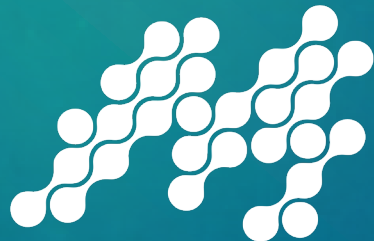


**PROUDLY SERVING
THE WORLD WATER HUB.**



THE WATER COUNCIL



ALLIANCE FOR
WATER STEWARDSHIP
— NORTH AMERICA —

2018 ANNUAL REPORT



Milwaukee is set on the coast of Lake Michigan and located at the confluence of three rivers. Truly a water city - come visit us.

ASPIRATION

Be the global center for advancing water technologies and stewardship to secure freshwater resources for the world.

WHO WE ARE

A non-profit organization dedicated to solving critical global water challenges by supporting innovation in freshwater technology and driving those new solutions to the industries that need them.

Milwaukee's water technology hub represents one of the national models for identification and implementation of a cluster initiative.

What really stands out to me is that it positions the region at the center of solving a critical global challenge, provides Milwaukee with a new and compelling foothold in a fast changing economy, and represents a highly collaborative economic development effort that is industry driven, university fueled and government funded.

– Brad McDearman, Brookings Institute, Metropolitan Policy Program



BOARD OF DIRECTORS & STAFF

Staff with co-chair Rich Meeusen and author of *The Big Thirst* and *One Giant Leap* Charles Fishman.

BOARD OF DIRECTORS

CO-CHAIR

Rich Meeusen
CEO & Chairman
Badger Meter, Inc.

CO-CHAIR

Paul Jones
Retired Chairman
A. O. Smith Corporation

TREASURER

Julia Taylor
President
Greater Milwaukee Committee

Todd Adams
President & CEO
Rexnord Corporation

Kirk Allen
President & CEO
Sloan Valve Company

Tom Barrett
Mayor
City of Milwaukee

Scott Beightol
Partner
Michael Best & Friedrich LLP

Steve Booth
President & CEO
Robert W. Baird & Company, Inc.

Tricia Braun
Deputy Secretary & COO
Wisconsin Economic
Development Corporation

Preston Cole
Commissioner, Department
of Neighborhood Services
City of Milwaukee

Glen Daigger
President
One Water Solutions LLC

Katherine Gehl
Former President & CEO
Gehl Foods

Mary Jean Huston
State Director
The Nature Conservancy

Dennis Klein
CD Smith Construction

Michael Lovell
President
Marquette University

John Matthews
Principal
Matthews Strategic Services, LLC

Mark Mone
Chancellor
University of Wisconsin-Milwaukee

Puon Penn
Executive Vice President
Technology Banking Group,
Wells Fargo

Kevin Shafer
Executive Director
Milwaukee Metropolitan
Sewerage District

Jim Stern
Executive Vice President
A. O. Smith Corporation

Deon van As
Vice President, Global
Supply Chain Excellence
MolsonCoors

Jim Zarzycki
National Advisory
Council Member
Federal Laboratories
Consortium

STAFF

ADMINISTRATION

Dean Amhaus, President & CEO
Angela May, Executive Assistant
& Office Manager
Amy Jensen, CFO & COO

**BUSINESS & ECONOMIC
DEVELOPMENT**

Karen Frost,
VP Economic Development
Elizabeth Thelen, Director of
Entrepreneurship & Talent
Steve Glynn, Director of Innovation
Beverley Ferrara,
European Representative

**COMMUNICATIONS,
MARKETING & MEMBERSHIP**

Meghan Jensen,
VP Marketing & Communications
Taylor Baseheart,
Communications Manager
Isaiah Perez, Membership Manager

STEWARDSHIP

Matt Howard, VP Water Stewardship
at The Water Council & Director
of Alliance for Water Stewardship
North America
Dylan Waldhuetter, Alliance for
Water Stewardship North America
Program Manager

TECHNOLOGY ACCELERATION

Dr. Barry Liner, Technical Advisor
Dr. David Garman, Technical Advisor

INTERNS

Colin Flanner, Intern &
Student Chapter Liaison
Claire Thompson, Intern

CO-CHAIR MESSAGE

Looking out at Lake Michigan from Milwaukee. Lake Michigan is one of the five Great Lakes of North America and the only one located entirely within the U.S.

Dear Members & Supporters,

Over the past year The Water Council has taken some time to reflect on our journey. It's been a remarkable path since 2009 and with our growth it was necessary to revisit our Leadership Strategic Vision and evaluate who we are as an organization, how we serve the world water hub, why we are doing what we are doing and, most importantly, where we are headed in the future. Many of you participated in this process through surveys, phone calls, meetings and emails.

The Water Council is only as strong as the cluster and members we represent, and our essential partners around the world. That is why we set out to measure the depth of the cluster as a whole, tallying employment and sales figures, curating water-based curricula, monitoring R&D activities and more. One of our findings shows the number of water tech companies in the Wisconsin cluster has doubled from 120 in 2009 to 238 companies today. To serve these and other water tech companies, we launched Tech Challenge and WaterTechHub.com to connect industry members with innovative water solutions and talent, and we also advanced the format of our BREW Accelerator.

Even more indicative of our growth, the Water Leaders Summit sold-out early, welcoming 300+ attendees from 23 U.S. states and 6 countries. When The Water Council was named the North American partner for the Alliance for Water Stewardship in 2015, we knew this partnership had endless potential. To date AWS North America has grown to 34 members, trained hundreds of professionals and certified multiple sites across the continent. We expect even larger developments in the coming years.

Early in 2018 our Board of Directors and staff embarked on a mission to revisit the previous Leadership Strategic Vision that served us well since 2013. What has emerged is a fully revised Strategic Plan that will serve as a roadmap for our newly appointed co-chairs, Todd Adams, President & CEO of Rexnord, and Jim Stern, Executive Vice President for A. O. Smith Corporation. As we enter our second decade our new leaders will help navigate The Water Council forward with our new vision to be the global center for advancing water technologies and stewardship to secure freshwater resources for the world.

Serving the world water hub and witnessing The Water Council grow from an idea into the global entity it is today have by far been our greatest pleasures. We are grateful for the members, partners, friends and staff we have worked with along the way to build this brand. We wish you the best in 2019. Be sure to stay in touch with The Water Council staff to share your successes.

Cheers to a successful year.



Paul Jones, Co-Chair
Retired Chairman, A. O. Smith Corporation



Rich Meeusen, Co-Chair
CEO & Chairman, Badger Meter, Inc.

Leroy Burton, Alyssa Moy and Anne Wick with member Stonehouse Water Technologies at the Water Leaders Summit in Milwaukee.

2018 FAST FACTS



BREW ACCELERATOR STATS SINCE 2013



PARTNER SUCCESSES: WATER EQUIPMENT & POLICY CENTER (WEP)





Staff member Matt Howard with Valeria Orozco from Nestlé Waters North America speaking at The Atlantic's Water Summit in NYC. Credit: Elena Olivo for The Atlantic.

AWS North America has been a valuable partner as P&G implements elements of the Standard at some of our facilities. We appreciate the opportunity to learn from and collaborate with fellow AWS members to achieve our Ambition 2030 water goals and work together to address shared water challenges in our priority basins.

– Kate Brown, Product Supply Water Sustainability, Procter & Gamble

ALLIANCE FOR WATER STEWARDSHIP NORTH AMERICA

The Alliance for Water Stewardship (AWS) is a global organization promoting the responsible and sustainable use of freshwater through the International Water Stewardship Standard, a universally applicable strategic framework to help organizations understand their water use and impacts, minimize water-related risks and create value from water-related opportunities and assets. The Water Council is the official North American regional partner of the AWS.

- 6 new sites certified in the U.S. to the Standard including the MillerCoors Milwaukee Brewery (world's first brewery) and Global Water Center in Milwaukee (world's first commercial office building)
- 36 professionals trained on the AWS System
- 1st AWS Training held in Canada + 2 other trainings in the U.S.
- Developed Professional Credentialing Program for AWS
- Helped craft new AWS Brand Licensing Policies and Procedures
- Launched The Water Council's Water Stewardship Advisory Services – first clients were Alliance One and Google REWS
- Awarded additional funding from the Fund for Lake Michigan to launch "Clear Water Farms" to certify North America's first dairies (Wisconsin) to the Standard
- Expanded AWS North America membership including Apple, Google, Procter and Gamble, PepsiCo and World Resources Institute
- Held first "AWS Day" for North America members at the Global Water Center
- Rolled-out the AWS North America brand including newsletter, email campaigns and branded collateral
- Hired first full-time AWS North America Program Manager
- Spoke at 15 conferences including The Atlantic Live Water Summit, the Food and Beverage Environmental Conference and the 3rd Annual AWS Global Water Stewardship Forum
- VP Water Stewardship re-nominated by the U.S. Environmental Protection Agency administrator to the National Advisory Council on Environmental Policy and Technology

President & CEO Dean Amhaus with
a delegation of Chinese investors
exploring technology in Milwaukee.

BUSINESS DEVELOPMENT & TALENT

*The Water Council's Pilot Program has given my small business
the opportunity to implement its biogas purification technology
in the real world and prove that it works.*

– Bryan Johnson, Principal, Energy Tech Innovations LLC

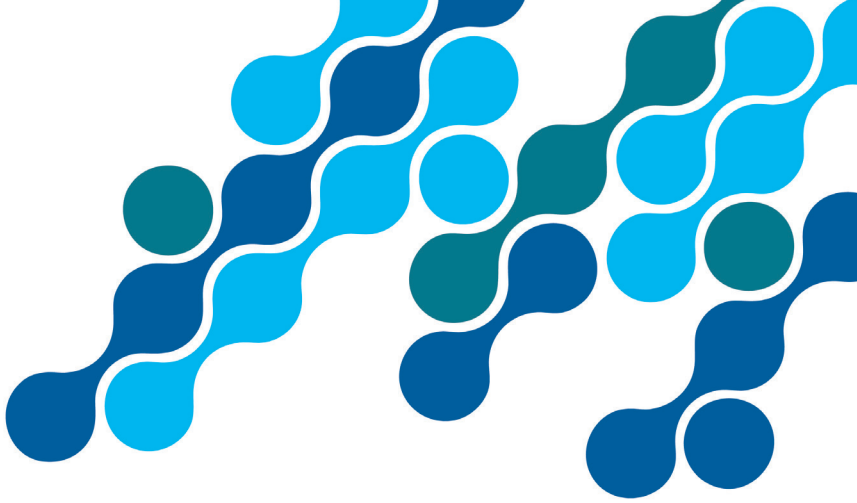
The Water Council's small business development initiative is a national and international network that links small and medium water technology businesses to critical resources. The Water Council's talent initiative is designed to connect emerging talent to the water industry by raising awareness of and interest in the wide array of career opportunities within the professional water sector.

- Hosted business-to-utility and business-to-business matching meetings with German companies, Australian companies and utilities, Maasai village in Uganda and TWC members
- Launched WaterTechHub.com to host all applications for TWC programs
- Worked with Tuskegee University to match five African American engineering students with internships in Milwaukee's water industry
- Partnered with A. O. Smith on the third round of BREW Corporate
- Offered two design thinking sessions with members and partners, one focused on the BREW Accelerator and the second focused on TWC's potential role with talent development
- Held business-to-business meetings and convened our global partners at IFAT in Germany
- Offered the third 'Funding in Opportunities in Government and Defense' for members and cluster businesses
- Accepted as members into the Global Accelerator Network, a selective network of leading accelerators around the world
- Updated the format of the BREW Accelerator including length of program, targeted technologies that benefit the state of Wisconsin, expanding our coaching and partner network, offering a condensed version of the BREW and more
- Hired our first part-time European Representative to help drive U.S. attraction and investment in the world water hub and nurture existing partnerships in Europe
- Launched the Tech Challenge, a global competition designed around specific topics identified by corporate sponsors to identify cutting-edge freshwater technologies and ideas
- Two Israeli technologies were invited to the next round of the Pilot Program in partnership with the Israel Innovation Authority and Milwaukee Metropolitan Sewerage District



PARTNERS

Staff members Beverley Ferrara, Karen Frost and Dean Amhaus meeting with Germany-based member Raymond Hernandez from Blücher at IFAT in Germany.



30 PARTNERS

ACROSS 9 COUNTRIES AND 5 U.S. STATES

GLOBAL PARTNERS

- Alliance for Water Stewardship, United Kingdom
- Aqua-Valley - France Water Cluster, France
- AWR Environmental Research Institute, China
- Ben-Gurion University of the Negev, Israel
- Catalan Water Partnership, Spain
- Chuzhou Municipal Government, China
- Daegu Metropolitan City, Republic of Korea
- German Water Partnership, Germany
- Global Water Hubs – Israel, Singapore, the Netherlands, China and South Korea
- International Water Association, United Kingdom
- Israel Innovation Authority, Israel
- Korea Water Forum, Republic of Korea
- Korea Water Partnership, Republic of Korea
- Nanjing Eco High-Tech Island, China
- Syndicat des Eaux d’elle de France, France
- Tianjin Economic-Technological Development Area Eco Center, China
- United Nations Global Compact, Australia
- Water Alliance, Netherlands
- Water Environment Federation, United States

STRATEGIC PARTNERS

- Alliance for Regional Development, Illinois, United States
- JPMorgan Chase & Co., Illinois, United States
- LSI, Minnesota, United States
- Overseas Private Investment Corporation, District of Columbia, United States
- Swarm Intelligence, Ohio, United States
- U.S. Department of Energy, Washington, D.C., United States
- U.S. Water Partnership, Virginia, United States
- Wells Fargo, Wisconsin, United States
- Wisconsin Center For Manufacturing and Productivity Inc., Wisconsin, United States
- Wisconsin Historical Society, Wisconsin, United States
- Wisconsin Manufacturing Extension Partnership, Wisconsin, United States

Paul Goudy with BREW winner PlasmaE demoing his technology to guests including Harbor Patrol at Milwaukee's lakefront.

TWC & AWS NORTH AMERICAN-BASED MEMBERS

Our membership has been and will continue to be essential to our company's growth. We have participated in the Water Leaders Summit, exporting learning sessions, and have taken advantage of market research and consulting opportunities. These services are liberally punctuated by one-of-a-kind networking and cross-marketing opportunities that come about because the staff knows how to 'connect the dots' between organizations that can and will benefit from knowing each other.

– Marianna DeMyer, CEO, Roving Blue – TWC Member

206 MEMBERS

ACROSS 10 COUNTRIES AND 20 U.S. STATES

A. O. Smith Corporation
ABB Inc.
Accredent, LLC
Advanced Chemical Systems
Aero-Stream LLC
African American Chamber of Commerce of Wisconsin
Alliance for Water Efficiency
Alliance One International*
American Transmission Company
Andrus Intellectual Property Law LLP
Anguil Aqua Systems LLC
Apex Gets Business
Apple*
Apsara Capital LLP
Aquam

Aquarius Systems
Aquor
Argon Industries Inc.
ASA Analytics
Athabasca Watershed Council
Badger Meter, Inc.
Badger Mining Corporation
Baker Manufacturing Company LLC
Biogill Environmental
Blücher GmbH
Boldon Group Incorporated*
Bradley Corporation
Cadens LLC
CannedWater4Kids Inc.
Care USA*
Carthage College

CD Smith Construction
Chengdu Engineering Corporation Limited
Chryspac Custom Quality Solutions
Cimbria Capital
City of Milwaukee
Clearas Water Recovery
Coca-Cola*
Continental Automated Buildings Association*
Continuum Architects + Planners
CornCob Inc.
Council of Great Lakes Industries*
Covanta Environmental Solutions
Dana Investment Advisors
Dentro Consulting LLC

Discovery World Ltd.
DMR International Inc
Dow Water & Process Solutions
Drumlin Environmental, LLC*
Earthwise Environmental Inc.
Ecolab Inc.*
Ecoli-sense
Electro Scan Inc.
Employ Milwaukee
Energy Tech Innovations LLC
Enviroclean, LLC
Environmentally Sensitive Solutions Inc.
Evoqua Water Technologies LLC
Exciton Clean, LLC
Fond du Lac Regional Wastewater Treatment & Resource Recovery Facility
Fortune Brands/Moen
Fund for Lake Michigan
Future 500*
FXI, Inc

Gateway Technical College
General Capital Group
General Mills Inc.*
Global Water Works
Google*
Grace Matthews Inc
GRAEF
Greater Milwaukee Committee
GreenBlu
GZA GeoEnvironmental Inc.
Hanging Gardens LLC
Hanskraft Runxin LLC
Harbor District Inc.
Hmong Wisconsin Chamber of Commerce
Husch Blackwell LLP
Iconac
Infrastructure Services Group LLC
InSinkErator
International Bottled Water Association*

ITU AbsorbTech Inc.
J.H. Findorff Son Inc.
Johnson Controls Inc
JPMorgan Chase & Co.
Kohler Co.
Lakewood Instruments LLC
Lappley & Associates Ltd.
Latitude Power LLC
Le Flambeau Foundation Inc.
LimnoTech*
LiquiTech Inc.
Marcus Center for the Performing Arts
Marlo Incorporated
Marquette University
Mars, Inc.*
Matthews Strategic Services LLC
Merck*
Metamateria Technologies
Michael Best & Friedrich LLP

* AWS North American-based member

Members Jolena Presti with Vandewalle & Associates and Stanley Sun with Qingdao Guanghai Environmental Technology Co.

Protecting and caring for our shared water resources is fundamental to our business. AWS has given us a clear blueprint for shaping our water stewardship practices, and a common language for us to better engage our stakeholders in the communities where we operate.

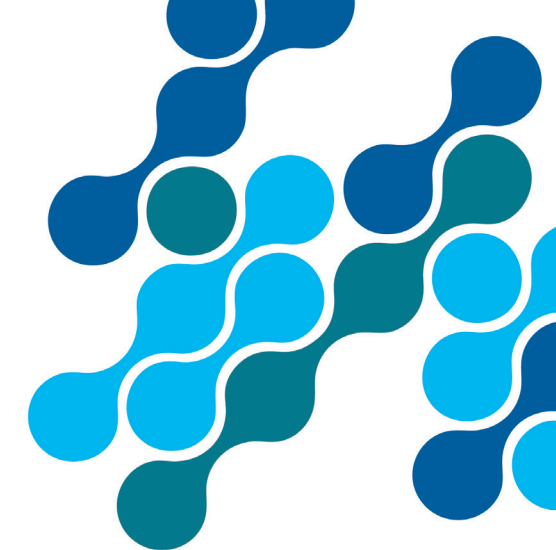
– Valeria Orozco, Sustainability Director,
Nestlé Waters North America – AWS North America-Based Member

Microbe Detectives	One Water Solutions LLC	Qingdao Guanghai Environmental Technology Co. Ltd.	Southeastern Wisconsin Regional Planning Commission	UWM Innovation Accelerator Prototyping Center	WI Business Incubation Association
Midwest Chemical & Equipment	Opti RTC Inc.	Raedlinger Primus Line	SRL-Environmental, LLC	UWM Research Foundation	Wipfli CPA's and Consultants
Mid-West Energy Research Consortium	Optiktechnik	Reinhart Boerner Van Deuren s.c.	St. Thomas More High School	Vandewalle & Associates Inc.	Wisconsin Economic Development Corporation
MillerCoors	OxyMem Ltd	Rexnord	STAR Water Group	Veolia	Wisconsin Manufacturing Extension Partnership*
Milwaukee 7	Pacific Institute*	Rice Technology LLC	Stonehouse Water Technologies LLC	VISIT Milwaukee	Wisconsin Potato & Vegetable Growers Association
Milwaukee Area Technical College	PAK Technologies Inc.	Robert W. Baird & Company	Stormwater Solutions Engineering LLC	Water Culture Institute*	Wisconsin Water Association
Milwaukee Metropolitan Sewerage District	Park Bank	Rockwell Automation	Symbiont Science Engineering & Construction Inc.	Water Resources Monitoring Group LLC	Wisran
Milwaukee Riverkeeper Inc.	Paschke Water Analytics	Rotary Club of Milwaukee	The Gateway to Milwaukee/Aerotropolis	WaterConnect	World Resources Institute*
Milwaukee School of Engineering	PaveDrain LLC	Roving Blue, Inc.	The Nature Conservancy*	WaterSMART Solutions Ltd.*	Xela Innovations LLC
Morpheus Advisors	Pellucid Water LLC	Ruekert & Mielke Inc.	The Pinero Group LLC*	Watersurplus	Xylem Inc.
Mortenson Kim	Pentair	Sage Water LLC	The Probst Group	Watertech of America Inc.	Zurn Industries, LLC
Mungo Creative Group	PepsiCo*	SCS Global Services*	Tigre-ADS USA	Watertronics LLC	
Nanolytix	Pewaukee Lake Water Ski Club	Short Elliott Hendrickson Inc.	Total Water Treatment Systems	Waukesha County Business Alliance Inc.	
Nestle*	PlasmaE	SIGMA DAF Clarifiers	Triwater Holdings	Waukesha County Technical College	
Niagara Bottling, LLC*	Plunkett Raysich Architects LLP	Sloan Valve Company	Twin Disc Inc.	Waukesha Water Utility	
North Shore Water Commission	PowerTech Water	Solar Water Works	University of Wisconsin - Milwaukee	WEC Energy Group, Inc.	
NSF International*	Procter & Gamble*	Solid State Technologies LLC	University of Wisconsin - Parkside	WellIntel Inc.	
Nutrient Recovery & Upcycling LLC	Project WET Foundation*	Southeastern Wisconsin Watersheds Trust Inc.*	University of Wisconsin - Whitewater		
OBG	Promega				
	Pulsed Burst Systems LLC				

* AWS North American-based member



Wisconsin Water Innovation Pavilion at WEFTEC 2018 in partnership with the Wisconsin Economic Development Corporation.



FUNDERS

Aspiriant LLC
A.O. Smith Foundation
Badger Meter Foundation
Fund for Lake Michigan
Katherine Gehl
Milwaukee Metropolitan Sewerage District
National Renewable Energy Laboratory
(IN 2 Channel Partner Community Award)
National Science Foundation
Neroli Salon & Spa/The Institute of Beauty and Wellness
Rexnord Foundation
The Richard & Ethel Herzfeld Foundation
Louise Schmidt (in Honor of Rich Meeusen)
Sisters of St. Francis of Assisi
U.S. Small Business Administration
University of Wisconsin - Oshkosh
Water Accelerator, LLC
Wells Fargo Foundation
Wisconsin Economic Development Corporation
(Targeted Industry Projects Grant)
Wisconsin Manufacturing Extension Partnership

STATEMENT OF ACTIVITIES

STATEMENT OF FINANCIAL POSITION

YEAR ENDED DECEMBER 31,
(in thousands of dollars)

	2018	2017
	unaudited	

REVENUE

Grants, Contracts & Contributions	\$ 1,628	\$ 1,148
Membership	507	654
Global Water Center	422	524
Program	384	270
Water Leaders Summit	205	203
Investment Income	112	-
Other	26	21
Total Revenue	\$ 3,284	\$ 2,820

EXPENSE

Programs	\$ 2,182	\$ 2,128
Operations	109	92
Global Water Center	614	579
Water Leaders Summit	156	152
Marketing	80	68
Total Expense	\$ 3,141	\$ 3,019
Change in Net Assets	\$ 143	\$ (199)

YEAR ENDED DECEMBER 31,
(in thousands of dollars)

	2018	2017
	unaudited	

CURRENT ASSETS

Cash and cash equivalent	\$ 950	\$ 699
Accounts receivable	494	224
Pledges receivable	120	120
Prepaid expenses	23	28
Total Current Assets	\$ 1,587	\$ 1,071

NET PROPERTY AND EQUIPMENT

\$ 225	\$ 255
--------	--------

LONG-TERM ASSETS

\$133	\$193
-------	-------

Total Assets	\$ 1,945	\$ 1,519
--------------	----------	----------

CURRENT LIABILITIES

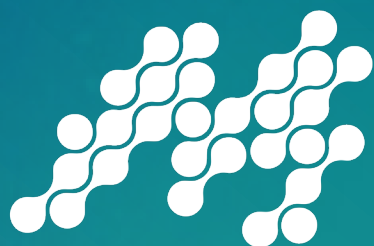
Accounts payable	\$ 285	\$ 179
Program liabilities	417	190
Line of Credit	150	250
Deposits	32	30
Deferred revenue	224	177

Total Current Liabilities	\$ 1,108	\$ 826
---------------------------	----------	--------

NET ASSETS	\$ 837	\$ 693
------------	--------	--------

Total Liabilities and Net Assets	\$ 1,945	\$ 1,519
----------------------------------	----------	----------

The charts above provide unaudited financial information as of December 31, 2018. The goal for 2018 was to achieve a net surplus after the preceeding two years of net losses and to reduce the balance outstanding on the line of credit. The decrease in membership revenue was the result of a shift from the prior Research & Commercialization program to the Tech Challenge in 2018. The increase in Program revenues is due, in part, to this program shift.



THE WATER COUNCIL



ALLIANCE FOR
WATER STEWARDSHIP
– NORTH AMERICA –

247 W. Freshwater Way #500 Milwaukee, WI 53204 USA

thewatercouncil.com | awsnorthamerica.com

1.414.988.8750