

The Xylem logo is displayed in a white, lowercase, sans-serif font in the upper left corner. A thick, curved green line starts from the top left and sweeps across the top of the image, partially overlapping the logo and the teal background.

xylem

The background of the image is a large-scale photograph of a dam. The dam's concrete structure is dark and textured, with a walkway or spillway on top. A person is visible walking along this path. The water behind the dam is a vibrant teal color. The overall composition is a high-angle shot looking down the length of the dam.

Accelerating corporate
water stewardship

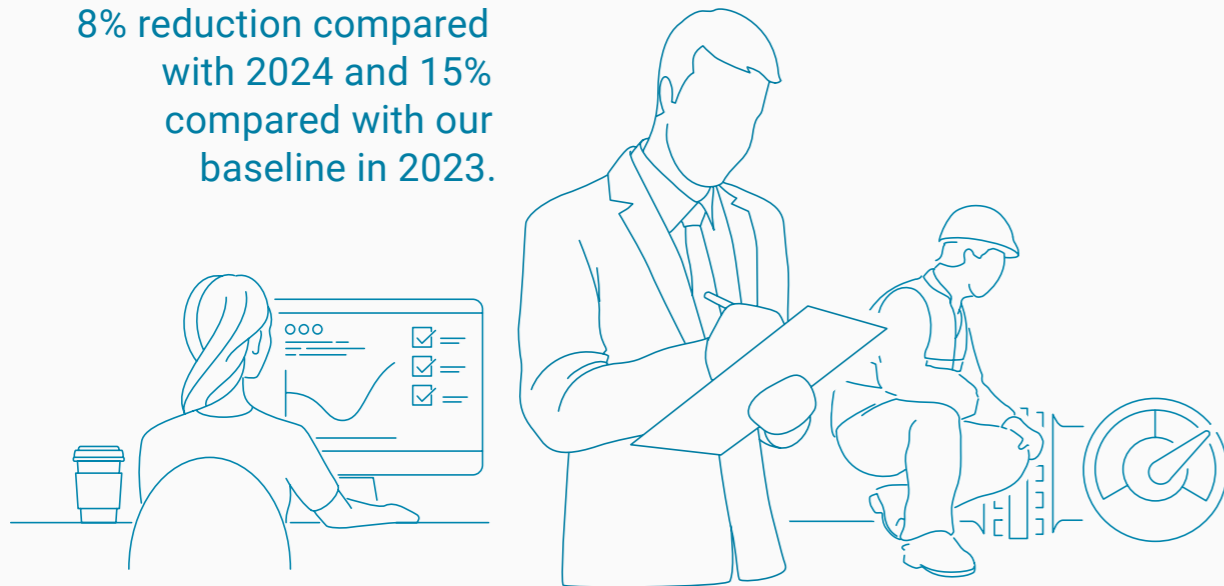


Accelerate corporate water stewardship

Increasing pressure on water resources creates increased urgencies—both operational risks and opportunities for communities and industries to advance more responsible and efficient water usage. Xylem’s technologies help utility and commercial customers manage and address growing water demands, enhance reuse, and minimize environmental impact. Within our own operations and across our supply chain, we are actively strengthening water stewardship practices, improving water efficiency, and reducing environmental risks.

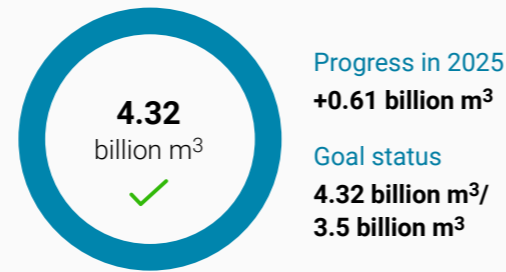
At the same time, we collaborate with customers, industry partners, and cross-sector initiatives to advance water stewardship and thought leadership, enabling communities, organizations, and governments to manage water resources more sustainably and resiliently.

In 2025, our water economic intensity decreased to 0.2659 megaliters per million dollars of revenue, an 8% reduction compared with 2024 and 15% compared with our baseline in 2023.

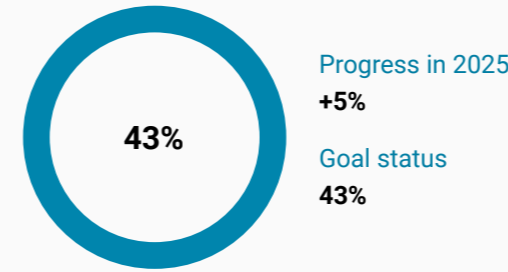


2025 sustainability goals

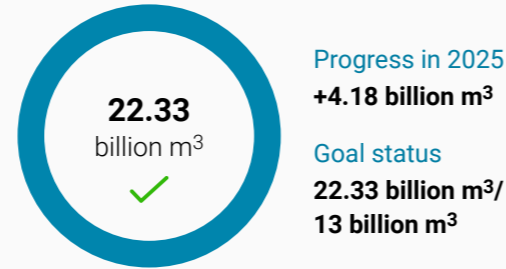
Enable customers to reduce more than 3.5 billion cubic meters of non-revenue water.



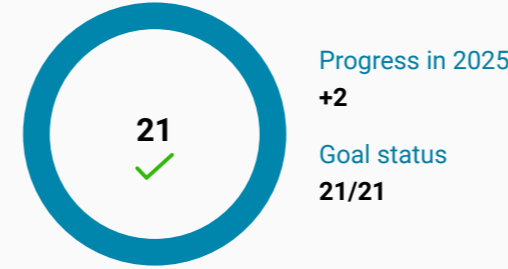
Require suppliers to disclose Scope 1 and 2 GHG emissions and water usage via CDP Supply Chain or equivalent.



Enable customers to treat more than 13 billion cubic meters of water for reuse.

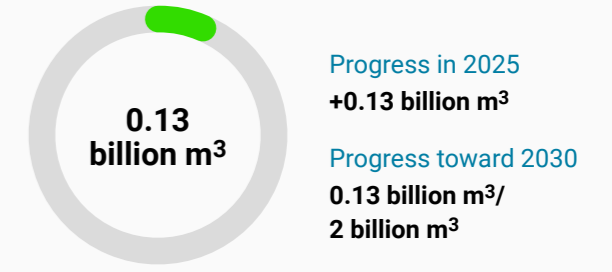


Use 100% process water recycling at our major facilities.

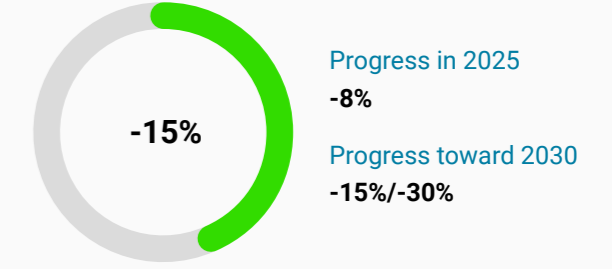


2030 sustainability goals

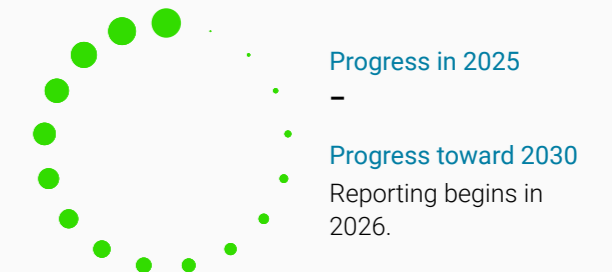
Enable customers to reduce annual demand by at least 2 billion cubic meters.



Reduce Xylem’s water economic intensity by 30%.



Reduce the water intensity of our supply chain through greater accountability of our high-impact suppliers.



Water management in our own operations

As a company dedicated to addressing global water challenges through our products and solutions, we recognize the importance of managing water responsibly within our own operations and mitigating the potential impacts on local watersheds. To lead by example, Xylem focuses on minimizing our operational water footprint through reduction, reuse, and optimization—particularly in regions facing water stress—leveraging our own technologies where possible.

Our approach is guided by disciplined water management systems and long-term goals, including our 2030 water objective, which emphasizes digitized water monitoring, closed-

loop reuse, and targeted reduction efforts in high-impact processes. While services such as resin regeneration and ion exchange are inherently water-intensive, they demonstrate the effectiveness of these systems: across all resin regeneration sites, the cumulative volume of water reused exceeds 100% of the water withdrawn at those same sites.

In 2025, our water economic intensity decreased to 0.2659 megaliters per million dollars of revenue, a 8% reduction compared with 2024 and 15% compared with our baseline in 2023. We also reached a key milestone when the remaining two major facilities achieved 100% recycling and reuse of process water, bringing the total to 21 major facilities and enabling us to meet our 2025 Sustainability Goal.

Performance data¹

Water consumption (ml)	2025	2024	2023 ²	2019 ³
Total water withdrawal	2,402	2,480	2,556	443
Total water recycled and reused	2,318	2,508	2,101	52
Water recycled and reused (%)	96	100	82	12
Total water treated and released	1,873	1,846	33	57
Water discharged	235	-	-	-
Total revenue (million \$)	9,035	8,562	8,146	5,249
Water economic intensity (ml/million \$ of revenue)	0.2659	0.2896	0.3138	0.0844

¹ Excluding Idrica.

² Combined company.

³ Legacy Xylem.

Spotlight



Closing the loop on water at Rockford's resin regeneration site

Some of our most meaningful water stewardship efforts take place within our own operations—particularly at our resin regeneration sites, where water is not a utility but a core raw material. Our nine resin regeneration sites account for approximately 80% of Xylem's total withdrawn water, making efficiency and reuse essential to both environmental performance and business resilience.

In 2025, our Rockford (Illinois), United States site demonstrated how targeted process improvements can deliver measurable impact. Historically, steam generated by the site boiler traveled approximately 90 meters to a heat exchanger used in high-temperature caustic and acid bath processes for aftermarket customers. While effective, the process discharged condensate from the heat exchanger to a waste pit, routed it through neutralization, and sent it to the sanitary drain.

To address this, the site implemented a boiler steam recovery and reuse system, transforming a linear process into a closed loop. Under the new configuration, condensate from the heat exchanger is captured, routed to a holding tank, and returned directly to the boiler for reuse. Steam is then reintroduced to the heat exchanger, completing the cycle and significantly reducing freshwater demand.

The impact was immediate and tangible: The system now reuses approximately 10,220 liters of water per day. While the boiler steam recovery and reuse system accounts for approximately 2.65 megaliters of annual savings, it represents just one part of a broader site-wide effort that conserved a total of more than 46.56 megaliters of water in 2025 through reduced chemical use, reuse of process water during resin separation, capture of rinse water from the microelectronics suite, and recovery of reject water from the reverse osmosis system.

“This initiative reflects our ongoing commitment to operational excellence and environmental stewardship while supporting Xylem's broader water reduction and reuse goals. By closing the loop on a critical water-intensive process, we show how smart engineering and everyday problem-solving can reduce impacts on local water systems and demonstrate that leadership in water stewardship starts at home.”

Danny Mann,
Rockford Plant Manager





Proactive leak detection strengthens water network resilience

In 2020, real water loss in the Town of the Blue Mountains, an adventure and tourism destination in southwestern Ontario, Canada, peaked at 27%. The Town operates approximately 150 kilometers of water mains, including a 350–400 millimeter trunk pipeline that is essential for delivering drinking water and supporting firefighting capabilities in the eastern section of the community.

Leaks along this critical pipeline were undermining the Town's water conservation efforts. To address the issue, the Town of the Blue Mountains deployed Xylem's SmartBall® inline leak detection technology in 2025 to assess a key section of the trunk without disrupting service. The inspection provided highly accurate insights—typically locating leaks within 1.8 meters—enabling prioritized, targeted repairs.

During the inspection, the free-swimming SmartBall® tool traversed nearly 10 kilometers of pipeline, listening for acoustic signals associated with leaks while being remotely tracked above ground. This non-invasive approach allowed the Town to quickly and safely assess the pipeline, requiring fewer staff hours and no interruption to water delivery.

The inspection identified four active leaks contributing to water loss and three acoustic anomalies. Follow-up investigation confirmed one anomaly as a leak on a service connection. With this precise information, the Town can prioritize repairs, reduce water loss, lower delivery costs, and strengthen supply reliability for both residents and seasonal visitors.

This project demonstrates how advanced, data-driven technologies can help utilities proactively manage critical infrastructure, reduce resource loss, and support smarter, more sustainable water systems for communities.

“Detecting leaks in deeply buried pipelines near the shoreline has posed a unique challenge for us. With SmartBall®, we were able to address water loss more efficiently and more accurately.”

Rob Gilchrist,
Water Supervisor at the Town of
the Blue Mountains

Enabling customers to manage water more efficiently

Water scarcity is a growing challenge, with nearly two-thirds of the world's population experiencing severe water scarcity for at least one month each year. Rising demand due to factors like severe weather, AI usage, and a growing population places increasing pressure on communities and industries, making efficient water management essential for resilience and growth. We help customers address water scarcity through smart water technologies and services that enable more efficient water use, helping to reduce waste, lower costs, and improve overall water security.

Our solutions include connected sensors, smart meters, and AI-driven analytics that provide real-time insights into water use, helping utilities and businesses detect leaks, optimize operations, and respond quickly to inefficiencies. Where deployed, these digital solutions have helped communities reduce water losses by 30–50%, preserving significant volumes of water within existing systems. That conserved water, when paired with advanced treatment and reuse technologies, creates further value. Water reuse and recycling solutions enable customers to recover and repurpose water for industrial or non-potable applications, easing pressure on limited freshwater resources.

By integrating intelligent monitoring, leak detection, and advanced treatment for reuse, we empower utilities and industries to optimize operations, improve resilience, and contribute to more sustainable, water-secure communities worldwide. Expanding adoption of these smart, circular solutions strengthens operational resilience, lowers costs, and advances more sustainable, water-secure systems worldwide.

Scaling water innovation through strategic partnerships and commercial impact

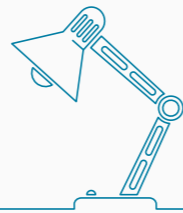
Xylem Innovation Labs, our corporate innovation and venture team, accelerates water innovation by collaborating with startups, universities, venture capital firms, and global innovators. Since launching the Partnerships Accelerator program in 2022, we have worked with more than 60 startups and 40 innovation partners to develop solutions with clear commercial pathways that address critical water challenges and advance water resilience, security, and affordability.

Xylem's integrated approach helps to identify and develop emerging water technologies that communities and businesses need now. We support pilot projects to demonstrate commercial viability and use creative financing mechanisms to accelerate adoption, cultivating a robust global water innovation ecosystem. A core part of this work is the Innovation Champions program, which brings startups together with Xylem colleagues across functions and regions to shape solutions with real-world operational insight while advancing Xylem's priorities. These efforts help bring high-impact technologies to market faster, supporting our customers' and communities' sustainability ambitions.



Learn more in our [2025 Sustainability Report](#).

Spotlight



Nanobubble technology: From innovation to impact

Xylem Innovation Labs was created to help promising ideas move from concept to measurable, real-world impact. A standout example is Moleaer, a leader in nanobubble technology—an emerging solution advancing wastewater treatment.

In 2024, the Greer Commission of Public Works, Moleaer, Black & Veatch, and Xylem worked together at the Maple Creek Wastewater Treatment Plant (WWTP) in Greer (South Carolina), United States, to deliver real results in the field. The plant, which treats an average of 11.35 megaliters of wastewater per day, had long struggled with persistent foam, unstable sludge, and operational inefficiencies caused by industrial fats, oils, and grease (FOG), and surfactants—compounds commonly found in soaps, detergents, and personal care products. These conditions had historically led to higher chemical use, increased energy demand, and inconsistent biological treatment performance.

Together, the partners explored treatment alternatives, identified optimal deployment within the plant's processes, and implemented Moleaer's nanobubble pretreatment system—all without major infrastructure upgrades or operational changes.

"We used to manage surfactants and foaming with chemicals alone," said Daniel Fahr, Greer CPW Wastewater Operations Manager. "But with increased flow and higher surfactant loading, it became clear we needed an advanced treatment solution to improve efficiency and performance. Moleaer's nanobubble technology offered exactly that."

In just a year, the technology helped deliver measurable sustainability outcomes. Foam coverage was reduced by 50%, chemical use dropped by up to 60%, and aeration times and dissolved oxygen requirements decreased—lowering overall energy demand. The plant also achieved more stable biological phosphorus removal and improved effluent quality. Reduced chemical dosing improved sludge settling and contributed to lower hauling volumes and associated costs.

The Maple Creek project demonstrates how Xylem Innovation Labs turns collaboration into real-world results—bringing together utilities, engineering partners, and breakthrough technologies to strengthen operational efficiency, reduce environmental impact, and support more resilient, circular water systems.

"Nanobubbles are ultra-fine bubbles, approximately 200 nanometers in diameter, 2,500 times smaller than a grain of salt. Their extremely small size creates a high surface area, allowing them to bind with surfactants, soaps, degreasers, and disinfectants. This improves separation processes and enhances oxygen transfer and biological health, essential for energy and cost efficiency in wastewater treatment."

John Crisman
Senior Water Process Engineer at Moleaer



Partnering to reduce water impact across our supply chain

Xylem integrates water stewardship into procurement by leveraging the CDP Supply Chain program to support suppliers in measuring, disclosing, and reducing their environmental impacts. Our strategy focuses on expanding participation, enhancing data quality, and advancing risk mitigation through reduction target setting.

In 2025, we expanded water-related disclosures, with suppliers reporting on water use and impacts. Looking forward to 2026 and beyond, we will engage supply partners in reducing water intensity across our value chain, prioritizing the largest water users and collaborating with them to lower their water footprint through innovative products, solutions, and services, reinforcing sustainable practices throughout our supply chain.

Advocating for progress in addressing global water challenges

We engage with elected officials, policymakers, trade associations, coalitions, industry, and nonprofit stakeholders to accelerate progress in addressing global water challenges. Our dedicated government affairs team guides our response to business-critical issues, helping us seize opportunities and mitigate risks arising from new laws and regulations. The team also shares insights on regulatory developments, government funding, and incentives to inform business strategies across the organization.

Our advocacy efforts involve direct engagement, coalition-building, and collaboration with like-minded industry and nonprofit organizations. We are active in key trade associations that help advance our public policy agenda, with a primary focus on the European Union and the United States, where we have our most significant business presence. As part of our commitment to global governance, we are gradually expanding our advocacy efforts worldwide.

Shaping European water policy

Xylem played an active role in advising the European Commission on the development of the first-ever European Water Resilience Strategy. Published in June 2025, the strategy sets out the long-term vision of the European Union (EU) for addressing current and emerging water challenges. It outlines a wide range of actions to be implemented over the coming years, including measures to promote circular industrial water use, an EU Recommendation on the Water Efficiency First Principle, a Digital Water Action Plan to be released in 2026, and an additional \$17.4 billion in funding through the European Investment Bank.

In anticipation of the Digital Water Action Plan, we worked with 14 leading global companies to update our joint industry statement, outlining key recommendations for accelerating digitalization across the European water sector.

In addition, we have begun engaging in the revision of the EU Public Procurement Directives, advocating for stronger sustainability and innovation criteria in public procurement across Europe.

Spotlight



Turning policy into water resilience across Europe

Across Europe, water systems are under growing pressure. Droughts and floods are intensifying, infrastructure is aging, and demand from cities, industry, and agriculture continues to rise. These challenges are reshaping how water is managed—and prompting a new level of action. Against this backdrop, the European Union introduced the European Water Resilience Strategy, a landmark policy designed to safeguard Europe's water future and accelerate the transition to smarter, more resilient water management.

The strategy signals a clear shift away from reactive water management toward a more preventive, integrated, and data-driven approach. Its aim is to help Member States anticipate risk, reduce pressure on water resources, and invest in solutions that deliver long-term resilience. At its core, the strategy focuses on safeguarding water availability through improved drought preparedness and accelerated water reuse, while boosting efficiency across utilities, agriculture, and industry by tackling leakage and energy waste. It also emphasizes protecting water quality and ecosystems through integrated river basin management and nature-based solutions, and strengthening resilience and transparency through better data, digital monitoring, and risk-based planning. Together, these priorities send a clear message: Europe's water systems must do more with less—

and be ready for a more uncertain climate future.

For water utilities and industrial users, the European Water Resilience Strategy is more than a regulatory requirement. It is a catalyst for modernizing infrastructure, adopting digital solutions, and embedding resilience into daily operations. Xylem's technologies and services are closely aligned with these goals, helping customers turn policy ambition into measurable outcomes.

Reducing water loss remains a priority, as leaks continue to be one of the largest sources of inefficiency across European networks. Our smart pumps, advanced leak detection solutions, and digital analytics help utilities identify losses faster, optimize pressure, and reduce non-revenue water, while also lowering energy use and operating costs. At the same time, as extreme weather events become more frequent, we support resilience planning with flood control, wastewater transport, and monitoring solutions that enable proactive responses to floods, droughts, and system stress.

Water reuse is another cornerstone of the EU's resilience strategy. Our advanced treatment and disinfection technologies enable the safe reuse of municipal and industrial wastewater for agriculture, industry, and urban applications, extending available water supplies while easing pressure on natural ecosystems. The strategy also

emphasizes transparency and informed planning. Our digital platforms advance these priorities by providing real-time insights into network performance, water quality, and energy use that advance regulatory compliance and confident long-term investment decisions.

Overall, the European Water Resilience Strategy marks a pivotal moment for Europe's water sector. By encouraging innovation, collaboration, and smarter investment, it creates the conditions for lasting resilience and sustainability. In partnership with our customers, Xylem is helping build a more resilient and water-secure future for Europe.

“Water resilience is no longer a future ambition; it is a present-day necessity for Europe. This strategy provides a critical framework to align policy, investment, and innovation around protecting water as a strategic resource. We see it as an opportunity to accelerate solutions that already exist and scale those that are needed most.”

Tania Pentcheva,
Director, European Government
and Industry Relations at Xylem

