

Financing mechanisms for water & sanitation

We are Water.org

We are a leader in developing financial strategies that unlock capital for water and sanitation to people living at the base of the economic pyramid.

We found that people living in poverty already pay up to 20% of their income to give their families temporary water solutions. Given the choice and opportunity to finance a lasting water or sanitation solution, millions are willing and able to take a small, affordable loan for water connections and toilets..

This is a solution to closing the financing gap.

We are Water.org

We work to

- **mobilize philanthropy catalytically,**
- utilize existing financial resources **more efficiently and effectively,**

We provide **evidence-based knowledge** and **strategic guidance**

- so our partners can use financing / their loan capital and projects
- to help increase access for water and sanitation
- to people living at the base of the economic pyramid.

This blended approach is really important

Our approach is proven and powerful



We solve smart



We solve together



We solve for the system

Water.org is making impact in three ways: Direct, Collective and Systems



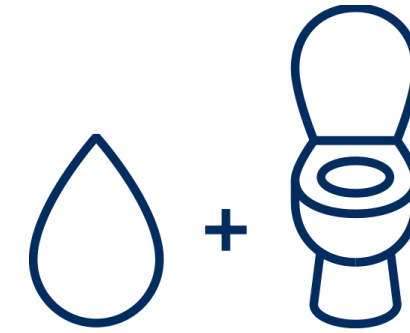
Financial Institutions
(microlending)

Microfinance
Associations

Banks and Investors

Global Credit
Enhancement Facility

Provide Loans



WASH experts, NGOs

Utilities (state and
private)

Product Manufacturers

**Expand Access to
Financing**



Market Research firms

National Government

Local / Regional
Government

Multilaterals

**Increase the flow of
capital to WASH**

Our solutions are proven and powerful

We exist to break down the barriers between people and access to safe water and sanitation. We do this through three smart solutions.

1

WaterCredit

Access to affordable financing

2

Global Engagement

Creating an enabling environment for our solutions

3

WaterEquity

Scaling and accelerating WaterCredit with additional capital from social impact investors

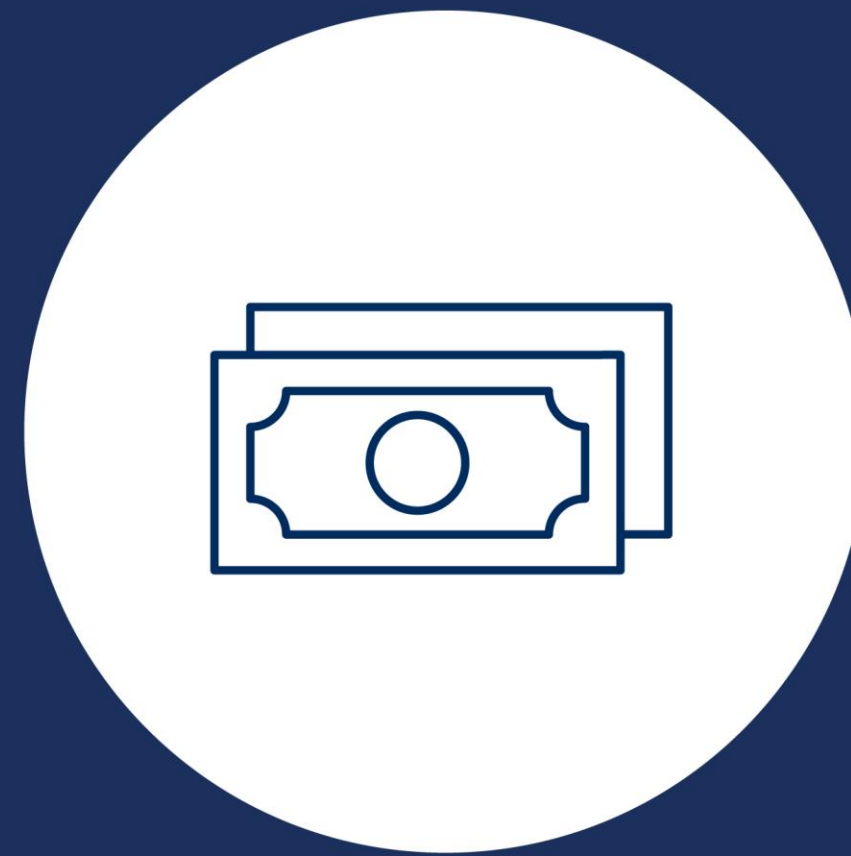
How does WaterCredit work?

WaterCredit is a pay-it-forward system that makes it possible to help more people in ways that will last

It empowers people by helping them **access small, affordable loans** to get access to safe water and sanitation at home

It creates new customers with individual financial power

WaterCredit – a proven and powerful approach



Every repaid loan can empower another family with safe water.



We identify a region that is ready for a microfinance solution and then we partner with carefully selected institutions that provide affordable financing for water and sanitation to families in need.

These partners establish water and sanitation loans in their portfolio of offerings. We support them by providing technical assistance, connections and resources to get them started.

People in need use these small, affordable loans to put a tap or toilet in their homes and access local resources to do the work.

What is Water.org's role in WaterCredit?

Water.org doesn't directly loan to people, but rather **helps local institutions** do so

Water.org provides

- **connections** to partners
- **expertise**
 - loan product development
 - on market research
 - educational materials
- **subsidies** when available

WaterCredit at a glance

\$368

average loan size

99%

repayment rate

18

average months to repay loan

87%

of borrowers are women

What is WaterEquity?

Water.org saw an opportunity:

- the poor are bankable but underserved
- lenders didn't have enough money to meet the crushing need from borrowers
- markets are looking for opportunities to invest in
- particularly if they fall into an Impact Investing category

So Water.org created a vehicle for investment, that became an affiliated company

What is WaterEquity?

- WaterEquity is an asset manager
 - that invests in financial institutions and enterprises in emerging markets
 - which deliver access to safe water and sanitation for families living in poverty
- Funds provide a financial return and portfolio diversification to investors
- Two funds already closed, one with its first close in June and more coming

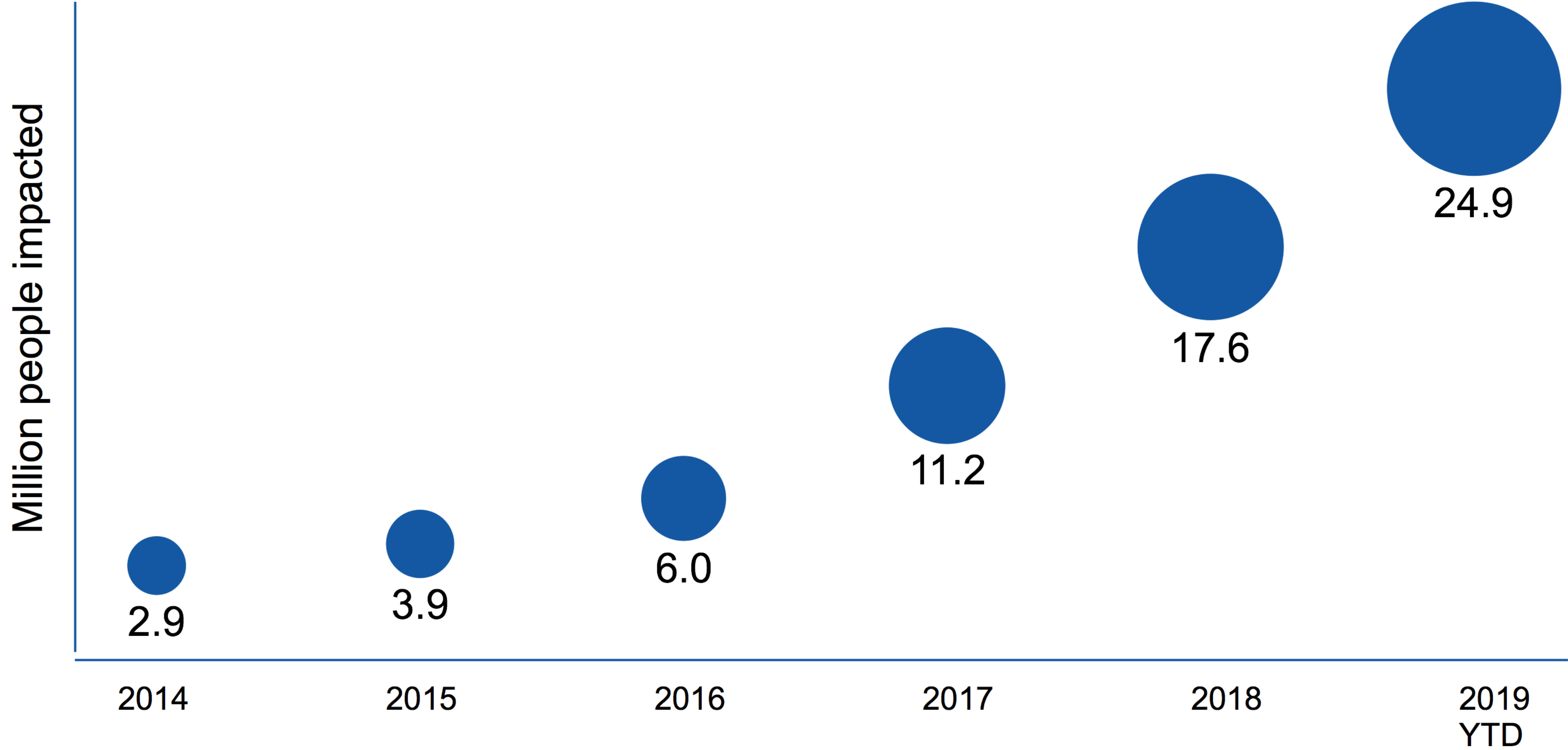
What is WaterEquity?

- WCIF1 was launched in 2014, it was an \$11M trial that provided debt capital to nine high-performing microfinance institutions in India
- WaterEquity calculates that this fund has so far improved the lives of over 400,000 people
- It exceeded its expected 2% ROI with a first year distribution of 3.6%

- The most recent fund, the Global Access Fund, is targeting \$150M
- Aiming for an 8% return on equity, 3% return on debt - much better than charity
- With an expected social return of 4.6 million people impacted over its seven year term

Our impact is accelerating

A few years ago, Water.org reached one million people in a year. **Now, we can reach that many in a matter of months**



- Bangladesh
- Brazil
- Cambodia
- Ethiopia
- Ghana
- India
- Indonesia
- Kenya
- Mexico
- Peru
- Philippines
- Tanzania
- Uganda



Some of our Global Sponsors



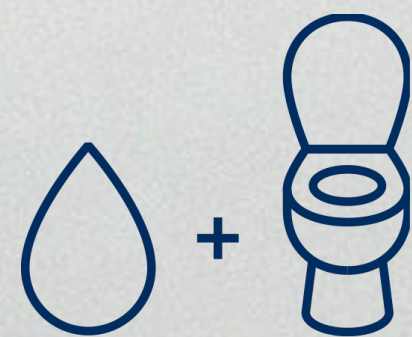
We'd love to work with you



25 years giving people a hand UP, not a handout



\$30M disbursed to help partners develop, pilot and roll out lending portfolios



\$2.1B in loan capital enabled through our partners

