

Letter From Our Co-Chairs

Together The Water Council, our members, partners and contributors celebrated benchmark accomplishments this past year: from the grand opening of the Global Water Center, to the launch of the Global Freshwater Seed Accelerator program, to the redevelopment of Reed Street Yards into a Global Water Technology Park.

The Center proudly opened its doors to the public, welcoming in excess of 800 people and initially housing 25 different organizations, while garnering significant media attention. National and international companies are now approaching The Water Council looking to establish operations and headquarters in the Milwaukee region.

In less than five years, not only has our size grown, but our scope has expanded exponentially. In 2013 we grew by more than 30 new members, including companies headquartered around the world. The Council has increased programming for start-ups and member companies of all sizes; education at middle, high school and college level; and has established credibility as an international hub for water technology innovation. Our Board of Directors, recognizing our tremendous growth, is developing a new Leadership Strategic Vision. This vision outlines accomplishments and strategies to maximize The Council's global reach in the water technology market.

We will continue focusing on Reed Street Yards as an important partner with the Center. Since moving to the Walker's Point neighborhood, we've witnessed the flurry of work to ready the site for development and look forward to Reed Street Yards expanding the physical hub of water research, technology and innovation that the Center has already established.

Looking forward, 2014 promises to be another immense year for The Water Council. We will be hosting our 7th annual Water Summit, our largest Summit ever, coinciding with the International Water Association's Board of Director's meeting. The Global Freshwater Seed Accelerator program will accept a wave of applications for Round 2, a global solutions team of specialists in water-related fields will be developed to deploy to inquiring markets, and our colleagues at UVV-Milwaukee's School of Freshwater Sciences will debut their new facility.

We've had a tremendously successful year thanks to our dynamic membership and partners in academia, government and business communities around the world, our vital financial supporters and strong staff. Our members are our best ambassadors - we look forward to working with you in the coming year to spread the word and share our vision as we expand our global impact. Thank you.

RICH MEEUSEN



PAUL JONES Co-Chair, The Water Council

A historic moment for The Water Council and our members occurred at 247 West Freshwater Way when the Global Water Center opened its doors on September 12, 2013 and a vision became a reality.

The Center is a state-of-the-art facility meant to support and nurture water-related startups to independence, while also providing research space for universities and established water-related companies. The development of the Global Water Center is an important milestone as it established a highly visible base for The Water Council and a platform to grow Milwaukee's water technology cluster.

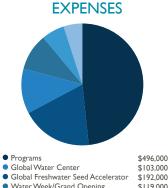
The Center is a one-of-a-kind research and business facility housed in a 98,000 sq. ft. seven-story warehouse loft in Walker's Point. The building itself is a century-old, brick and timber construction and former warehouse, recognizing the past as it models how the City of Milwaukee is shifting from heavy manufacturing to a blue economy.

With the importance of creating a unique synergistic ecosystem encouraging innovative collaboration, The Water Council has created the world's only water technology accelerator driving engagement between seasoned water professionals, researchers and entrepreneurs.

Shared amenities include:

Meeusen Confluence Gallery — Exhibition space to showcase new prototypes and host events Paul & Pat Jones Board Room — Wired for international teleconferencing Flow Lab — Containing a \$500,000 Test Stand donated by Badger Meter and a Water Cycle Training System provided by NEW Works Auditorium — 44-person lecture hall with A/V Café — A gathering place for tenants and visitors

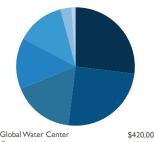
Green Roof — Provided by Hanging Gardens and Vegetal i.D.



\$103,000 Global Freshwater Seed Accelerator \$192,000 Water Week/Grand Opening \$119,000 Operations \$58.000 Marketing \$54.000

TOTAL: \$1,022,000

REVENUE



Global Water Center	\$420,000
Grants	\$382,000
Membership	\$258,000
Global Freshwater Seed Accelerator	\$210,000
Water Week/Grand Opening	\$202,000
Contribution Income	\$41,000
Micellaneous	\$17.000

TOTAL: \$1,530,000

ECONOMIC DEVELOPMENT

Global Freshwater Seed Accelerator

The Global Freshwater Seed Accelerator is the first mentor-driven seed accelerator in the world to focus on addressing global freshwater challenges. Five participants were each awarded grants of \$50,000 from The Water Council and Wisconsin Economic Development Corporation and moved into the Global Water Center to begin 'start-up school' with our partner; UW-Whitewater; in September 2013. Participants competed in the Elevator Pitch Olympics at the Early Stage Symposium in Madison, Wisconsin where Microbe Detectives and Noah Technologies placed first and fourth respectively. Inaugural GFSA participants: H2Oscore, Microbe Detectives, NEW Works, Noah Technologies and Vegetal i.D.

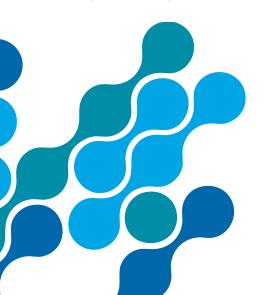


Reed Street Yards

The Water Council's Global Water Center has been the catalyst for the development of Reed Street Yards' Global Water Technology Park. Development began in August, with infrastructure nearly complete, to transform the 15 acres/6.1 hectares into a mixed-use urban office, educational, research and technology zone focused on the international water industry. The Water Council also worked with the International Water Association's Cities of the Future program to transform the location into a site that would include the creation of a micro-water and wastewater utility capable of pilot testing technology for use in urban and rural settings.

Leadership Strategic Vision

In 2013 The Water Council initiated the development of a "Leadership Strategic Vision" that will act as a plumb line to synchronize The Council's mission, goals and strategic plan for future growth. This long-term plan repositions The Council as an international organization headquartered in Milwaukee while maintaining our core principals of economic, talent and technology development. The plan will be completed in the first quarter of 2014.





2013 INTERNATIONAL VISITORS & CEO TRAVELS

The opening of the Global Water Center sparked international interest from investors and partners and the momentum will continue in 2014 with numerous international delegations scheduling their visits. Blue represents delegations hosted by The Water Council in 2013 including: Argentina, Australia, Canada, China, France, Germany, Hong Kong, Japan, Jordan, Kenya, Morocco, the Netherlands, South Africa, and the United Kingdom. Orange represents conference and leadership participation in 2013 by Dean Amhaus, President & CEO of The Water Council.

TECHNOLOGY DEVELOPMENT TALE

National Science Foundation's Industry/ University Collaborative Research Center

In 2013, industry members funded six water projects and the National Science Foundation (NSF) provided \$400,000 in additional support. One patent application and three invention disclosures were submitted, research resulted in 20 journal/conference publications, and fifteen students and post doctorate researchers were funded.

Milwaukee Institute Partnership

Milwaukee Institute offered its high performance computational systems and services to tenants of the Global Water Center including technical consulting in computational biology and fluid dynamics applications. The Institute's HPC cluster allows users to simulate, model, and visualize complex applications used in product development, engineering and research.



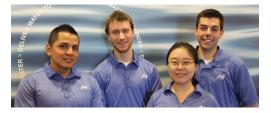
M.O.U. with Tianjin, China

The Water Council signed a Memorandum of Understanding with the Tianjin Economic-Technological Development Area Eco Center. The alliance draws on innovations of each of the groups to create an innovative, entrepreneurial-based commercial system between Wisconsin and Tianjin, China.

TALENT DEVELOPMENT

Student Chapters Make Waves

Launched in 2010 at UW-Whitewater, expanding student chapters are making waves across campuses at UW-Platteville, UW-Milwaukee, UW-Parkside, Marquette University and Gateway Technical College creating a talent pool for the water industry.



New Internships & Youth Apprenticeships

The Water Council partnered with the Milwaukee Area Workforce Investment Board to fund and support newly created internships for college students in the regional water cluster. The Wisconsin Department of Workforce Development created a new Water Resources Youth Apprenticeship program pairing high school juniors and seniors with water treatment facilities.

'Silicon Valley of Water' Day at Young Professionals Week

The Water Council partnered with NEWaukee's Young Professionals Week to create a day, sponsored by Badger Meter and Rexnord, devoted solely to water technology.

2013 Water Council BOARD OF DIRECTORS

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Meghan Jensen Director of Marketing & Membership

Elizabeth Thelen Director of Entrepreneurship & Talent

Angela May Office Manager & Executive Assistant

Ryan Matthews Communications & Development Manager

Isaiah Perez Marketing Intern

Kristian Vaughn Senator Herb Kohl-UN Global Compact Cities Programme Intern

Chao Li Graduate Intern

Alex Morganroth Graduate Intern

PAST STAFF

Claus Dunkelberg, Director of Business Development Deirdre Cudahy, Director of Operations & Programming Rachel Wilberding, Director of Communications & Membership Jose Fernando Moreno, Graduate Intern

2013 CORPORATE MEMBERS INNOVATIVE. DYNAMIC. ROCK STARS.

A.O. Smith Corporation* ACAM Messelectronic GmbH Advanced Chemical Systems Advanced Waste Services Advantage Leasing Corporation African American Chamber of Commerce of Greater Milwaukee Alga Bionics LLC* Alliance for Water Efficiency Alliance for Water Stewardship* Amalga Composites, Inc. American Transmission Company Andrus Intellectual Property Law Applied Spectrometry Associates, Inc. AquaMost, Inc. Aquarius Systems Aries Industries, Inc. Badger Meter, Inc.* Baker Manufacturing Company LLC Berntsen Brass and Aluminum Foundry, Inc. BloodCenter of Wisconsin Canned Water 4 Kids, Inc. Carroll University Carthage College Centrisys Corporation CH2M HILL City of Milwaukee City of Oak Creek Concordia University Wisconsin Continuum Architects + Planners Desert Research Institute Discovery World Dramm Corporation Envolus, Inc.* Eureka Forbes Limited Fall River Group Felker Brothers Corporation First Supply LLC Forrer Supply Fund for Lake Michigan* Gannett Fleming, Inc. Gateway Technical College Gathering Waters Conservancy General Capital Group Golden Angels Investors Grace Matthews, Inc. GRAEF Great Lakes Bio Systems, Inc. Greater Milwaukee Committee*

Grucon Group Grundfos Pumps Corporation* H2Oscore** Hanging Gardens LLC* Heartland Advisors, Inc. Helen Bader Foundation Hydrocyclone.com IBM InSinkErator ITU, Inc. Joy Global Surface Mining, Inc. Kahler Slater Kohl's Department Stores Kohler Co. KPMG Lynde and Harry Bradley Foundation Maass Midwest Marquette University Mathison Manufacturing, Inc. Michael Best & Friedrich LLP* Microbe Detectives** Midland Video Productions, Inc. Mid-West Energy Research Consortium MillerCoors Milwaukee Area Technical College Milwaukee Area Workforce Investment Board Milwaukee Institute Milwaukee Metropolitan Sewerage District Milwaukee Public Museum Natural Resource Technology, Inc. Nelson Schmidt, Inc. NEW Works** Noah Technologies, Inc.** North Shore Water Commission Northern Lake Service, Inc. Oberlin Filter Company PaveDrain LLC* Pentair Residential Filtration Plunkett Raysich Architects LLP Red Flint Sand & Gravel LLC Reinhart Boerner Van Deuren, s.c. Rexnord Corporation* Richard and Ethel Herzfeld Foundation Robert W. Baird & Company Rockwell Automation Schlitz Audubon Nature Center Sealed Air Corporation

Selkea Systems LLC

S-F Analytical Laboratories

Siemens Water Technologies Sloan Valve Company* SPAAN Tech. Inc. Stonehouse Water Technologies LLC Stormwater Solutions Engineering LLC* Strategic Frontiers LLC Sweet Water - Southeastern Wisconsin Watersheds Trust, Inc. The Nature Conservancy Total Water Treatment Systems* Transwestern Tri-Phase Automation Uihlein Wilson Architects University of Wisconsin - Milwaukee* University of Wisconsin - Parkside University of Wisconsin - Whitewater* USGS Wisconsin Water Science Center UWM Research Foundation Vandewalle & Associates Vegetal i.D.** Veolia North America* VIP GlobalNet LLC VISIT Milwaukee VJS Construction Services Vollrath Associates, Inc. Water Quality Association of Wisconsin Watermark Initiative LLC Watertech of America, Inc. Waukesha County Business Alliance, Inc. Waukesha County Technical College Waukesha Water Utility Wenck Associates Inc. Whyte Hirschboeck Dudek S.C. Wipfli LLP* Wisconsin Economic Development Corporation* Wisconsin Sea Grant Institute/Water Resources Institute Wisconsin Water Association Xela Innovations LLC* Xylem, Inc. Zizzo Group Marketing+PR+New Media*

* Global Water Center Tenant ** Global Freshwater Seed Accelerator Winner



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ONLINE ANNUAL REPORT thewatercouncil.com/2013annualreport

