



an asset management firm making profitable
and strategic investments that solve critical
social and environmental problems

Fostering Resilience October 2016

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WHO WE ARE AND HOW WE INVEST



Encourage Capital is an investment firm that focuses on profitable investments that solve critical social and environmental problems

WOLFENSOHN FUND MANAGEMENT

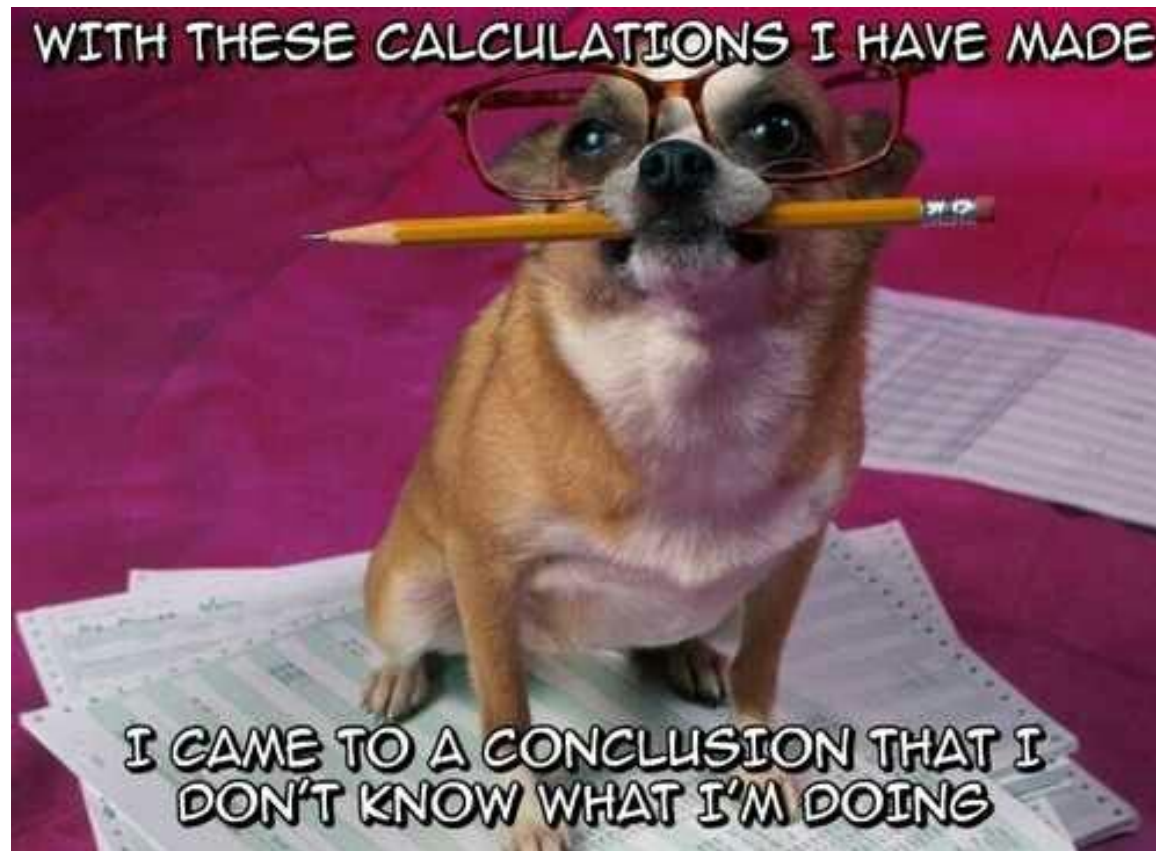
- **\$250M PE fund with strong focus on emerging markets inclusive financial services**
- **Strength in financial inclusion/development finance**
- **Global investment knowledge and networks**



- **Pioneering approaches to leveraging private capital to solve complex social and environmental problems**
- **Strength in environmental markets and conservation finance**
- **Strong reputation and networks in asset owner community**

WHY PRIVATE CAPITAL

Transferring risk...



WHY PRIVATE CAPITAL

...or responsibility

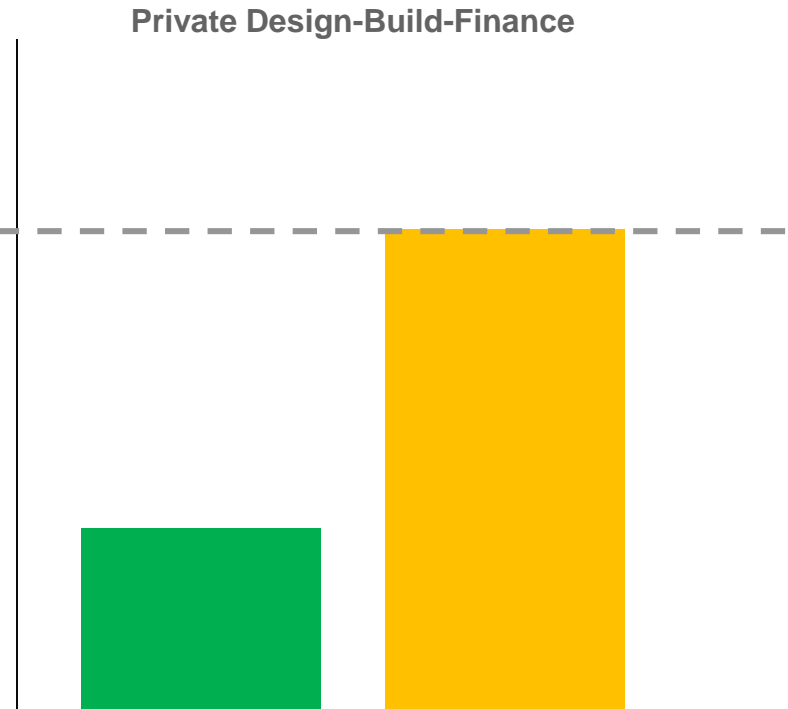
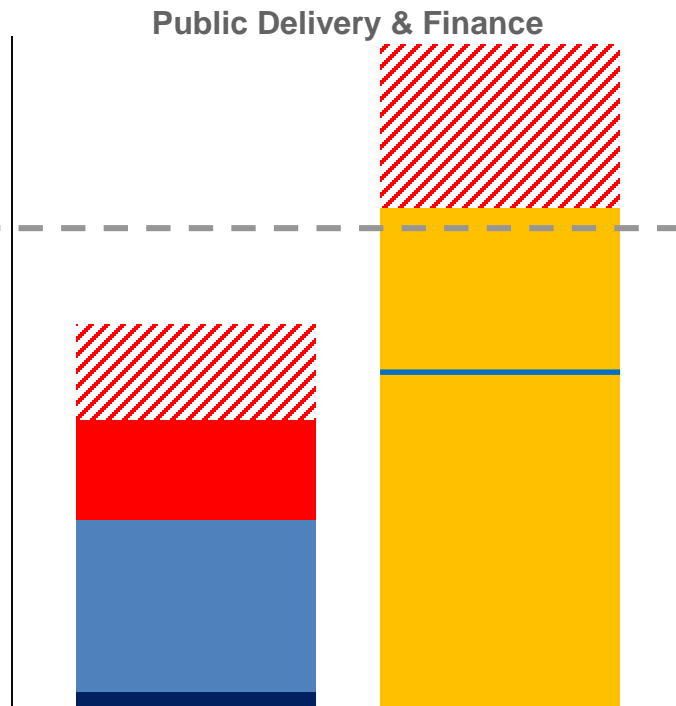


X ← your
problem

VALUE FROM RISK TRANSFER

Cost of capital versus cost of project

Project Cost Base = 100



- Design(1)
- Construction
- Cost Overrun(2)

- 30-year Cumulative Financing Cost(3)
- Design-Build(4)
- Public Financing Cost – No Cost Overrun

1. 10% of total project cost estimate; 2. 50-100% Source: Flyvbjerg et al., *Megaprojects and Risk*; 3. 30y annual payment, 4% public cost, 8% private WACC; 4. 5% procurement savings estimate.

ANOTHER ROLE FOR PRIVATE CAPITAL

Supporting financing of distributed infrastructure

Case Study: District Stormwater

