

**NIGERIAN CAPITAL DEVELOPMENT FUND (NCDF GROUP)**

# **ESG AND IMPACT MEASUREMENT FRAMEWORK**

Institutional Framework for ESG Governance, Impact Management, Measurement, Reporting and Investor Disclosure

Prepared for investors, regulators, development partners, Board committees, platform company leadership and project governance teams

Brookfield-style institutional document | June 2026 | Confidential Draft

This framework is designed to support NCDF Group's platform-company model, capital formation strategy, fund management operations, infrastructure SPVs, impact investment products and measurable development outcomes.

## Document Control

Item	Description
Document Title	NCDF Group ESG and Impact Measurement Framework
Prepared For	Nigerian Capital Development Fund (NCDF Group)
Document Purpose	To define the institutional ESG, impact measurement, data, governance and disclosure system for the Group, its Platform Companies, funds, SPVs and investee assets.
Primary Users	Board, Board Committees, Investment Committee, Risk Committee, Platform Company Boards, Fund Managers, SPV Directors, investors, DFIs, regulators, auditors and technical partners.
Status	Confidential institutional draft for Board review, investor presentation and implementation planning.
Date	June 2026

### Important Notice

This document is an institutional framework prepared to support NCDF Group's governance, investor readiness, capital formation, platform-company discipline and development impact measurement. It is not a securities prospectus, investment advice, legal opinion, audit report, valuation report or regulatory approval document. Final implementation should be reviewed by the Board, external counsel, auditors, ESG specialists and relevant regulatory advisers before use in regulated capital-market documentation or public reporting.

## Contents

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1. Executive Summary
2. Purpose, Scope and Institutional Role
3. Reference Standards and Alignment Logic
4. NCDF Group ESG and Impact Policy Statement
5. Group Impact Thesis and Theory of Change
6. ESG Governance Architecture
7. Impact Management System
8. Materiality Framework and ESG Priority Themes
9. Platform Company ESG and Impact Frameworks
10. ESG Screening, Categorisation and Due Diligence
11. Impact Metrics Catalogue and KPI Dictionary
12. Climate, Environmental and Resource Efficiency Framework
13. Social Performance, Stakeholder Engagement and Safeguards
14. Governance, Ethics and Responsible Capital Framework
15. Data Architecture, Verification and Assurance
16. Reporting, Disclosure and Investor Communication
17. Social Return on Investment and Impact Valuation
18. Implementation Roadmap
19. Appendices

# 1. Executive Summary

NCDF Group is being positioned as a diversified development investment platform with exposure to essential sectors of the Nigerian economy: infrastructure, affordable housing, healthcare, financial inclusion, agro-processing, energy transition, education and technology-enabled community development. To attract sophisticated capital, the Group requires more than strong investment narratives; it requires a disciplined ESG and impact measurement system capable of proving that capital is being deployed responsibly, outcomes are measurable, risks are controlled and development additionality can be demonstrated.

This ESG and Impact Measurement Framework establishes the institutional architecture through which NCDF Group will identify, assess, manage, measure, verify and disclose environmental, social and governance performance across its holding company, regulated capital-market entities, Platform Companies, funds, SPVs, projects and investee businesses.

### Strategic Positioning

NCDF Group's impact proposition is not a philanthropic add-on. It is a core value-creation system: responsible capital allocation, measurable development outcomes, stronger project bankability, deeper institutional trust and improved access to DFIs, diaspora investors, capital markets and strategic partners.

Dimension	Framework Contribution
Institutional Aim	Build a Group-wide ESG and impact operating system that investors can underwrite, regulators can understand and management can implement.
Core Logic	Convert NCDF's development mandate into measurable, auditable and comparable outcomes across each Platform Company and SPV.
Capital Formation Value	Improve eligibility for impact capital, DFI partnerships, green and social bonds, blended finance, diaspora funds and institutional co-investment.
Management Value	Create a common language for project approval, risk management, KPI tracking, internal reporting, investor updates and annual impact disclosure.
Governance Value	Embed Board oversight, clear accountability, data controls, independent verification and escalation mechanisms across the Group.

### Framework Pillars

No.	Pillar	Description
1	ESG Governance	Board and management oversight, platform accountability, risk committee escalation, internal audit and assurance.
2	Responsible Investment	ESG screening, exclusion list, impact eligibility, platform-company due diligence and project categorisation.
3	Impact Management	Theory of change, baseline measurement, outcomes tracking, beneficiary evidence, impact risk analysis and corrective action.
4	Environmental Stewardship	Climate resilience, emissions tracking, energy efficiency, water, waste, resource efficiency and project environmental safeguards.
5	Social Performance	Jobs, affordability, access, safety, inclusion, community engagement, patient protection, customer protection and stakeholder grievance systems.
6	Governance Integrity	Anti-corruption, conflicts management, procurement discipline, data protection, responsible AI and regulatory compliance.
7	Measurement & Reporting	Metric dictionary, quarterly dashboards, annual impact report, investor KPIs and readiness for external assurance.

## 2. Purpose, Scope and Institutional Role

### 2.1 Purpose

The purpose of this Framework is to convert NCDF Group's development investment ambition into an investable, measurable and governable ESG and impact system. It defines the principles, processes, metrics, responsibilities, controls and reporting disciplines required to demonstrate that NCDF Group's capital deployment creates measurable economic, social and environmental value while managing downside risk.

### 2.2 Scope

The Framework applies to the full NCDF ecosystem, including the Group holding structure, NCDF Investment Management Plc, NCDF Securities Limited, Platform Companies, sector subsidiaries, project SPVs, funds under management, strategic partnerships, concessions, PPP projects, technology platforms and investee businesses where NCDF has management influence, investment exposure, fund-management responsibility or reputational accountability.

Level	Application
Group Level	Policies, Board oversight, ESG risk appetite, consolidated reporting, investor disclosure and impact assurance.
Fund Level	Investment screening, due diligence, portfolio monitoring, fund-level metrics, LP reporting and impact risk management.
Platform Company Level	Platform-specific ESG priorities, operational KPIs, compliance ownership, management reporting and stakeholder engagement.
SPV / Project Level	Project environmental and social assessments, stakeholder engagement, permits, safeguards, data collection and corrective-action plans.
Investee / Partner Level	ESG covenants, due diligence, reporting obligations, customer protection, labour standards and conduct requirements.

### 2.3 Institutional Role

- Supports Board oversight and management accountability across the Group's platform-company model.
- Improves investor confidence by creating consistent ESG and impact evidence across investment products and project pipelines.
- Strengthens eligibility for DFI, impact investor, green finance, social finance, blended finance and diaspora capital mobilisation.
- Provides a practical tool for project appraisal, investment committee papers, portfolio monitoring and investor reporting.
- Creates an auditable trail of baseline data, targets, outcomes, variances, corrective actions and impact performance.

## 3. Reference Standards and Alignment Logic

The Framework is designed as a pragmatic alignment system. NCDF Group should not attempt to mechanically replicate every external standard at once. Instead, it should adopt a staged approach: use global standards to define governance expectations, risk disciplines, disclosure language and measurement credibility, while applying a proportional system appropriate to each Platform Company, fund, SPV and project maturity level.

Reference Framework	Strategic Relevance	NCDF Application
IFRS S1 and IFRS S2 / ISSB	Investor-focused sustainability-related financial disclosures, climate-related risks and opportunities, governance, strategy, risk management, metrics and targets.	Use for Group-level investor disclosure, materiality assessment and readiness for Nigerian sustainability reporting requirements.
GRI Standards	Impact reporting on the economy, environment and people using comparable and credible disclosure principles.	Use for broader stakeholder reporting, annual impact report and public sustainability communication.
IFC Performance Standards	Environmental and social risk identification, mitigation, stakeholder engagement and project-level disclosure discipline.	Use for infrastructure, housing, healthcare, agro-industrial, energy and PPP projects requiring safeguards.

GIIN IRIS+ and Five Dimensions of Impact	Impact metrics, credible impact data, outcomes logic and dimensions of what, who, how much, contribution and risk.	Use for fund-level impact measurement, portfolio KPIs, investor reports and impact classification.
SEC Nigeria Sustainable Financial Principles	Capital-market ESG governance, sustainable finance practices, reporting and responsible market development.	Use for NCDF Securities, NCDF Investment Management and capital-market products.
NGX Sustainability Disclosure Guidelines	Nigerian-listed-company sustainability disclosure and ESG reporting orientation.	Use for future listing readiness, public-market discipline and comparable ESG disclosure.
Nigeria FRC IFRS Sustainability Adoption Roadmap / SRG 1	Nigeria's progressive adoption and implementation guidance for IFRS Sustainability Disclosure Standards.	Use for readiness planning, board awareness, reporting controls and future regulatory compliance.
UN Sustainable Development Goals	Global development outcomes including poverty reduction, health, education, decent work, infrastructure, inequality reduction and climate action.	Use to map NCDF outcomes to national and international development priorities.

**Alignment Principle**

NCDF Group should disclose alignment where it has a credible basis, avoid overstating compliance, and distinguish between adopted standards, referenced frameworks and future-readiness objectives.

## 4. NCDF Group ESG and Impact Policy Statement

NCDF Group will pursue development investment in a manner that protects long-term enterprise value, strengthens communities, advances responsible infrastructure, expands access to essential services, supports inclusive economic participation and maintains the highest practical standards of governance, transparency, accountability and ethical conduct.

The Group recognises that environmental, social and governance factors are not peripheral to investment performance. They affect project bankability, licence to operate, regulatory confidence, cost of capital, community acceptance, operational resilience, reputational value and long-term investor outcomes.

### 4.1 ESG Commitments

- Integrate ESG risk assessment into investment origination, project approval, due diligence, fund management and portfolio monitoring.
- Measure and report impact outcomes using defined indicators, baselines, targets and evidence-based reporting processes.
- Avoid investments and activities that present unacceptable environmental, social, ethical, legal or reputational risk.
- Promote affordability, access, inclusion, job creation, SME development, gender participation, community benefit and consumer protection.
- Maintain anti-corruption, procurement integrity, conflict-of-interest, whistleblowing and related-party controls across the Group.
- Progressively strengthen climate resilience, energy efficiency, emissions measurement and resource efficiency across assets and projects.
- Embed data protection, cybersecurity, responsible AI and digital trust standards in technology-enabled platforms.

## 5. Group Impact Thesis and Theory of Change

### 5.1 NCDF Impact Thesis

NCDF Group's impact thesis is that long-term development capital can be mobilised into Nigerian real-economy platforms when projects are structured with credible governance, measurable outcomes, commercially viable revenue models, institutional risk controls and transparent impact reporting. The Group's value proposition is therefore to convert development gaps into bankable investment platforms that generate both financial and measurable social returns.

## 5.2 System-Level Development Challenges Addressed

Development Challenge	NCDF Response	Expected Impact Pathway
Housing Deficit and Urban Pressure	Fatherland Smart Cities and Diaspora Affordable Housing Programme	Affordable homes, serviced estates, construction jobs, planned communities and diaspora participation.
Healthcare Access and Quality	LifeCome Healthcare Platform	Hospital services, HMO products, primary care, patient navigation, clinical governance and AleraAI-enabled continuity.
Food Systems and Export Capacity	AfriGo Digital Economic Zone Platform	Agro-processing, packaging, digital trade, farmer aggregation, cold chain and export readiness.
Financial Exclusion	Konto Financial Group Platform	Agency banking, microinsurance, fintech access, MSME finance, digital wallets and community financial inclusion.
SME and Infrastructure Finance Gap	NCDF Investment Management / Funds	Impact funds, opportunity growth capital, infrastructure funds, green bonds and blended finance.
Youth Employment and Skills Gap	NCDF Impact Knowledge / LSSE-linked capacity building	Entrepreneurship training, project clinics, technical capacity and employment pathways.

## 5.3 Theory of Change

Layer	NCDF Theory of Change
Inputs	Equity capital, fund capital, debt facilities, government partnerships, diaspora capital, technology, technical assistance, governance and management capacity.
Activities	Project origination, fund formation, platform company development, PPP structuring, asset development, digital platform deployment and stakeholder engagement.
Outputs	Homes built, hospital beds activated, HMO lives covered, farmers onboarded, agents recruited, SMEs funded, renewable energy deployed and jobs created.
Outcomes	Improved access to housing, healthcare, finance, markets, energy, skills and livelihoods; improved institutional capacity and service quality.
Impact	Inclusive economic growth, stronger communities, improved development outcomes, reduced service gaps, higher productivity and measurable contribution to Nigeria's sustainable development priorities.

## 6. ESG Governance Architecture

The ESG and impact system must be embedded into governance rather than delegated to communications or corporate social responsibility. NCDF Group should establish a clear accountability architecture from Board level to platform and project level.

Governance Body	Core Responsibility
NCDF Group Board	Approves ESG and impact policy, risk appetite, annual impact report, materiality priorities and major exceptions.
Board Risk / ESG Committee	Oversees ESG risks, climate risks, impact performance, related-party issues, compliance and remediation escalations.
Investment Committee	Applies ESG screening, exclusion list, impact scoring, safeguards requirements and investment approval conditions.
Group ESG & Impact Office	Maintains framework, KPI dictionary, data architecture, dashboards, annual report, training and technical coordination.
Platform Company Boards	Approve platform-specific ESG objectives, monitor KPIs, ensure operational controls and report performance to Group.
SPV / Project Directors	Implement environmental and social plans, collect data, manage stakeholder engagement and escalate incidents.
Internal Audit / Compliance	Tests controls, verifies evidence trails, reviews data integrity and monitors adherence to policy and reporting obligations.
External Assurance Providers	Provide staged independent review of selected KPIs, financed-project outcomes, green/social bond reporting or fund-level impact performance.

## 6.1 Three Lines of Accountability

Line	Responsible Parties	Function
First Line	Platform Companies, SPVs, fund teams, operations and project managers	Own ESG risks and collect primary data.
Second Line	Group Risk, Compliance, ESG & Impact Office	Set policy, monitor performance, challenge management and consolidate reporting.
Third Line	Internal Audit and external assurance	Independently test controls, evidence, systems and reporting reliability.

## 7. Impact Management System

NCDF Group's Impact Management System should follow a disciplined investment lifecycle. The aim is to ensure that every qualifying investment can explain what impact it intends to create, who benefits, how much change is expected, how NCDF contributes to that change, what risks may undermine the impact and how performance will be measured.

Stage	Control Requirement
1. Origination	Identify development need, impact eligibility, alignment with platform mandate and commercial viability.
2. Screening	Apply exclusion list, ESG red flags, regulatory review, stakeholder sensitivity and initial impact thesis.
3. Baseline	Collect starting data before investment or project launch: current access, cost, service quality, jobs, emissions, beneficiaries or productivity.
4. Investment Approval	Define impact KPIs, ESG covenants, reporting obligations, safeguards and corrective-action conditions.
5. Implementation	Track output delivery, stakeholder issues, environmental/social incidents, procurement integrity and community engagement.
6. Monitoring	Quarterly dashboard, variance analysis, risk rating, evidence review and management action.
7. Verification	Internal audit review and staged external assurance for material projects, fund reporting or public disclosures.
8. Reporting	Investor reports, Board dashboard, annual impact report, regulatory disclosures and platform-level performance packs.

### 7.1 Impact Classification

Classification	Definition
Impact-Aligned	Project contributes to NCDF development themes but with limited measurable additionality or early-stage data.
Impact-Intentional	Project has explicit outcomes, baseline, measurable KPIs, target beneficiaries and management accountability.
Impact-Verified	Project has independently reviewed data, beneficiary evidence, outcome tracking and documented contribution.
Impact-Leading	Project demonstrates scale, depth, additionality, replicability, strong evidence and potential for institutional impact reporting or blended finance.

## 8. Materiality Framework and ESG Priority Themes

Materiality should be applied in two complementary ways: financial materiality for investor-focused disclosures and impact materiality for stakeholder and development impact reporting. NCDF Group should assess which sustainability-related risks and opportunities could affect enterprise value, cash flows, cost of capital, licence to operate and project execution, while also measuring the Group's impacts on people, communities, the economy and the environment.

Theme	Material Issues for NCDF Group
Environmental	Climate resilience, energy use, greenhouse gas emissions, land use, biodiversity, water, waste,

	pollution, medical waste, construction waste and resource efficiency.
Social	Affordable access, customer protection, patient safety, community engagement, labour standards, health and safety, gender inclusion, youth employment, grievance management and human rights.
Governance	Board oversight, compliance, anti-corruption, procurement integrity, conflicts, related-party transactions, data governance, cybersecurity, responsible AI and transparent reporting.
Economic Impact	Jobs, SME growth, farmer income, housing affordability, health access, financial inclusion, export revenue, local supply chains and fiscal contribution.

### 8.1 Materiality Assessment Process

- Map relevant stakeholders: investors, regulators, government partners, communities, customers, patients, farmers, agents, employees, contractors and development partners.
- Identify sector-specific ESG issues for each Platform Company and project type.
- Assess severity using scale, scope, irreversibility, likelihood, financial effect and reputational sensitivity.
- Validate priority topics through management review, Board committee review and investor feedback.
- Translate material issues into KPIs, risk appetite thresholds, mitigation plans and annual reporting themes.

## 9. Platform Company ESG and Impact Frameworks

The Group-level framework must be translated into platform-specific ESG and impact scorecards. Each Platform Company should operate within the common Group methodology but with metrics and controls appropriate to its sector, regulatory exposure and stakeholder profile.

### 9.1 Fatherland Smart Cities Platform

Dimension	Description
Impact Objective	Deliver affordable, planned, serviced and investment-grade housing communities with measurable affordability, job creation, urban resilience and diaspora participation.
Core ESG Risks	Land title, resettlement, construction safety, affordability drift, contractor compliance, waste, water, building quality, energy use and community relations.
Core KPIs	Homes delivered, affordable units, diaspora subscribers, construction jobs, local procurement, women/youth jobs, green building features, water access, energy efficiency and grievance closure.
Investor Relevance	Asset-backed development pipeline with measurable social infrastructure outcomes and potential green/social finance alignment.

### 9.2 LifeCome Healthcare and Health Energy Platform

Dimension	Description
Impact Objective	Expand access to quality healthcare, hospital services, HMO coverage, primary care, clinical continuity and health energy resilience.
Core ESG Risks	Patient safety, clinical governance, medical waste, data privacy, responsible AI, infection control, workforce credentialing, affordability, insurance claims fairness and emergency response.
Core KPIs	Patients served, HMO lives covered, bed capacity, primary care visits, referral turnaround, claim settlement cycle, patient satisfaction, clinical incident rate, medical waste controls and energy uptime.
Investor Relevance	Healthcare is a structural demand sector with strong impact outcomes when governed by quality, safety, affordability and patient-protection controls.

### 9.3 AfriGo Digital Economic Zone Platform

Dimension	Description
Impact Objective	Build agro-processing, packaging, export-readiness and digital trade infrastructure that increases farmer access to markets, improves value capture and reduces food-system inefficiencies.

Core ESG Risks	Food safety, traceability, farmer exploitation, water use, waste, cold-chain energy, logistics emissions, child labour risk in supply chains, cooperative governance and export compliance.
Core KPIs	Farmers onboarded, cooperatives served, produce processed, export volumes, farmer income change, post-harvest loss reduction, jobs created, food safety certification and traceability coverage.
Investor Relevance	Agro-industrial infrastructure can generate commercial revenue while strengthening food security, export capacity and rural economic inclusion.

### 9.4 Konto Financial Group Platform

Dimension	Description
Impact Objective	Deepen financial inclusion through agency banking, fintech services, microinsurance, MSME finance and community-level digital financial access.
Core ESG Risks	Consumer protection, agent misconduct, cyber risk, data privacy, AML/CFT, fraud, irresponsible lending, claims fairness, pricing transparency and operational resilience.
Core KPIs	Active customers, women customers, active agents, transaction volume, insured lives, claims paid, MSMEs served, complaint resolution, agent training and fraud-loss ratio.
Investor Relevance	Financial inclusion platforms create scalable transaction revenue and measurable social impact when protected by strong compliance and customer safeguards.

## 10. ESG Screening, Categorisation and Due Diligence

All investments, projects and partnerships should undergo ESG and impact screening before approval. The depth of assessment should be proportionate to sector, project size, community sensitivity, regulatory complexity, environmental and social risk, reputational exposure and financing requirements.

### 10.1 ESG Categorisation

Category	Risk Profile	Required Controls
Category A	High-risk projects with potentially significant adverse environmental or social impacts, complex land/community issues, material clinical/customer protection risks or significant reputational exposure.	Full ESG due diligence, specialist assessment, Board committee review, ESMP, stakeholder engagement plan and potential external assurance.
Category B	Moderate-risk projects with identifiable impacts that can be mitigated through standard management plans and controls.	ESG checklist, management plan, reporting conditions and quarterly monitoring.
Category C	Low-risk activities with minimal adverse environmental/social impacts.	Standard compliance checks, policy acknowledgement and basic KPI reporting.
Category FI	Financial intermediation or fund-related exposures where underlying sub-projects/investees may carry ESG risks.	ESG management system, sub-project screening, covenants, exclusion list and portfolio monitoring.

### 10.2 Exclusion List

NCDF Group should maintain a formal exclusion list for activities that conflict with its impact mandate or create unacceptable legal, environmental, social, ethical or reputational risks. The list should be approved by the Board and applied across investment, procurement, partnership and fund-management decisions.

- Illegal activities under Nigerian law or applicable international sanctions regimes.
- Activities involving corruption, bribery, money laundering, terrorist financing or serious governance misconduct.
- Forced labour, child labour, human trafficking, abusive labour practices or material human-rights violations.
- Projects involving unlawful land acquisition, unresolved displacement or failure to undertake appropriate stakeholder engagement.
- Activities with severe, irreversible environmental harm that cannot be mitigated to acceptable standards.
- Financing products that are predatory, misleading, discriminatory or structurally harmful to vulnerable customers.
- Healthcare activities that lack appropriate licensing, clinical governance or patient-safety controls.

## 11. Impact Metrics Catalogue and KPI Dictionary

Metrics must be selected for management utility, credibility, evidence availability and investor relevance. NCDF should use a common hierarchy: Group-level impact KPIs, platform-level KPIs, fund-level KPIs, SPV/project KPIs and beneficiary-level outcome indicators.

### 11.1 Group-Level Core Metrics

Metric	Definition	Frequency	Owner
Capital Mobilised	Total equity, debt, fund capital and blended finance mobilised into NCDF-aligned platforms and projects.	Quarterly / Annual	Finance / Fund Manager
Jobs Created and Sustained	Direct, indirect and construction-phase employment supported by NCDF projects and platforms.	Quarterly	Platform Companies
Women and Youth Beneficiaries	Number and percentage of women and youth benefiting as customers, workers, entrepreneurs, agents, farmers or trainees.	Quarterly	ESG & Impact Office
Affordable Homes Delivered	Completed homes or housing units delivered under NCDF housing and smart-city platforms.	Quarterly / Annual	Fatherland
Healthcare Users Served	Patients, HMO members, primary-care users or health beneficiaries reached through LifeCome platform services.	Quarterly	LifeCome
Farmers / Producers Onboarded	Farmers, cooperatives or producers connected to AfriGo processing, packaging, digital trade or export services.	Quarterly	AfriGo
Financial Inclusion Reach	Active customers, agents, insured lives, digital accounts or underserved users reached by Konto platforms.	Monthly / Quarterly	Konto
GHG Emissions Tracked	Scope 1, Scope 2 and selected Scope 3 emissions tracked for priority operations or projects.	Annual	ESG & Impact Office
Grievance Resolution	Percentage of stakeholder, customer, patient or community grievances resolved within defined service standards.	Quarterly	Platform Companies
ESG Incident Rate	Material ESG incidents reported, investigated and closed with corrective action.	Quarterly	Risk / Compliance

### 11.2 Platform-Level KPI Matrix

Platform	Priority KPI Themes
Fatherland	Housing units delivered; affordability ratio; construction jobs; local procurement; green building features; land grievance resolution; diaspora subscribers.
LifeCome	Patients served; HMO lives covered; clinical quality incidents; emergency response time; claim settlement cycle; patient satisfaction; energy uptime; medical waste compliance.
AfriGo	Farmers onboarded; cooperative contracts; post-harvest loss reduction; produce processed; export volume; farmer income uplift; food safety certification; traceability.
Konto	Active agents; active customers; women customers; MSMEs served; microinsurance policies; claims paid; complaints resolved; fraud rate; agent training completion.
NCDF Investment Management	Funds raised; portfolio companies financed; impact-screened investments; ESG due diligence completion; portfolio jobs; portfolio revenue growth.
NCDF Securities	Capital-market mandates with ESG screening; sustainable finance products; investor disclosure compliance; client due diligence completion; conflict controls.

### 11.3 Data Quality Rating

Rating	Description
A - Assured	Externally reviewed or audited data with documented methodology and evidence trail.
B - Verified	Internally verified data with supporting documents, reconciliations or system records.
C - Management Reported	Reported by management with reasonable evidence but not yet independently verified.
D - Estimated	Estimated using assumptions, proxies or incomplete source data. Must be disclosed as estimate.
E - Not Available	No reliable data yet. Baseline collection required before public disclosure.

## 12. Climate, Environmental and Resource Efficiency Framework

NCDF's environmental approach should be practical, progressive and investment-linked. The Group should first identify material environmental impacts across platforms, establish baseline controls and then mature toward emissions measurement, climate risk assessment and resource-efficiency targets.

Area	NCDF Control Focus
Climate Governance	Board and management oversight of climate-related risks and opportunities in line with investor-focused disclosure expectations.
Emissions Measurement	Progressive tracking of Scope 1, Scope 2 and selected material Scope 3 emissions for priority assets and funds.
Energy Efficiency	Energy intensity, renewable energy deployment, efficient equipment and health-energy resilience for hospitals and facilities.
Water Management	Water availability, water efficiency, wastewater management and water resilience for housing, healthcare and agro-processing.
Waste Management	Construction waste, medical waste, agro-processing waste, packaging waste and digital records for regulated disposal.
Climate Resilience	Physical risk screening for floods, heat stress, infrastructure disruption, supply-chain vulnerability and insurance implications.
Environmental Permitting	Compliance with local environmental permits, EIA requirements, waste licences, health/safety obligations and project conditions.

### 12.1 Environmental Performance Indicators

- Energy consumed per facility, estate, hospital, processing unit or operating platform.
- Renewable energy installed or procured for priority assets.
- Water consumed and wastewater managed in priority facilities.
- Waste generated, recycled, recovered or disposed through approved channels.
- Medical waste segregation and compliant disposal for healthcare assets.
- Construction waste management and contractor compliance for housing and infrastructure projects.
- Emissions estimates for priority operations, beginning with Scope 1 and Scope 2.

## 13. Social Performance, Stakeholder Engagement and Safeguards

NCDF Group's social performance model should focus on people who are directly affected by, employed by, served by or financially exposed to the Group's platforms. Social impact must be measured through access, affordability, inclusion, quality, protection, safety and stakeholder voice.

Safeguard Area	Institutional Requirement
Stakeholder Engagement	Identify stakeholders early, communicate project benefits and risks, document concerns and integrate feedback into project design.
Grievance Management	Provide accessible complaint channels for communities, customers, patients, agents, employees, contractors and beneficiaries.
Labour and Working Conditions	Contractor standards, fair pay, occupational health and safety, no forced or child labour, grievance channels and training.
Customer and Patient Protection	Transparent pricing, responsible marketing, fair claims, service quality, patient dignity, data privacy and complaint resolution.
Community Health and Safety	Construction safety, traffic safety, emergency response, infection prevention, food safety and infrastructure safety.
Inclusion	Women, youth, low-income communities, underserved regions, diaspora families, MSMEs, smallholder farmers and vulnerable customers.

### 13.1 Stakeholder Engagement Plan Minimum Content

- Stakeholder map and influence/impact assessment.
- Communication channels, frequency and responsible officers.

- Community engagement records and meeting minutes.
- Feedback integration log and management responses.
- Grievance register, response timelines and closure evidence.
- Escalation protocol for unresolved, high-risk or sensitive complaints.

## 14. Governance, Ethics and Responsible Capital Framework

Governance is the foundation of the NCDF ESG and impact system. Without disciplined governance, impact claims become difficult to validate and capital-market confidence is weakened. NCDF Group should therefore integrate ESG into governance controls, investment approvals, procurement, financial reporting, related-party transactions, data management and ethics systems.

Governance Area	NCDF Requirement
Board Oversight	Clear Board and committee oversight of ESG, impact, climate, compliance and stakeholder risk.
Anti-Corruption	Zero tolerance for bribery, facilitation payments, procurement manipulation, investor misrepresentation and fraudulent reporting.
Related-Party Controls	Transparent review, approval and disclosure of related-party transactions, cost allocation and intercompany arrangements.
Procurement Integrity	Supplier due diligence, conflict declarations, competitive procurement, contract management and contractor ESG requirements.
Data Protection	Customer, patient, investor, employee and platform data must be collected and processed responsibly and securely.
Responsible AI	AleraAI and other AI-enabled systems must apply human oversight, clinical accountability, bias control, explainability and privacy standards.
Whistleblowing	Confidential reporting channels with non-retaliation protection and Board-level escalation for serious allegations.

## 15. Data Architecture, Verification and Assurance

Impact data must be managed as institutional evidence, not marketing content. Each metric should have a definition, owner, source, frequency, baseline, target, calculation method, data quality rating and approval trail. This is essential for investor trust, regulatory confidence and future assurance readiness.

Element	Requirement
Data Source	System records, finance data, HR records, hospital systems, HMO claims, agent network data, farmer registry, project reports, surveys or external records.
Metric Owner	Named officer responsible for collecting, validating and submitting each metric.
Baseline	Starting point against which progress is measured.
Target	Annual or project-level performance objective approved by management or the Board.
Evidence File	Supporting documents such as invoices, registers, system extracts, survey instruments, permits, certificates or photographs.
Review Trail	Internal sign-off, variance explanation, audit review or external assurance note.

### 15.1 Assurance Roadmap

Stage	Assurance Level	Practical Action
Year 1	Internal reporting discipline	Metric dictionary, data owners, evidence folders, quarterly dashboard and Board reporting.
Year 2	Internal audit review	Internal audit tests selected metrics, controls and evidence trail for priority platforms.
Year 3	Limited external assurance	External review of selected KPIs, financed-project outcomes or green/social bond/fund reports.

Year 4+	Expanded assurance	Broader assurance over annual impact report, climate metrics and investor-facing disclosures.
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## 16. Reporting, Disclosure and Investor Communication

NCDF Group should operate a tiered reporting system: internal management dashboards for decision-making, Board reports for oversight, investor reports for capital providers, regulatory reports where required and annual public-facing impact reports when the Group is ready for controlled disclosure.

Frequency	Report	Content
Monthly	Platform operations dashboard	Operational KPIs, incidents, complaints, project milestones, customer/patient/farmer/agent data.
Quarterly	Board and investor impact dashboard	Core ESG metrics, impact performance, risk ratings, material incidents, corrective actions and capital deployment.
Semi-Annual	Platform company impact review	Progress against targets, management learning, stakeholder feedback, data quality and platform-specific strategic issues.
Annual	NCDF Group ESG and Impact Report	Narrative report, KPI tables, SDG alignment, platform performance, case studies, assurance status and future targets.
Event-Driven	Incident / controversy reporting	Material ESG incidents, regulatory breaches, serious complaints, safety events, data breaches or reputational issues.

### 16.1 Annual ESG and Impact Report Structure

- Chairman's statement on responsible investment and development impact.
- Overview of NCDF Group platform-company architecture and impact strategy.
- Materiality assessment and priority ESG topics.
- Capital mobilised and capital deployed by sector.
- Platform-level impact results for Fatherland, LifeCome, AfriGo and Konto.
- Environmental performance, climate risk, energy and resource-efficiency metrics.
- Social outcomes, beneficiaries, jobs, inclusion and stakeholder engagement.
- Governance, ethics, compliance, risk management and data assurance.
- Case studies, lessons learned, corrective actions and forward targets.

## 17. Social Return on Investment and Impact Valuation

Social Return on Investment (SROI) should be used selectively where the Group has sufficient evidence to monetise outcomes credibly. It should not replace core KPI reporting. Instead, SROI can help communicate broader value in housing, healthcare, education, employment, farmer income, financial inclusion and energy resilience when assumptions are conservative and transparent.

Step	NCDF SROI Method
1. Define Scope	Select a project, platform or fund with clear beneficiaries and measurable outcomes.
2. Map Stakeholders	Identify who experiences change and how the change is evidenced.
3. Establish Outcomes	Define outputs, outcomes and outcome indicators; avoid double counting.
4. Evidence and Value	Use conservative proxies, market data, avoided cost or income effects where defensible.
5. Adjust for Impact Factors	Apply deadweight, displacement, attribution and drop-off assumptions.
6. Calculate and Report	Present SROI ratio with assumptions, confidence level, sensitivity and limitations.

#### Use with Discipline

NCDF should avoid overstated SROI claims. Monetised impact should be presented only where assumptions are documented, evidence is available and limitations are clearly disclosed.

## 18. Implementation Roadmap

Timeline	Priority Actions
0-90 Days	Board adoption; appoint ESG & Impact Lead; approve policy; define metric dictionary; assign data owners; launch baseline data collection for four Platform Companies.
90-180 Days	Integrate ESG screening into investment committee papers; establish dashboards; implement grievance registers; complete platform materiality reviews; prepare first internal ESG performance report.
180-365 Days	Publish first internal annual impact report; establish evidence folders; perform internal audit review; train platform teams; begin climate and emissions baseline for priority assets.
Year 2	Introduce selected external assurance; strengthen investor disclosure; align green/social finance reporting; embed platform-level impact targets into management KPIs.
Year 3+	Mature toward assured annual ESG and impact reporting, fund-level impact reporting, sustainability-linked financing and public-market disclosure readiness.

### 18.1 Immediate Governance Decisions Required

- Approve the NCDF Group ESG and Impact Policy Statement.
- Mandate the Group ESG & Impact Office or equivalent accountable function.
- Embed ESG and impact screening into all Investment Committee and Platform Company approval papers.
- Approve the Group exclusion list and ESG categorisation methodology.
- Require each Platform Company to submit a 12-month ESG and impact implementation plan.
- Create a quarterly ESG and impact dashboard for the Board and investors.

## 19. Appendices

### Appendix A: ESG Due Diligence Questionnaire

Area	Key Question
Governance	Does the project/investee have registered directors, current corporate filings, transparent ownership, conflict declarations and clear approval authority?
Compliance	What licences, permits, regulatory approvals, environmental authorisations, insurance and contractual obligations apply?
Environmental	What are the material land, emissions, energy, water, waste, pollution, biodiversity or climate resilience risks?
Social	Who are the affected stakeholders and beneficiaries? What are the labour, community, customer, patient, farmer or agent protection issues?
Health and Safety	What health, safety, clinical, construction, traffic, food safety or occupational safety risks exist?
Data and Technology	What personal data, platform data, cybersecurity, AI ethics, system availability or third-party processing risks exist?
Impact	What outcomes are intended, what baseline exists, what KPIs are measurable and what evidence will be collected?
Incident History	Has the project/investee had material complaints, regulatory sanctions, litigation, accidents, fraud or public controversy?

### Appendix B: Sample Quarterly ESG and Impact Dashboard

Metric	Unit	Target	Actual	Variance	Management Note
Capital mobilised	₹ / \$ / £	Target	Actual	Variance	Commentary
Jobs created	Number	Target	Actual	Variance	By platform and gender/youth where available
Beneficiaries reached	Number	Target	Actual	Variance	Patients, residents, farmers, agents, customers
Material ESG incidents	Number	0 tolerance threshold	Actual	Status	Incident type and corrective action

Grievance closure	%	Target	Actual	Variance	Open issues and ageing
Data quality rating	A-E	Target	Actual	Variance	Evidence status

### Appendix C: Platform Company Minimum Annual Impact Scorecard

Platform Company	Minimum Scorecard Metrics
Fatherland	Homes delivered; affordability; jobs; local procurement; land grievances; energy efficiency; community facilities.
LifeCome	Patients; HMO members; bed capacity; clinical quality; claims performance; patient satisfaction; medical waste; uptime.
AfriGo	Farmers; cooperatives; produce processed; export value; farmer income; post-harvest loss; food safety; traceability.
Konto	Agents; active users; women customers; MSMEs; insured lives; claims; complaint resolution; fraud and AML controls.

### Appendix D: References and Standards Consulted

Institution	Reference
IFRS Foundation / ISSB	IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information; IFRS S2 Climate-related Disclosures; ISSB knowledge hub.
Global Reporting Initiative	GRI Standards for reporting impacts on the economy, environment and people.
International Finance Corporation	IFC Performance Standards on Environmental and Social Sustainability.
Global Impact Investing Network	IRIS+ impact measurement system and Five Dimensions of Impact guidance.
Securities and Exchange Commission, Nigeria	Guidelines on Sustainable Financial Principles for the Nigerian Capital Market.
Nigerian Exchange Group	Sustainability Disclosure Guidelines and market sustainability resources.
Financial Reporting Council of Nigeria	Roadmap and Sustainability Reporting Guideline for adoption of IFRS Sustainability Disclosure Standards in Nigeria.
United Nations	Sustainable Development Goals.

### Appendix E: Board Adoption Resolution - Suggested Form

The Board of NCDF Group may adopt this Framework subject to legal, regulatory, audit and management review. Upon adoption, management should be mandated to develop implementation procedures, nominate accountable officers, establish reporting templates and present the first quarterly ESG and impact dashboard to the Board.

**Suggested Resolution**  
 Resolved that the NCDF Group ESG and Impact Measurement Framework is approved in principle as the Group's institutional framework for ESG governance, impact measurement, responsible investment screening, platform-level reporting and investor disclosure, subject to periodic review and alignment with applicable laws, regulations, Board policies and investment documentation.