Dear friends,

We're excited to share our results and financials in this 2014 annual report.

The power of business fighting poverty is as relevant today as it was 32 years ago, when iDE was founded. Every day we see farms and businesses increasing their income, which means more money for families to improve their lives. It’s a simple idea, but it’s often lost in the increasingly complex dialogue on helping the very poor.

For iDE, tangible results matter. Our technologies help farmers grow more food in almost a dozen countries. From Nepal, where entire villages have come to life by selling more, higher quality vegetables, to Burkina Faso, where our irrigation technologies are helping families to grow food in dry, difficult conditions, we are inspired by the amazing entrepreneurs that make it all happen.

We use the power of business in all we do. "What you measure is what gets done," a common phrase in business, is adopted by our teams globally. In 2014, we can proudly report that for each dollar invested in iDE, farmers are earning $11.40 each year following our support. This report reflects those achievements for iDE globally in 2014. We take pride in our accomplishments, but much credit is due to our friends and partners that have joined us in the journey.

Tim Prewitt

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### 2014 Highlights

iDE marked a milestone with completion of the Sanitation Marketing Scale-Up (SMSU) program in Cambodia, funded by the Bill and Melinda Gates Foundation, the Stone Family Foundation, and World Bank WSP. We exceeded the project's "excellent" target with more than 141,000 latrines sold. Based on this program, we expanded our sanitation marketing approach to other country programs in Asia and Africa. 2014 saw completion of pilot projects in Bangladesh, Ethiopia, Zambia, and we were awarded funding to begin scale-up in Vietnam and Nepal and continue the second phase of SMSU in Cambodia.

iDE continued our partnership with the Swiss Agency for Development and Cooperation (SDC) to increase smallholder income and water efficiency at global scale by scaling up access to water-smart irrigation technologies for smallholders. This phase works in Honduras, Nicaragua, Burkina Faso, Vietnam, Kyrgyzstan, and Tajikistan to build and grow commercial channels for water-efficient technologies, inputs and technical advice to smallholders.

iDE began implementing two large new projects in Nepal through the support of USAID and DFID, which focus on the critical issue of climate change and climate-resilient livelihoods for smallholder farmers.

iDE’s innovative work in Mozambique continued thanks to recognition from the USAID Partnering for Innovation Fund in Mozambique to work with private sector partners Lusosem and HUB to increase access to agricultural inputs, technical advice, and output markets for 10,000 smallholder farmers.

In Vietnam, iDE expanded its Farm Business Advisor (FBA) program with the goal of training 200 new FBAs by widening the geographic coverage and raising productivity and income for farmers in new crops and agricultural markets.

iDE partnered with Toro Irrigation, the largest US manufacturer of drip irrigation equipment, to downscale its drip kit for smallholder farmers in Zambia. Using human-centered design, iDE and Toro redesigned the kit to make it both affordable and desirable for farmers. In just 12 months, the kit was designed, sold to a local partner in Zambia, and introduced and sold to smallholder farmers in the Zambian market.

In Nepal, iDE was recognized with a visit by USAID Administrator Rajiv Shah, who toured iDE’s project site for the Integrated Pest Management Innovation Lab (IPM IL), through which we work with Virginia Tech University.

iDE joined World Water Week in Stockholm and presented on our work with renewable energy water pumps for smallholder irrigation.

iDE spoke on using data to drive impact in our programs at the Water for Food Conference, convened by the Bill and Melinda Gates Foundation and University of Nebraska.

iDE contributed to organizing the 2014 SEEP (Small Enterprise Education and Promotion) Network Conference. Additionally, iDE presented on Scaling Basic Sanitation Services through Diversified Market Development Strategies, and iDE founder Paul Polak delivered the keynote address.
Impact Numbers

TOTAL CLIENTS

228,751 2014 Annual Clients
3,986,615 Cumulative Clients through 2014
$203/yr (PPP)* Avg annual impact per household
11.4 TO 1 Cost Effectiveness Ratio based on rolling 3-yr avg

IRRIGATION TECHNOLOGIES

7,821 2014 Annual
2,652,221 Cumulative through 2014
$278/yr Avg annual impact per household
9.9 to 1 Cost Effectiveness Ratio based on rolling 3-yr avg

WASH TECHNOLOGIES

125,378 2014 Annual
659,845 Cumulative through 2014
$131/yr Avg annual impact per household
16.1 to 1 Cost Effectiveness Ratio based on rolling 3-yr avg

LATRINE

77,363 2014 Annual
196,908 Cumulative through 2014
$84/yr Avg annual impact per household
10.8 to 1 Cost Effectiveness Ratio based on rolling 3-yr avg

WATER FILTER

48,105 2014 Annual
385,722 Cumulative through 2014
$191/yr Avg annual impact per household
52.2 to 1 Cost Effectiveness Ratio based on rolling 3-yr avg

*PPP = Purchasing Power Party
iDE's Area of Impact

WE'RE ON A PATH TO **DOUBLE** OUR EFFORTS WHERE WE'RE MAKING THE MOST **IMPACT**.

**DESIGN**
Invest courageously in innovative, disruptive ways for our customers and partners to prosper.

**DELIVER**
Increase access to affordable, life-changing products and services for poor rural households.

**CONNECT**
Link farmers to high-value markets that offer opportunities for significant increase in income.

**FINANCE**
Develop and deliver finance solutions that enhance access to life-changing products and services for poor rural households.

**MEASURE**
Base our decisions on purpose-driven, rapid, and accessible data.
DESIGN

Human insights lead to smart, sustainable change. We use human-centered design to develop products that people want to buy and producers want to sell. Our design methodology allows us to re-engineer supply chains and streamline business models. Our goal is to build systems that remain fluid in the face of market changes and are tailored to each community. We've seen this process flourish in relationships where donors, corporations, and public partners share a deep commitment to innovation.

Human-centered design is a leading methodology to innovate solutions that are desirable, viable and feasible. Solutions can be products, services, systems, technologies, and programs for either existing or new markets. Human-centered design is holistic; it encompasses supply chain, promotion, product, price, and service.

DELIVER

We build local business models for products and services that will make the biggest difference in people’s lives. A great product is just the beginning. In order for it to succeed, we need to build a supply chain that connects the first mile with the last mile. We do this with irrigation technologies, seeds, fertilizer, and other farming essentials, as well as with water filters and latrines.

CONNECT

As Earth’s population grows, we will need to find ways for our finite natural resources to feed a growing number of people. How can we step up productivity in ways that do not lead to loss of biodiversity or water stress? Smallholder farmers play a critical role generating the majority of food production in many rural areas, but they suffer from a lack of reliable markets to sell their harvest. Food doesn’t always reach the people who need it. And without a reliable income, producers can’t reinvest in their farm businesses. iDE addresses these problems by connecting farmers with markets that offer opportunities to grow their customers, increase their income, and provide fresh food for more people.

FINANCE

Working with commercial and rural banks, our technologies and services are reaching millions with appropriate and efficient microfinance loans. With repayment rates close to 100%, our partners are showing an increased interest in financing small rural loans. We are clearly demonstrating the potential for micro loans to play a meaningful role in the rural banking business model.

MEASUREMENT, EVALUATION, & LEARNING

Like a business, we are after results. Change in household incomes is #1. To ensure the business models we design are attractive, and therefore sustainable, we also measure indicators such as product sales, operating profit and business income. Data makes us accountable, but it also helps us run smarter programs.

Our program decisions must be based on purpose-driven, rapid, and accessible data. To stay ahead of the changing needs of the market, we are strengthening our streamlined data systems to deliver clear, correct and on-time key performance indicators to managers. Our research and evaluation team is establishing a rigorous evidence base for the impact and characteristics of each solution in our portfolio.

iDE marked big achievements in our water, sanitation, and hygiene programs, both within the flagship sanitation marketing program in Cambodia and in the growth of the programs that were spawned from Cambodia’s success. Phase one of Cambodia’s Sanitation Marketing Scale-Up (SMSU) project came to a close, surpassing the project’s “excellent” target with more than 141,000 household latrines sold and resulting in an increase in improved sanitation coverage in the project area from 29% to 45% in three years. Phase two of the project began with the aim of selling 223,000 latrines and reaching 74% sanitation coverage in the following three years. Also in 2014, iDE continued expansion of our sanitation marketing approach to other country programs, as we completed pilot projects in Bangladesh, Ethiopia, and Zambia, and secured funding to begin scale-up in Vietnam and Nepal.

iDE’s Technology and Innovation Group (TIG) introduced an innovative renewable energy pump for smallholder irrigation through a grant by USAID’s Powering Agriculture: An Energy Grand Challenge for Development program. In partnership with Futurepump, iDE established a manufacturing facility in India for the solar-powered Sunflower pump and began field testing in Nepal with a newly developed real-time data logger that enables remote monitoring of pump performance. TIG also hosted a microfinance summit in Denver for IDE’s global staff to plot a strategy for scaling up IDE’s multiple country-level innovations for promoting access to finance.

iDE’s private sector partnerships continued to grow at a global scale in 2014. Our ongoing partnership with Toro Irrigation, the largest US manufacturer of drip irrigation equipment, culminated in the successful development of a drip irrigation kit tailored to the Zambian smallholder market and the successful introduction of the kit through Zambian dealers. iDE also embarked on a partnership with US-based Kohler, a global leader in kitchen and bath products, to develop a household water filter for the Nepali market. The partnership leverages iDE’s experience with household ceramic water filters through Hydrologic, our successful social enterprise in Cambodia, which in 2014 surpassed 380,000 water filter sales.

Finally, iDE experienced tremendous growth in 2014. We achieved our largest project pipeline and growth in new business in our history, setting the stage for our strategy to reach 20 million more people from 2015 to 2020.
Board Members

Shoa Asfaha  Andrew Keller
David Curry   Joel Lipsitch
Frank DeFehr  Rick Mazur
Tom Ebling    Ted Paetkau
James Ehnes   Paul Polak
Bill Fast     David Rigby
Norm Fiske    Jenny Rohde
Mark Fitzgerald Mohan Uttarwar
Judith Hermanson Dan Wessner
Bob Hill

Key Supporters

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Anonymous
The Battlega Family Foundation
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Colene & Gene Child
Anand Chokkavelu
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F. Patrick Listermann
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Roger & Susan Stone Family Foundation
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Sharla & Ben Wilcox
Shirley & James Williams
The Winzenburg Family
Suzanne & William Wittmann
Marianne & Les Woodward
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ACADEMIC/UNIVERSITY DONOR
Frankfurt School of Finance & Management
Georgia Institute of Technology (Georgia Tech)
The Netherlands Organisation for Scientific Research (NWO)
West African Science Service Center on Climate Change and Adapted Land Use (WASCAL)

BILATERAL & MULTILATERAL DONOR
Australian Department of Foreign Affairs and Trade (DFAT)
Australian Centre for International Agricultural Research (ACIAR)
Canadian Department of Foreign Affairs, Trade and Development (DFATD)
Danish Ministry of Foreign Affairs - Danida
Dutch Ministry of Foreign Affairs (MoFA)
European Commission (EC)
Inter-American Development Bank (IDB)
International Finance Corporation (IFC)
International Fund for Agricultural Development (IFAD)
International Water Management Institute (IWMI)
New Zealand Ministry of Foreign Affairs and Trade (MFAT)
Nordic Climate Facility (NCF)
Spanish Agency for International Development Cooperation (AECID)
Swedish International Development Cooperation (SIDA)
Swiss Agency for Development and Cooperation (SDC)
The Consultative Group for International Agricultural Research (CGIAR)
United Kingdom’s Department for International Development (UK DFID)
United Nations
United Nations Children’s Fund (UNICEF)
United States Agency for International Development (USAID)
United States Department of State (DOS)
Water Supply and Sanitation Collaborative Council (WSSCC)’s Global Sanitation Fund (GSF)
World Bank

CORPORATION
Banco Oportunidade de Moçambique (BOM)
Barrick Gold Corporation
COOP
DHL
Ecobank Transnational
HUB Assistência Técnica e Formação
IAMGOLD Corporation
Mozal
RLG International
salesforce.com
Tesco
Veolia

FOUNDATIONS & TRUSTS
Allan & Nesta Ferguson Charitable Trust
Big Lottery Fund
Citi Foundation
Clinton Global Initiative (CGI)
Comart Foundation
Ford Foundation
Grand Challenges Canada (GCC)
Honduras Sin Hambre
Interchurch Organization for Development Cooperation (ICCO)
Manitoba Council for International Cooperation (MCIC)
Pamela & Robert Mace Legacy
RAIN Foundation
Rockefeller Foundation
Syngenta Foundation
The Bill and Melinda Gates Foundation
The Innocent Foundation
Toro Foundation
United Nations Foundation
Vitol Foundation
Western Union Foundation

HOST GOVERNMENT
Mozambican National Directorate of Agriculture Services (DNSA)
Mozambican National Institute of Disaster Management (INGC)
Mozambican Zambezi Valley Development Agency (ADVZ)

INTERNATIONAL NGO
Alliance for a Green Revolution in Africa
Comic Relief
Digital Green
Heifer International
iDE Canada
Kiva Microfunds
LEAP201
Oxfam Hong Kong
techfortrade
The Renewable Energy and Energy Efficiency Partnership (REEEP)
Renewable World
VisionFund International
Waterlines

OTHER
Anonymous
Montview Boulevard Presbyterian Church
National Geographic
Rotary International
United States Water Partnership (USWP)
## Financials

### 2014 BY COUNTRY

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>$5,205,927</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>$662,292</td>
</tr>
<tr>
<td>Cambodia</td>
<td>$4,599,947</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>$1,265,753</td>
</tr>
<tr>
<td>Ghana</td>
<td>$436,220</td>
</tr>
<tr>
<td>Honduras</td>
<td>$375,129</td>
</tr>
<tr>
<td>Mozambique</td>
<td>$943,748</td>
</tr>
<tr>
<td>Nepal</td>
<td>$2,526,174</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>$375,007</td>
</tr>
<tr>
<td>Vietnam</td>
<td>$242,722</td>
</tr>
<tr>
<td>Zambia</td>
<td>$1,968,561</td>
</tr>
<tr>
<td>Other*</td>
<td>$3,922,837</td>
</tr>
</tbody>
</table>

*Includes El Salvador, Guatemala, Kyrgyzstan, Tajikistan multi-country projects.

### iDE’S SOCIAL ENTERPRISES

<table>
<thead>
<tr>
<th>Company</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hydrologic</td>
<td>$1,615,896</td>
</tr>
<tr>
<td>iDEal</td>
<td>$375,007</td>
</tr>
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### EXPENSE DETAIL

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subgrants</td>
<td>$2,301,109</td>
<td>10.2%</td>
</tr>
<tr>
<td>Personnel</td>
<td>$10,090,258</td>
<td>44.7%</td>
</tr>
<tr>
<td>Professional Services (Subcontracts, Consultants)</td>
<td>$4,099,728</td>
<td>18.2%</td>
</tr>
<tr>
<td>Travel &amp; Transportation</td>
<td>$1,840,521</td>
<td>8.2%</td>
</tr>
<tr>
<td>Vehicle &amp; Equipment (Capital Expenses)</td>
<td>$1,351,262</td>
<td>6%</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>$880,379</td>
<td>3.9%</td>
</tr>
<tr>
<td>Office Expenses (Business Organizational Expenses)</td>
<td>$1,991,395</td>
<td>8.8%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$22,554,652</strong></td>
<td></td>
</tr>
</tbody>
</table>

### EXPENSE BREAKDOWN

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Programs</td>
<td>$17,652,200</td>
<td>78.3%</td>
</tr>
<tr>
<td>General/Administrative</td>
<td>$4,794,372</td>
<td>21.3%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>$108,080</td>
<td>0.5%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$22,554,652</strong></td>
<td></td>
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</tbody>
</table>

### 2014 INCOME

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants (Public &amp; Private Foundations)</td>
<td>$16,396,717</td>
<td>76.1%</td>
</tr>
<tr>
<td>Individual Donations</td>
<td>$301,984</td>
<td>1.4%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$31,218</td>
<td>0.1%</td>
</tr>
<tr>
<td>Field &amp; Program Revenue</td>
<td>$1,644,310</td>
<td>7.6%</td>
</tr>
<tr>
<td>Sales &amp; Other Income</td>
<td>$3,183,760</td>
<td>14.8%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$21,557,989</strong></td>
<td></td>
</tr>
</tbody>
</table>