



NIGERIA INFRASTRUCTURE DEBT FUND
A Chapel Hill Denham Investment Trust

Nigeria Infrastructure Debt Fund **Impact Report 2025-2026**





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NIGERIA INFRASTRUCTURE DEBT FUND
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Chapel Hill Denham's Nigeria Infrastructure Debt Fund ("NIDF")

By century's end, over 30% of humanity will live on the continent of Africa and Africa's most populous country will be Nigeria, as it is today. This is the largest demographic shift in human history, and we need to face the challenge of how Africa and Nigeria will power, connect, and feed billions sustainably. As such, we believe that investing in African Infrastructure is the most important Impact Investment globally.

The real leap comes not from upgrading what already exists, but from building what has never been there. The first light switch, the first road, the first broadband link, these are the changes that multiply opportunity a hundredfold, far beyond the marginal step of transitioning, say, from 4G to 5G. We know this from history: highways that unlocked America, railways that bound China together, energy grids that reshaped Europe.

Nigeria now stands at the same threshold. Closing its annual infrastructure gap would set off a wave of growth, connectivity, and resilience that would have an impact far beyond its borders. Nigeria holds one structural advantage. Instead of retrofitting outdated infrastructure, it can build from the ground up: renewable power at national scale, AI-enabled transport systems designed for sustainable cities, and agricultural supply chains that feed the world while protecting ecosystems.

NIDF sought a new paradigm for infrastructure financing in Nigeria: one that not only delivered long-tenor, local-currency project finance to sponsors, but also institutionalised infrastructure credit

Chapel Hill Denham's Nigeria Infrastructure Debt Fund ("NIDF") sits at the epicenter of this transition. Established in 2016, NIDF sought a new paradigm for infrastructure financing in Nigeria: one that not only delivered long-tenor, local-currency project finance to sponsors, but also institutionalised infrastructure credit by creating a vehicle that Nigeria's pension funds, development finance institutions and retail investors could access through the local NGX exchange, just like any other listed entity.

NIDF has become the benchmark, that many others have sought to follow, and the flag bearer in the development of sustainable infrastructure investment in Nigeria.

■ NIDF AT A GLANCE



Nigeria's Infrastructure Financing Crisis Demands Bold Solutions

Nigeria faces a critical infrastructure gap. The country requires over \$100 billion annually to close the deficit in power, transport, digital and social infrastructure; yet institutional investment mechanisms remain underdeveloped. With an Africa Infrastructure Development Index (AIDI) score of 25.70 (ranking 24th across the continent), Nigeria lags peers in the scale and sophistication of its infrastructure finance channels.

NIDF was established to solve this gap: to create a local-currency, listed, institutional infrastructure debt vehicle that channels long-term Naira capital into essential infrastructure, delivering predictable returns to investors while building the depth and liquidity of Nigeria's capital markets.



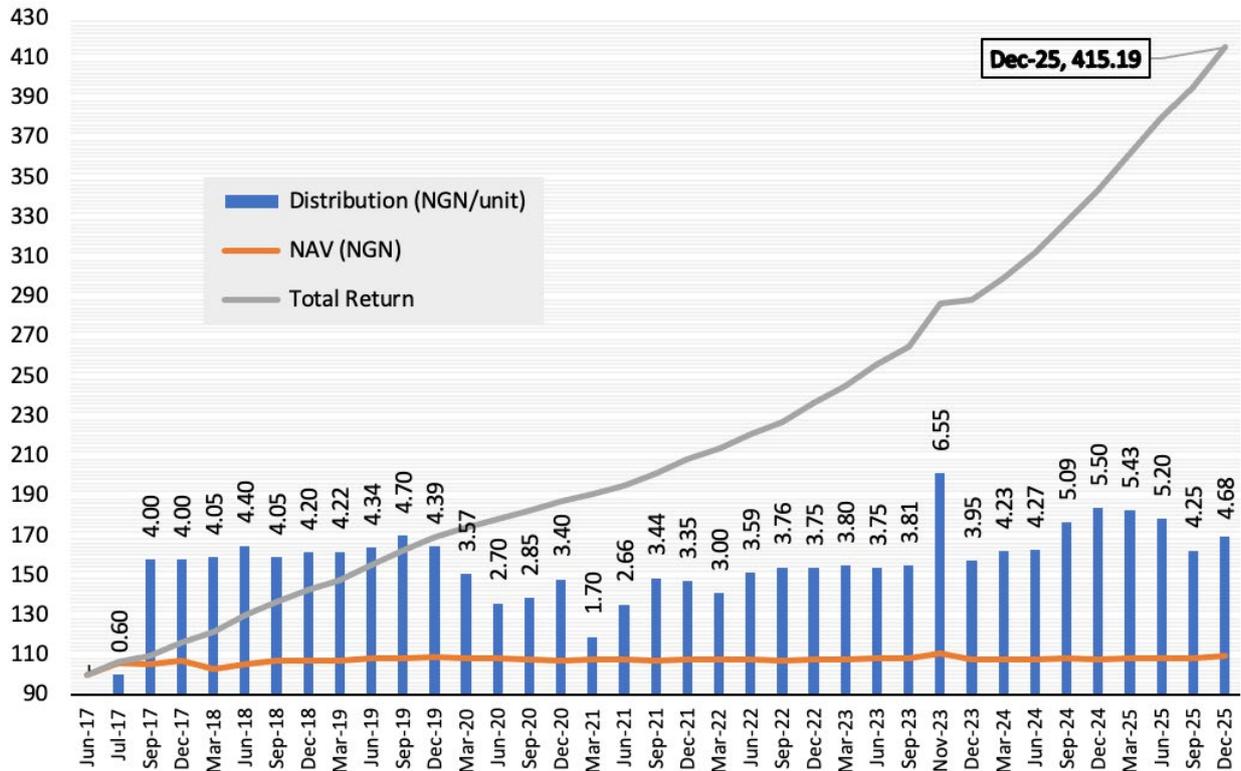


NIDF by the Numbers

Core Metrics	
Assets Under Management	₦135+ billion (Market Capitalisation)
Capital Mobilised	\$600+ million in total investment from \$351+ billion NIDF commitments
Average Loan Tenor	9+ years
Number of Projects Financed	40+ infrastructure projects
Consecutive Quarterly Distributions	34 quarters (unbroken since inception)
Infrastructure Impact	
Power Generation Capacity Financed	134+ MW
Pipeline & Utility Infrastructure	250+ km
Direct Jobs Supported	1,105
CO ₂ Emissions Reduced	3,629,466 tonnes
CNG processing and distribution capacity (million standard m ³ /day)	374,100.00
Cargo handling capacity	2.09 MT
Storage terminal capacity	91,823.41 MT
Number of telecommunication towers installed	911.00
Number of student hostel beds made available	1,725.00
Financial Performance	
Cumulative Total Return (Reinvested)	315%
Non-Performing Loans	Zero
Investor Base	Pension funds, development finance institutions, sovereigns, retail investors
Market Listing	NGX & FMDQ (dual listed for liquidity and transparency)
Capital Market Development	
Fund Managers Launched Post-NIDF	8+ new infrastructure credit funds
PfAs Invested in NIDF or Subsequent Funds	All major pension funds
Sectors Financed	Power, digital infrastructure, transport, energy transition, social assets
Greenfield Investment	Introduced institutional financing for greenfield, infrastructure projects in Nigeria whilst other funds focus on refinancing operational infrastructure.



Financial return profile



Why NIDF Matters

NIDF's track record demonstrates a powerful truth: institutional, Naira-denominated infrastructure debt, when properly structured and professionally managed, can generate attractive risk-adjusted returns while closing Nigeria's infrastructure gap.

Since 2017, the Fund has:

1.

Maintained zero non-performing loans through multiple macro cycles (currency devaluations, inflation shocks, regulatory changes), proving that credit discipline and active engagement are compatible with growth.

2.

Paid 34 consecutive quarterly distributions, underpinning investor confidence that infrastructure debt can deliver regular, predictable income in a market often starved of steady cash returns.

3.

Catalysed market-building: the establishment of NIDF as a listed, regulated infrastructure fund has encouraged the launch of eight or more subsequent funds by other managers, and DFI partnerships, indicating systemic market appetite for the NIDF model.

4.

Deepened the institutional investor base: by demonstrating that pension funds, development finance institutions, and sovereign investors can allocate meaningful capital to infrastructure credit, NIDF has helped redefine infrastructure as a core, not marginal, asset class for Nigerian institutions.

The path forward is to deepen this impact: scaling the portfolio across essential sectors, further diversifying the investor base, and strengthening engagement with policymakers to unlock even larger, more complex transactions that will compound Nigeria's productive capacity and economic resilience.

■ VISION:
CEO & CIO LETTERS



Saurabh Srivastava

Chief Executive Officer,
Nigeria Infrastructure Debt Fund (NIDF)

A Statement from our Chief Executive Officer

Nigeria Infrastructure Debt Fund was created to solve a simple but stubborn problem: Nigeria needs far more infrastructure, yet most projects struggle to find long-term, local-currency finance that matches their cash flows. Since inception, the Fund has grown into Nigeria's largest, NGN-listed infrastructure debt platform, demonstrating that it is possible to deliver predictable, inflation-beating returns while deepening the domestic capital market and supporting real-economy assets across power, digital and industrial infrastructure.

Since 2017, NIDF has become the leading provider of long-term Naira financing for private infrastructure projects in Nigeria, with a capital base now in excess of ₦135 billion and a growing portfolio across multiple sectors.

Why NIDF Exists

Over the past decade, Nigeria's infrastructure demand has accelerated, but financing has too often relied on short-tenor bank loans and foreign currency debt that expose both sponsors and the broader economy to avoidable risk. NIDF was established to channel long-term institutional capital, predominantly from Nigerian investors, into Naira-denominated infrastructure debt, so that essential projects can be financed on terms that match their economic lives and revenue profiles.

By listing the Fund on the Nigerian Exchange and building a diversified portfolio of infrastructure loans, NIDF offers investors regular, sustainable income and a liquid entry point into an asset class that was previously difficult to access directly. This combination of local-currency focus, public market access and strict credit discipline is at the heart of the Fund's purpose and remains the foundation of its strategy.

What Has Been Achieved

Since 2017, NIDF has become the leading provider of long-term Naira financing for private infrastructure projects in Nigeria, with a capital base now in excess of ₦135 billion and a growing portfolio across multiple sectors. The Fund has maintained an unbroken record of quarterly cash distributions to unitholders and has delivered cumulative returns that significantly outperform long-dated FGN bonds, even as the domestic macroeconomic environment has faced repeated cycles of volatility.

This track record reflects disciplined risk management and active engagement with project sponsors through successive currency devaluations, inflation shocks and shifts in regulation. At the same time, NIDF continues to broaden its investor base, bringing in pension funds, insurers, DFIs and retail investors and has helped demonstrate that infrastructure credit can be a core, income-generating allocation for Nigerian institutions, not a niche or experimental asset class.



The Next Phase of Growth

The next chapter for NIDF is about scaling this model while deepening impact. On the asset side, the Fund will continue to prioritise essential infrastructure in power, energy transition, digital connectivity, transport and industrial platforms that improve productivity and resilience across the Nigerian economy. On the liability side, the focus is on further diversifying the investor base, expanding participation from domestic pension and insurance capital, welcoming more retail investors through the listed structure, and strengthening partnerships with development finance institutions and sovereign investors whose catalytic capital can unlock larger, more complex transactions.

As the Fund grows, NIDF will deepen its engagement with policymakers and regulators to support reforms that expand the pipeline of bankable projects and strengthen Nigeria's infrastructure investment ecosystem. The ambition is clear: to remain the reference point for local-currency infrastructure debt in Nigeria, delivering sustained, risk-adjusted returns to investors while contributing meaningfully to closing the country's infrastructure gap and accelerating its sustainable development.

As the Fund grows, NIDF will deepen its engagement with policymakers and regulators to support reforms that expand the pipeline of bankable projects and strengthen Nigeria's infrastructure investment ecosystem.

Saurabh Srivastava
Chief Executive Officer



Bolaji Balogun

Chief Investment Officer,
Nigeria Infrastructure Debt Fund (NIDF)

A Statement from our Chief Investment Officer

Since inception, Nigeria Infrastructure Debt Fund has been managed with a single objective: to deliver attractive, inflation-beating total returns to unit holders while preserving capital through full credit cycles. The Fund's performance demonstrates that Naira denominated infrastructure debt can offer a compelling risk-adjusted return profile, supported by disciplined underwriting, robust security structures and active portfolio management.

NIDF has paid cash to investors every quarter since listing, with recent distributions in the range of roughly 4-6.5 Naira per unit and annualised yields in the high teens to low 20s...

Return Track Record & Distributions

Over the life of the Fund, investors who reinvested distributions have realised a cumulative total return of 315.19%—several times their initial capital, materially ahead of both inflation and long-dated FGN bonds over the same period. NIDF has paid cash to investors every quarter since listing, with recent distributions in the range of roughly 4-6.5 Naira per unit and annualised yields in the high teens to low 20s, underscoring the resilience of the underlying cash flows.

This consistency reflects a disciplined structuring approach: the portfolio is built around long-term, amortising loans whose contractual cash flows are closely aligned with contracted revenues in the underlying projects. The result is a return profile that combines steady income with moderate NAV growth, designed to be held through economic cycles rather than traded tactically.

Credit Performance & Risk Culture

Credit quality has remained strong through multiple macroeconomic shocks, including currency devaluations, high inflation and regulatory changes. The portfolio has experienced zero non-performing loans to date, reflecting a conservative approach to leverage, rigorous due diligence and close monitoring of counterparties.

'Bolaji Balogun
Chief Investment Officer



Risk management is anchored in three core principles:

1



Naira-denominated lending:

NIDF lends in Naira to projects with predominantly Naira cash flows, minimising currency mismatch and protecting both borrowers and investors from FX dislocation.

2



Long-tenor amortising structures:

The Fund structures facilities typically between 7 and 21 years, matched to the asset's cash flow profile. This significantly reduces refinancing risk and enhances project stability.

3



Robust security packages:

Loans are backed by first-ranking charges, cash flow waterfalls and covenant frameworks tailored to each sector, ensuring high recoverability in adverse scenarios.

Portfolio Construction & Pipeline

The current portfolio is diversified across sectors such as power, energy infrastructure, transport, digital infrastructure and social assets including education and healthcare, with no single exposure dominating overall risk. Assets are selected for their ability to generate predictable, long-term cash flows, often underpinned by offtake contracts or strong demand fundamentals, which supports both distribution capacity and capital preservation.

The investment pipeline is the strongest in the Fund's history, with opportunities across grid-connected and embedded power, gas and storage infrastructure, data centres, fibre networks and logistics platforms that support trade and urbanisation. NIDF's scale, reputation and track record as a reliable long-term lender mean that the Fund now sees transactions at an earlier stage, allowing it to influence structure, documentation and ESG standards in ways that further strengthen the credit profile of new investments.

■ STRATEGY & THEORY OF CHANGE



Africa's Infrastructure Conundrum & NIDF's Solution

Africa stands at a pivotal inflection point. With over 30% of humanity projected to live on the continent by century's end and Nigeria as its most populous nation, the region faces an unprecedented infrastructure challenge: the need to build, not retrofit, essential assets at scale while channeling institutional capital into long-term, predictable debt instruments.

The traditional infrastructure financing model—reliant on foreign currency borrowing, short-tenor bank facilities and fragmented investor bases—has proven insufficient and risky. NIDF bridges this gap by creating liquid, tradeable infrastructure debt denominated in local currency, enabling institutional investors to finance essential infrastructure while generating predictable returns and enabling capital recycling for continuous project development.

THE PROBLEM	INPUTS	ACTIVITIES
Nigeria's Infrastructure Financing Gap	What NIDF Brings	How NIDF Operates
<ul style="list-style-type: none"> • \$100+ billion annual infrastructure need • AIDI score 25.70 (24th in Africa) • Investor-project mismatch • Capital locked in projects 10-25 years • Limited secondary markets 	<ul style="list-style-type: none"> • ₦135+ billion market capitalisation • 500+ years collective expertise • ESMS framework (IFC standards) • Institutional partnerships (PFAs, DFIs) • Robust risk management systems 	<ul style="list-style-type: none"> • Senior debt structuring with security • Rigorous due diligence process • Active portfolio monitoring • Quarterly distributions to investors • Capital market development
OUTPUTS	OUTCOMES	IMPACT
Direct Results	Medium-term Changes	Long-term Transformation
<ul style="list-style-type: none"> • \$351m financed across portfolio • 134+ MW power generation capacity • 250km pipeline infrastructure • 1,070 jobs directly supported • 34 consecutive quarterly distributions 	<ul style="list-style-type: none"> • Zero NPLs maintained through cycles • 315% total returns to investors • 8 new infrastructure funds launched • All major PFAs invested • 3,629,466 tonnes CO₂ reduced 	<ul style="list-style-type: none"> • Infrastructure gap closure at scale • Economic transformation through productivity • SDG achievement (7, 8, 9, 11, 13) • Capital market development • Regional leadership in infrastructure finance

THE SOLUTION

NIDF bridges the Africa Infrastructure Conundrum by creating liquid, tradeable infrastructure debt that enables institutional investors to finance essential infrastructure while generating predictable returns and enabling capital recycling for continuous project development. This model, anchored in Naira denomination, public market listing and rigorous credit discipline, has become the benchmark for infrastructure credit in Nigeria and across the region.

■ ABOUT NIDF:
FUND STRUCTURE & MANAGEMENT



The Nigeria Infrastructure Debt Fund

The Nigeria Infrastructure Debt Fund (NIDF) is the first listed infrastructure debt fund in Nigeria, registered with and regulated by the Securities and Exchange Commission (SEC) and listed on both the NGX and the FMDQ Exchange. As a closed-ended investment trust, NIDF offers attractive yields and quarterly distributions while providing institutional and retail investors with regulated, transparent access to a diversified portfolio of long-tenor infrastructure loans.

Its objective is to provide investors with regular, sustained, long-term distributions and to preserve capital over the long-term by generating exposure to Naira-denominated infrastructure debt in Nigeria, which generates regular and predictable long-term cash flows.

Fund Manager: Chapel Hill Denham Management

Chapel Hill Denham is one of Nigeria's leading independent investment management and securities firms, with a long-standing focus on building domestic capital markets and delivering inflation-beating returns for clients. As manager of NIDF, Chapel Hill Denham brings together deep structuring expertise, strong governance and a clear sustainability and impact agenda to create a listed, Naira-denominated infrastructure credit vehicle that targets consistent CPI+ returns for long-term investors.

Focus on CPI+ Returns and Yield

Chapel Hill Denham manages NIDF with an explicit objective to deliver attractive real returns, positioning the Fund as a core allocation for Nigerian investors seeking income that can keep pace with and exceed domestic inflation. The portfolio is constructed around long-dated, amortising infrastructure loans whose contractual cash flows support regular quarterly distributions. NIDF offers among the most compelling yields on the Nigerian Exchange while maintaining disciplined risk management.

Strong Governance and Transparency

The governance framework reflects Chapel Hill Denham's commitment to institutional standards. The Fund is authorised and regulated in Nigeria, structured as a listed, closed-ended investment trust, overseen by an independent trustee, and subject to robust board and committee oversight. Unitholders receive detailed quarterly reports, audited annual financial statements and regular market disclosures, providing full transparency on portfolio composition, risk, performance and distributions.

Sustainability and Impact at the Core

Chapel Hill Denham is a signatory to the UN-supported Principles for Responsible Investment and explicitly positions its investment management platform as focused on ESG-integrated, impact-oriented strategies in Nigeria and across Africa. Through NIDF, the firm mobilises local-currency capital into sectors that are accretive to Nigeria's development, power, renewable energy, digital infrastructure, transport and social assets, seeking measurable outcomes in access, jobs, productivity and reduced carbon footprint alongside financial returns.

For NIDF, this translates into a rigorous environmental and social management approach, proactive engagement with sponsors, and a focus on projects that demonstrably improve economic resilience and quality of life.



Financial Return Profile

The financial return profile of the Nigeria Infrastructure Debt Fund demonstrates that well-structured, Naira-denominated infrastructure debt can consistently deliver real, inflation-beating returns for long-term investors. Since listing in 2017, NIDF has generated a cumulative total return of 315%, while maintaining an unbroken record of quarterly distributions and a dividend yield that has generally exceeded both inflation and the yields available on long-dated FGN bonds.

The portfolio's income is underpinned by a diversified pool of long-tenor infrastructure loans with a weighted average annualised yield in the low 20s, typically priced 300-500 basis points above comparable sovereign benchmarks. This combination of high-quality, contracted cash flows and conservative structuring has enabled the Fund to offer stable, attractive yields and gradual NAV growth, positioning NIDF as a core CPI+ holding for Nigerian institutions seeking predictable income and capital preservation through economic cycles.

Since listing in 2017, NIDF has generated a cumulative total return of 315%, while maintaining an unbroken record of quarterly distributions and a dividend yield that has generally exceeded both inflation and the yields available on long-dated FGN bonds.

Risk Management Framework

The Nigerian Infrastructure Debt Fund maintains a conservative risk profile designed to deliver stable, long-term returns. The Fund's risk management philosophy is grounded in discipline, prudence, and a deep understanding of Nigeria's infrastructure landscape.

While projects may incur foreign-currency costs during construction, NIDF ensures that the full Naira equivalent is funded at the outset...

Foreign Exchange Risk

A core element of this framework is NIDF's strict avoidance of currency mismatch. By ensuring all lending is denominated in Naira, the Fund avoids the currency mismatches that often undermine infrastructure projects in emerging markets. While projects may incur foreign-currency costs during construction, NIDF ensures that the full Naira equivalent is funded at the outset, eliminating the need for further foreign-currency liability over the project's life and ensuring assets enter operations with a fully Naira-based capital structure.

Concentration Risk

Concentration risk is managed through thoughtful portfolio construction and clearly defined exposure limits. The Fund maintains a balanced portfolio across sectors (power, telecommunications, healthcare and other essential services), geographies (multiple Nigerian states) and obligors, ensuring that no single exposure dominates the portfolio and supporting a well-distributed, risk-adjusted allocation.

Tenor Management

Infrastructure assets require financing that matches their long operational lives. NIDF provides long-tenor debt, typically between 7 and 15 years, matched to the asset's cash flow profile. This significantly reduces refinancing risk, enhances project stability, and insulates the portfolio from short-term market disruptions.

Security Structures

Each investment is structured with strong lender protections. Typical structures include first-ranking or all-asset debentures over project assets, pledges or charges over bank accounts supported by controlled cash waterfall arrangements, and may be supplemented by sponsor guarantees, performance covenants and step-in rights. This combination ensures high recoverability in adverse scenarios.



Governance and Decision-Making

A core pillar of NIDF's risk framework is its strong governance structure. The Investment Committee comprises deeply experienced professionals with decades of combined expertise in credit, project finance, infrastructure development and risk management. Crucially, every investment requires unanimous IC approval, ensuring that each transaction withstands robust scrutiny from multiple independent perspectives.

Due Diligence and Post-Investment Monitoring

Every transaction undergoes rigorous, multi-layered due diligence covering technical, financial, insurance, legal, environmental and market assessments. This process is reinforced by a two-stage approval system by the Fund's investment committee. Post-investment, the Fund applies strict monitoring protocols, including periodic reporting, site visits, independent technical reviews and covenant compliance checks. Together, this combination of rigorous due diligence, conservative approvals and active portfolio monitoring has been fundamental to maintaining the Fund's strong credit quality and its track record of zero NPLs.



Every transaction undergoes rigorous, multi-layered due diligence covering technical, financial, insurance, legal, environmental and market assessments.

Investment Thesis

The Chapel Hill Denham Nigeria Infrastructure Debt Fund is anchored on a clear investment thesis: to provide long-term, Naira-denominated financing to infrastructure projects that deliver essential social and economic services and form the backbone of Nigeria's productive capacity.

Central to this thesis is a strategic focus on project types. The Fund targets assets with predictable business models, typically supported by long-term revenue structures such as contracted offtake arrangements with creditworthy counterparties, concession or licence frameworks for asset development and operation, or the provision of monopolistic or regulated services. These structures offer revenue visibility, enhance bankability and align with the long-tenor financing required for infrastructure.

The Fund also prioritises projects with tangible asset bases and strong sponsors and experienced operators whose capabilities and governance standards help reduce execution risk and support sustained performance.

A further cornerstone is a commitment to environmental and social sustainability. NIDF seeks to finance projects that demonstrate sound environmental and social practices and contribute positively to long-term development outcomes. Where a sponsor or borrower does not have an Environmental and Social Management System (ESMS) in place, the Fund mandates its development and implementation as a condition of financing, ensuring that projects are managed in line with universally recognised environmental and social standards.



The Fund deploys capital directly into projects, whether brownfield or greenfield, through operating companies or via special purpose vehicles that facilitate structured financing. This flexibility enables financing structures to be tailored to the specific circumstances of each project.

The Fund's investment focus covers the core sectors that drive national development, including power generation from renewable and conventional sources; energy infrastructure projects including gas processing plants and pipelines; transportation and logistics assets such as ports, airports, highways and warehouses; telecommunications infrastructure including towers, fibre networks and data centres; and social infrastructure such as hospitals and schools. Collectively, these sectors form the backbone of productivity, connectivity and service delivery.

Ultimately, NIDF's investment thesis is grounded in the conviction that sustainably managed infrastructure can generate predictable cash flows and attractive risk-adjusted returns.

The Fund deploys capital directly into projects, whether brownfield or greenfield, through operating companies or via special purpose vehicles that facilitate structured financing.



Eligible Investments

NIDF invests in senior and subordinated debt of private or public sector-led infrastructure projects in the following sectors and businesses:

	<p>Electricity</p> <ul style="list-style-type: none"> • Captive and embedded power plants • Integrated electric utilities • Transmission and distribution • IPPs with state government offtake agreements 		<p>Utilities</p> <ul style="list-style-type: none"> • Water treatment and supply • Wastewater treatment • Municipal and industrial waste management • Other utility services (e.g. street lighting)
	<p>Transportation & Logistics</p> <ul style="list-style-type: none"> • Ports and airports • Toll roads • Railways and mass transit systems • Industrial zones and warehouses 		<p>Energy Infrastructure</p> <ul style="list-style-type: none"> • Gas processing plants • Storage terminals and distribution networks • Gas and liquid fuels transport (pipelines and fleets) • Logistics and support services
	<p>Telecom Infrastructure</p> <ul style="list-style-type: none"> • Mobile services infrastructure (towers) • Fibre optic networks • Data centres 		<p>Social Infrastructure</p> <ul style="list-style-type: none"> • Healthcare and education facilities • Urban infrastructure • Public-Private Partnerships

The Fund may also invest in **working capital loans, subordinated debt, preferred shares or warrants of such borrowers**. At least 80% of the Fund's assets will be invested in senior debt, securitised debt or loans to government agencies. Not more than 20% will be invested in alternative instruments.

■ **IMPACT PERFORMANCE:
DEVELOPMENT OUTCOMES
& E&S PERFORMANCE**



Why Invest in Infrastructure?

Infrastructure offers exposure to essential assets that economies rely on every day, power, transport, digital connectivity and social services, so demand for their services tends to remain resilient across market cycles. These assets typically generate stable, contracted cash flows, which support attractive and predictable income streams and can provide a degree of inflation protection where revenues are indexed, or costs can be passed through.

Historically, infrastructure has also exhibited lower volatility and relatively low correlation with traditional listed equities and shorter-dated fixed income, making it a powerful tool for portfolio diversification and for investors seeking long-term, CPI+ returns with a strong link to real economic activity.

Development Outcomes

The Nigeria Infrastructure Debt Fund measures its impact across four core dimensions, aligned with key Sustainable Development Goals:

Addition to Nigeria's Infrastructure Stock

Each NIDF investment contributes directly to closing Nigeria's infrastructure gap. Financed assets add generating capacity, extend transport and utility networks, enable digital connectivity, and support essential services. The cumulative impact of 20+ projects funded represents a meaningful addition to the country's productive infrastructure base.

Output Quantity Delivered

Power generation:



134+ MW

of generating capacity financed (mix of renewable and conventional sources)

Pipeline and utility infrastructure:



250+ km

of network infrastructure

Telecom infrastructure:



911+ sites/km

of fibre and towers

Jobs directly supported:



1,105

during construction and operations

GHG Emission Reduction

The portfolio contributes to Nigeria's climate objectives. Renewable power projects, energy efficiency improvements and reduced energy losses from transmission upgrades combine to deliver 520,538+ tonnes of CO₂ equivalent reduction cumulatively, aligned with NDCs and global climate commitments.

Employment and Skill Development

Beyond direct employment, NIDF-financed projects support skill development, local supply chain development and multiplier effects through spending in host communities.



Environmental and Social Management System (ESMS)



NIDF implements a rigorous Environmental and Social Management approach aligned with IFC Performance Standards, which forms the foundation for international best practice in infrastructure finance.

What is ESMS?

The Environmental and Social Management System is a systematic approach to identifying, assessing, managing and monitoring environmental and social risks and impacts across the investment lifecycle. For NIDF, the ESMS is embedded in the Fund's constitutional documents (including Trust Deed), making it a binding, permanent commitment to standards, not a discretionary policy.

How ESMS Criteria Help Mitigate Investment Risk

Environmental and social due diligence identifies material risks that could affect asset performance, counterparty viability and regulatory compliance. By mandating ESMS implementation as a condition of financing, NIDF reduces the risk of project failure due to community opposition, environmental non-compliance, labour disputes or reputational damage. This proactive risk mitigation directly supports credit quality and returns stability.

Training and Capacity Building

NIDF works actively with portfolio companies to build internal capacity in environmental and social management, ensuring that projects are operated in line with international standards throughout their loan tenor.

Annual Reporting of E&S Performance

The Fund reports annually on five operational safeguards:

2

Occupational health and safety standards:

Projects meet or exceed applicable labour and safety regulations

3

Community and stakeholder engagement:

Meaningful consultation with affected communities and stakeholders

4

Biodiversity and natural resource management:

Appropriate measures to protect ecosystems and manage natural resources

1

Social grievance and feedback mechanisms:

Projects establish channels for community concerns to be raised and resolved

5

Cultural heritage protection:

Identification and protection of culturally significant sites and practices

Management system reporting tracks the implementation of ESMS action plans, remediation of non-compliances and continuous improvement across the portfolio.





MOBILISING CAPITAL &
MARKET BUILDING



NGX and FMDQ Listing

NIDF is dual listed on both the Nigerian Exchange (NGX) and FMDQ Securities Exchange. These listings have significantly strengthened its capital mobilisation capacity by enhancing transparency, broadening market visibility and overcoming previous limitations around liquidity.

For institutional investors, the dual listing provides comfort through enhanced governance, pricing integrity and access to a wider and more diverse investor base. For retail investors, the exchange listings provide transparent, regulated access to infrastructure for the first time through a vehicle with clear pricing and secondary market liquidity.

This aligns NIDF with global trends in infrastructure investment, where listed vehicles and funds have become increasingly important for democratising access and improving capital recycling.



Pension Fund Capital

Pension funds represent more than 80% of NIDF's investor base, making Nigerian PFAs the Fund's largest and most active investor group. Their increasing interest in alternative fixed-income and long-duration assets has been instrumental to the Fund's growth and fundraising success.

However, the evolving regulatory landscape has created new constraints. External interventions—whether regulatory, macroeconomic or policy-driven—can materially impact PFAs' investment appetite, risk limits and asset allocation. Navigating this environment requires proactive engagement, product education and transparency.

Despite these challenges, NIDF has demonstrated its value to PFAs by consistently delivering CPI+ returns, zero NPLs and predictable distributions through multiple cycles, establishing the Fund as a trusted institutional allocation.





Strategic Capital from Sovereigns and Development Finance Institutions

NIDF has successfully attracted catalytic capital from high-quality development institutions including African Development Bank (AfDB), bilateral DFIs and sovereign wealth funds. This capital plays several roles:

- **Crowding-in:** DFI participation signals credit quality and de-risks the investment for private institutional investors
- **Blended finance:** Concessional DFI capital lowers the cost of financing and enables larger, more complex infrastructure transactions
- **Capacity building:** DFI partners contribute technical expertise, safeguards frameworks and policy engagement that strengthen project outcomes
- **Long-term stability:** Sovereign and DFI capital provides patient, long-term capital that supports the fund's buy-and-hold investment model

The combination of institutional and blended capital has been fundamental to NIDF's ability to finance increasingly sophisticated infrastructure projects.

Retail Investor Access

The NGX and FMDQ listings have opened NIDF to retail investors, democratising access to the asset class. Retail participation adds to capital stability and broadens ownership, while the standardised pricing and transparent reporting on the exchanges provide retail investors with confidence and liquidity.

Capital Mobilisation Track Record

Since inception, NIDF has conducted 11 successful fundraises, attracting capital from:

- All major Nigerian pension funds (PFAs)
- Development finance institutions (AfDB, bilateral DFIs, multilateral institutions)
- Sovereign wealth funds and state-level government entities
- International institutional investors
- Retail investors via NGX and FMDQ listings

This diversified investor base and consistent fundraising track record underpin NIDF's ability to deploy capital at scale and maintain a pipeline of high-quality investments.

■ GOVERNANCE, SAFEGUARDS &
SUSTAINABILITY COMMITMENTS



AfDB Environmental & Social Safeguards

As a Fund manager working with development finance partners, Chapel Hill Denham has adopted the African Development Bank's Environmental and Social Safeguards framework as a reference standard. This commitment ensures that NIDF-financed projects meet rigorous international standards for environmental stewardship, social inclusion and community engagement.



The AfDB safeguards cover:

- **Environmental impact assessment and management:** Identification and mitigation of potential environmental risks
- **Social impact assessment:** Assessment of effects on affected communities and vulnerable groups
- **Public consultation and stakeholder engagement:** Meaningful engagement with project-affected persons
- **Grievance redress mechanisms:** Accessible channels for community concerns and dispute resolution
- **Labour and working conditions:** Adherence to core labour standards and safe working practices



Board & Committee Oversight

NIDF's governance is supported by:

- **Board of Directors:** Independent board oversight of fund strategy, risk and performance
- **Investment Committee:** Unanimous approval required for all investments, ensuring rigorous scrutiny
- **Risk and Compliance Committee:** Ongoing monitoring of risk metrics, regulatory compliance and safeguards adherence
- **Independent Trustee:** Third-party trustee providing custody, valuation and investor protection oversight

Quarterly Reporting & Transparency

Unitholders receive comprehensive reporting covering:

- Portfolio performance and distributions on a quarterly basis
- Risk metrics (NPL status, sector and obligor concentration, FX impact), every quarter
- ESG performance and E&S safeguards compliance on an annual basis
- Development outcomes (MW, km, jobs, CO₂) on an annual basis
- Market and regulatory developments

This transparency reinforces accountability and provides investors with the information needed to assess Fund performance and ESG impact.



■ CONCLUSION



The Nigeria Infrastructure Debt Fund stands at the forefront of African infrastructure finance, demonstrating that institutional, Naira-denominated infrastructure debt can generate compelling returns while contributing meaningfully to closing Nigeria's infrastructure gap.

Since 2017, NIDF has:

- Delivered 315% cumulative returns to investors through 34 unbroken quarterly distributions
- Financed 40+ critical infrastructure projects with zero non-performing loans
- Catalysed the launch of 8+ subsequent infrastructure funds, establishing a new standard for the asset class
- Attracted all major Nigerian pension funds and leading development finance institutions
- Mobilised over \$600 million in infrastructure investment from Naira commitments of \$351 billion

Most importantly, NIDF has proven that infrastructure finance and impact are not mutually exclusive. By combining disciplined credit management, ESG rigour and a commitment to essential-service infrastructure, the Fund has created a scalable model that can be replicated across Africa.

The next phase is about deepening this impact: scaling the portfolio across new sectors and geographies, broadening the investor base, and strengthening engagement with policymakers to unlock larger, more complex transactions. The ambition remains clear: to establish Nigeria as a regional hub for infrastructure investment and NIDF as the reference point for Naira-denominated infrastructure debt across Africa.

As Nigeria faces the challenge of powering, connecting and feeding billions sustainably, NIDF stands ready to channel institutional capital towards the essential infrastructure that will power the continent's next chapter of growth.

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This report contains forward-looking statements and projections. Actual results may differ materially from those anticipated. Past performance is not indicative of future results.



NIGERIA INFRASTRUCTURE DEBT FUND
A Chapel Hill Denham Investment Trust



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