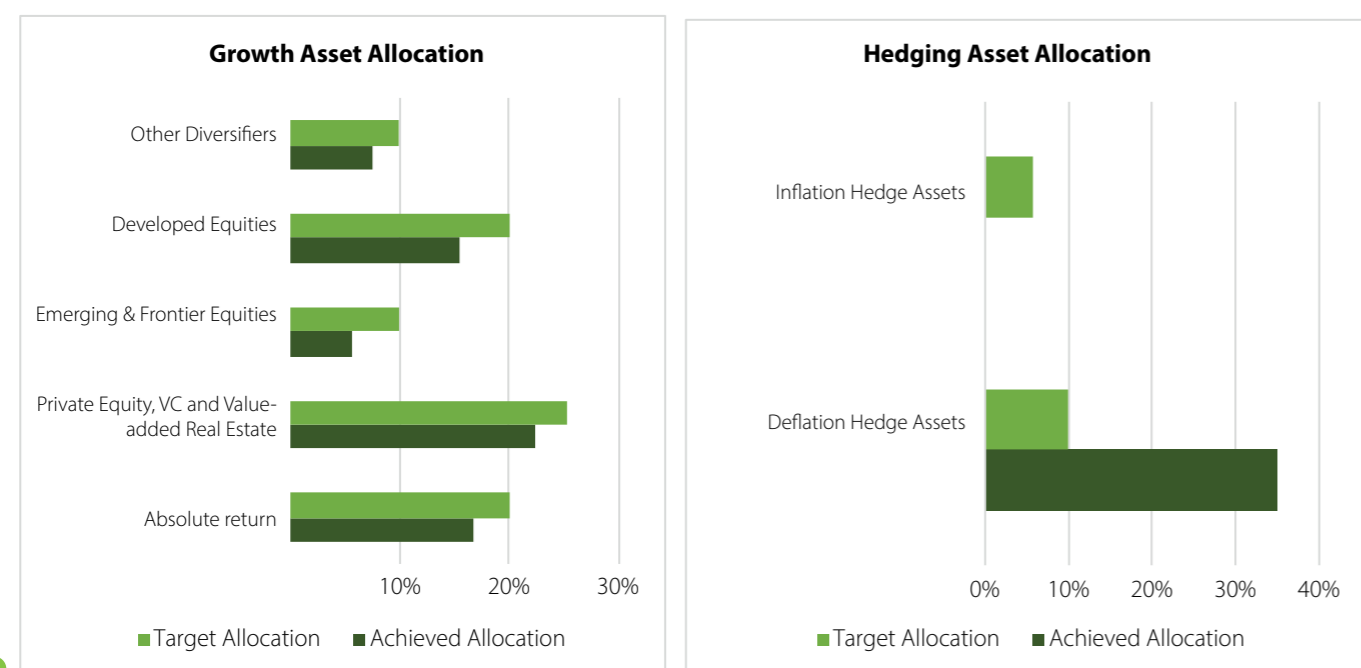
Overview of Each Fund's Performance

Future Generations Fund (FGF)

30 percent of the Authority's total contribution is deployed to the FGF. The FGF is a long-term investment fund with an investment horizon of more than 20 years, so it is expected to weather multiple economic and market cycles. Diversification is used as a key risk management tool to achieve investment objectives and mitigate the effects of volatility and uncertainty.

The target asset allocation for the Future Generations Fund strives to enable the best allocation of assets. Owing to the fund's long-term horizon, asset allocation is skewed to growth assets, which account for 85% of the allocation. The rest is apportioned to inflation hedges (5%) and deflation hedges (10%).

	Policy Target	Benchmark
Growth Assets	85%	MSCI All Country World Index
Developed Equities	20%	MSCI World Index
Emerging & Frontier Equities	10%	MSCI Emerging Markets Index
Private Equity, VC and Value-added Real Estate	25%	Cambridge Associates US Private Equity Index
Absolute Return	20%	HFR Event-Driven (Total) Index
Other Diversifiers	10%	Cambridge Associates US Private Equity Index
Hedging Assets: Inflation	5%	Weighted Composite
Hard Assets	5%	50% FTSE EPRA/NAREIT Developed Real Estate Index/ 50% CA Private Natural Resources Benchmark
Hedging Assets: Deflation	10%	Citigroup World Government (Hedged) – US\$ Bond Index
Cash	10%	US T-Bill



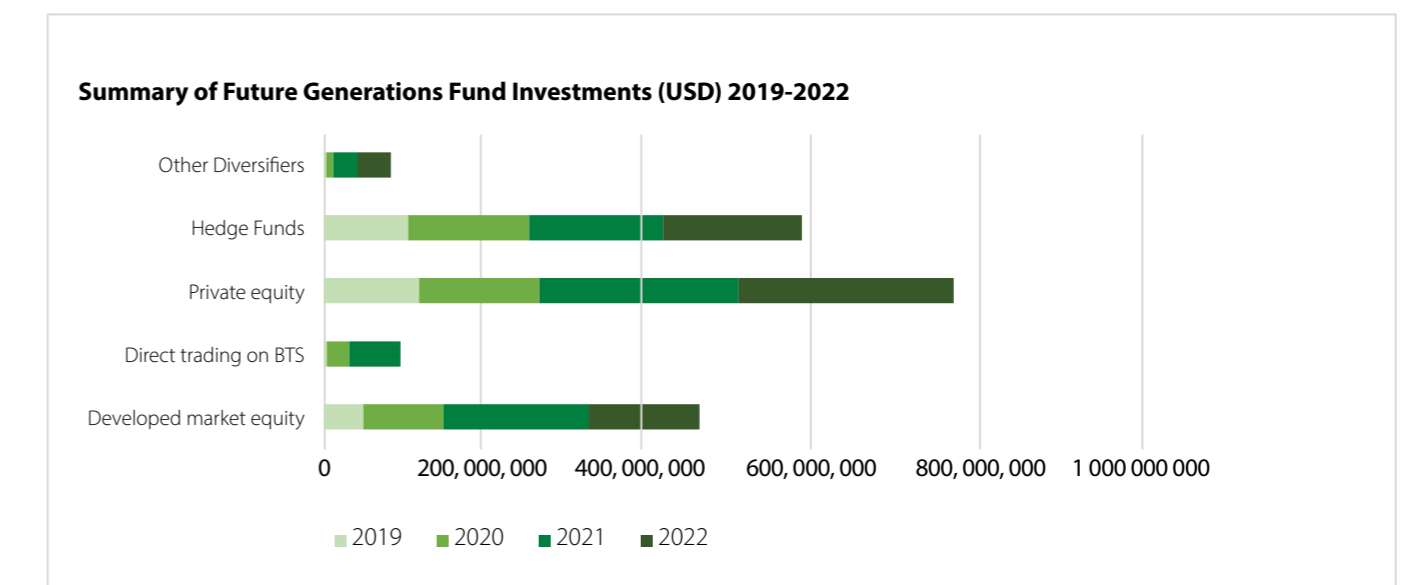
NSIA's approach centred on generating healthy risk-adjusted returns, cautiously increasing market exposure, and growing the tactical allocation portfolio within the year.

Overview of Each Fund's Performance

The Future Generations Fund outperformed its sovereign wealth fund peers, with Private Equity being the top-performing sector. Developed Equity, Hedge Funds, and Emerging Long Only Equity posted a decline in the year due to prevailing macroeconomic market conditions. Notable developments within the year included the onboarding of six fund strategies, among them the NSIA's first stand-alone exposure to an Asian private market Fund, as well as commitment to an Energy Storage Fund.

The Authority also exited from two strategies, onboarded a new fund performance reporting provider and restructured the Hedge Fund portfolio as well as strengthened the tactical asset allocation strategy. The performance under each asset class in 2022 is summarised as follows:

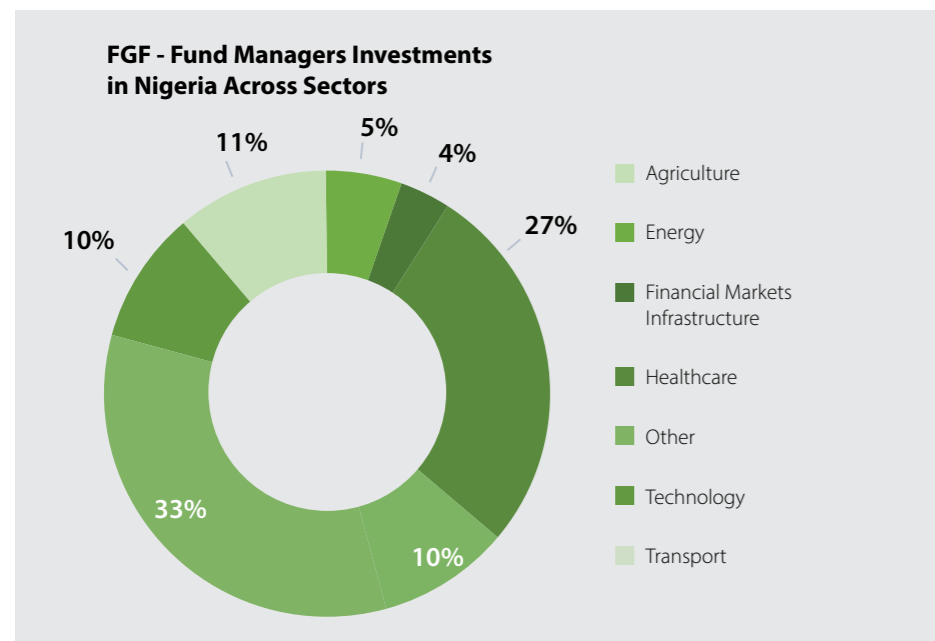
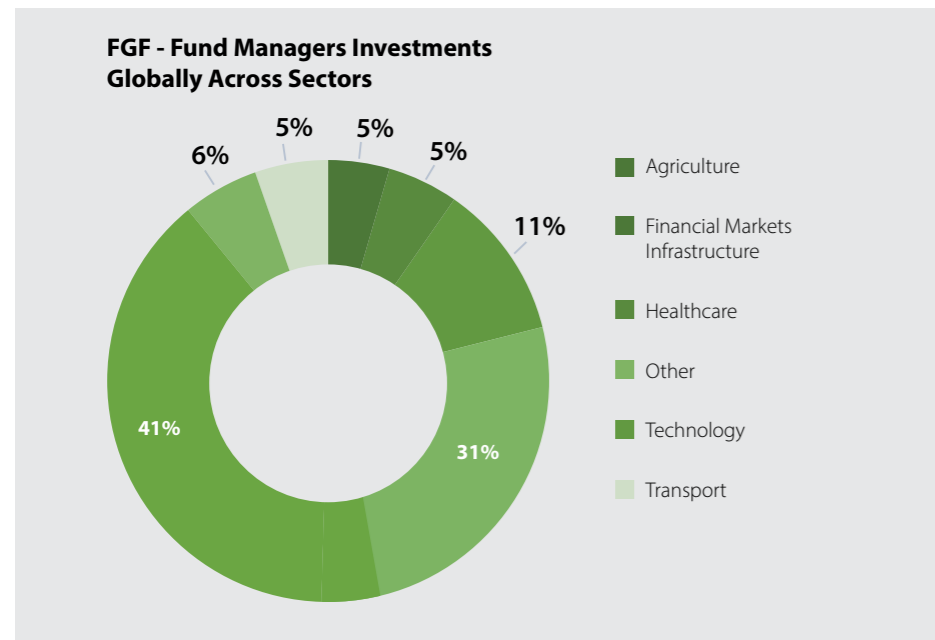
Asset Class	Overview of focus areas and achievements in 2022
Growth Assets	Developed Equities This asset class offered diversification across regions and investment styles. Our focus remained on the equity markets of the United States, Europe, and Japan. Despite market headwinds, we remained invested and added exposure to Japan.
	Emerging & Frontier Equities The year 2022 was tough for emerging markets, facing multiple challenges that impacted their growth. Factors such as rising interest rates, geopolitical risks, China's COVID lockdown, created a complex and uncertain environment and affected returns.
	Private Equity, VC and Value-added Real Estate FGF continued to expand its portfolio by focusing on private equity and venture capital (VC). This approach included a well-balanced mix of established managers and niche managers across Europe, the United States, and Emerging Markets, further enhancing portfolio diversification.
	Absolute Return This strategy is driven by a mix of Fund of Funds products and stand-alone strategies, such as global macro, credit, and long/short equity. With the flexibility to invest across different strategies and geographies, these managers aim to generate positive returns irrespective of market direction.
	Other Diversifiers FGF further diversified its portfolio to mitigate risk through investments in products such as healthcare royalty, aircraft leasing, and commodities. These additional diversifiers are carefully selected to spread out portfolio risk and capture unique opportunities.
Hedge Assets	Inflation and Deflation The authority allocates a policy target of 15% to inflation hedges and deflation hedges. This approach strengthens the portfolio's resilience against inflationary and deflationary pressures.



Overview of Each Fund's Performance

During the 2022 financial year, the fund delivered a return of -3.87% (in US\$ terms). The investments in the fund were primarily allocated to Private Equity, Hedge Funds, Developed Equity, and venture capital, in that order. Notably, there were no investments made in Direct trading on BTS.

The Future Generation Fund's investments in funds have resulted in additional investment in the NSIA focus sectors broken down by global reach and Nigeria specific investments as follows:



Overview of Each Fund's Performance

Nigeria Infrastructure Fund (NIF)








The Nigeria Infrastructure Fund (NIF) is focused primarily on developing critical national infrastructure in Nigeria. The Fund is allocated half (50 percent) of the capital contributions to NSIA. In 2022, NSIA reached a significant milestone in implementing its infrastructure strategy by delivering key projects. These projects cut across its core sectors of focus and the implementation of specialised federal government initiatives.

NIF Sectoral Focus

NIF has identified the need to increasingly align the investments of the Authority with the country's economic priorities. The NSIA strategically invests in the following focus sectors: agriculture, healthcare, power, financial markets infrastructure, gas industrialisation, motorways, technology as well as social investment in sectors of interest such as education and real estate.



Focus Sectors

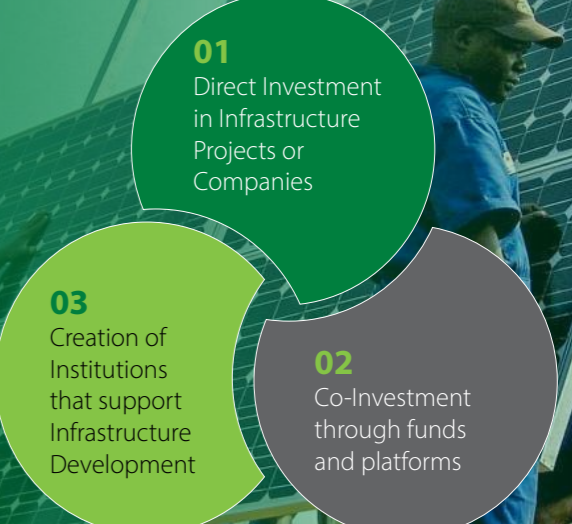
-  Motorways
-  Gas Industrialisation
-  Financial Markets Infrastructure
-  Innovation and Technology
-  Power
-  Healthcare
-  Agriculture

NIF's sectors of interest

Free Trade Zones & Industrial Parks	Refining
Communication	Mining & Basic Materials
Water & Sewage	Real Estate
Water Resources	Gas Pipeline, Storage & Processing
Aviation	Ports



NSIA infrastructure investments continue to deliver value and catalyse critical sectors, recording positive impacts from direct investments in these projects. More fundamentally, significant results have been achieved in an effort to attract third-party capital to Nigeria infrastructure development, thereby expanding capacity to take on large ticket projects.



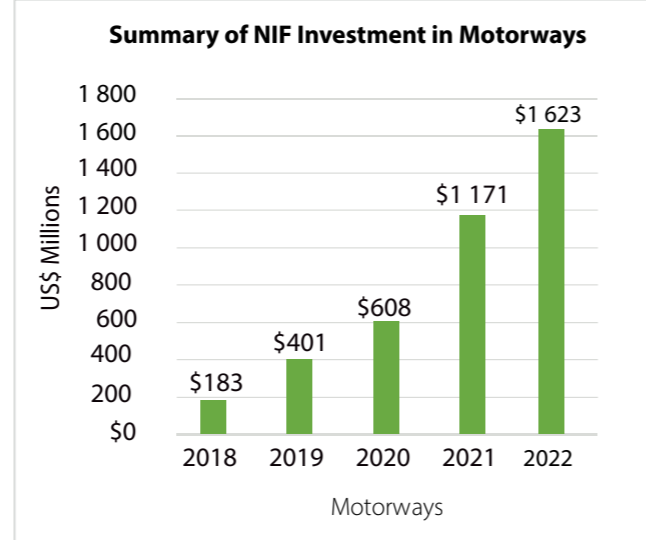
The NSIA infrastructure strategy is built on three pillars: 

Overview of Each Fund's Performance

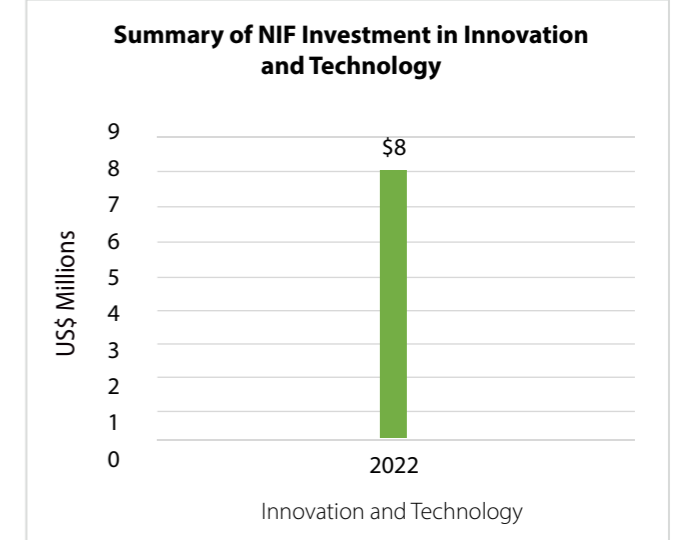
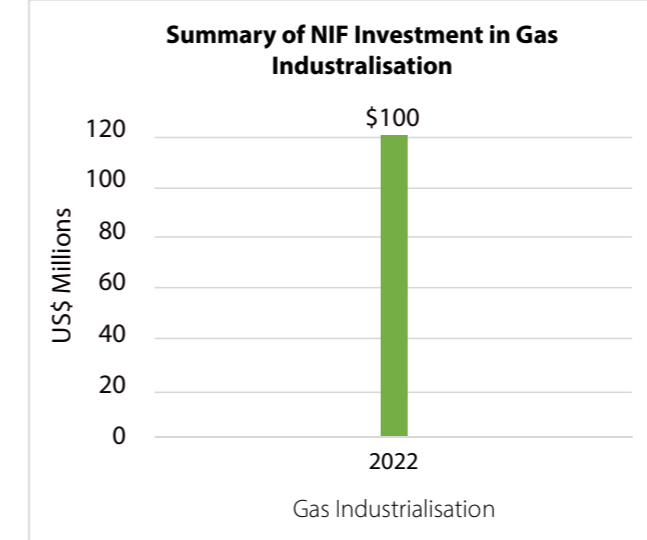
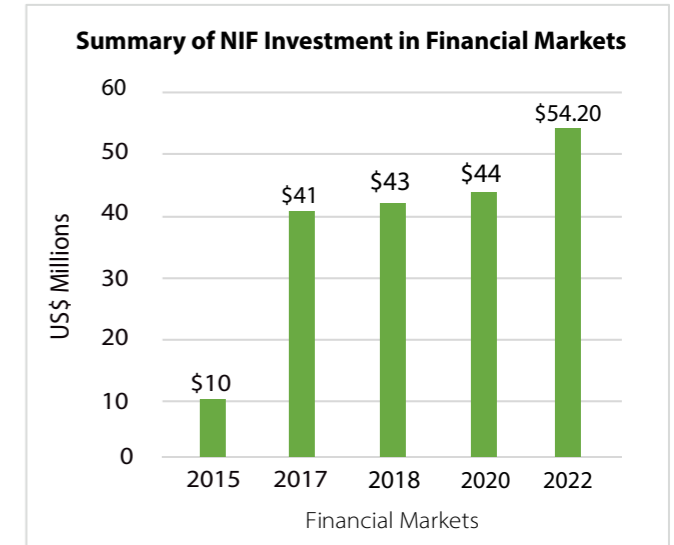
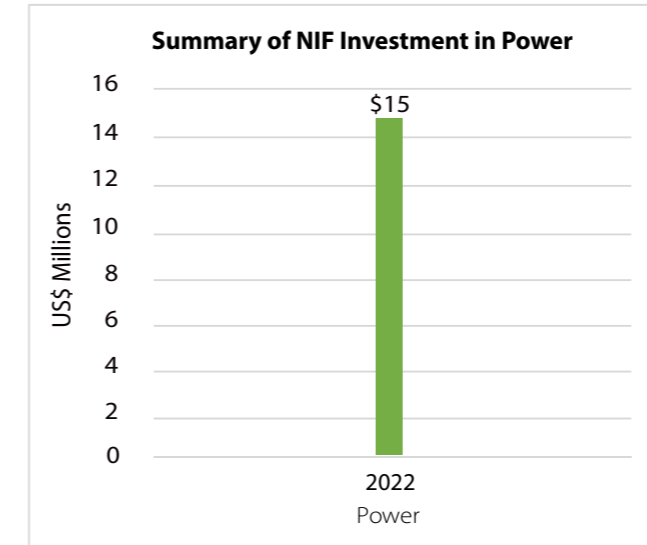
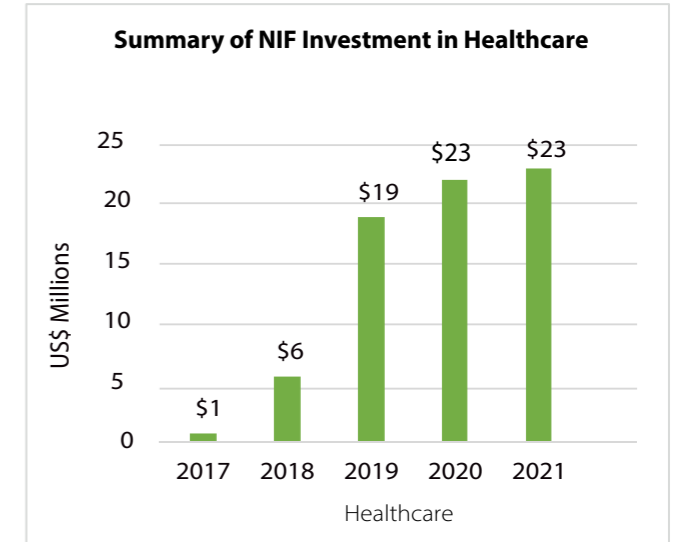
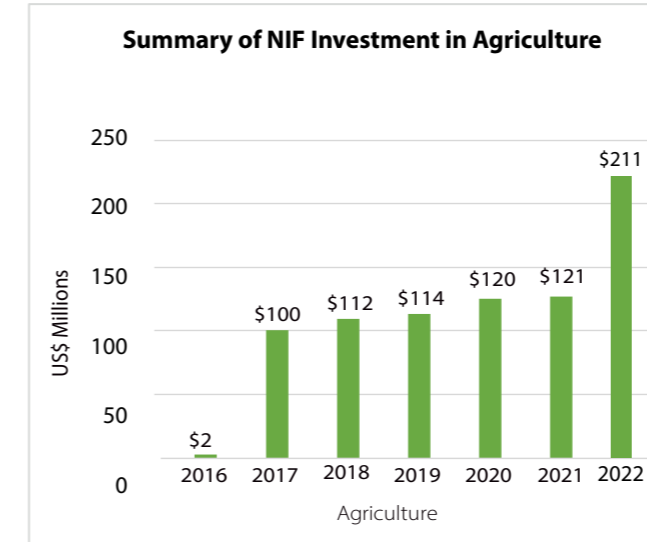
Direct investments in the NIF portfolio are located across 23 of Nigeria's 36 states. Projects which have a national footprint include:

Healthcare	Financial Markets Infrastructure	Power	Motorways	Agriculture	Gas industrialisation	Technology and Innovation
NSIA-LUTH Cancer Care (NLCC) NSIA Umuahia Diagnostic Centre (NUDC) NSIA Kano Diagnostic Centre (NKDC)	Infrastructure Credit Guarantee Company Limited (InfraCredit) Nigeria Mortgage Refinancing Company (NMRC) Development Bank of Nigeria (DBN) CHD Nigeria Infrastructure Debt Fund NG Clearing NSIA-Afrexim Project Preparatory Facility	Kano Solar Project Supported through InfraCredit: <ul style="list-style-type: none"> North South Power – Niger State Viathan – Kaduna State GELUL – River State 	Presidential Infrastructure Development Fund (PIDF) including: <ul style="list-style-type: none"> Second Niger bridge (2NB) Lagos Ibadan Expressway (LIE) Abuja Kano Road (AKR) 	Fund for Agricultural Finance in Nigeria (FAFIN) Presidential Fertilizer Initiative (PFI) Pandagric Novum Babban Gona	NSIA-OCP Multipurpose industrial platform	Kasi hyperscale data centre NSIA Prize for Innovation

We apply a responsible investment filter and ESG considerations when screening and analysing investment opportunities. In 2022, NSIA Board broadened its Climate/ESG screening to focus and capitalize on the potential of integrating and actively reporting on Climate/ESG factors to further drive substantial value. This expansion aims to align NSIA's portfolio with sustainable practices, support the FGN's energy transition ambition of achieving net zero emissions by 2060, mitigate climate-related risks, and seize emerging opportunities in environmentally friendly sectors.



Overview of Each Fund's Performance



Our Developmental Impact Framework

NSIA in Numbers

Diversity, Equity and Inclusion

At NSIA, we believe that the most optimal way to meet our set business performance objectives is through the management and incorporation of a diverse workforce that best represents the general populace that they serve. Through the cultivation of an inclusive workplace, we guarantee the success of our organization. Presented below is the NSIA employee breakdown:



54
Full-time employees (FTE)

37%
Full-time female employees

59%
Youth employees

7
Board Members

29%
Female board members

3
Management

33%
Female Management



Our Developmental Impact Framework



The NSIA GAP programme was launched in August 2021 to successfully empower young, ambitious graduates to gain first-hand experience and develop multifaceted competencies.

The sponsored two-year programme consists of classroom sessions and on-the-job training. The top six participants in the programme have been offered full-time employment with the NSIA.



The top 6 Graduates from the NSIA GAP Programme

How We Generate Impact



The NSIA is dedicated to the development and empowerment of Nigeria and its people, as demonstrated in our developmental impact framework below. Our investment thesis is underpinned by constantly looking for opportunities that will yield optimal financial returns while driving sustained economic development for the benefit of all Nigerians.

Alignment to the Sustainable Development Goals

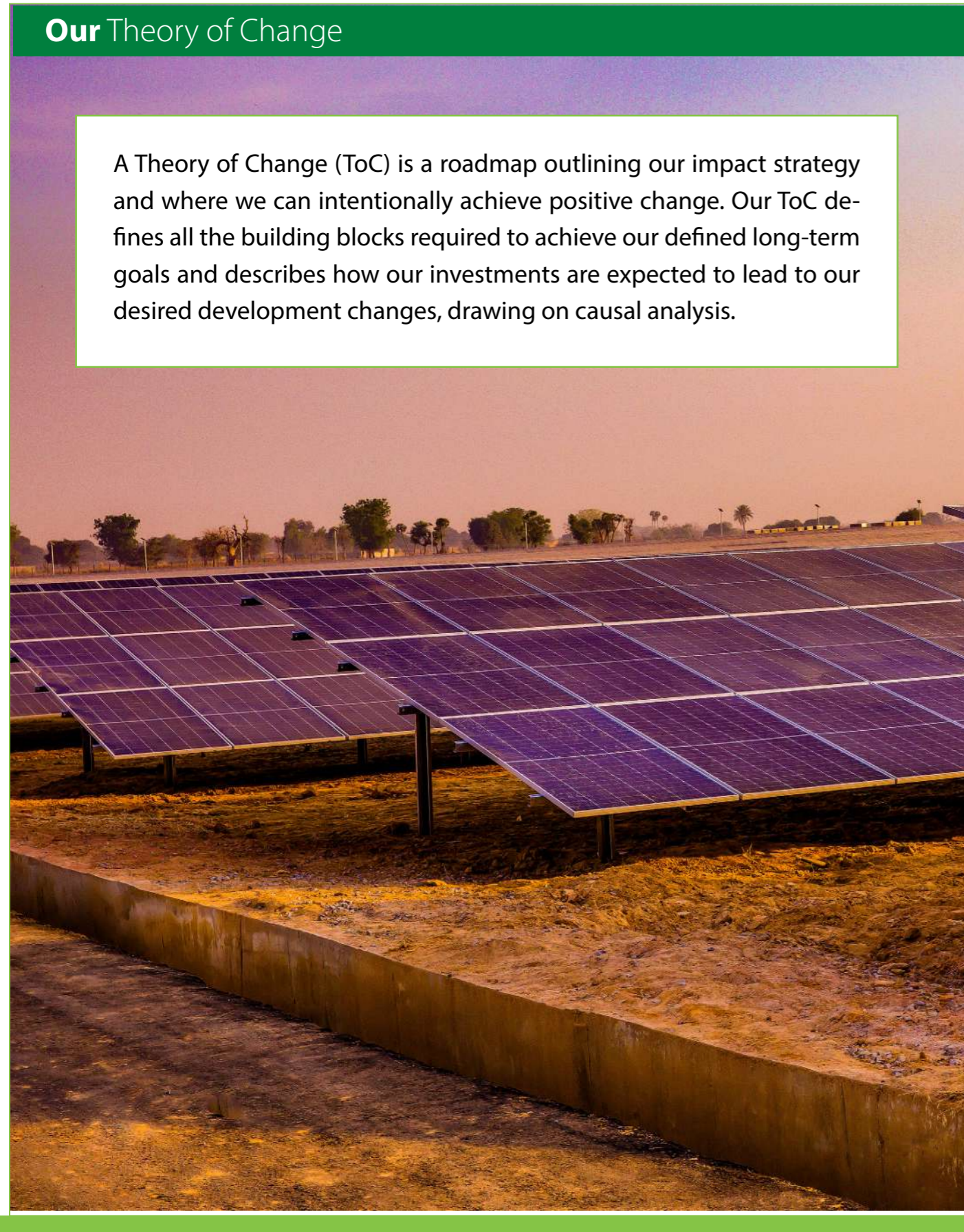
NSIA is aligned with the United Nations Sustainable Development Goals (SDGs), which represents the globally agreed 2030 agenda to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Our Funds directly contribute to 15 SDGs.



Our Developmental Impact Framework

Our Theory of Change

A Theory of Change (ToC) is a roadmap outlining our impact strategy and where we can intentionally achieve positive change. Our ToC defines all the building blocks required to achieve our defined long-term goals and describes how our investments are expected to lead to our desired development changes, drawing on causal analysis.



Our Developmental Impact Framework

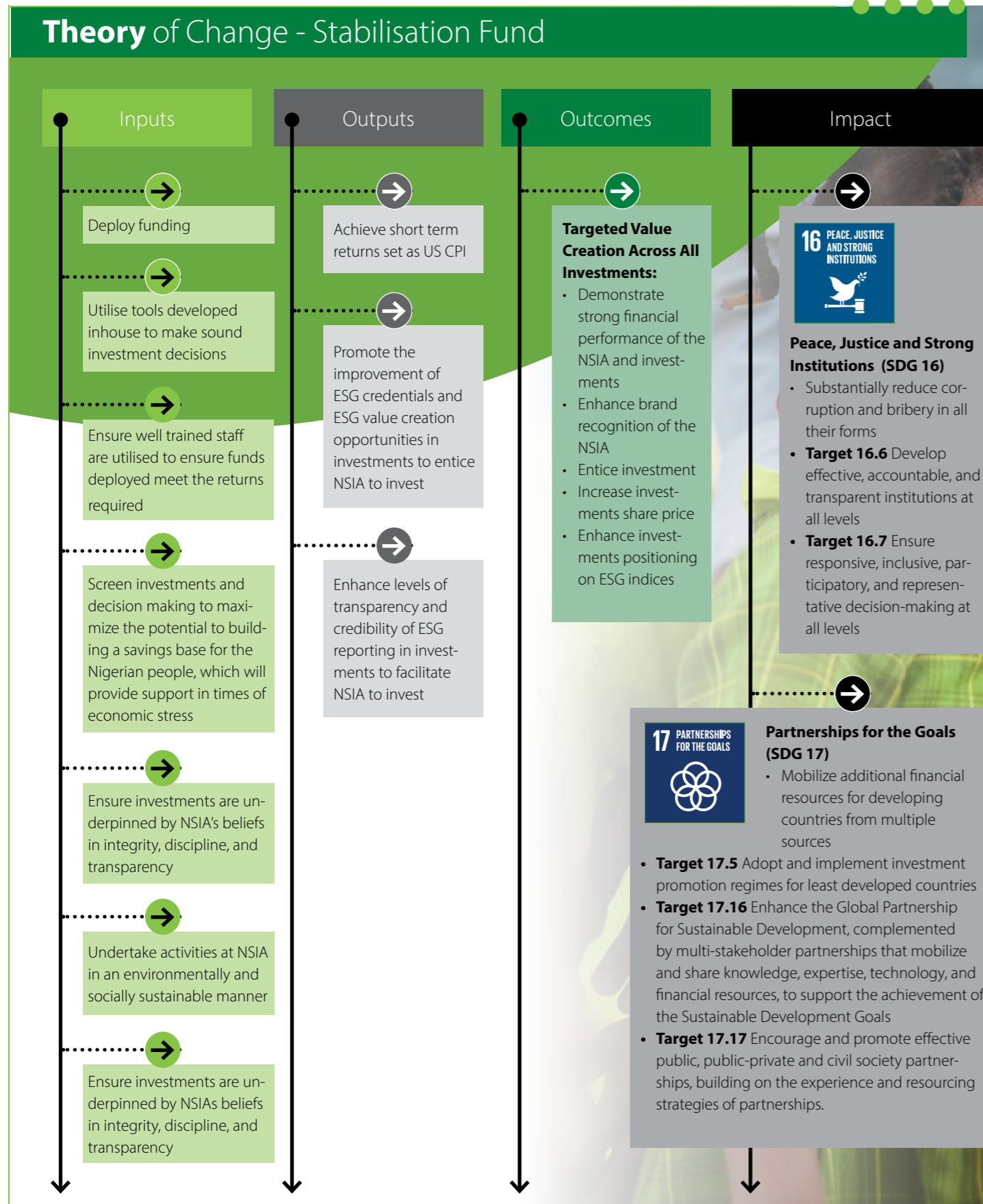
We have developed a ToC for each of our Funds using standardised, best practice frameworks (i.e., UN SDGs) and developed key performance indicators to track performance, changes, and trends over time.

The outcomes we have identified for the medium- to long-term are those which we believe we are most likely able to influence through our investments and are relevant within the Nigerian context. Our ToC is a living document that is updated regularly to respond to themes most significant to the Nigerian and African context.

Through our Theory of Change, we have determined the key linkages our activities have to the sustainable development goals. This focuses our attention on our own goals with respect to achieving desired outcomes within our investments as well as the nature of the impacts we could realise in society. These linkages and impact goals can be summarised according to the following five core themes:



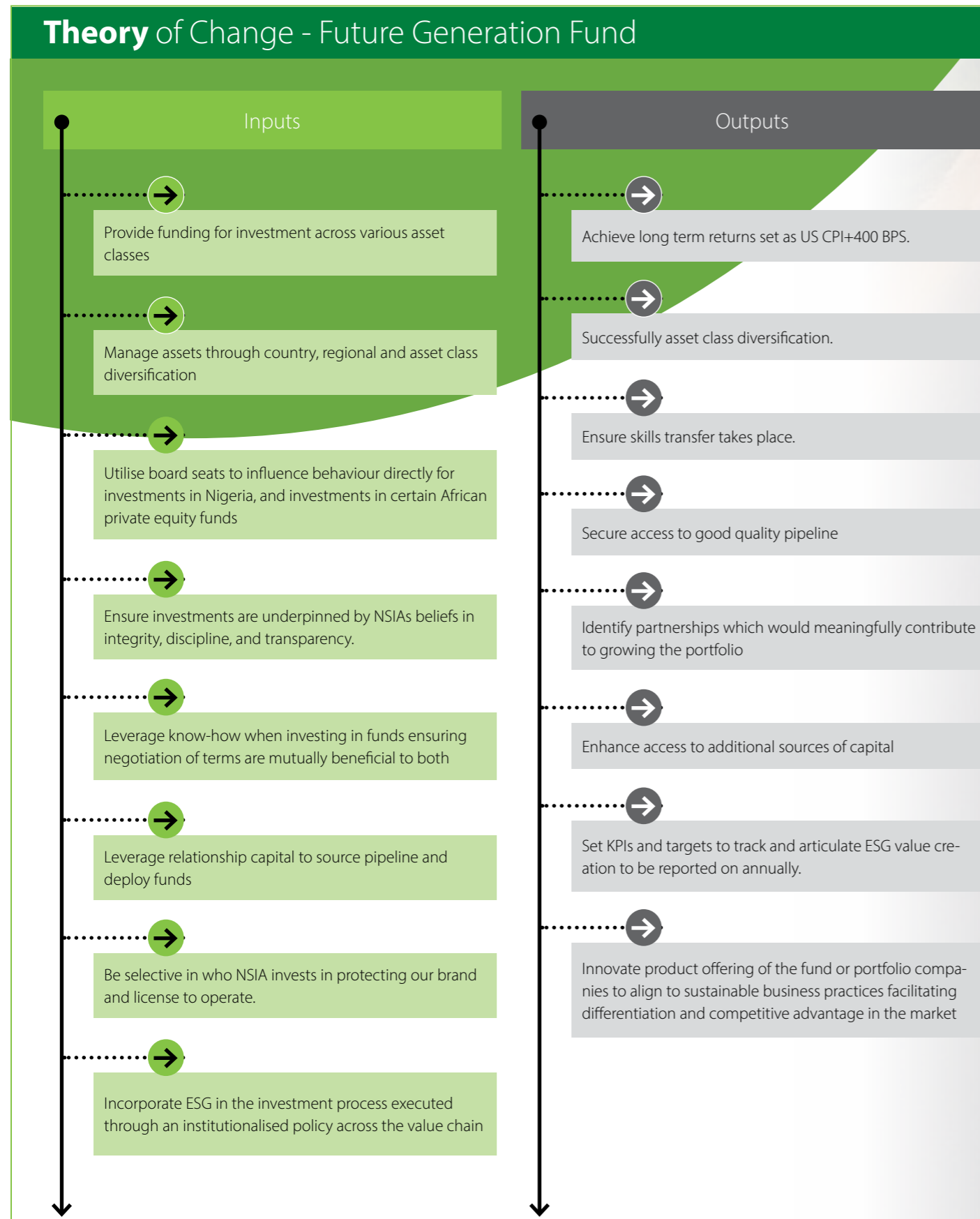
Our Developmental Impact Framework



Our Developmental Impact Framework



Our Developmental Impact Framework



Our Developmental Impact Framework









Our Developmental Impact Framework



Our Developmental Impact Framework

Sector Specific Impacts

Overview of Direct Investments Made

Sector	Fund	Total Investment Made to Date	Estimated Economic Stimulus	Estimated Indirect Jobs Created
 Agriculture	NIF	\$211 million	\$7.5 billion	330,426
 Healthcare	NIF	\$22.5 million	\$12.6 million	511
	FGF	\$54.2 million	\$30.3 million	399
 Power	FGF	\$15 million	\$22.5 million	380
 Innovation and Technology	NIF	\$8 million	Not determined	104
	FGF	\$13.2 million	Not determined	172
 Financial Markets Intermediaries	NIF	\$54.2 million	\$705 million	179,766
 Gas industrialisation	FGF	\$100 million	\$274 million	72,200
 Motorways	NIF	\$1.6 billion	\$1.8 billion	129,600

Sector Specific Impacts

Our Impact: Jobs and Economic Stimulus

713,558 Estimated indirect jobs created

More than **364,654** direct jobs created across sectors

Indirect jobs created

Estimated Economic Stimulus

46.3%

Agriculture

US\$ 7.5bn

18.2%

Motorways

US\$ 1.8 bn

25.2%

Financial Markets

US\$ 704 m

10.1%

Gas Industrialization

US\$ 274 m

0.12%

Healthcare

US\$ 42.9 m

0.08%

Power

US\$ 22.5 m

Total AUM

US\$ 4.2bn

Sector Specific Impacts

Our Impact Across Sectors



15
Total direct investments
across 8 sectors

Invested in over
80%
of locally owned and
run private equity (PE)
funds

3
Projects in motorways
with a length of
515.4kms

Over
236,000
farmers supported

68%
of jobs created are held
by youth, of which
50%
are female

Over
600,000
lives impacted

10MW
Solar Project
commissioned

5
hospital projects

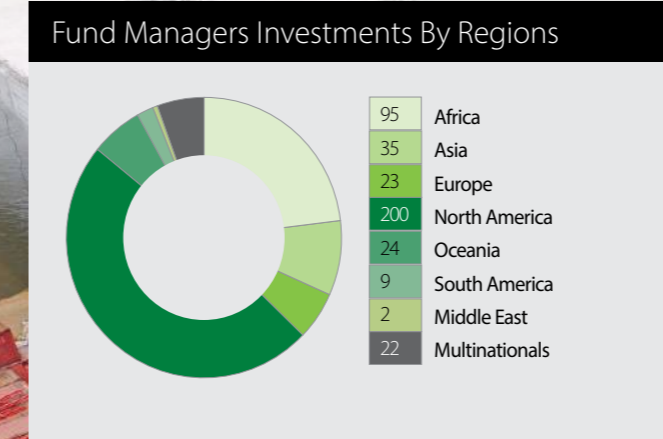
> 8,146
Homes completed and
habitable
> 14,308
homes financed



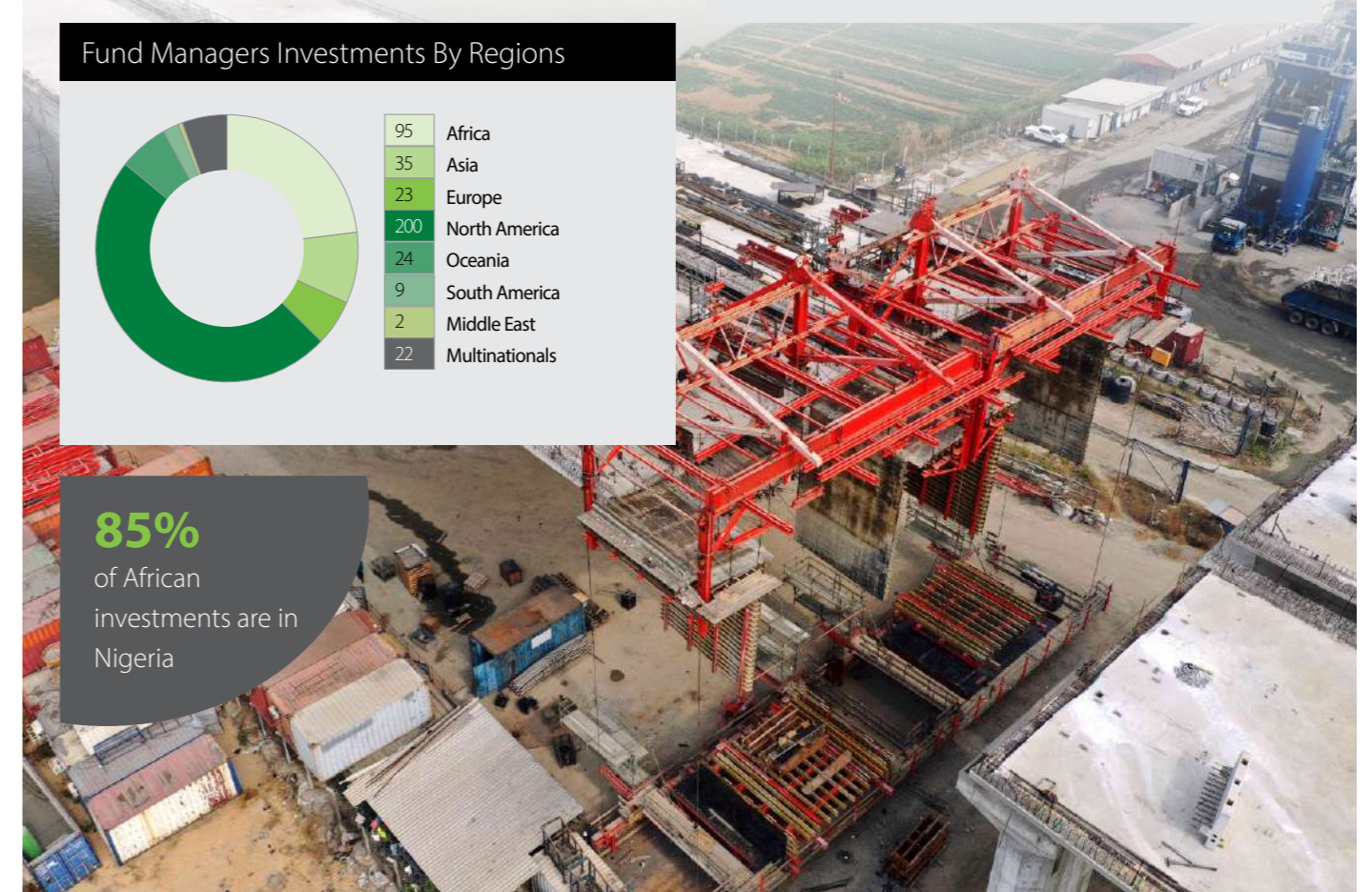
Sector Specific Impacts

Overview of Investments by Fund Managers

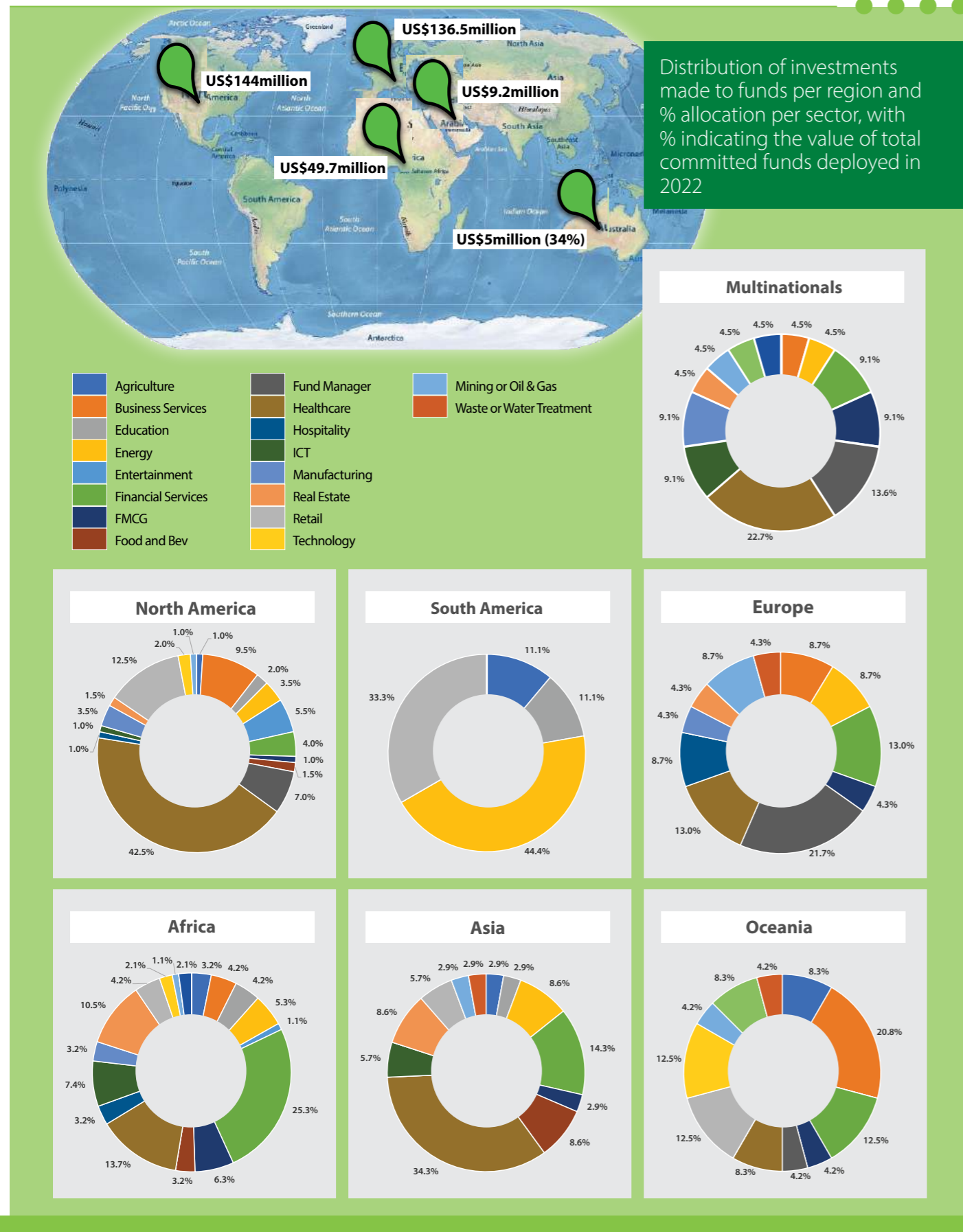
The distribution of investments across different regions shows that following North America with a 49% fund allocation, nearly 25% of funds are channeled into Africa, with a substantial 85% of this allocation directed towards Nigeria. Of the funds allocated in Nigeria the largest proportion were deployed in financial services businesses, which include businesses in fintech, insurance, securities, banking, provision of payment services, cross-border payment systems and pension funds.



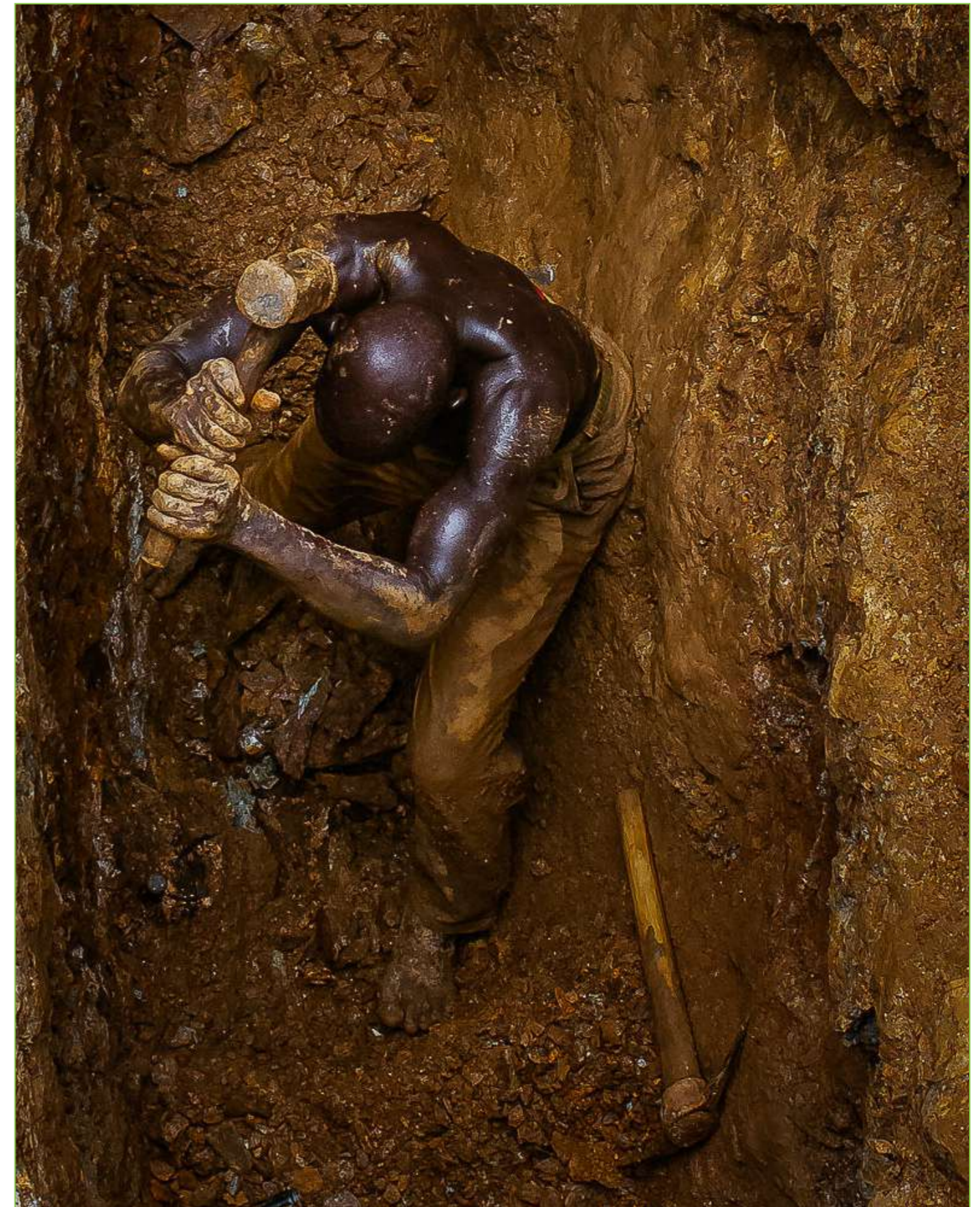
85%
of African
investments are in
Nigeria



Sector Specific Impacts



Sector Specific Impacts



Sector Specific Impacts

Case Study: Alitheia IDF Fund



The Alitheia IDF Fund (AIF) is a pioneering \$100 million gender lens Fund investing in scalable businesses to leverage the power of gender diversity as a factor for superior financial and social performance. With a focus on Western and Southern Africa, AIF targets expansion-ready small and medium enterprises (SMEs) and equips them with the catalytic capital and strategy needed to scale. AIF is the first and largest private equity investment fund in Africa dedicated to women and gender-diverse teams. The Fund aims to achieve superior financial returns and tangible economic and social impact in Africa across a diversity of sectors.

Founded in 2014 by Tokunboh Ishmael and Polo Leteka as a Pan-African investment manager focusing on high-growth SMEs

First Gender Smart Fund 2019 Vintage Final close of \$102m in 2020

USD102million Exceeding hard cap of \$100m

Over USD40million of invested capital in 9 growth companies in Sub-Saharan Africa

Lagos and JHB In-market teams covering SIX countries in Sub-Saharan Africa

The AIF Gender Lens Approach

Investing through a Gender Lens

AIF's strategy has at its core, women as key success-drivers in the investment value chain from the fund manager to the businesses in which it invests and their respective value chains. By overlaying a gender lens on its tried and successful general investment strategy, AIF achieves enhanced returns and economic and social impact at multiple levels:

- At the Fund Management level, including in the investment process, value creation, impact targeting and reporting, there is a specific focus on women. This means proactively looking for women-led businesses; opportunities to bring women into the business at the C-suite, management, or factory floor; and reporting on the impact of the investment strategy on jobs created and income in the hands of women.
- At the Enterprise Level, investing in women-led business, increasing the access of these businesses to growth capital, and working with companies to create jobs for women.
- Creating supply chains that actively involve women as producers and suppliers of goods and services.
- Increasing the access of women and girls to essential services.

Sector Specific Impacts

AIF Gender Smart Strategy

AIF aims to achieve financial and social returns by investing in a diversified portfolio of SMEs through our Gender Smart Strategy. The Gender Smart Investment Strategy focuses on SMEs where women play a significant economic role.

Ownership	Business is owned (>50%) by a woman or women founders or co-founders
Leadership	Women make up a significant part of senior leadership and/or there is the opportunity to introduce more women into leadership
Employment	Majority of the employees are women and/or there is a significant opportunity to create jobs for women
Value Chain	Women are significant participants in the value chain as producers (e.g., smallholders), processors, distributors or retailers
Consumption	Majority of the consumers are women and/or there is a significant opportunity to make products more accessible and affordable for women

The Alitheia IDF Investment Strategy

AIF sees impact as the sustained value creation of accessibility, affordability, and inclusion for women who are the most underserved in the formal business market. By providing capital to women-led businesses and teams, AIF supports an enabling environment for the inclusion of more women as economic participants, reducing gender disparity and contributing to economic and social development.

The focus is on Scale-Stage businesses with a socio-developmental impact

Average deal size of US\$3.5 million, with potential for follow-on investments

Assets deployed in the form of Equity, Preference Shares, Convertibles and Options

Priority sectors are Agribusiness and Essential consumer goods and services



Sector Specific Impacts

AIF Investment Timeline

2020 AIF Fund Established
US\$ 2.7 Million Invested

SKLD
INTEGRATED SERVICES
FORMERLY KENGOL NITE LIMITED

2021 AIF Invests in 4 Companies
US\$ 13.2 Million Invested

reelfruit
jetstream
wemy
CHIKAS

2022 AIF Expands into Sub-Saharan Africa
US\$ 16.2 Million Invested

Psaltry
INTERNATIONAL COMPANY LTD
CLUBtravel
CORPORATE
IVIEL LOBOYA
SweepSouth
CLEAN HAPPY HOME

AIF supports SMEs that push the boundaries with innovative services, products, and technologies that change the way we live. AIF believes that by backing scale-stage businesses we create opportunities where diversity and inclusion are embraced in a way that achieves profit as well as social and environmental impact. Despite the difficult trading years as a result of the global pandemic, AIF invested USD32.91 million in nine portfolio companies. This is a 202% increase since our initial investment of USD2.7 million in 2020.



Sector Specific Impacts

AIF – 2022 at a Glance

AIF supports SMEs that push the boundaries with innovative services, products, and technologies that change the way we live. AIF believes that by backing scale-stage businesses, we create opportunities where diversity and inclusion are embraced in a way that achieves profit as well as social and environmental impact. Despite the difficult trading years as a result of the global pandemic, AIF invested USD32.91 million in nine portfolio companies. This is a 202% increase since our initial investment of USD2.7 million in 2020.

AIF FUND OVERVIEW

US\$ 32.91 m
Total invested funds

4
Completed transactions in 2022

Gender diversity in the Portfolio

Total jobs	66%	34%	Women
Managers	39%	61%	Men

77%
of the portfolio is Women-Owned

915%
Total growth in direct jobs within the portfolio

Invested in **3** Countries

9 Portfolio Companies

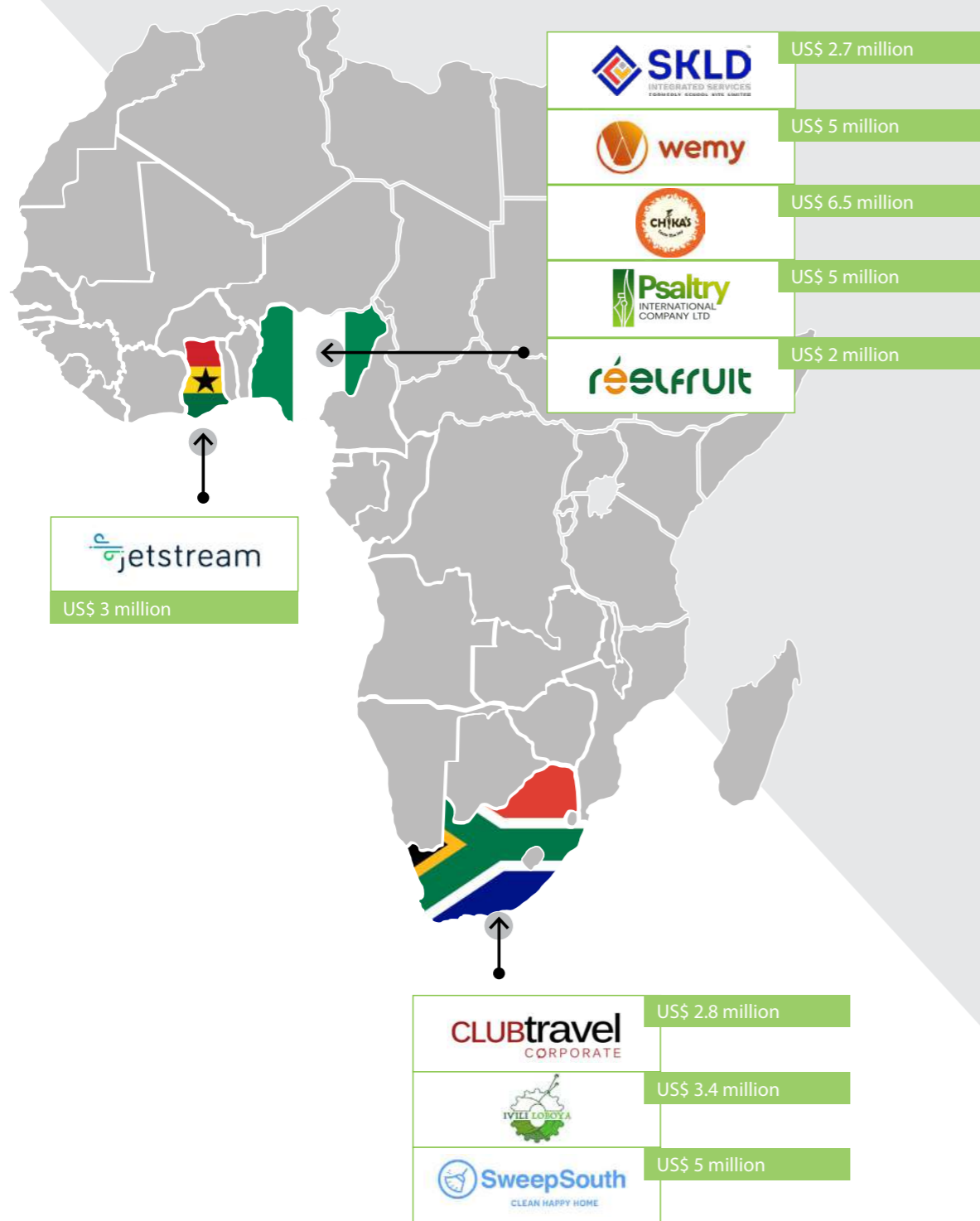


- SKLD**
INTEGRATED SERVICES
FORMERLY KENGOL NITE LIMITED
- reelfruit**
- jetstream**
- wemy**
- CHIKAS**
- Psaltry**
INTERNATIONAL COMPANY LTD
- CLUBtravel**
CORPORATE
- IVIEL LOBOYA**
- SweepSouth**
CLEAN HAPPY HOME

Sector Specific Impacts

AIF Portfolio Company Footprint

With offices in Lagos and Johannesburg, AIF invests in target countries: Nigeria, Ghana, South Africa, Lesotho, Zambia, and Zimbabwe in line with the Fund's strategy.

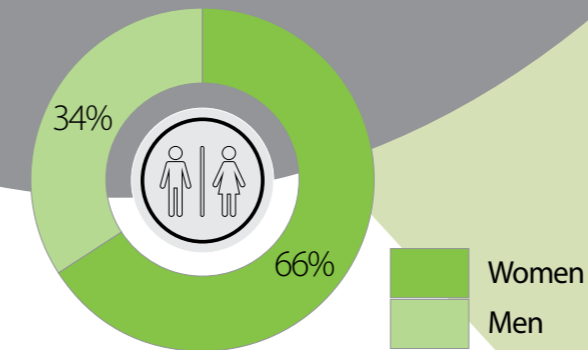


Sector Specific Impacts

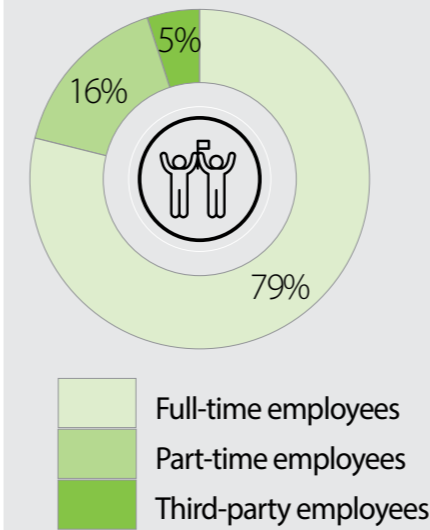
AIF's Portfolio Companies - Employee Diversity

Portfolio Gender Distribution

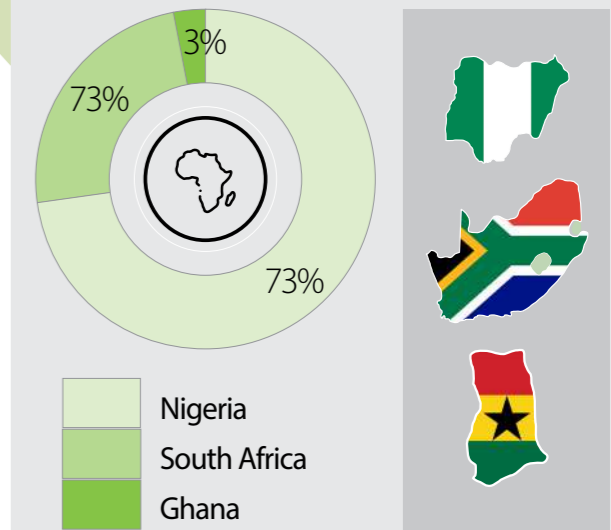
17,094
indirect jobs created



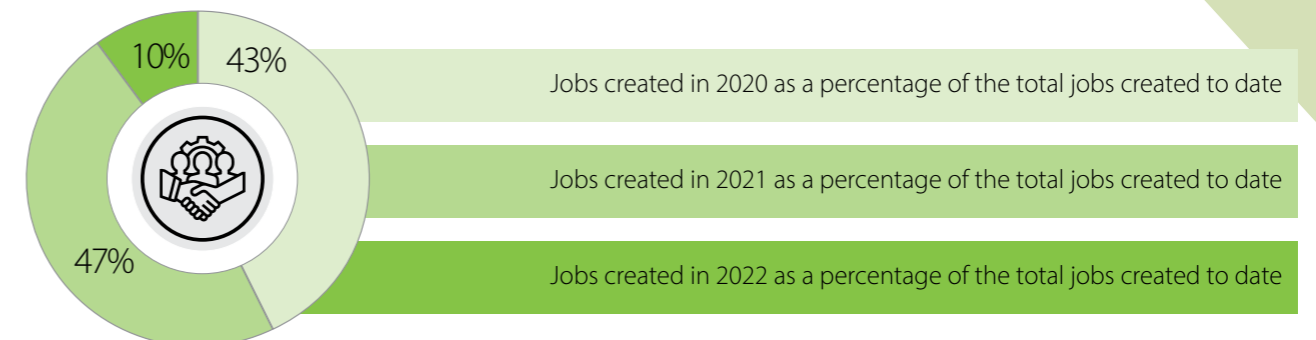
AIF Portfolio Workforce by Type of Contract



Jobs Created by Geography



Employee Proportion Timeline



Sector Specific Impacts

Psaltry: Creating Sustainable Communities in Nigeria

More than 820 million people go to bed hungry every day, according to the World Health Organisation - which underpins the global need to invest in agriculture. Against this backdrop, AIF has invested in Psaltry, in order to improve access to finance for farmers and Agri-related businesses. Psaltry has supported more than 3000 smallholder farmers, providing them with bespoke financial and non-financial solutions that are specifically geared to the agricultural environment. These projects have created and sustained employment opportunities, generated income, and helped reduce poverty for their families and surrounding communities.



Founded in 2005 by Oluyemisi Iranloye, Psaltry International Company Limited (PIL) is an Agro-processing company in Africa that specialises in the processing of cassava. The cassava is processed to produce derivatives such as high-quality cassava flour (HCCF), high-quality food-grade cassava starch and cassava-based sorbitol which is used as a raw material in food, beverages, pharmaceuticals, and cosmetics. With established operations in Oyo State, Nigeria, Psaltry owns a 1000-hectare cassava farm where local smallholder farmers within a 100 km radius cultivate on this land. Cassava inputs for Agro-processing are sourced from the farm, and from the local farmers that are supported under the Psaltry Out-grower/In-grower scheme operations in Oyo state, Nigeria, Psaltry owns a 1000-hectare cassava farm where local smallholder farmers within a 100 km radius cultivate on this land. Cassava inputs for Agro-processing are sourced from the farm, and from the local farmers that are supported under the Psaltry Out-grower/In-grower scheme.

Psaltry out-grower /in-grower model

To support the local farmers in Oyo State, Nigeria, Psaltry has developed the 'out-grower/in-grower model'. In the out-grower model, farmers are able to cultivate on their own land, while simultaneously receiving support from Psaltry through the provision of resources necessary for production such as, but

not limited to, true-to-type potent stems produced by Psaltry, fertilizer and herbicides, training and mechanisation services. Beneficiaries of the in-grower model receive the same benefits as those of the out-grower model, with the difference being that the in-grower farmers cultivate produce on the land owned by Psaltry.

Responsible Farming: Psaltry Foundation

Psaltry's passionate pursuit of excellence extends to transforming the lives of farm communities. The Psaltry Foundation is a non-profit organisation that operates with the mission of empowering youth in farming communities who typically experience several challenges in gaining access to the services and resources that would help them grow and thrive. Some of their initiatives include:

- Steady Electricity supply- Providing electricity and repairing power lines to Alayide village
- Access to quality Education - Donation of 10 desktop computers to Progressive Grammar School, Ado-Awaye
- Access to free modern Healthcare – Medical services offered to ~ 400 farmers
- Access to safe drinking water - Construction of borehole water systems at Aba Paanu Village, Alayide Village, Isherin Village and Wasinmi Village

Sector Specific Impacts

Psaltry's Impact Indicators

Invest in and grow profitable and scalable businesses



295
Number of total jobs supported

79%
Number of female jobs supported

Increased availability and accessibility of agricultural goods

4 882
Tonnes in Production yield

38%
Increase in products (tons) sold from 2020 to 2022

30%
Increase in customers/clients from 2020 to 2022

Inclusive economic growth and improved livelihoods



95%
Client/customer satisfaction Ratio

Productivity enhancement and market access for communities and farmers

Standards of living in Alayide village raised from \$1 to \$5-10 per day.

3000
Number of farmers supported (out-grower and in-grower)

48%
Female farmers supported

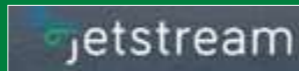
3000
Farmers received training

20
Demonstration plots made available to farmers



Sector Specific Impacts

Jetstream: Trade Finance for Small, Medium and Micro Enterprises Nigeria



Jetstream Africa is a digital Freight Forwarding company based in Tema, Ghana with over \$9 million worth of Trade Finance disbursed since inception, serving 136+ entrepreneurs with working capital loans backed by actual shipment. Through its banking partners, Jetstream underwrites loans that must be repaid within 15 to 90 days and distributes the loan proceeds to each supplier in the supply chain. The Company strives to provide a frictionless cross-border trading experience to importers/exporters by linking cargo to Custom Brokers and Carriers that move goods across borders. The company helps businesses strive locally in order to compete globally and expand into new markets profitably.

Last-mile distribution of responsible financial services is a challenge – especially in emerging markets, and especially for women. Given the working capital limitations faced by many importers and exporters associated with trade, Jetstream offers a finance product to help SMEs in Ghana and Nigeria expand their reach and ship bigger cargoes, with more frequency to better meet their financial needs, tap into new markets for growth and help them build an income. Jetstream provides access to working capital to SMEs who need support in reducing some of the obstacles they encounter when looking for trade finance from traditional lending institutions which is a time-consuming process that can take several weeks. And for cargo owners on both sides of the transaction who want access to faster credit, the bank credit system isn't efficient.

Jetstream also leverages technology to enable SMEs to track and control cross-border supply chains. The logistics and transportation company has developed a digital platform that offers shipping agents, customs brokers, and logistics vendors a real-time platform that enables them to pay for and track cargo as it changes hands. The technology solution provides much-needed visibility, lower costs, and greater choice for SMEs. Through its solutions, Jetstream provides an enabling

environment for African businesses to not only thrive but actively participate in local and global economies promoting inclusive economic growth and creating job opportunities.

To enhance the sustainability of SMEs we need to support them in reducing some of the obstacles they encounter when looking for finance and tapping into new markets for growth. Jetstream keeps expanding its loan book and the number of customers it serves with its products. From the \$1 million debt Jetstream secured in the middle of 2021 to the roughly \$9 million in total loans disbursed thus far, the company has expanded its trade finance offering. By the end of this year, it expects that amount to have multiplied by five.

Up to **90%** of consumer needs are met by SMEs, as they are the engines of growth in Africa. However, this segment is often overlooked by typical institutional funding and the businesses remain undercapitalised

Sector Specific Impacts

Jetstream's Impact Indicators



Economic Impact

Improving affordability of cross-border services by providing reduced costs and time savings to its primary customers (Importers/Exporters)

\$ 9 MM

Value of Trade Finance disbursed since inception

\$15,337

Average transaction size

13 500

E-payments to African logistics vendors

29

Trade corridors served with 12 in Africa

\$42 MM

Amount processed

Sustainable Economic Growth

Direct and Indirect job creation, as SME customers increase their average shipment sizes by **50%**

Gender Impact

Improving gender diversity in the male-dominated spaces of logistics and technology



Inclusive Growth

Creating an enabling environment



50

Average loans disbursed per month

278 %

Revenue Growth

55%

Profitability Growth Shipments consist of:

29 %

Airfreight

68 %

Ocean freight and

3 %

Ground transport

136

Number of Trade Finance customers since inception

131

Number of active customers with Trade Finance

14%

Active female customers with Trade Finance

52

Permanent employees

23%

Unskilled workers

25%

Of jobs for women










28%

Women managers

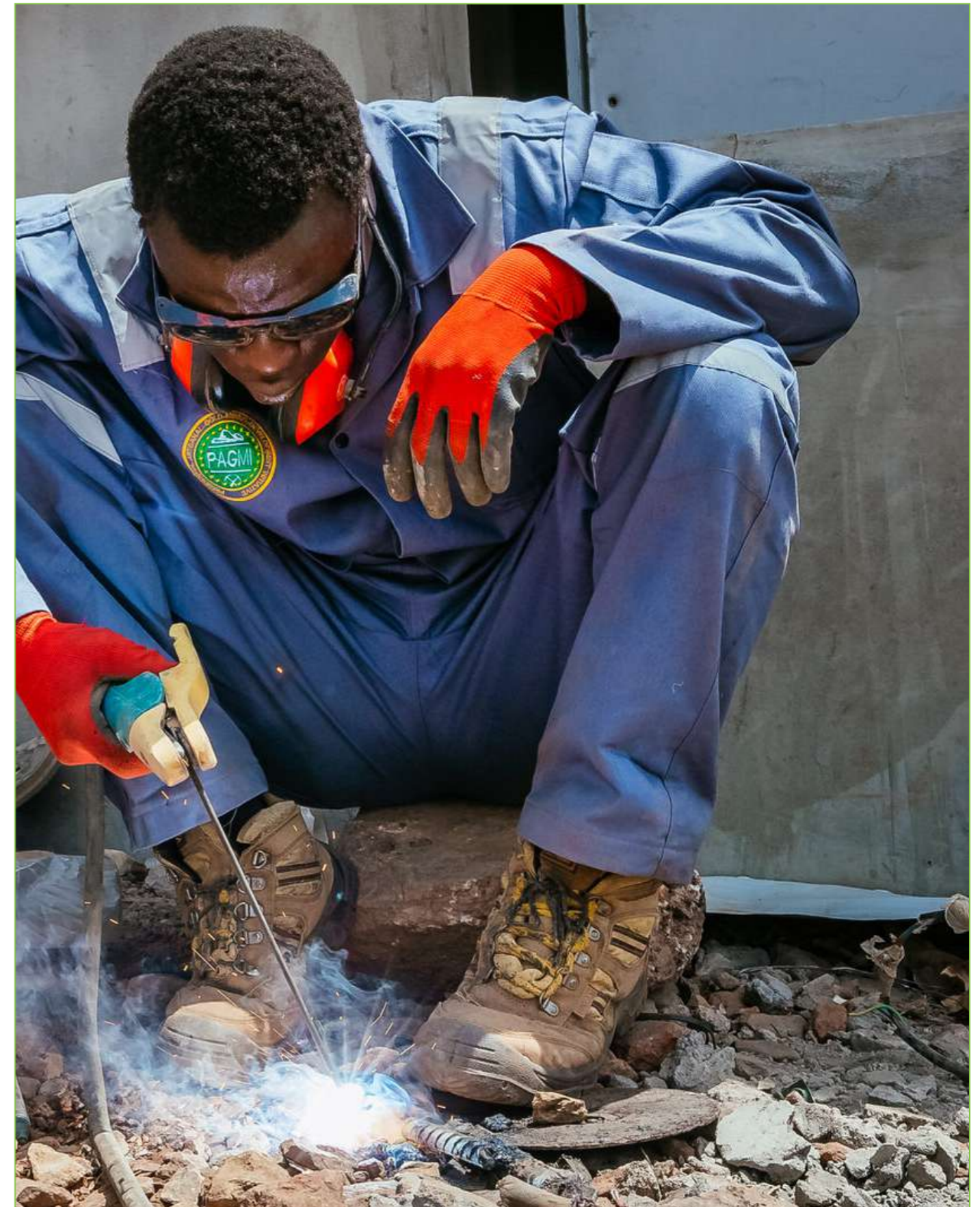
Sector Specific Impacts

Overview of the NIF Achievements Against their Three Strategic Pillars

Activities undertaken in 2022 under NIFs three strategic pillars

01		Signed Agreements with state governments & tertiary institutions for Phase one of the Healthcare Expansion Programme.
		Commenced construction of a 10 MW solar power plant in the Challawa Industrial Area in Kumbotso Local Government Area of Kano State on behalf of the Federal Government.
		Launched the NSIA prize for innovation with a total prize money of \$225k to support the technology ecosystem in Nigeria.
02		As project and fund manager, achieved substantial completion of the PIDF projects. As of the end of 2022, the Lagos Ibadan Express (LIE) Sections 1 and 2 were at 91% and 84% completion respectively, the second Niger Bridge (2NB) was at 95% completion, and Abuja-Kano Road at 44% completion
		Commissioned the Pandagric Novum state-of-the-art farm located in Nasarawa
		Commenced pre-development of US\$1.4million Ammonia & Di-ammonium phosphate plant with partners OCP Morocco in Akwa Ibom State
		Invested in Kasi Cloud Ltd, a mass-scale data centre and digital ecosystem platform company.
		Launched a project preparatory facility with Afrexim to provide funding for preparatory activities of bankable infrastructure projects
03		Commenced discussions with Vitol to establish a carbon reduction joint venture

Sector Specific Impacts



Sector Overview



Agriculture

Agriculture plays a vital role in the Nigerian economy accounting for 25% of the country's GDP. Although agricultural activities provide a livelihood for many Nigerians and employ about 70% of the labour force⁴, the sector suffers hurdles such as poor land tenure systems, low irrigation farming, climate change, inadequate funding, and post-harvest losses, among others, which continue to affect its productivity. NSIA recognizes the importance of agriculture for the country's food security programmes and believes that Nigeria has the potential to achieve food security. NSIA invests in the agriculture value chain through direct investments, by providing capital and technical assistance.



In September 2022, one of our key agriculture projects Pandagric Novum farm was officially commissioned by the former Vice President of Nigeria, Prof. Yemi Osinbajo SAN. This fully operational and integrated farm covers an extensive area of 3,500 hectares of land dedicated to the cultivation of maize and soybeans, equipped with a poultry feed mill with a capacity of producing 147,000 metric tons per annum and a total storage capacity of 75,000 tons for raw materials and finished goods.

The Presidential Fertilizer Initiative-NPK (PFI-NPK) reported a significant profit in 2022, marking the second consecutive profitable year. This achievement signifies a departure from past import substitution programme for fertilizers. By the end of 2022, the initiative had a total of 72 participating blending plants, the PFI also successfully delivered 650,000 metric tons of NPK fertilizers and is currently making substantial progress towards its goal of delivering 750,000 metric tons of NPK fertilizers in the upcoming 2023 PFI cycle.

Sector Overview

Targeted Value Creation in Agricultural Investments

Outcomes

- Demonstrated increased yields, access to market and tons of benefited export product
- Improved quality of production
- Implementation of climate smart agricultural techniques
- Ensure required climate mitigation and adaptation plans are in place to manage the risks of climate change

Impact

Benefit to society measured against specific targets for each SDG

Sector Overview

Sector Performance



4
Investments in agriculture

307,964

Smallholder farmers supported

Over
602,185
lives directly impacted

Over
330,427

Indirect jobs created

246,427

Direct jobs created

Fafin farmers successfully produced:

3.1 million

liters of Milk

16,121 MT

of Palm Nut

96,608 MT

of Cassava

49,732 MT

of Rice Pad

11,945 MT

of Chicken

18,491 MT

of Shea Nuts

Pandagric farmers successfully produced:

6,064 MT

of maize

1,200 ha

of maize

Babban Gona farmers successfully produced:

100,061 MT

of maize and rice
Provided storage for over

100,000 MT

of grains to reduce post-harvest losses



Sector Overview

Investments Made in the Sector

FAFIN is an innovative agriculture-focused private equity fund providing investment capital and technical assistance to high-growth agricultural SMEs with a mission to improve the lives of smallholder farmers, boost the availability of commercial capital for agribusinesses, and drive inclusive economic growth in Nigeria.



Commissioned in 2022, **Pandagric Novum** is an animal feed processing business, with backward integration through the farming of maize and soybeans on circa 3,500 hectares ("ha") of land connected to 147,000 metric tons per annum capacity poultry feed mill, and a storage infrastructure capacity of 75,000 tons (comprising 10,000 tons capacity silos and 30,000 capacity bunkers, and 35,000 tons of raw material and finished goods storage).



Babban gona is a high impact, scalable agricultural franchise that seeks to sustainably improve the lives of smallholder farmers through the provision of credit, inputs, training in good agricultural practices, harvesting and storage services, and marketing services.



Presidential Fertilizer Initiative (PFI) Following the directive of His Excellency, Former President Muhammadu Buhari, the Presidential Fertilizer Initiative was launched in December 2016 to deliver quality fertilizer to Nigerian farmers ahead of the wet season.



Spotlight

Impact of PFI

Despite the worldwide supply disruptions and rising raw material costs, PFI-NPK successfully delivered **650,000 metric tons of NPK in 2022** and is currently making substantial progress towards delivering **750,000 metric tons of NPK in the 2023 PFI cycle**.

<p>Achieved a controlled reduction in the price of quality fertilizer to farmers.</p>	<p>52 local blending plants were resuscitated and established across 19 states and all 6 geopolitical zones in 2021. As of year-end 2022, 72 blending plants had been included in the programme.</p>	<p>Created over 250,000 direct and indirect jobs across the fertilizer value chain.</p>
<p>Food security by facilitating the increase in domestic food production through the provision of affordable, high-quality fertilizer.</p>	<p>Accrued substantial annual subsidy and FX savings through import substitution.</p> <p>Foreign Exchanges savings in excess of US\$350 million from erstwhile payments on subsidy and import substitution.</p>	<p>Over 30 million bags of fertilizer have been delivered to farmers at 40% Below market prices</p>

Sector Overview

Spotlight
PFI Success
Story

My name is Dr. Hamzat Faruk, an Executive Director at AL-YUMA Fertilizer and Chemicals Limited, a fertilizer blending company located in Madobi local government area of Kano State. Al-Yuma has been a beneficiary of the Presidential Fertilizer Initiative (PFI) since 2019, and the programme has been a game-changer for Al-Yuma.



Through the PFI, our business has experienced remarkable growth and positive transformations. Before joining the programme, we were operating with just one blending plant. We have now expanded to three blending plants strategically placed in Nigeria's northwest and northeastern states. This expansion has significantly increased its production capacity, allowing the company to serve a wider clientele across these regions.

Al-Yuma was introduced to the PFI through the Fertilizer Producers and Suppliers Association of Nigeria (FEPSAN). The PFI has supported us, as well as other blenders in navigating the various challenges faced in the fertilizer industry such as forex issues when sourcing raw materials, alleviating the burden of multiple taxations during importation, and the process of clearing raw materials at the ports. It has also provided support in dealing with challenges posed by regulatory agencies, port-related issues, and area-based difficulties.

The PFI has also significantly improved the quality of the fertilizer we offer to smallholder farmers and has had a positive impact on agricultural productivity, making fertilizer more accessible and affordable for smallholder farmers.

The PFI has not only impacted us and our smallholder farmers customers, it has also positively impacted our other clients including the Agro-Dealers, Small Holder Farmers Groups and Corporative. Federal and State Governments, and NGOs. These customers have testified to an increase in agricultural production and productivity since they started getting suppliers from us.

Looking ahead, I am excited about the opportunities that lie ahead in the agricultural value chain, as more farmers embrace farming as a business leading to value additions in agricultural products. With the continued support of the PFI, I am confident that a brighter and prosperous future awaits Al-Yuma and the entire agricultural community.

Sector Overview



Sector Overview



Healthcare

The healthcare system in Nigeria is struggling to provide sufficient services to its population due to insufficient funding. This lack of funding has resulted in several challenges, including outdated infrastructure, inadequate medical equipment and technology, a shortage of specialized services as skilled healthcare professionals are leaving the country at an alarming rate, and high medical tourism expenditure.

NSIA has developed a comprehensive healthcare strategy to address supply gaps and increase investments in priority areas. The focus is on improving the country's health security and key health indicators. NSIA established the NSIA Healthcare Development and Investment Company (NHDIC) in 2018.

Our existing healthcare centers are making significant progress treating over 200,000 patients thus far. Due to the success and substantial impact we have made from these demonstration projects we are now scaling-up our investments in the healthcare sector through the establishment of 23 new modern medical diagnostic centres span across all six geopolitical zones in the country.



Sector Overview

Targeted Value Creation in Healthcare Investments

Outcomes	Impact									
<ul style="list-style-type: none"> Increased number of new beds, patient visits, facilities under management, procedures and surgeries performed, results of medical interventions, type of products manufactured/sold Optimal service mix and occupancy rates Level of customer satisfaction Number of preventive visits/or screenings, and health awareness campaigns and/or education programmes Number of recalls and produce returns Improved access to services at affordable prices Improved skill levels of nurses and doctors Increased retention rates of nurses and doctors Ensured responsible resource use, including hazardous waste management, energy, water and use of gas supplies Ensured required climate mitigation and adaptation plans are in place to manage the risks of climate change 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; padding: 5px;"> 3 GOOD HEALTH AND WELL-BEING </td> <td style="text-align: center; padding: 5px;"> 8 DECENT WORK AND ECONOMIC GROWTH </td> <td style="text-align: center; padding: 5px;"> 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE </td> </tr> <tr> <td style="text-align: center; padding: 5px;"> 10 REDUCED INEQUALITIES </td> <td style="text-align: center; padding: 5px;"> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION </td> <td style="text-align: center; padding: 5px;"> 13 CLIMATE ACTION </td> </tr> <tr> <td style="text-align: center; padding: 5px;"> 16 PEACE, JUSTICE AND STRONG INSTITUTIONS </td> <td colspan="2" style="text-align: center; padding: 5px;"> 17 PARTNERSHIPS FOR THE GOALS </td> </tr> </table> <p style="text-align: center; font-size: small;">Benefit to society measured against specific targets for each SDG</p>	3 GOOD HEALTH AND WELL-BEING 	8 DECENT WORK AND ECONOMIC GROWTH 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	10 REDUCED INEQUALITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	17 PARTNERSHIPS FOR THE GOALS 	
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Sector Overview

Sector Performance



3
Healthcare projects

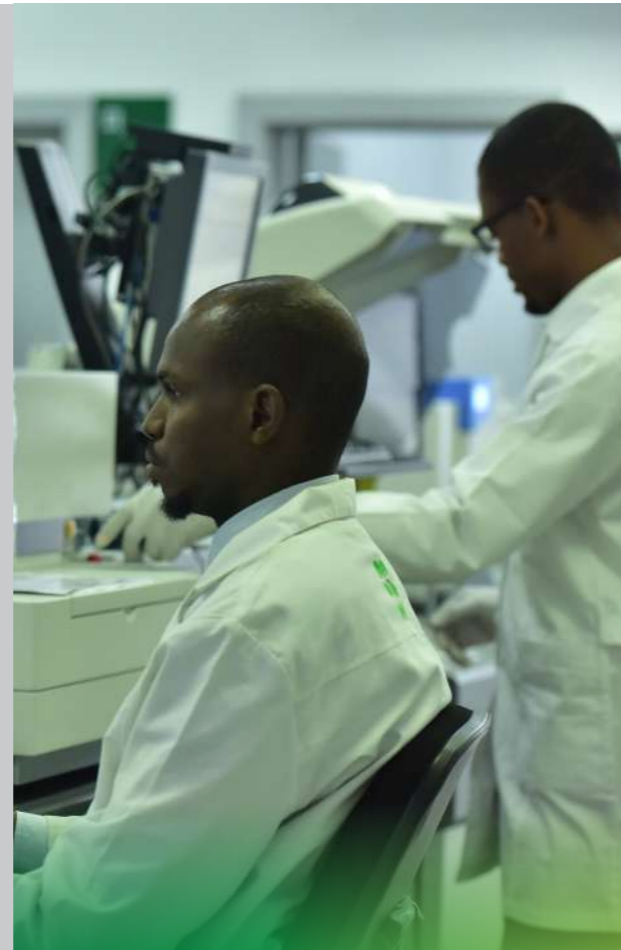
Over
390,967
Patients served

Over
150,000
Chemotherapy sessions

Directly contributing to
10 SDGS

511
Indirect jobs created

213
Jobs created
→ of which **46%**
are women



Investments Made in the Sector

NKDC is a modern medical diagnostic centre, established through a joint venture between NHDIC and Aminu Kano Teaching Hospital that provides both basic and advanced radiology and laboratory tests. NKDC contributes to the improved screening and diagnostic services in Northern Nigeria. The equipment mix at NKDC includes:

- 1 1.5T Magnetic Resonance Imaging machine;
- 1 Digital ceiling mounted X-ray
- 2 3D/4D Ultrasound scan machine;
- Basic pathology equipment; and
- 1 mobile X-ray.



NUDC is a modern medical diagnostic centre, established through a joint venture between NHDIC and Federal Medical Center Umuahia, that provides both basic and advanced radiology and laboratory tests. The equipment mix at NUDC includes:

- 1 128-slice Computerized Tomography Scan machine;
- 2 Digital X-ray machines;
- 2 3D/4D Ultrasound scan machine;
- 1 Mammography machine; and
- Basic pathology equipment.



NLCC is an outpatient cancer centre, established as a joint venture between NHDIC and LUTH offering consultation, radiotherapy, chemotherapy and pharmacy. The equipment mix at NLCC includes:

- 2 Vital Beam Linear Accelerators;
- 1 Halcyon machine;

- 1 GammaMed Brachytherapy machine;
- 1 CT Simulator;
- 1 C-arm Machine; and
- 1 Ultrasound machine



Sector Overview

Spotlight Testimonial



Dr Lilian Ekpo
Center Director, NLCC

At NLCC, we offer a range of comprehensive services to patients battling cancer, including treatment options and specialized consultations such as Internal and External Beam radiotherapy, Chemotherapy, Immunotherapy, Hormonal Therapy, and Electron Beam therapy for Keloid management.

In addition to medical treatments, we are committed to holistic patient care. We offer nutrition and dietician services to ensure patients receive optimal nourishment during their treatment journey, as well as psycho-oncology counseling services for patients to address their emotional and psychological needs.

The presence of NLCC within the LUTH premises has increased the access and ease of accessibility to quality oncology care, as patients now have international standard cancer care within their reach at an affordable cost. As of March 2023, we have seen 7,236 patients, 31% of which are Breast Cancer patients.

We have also had significant success in the management of Head and Neck cancers and are currently working on publishing articles that demonstrate the superior clinical outcomes in the treatment of these diseases.

Based on the recognition of our exceptional work, we were recently awarded the Most Outstanding Oncology Centre of the Year Award at the 9th National Healthcare Excellence Awards. This esteemed accolade serves as a testament to the dedication and excellence demonstrated by our entire team at NLCC.

Currently, we have several ongoing research projects, and one of the significant ones is the HypoAfrica trial. This trial focuses on investigating the application of Hypofractionation for treating Prostate Cancer. NLCC is among the four sites in Africa where this trial is taking place. While other regions have already embraced hypofractionation, its adoption in Africa has been relatively slow. The main objective of this trial is to establish the effectiveness and safety of Hypofractionation as a treatment method for prostate cancer. By doing so,

we aim to enhance the acceptance and implementation of this treatment approach, ultimately reducing the treatment duration and improving the patient's overall quality of life.

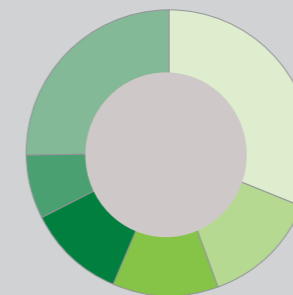
At NLCC, we prioritize training and upskilling our staff, which is a central part of our mission. Our oncologists have received training in Brachytherapy in the USA and the Netherlands. We are proud to note that NLCC operates the first and one of the few functional 3D brachytherapy services in the country. Brachytherapy is a crucial treatment modality for early-stage Cervical cancer, a significant cause of mortality among Nigerian women.

Although cancer care is generally expensive, with the support of NSIA we have worked to make our services affordable, offering world-class cancer care at a reasonable cost. We have a support

programme called the NISP programme, which receives funding from NGOs and generous individuals to provide treatment for indigent patients. We also collaborate closely with various foundations and NGOs to offer care to patients who cannot afford to pay for their treatment.

Breakdown of treatment options

- 31% Breast
- 15% Prostate
- 12% Head & Neck
- 11% Cervix
- 7% Colon
- 25% Others (stomach, lung, liver, kidney, blood, skin, etc)



Sector Overview

Spotlight
NLCC Patient
Testimonial

My name is Olatunji, and I am 66 years old. I am an estate surveyor by profession. In November 2021, I was diagnosed with prostate cancer in Lagos. The news was overwhelming, and a sad one for me.

Initially, I sought treatment at a private hospital, but I was referred to a skilled neurologist at another private clinic in Ibadan due to the complexity of my condition. The journey was not easy, as I faced issues with urination, and my Prostate-specific antigen (PSA) levels continued to rise despite various treatments. My PSA reached a concerning level of 75ng/mL causing great concern for my health and well-being. At the clinic in Ibadan, I underwent a biopsy, and a minor surgery to reduce the prostate.

I was then referred to NLCC for radiation therapy. At NLCC, after MRI scans and other examinations to confirm the status of my condition, I had 28 radiation sessions after which I was completely healed. I have had checks at different health centers that confirm that I am free of cancer.

Throughout this challenging journey, I felt the grace of God and the unwavering support of the incredible and dedicated staff at NLCC. NLCC is a great place that maintains international standards of treatment at a fair cost. I am grateful to God for using the center to heal me.

Spotlight
NLCC Patient
Testimonial

My name is Mrs. Beckey Shande, and I want to share my heartfelt testimonial about my experience at NLCC. My battle against cancer started after I was diagnosed with cancer at NLCC. When I was diagnosed, fear and uncertainty gripped my heart. However, God used NLCC to heal me completely.

I embarked on a three-month radiation treatment, supported by an exceptional team of medical professionals who displayed the utmost dedication, with moral and psychological support that gave me the strength to fight. I am forever grateful for their unwavering support.

Today, I am grateful to God for using the NLCC to grant me complete healing. NLCC is a beautiful place and I want to express my deepest gratitude to the NLCC and all the incredible individuals who make it a place of hope and healing. I pray that NLCC continues to be a vessel through which God blesses countless more patients, granting them the gift of restored health and renewed purpose.

Sector Overview

Pipeline Projects

NSIA Healthcare Expansion Programme



NSIA's Healthcare Expansion Programme aims to establish 23 modern medical diagnostic centres, which include 3 oncology centres and 7 catheterization laboratories, across the country's six geopolitical zones. The expansion programme is divided into phases, with the first phase encompassing 10 sites.





Motorways

In Nigeria, road transportation is the primary mode of transportation. The road network contributes significantly to economic development, providing essential social benefits such as access to education, healthcare, access to employment, and transportation corridors that are crucial in combating poverty. However, a considerable portion of the roads in Nigeria are either untarred, poorly maintained, or in poor condition, leading to unequal access to the road network, particularly in rural areas. To this note, NSIA is actively pursuing investments in road infrastructure delivery and maintenance to improve the general state of the roads in Nigeria.



Targeted Value Creation in Motorways Investments

Outcomes

- Increase in tonnage of product transport to market
- Upgrade of road networks resulting in reduced levels of congestion, and increase in the ability to import and export goods
- Carbon offsets achieved through the transfer of goods from road to rail or port infrastructure

Impact



Benefit to society measured against specific targets for each SDG

Sector Overview

Sector Performance



3 Projects in motorways with a length of **515.4kms**

NSI LIE Completion Status:

> LIE phase 1 and 2 is **91%**

> Section 2 is **84%**

2NB Completion Status:

> Phase 1 (out of 3 phases) is

95%

AKR Project Completion Status:

> Phase 1 (out of 3 phases) is

95%

4,165

Direct jobs created

129,600

David Indirect jobs created

Improved access to markets



Investments Made in the Sector

The LIE is a 127.6 km along Lagos Ibadan expressways currently approaching completion. The project passing through Lagos, Ogun, and Oyo States involved the rehabilitation, reconstruction, and extension of the expressway, including the improvement of infrastructure such as the dual carriageway, ongoing earthworks, and asphalt.

The project is divided into two sections: the 43.6km Lagos to Shagamu section and the 84km Shagamu to Ibadan section. As of the end of 2022, the Lagos Ibadan Express (LIE) Sections 1 and 2 were at 91% and 84% completion respectively.



Sector Overview

Investments Made in the Sector (continued)



The 2NB project is a very significant project to decongest the existing Niger Bridge, boost economic activities, and connect the South-East with the rest of the country. The project and its link roads are expected to be 46.9km long, connecting Asaba (Delta State) and Onitsha (Anambra State). The project is split into 3 phases.

The ongoing phase (Phase 1) entails the construction of 1.6km bridge over the River Niger; 10.3km approach roads from Asaba and Onitsha; two (2) secondary bridges at Amakon Village Road and Atani Road of 21.7m each and a new cloverleaf interchange at Onitsha - Owerri Road. Phase 1 has attained 95% completion as of 2022.

- Section I 165.5km cuts across Abuja to Kaduna with 16% completion
- Section II 73.4km cuts across Kaduna to Zaria with 85% completion
- Section III 137km cuts across Zaria to Kano with 61% completion

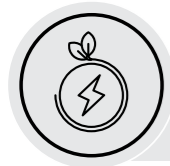
The Abuja-Kaduna-Zaria-Kano Road ("AKR") is a very critical carriageway that connects other parts of Nigeria to the North, it cuts through FCT, Niger, Kaduna, and Kano States. Initially, the AKR project involved the rehabilitation of 92.5km (25%) across the three sections of the 375.9km dual carriageway which has since been completed. On June 18th, 2020, former President Muhammadu Buhari issued a directive instructing that the scope of the AKR project be changed to the full reconstruction of the entire stretch of 375.9km.

The carriageway is divided into 3 sections which attained the following levels of completion as at the end of 2022:

- Section I 165.5km cuts across Abuja to Kaduna with 16% completion
- Section II 73.4km cuts across Kaduna to Zaria with 85% completion
- Section III 137km cuts across Zaria to Kano with 61% completion



Sector Overview



Power

The power sector in Nigeria faces significant challenges, including a lack of technical and financial capabilities, high levels of unpaid electricity bills, outdated infrastructure, and poorly maintained transmission networks. These issues lead to frequent grid collapses and unstable power supply, posing a significant risk to the country's economic stability. Approximately 47% of Nigerians do not have access to grid electricity, and even those who do experience regular power cuts.

Sector Performance

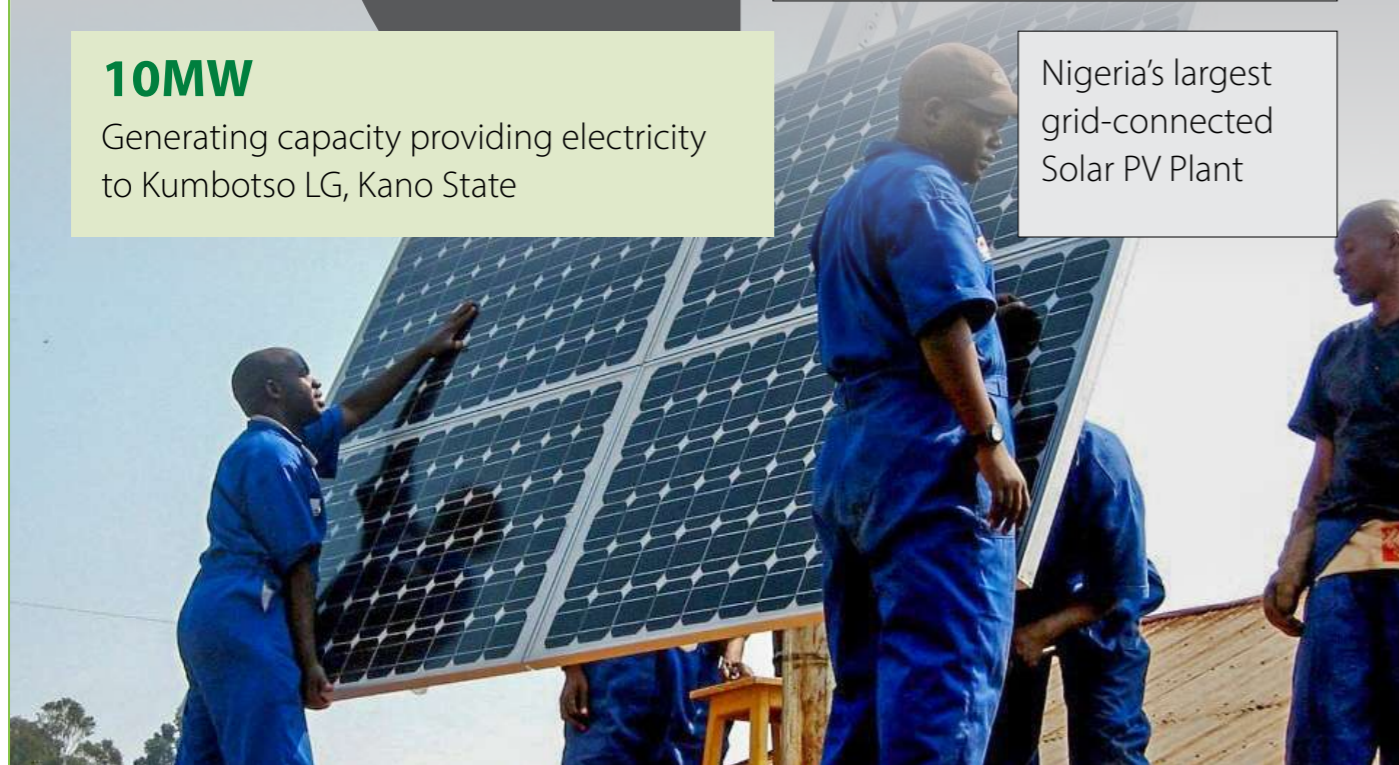


\$15 million
Haske Solar PV
Power Plant Project

250
Direct jobs created for
local communities

10MW
Generating capacity providing electricity
to Kumbotso LG, Kano State

Nigeria's largest
grid-connected
Solar PV Plant



Sector Overview

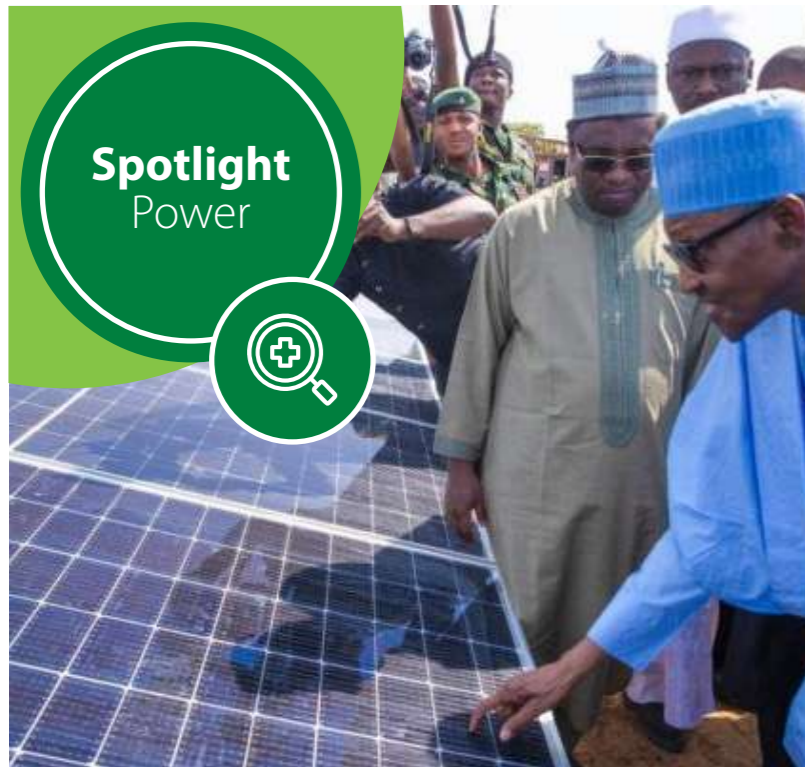
Targeted Value Creation in Power Investments

<p>Outcomes</p> <ul style="list-style-type: none"> Increased MW available to the grid Increased off grid solutions in operation Carbon offset realised 	<p>Impact</p> <table border="0"> <tr> <td style="text-align: center;"> <div style="background-color: #FFD700; padding: 5px; margin-bottom: 5px;"> 7 AFFORDABLE AND CLEAN ENERGY </div> </td> <td style="text-align: center;"> <div style="background-color: #800000; padding: 5px; margin-bottom: 5px;"> 8 DECENT WORK AND ECONOMIC GROWTH </div> </td> <td style="text-align: center;"> <div style="background-color: #FF8C00; padding: 5px; margin-bottom: 5px;"> 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE </div> </td> <td style="text-align: center;"> <div style="background-color: #E91E63; padding: 5px; margin-bottom: 5px;"> 10 REDUCED INEQUALITIES </div> </td> </tr> <tr> <td style="text-align: center;"> <div style="background-color: #FFD700; padding: 5px; margin-bottom: 5px;"> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION </div> </td> <td style="text-align: center;"> <div style="background-color: #4CAF50; padding: 5px; margin-bottom: 5px;"> 13 CLIMATE ACTION </div> </td> <td style="text-align: center;"> <div style="background-color: #2196F3; padding: 5px; margin-bottom: 5px;"> 16 PEACE, JUSTICE AND STRONG INSTITUTIONS </div> </td> <td style="text-align: center;"> <div style="background-color: #395468; padding: 5px; margin-bottom: 5px;"> 17 PARTNERSHIPS FOR THE GOALS </div> </td> </tr> </table>	<div style="background-color: #FFD700; padding: 5px; margin-bottom: 5px;"> 7 AFFORDABLE AND CLEAN ENERGY </div>	<div style="background-color: #800000; padding: 5px; margin-bottom: 5px;"> 8 DECENT WORK AND ECONOMIC GROWTH </div>	<div style="background-color: #FF8C00; padding: 5px; margin-bottom: 5px;"> 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE </div>	<div style="background-color: #E91E63; padding: 5px; margin-bottom: 5px;"> 10 REDUCED INEQUALITIES </div>	<div style="background-color: #FFD700; padding: 5px; margin-bottom: 5px;"> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION </div>	<div style="background-color: #4CAF50; padding: 5px; margin-bottom: 5px;"> 13 CLIMATE ACTION </div>	<div style="background-color: #2196F3; padding: 5px; margin-bottom: 5px;"> 16 PEACE, JUSTICE AND STRONG INSTITUTIONS </div>	<div style="background-color: #395468; padding: 5px; margin-bottom: 5px;"> 17 PARTNERSHIPS FOR THE GOALS </div>
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Benefit to society measured against specific targets for each SDG

Sector Overview

Investments Made in the Sector



The Kano Solar Project is a 24-hectare 10MW Solar Photo-voltaic Power Plant located in the Challawa Industrial Area in Kumbotso Local Government Area of Kano State.

The Project is recognised as Nigeria's first-ever grid-connected solar power plant and is a manifestation of the NSIA's ambition to propel investment into Nigeria's power sector, especially in renewable energy.

NSIA was appointed by former President Muhammadu Buhari in 2018 to spearhead the Project to delivery. The project was commissioned by former President Muhammadu Buhari on 30th January 2023.

Corporate social responsibility activities actioned by the Project to date

- Construction of a community access road
- Provision of infrastructure that will improve access to amenities (e.g., Community Water Bore-holes, primary school classrooms and surrounding facilities, etc.)

The facilities on the project site include the following:

Installations	Construction	Management
21,700 Monocrystalline PV modules	State-of-the-art warehouse and storage building, control room building, office and workshop building, and gatehouse, complete with fire alarm systems, fire extinguishers and intercoms	Operational integration system
52 String Inverters		
192 Solar-Powered Streetlights	2km internal road that runs within and around the site's perimeters	To date, the project has utilised 50% of the 24-hectare site
Two 6.5MVA Power Transformers		
12km Distribution System complete with a 15MVA Power Transformer and 11kV Distribution Panel		

The impact the project seeks to create for people and the environment

- Direct and indirect job creation
- 100% Local participation (project creation, knowledge and resourcing) i.e., a point where no foreign content is required for future development
- Reduce Nigeria's carbon footprint through clean industrialisation

Sector Overview

Pipeline Projects

To ensure sustainable and profitable business operations, there is an urgent need for a reliable, cleaner, and cost-effective power supply. This requires additional investments in upgrading and expanding the current electricity infrastructure and integrating renewable energy sources into the energy mix. NSIA seeks to leverage on the experiences and success from the Kano Solar Project to proliferate similar projects across the country through the establishment of an integrated energy generation and distribution franchise platform that will develop, finance and operate projects along the renewable energy vertical in Nigeria.





Innovation and Technology

A new assessment by the World Bank reveals that although Nigeria has prioritized the digital economy and has made some progress to strengthen its digital space, strategic investments and innovations are needed to reach its full digital potential and for a dynamic and transformative digital economy⁵. The sector faces a number of challenges including unstable broadband internet and limited mobile adoption, and a shortage of digital talent to develop domestic technologies. To address these issues, the NSIA established a US\$200 million Innovation Fund to serve as a catalyst in the development of Nigeria’s technology ecosystem.



⁵ <https://www.worldbank.org/en/country/nigeria/publication/nigeria-digital-economy-diagnostic-a-plan-for-building-nigerias-inclusive-digital-future>

Targeted Value Creation in Innovation and Technology Investments

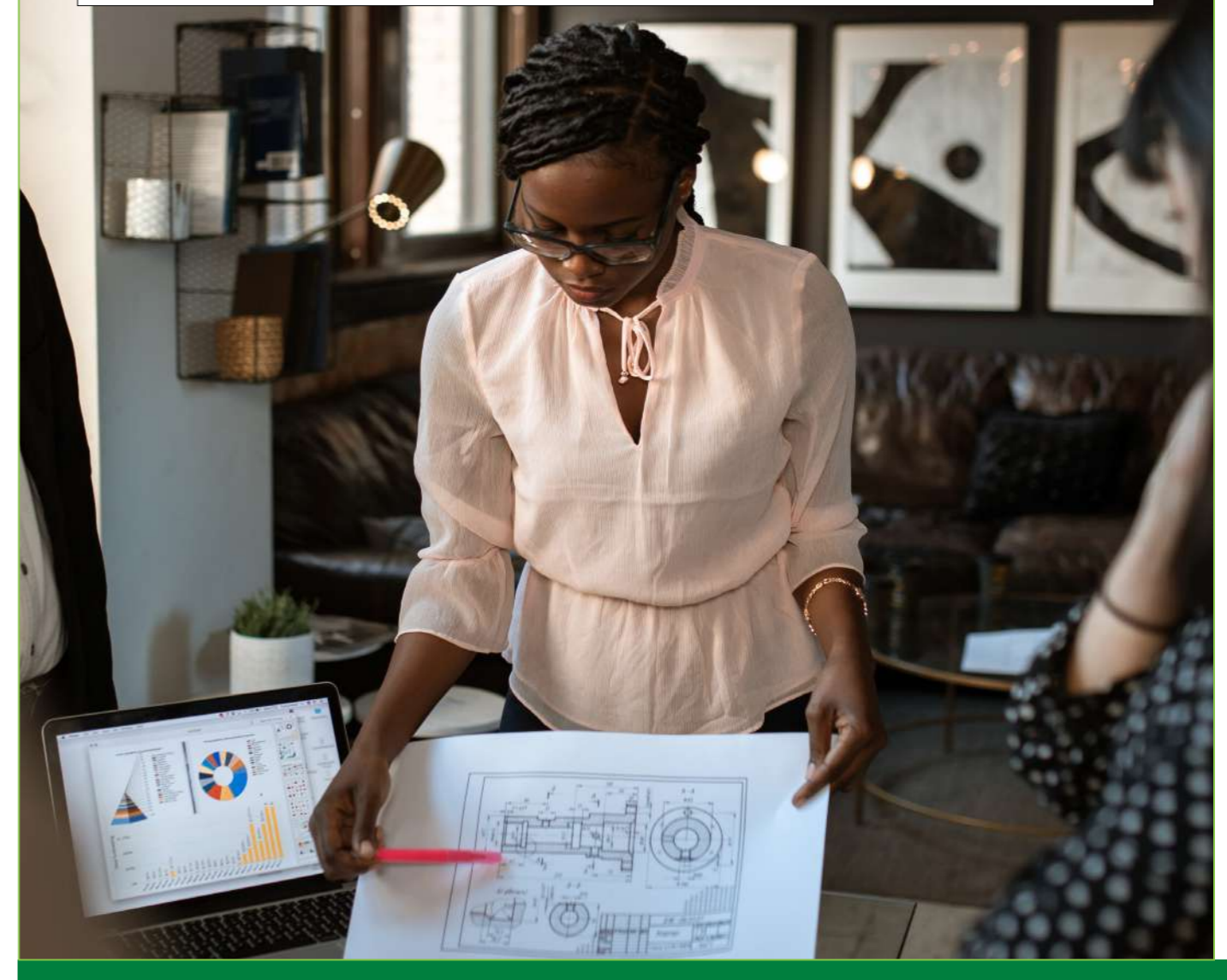
Outcomes

- Increase access to data at affordable rates
- Extension of data and cellular network coverage
- Increase in technology manufacturing in Nigeria
- Demonstrated cyber security and data protection protocols
- Demonstrated increased uptake of these services
- Enhanced resource efficiencies achieved especially for data centres and during manufacturing activities
- Realised climate change adaptation initiatives across manufacturing operations

Impact



Benefit to society measured against specific targets for each SDG



Sector Overview

Sector Performance



\$8 million investment in Kasi Cloud Hyperscale Data Centre Project

20MW

Hyperscale Data Centre Project

Africa's largest cloud-based service provider

At least

104 direct and indirect jobs

across the construction and operational phases of the project

Investment Made in the Sector



Kasi Cloud Nigeria Limited is an indigenous technology company that specializes in providing cloud computing solutions to businesses and organizations in Nigeria.

Construction of the first data centre in the hyperscale data centre project commenced in Q1 2023 in Lekki Lagos. Once completed, the company is set to provide a range of services such as cloud hosting across multiple industries.



Sector Overview

NSIA Prize for Innovation (NPI)

Spotlight
Innovation and Technology



In December 2022, NSIA launched the NSIA Prize for Innovation (NPI) to encourage and empower Nigerian innovators and techpreneurs to develop solutions addressing real-world challenges with global relevance.

The NPI is a three-stage competition where ten finalists will be awarded various prizes, with a total prize value of US\$255,000 in cash and equity investment to the winning businesses. This multi-year programme is a commitment by the NSIA to empower budding Nigerian techpreneurs and enable technnovation. The programme aligns with NSIA's focus on socio-economic advancement for Nigerians.

Create an avenue for innovators to raise capital and network with potential investors and industry experts

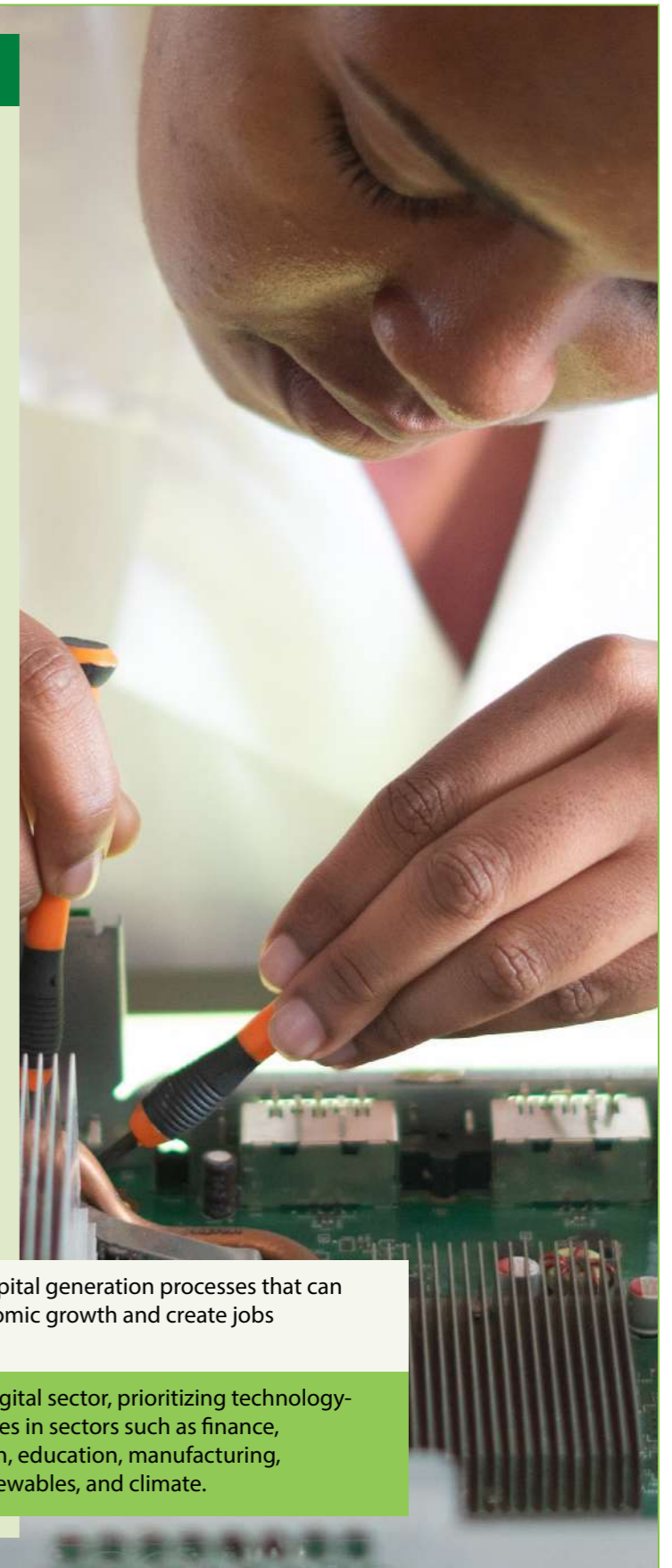
Inspire ingenuity, innovation and breakthrough ideas in the digital ecosystem in Nigeria

Provide an enabling platform showcasing early-stage innovative solutions

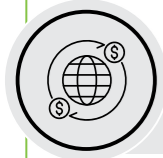
Strengthen capital generation processes that can catalyze economic growth and create jobs



Focuses on the digital sector, prioritizing technology-enabled businesses in sectors such as finance, agriculture, health, education, manufacturing, e-commerce, renewables, and climate.



Sector Overview



Financial Markets Infrastructure

Financial Market Infrastructures (FMIs) play a crucial role in maintaining financial stability and promoting economic growth within the financial system and the broader economy. They have several important functions, including facilitating efficient capital deployment and mobilization for infrastructure projects, safeguarding investors, ensuring a fair and efficient market, and mitigating potential systemic risks. NSIA drives the creation of an ecosystem of institutions to address critical gaps in Nigeria's financial systems as the Authority recognises FMIs as critically important institutions that need to be developed in Nigeria for infrastructure projects.



Sector Overview

Targeted Value Creation in Financial Markets Infrastructure Investments

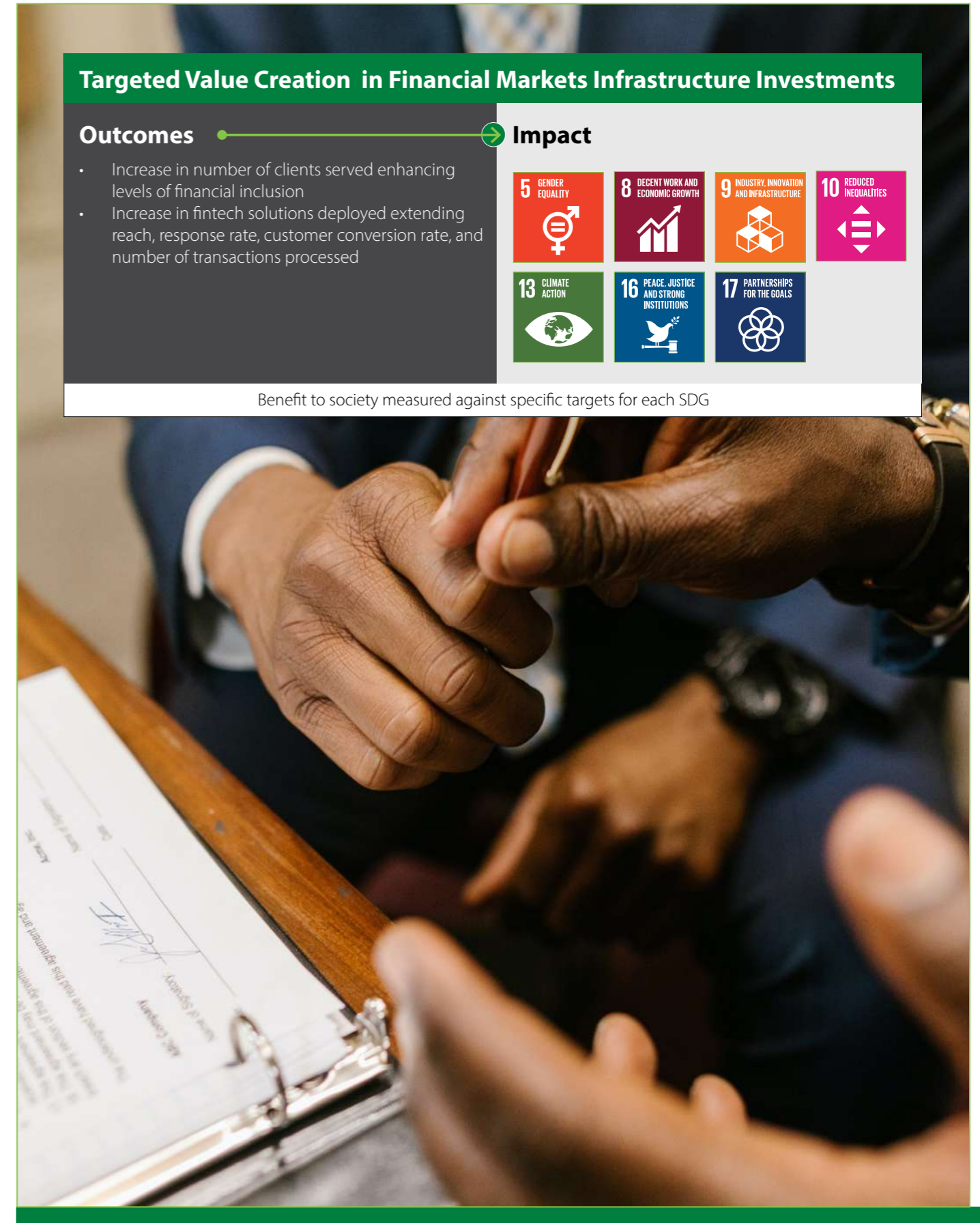
Outcomes

- Increase in number of clients served enhancing levels of financial inclusion
- Increase in fintech solutions deployed extending reach, response rate, customer conversion rate, and number of transactions processed

Impact



Benefit to society measured against specific targets for each SDG



Sector Overview

Investments Made in the Sector

Project Preparatory Facility



NSIA – Afrexim Project Preparatory Facility is a joint venture established between NSIA and African Export-Import Bank (“Afreximbank”), to support early-stage project preparatory activities across various sectors such as healthcare, power, agri-processing, technology and renewable energy. Through the Facility, projects will be supported through the preparation stages of development to consolidate potential risks. In so doing, the Facility will help de-risk and package projects across the country, creating a stream of bankable investment-ready projects that can attract private sector financing and generate development impacts in Nigeria. In 2022, NSIA invested US\$10 million into the establishment of the Facility.



The Nigeria Mortgage Refinance Company (NMRC) is a refinancing company with the purpose of promoting home ownership for Nigerians by raising long-term funds from the capital market to refinance conforming mortgage portfolios of mortgage and commercial banks in Nigeria.

Benefits / Impact (Social, Economic & Others):

- Job creation
- Increased access to mortgage finance
- Lower mortgage interest rates
- Encouragement of Primary Mortgage Institutions (PMIs)
- Supporting affordable housing initiatives



Development Bank of Nigeria (DBN) is a wholesale finance institution that obtains funding from local and international capital markets and on-lends through commercial banks and restructured development banks to Micro, Small, and Medium Scale Enterprises (MSMEs).

Benefits / Impact (Social, Economic & Others):

- Supported **29** Participating Financial Institutions (PFIs)
- **₦42.4 billion** disbursed to **317,923** MSMEs
- **₦68 billion** disbursed to **156,407** women-led MSMEs



Family Homes Funds Limited (FHFL) is a social housing financing fund aimed at improving the quality of life of Nigerians with low income through the provision of affordable housing by providing long-term low-cost mortgage finance through raising capital from the private sector, multilateral agencies, and impact investors.

Benefits / Impact (Social, Economic & Others):

- **84,478** direct jobs created overtime
- **₦69.4 billion** investment in new homes
- **2,850** new homes were approved for disbursement
- **14,308** homes financed for families on low income
- **84%** customer experience index
- **72%** staff engagement index

Sector Overview

Investments Made in the Sector (continued)



NG Clearing is positioned to serve as a market-wide clearing infrastructure positioned to clear derivatives and commodities' securities executed on all trade venues in the Nigerian capital market. The Company will reduce risks, enhance operating efficiency, and minimise costs for all market participants.

Benefits / Impact (Social, Economic & Others):

- Job creation
- **40%** of jobs created are held by women
- Total turnover of **₦521 million**



**NIGERIA INFRASTRUCTURE
DEBT FUND**
A Chapel Hill Denham Fund

Nigeria Infrastructure Debt Fund (NIDF) is the first listed infrastructure debt fund in Nigeria and Sub-Saharan Africa. NIDF is a close-ended fund which enables investor's access the infrastructure asset class while providing benefits of predictable returns available from long-dated infrastructure debt investments.

Benefits / Impact (Social, Economic & Others):

- Supports Nigeria's traditional infrastructure sectors including power, transport, renewable energy, and energy infrastructure logistics.



Investments Made in the Sector (continued)

Spotlight

InfraCredit
Securing Infrastructure Finance



InfraCredit plays a crucial role in Nigeria by providing guarantees that improve the credit quality of local currency debt instruments used to finance eligible infrastructure-related assets.

- InfraCredit has successfully directed long-term capital funding from sources such as pension funds and insurance funds towards infrastructure entities and projects. This has helped bridge the gap in accessing funding that was previously unavailable from the domestic banking market.
- Created over **4,800** direct jobs
- Issued **16** guarantees in 2022
- **100%** of employees are youths, of which **44%** are female.
- Total Capital of **US\$201 million**
- Guarantee capacity of up to **US\$1 billion**

InfraCredit promotes:

- Financial inclusion: By bringing first-time issuers to the domestic bond market
- Financial deepening: By extending bond tenors for corporates, and by broadening pension fund investor bases
- Financial innovation: By introducing new fixed income instruments such as green bonds
- **40%** energy use of renewable energy source

InfraCredit's Portfolio Impact

8 DECENT WORK AND ECONOMIC GROWTH

- 2,345 jobs total quality jobs supported
- Over NGN 1.5 Billion increase in portfolio post-guarantee income
- Over 300 SMEs businesses supported

11 SUSTAINABLE CITIES AND COMMUNITIES

- Over 25 villages and communities benefitting from projects
- Over 100,000 persons (youth, farmers, women and students) benefit from CSR projects

13 CLIMATE ACTION

- Emissions reduction 1,039,407 CO2 eq
- 930MW installed Renewable Energy

5 GENDER EQUALITY

- Over 165 direct jobs for women, including senior / middle management roles
- All portfolio companies have a diversified board with women representing at least 20% - 30%
- Community investment schemes by portfolio companies target women-owned and / or women-led enterprises eg. micro-loans for women-led SMEs and women cooperatives

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

- Over 1,000,000 beneficiaries with improved access to infrastructure

7 AFFORDABLE AND CLEAN ENERGY

- 731 MW of installed power
- Over 75,204,95 MWh of clean energy
- Over 500,000 beneficiaries with improved access to energy

InfraCredit's Investments:

With the advent of InfraCredit, over the past five years, its guarantees have facilitated first-time access to long-term local currency finance of up to 20-years tenor from the domestic bond market in aggregate of NGN128 billion in guaranteed corporate infrastructure bonds for ten infrastructure companies.

	Sector	Bond Size	Tenor	Year of Issue	No. of PFAs
	Off-Grid Power	NGN10.0 bn	10 years	2017	12
	Off-Grid Power	NGN8.5 bn	15 years	2019	9
	Off-Grid Power	NGN13.0 bn	15 years	2019	10
	Transport & Logistics	NGN12.0 bn NGN5.0 bn	10 years	2020 2022	11
	Inputs to Infrastructure	NGN10.5 bn (series I) NGN25 bn (series II)	20 years	2021 (series I) 2022 (series II)	11
	Transport & Logistics	NGN20.0 bn	10 years	2021	9
	Telecoms Infrastructure	NGN10.0 bn	10 years	2022	10
	Off- Grid Power Gas Storage	NGN1.5 bn (series I) NGN3.5 bn (series II)	7 years	2022	NA
	Renewable Energy (Solar)	NGN0.8 bn	7 years	2022	NA
	Gas Processing & Distribution	NGN4.6 bn	7 years	2022	NA

N128.1bn
\$278 MLN EQUIV
Total size of the guaranteed bonds

19
Number of Pension Fund Investors

Up to
20 yrs

14
Infrastructure projects that reached financial close

Sector Overview



Gas Industrialisation

Nigeria boasts substantial natural gas deposits, with proven reserves reaching 208.62 trillion cubic feet (tcf) in 2022, marking a 2.09 increase (1.01%) compared to the previous year. Additionally, the country holds unproven gas reserves of 600 tcf. The International Energy Agency reported Nigeria as the largest natural gas market in Saharan Africa, estimating a consumption of 22 billion cubic meters in 2021⁶.

Gas industrialisation is of great importance due to its wide range of industrial applications. It serves as a vital component in the production of diverse products, including plastics, fertilizers, anti-freeze, and fabrics. The industry itself stands as the largest consumer, accounting for 43 percent of overall gas usage across sectors. Within the industrial energy sources, natural gas ranks second, following electricity⁷.

Despite the potential benefits, the gas industry in Nigeria faces several challenges. The lack of investment hampers the exploration of non-associated gas sites, limiting the country's capacity to maximize its gas resources. Security challenges, such as pipeline vandalization, pose threats to gas infrastructure and supply. Additionally, inadequate gas infrastructure and government regulation of natural gas prices further impede the growth and development of the industry.



⁶ Oil & Gas Laws and Regulations Report 2023 Nigeria (iclg.com)

⁷ How Nigeria can speed-up industrialisation with natural gas - Business day NG

Sector Overview

Targeted Value Creation in Gas Industrialisation Investments

Outcomes

- Increase in production volumes
- Enhanced sustainable production and resource efficiency achieved
- Realised climate change adaptation initiatives across manufacturing operations

Impact



Benefit to society measured against specific targets for each SDG

Investment Made in the Sector



Under the gas industrialisation initiative, NSIA and its partner, the OCP Group of Morocco, have made notable progress in developing Ammonia and Di-Ammonium Phosphate production plants with a capacity of 1.5 million metric tons. Located in Akwa Ibom State on a 250-hectare site, the project has reached an advanced stage, with all preliminary studies completed. The Gas Supply and Aggregation Agreement is being finalized with relevant parties, and financing is largely secured to ensure successful project delivery.

Benefits / Impact (Social, Economic & Others):

- The project aims to boost the production capacity of fertilizer in Nigeria to meet the high demand for quality NPK fertilizer.
- A large-scale, greenfield, gas-based industrial project, led by OCP, will be a significant advancement in Nigeria's gas sector.
- Project aim: Utilise Nigerian gas and Moroccan phosphate to produce **750,000** tons of ammonia and **1,000,000** tons of phosphate fertilizers annually.
- By establishing local production of Ammonia and DAP, Nigeria can conserve valuable foreign exchange resources and enhance its capacity for domestic chemical manufacturing.



⁶ Oil & Gas Laws and Regulations Report 2023 Nigeria (iclg.com)

⁷ How Nigeria can speed-up industrialisation with natural gas - Business day NG

Sector Overview



Mining and Basic Mineral Sector

The mining and basic mineral sector in Nigeria plays a significant role in the country's economy. Nigeria is endowed with various mineral resources, including solid minerals such as coal, limestone, tin, columbite, gold, lead, zinc, and gemstones⁸. The sector contributes to employment generation, revenue generation, and foreign exchange earnings and provides opportunities for both large-scale mining companies and artisanal miners.



⁸ <https://indusren.com/investment-opportunities-in-nigeria/solid-minerals/>

Sector Overview

However, the sector faces several challenges, including inadequate infrastructure, limited access to financing, illegal mining activities, and weak regulatory frameworks. These challenges hinder the sector's growth potential and optimal exploitation of Nigeria's mineral resources. Reports suggest that up to 95% of gold in Nigeria is illegally mined and revenues are not remitted to the country⁹.

The Presidential Artisanal Gold Mining Initiative (PAGMI) is a strategic programme established by the Federal Government of Nigeria to address issues related to artisanal and small-scale gold mining (ASM). Under the National Gold Purchase Programme, PAGMI aims to mine and aggregate gold from ASM by purchasing it directly from artisanal miners, processing it to export standards, and selling it at international market rates to capture value for the Nigerian economy.

In 2022, NSIA on the directive of former President Muhammadu Buhari, extended N20 billion to fund the pilot phase of PAGMI, from the FGN Stab Fund which it manages on behalf of the FGN.

Benefits / Impact (Social, Economic & Others):

Development of mining sector

- By supporting the artisanal mining industry, the project aims to generate value for the economy, create employment opportunities, and stimulate economic growth.

Job creation

- Potential creation of 500,000 jobs

Revenue

- Federal Government of Nigeria could realize:
 - > Annual average of **\$150 Million** in taxes
 - > **\$25 Million** in royalties
 - > **\$500 Million** accretion to foreign reserves

Transformation

- **200,000** miners are formally registered in Kebbi and Osun States.

Identity Management

- PAGMI will boost national identity management through the biometric registration of thousands of artisanal miners nationwide.

Capture revenue

- PAGMI will help capture the value of gold mining and prevent revenue leakage from illegal mining activities.



NSIA extended a **₦10 billion** grant from the FGN Stab Fund to the Solid Minerals Development Fund (SMDF) in 2022. The grant would increase SMDF's equity investment in PAGMI



NSIA also extended a **₦10 billion** revolving credit facility to fund working capital for the pilot phase of the PAGMI project



⁹ <https://www.miningreview.com/top-stories/mining-sector-nigeria/>



Education

Education is one of the basic criteria for measuring the growth and development of any nation. Countries worldwide are continuously striving to enhance the standard of education, particularly in developing nations. Nigeria is actively making effort and places a high value on providing its population with high-quality education. However, in recent years, Nigeria has experienced a notable decline in the level, quality, and standards of education. Recognizing the significance of education, NSIA in its dedication to improving the quality of education in the country has contributed immensely to providing quality education for children in low-income communities and making a positive impact on their lives by investing in Bridge International Academies Limited.

Investment Made in the Sector

Bridge International Academies Limited: NSIA made a \$5 million investment in Bridge Academies, the largest chain of low-cost private schools in Africa, operating 500+ schools in Kenya, Uganda, Nigeria, Liberia, and India. Bridge International Academies enables governments to transform their basic education sector at state-wide scale through technology-enabled learning and education delivery platform, Intensive training in school and classroom management leading to positive behaviour change, and continuous improvement on teacher learning resources. NSIA exited this investment at the end of 2022 however the funds have facilitated the following benefits and impact.

Benefits / Impact (Social, Economic & Others):

2x Pass Rates

on national school exit exams compared to traditionally managed schools

80%

reduction in teacher absenteeism state

40%

female management

24,299

Teachers employed, of which **77%** are females

2x Annual gains

in literacy and mathematics on international exams



837,169

Pupils, of which **53%** are girls



Looking Ahead

Looking forward, in line with our commitment to sustainability, we are focused on driving our ESG performance by integrating ESG considerations across all our operations and portfolio in 2023. We will focus on embedding impact and ESG principles within our institution, to evaluate and improve internal practices, policies, and frameworks. Our ultimate goal is to contribute significantly to the achievement of the UN Sustainable Development Goals (SDGs), national energy transition goals, and foster sustainable development in Nigeria.

In the coming years, our investments must align with development impact and ESG considerations, as we continually strive to embed ESG principles throughout our investment projects.

We will actively engage with strategic partners who share our vision for sustainability and collaborate with them to enhance impact and promote sustainability practices.

At NSIA our immediate focus areas for the coming years are:

To continually implement our ESG strategy and constantly ensure that our ESG framework is incorporated into each company and investment we undertake.

To continually undertake gap analysis in order to determine where ESG value addition opportunities exist to maximise both financial and social return on investment across our three funds.

To continue to track and analyse data across our projects' fund managers and portfolios to reduce risk profiles and maximise socio-economic impacts. While addressing deviations from expected outcomes.





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