



2023

Development  
Impact  
Report



## About this Report

The Nigeria Sovereign Investment Authority (NSIA) presents its 2023 Development Impact Report, a comprehensive overview of its transformative initiatives and profound impact on Nigeria's socio-economic landscape.

This report focuses on the performance of our three core funds: the Stabilisation Fund (SF), the Future Generations Fund (FGF), and the Nigeria Infrastructure Fund (NIF), specifically highlighting NSIA's strategic investments and innovative projects across various regions and pivotal sectors.

Stemming from our mandate to receive, manage, and invest funds in a diversified portfolio of assets on behalf of the Government, this report highlights the socio-economic impact of our investments. From executing transformative infrastructure projects, pioneering healthcare advancements and expanding access to cutting-edge treatments, to deploying renewable energy investments aimed at contributing positively to climate action, each endeavour underscores our dedication to driving positive change, economic growth, and enhancing the well-being of Nigerians.

The data reported covers the period from 1 January 2023 to 31 December 2023 and presents qualitative and quantitative impact-related information on our investment activities across sectors and regions.

Beyond financial returns, we spotlight our commitment to responsible investment, aligned with global sustainability benchmarks and the UN Sustainable Development Goals (SDGs). This impact report highlights our commitment to a sustainable future for Nigeria and to creating long-term impacts across economic, social, and environmental dimensions.

By sharing our 2023 impact story, we aim to foster transparency and inspire collaboration with our stakeholders as we collectively shape Nigeria's future.



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## List of Abbreviations

### Abbreviations

### Meaning

2NB	Second Niger Bridge
AFC	Africa Finance Corporation
AfDB	African Development Bank
AKR	Abuja Kano Road
ASIF	Africa Sovereign Investors Forum
BIC	Board Investments Committee
DBN	Development Bank of Nigeria
DMO	Debt Management Office
ESG	Environmental, Social and Governance
FAFIN	Fund for Agricultural Finance in Nigeria
FDI	Foreign Direct Investment
FGF	Future Generations Fund
FGN	Federal Government of Nigeria
FHFL	Family Homes Fund Limited
FMI	Financial Market Infrastructure
FTSE	Financial Times Stock Exchange
GDP	Gross Domestic Product
GHG	Green House Gases
HVAC	Heating Ventilation and Air Conditioning
IFSWF	International Forum of Sovereign Wealth Funds
IMF	International Monetary Fund
IPS	Investment Policy Statement
JBN	Julius Berger Nigeria
KfW	German Development Bank (KfW Bankengruppe)
KPI	Key Performance Indicator
LIE	Lagos Ibadan Expressway
MSCI	Morgan Stanley Capital International
MSME	Micro, Small and Medium Enterprises
MT	Metric Tonnes
MTPA	Million Tonnes per annum
NDC	Nationally Determined Contributions
NEC	National Economic Council
NESI	Nigerian Electricity Supply Industry
NIDF	Nigeria Infrastructure Debt Fund
NIF	Nigeria Infrastructure Fund
NKDC	NSIA Kano Diagnostic Centre
NLCC	NSIA-Luth Cancer Centre
NMRC	Nigeria Mortgage Refinance Company
NSIA	Nigeria Sovereign Investment Authority
NUDC	NSIA Umuahia Diagnostic Centre
OEM	Original Equipment Manufacturer
OPSWF	One Planet Sovereign Wealth Funds
PFI	Presidential Fertiliser Initiative
PIDF	Presidential Infrastructure Development Fund
RCC	Reynolds Construction Company Nigeria
SDG	Sustainable Development Goals
SF	Stabilisation Fund
SME	Small Medium Enterprise
SWF	Sovereign Wealth Fund
ToC	Theory of Change
UFF	United Farmers Fund
UN	United Nations
US	United States
WB	World Bank

## From our Managing Director

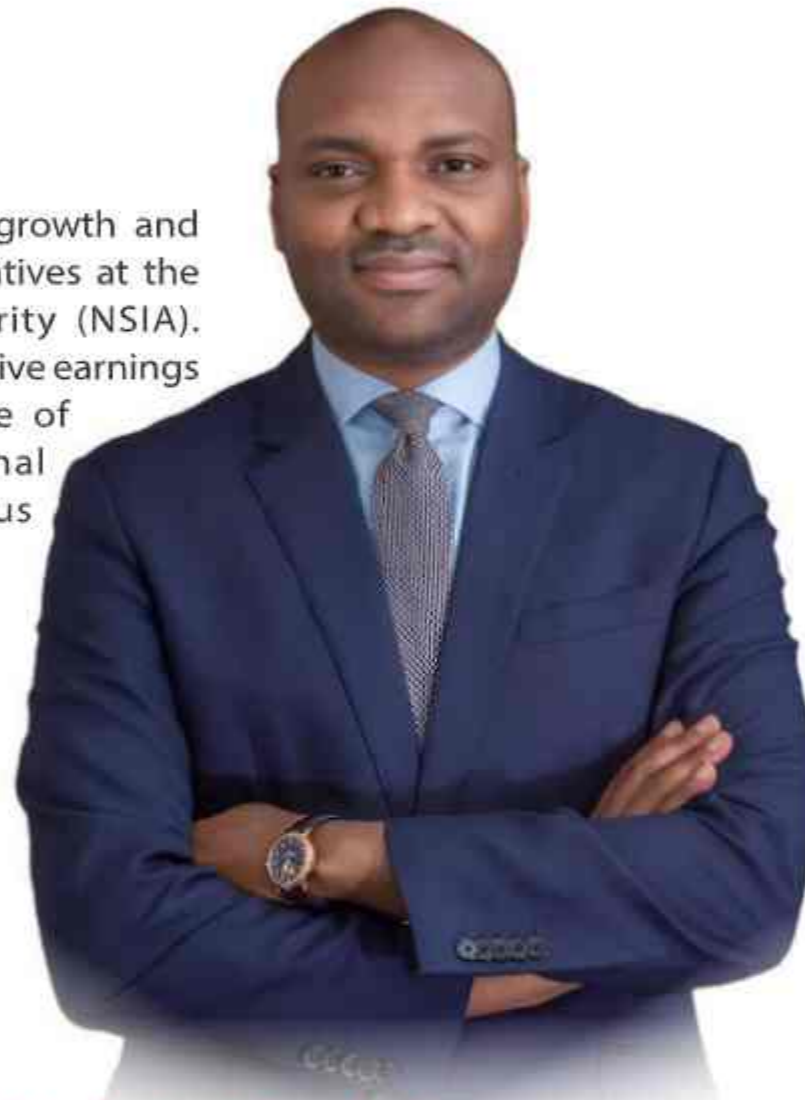
2023 marked a year of unprecedented growth and impact for our strategic investment initiatives at the Nigeria Sovereign Investment Authority (NSIA). Building upon a decade of consistent positive earnings with a cumulative annual growth rate of 117.3%, NSIA delivered an exceptional performance, exceeding our ambitious benchmarks.

Total comprehensive income (TCI) grew significantly to ₦1.18 trillion, representing a 1,122% growth from the previous year's ₦96.96 billion. Excluding foreign exchange gains, TCI stood at ₦164.69 billion in 2023, reflecting a 670% growth compared to 2022. Our net assets also experienced a remarkable growth, reaching ₦2.22 trillion, a 119% increase from ₦1.02 trillion in 2022.

### Future Generation Fund (FGF)

The FGF, representing 30% of our core capital contributions, is a long-term investment fund designed to generate sustainable returns over time. In 2023, the FGF recorded a robust return of 12.73% for the year, a significant improvement from its 2022 returns of -3.87%.

A key contributor to this success was the fund's robust diversification, particularly the strong performance of our developed long equities, which constitutes 15% of the FGF portfolio. By maintaining a well-diversified mix of asset classes, including public and private equities, fixed income, and hedge funds, we have been able to navigate market challenges with resilience and capitalise on emerging opportunities. This underscores the value of a balanced and disciplined investment approach.



**Mr Aminu Umar-Sadiq**  
Managing Director  
& Chief Executive Officer

### Stabilisation Fund (SF)

The SF, an investment-grade fixed-income instrument primarily invested in U.S. sovereign debt instruments and Investment-Grade Corporate Credit, achieved a notable return of 10.54%, surpassing its benchmark. Favorable external factors, such as global economic conditions and high interest rates, bolstered the fund's performance. In addition, our active management approach, strategic asset allocation, and rigor-

ous risk management practices further strengthened the fund's resilience and contributed positively to its overall results.

By maintaining a well-diversified mix of asset classes, including public and private equities, fixed income, and hedge funds, we have been able to navigate market challenges with resilience and capitalise on emerging opportunities. This underscores the value of a balanced and disciplined investment approach.

### Nigeria Infrastructure Fund (NIF)

The NIF, utilising 50% of the contributions to NSIA, is focused on investing in critical infrastructure projects within Nigeria. The NIF achieved a return of 6.32% in 2023, as well as significant progress in its infrastructure investments. During the year, NSIA launched several new initiatives, including MedServe (Healthcare Expansion Programme), Renewable Investment Platform for Limitless Energy (RIPE), Carbon Vista, and the Construction Finance Facility. These investments enhanced our diversification strategy and underscored our commitment to driving positive socio-economic impact through strategic investments in key sectors that address some of Nigeria's most pressing challenges.

MedServe, our healthcare investment vehicle, is rapidly expanding access to quality healthcare services in the country, by establishing 23 modern medical diagnostic centres, 3 oncology centres, and 7 catheterization laboratories across Nigeria. Through MedServe, we are addressing gaps in critical healthcare infrastructure, creating affordable access to healthcare services, improving patient outcomes, and reversing medical tourism.

In keeping up with our commitment to environmental stewardship, having completed and launched the largest grid-connected solar plant in Nigeria earlier in the year, we launched a \$500 million Renewable Investment Platform for Limitless Energy (RIPE) to

**117.3%**  
Cumulative Annual Growth Rate in earnings

**₦1.18 Trillion**  
surge in Total Comprehensive Income  
₦96.96 billion in 2022

Net Asset expansion of  
**₦2.22 Trillion**  
₦1.02 Trillion in 2022

**119%**  
increase in Net Asset from 2022



### FGF

**12.73%**  
Robust return an improvement from  
**-3.87%**  
return of 2022

Contributors factors to the success was the allocation to developed long equities, which constituted  
**15%**  
of the portfolio



**Stabilisation Fund**

**10.54%**  
Notable return was achieved



**Nigeria Infrastructure Fund**

**6.32%**  
return on NIF Infrastructure investments in 2023

enhance energy access and efficiency across the renewable energy verticals in Nigeria. This transformative energy initiative will accelerate our National clean energy transition, reduce carbon emissions, and create sustainable jobs in the power sector.



**3** oncology centers

**23** Modern Medical Diagnostic Centers established & more

**7** catheterisation laboratories across Nigeria

**\$500 Million**  
Renewable Investment Platform

NSIA's role in attracting foreign investment and fostering a sustainable business environment is increasingly evident. Our investments in key sectors, have created opportunities for local and international investors to participate in Nigeria's growth story. We launched the Construction Finance Warehouse Facility, a multi-funder revolving facility co-developed by NSIA and InfraCredit to facilitate the provision of the much-needed early-stage debt financing for sustainable infrastructure projects.

Furthermore, NSIA's strategic partnerships with both

local and international organisations have been instrumental in driving our impact agenda.

As we look ahead, NSIA remains committed to its mission of creating sustainable value for future generations. We will continue to invest in initiatives that address Nigeria's most pressing challenges and create positive impact while generating attractive returns. By leveraging our expertise, partnerships, and resources, we are able to drive positive change and contribute significantly to Nigeria's emergence as a global economic powerhouse.

## From the Head of Sustainability and ESG

2023 was a remarkable year for us at NSIA, we significantly advanced our ESG journey, translated our commitments into concrete actions, and built a robust ESG framework that underpins our investment decisions and operational practices.

Our impact goals are bold and ambitious, but we have measurable, specific, and tangible outcomes beyond policies to back our commitments. Our ESG and impact approach focuses on three drivers:

### Institutional ESG Integration

We relentlessly evaluate and refine our internal practices, policies, and frameworks to ensure we adopt best practices in our investment and operational activities and align ourselves to the highest performance standards that can propel us to achieve our ambitions.

For instance, through our NSIA ESG Week, we cultivate a strong social consciousness among employees about our ESG ambitions, using it as a springboard to drive deeper ESG integration across the organisation.

### Impactful Investments for Sustainable Development

Beyond traditional investments, we strategically focus on prioritising investments in Nigeria's real sectors that generate positive social and environmental outcomes while delivering financial returns. Also, we conduct environmental and social due diligence for all our investments to ensure environmental and social risks are adequately managed and opportunities are effectively optimised.

### Partnerships for Impact

At NSIA, we recognise that addressing complex sustainability challenges necessitates a collaborative approach. By forging strategic alliances with key

stakeholders, we amplify our impact and accelerate progress towards a sustainable future for Nigeria. Our partnerships are not mere collaborations but strategic investments in shared goals.

Government agencies are crucial partners in our journey. By working closely with them, we align our efforts with national priorities, ensuring that our initiatives contribute meaningfully to the country's overall development. Our partnership with the National Council on Climate Change, to support with implementation of key national climate initiatives, exemplifies this synergy. Together, we are driving Nigeria's transition to a low-carbon economy while fostering a sustainable environment for businesses to thrive.

Furthermore, we engage with industry leaders to share knowledge, identify opportunities, and drive innovation. These partnerships enable us to leverage cutting-edge technologies and best practices to enhance our operations and investments. By collaborating with global experts, we gain access to a wealth of knowledge and insights, enabling us to stay at the forefront of sustainable development.

Through these strategic partnerships, NSIA is building a robust ecosystem that supports our mission of creating a sustainable and prosperous Nigeria. By working together, we can overcome challenges, maximise our impact, and build a better future for generations to come.



We do not only deliver impressive financial returns; our investments contribute measurable positive social and environmental impact, reflecting that we are deliberate about the integration of ESG principles into our investment process. Our stakeholders trust us because we embed transparency and accountability in our reporting process. In 2024, we will be launching our Inaugural Sustainability Report aligned to the Global Reporting Initiative standard.

As we move forward, we are excited to continue our trajectory of impressive results and expand our impact in the years to come.

**Mrs Nana Maidugu**  
Head, Sustainability & ESG

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**Mrs Nana Maidugu**  
Head, Sustainability & ESG



## Overview

The Nigeria Sovereign Investment Authority (NSIA) is a globally focused Nigerian investment institution established by the NSIA Act, in May 2011, to receive, manage, and invest Nigeria's Sovereign Wealth Fund (SWF) through three ring-fenced funds on behalf of the three tiers of the Federation: The Stabilisation Fund, the Future Generations Fund, and the Nigeria Infrastructure Fund.

The Stabilisation Fund is mandated to provide budget support in times of economic stress; the Future Generations Fund builds a savings base for future generations of Nigerians while the Nigeria Infrastructure Fund enhances local infrastructure by investing in Nigeria's infrastructure. The fund objectives are met by judiciously investing Nigeria's excess crude oil revenue.

### Vision

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



### 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.



## Our Core 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.

### Transparency

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

### Discipline

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

### Integrity

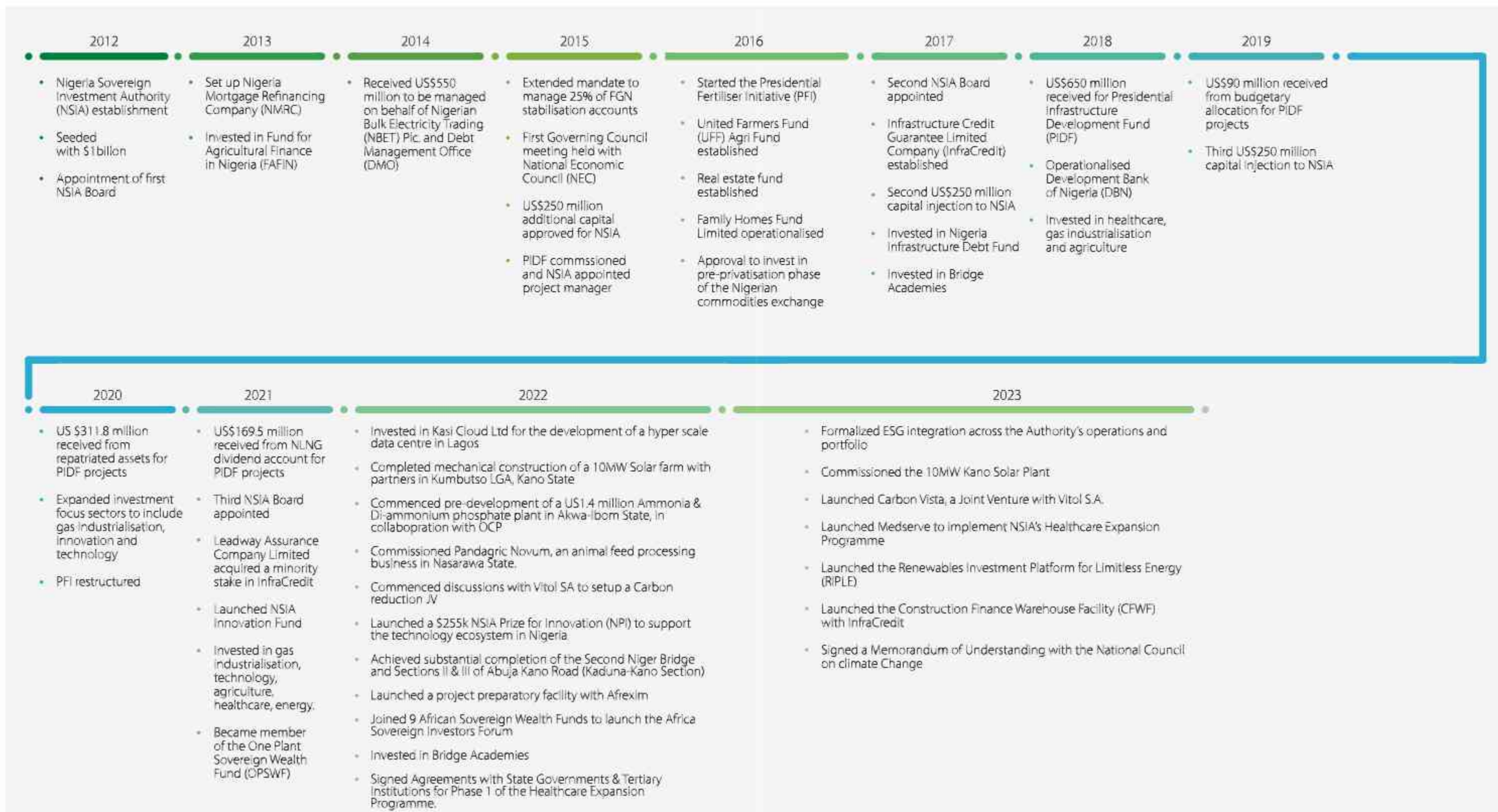
In all our undertakings, the NSIA holds itself to the highest ethical principles which reflect the soundness of character and integrity.



Our shareholders are the Federal Government of Nigeria, the 36 state governments and the FCT, and all the Local Governments and Area Councils in Nigeria. Current investments made stem from funding provided across all spheres of government. Investment ownership stake can be summarised as follows:

Investment Ownership	2023	2022	2020	2017	2016	2013
Federal Government	46.51%	45.83%	45.83%	45.83%	51.68%	45.83%
State Government	34.80%	36.25%	36.25%	36.25%	26.72%	36.25%
Local Government Areas or Local Council Development Areas	18.23%	17.76%	17.76%	17.76%	20.41%	17.76%
Federal Capital Territory	0.46%	0.16%	0.16%	0.16%	1.19%	0.16%
	100%	100%	100%	100%	100%	100%

## Investment Journey



## Aligning with Best Practices

NSIA is a signatory to:



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.

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

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 to unlock investment opportunities and mobilise capital for the benefit of the continent.

## Partnerships

NSIA continues to partner with key organisations in implementing strategic investments, strengthening its network, and driving impactful initiatives. Through these partnerships, NSIA leverages expertise, resources, and innovative solutions to deliver sustainable outcomes, foster economic growth, and address critical development challenges.

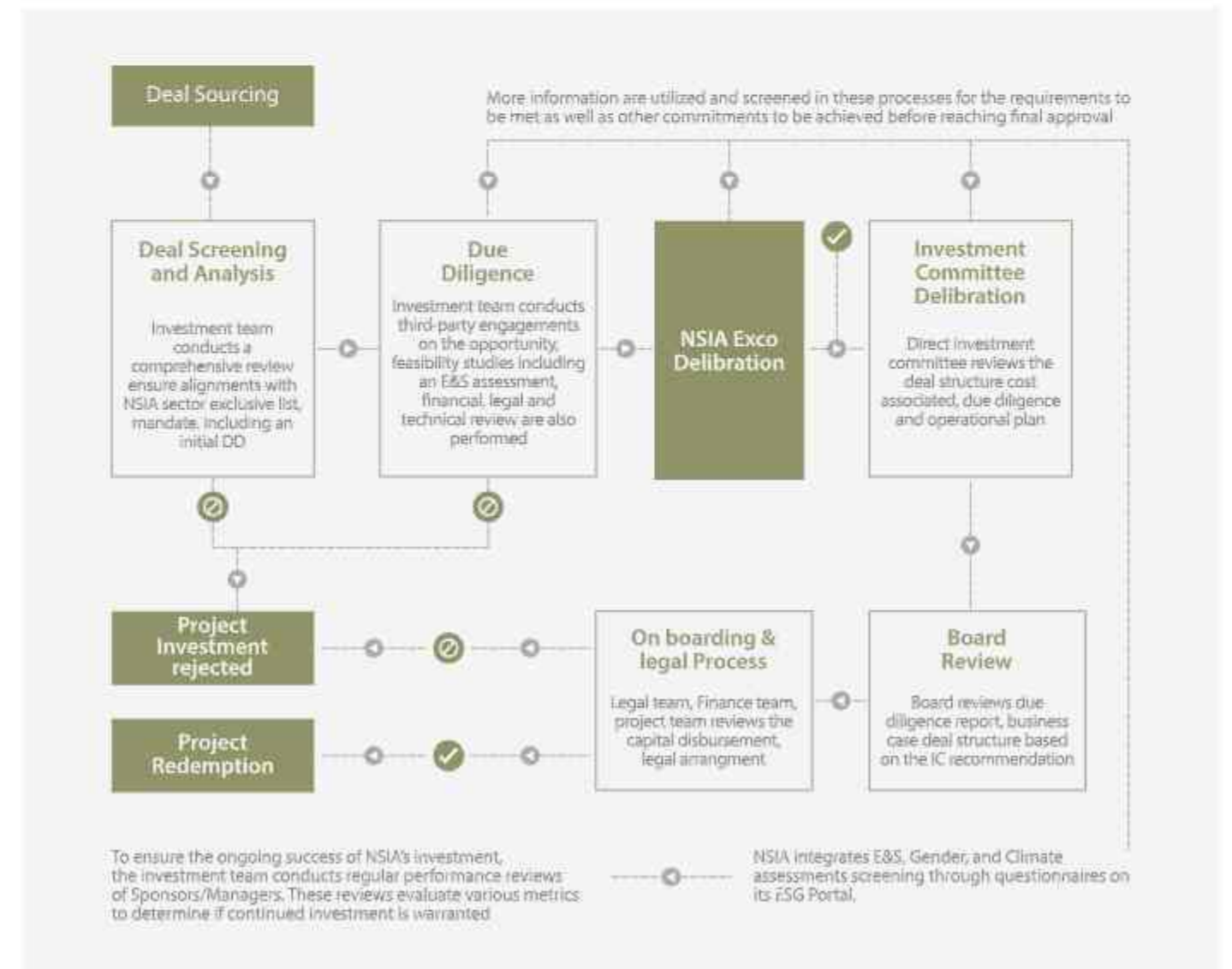


## Our Investment Process

Our Funds' investment process is governed by an Investment Policy Statement (IPS) that is updated and approved by the board. The IPS 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.

During the year, we improved our investment process to include ESG assessments parameters to ensure we invest in projects or companies that have integrated environmental and social considerations into their operations. Specifically, we incorporated an Environmental and Social (E&S) and a climate assessment processes to evaluate the potential societal and environmental impacts of potential investments. We also included gender assessments to foster diversity and ensure potential investments have embedded gender considerations into their operations.

The following schematics aim to summarise the intent espoused by this policy.



# Overview of Funds Performance

## Overview of Funds Performance

NSIA commenced operations in 2012 and began investment activities in the 3rd quarter of 2013, with a seed capital of US\$1 billion from the Federal Government, State Government, Local Government, and Federal Capital Territory.

A further net core contribution of US\$750m has been injected into the NSIA since 2012. This came in three tranches of US\$250m each in 2016, 2017, and 2020 respectively while the sum of US\$150m was withdrawn from the Stabilisation Fund to augment the government's budget at the height of the COVID-19 pandemic in 2020. In 2023, a further \$45 million was received from the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) based on the implementation of the Petroleum Industry Act (PIA) of 2021, cumulating to a total funding of \$1.645b. This has enabled us to invest in a diversified portfolio of medium and long-term assets and to catalyse co-investment with strategic investors.

### Seed Funding Allocation by the Federation to Each Fund





## Stabilisation Fund (SF)

The Stabilisation Fund (SF) is the smallest of our three funds, with a 20% allocation of core capital (currently US\$ 359m). The purpose of the SF is to act as a buffer against short-term macroeconomic instability and serves as a reserve of funds from which the government may make withdrawals to meet budgetary shortfalls.

We invest the Stabilisation Fund in investment-grade fixed-income instruments to ensure capital preservation and liquidity, deployed at a short investment horizon, in line with the fund's mandate.

Asset Class	Instrument	Policy target	Achieved allocation for 2023
<b>Growth Assets</b>	Barclays 1-3 Year Corporate Bond	75%	91%
Investment Grade Corporate Bonds	Barclays 1-3 Year Corporate Bond		
<b>Hedge Assets</b>	Barclays 1-3 Year Treasury Bond	25%	9%
US T-Bills	91-Day Treasury Bill Index		
US Treasuries 1-3 years	Barclays 1-3 Year Treasury Bond		

In 2023, the Stabilisation Fund's performance surpassed expectations, outperforming its benchmark by seven hundred (700) basis points. This translated to a benchmark-beating return of 10.54% as shown in the trend below, significantly outpacing US CPI which was 3.3% over the same period.



## Future Generations Fund (FGF)

The Future Generation Fund (FGF) is a long-term investment fund with an investment horizon of over 20 years, expected to weather multiple economic and market cycles. To this end, diversification is used as a key risk management tool in achieving the investment objectives and mitigating the effects of volatility and uncertainty on the Fund's investment.

Currently, 30% of our core capital contributions is allocated to the Future Generations Fund (FGF). Our Board's decision to restructure the capital allocated to

FGF was based on the need to increase infrastructure investment in the country, which would also benefit future generations.

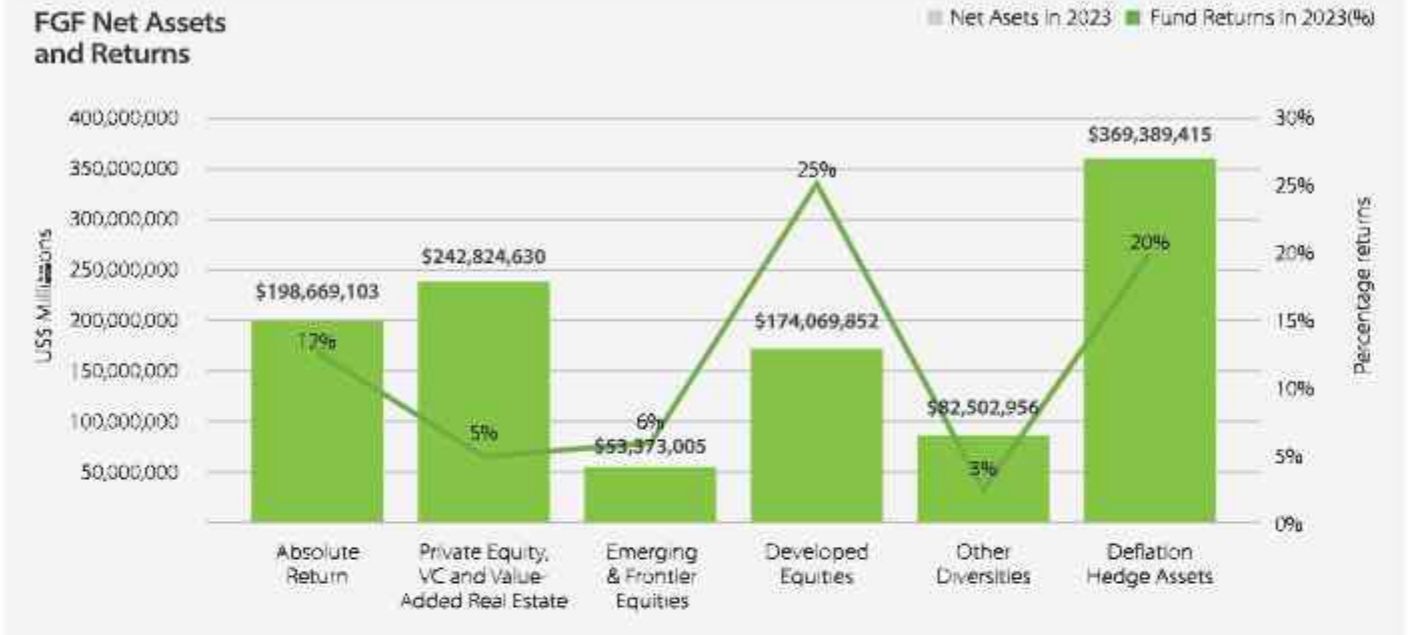
The asset allocation is based on long-term risk and return objectives, with due consideration to volatility, and is diversified across various asset classes. Due to the Fund's long-term horizon, the asset allocation is skewed to growth assets which account for 85% of the allocation. The rest is apportioned to inflation hedges (5%) and deflation hedges (10%).

Asset Class	Policy target	Benchmark
<b>Growth Assets</b>	85%	<b>MSCI All-Country World Index</b>
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
<b>Hedge Assets: Inflation</b>	5%	<b>Weighted Composite</b>
Hard Assets	5%	50% FTSE EPRA/NAREIT Developed Real Estate Index/ 50% CA Private Natural Resources Benchmark
<b>Hedge Assets: Deflation</b>	10%	<b>Citigroup World Government (Hedged) – US\$ Bond Index</b>
Cash	10%	3-month US Treasury Bill (Gross)

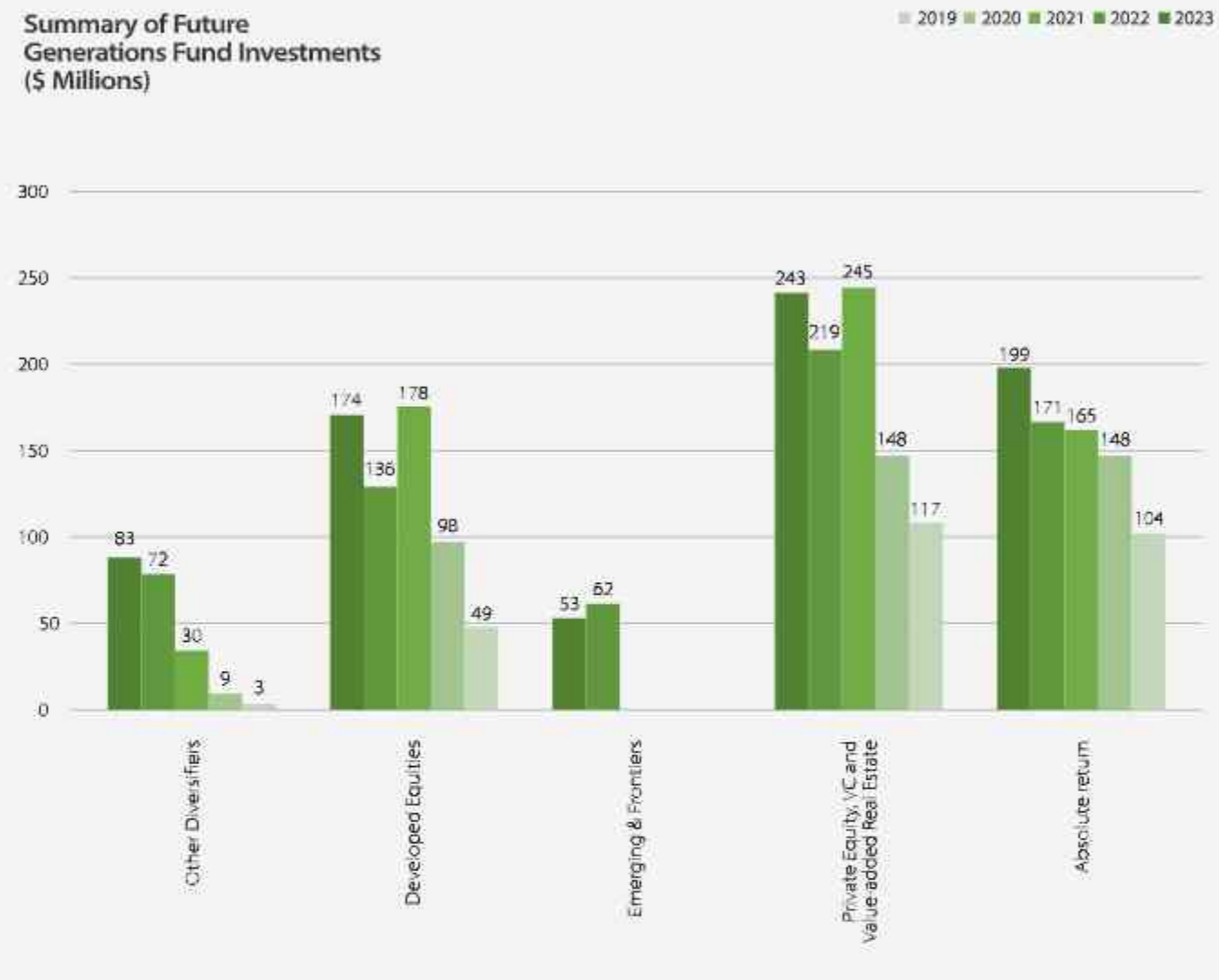
The Future Generations Fund's performance in 2023 (total return of 12.73%) improved compared to its performance in 2022 (3.87%). This is primarily due to increased investments in developed equities (the asset class with the highest return of 25%). The value of the Fund also grew due to an increased allocation to deflation-hedge assets, which delivered a return of 20%. The chart and table below reflect an overview of FGF's performance in 2023 in each of the six strategies we have adopted:

	Target Allocation for 2023	Achieved Allocation for 2023
<b>Growth Assets</b>		
Absolute Returns	20%	18%
Private Equity, VC and Value-added Real Estate	25%	22%
Emerging & Frontier Equities	10%	5%
Developed Equities	20%	16%
Other Diversifiers	10%	7%
<b>Hedge Assets</b>		
Deflation Hedge Assets	10%	33%
Inflation Hedge Assets	5%	0%

Asset Class	Overview of focus areas and achievements in 2023	
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. After facing style headwinds all year, holdings in Japan and other new investments we made last year still achieved a high return.
	Emerging and Frontier Equities	While the dollar has continued to weaken over 2023, other developments have been much less supportive of emerging markets. Importantly, given China's sizeable position in the emerging market index, the impact of the country's reopening post-Covid has proved much less vigorous than anticipated.
	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	The Fund diversified its portfolio to mitigate risk through investments in products such as energy storage, 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. However, during the year, these strategies were further allocated 33% of the Fund with a return of 20%, strengthening the portfolio's resilience against inflationary and deflationary pressures.



Summary of Future Generations Fund Investments (\$ Millions)



**Nigeria Infrastructure Fund (NIF)**

The Nigeria Infrastructure Fund (NIF) aims to invest in domestic infrastructure projects that meet our targeted financial returns and generate socio-economic impact. These investments are aimed at stimulating the growth and diversification of the Nigerian economy, attract foreign investment, and create jobs for Nigerians.

The Fund is allocated half (50 percent) of the capital contributions we receive, and its investments cut across key sectors of the economy such as agriculture, healthcare, power, financial markets infrastructure,

gas industrialisation, motorways, technology.

Our Infrastructure strategy is anchored on three pillars:

1. Direct investment in infrastructure projects or companies.
2. Co-investment strategy via the establishment of co-investment funds.
3. Creation of institutions that support infrastructure development.

### NIF Investments: Sectoral Focus



#### Healthcare

- NSIA-LUTH Cancer Centre (NLCC)
- NSIA Umuahia Diagnostic Centre (NUDC)
- NSIA Kano Diagnostic Centre



#### Motorways

- Presidential Infrastructure Development Fund (PIDF):
- Abuja – Kano Road (AKR)
- Lagos Ibadan Expressway (LIE)
- Second Niger Bridge (2NB)



#### Gas Industrialisation

- NSIA-OCP Multipurpose industrial platform



#### Financial Markets Infrastructure

- Chapel Hill Denham (CHD) Nigeria Infrastructure Debt Fund
- Construction Finance Warehouse Facility (CFWF)
- Development Bank of Nigeria (DBN)
- Family Homes Fund
- Infrastructure Credit Guarantee Company Limited (InfraCredit)
- NG Clearing
- Nigeria Mortgage Refinancing Company (NMRC)
- NSIA-Afrexim Project Preparatory Facility



#### ESG

- Carbon Vista



#### Power

- Kano Solar Project
- RIPLE



#### Agriculture

- Babban Gona
- Agriplus
- Fund for Agricultural Finance in Nigeria (FAFIN)
- Presidential Fertiliser Initiative (PFI)
- Pandagric Novum
- Pandagric Novum - Outgrower

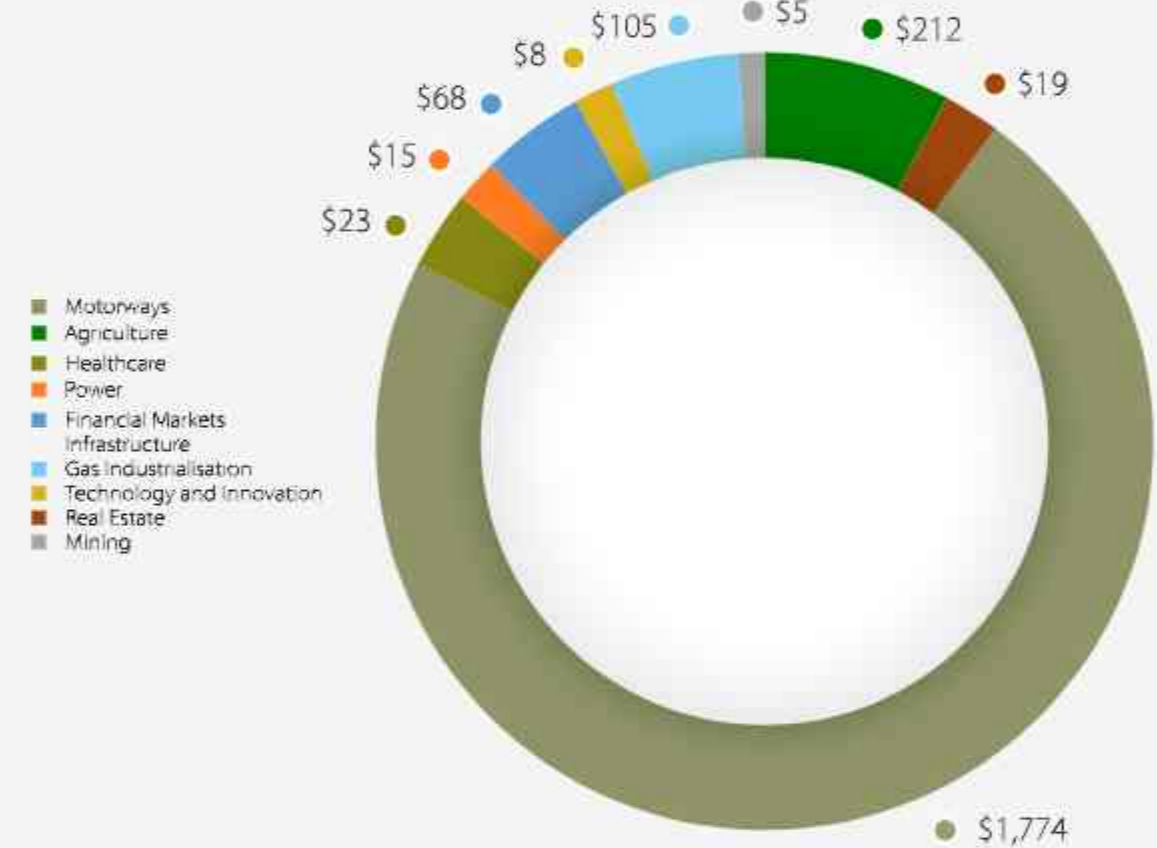


#### Technology & Innovation

- Kasi hyperscale data Centre
- NSIA Prize for Innovation

### Overview of Investments in Each Sector

Total NIF Investment per Sector (US\$' millions)







### Third-Party Funds

Beyond the management of our core funds, investors, and government stakeholders trust NSIA's strong understanding of global markets, risk management, and strategic investment practices to undertake fund management services on behalf of the Federal Government and some of its agencies. As third-party fund managers, we tailor our investment strategies for each fund to achieve the intended mandate for the fund, with some of the funds targeted at addressing national challenges. This ensures the funds contribute measurably to Nigeria's economic well-being.

- Presidential Infrastructure Development Fund (PIDF)
- NESI Stabilisation Strategy Ltd
- Presidential Fertiliser Initiative (PFI)
- Debt Management Office (DMO)
- FGN Stabilisation Fund

### Impact of some Third-party Funds



#### **PIDF** The Presidential Infrastructure Development Fund

The Presidential Infrastructure Development Fund (PIDF) was created in 2018 to address Nigeria's long-standing infrastructure issues. By funding key projects like roads and bridges, the PIDF aims to improve connectivity, reduce travel times, and boost economic activity across the country.

The Fund has made significant progress in recent years. Completed projects like the Second Niger Bridge and sections of the Abuja-Kano Road and Lagos-Ibadan Expressway have eased traffic congestion, created jobs, and stimulated trade in the surrounding regions. PIDF's success is attributed to effective monitoring and supervision, transparent and efficient funds management, strong accountability, and robust project management.



#### **PFI** The Presidential Fertiliser Initiative

Launched in 2016, the Presidential Fertiliser Initiative (PFI) addressed Nigeria's reliance on expensive, imported fertiliser. This dependence hurt local businesses, drained resources, and burdened the government. The PFI, managed by the NSIA, primarily focused on facilitating the importation of potash and diammonium phosphate, essential components for fertiliser production, on behalf of domestic blenders.

This strategic move spurred a significant shift towards domestic fertiliser blending, creating a valuable supply chain, generating jobs, and empowering local blenders. The reduction in fertiliser imports and the thriving domestic industry are key indicators of the PFI's success, ensuring a more secure and affordable fertiliser supply for Nigerian farmers.

# NSIA in Numbers

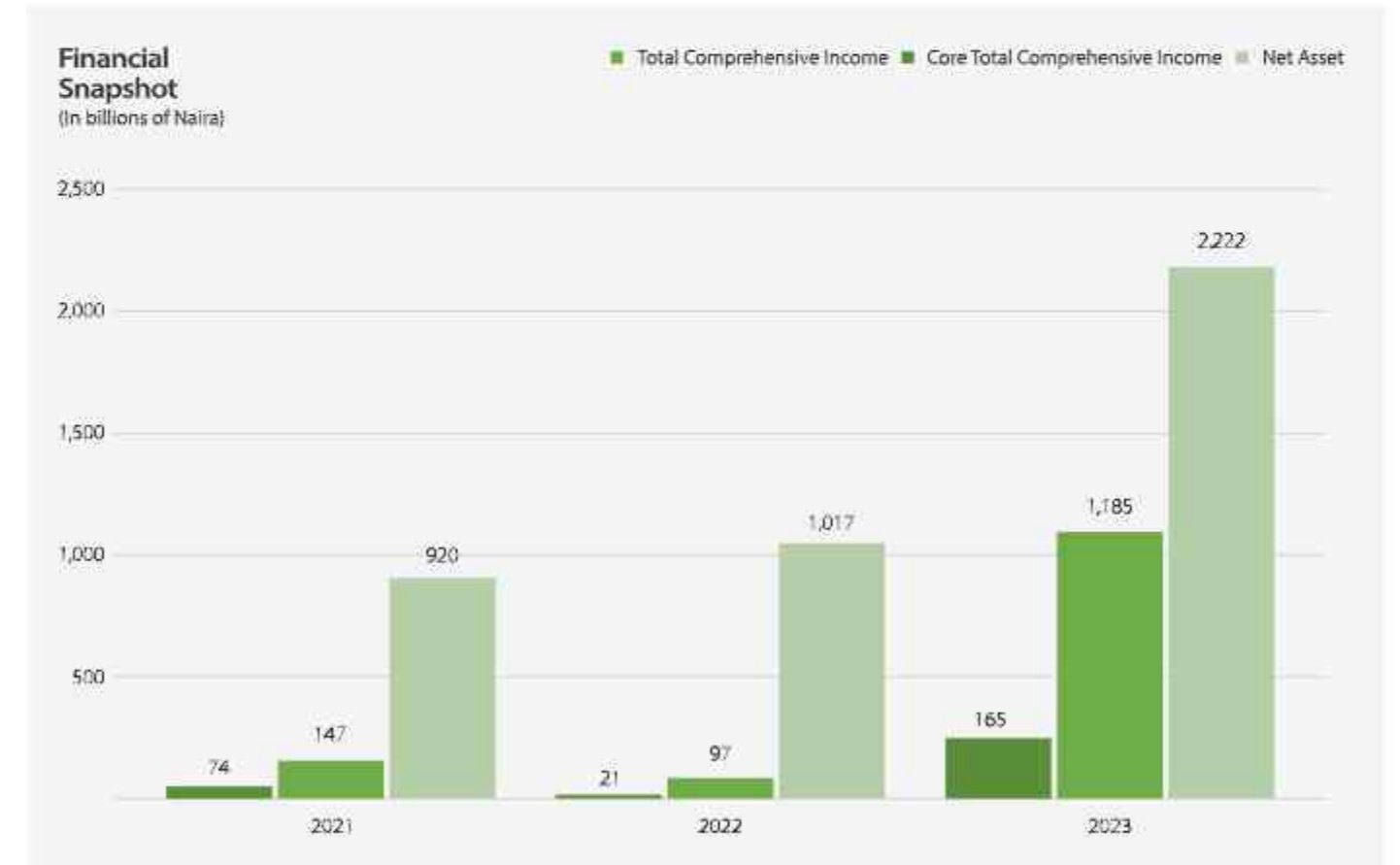
## NSIA in Numbers

### Financial Performance

The year 2023 came with significant changes in the global operating environment. The year was characterised by a mix of political tensions and economic instability. The ongoing war between Russia and Ukraine, coupled with lingering supply chain disruptions and soaring inflation rates, created a volatile environment that echoed throughout the world.

In Nigeria, the domestic economic landscape was further complicated by a series of policy decisions. The removal of fuel subsidies, a move aimed at reducing government expenditure, led to a sharp increase in fuel prices. Simultaneously, the floating of the naira, intended to promote foreign exchange market stability, had unintended consequences, including higher inflation and increased costs for businesses and consumers.

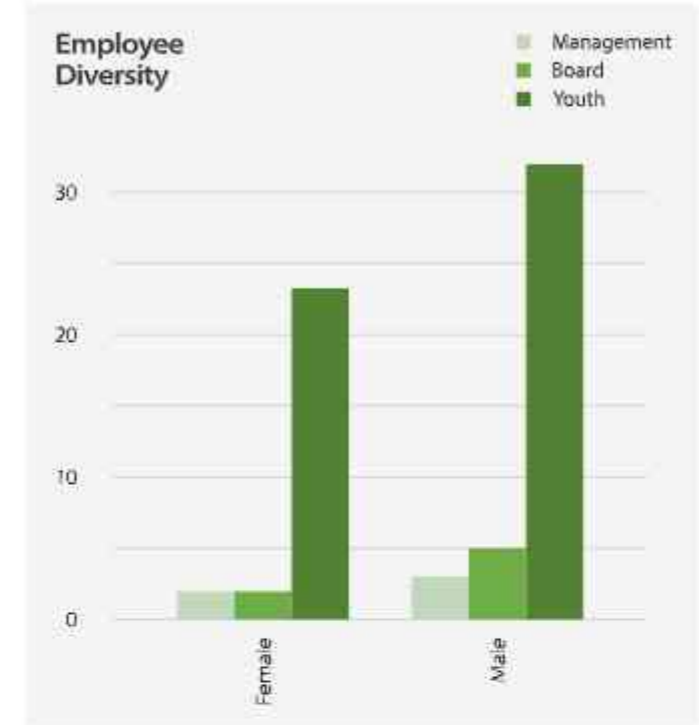
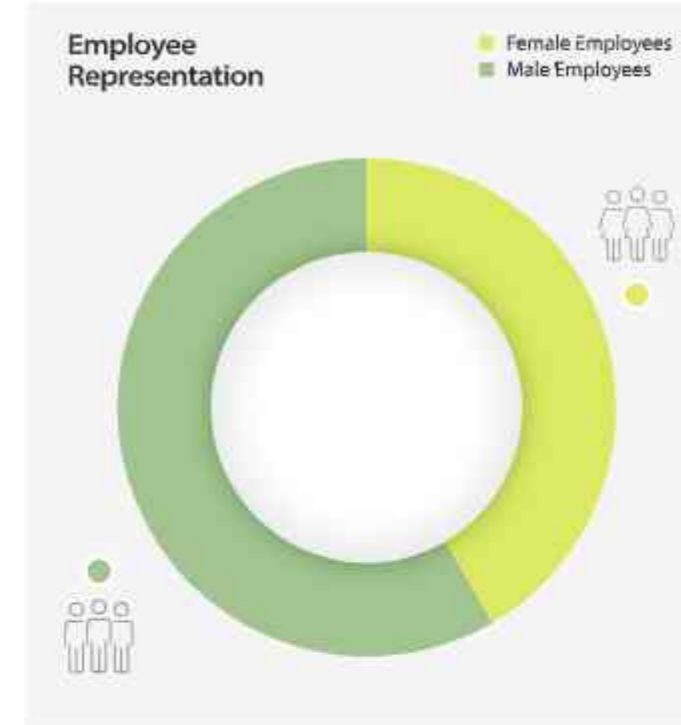
Despite these challenges, The Nigeria Sovereign Investment Authority (NSIA) remained focused on achieving continuous positive earnings and creating shared prosperity for current and future generations of Nigerians. Below is a Financial Snapshot of 2023 at a glance.



- The Nigeria Sovereign Investment Authority reported a total comprehensive Income (TCI) of N1.18 trillion as against N96.96 billion in 2022. Excluding foreign exchange gains, NSIA's core TCI rose from N21.39 billion in the previous year to N164.69 billion in 2023, marking a 670% increase.
- NSIA Recorded 11 consecutive years of continuous positive earnings with a cumulative annual growth rate of 117.3%.
- The Group grew its Net Assets from N1.02 trillion in Dec 2022 to N2.22 trillion in 2023; a growth rate of 119%.

### Our Workforce

At NSIA, our success is driven by our powerful team. We believe diversity is key – a vibrant mix of skills, cultures, and backgrounds brings fresh perspectives and innovative solutions for the successful management of our funds. We are committed to empowering our people by providing them with the knowledge they need to excel, through both formal and informal training. We recognise the immense potential of young talent, especially in Nigeria. Our youth representation has surged from 59% in 2022 to 87% in 2023. We are also fostering gender diversity, with 39% female employees, and a continuous focus on increasing that number in the years to come.



# Development Impact Framework

## Our Development Impact Framework

Our developmental impact framework is based on our Theory of Change Framework. The Theory of Change (ToC) is a roadmap outlining our impact strategy and where we can intentionally achieve positive change.

It 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.

At its core, the framework is designed to identify the key linkages our activities have to attaining the sustainable development goals as embodied in the 17 UNSDGs. Hence, we prioritise and concentrate investment actions on projects and activities that would create the desired impact and outcomes

aligned with these goals. We are proud of the targeted investments in education, healthcare, agriculture, technology, financial market infrastructure, power, and motorways sectors that have produced transformative changes, generated long-term value, and driven inclusive growth. As a living document, the ToC is subject to revisions and updates in light of the realities of our investment environment and in response to the themes that are most significant to the Nigerian and African context.

NSIA operates under a comprehensive mandate to manage and invest funds on behalf of the Nigerian government, ensuring financial sustainability and maximising returns for the benefit of all Nigerians. This mandate encompasses three core funds: the Stabilisation Fund, safeguarding against economic volatility; the Future Generations Fund, securing long-term prosperity; and the Nigeria Infrastructure Fund, catalysing development in critical sectors. Additionally, we have identified key linkages between our core funds and the UN sustainable development goals. This strategic approach has allowed us to clearly articulate our contribution to societal progress while aligning our objectives with global sustainability priorities.



## Stabilisation Fund



### Inputs

- Deploy funding.
- Utilise tools developed in-house to make sound investment decisions.
- Facilitate the purchase of shares by leveraging know-how.
- Integrate NSIA principles of Integrity, discipline, and transparency throughout its investment cycle.
- Ensure well-trained staffs are utilised to ensure funds are deployed to meet returns.
- Screen investments and decision-making to maximise the potential to build a savings base for the Nigerian people, which will provide support in times of economic stress.
- Undertake investments and departmental engagement activities at NSIA in an environmentally and socially sustainable manner.

### Outputs

- Achieve short-term returns set as US CPI.
- Increased foreign direct investment in Nigeria.
- Increased levels of transparency and credibility of ESG reporting in NSIA investments.
- Ongoing implementation of sustainable business practices.

### Outcomes

- Achieved strong financial performances of NSIA Investments.
- Enhanced brand recognition achieved through leveraging additional fundraising including foreign direct investment.
- Enticement of investment by leveraging the NSIA brand.
- Enhanced positioning on ESG indices.

### Impacts

- Target 16.6 Develop effective, accountable, and transparent institutions at all levels
- Target 17.3 Mobilise additional financial resources for developing countries from multiple sources
- Target 17.5 Adopt and implement promotion regimes for least developed countries

## Future Generations Fund

Inputs	Outputs	Outcomes	Impact
Provide funding for investment across various asset classes.	Achieve long-term returns set as US CPI+400 BPS.	Ability to secure additional funding including through foreign direct investment.	Target 16.5 Substantially reduce corruption and bribery in all their forms
Take board seats as full members or observer members at the management level to influence behavior directly for investments in Nigeria and certain African private equity funds.	Ability to leverage know-how to build brand and credentials to raise additional funding, attract quality pipeline, and increase exit valuations of underlying assets.	Implementation of good governance practices.	Target 16.6 Develop effective, accountable, and transparent institutions at all levels
Encourage implementation of best practices especially locally	Increased FDI into Nigeria.	Successfully leveraging NSIA know-how to select investments that realise enhanced returns both financially as well as benefiting society and the economy.	Target 16.7 Ensure responsive, inclusive, participatory, and representative decision-making at all levels
Incorporate ESG in the investment process executed through an institutionalised policy across the value chain.	Report on core themes in the form of an ESG report/sustainability report/TCFD report.	Successfully leveraging NSIA networks and partnerships to create value within the underlying portfolio	Target 17.5 Adopt and implement investment promotion regimes for least developed countries
Integrate NSIA principles of integrity, discipline, and transparency throughout its investment cycle.	Build the Fund's own brand and social licence to operate through the deployment of funds in line with the NSIA objectives.		Target 17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology, and financial resources, to support the achievement of the Sustainable Development Goals
Leverage the NSIA brand and licence to facilitate sustainable funding and ensure funds deployed are making an impact.	Identification of partnerships and leveraging these partnerships where possible to facilitate the development of a competitive advantage in the market.		Target 17.17 Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships
Understand the landscape in Nigeria which partners and investee companies to partner with from abroad.			
Leverage capital relationships and strategic partnerships to encourage cross-pollination of ideas across investments.			
Encourage cross-pollination of ideas			





Nigeria Infrastructure Fund

Inputs	Outputs	Outcomes	Impacts
<p>Take board seats as full members or observer members. NSIA needs to be represented on the management level to influence decision making.</p> <p>Leverage the NSIA brand and licence to facilitate sustainable funding and ensure funds deployed are making an impact.</p>	<p>Improved board composition measured by Gender.</p> <p>Improved scalability of the investment company demonstrated through the ability to enter new markets and client base as well as extend service to existing markets and client base</p>	<p>Enhanced gender equality.</p> <p>Projects developed aligned with national priorities.</p> <p>Achieved targeted returns.</p> <p>Increased enticement of direct investment achieved.</p> <p>Secured project guarantees enabling financial close and enticement of additional funding.</p> <p>Achieved economic stimulus.</p> <p>Skills transfer taking place.</p> <p>Stimulated job creation.</p> <p>Improved resilience of businesses to economic shock.</p> <p>Support and development of the SME sector.</p> <p>Improved levels of employee remuneration.</p>	<p>Target 5a. Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance, and natural resources, under national laws</p> <p>Target 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high value-added and labour-intensive sectors</p> <p>Target 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p>Target 10.b. Encourage official development assistance and financial flows, including foreign direct investment</p>



Inputs	Outputs	Outcomes	Impacts
<p>Participate in various industry groups locally and internationally to ensure we can leverage international best practices and share good practices from work done in Nigeria.</p> <p>Partnering with ESG-conscious organisations such as IFC, AFDB, United Nations, and World Bank.</p> <p>SPV developed with a partner to develop a project and then take a % equity share.</p> <p>Develop innovative methods to enhance ESG performance and incorporate ESG in the investment process executed through an institutionalised policy across the value chain to enhance innovation.</p>	<p>Identification of key partnerships that would meaningfully contribute to growing the business.</p> <p>Focus on local content to facilitate import substitution, measured through the ability to substitute inputs required at the same quantities as previously sourced.</p> <p>Increased capacity in the investee/project company for ongoing growth and investment.</p> <p>Implementation of sustainable environmental policies and procedures.</p>	<p>Companies developed show growth in market share, footprint, customer base, and turnover.</p> <p>Increased MWh made available to the grid.</p> <p>Secured project guarantees enabling financial close and enticement of additional funding.</p> <p>Attracted foreign direct investment.</p> <p>Reduced business dependence on external factors in their supply chain, in their operations, and in the market.</p>	<p>Target 9.1 Develop quality, reliable, sustainable, and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all</p> <p>Target 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes</p> <p>Target 17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology, and financial resources, to support the achievement of the Sustainable Development Goals Target</p> <p>17.17 Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships</p> <p>Target 11.2 By 2030, provide access to safe, affordable, accessible, and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</p>





**Inputs**

- Contribute to the national reduction of GHG emissions by 20% before 2030.
- Use a skills base to ensure the project will achieve its long-term objectives and required contribution to communities.
- Provide funding either as debt or equity or some instruments such as credit funds, direct debt, and mezzanine.
- Integrate NSIA principles of integrity, discipline, and transparency throughout its investment cycle.

**Outputs**

- Influence the supply chain to implement these measures.
- Improvement in strategic decision-making capabilities realised through profit and sustainable cash flow.
- Achieve desired long-term returns like US CPI +BSP excluding development projects.

**Outcomes**

- Reduced environmental footprint.
- Reduction in carbon footprint for data centres through enhanced resource efficiency.
- Growth in market share
- Enhanced licence to operate
- Enhanced levels of accountability at the investee company level.
- Accelerated increased yield in food crops and greater access to markets.
- Achieved increased level of patient satisfaction.



**Impacts**

- Target 13.b Promote mechanisms for raising capacity for effective climate change-related planning and management, including focusing on women, youth, and local and marginalised communities
- Target 14.4 By 2020, effectively regulate harvesting and end overfishing, illegal, unreported, and unregulated fishing, and destructive fishing practices and implement science-based management plans, to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics
- Target 15.1 By 2020, ensure the conservation, restoration, and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains, and drylands, in line with obligations under international agreements
- Target 7.1 By 2030, ensure universal access to affordable, reliable, and modern energy services
- Target 7.3 By 2030, double the global rate of improvement in energy efficiency
- Target 7.b. By 2030, expand infrastructure and upgrade technology to supply modern and sustainable energy services
- Target 16.6 Develop effective, accountable, and transparent institutions at all levels
- Target 16.7 Ensure responsive, inclusive, participatory, and representative decision-making at all levels
- Target 2.3 By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, Indigenous peoples, family farmers, pastoralists, and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment
- Target 3.c Substantially increase health financing and the recruitment, development, training, and retention of the health workforce
- Target 12.2 By 2030, achieve the sustainable management and efficient use of natural resources
- Target 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse





# Sector Specific Impact

## Sector Specific Impact

### Overview of Direct Investment Made in 2023

Sector	Fund	2023 Total Investment Made to Date (USD)	Sector GDP	GDP Contribution by Sector	2023 Estimated Economic Stimulus (USD)	Indirect Jobs Created
Agriculture	NIF	<b>212 million</b>	19,306.49	23%	166,100,009	499,667
	FGF	<b>30 million</b>	19,306.49	23%	23,504,718	Not determined
Healthcare	NIF	<b>23 million</b>	544.76	0.55%	424,394	543
	FGF	<b>43 million</b>	544.76	0.55%	793,432	2,319
Motorways	NIF	<b>1.8 billion</b>	609.44	1.46%	88,678,924	240,410
Power and Energy	NIF	<b>15 million</b>	351.94	1.06%	535,540	200
Innovation and Technology	NIF	<b>8 million</b>	13,297.99	13.11%	3,545,096	Not determined
	FGF	<b>92 million</b>	13,297.99	13.11%	40,768,607	Not determined
Financial Market Infrastructure	NIF	<b>68 million</b>	3,502.80	3.74%	8,594,047	224,724
	FGF	<b>16 million</b>	3,502.80	3.74%	2,022,129	2,313
Gas Industrialisation	NIF	<b>105 million</b>	351.94	6.47%	22,956,695	92,700
Mining & Basic Minerals	NIF	<b>5 million</b>	4,266.50	0.77%	129,412	Not determined
ESG	FGF	<b>14 million</b>	544.76	0.55%	258,327	Not determined
	NIF	<b>20 million</b>	544.76	0.55%	369,039	Not determined
Other sectors (Manufacturing, Consumer and Real Estate)	FGF	<b>37 million</b>	4,283.65	2.12%	2,650,389	Not determined

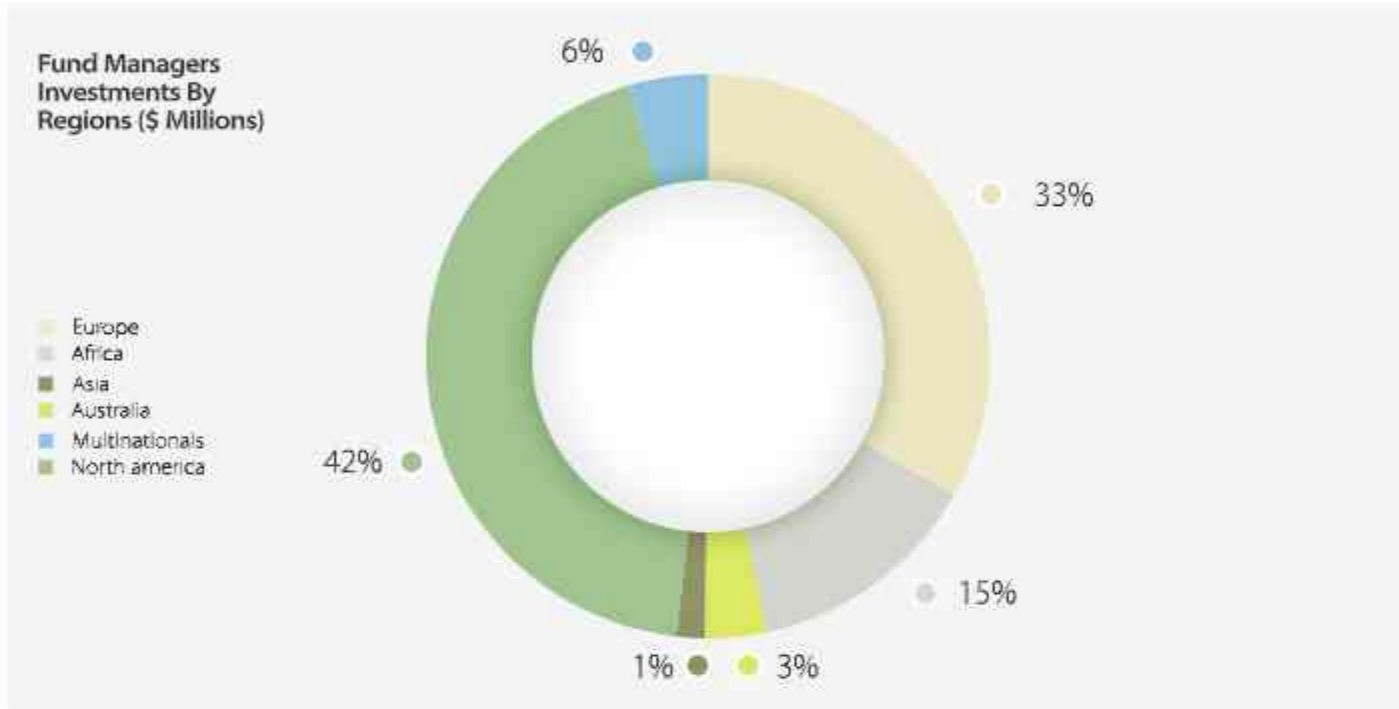
## Our Impact Across Sectors

Our investments focus on accelerating transformative change that benefits both communities and the environment.

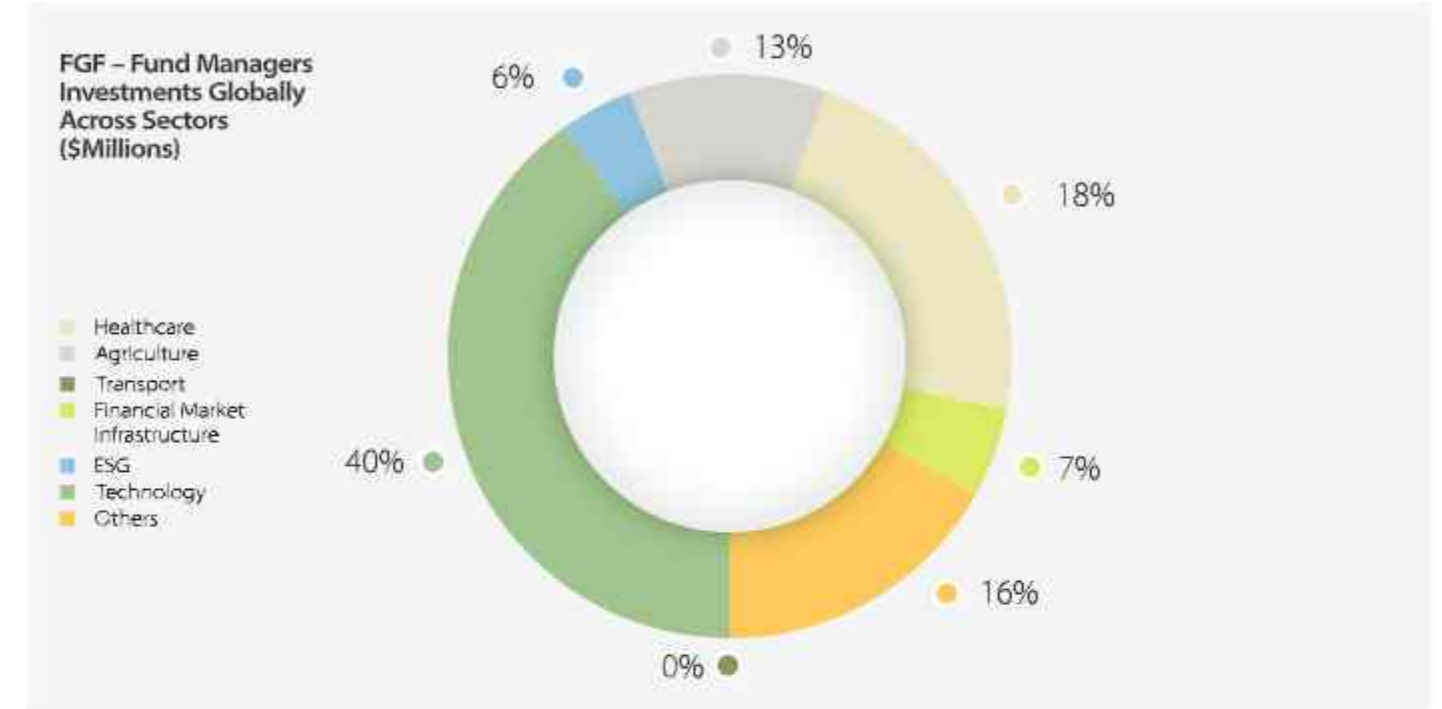




### Overview of Investment by Fund Manager



### Overview of FGF Investment across sectors



# Impact Aligned to UN SDG

## Impact aligned to UN SDG

Nigeria Sovereign Investment Authority (NSIA) recognises the importance of the UN Sustainable Development Goals (UNSDGs), which represent a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity towards its achievements across various sectors.

In 2023, a total of 8 sectors were analysed based on their contribution towards achieving the 17 UNSDGs, where agriculture had the most direct contribution in achieving a total of 11 goals. Also, SDG 9 Innovation, industrialisation, and Infrastructure emerged as the SDGs with the most sectoral impact in achieving sustainable and inclusive growth.

We are committed to investing in innovative infrastructural projects that not only bridge essential economic gaps but also improve access to basic services, support economic activity, and contribute to long-term economic prosperity.

In addition to our achievements, SDG 13 Climate Action plays a pivotal role in our long-term sustainability strategy. We are committed to addressing the challenges of climate change by actively reducing our carbon footprint, promoting energy efficiency, and investing in solutions to support Nigeria's net-zero target by 2060.



Sectorial Alignment to UNSDG





Case Study



CardinalStone Capital Advisers (CCA) is a leading private equity that fosters inclusive growth through its two funds - Legacy and CCA Growth Funds in West Africa. With a deep-rooted commitment to social impact, CCA empowers high-potential Small and Medium Enterprises (SMEs) to reach their full potential. CCA's portfolio cuts across a diverse range of sectors, contributing to job creation, economic diversification, and improved livelihoods.

The fund provides financial resources, expertise, and other enabling access to SME businesses to allow them to scale up, compete, and thrive. NSIA is a key CardinalStone Capital Advisers Growth Fund (CCAGF) investor as its impact-focused investment approach aligns with NSIA's mandate. CCA manages eight (8) investments across both funds and its focus sectors - Agribusiness, Financial Services, Healthcare, Consumer Goods & Services, Education, and Industrials. By investing in a diverse range of sectors, the Fund aims to contribute to Africa's economic growth and social development while generating attractive returns for investors.

**Our Mission:** Nurturing SMEs to become leaders in high-growth sectors

CCA's investment philosophy is built on creating shared values by combining financial performance with positive social and environmental outcomes.

### Agriculture

- Establishing a **6,500** hectare cassava farm by Crest Agro Products Limited
- Fully automated **21,600** MT/annum cassava starch processing plant
- Empowered **80** smallholder farmers and out growers including 29 female farmers
- Created **307** new jobs, directly contributing to local employment and livelihood

### Healthcare

- 89,603** Individuals enrolled in the Health Maintenance Organisation (HMO) plan.
- 390** Healthcare Employment created with Female jobs consisting of 61%
- 34,853** Diagnostic tests performed
- 8500** Surgeries performed

### Consumer Goods & Services

- 26900+** fitness and wellness subscribers
- 1570** jobs created across 3 SMEs with 46% being female

### Industrials

- 281** metric tonnes of recycled waste traded
- 16** Direct jobs created

### Financial Services

- Onboarded **474** Business-to-Business Clients improving financial inclusion
- 287** Jobs created

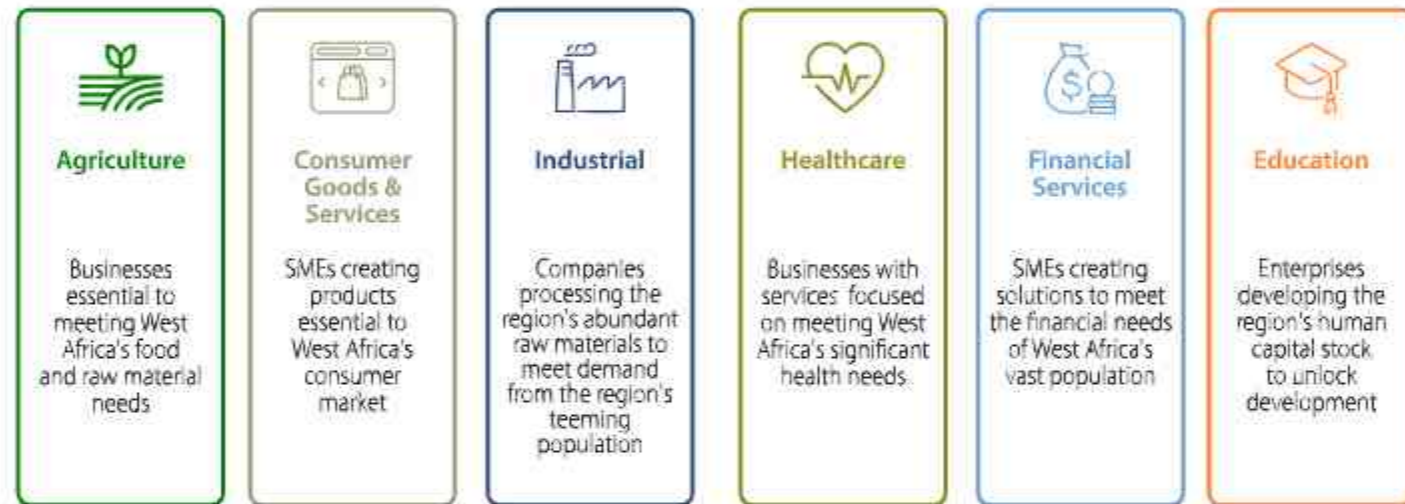
CardinalStone Capital Advisers (CCA) has made significant strides in its mission to foster sustainable development in Africa. Through the strategic allocation of NSIA funds alongside other investors' funds, CCA has invested in companies that contribute positively to the environment and society whilst generating strong financial returns.

CCA is committed to fostering a diverse and inclusive organisation and has an intense commitment to gender equality. Its 56% female representation in management-level positions demonstrates this commitment. By empowering women and driving inclusive growth internally and across its portfolio companies, CCA contributes to a more equitable and sustainable Nigeria, aligned with the United Nation's development goal of achieving gender equality and empowering all women and girls (UN SDG 5) and NSIA's impact-focused outlook.

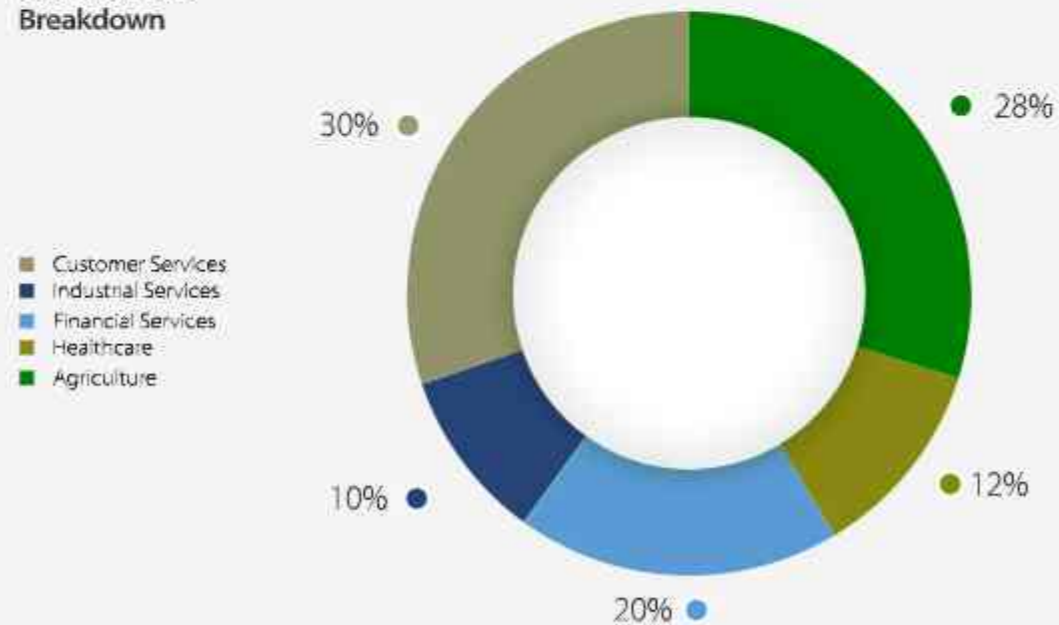


## CardinalStone Capital Advisers (CCA) Approach

CCA's investment philosophy is deeply rooted in the belief that sustainable businesses generate superior, long-term returns. Its investment approach is simple- identify and support companies that deliver strong financial performance and positive social and environmental impact. CCA has identified key sectors in West Africa that offer significant growth potential and positive social impact:



CCA Portfolio Breakdown



## CardinalStone Capital Advisers (CCA) Strategy

### Rigorous ESG Assessment:

At the core of CardinalStone Capital Advisers' investment process is a rigorous ESG integration methodology. Each potential investment undergoes a thorough assessment to evaluate its alignment with the strategic impact objectives and overall ESG performance. ESG considerations are embedded in all aspects of its investment process.

### Impact Measurement and Reporting:

Beyond the financial support provided to portfolio companies, CCA actively works with them to define and track key performance indicators (KPIs) on financial and impact outcomes. By setting ambitious yet achievable targets, portfolio companies are motivated to optimise their ESG performance and contribute to a more sustainable future. The impact reporting framework provides a comprehensive overview of the fund's and portfolio companies' progress against these KPIs, enabling a transparent reporting of the impacts of the investments.

### Long-Term Sustainability Commitment:

CCA is dedicated to the long-term sustainability of its portfolio companies. CCA exit strategy is designed to ensure that the ESG principles and practices cultivated are preserved even after a change in ownership. By working closely with its portfolio companies, CCA provides ongoing support, guidance, and resources to help its portfolio companies strengthen and maintain their sustainability initiatives. With this holistic approach, CCA not only generates financial returns, but also creates a lasting positive impact on the society and the planet.





## Highlights of Portfolio Investments Across Sectors



## CCAs Portfolio Companies

### Agribusiness

Nigeria's agricultural sector has immense potential for growth and profitability, fueled by its vast, fertile land and rapidly expanding population. However, challenges like infrastructure limitations and productivity gaps exist, and the sector presents exciting opportunities for innovative solutions that can yield substantial returns. Addressing the critical need for increased financing is key to unlocking the sector's true potential and driving significant contributions to Nigeria's economic development.

CardinalStone Capital Advisers has significantly contributed to Nigeria's agricultural sector through over \$14 million investment. CCA investment in Agriculture has contributed to improving food availability and affordability for the Nigerian population and host communities by enhancing agricultural productivity and distribution. CCA Investments in agriculture in 2023 created 307 jobs, including 96 permanent positions that have supported reducing the unemployment rate in the Country.

## CREST Agro Products Farms

### Crest Agro Products Limited (CAP)- Revamping Cassava Farming

The investment's ripple effects are evident in the success of Crest Agro Products Limited (CAP), a portfolio company that has emerged as a dominant force in the cassava starch industry. Through its large-scale farming operations and robust outgrower programmes, CrestAgro's has established a 6,500-hectare cassava farm and is implementing a robust out-grower programme to ensure a sustainable supply of cassava starch to manufacturing businesses and create jobs. By bolstering the agricultural sector and supporting local communities, CardinalStone Capital Advisers' investment has proven to be a strategic move with far-reaching positive impacts.

- CAP operates a fully automated 21,600 MT/annum cassava starch processing plant in Kogi State, with plans to expand capacity to 100,000 MT/annum. Crest's factory has been temporarily suspended operations since April 2023, while cassava harvesting activities have continued.
- Crest Agro Products Limited is establishing a 13,000-hectare cassava farm and is implementing a robust out-grower programme to ensure a sustainable supply of cassava in Nigeria.
- In 2023 Crest Agro has been able to empower 80 smallholder farmers and out-growers, 36% of which are female.

### Healthcare

Nigeria's healthcare system is grappling with a myriad of challenges, including chronic underfunding, dilapidated infrastructure, and a critical shortage of healthcare professionals. These factors have culminated in inadequate healthcare access for a significant portion of the population, forcing many to seek medical care abroad, a costly endeavor known as medical tourism.

Amidst this challenging landscape, CardinalStone Capital Advisers (CCA) has emerged as a beacon of hope, demonstrating a strong commitment to improving healthcare access and affordability. The firm's strategic investment of \$6 million in AfyaCare marks a pivotal step towards addressing the nation's healthcare crisis.

## AfyaCare



AfyaCare has established a diverse portfolio of healthcare businesses, encompassing various aspects of the healthcare value chain. Its holdings include Bastion HMO, R-Jolad Hospital, Octosoft Technologies, EROM Diagnostics, and Oakwood Medical Centre. This integrated approach enables AfyaCare to deliver

comprehensive healthcare solutions and services to its patients.

As at 2023

- AfyaCare procured hospital equipment worth \$588,208.
- 375 permanent employment positions
- 15 temporary employment positions
- 238 Women employed
- 8,500 procedures and surgeries were performed in R-Jolad (one of AfyaCare's portfolio companies)
- 34,852 diagnostic tests conducted, ensuring accurate diagnosis and effective treatment plans.
- 89,603 individuals enrolled in AfyaCare's HMO with 213,675 visits recorded throughout the year.
- 1,542 expectant mothers received care.
- 1,592 baby deliveries
- 67,766 malaria cases treated

### Financial Services



CardinalStone Capital Advisers (CCA) has been a catalyst for financial inclusion in Africa through its strategic investment in Appzone. This \$10 million investment has empowered Appzone to revolutionise the continent's payment landscape. Appzone has positioned itself as a frontrunner in fintech, revolutionising digital payments through enhanced accessibility, affordability, and efficiency. By breaking down financial barriers, the company has expanded financial inclusion for millions of Africans.

The company which commenced operations in 2006 by providing bespoke software solutions to over 470 financial institutions in Nigeria and select countries in Africa has since evolved into two independent entities:

- Qore: A leading cloud-based enterprise banking provider focused on delivering Appzone's core-banking product bundle to financial institutions in Africa
- Zone: A leading payments switching network leveraging blockchain technology to transform/revolutionise Africa's payment landscape.

Appzone is deepening financial inclusion across the continent. Moreover, the company's emphasis on premium talent is helping to stem the brain drain by offering competitive employment opportunities to Africa's brightest minds. Appzone's success story is a testament to the potential of fintech to drive Africa's economic transformation. By addressing the continent's payment challenges and fostering financial inclusion, the company is paving the way for a more prosperous and connected Africa.

- In 2023, Appzone created 287 Jobs of which 25% being women
- Appzone boarded 474 Business to Business Clients.

### Customer Goods & Services

CardinalStone Capital Advisers' \$15 million investment in three key consumer goods & services companies, iFitness, Krispy Kreme, and Dodo Pizza, has spurred economic growth and improved livelihoods. By supporting these businesses, the firm has created 1,570 jobs across 3 SMEs with 46% being female, increased household incomes, and stimulated consumer spending. This strategic move has contributed to a more robust and dynamic consumer goods & services sector, ultimately enhancing the overall quality of life for Nigerians. The investment has helped these brands to grow in the Nigerian consumer space.





i-Fitness has become a leading player by offering accessible and diverse fitness options. i-Fitness' commitment to promoting a healthier lifestyle aligns with broader national wellness goals. As an exited portfolio company of CardinalStone Capital Advisers, i-Fitness exemplifies the firm's focus on high-impact investments, demonstrating the potential of the Nigerian market to foster successful and socially responsible businesses. i-Fitness is addressing a critical gap in the market and promoting a healthier lifestyle among Nigerians.



Beyond its customer base, i-Fitness has made substantial contributions to job creation and economic growth. The figures below highlight i-Fitness's commitment to empowering women and fostering inclusive growth within the Nigerian workforce.

- An impressive 26,980 subscribers in 2023
- i-Fitness has generated 61 permanent jobs, including 29 held by women,
- 638 temporary positions with 48% being women

### Industrial sector

# EcoNation

EcoNation, a leading force in sustainable development in Africa, specialising in providing high-quality recycled PET flakes, with a focus on sustainability and waste management. The organisation addresses critical environmental challenges through recycling plastics and converting them into high quality flakes. EcoNation collects plastic materials that have been used by consumers in a morally and environmentally responsible manner, ensuring that it doesn't harm the environment and respects ethical principles such as fairness and sustainability.

EcoNation's recycled PET flake process is designed to ensure the highest quality products such as clear, blue and green PET flakes. The process begins with the collection of post-consumer plastic then it is sorted, cleaned, and processed to remove impurities and contaminants before recycling it into high-quality PET flakes. Once these PET flakes are produced, they serve as a valuable resource for a wide range of applications, driving innovation and environmental responsibility.

EcoNation's commitment to community empowerment and environmental conservation has resulted in significant achievements, such as recycling 280 metric tonnes of waste in 2023. With a growing team and a global vision, EcoNation is building a sustainable future for generations to come.

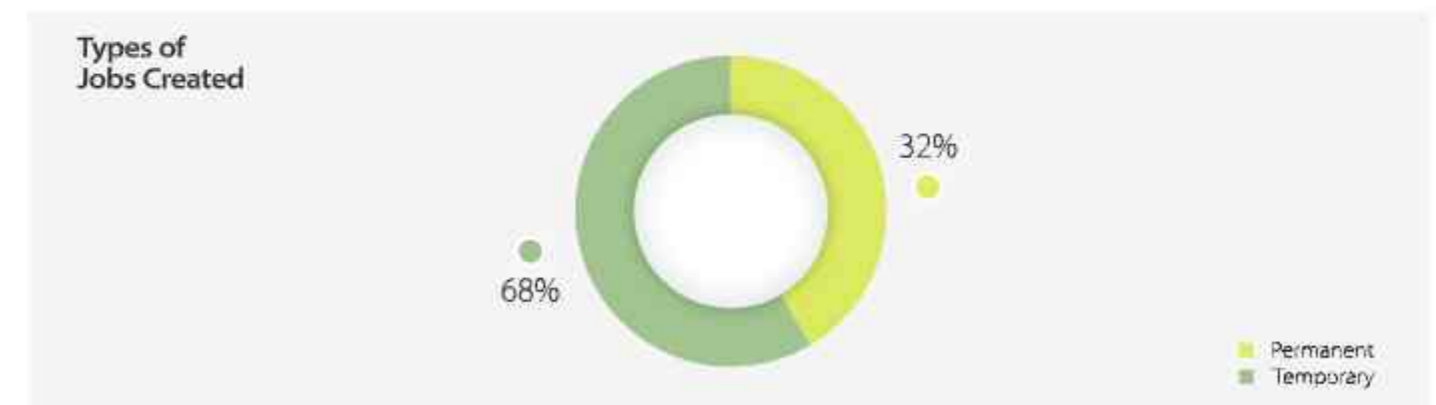
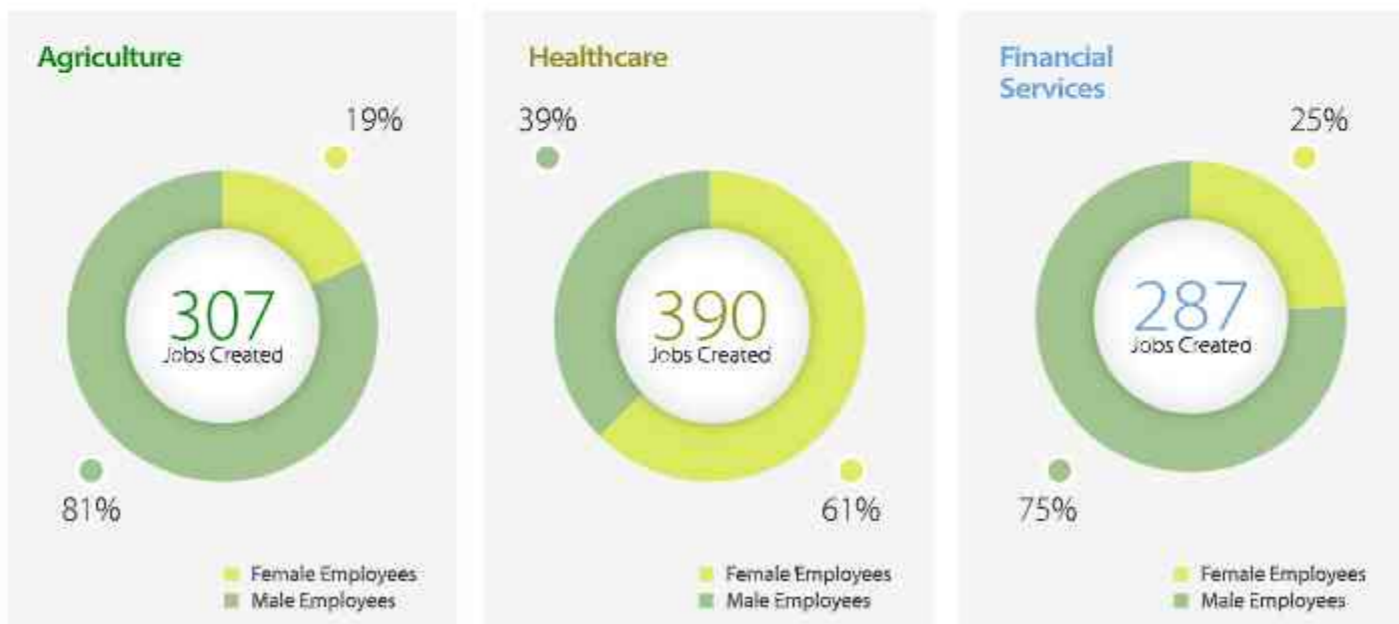
CardinalStone Capital Advisers, with strategic support from the Nigeria Sovereign Investment Authority (NSIA), has emerged as a catalyst for positive change in Nigeria. By investing in high-potential businesses across diverse sectors, the firm has made significant contributions to the nation's economic growth and social development.

In healthcare, investments in companies like AfyaCare have expanded access to quality healthcare, reduced reliance on foreign medical care, and created employment opportunities. Within the consumer goods and services sector, i-Fitness has enhanced the well-being of Nigerians and contributed to job creation. Additionally, Crest Agro has enhanced food security, supported local farmers, and provided starch to the manufacturing companies.

The partnership between CardinalStone Capital Advisers and NSIA has been instrumental in driving these impactful initiatives.



CCA's portfolio companies have demonstrated a strong commitment to job creation across diverse sectors in West Africa, the data presented offers a snapshot of the employment landscape within these companies, highlighting the number of jobs generated and the percentage of women employed in each sector.



While the overall female representation across all sectors stands at a commendable 43%, there are notable variations between industries, with sectors like healthcare exhibiting significantly higher female participation rates compared to other sectors.

## Investments Made by Sector Agriculture



Agriculture is the cornerstone of the Nigerian economy, employing a staggering 70% of the population and contributing substantially to the nation's GDP, estimated at around 22.72%. Nigeria's vast tracts of arable land, coupled with abundant water resources and a skilled agricultural workforce, position it as a prime agricultural hub. These natural advantages, combined with favourable climatic conditions, create an ideal environment for cultivating a diverse range of crops, from staple grains to high-value cash crops. Despite its strengths, the Nigerian agricultural landscape faces challenges such as limited access to modern farming techniques, inadequate storage facilities leading to post-harvest losses, and unpredictable weather patterns due to climate change restricting productivity that hinder its full potential.

Recognising the potential of Nigeria's agricultural sector, we have emerged as a key player in transforming the sector. Our investments and activities span the agricultural value chain, from supporting smallholder farmers to initiatives that assist in primary production, processing, and logistics. These initiatives, alongside our commitment to developing infrastructure and promoting modern farming practices, demonstrate our dedication to fostering a more robust and sustainable agricultural sector for Nigeria.

## Targeted Value Creation in Agriculture Investments Impact and its Alignment to SDG





**PRESIDENTIAL FERTILIZER INITIATIVE**

Former President Muhammadu Buhari, GCON instituted the Presidential Fertiliser Initiative (PFI) in 2016 as a programme to be implemented by NSIA to facilitate the local production of blended NPK fertiliser and to revive the nation's moribund domestic fertiliser blending industry. In addition, the Presidential Fertiliser Initiative (PFI) was also set up to reduce the cost of direct fertiliser subsidies to the Federal Government, improve accessibility, and deliver commercially significant quantities of affordable and consistently high-quality NPK 20:10:10 fertilisers to the nation's growing population of smallholder farmers. In 2023, we manufactured 673,426 MT of fertilisers, gained over ₦12 billion as returns and onboarded 4 new blending plants bringing the total number of blending plants under the PFI programme to 76.



The Fund for Agricultural Finance in Nigeria (FAFIN) is an innovative agriculture-focused private equity fund established in 2014 to provide tailored investment capital and technical assistance to high-growth, commercially attractive agricultural SMEs across all regions in Nigeria using quasi-equity, equity, and structured debt instruments. In 2023, we manufactured 194,839 MT production of food and agricultural-related items, including rice, poultry meat, dairy products, shea butter, edible oils, and cassava starch, with over 155,810 lives impacted and 25,432 farmers supported.



Babban Gona is a high-impact, scalable agricultural franchise founded in 2012 with the aim of promoting agriculture and reducing unemployment in Nigeria and set up 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, leading as Nigeria's largest maize producers. In 2023, we supported 39,690 farmers in Nigeria to achieve yields of twice the national average, and storage was provided for over 52,000 MT of grains to reduce post-harvest losses and an overall production of 108,221 MT of maize. This investment was exited in 2023.



Pandagric Novum was founded in 2021 with the vision of transforming the Nigerian agricultural landscape. This pioneering venture, driven by the UFF-NAIC Agriculture Investment Fund, has rapidly evolved into a leading player in the sector. The project's two-pronged approach, encompassing large-scale farming and advanced feed processing, has proven to be highly effective. Since its inception, Pandagric Novum has consistently demonstrated its commitment to quality, innovation, and sustainability.

The farming component involves cultivating maize and soybeans on approximately 3,500 hectares of land, with ambitious plans to expand to 5,000 hectares. This strategic move ensures a reliable and sustainable supply of raw materials for the animal feed processing plant and the poultry feed mill, boasting a remarkable capacity of 147,000 metric tonnes per annum. To complement this, a robust storage infrastructure has been established, comprising silos, bunkers, and warehouses with a combined capacity of 75,000 tonnes. In 2023 alone, Pandagric Novum successfully produced an impressive 29,893 tonnes of high-quality animal feed, demonstrating its commitment to meeting the growing demand for essential livestock nutrition.



**Spotlight**

**Agriplus (Gurara)**

Technical support partner: Signature Agri Investments

The NSIA Board established the Agri Plus Fund ("Agri Plus" or the "Fund") in Q2 2022, with the provision of ₦10 billion in seed funding. The Fund was designed to leverage the significant amount of local currency capital available in Nigeria and the confidence in our extensive track record for investing in domestic infrastructure to develop large-scale, innovative agriculture projects across the food value chain. The primary focus of the Fund will be on boosting foreign currency revenue generation through the export of agricultural produce, while also enhancing nutrition, fostering job creation, and ensuring food security for Nigeria.

**Gurara**

The Agri Plus Fund's first project, Gurara, is situated in Kaduna State's Jere Local Government area. The project is being carried out with the Federal Ministry of Water Resources (FMWR) through a 20-year lease agreement. Previously, the FMWR gave all the land and irrigation equipment to nearby communities for farming. However, the lack of proper oversight, poor management of such a large project by the communities, and the resulting misuse of the irrigation systems left a significant portion of the land unusable.



other profitable crops.

Gurara is a valuable asset for us. It's a large, well-irrigated plot close to a major water source, leased at a favourable rate. This land will allow us to grow corn, soybeans, and other crops, providing a reliable supply of raw materials for our co-owned feed milling company, Pandagric Novum Limited.

In Q3 2023, our Agri Team acquired all necessary farming supplies for the project. Land preparation and improvement have commenced on the land. Similar work will start on the land contributed by Broadlink and F&F after the current local community harvest. Furthermore, Management and housing facilities for the APGPC Farming Team have been leased and refurbished.

Tractors, spare parts for irrigation systems, and other farming equipment have been purchased and are being shipped to Nigeria to implement modern farming techniques.

Additionally, spare parts for the underused centre pivots were obtained from Pandagric, and their refurbishment on Gurara has started.

Our Agri Team successfully negotiated the allocation of 320 hectares (ha) of farmland with irrigation facilities, plus surrounding land suitable for rain-fed agriculture (at no additional cost). They are also exploring expanding the irrigated area by collaborating with neighbours with adjacent land.

By Q2 2023, our Agri Team had secured agreements with Broadlink Limited (260ha) and Forage and Fodder Resources Limited (120ha) to contribute land to the project's SPV, APGPC. In total, the project now controls around 1,000 hectares of irrigated land near the Gurara Dam (holding 800 million cubic metres of water). This land will be used to cultivate grains and

Investments made by Sector  
Healthcare



In 2023, Nigeria's healthcare sector faced significant challenges, especially with the growing population of 226.2 million and sectorial contribution to the nation's GDP as less than 1%, remaining notably low.

The escalating population creates an urgent demand for health practitioners and the monotonous performance of the healthcare sector can be attributed to various factors, including insufficient budget allocation, lack of widespread screening programmes, limited access to treatments, and inadequate infrastructures.

UN Sustainable Development Goal 3, intensively addresses the provision of good health and well-being on a wide scale, paying focus to target 3.8 of achieving universal health coverage, access to quality essential healthcare services, and access to safe, effective, quality, and affordable essential machines and vaccinations for all by 2030. NSIA driven by these, created the NSIA Healthcare Development and Investment Company (NHDIC) in 2018 for the need to provide a centralised organisation responsible for managing and facilitating the exchange of health-related providers and systems.

In line with the above, NSIA, through its wholly owned healthcare subsidiary, NSIA Healthcare Development Investment Company ('NHDIC'), established 3 healthcare facilities (a state-of-the-art Oncology centre and 2 modern diagnostics centres in Lagos, Kano, and Umuahia which are co-located within the Aminu Kano Teaching Hospital ("AKTH"), Lagos University Teaching Hospital ("LUTH") and the Federal Medical Centre Umuahia ("FMCU") respectively.

NHDIC, a visionary force driving advancements in healthcare, has shown commitment to improving health

outcomes, ensuring equitable access to medical services and has embarked on a series of groundbreaking projects that exemplify its dedication to fostering a healthier future. These initiatives are redefining healthcare delivery, bridging gaps in medical infrastructure, enhancing patient care, and pioneering new frontiers in medical science.

Targeted Value Creation in Healthcare Investments Impact and its Alignment to SDG







**NKDC**  
NSIA Kano Diagnostic Centre

NKDC is a state-of-the-art healthcare centre co-located within AKTH that offers a comprehensive array of basic and advanced radiology and laboratory tests. We are committed to delivering accurate diagnoses swiftly, empowering patients with timely information crucial for effective treatment. NKDC aims to improve access to high-quality diagnostic services for patients in Kano and the surrounding areas. NKDC has served 46,443 patients, with 190,645 test procedures done, 95% of them expressing satisfaction with the services received.



**NLCC**  
NSIA Luth Cancer Centre

NLCC is at the forefront of cancer treatment in Lagos, Nigeria, co-located within Lagos University Teaching Hospital (LUTH), dedicated to providing comprehensive and compassionate cancer care services. NLCC offers a wide spectrum of specialised treatments including consultations with experienced oncologists, advanced radiation therapy, chemotherapy, and convenient pharmacy services. As an outpatient facility, NLCC prioritise accessibility and affordability, ensuring that every patient can receive the care they deserve without disruption to their daily lives. NLCC is continuously raising the bar in the quality and standard of cancer treatment in Nigeria with outcomes that would be consistent with the 2030 agenda for sustainable development. NLCC has served 15,007 patients, with 4,680 chemotherapy sessions and a 76% satisfaction rate.




**NUDC**  
NSIA Umuahia Diagnostic Centre

NUDC is a cutting-edge medical diagnostic centre nestled in the heart of Umuahia, Nigeria. NUDC specialises in a comprehensive range of both basic and advanced radiology and laboratory tests, including ultrasound, X-ray, CT scans, MRI, mammography, pathology, microbiology, haematology, and clinical chemistry in ensuring swift and accurate diagnoses. NUDC's commitment to excellence is reflected in our impressive track record, having served 30,978 patients, with 184,161 test procedures done, and 95% of them expressing satisfaction with the services received.



**Spotlight**



Healthcare has been a focus area of the Nigeria Infrastructure Fund's in NSIA since its inception. Our investment approach in this area is to team up with public and private organisations to create centres of excellence that address the infrastructure gap within the sector and consequently improve key health indicators of the country.

In 2023, following the NSIA Board's approval in Q3 2022, the NSIA established a flagship company named NSIA Advanced Medical Services Ltd ("MedServe") to serve as a portfolio company for the healthcare expansion programme, to establish 23 modern medical diagnostic centres, 3 oncology centres, and 7 catheterization laboratories across Nigeria.

**MedServe**

The initiative emphasises not only treatment but also preventive care, health education, and community engagement to improve overall health outcomes and promote wellness across Nigeria. By integrating innovation and compassion, MedServe seeks to set new standards in healthcare accessibility, affordability, and excellence, contributing significantly to the nation's healthcare infrastructure and services. NSIA has invested in comprehensive training programmes to enhance the skills and expertise of both specialised doctors and nurses across board geared towards our commitment to building a robust healthcare workforce capable of delivering high-quality care to Nigerians.



Traditional loan structures often pose challenges for hospitals and clinics, hindering their ability to invest in essential medical technology. NSIA saw this issue and launched a flagship company named Equilease Systems Limited in 2023 playing a critical role in closing the equipment financing gap within the healthcare sector as an initial starting point, by offering innovative leasing solutions and stimulating growth. This allows healthcare providers to acquire cutting-edge equipment, and eliminates obstacles in the finance of critical medical equipment thereby improving the penetration and stimulation of growth in the sector.

Equilease is in a strategic partnership arrangement with top Original Equipment Manufacturers (OEMs) for the acquisition of equipment to be leased to its clients at agreed-upon terms while also providing operations and maintenance support services.

Equilease embarked on a transformative journey in January 2023 by partnering with MedServe on the Healthcare expansion programme. This strategic alliance marked a pivotal moment as MedServe became an anchor client for leasing state-of-the-art medical equipment. A dedicated team of Biomedical Engineers was swiftly assembled in September, embarking on intensive training programmes facilitated by the OEMs. This knowledge transfer was essential to ensure optimal equipment utilisation and maintenance within MedServe centres.



Investments made by Sector  
Motorways



Nigeria's economic pulse throbs with the rhythm of its roads. It connects people and places, fosters trade, critical for economic activity and social well-being as well as enhances cultural, and social interactions. While extensive, a significant portion of roads are in poor condition, limiting access, particularly in rural areas. This creates a barrier to education, healthcare, and economic opportunities. NSIA's involvement in this sector aims to tackle the challenges affecting road infrastructure networking which will pave the way for a increased connectivity and economic activities.

In 2023, we progressed development of our road and bridge infrastructure projects, with a number of the projects achieving substantial completion. Our efforts have yielded significant improvements in the overall condition of Nigeria's road network, enhancing connectivity and accessibility for millions of citizens.

Our commitment to road infrastructure development remains unwavering, and we are dedicated to continuing our efforts to bridge the infrastructure gap in Nigeria, ensuring that all citizens have equal access to safe and reliable transportation networks.

Targeted Value Creation in Motorways Investments  
Impact and its Alignment to SDG





The LIE is a 127.6 km-long expressway cutting through Lagos, Ogun, and Oyo States. It is widely regarded as the busiest interstate road in the country and the major connection route between the northern, southern, and eastern parts of Nigeria. The LIE is divided into 2 sections.

**Section I**

This section is 43.6km long and cuts across Lagos to Shagamu. It involves the rehabilitation, reconstruction, and extension of a 43.6km dual carriageway, being constructed by Julius Berger Nigeria Plc (JBN).

The project has attained 100% completion on this section as at year-end 2023.

**Section II**

This section is 84km long and cuts across Shagamu to Ibadan. It involves the rehabilitation, reconstruction, and extension of an 84km dual carriageway, being constructed by Reynolds Construction Company Nigeria Ltd (RCC).

The project has attained 95% completion on this section as at the year end of 2023.



The 2NB project is a very significant project that will 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:

Phase 1 of the project includes the following:

- Construction of a 1.6km bridge over the River Niger;
- Construction of 10.3km approach roads from Asaba and Onitsha;
- Construction of two (2) secondary bridges at Amazon Village Road and Atani Road of 21.7m each; and
- Construction of a new cloverleaf interchange at Onitsha – Owerri Road.
- This phase of the project attained 100% completion as at year end 2023.



The Abuja-Kaduna-Zaria-Kano Road (AKR) is a critical carriageway that connects other parts of Nigeria to the North, it cuts through FCT, Niger, Kaduna, and Kano States. The original scope involved the rehabilitation of 92.5km (25%) across the three sections of the 375.9km dual carriageway and this was completed in November 2021.

On June 18, 2020, the President directed that the scope of the AKR project be changed to full reconstruction of the entire stretch of 375.9km. The carriageway is 375.9km long with 3 sections namely below:

- Section I is 165.5km long and cuts across Abuja to Kaduna.
- Section II is 73.4km long and cuts across Kaduna to Zaria.
- Section III is 137km long and cuts across Zaria to Kano.

The revised scope of the project attained an overall completion of 59% across the 3 sections as at the year-end of 2023.

Investments made by Sector  
Power and Energy



The power and energy sector are a significant contributor to global emissions, responsible for around 34% of greenhouse gas emissions in 2019 according to the Intergovernmental Panel on Climate Change (IPCC). In 2021, Nigeria committed to a net-zero target by 2060 and has set a climate target to unconditionally reduce emissions target of 20% below business as usual or 47% by 2030 which is conditional on receiving international support.

NSIA is contributing to this energy access and reduced emissions goals through its various renewable energy investment projects. 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. The progress and completion of the Kano solar project gave birth to the Renewables Investment Platform for Limitless Energy ("RIPLE" or the "Platform") in 2023, which aims to accelerate renewable energy investments in Nigeria.

Targeted Value Creation in Power & Energy Investments  
Impact and its Alignment to SDG



Spotlight

The Renewables Investment Platform for Limitless Energy (RIPLE)

Inspired by the successful commissioning of the Kano Solar Plant by former President Muhammadu Buhari in January 2023, RIPLE is a bold initiative aimed at transforming Nigeria's energy sector. This comprehensive platform will invest in, develop and operate projects across the renewable energy vertical in Nigeria covering Renewable Technology Manufacturing, Energy Generation Projects, and Distribution Projects.

Renewable Technology Manufacturing

NSIA's active projects under this aspect aim at encouraging research and investment in renewable technology. To strengthen the local renewables value chain, we are teaming up with knowledgeable partners to set up a 100MWh capacity lithium battery manufacturing plant, as well as establish a solar PV manufacturing/assembly facility in Nigeria. These projects will be a springboard for increased exploration of renewable technology opportunities within the country.

### Energy Generation Projects

NSIA through its renewable energy subsidiary (RIPPLE) teamed up with North South Power Company Limited (NSP) on a 20MW solar-hydro hybrid project in Niger State, that would combine the strength of solar and hydro power, dedicated towards addressing the growing need for stable and reliable renewable energy sources, generating up to 20MW of power. Other energy-generating projects include a grid-connected solar (Independent Power Producer) IPP located in Bauchi state with a total capacity of 100MW; a grid-connected solar IPP located in Katsina state with a total capacity of 100MW, diesel displacement solutions across Nigeria for telecommunication towers through the implementation of solar PV generation and battery energy storage systems. Businesses that suffer significant losses due to unstable and unreliable power supply can benefit from the battery energy storage system (BESS) proposed project as it is targeted at providing a solution that smoothen their power supply profile and enhances reliability.



We are also partnering with the Federal Government of Nigeria to provide sustainable and clean power supply to 37 Federal Universities and seven University Teaching Hospitals across Nigeria. The project includes the provision of an independent power plant (renewable), upgrading existing distribution infrastructure, and street lighting to improve security within the university's campuses.

### Distribution Projects

These projects contribute to the expansion of already available energy sources to meet the increasing demand for energy supply for industrial purposes. The Tokarawa Distribution Franchise Project is to produce the additional electricity needed to meet the energy demands of industrial activities, commercial enterprises, and residential settlements in Tokarawa.



Investments made by Sector  
**Innovation & Technology**

In the rapidly evolving landscape of the 21st century, technology and innovation are the engines of progress. This sector is where visionary ideas meet groundbreaking advancements, reshaping industries, and redefining possibilities. From artificial intelligence to the Internet of Things (IoT), technology drives modern development, ushering in an era of unprecedented connectivity and efficiency.

Nigeria ranks 98th in innovation outputs, showing an improvement from 107th in 2022 among the 132 economies and countries in the world by the Global Innovation Index. Despite the growth in this industry, there are still significant challenges that need to be addressed. Major challenges are inadequate cloud computing,

insufficiency of storage capacity, unreliable processing power, growing data security concerns, and limitations of early networks amongst others. The poor state of infrastructure in Nigeria makes it difficult for tech startups to operate and scale their businesses.

Another challenge is the limited access to startup capital. Up to 80% of Nigerian startups struggle to secure funding, especially at the early stages of their development. This makes it difficult for these individuals to be able to fully develop their innovative measures in making real and impactful change.

Despite facing these challenges Nigerian entrepreneurs are continuously developing cutting-edge solutions for both local and global issues. In response to these NSIA has taken up the liberty of investing in an upscale data centres to provide state-of-the-art digitalised storage infrastructure and launched a transformative Prize for Innovation Programme (NPI 2.0) after the success of the first edition of the prize launched in 2021.

This fund is designed to boost digital infrastructure, support innovative startups, and cultivate homegrown talent, which in the long run would address existing challenges and pave the way for a vibrant, dynamic, and digital economy. NSIA projects under this sector aim to drive positive change by harnessing the power of technology and entrepreneurship to create sustainable and scalable impact in communities.

**Targeted Value Creation in Innovation and Technology Investments Impact and its Alignment to SDG**

**Innovation & Technology**

Equips young innovators with the resources and skills needed to develop and scale their businesses. Increases access to funding for early-stage startups, fosters international partnerships, and positions Nigerian innovation on the global stage.

<b>\$255k</b> total cash prize for NPI 1	2023	<b>3</b> winners received cash prizes and equity investment	2022
Stimulate entrepreneurship, job creation, and economic growth in the digital sector. Promotes innovation in areas like telemedicine, mobile banking, and e-learning, leading to improved accessibility, efficiency, and affordability of essential services			
		<b>At least 104</b> direct and indirect jobs created across the development and operational	2022

Increase in technology manufacturing in Nigeria.

65%

Completion of the first data centre in the hyperscale data centre project

2023

2022

Received approval of the first data centre in the hyperscale data centre project

Enhanced resource efficiencies achieved especially for data centre

\$8

million investment in Kasi Cloud Hyperscale Data Centre Project

2023

Demonstrated cybersecurity and data protection.

22MW

Hyperscale Data Centre Project

2023



Spotlight



Kasi Data Centre

To support this groundbreaking project, Nigerian Sovereign Investment Authority (NSIA) recognised its potential to drive digital transformation and invested \$8 million, alongside other investors such as DH Capital, Africa Finance Corporation (AFC), and US Development Finance Corporation (USDFC). This strategic investment reflects NSIA's commitment to fostering technological innovation and strengthening Nigeria's digital infrastructure.

For this purpose, Kasi acquired approximately 4 hectares of land in the Maiyegun Area of Lekki, Lagos. Construction officially commenced in February 2023, and by June, the ground floor was completed, laying a solid foundation for what will become a major hub for technological innovation.

By end of the 2023, the project achieved 65% completion. Once operational, this state-of-the-art data centre will not only support massive data

Kasi Data Centre is a foundation for robust cloud computing solutions creating cutting-edge facilities dedicated to revolutionising how businesses harness the power of the cloud, with emphasis on reliability, security, and scalability. It is an Indigenous technology company, set up to offer a wide range of services, including cloud hosting, data storage, virtualisation, backup and disaster recovery, and other managed IT services. It aims to serve a diverse range of industries, including finance, healthcare, education, government, and telecommunications.

volumes but also drive the adoption of advanced technologies, offering reliable and scalable digital services. The centre is already establishing strategic partnerships with key industry players, including Google cloud, Microsoft, Meta, Amazon and Oracle.





In recent years, Nigeria has seen a surge in technology startups, leading to an increasing number of tech-savvy youths, a thriving startup ecosystem, and a rising demand for tech solutions to nurture technological advancement and propel Nigeria's position in the global innovation stage. The NSIA Prize for Innovation was launched in December 2022 to award innovators and techpreneurs that deliver market-oriented solutions that address key challenges and facilitate economic and sustainable development.

It is a three-stage competition where ten finalists are chosen: the top 3 winning businesses are awarded a combined prize valued at US\$220,000 in a ratio of 25% cash and 75% equity investment, while the bottom 7 were given cash prizes of \$5000 each. This prize focuses on innovation in areas of financial services, agriculture, health, education, manufacturing, logistics & e-mobility, e-commerce & marketplaces, renewables & power, and climate sectors.

The programme is designed to encourage and support ingenuity within the digital sector and to fund new solutions that could result in cost-effective, scalable, and transformative positive impact.

### Winners and their Impact

1st place – Money Africa, which was created to provide financial educational services to both youth and children through carefully curated courses to acquire knowledge about money and investing e.g., financial literacy training, ethics training, etc. Money Africa was awarded a sum of US\$100,000.

2nd place – Extension Africa, which is a research-based agricultural tech service company that connects farmers to global inputs and outputs extension services in return creating a path to economic well-being for African farmers e.g., finances, fertilisers, seed, middlemen distribution, provision of machinery. Extension Africa was awarded a sum of US\$70,000.

3rd place – Legit Car, which is a vehicle data service company that provides access to critical vehicle data required for vehicle purchase decisions, vehicle insurance decisions, and data for effective law enforcement to both individuals and corporations for informed decisions on vehicle buying, maintenance, and insurance. Legit Car was awarded a sum of US\$50,000.



### Contributions of the NPI

- Fostering skill development, forging powerful connections with industry leaders, and driving vision onto the global stage
- Fostering innovation in developing adequate solutions to real-world challenges
- Job creation and technological advancement for the growth of the country
- Stimulating further cutting-edge research and development in science and technology
- Free access to a vast network of qualified mentors, experts, and investors in various fields, facilitating valuable collaboration.

Investments made by Sector  
Financial Market Infrastructure



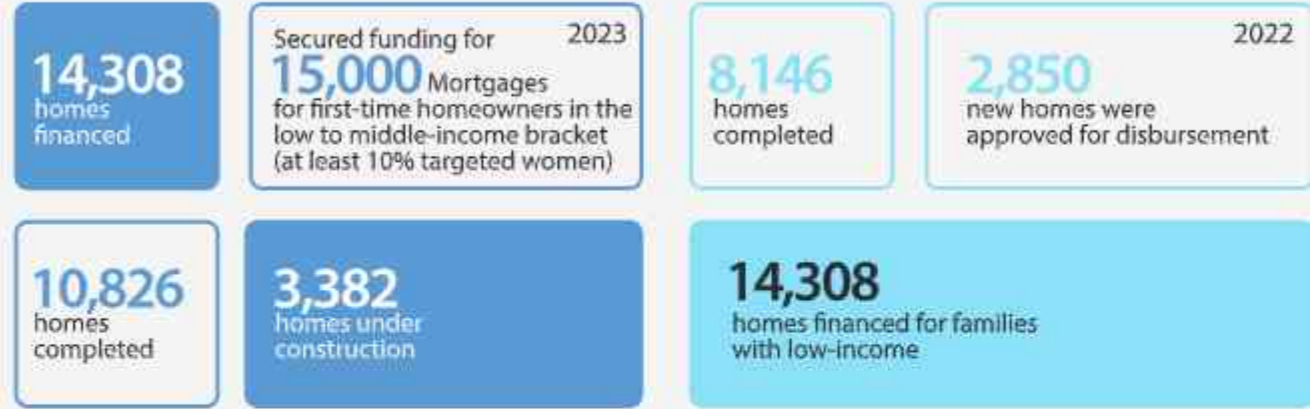
A robust financial services infrastructure is vital for Nigeria's economic growth. It allows for increased access to capital, which fuels investment in businesses, fosters entrepreneurship, and empowers individuals. Nigeria's financially included population improved from 68% in 2020 to 74% in 2023. This financial inclusion drives economic activity, reduces poverty, and promotes overall development. By improving access to financial services, Nigeria unlocks its full economic potential.

We recognise the vital role of financial market infrastructures in fostering financial stability, promoting economic growth, and unlocking capital for infrastructure projects. Building on this momentum, we remain committed to deepening the development of FMIs in Nigeria to create a robust and inclusive financial ecosystem that supports sustainable economic growth, infrastructure development, and improved living standards for all Nigerians.

Targeted Value Creation in Financial Market Infrastructure Investments  
Impact and its Alignment to SDG



Promote affordable house ownership in Nigeria and unlock its multiplier effects on the Nigerian economy



The Nigeria Mortgage Refinance Company (NMRC) was established in 2015 with a public mandate to revitalise the mortgage market in Nigeria. Licenced by the Central Bank of Nigeria, NMRC aims to promote accessible and affordable housing by providing long-term, low-interest financing to primary mortgage banks. Through its refinancing activities, NMRC plays a critical role in improving the liquidity of the mortgage market, enabling banks to offer more competitive mortgage rates and longer loan tenors to borrowers. This, in turn, increases home ownership rates and stimulates economic growth.



Nigeria Infrastructure Debt Fund (NIDF) is the first listed infrastructure debt fund in Nigeria and Sub-Saharan Africa, established in 2017 with the primary objective of providing debt financing to critical infrastructure projects in Nigeria. In 2023, NIDF raised ₦103.3 million Naira and employed 28 people, including 14 women.



Development Bank of Nigeria (DBN) is a wholesale finance institution established in 2017, aimed at addressing the financing gap for small and medium-sized enterprises (SMEs) in Nigeria. DBN 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).

DBN has helped alleviate financing constraints faced by MSMEs and small corporates in Nigeria through the provision of financing and partial credit guarantees to eligible financial intermediaries on a market-confirming and fully financially sustainable basis.



Established in 2016, NG Clearing is positioned to serve as a market-wide clearing infrastructure to clear derivatives and commodities' securities executed on all trade venues in the Nigerian capital market. The Company aims to reduce risks, enhance operating efficiency, and minimise costs for all market participants. NG Clearing's commitment to innovation and excellence has positioned it as a key player in the development of the Nigerian capital market.



InfraCredit provides guarantees to enhance the credit quality of local currency debt instruments issued to finance eligible infrastructure-related assets in Nigeria, thereby acting as a catalyst to attract investment interest from pension funds, insurance firms, and other long-term investors. About ₦205 billion guarantees have been issued and ₦142 billion worth of bond issuances are guaranteed by InfraCredit with 19 pension fund investors subscribed to the guaranteed bonds.



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. FHFL provides long-term low-cost mortgage finance through raising capital from the private sector, multilateral agencies, and impact investors. FHFL has successfully secured funding for 15,000 mortgages, prioritising women as a significant portion of its target market. Additionally, FHFL has invested in human capital by training over 50 artisans in housing construction skills and providing financial literacy training to empower individuals and families. Through these efforts, FHFL is making a tangible difference in the lives of Nigerians by promoting sustainable community development and improving access to affordable housing.



**Spotlight**

**Construction Finance Warehouse Facility (CFWF)**

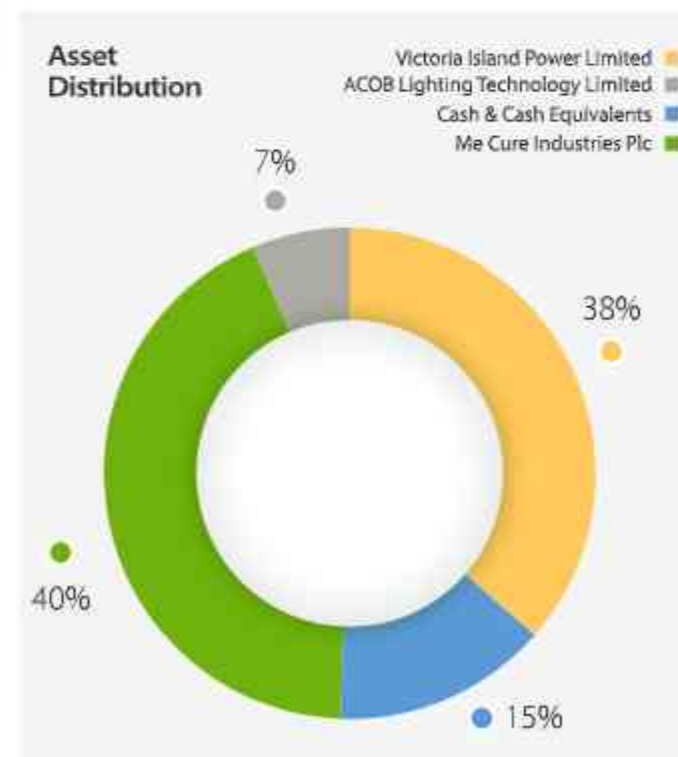
The CFWF is a multi-funder revolving facility co-developed and launched by NSIA and InfraCredit in 2023 to facilitate the provision of construction finance for eligible sustainable greenfield infrastructure projects backed by InfraCredit's guarantees and to be subsequently refinanced through an InfraCredit-guaranteed long-term debt financing from the domestic capital markets.

infrastructure projects, which will expand the market with quality infrastructure projects for institutional investors backed by credit enhancements from InfraCredit.

The net assets of the facility are currently ₦10.35 billion as of 31 December 2023.

The CFWF has been designed to provide much-needed early-stage debt financing for sustainable infrastructure projects until such projects can secure long-term financing from the debt capital markets, post-commercial operation, supported by InfraCredit's guarantee. With downside protection on investors' capital, the Facility will mobilise and increase the appetite of early-stage investors, reduce the cost of project finance, and boost the overall success rate of greenfield project execution.

NSIA seeded the CFWF with ₦10 billion to mobilise additional funding from development financiers and institutional investors. The aim is to reach up to ₦100 billion capacity within the next three years and unlock up to ₦500 billion in well-structured, bankable



**Victoria Island Power Limited**



The project entails the construction of a 30MW gas-fired reciprocating engine power plant, which will evacuate power to commercial and residential customers in Victoria Island on a willing buyer and willing seller basis. CFWF extended a ₦3.8 billion investment to the project, to form part of capital for the construction of the plant.

**₦3.84**  
billion investments on power (off-grid / embedded power)

**Me Cure Industries PLC**

The project relates to the construction of two new pharmaceutical plants – "Beta-lactam (Amoxycylav)" and "Corticosteroid" in Me Cure's existing pharmaceutical facility situated in Oshodi, Lagos state.

**₦4**  
billion investments on Pharmaceutical Manufacturing

**ACOB Lighting Technology Limited**

The project relates to the construction, installation, and commissioning of solar-hybrid mini-grids with a total capacity of 335kWp in seven (7) communities across Edo and Ondo states, Nigeria.

**₦755**  
million investment on renewable energy

Investments made by Sector  
Gas Industrialisation



Despite being a major gas producer and exporter, Nigeria has historically relied on imports for certain refined petroleum products. Recognising the immense potential of its natural gas reserves, the nation has embarked on a strategic shift to leverage these resources for economic growth and industrialisation. President Buhari's declaration of the 2020s as Nigeria's "Decade of Gas" underscores this commitment and signifies a pivotal moment in the country's development. Natural gas is now a top priority, positioned as a key driver of industrial development. For example, fertiliser which is often derived from natural gas, has been instrumental in transforming nations, boosting agricultural yields, and enabling modern lifestyles. Ammonia, the second-largest chemical produced globally (after sulfuric acid), is directly linked to fertiliser production. A staggering 85% of the world's nitrogen demand, crucial for fertiliser, comes from ammonia.

To capitalise on this opportunity, NSIA has partnered with OCP Group of Morocco on the NSIA-OCP Multi-purpose Industrial Platform Project. This project aims to build a combined ammonia and fertiliser plant in

Nigeria, with a capacity to produce 750,000 tonnes of ammonia and 1,000,000 tonnes of phosphate fertilisers annually. It capitalises on Nigeria's abundant natural gas reserves to produce cost-effective ammonia, fulfilling Morocco's demand while boosting Nigeria's economy.



**Multi-Purpose Industrial Platform Project(MIPL)**

The MIPL project, whose planning phase kicked off in 2021 is rapidly transforming from blueprint to reality, poised to significantly propel Nigeria's gas industrialisation ambitions. With a firm foundation laid through the allocation of a 250-hectare site by the Akwa Ibom State Government, the project is now securing the vital resources needed for success. A major energy industry player has pledged to supply the project with sufficient natural gas (up to 15 million standard cubic feet per day) to fuel its initial operations, with formal agreements in the works. To ensure efficient gas transportation within Nigeria and export capabilities to key off-takers, the project is exploring the re-engineering of the Oso-QIT pipeline alongside the construction of additional pipelines.

Demonstrating unwavering commitment to environmental and social responsibility, the MIPL project has engaged a team of experts to conduct a meticulous eight-month-long Environmental and Social Impact Assessment (ESIA), ensuring the project adheres to the highest ethical standards. Furthermore, MIPL is actively pursuing a sustainable future for the project by undertaking feasibility studies to design the project as a Green Ammonia Plant. To encourage local job creation during this project, a workshop held in September 2023, facilitated by Worley UK, served to clarify local content regulations for potential bidders. This proactive approach

ensures maximum participation from qualified Nigerian companies, fostering economic growth at the local level. Further bolstering local content involvement, MIPL is collaborating with the Akwa Ibom Investment Corporation (AKICORP) to establish a comprehensive database of qualified local contractors.

The MIPL project goes far beyond simply producing ammonia. It's a strategic initiative with the potential to revolutionise Nigeria's gas industry and agricultural sector. The benefits and impact of this project are highlighted below:

**Boosting Domestic Production and Saving Money**

Nigeria currently relies on imports for two key fertiliser ingredients: Potash and Di-ammonium phosphate (DAP), with DAP largely coming from Morocco. The MIPL project will change this by producing ammonia and DAP domestically. Nigeria can significantly reduce its reliance on imports, saving valuable foreign exchange and fostering a robust local chemicals production industry.

**Unlocking Agricultural Potential**

Nigeria's fertiliser consumption per person is among the world's lowest. This inadequacy, coupled with high costs and limited access, hinders agricultural productivity and export potential. The MIPL project will directly address this challenge. Locally produced, affordable fertiliser will become readily available, empowering farmers to increase yields and unlock the nation's agricultural potential.

**Job Creation Engine**

The project is estimated to create a significant number of jobs - 500 direct positions and a staggering 20,000 indirect jobs. This surge in employment opportunities will have a ripple effect, stimulating the local economy across various sectors.

**Gas Sector Milestone and Catalyst for Growth**

The MIPL project represents a landmark achievement for Nigeria's gas sector. This greenfield, gas-based industrial project, led by the OCP, benefits from strong government support. Its success will pave the way for further development in the gas sector, attracting additional investment and propelling economic growth.

**Targeted Value Creation in Gas Industrialisation Investments Impact and its Alignment to SDG**

**Gas Industrialisation**



Creating jobs, attracting investments, and diversifying the economy

**500** direct jobs **2023**

**20,000** indirect jobs created

Reducing dependence on imported energy sources and ensuring a stable supply of electricity

**1,000,000** tonnes of phosphate fertilisers per year **2023**

Reduced import reliance, increased exports

Note: These are all estimates as the project is still under development.



Investments made by Sector

ESG



As the world grapples with the devastating consequences of climate change, Nigeria, like many developing countries, is particularly vulnerable. The country's growing population and rapid industrialisation have led to a significant increase in greenhouse gas emissions, contributing to global warming and its associated impacts.

The carbon market, a market-based mechanism to reduce greenhouse gas emissions, presents an opportunity for Nigeria to address its environmental challenges while also driving economic growth. However, the development of a robust carbon market in Nigeria has been hindered by various factors, including limited awareness, regulatory hurdles, and a lack of investment.

NSIA's Carbon Vista Initiative aims to address these challenges and catalyse the growth of the Nigerian carbon market. Established in partnership with Vitol, a leading energy trading company, Carbon Vista is a

platform that invests in high-integrity carbon avoidance and removal projects. With an initial investment of \$50 million, Carbon Vista seeks to attract institutional investors seeking exposure to the carbon market.

By investing in projects across sectors such as transportation, agriculture, and energy, Carbon Vista is supporting initiatives that reduce greenhouse gas emissions and promote sustainable development. The platform focuses on both greenfield and brownfield investments, providing flexibility and opportunities for a diverse portfolio.

One of Carbon Vista's key objectives is to generate appropriate risk-adjusted returns for investors while also contributing to a more sustainable future. The platform's investment strategy is centred around assembling a diversified portfolio of assets with the potential to generate carbon credits. These credits can be traded on the carbon market, providing a

financial incentive for businesses and individuals to reduce their emissions.

The Clean Cookstoves Project is a prime example of Carbon Vista's positive impact and is poised to make a significant impact. By distributing energy-efficient stoves to 300,000 households across 12 Nigerian states, the project is expected to reduce the use of firewood by an estimated 5.9 million metric tonnes annually. This reduction in deforestation will not only mitigate greenhouse gas emissions but also contribute to preserving Nigeria's valuable forests, developing a diversified portfolio of projects that generate high integrity carbon credits.

Through initiatives like Carbon Vista, NSIA is playing a pivotal role in driving Nigeria's transition to a low-carbon economy. By fostering the development of a vibrant carbon market, NSIA is not only contributing to global efforts to combat climate change but also creating new economic opportunities for Nigeria.



Investments made by Sector  
Mining and Basic Minerals



Nigeria's mining sector, endowed with vast reserves of gold, iron ore, tin, columbite, and other minerals, presents a significant opportunity to diversify the economy and drive sustainable growth. Despite its potential, the sector has been plagued by challenges such as illegal mining, infrastructure deficits, and limited access to finance.



**PRESIDENTIAL ARTISAN GOLD MINING INITIATIVE (PAGMI)**

Recognising this untapped potential, NSIA has been at the forefront of driving the sector's development. Our strategic investment in the Presidential Artisan Gold Mining Initiative (PAGMI) is a testament to our commitment to unlocking the value of Nigeria's mineral resources. By providing a ₦20 billion grant to fund PAGMI's pilot phase, NSIA played a pivotal role in formalising the artisanal mining sector, a sector previously dominated by illegal activities.

PAGMI has made significant strides in formalising the sector, registering over 200,000 artisanal miners, and capturing over \$150 million in government revenue through taxes and royalties. These achievements underscore the initiative's potential to transform the mining landscape, create jobs, and contribute to Nigeria's economic growth.

As we move forward, NSIA remains committed to supporting the sector's growth and sustainability. Through strategic investments, partnerships, and policy advocacy, we aim to address the sector's challenges and maximise its contribution to Nigeria's economic transformation.

**Targeted Value Creation in Mining and Basic Minerals Investment Impact and its Alignment to SDG**

Mining and Basic Minerals



Generates significant revenue for the government through taxes and royalties

**\$150** million+ Annual government revenue generated through taxes and royalties from PAGMI 2023

**1026** direct and indirect jobs created 2023



# Looking Ahead

## Looking Ahead

NSIA has been able to drive focus in our ESG performance by integrating ESG considerations across all our operations and portfolios.

NSIA remains committed to driving sustainable economic growth and development in Nigeria by continuously evaluating and improving internal practices, policies, and frameworks. Our strategic priorities looking forward are centred around enhancing the direct and indirect impact of our investments in enhancing community development activities, fostering innovation, and ensuring the long-term sustainability of our projects.

Building on the successes of our existing initiatives, we plan to expand our investment portfolio across key sectors that have the potential to generate significant economic and social returns in driving climate change, inclusive growth, and improving the quality of life for Nigerians.

We are dedicated to integrating environmental, social, and governance (ESG) considerations into our investment decisions. Our focus will be on projects that promote environmental sustainability, while delivering socio-economic benefits. We will also continue to prioritise pioneering initiatives and solutions that address key challenges and enhance social equity and governance standards across our operations in the country.

### Environment



Prioritising investments in projects with a positive environmental impact, such as renewable energy and sustainable infrastructure.

### Social



Focusing on investments that contribute to social development, including affordable housing, healthcare, and education.

### Government



Adhering to high governance standards, promoting transparency, and ensuring ethical business practices.

In the coming years, we are looking into releasing our first sustainability report using GRI standards detailing our ESG performance which reflects our commitment to transparency and accountability in identifying and mitigating risks related to ESG.

Finally, by championing innovation and best practices, we will continue to enhance our strategic partnership with organisations and governments towards being a catalyst for positive change, sustainable economic growth, and preserving our planet.



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