

Why American Water as an Investment?



AWK
LISTED
NYSE

Industry Measures

American Water



Demonstrated Execution

<ul style="list-style-type: none"> Earnings growth Investment needs Market segmentation 		<ul style="list-style-type: none"> Leaders in EPS Growth: 7 – 10% through 2021* Clear line of sight to multi-decade capital investment Water & wastewater consolidation opportunities
<ul style="list-style-type: none"> Dividend growth Credit rating/access to capital Market Capitalization/Trading Liquidity Water Utility Leadership 		<ul style="list-style-type: none"> 2011 – 2016 Adjusted EPS CAGR of 10.5%** 2017 Dividend growth at top of the long term EPS CAGR - 4th year with 10% growth “A” Corporate Credit Rating Only water utility > \$10 billion market cap Only water utility on S&P 500, DJUA, UTY & DJSI Indices
<ul style="list-style-type: none"> Economic regulation Geographic & regulatory diversity Complementary businesses 		<ul style="list-style-type: none"> Most geographically diverse utility Primarily regulated (90/10) No federal economic regulation
<ul style="list-style-type: none"> Environmental leadership Customer experience Operational efficiency 		<ul style="list-style-type: none"> 21x better than Industry avg. for drinking water quality Top quartile customer satisfaction O&M efficiency improvement 6 years in a row 16 staff scientists including 8 PhDs
<ul style="list-style-type: none"> Regulatory expertise Execution of stated strategy Management bench strength 		<ul style="list-style-type: none"> Strong local presence <u>and</u> national scale Seasoned state leaders throughout US Robust succession planning Deep bench strength

*Anchored from 2015

**AWK Adjusted Earnings Per Share is a non-GAAP measure. See Appendix for reconciliation.