



Sustainability at Xylem

Sustainability is at the core of our business strategy, reflecting our belief that advancing environmental stewardship and contributing to a more resilient society are closely linked to long-term value creation.

As water challenges—from scarcity to emerging contaminants and climate issues—intensify, communities, regulators, and businesses worldwide are placing greater emphasis on water security, resilience, and responsible resource management. These growing pressures influence customer demand,

regulatory expectations, operational priorities, and investment decisions across our markets.

Xylem is uniquely positioned to respond. Through innovative technologies and services, we empower customers to deliver clean water, treat wastewater, strengthen infrastructure resilience, create water and energy efficiencies, and protect public health. In doing so, our growth strategy is closely aligned with the most significant sustainability-related impacts, risks, and opportunities affecting our business and stakeholders.

In response to a changing world with increasing resource demands, we have advanced our 2025 Goals and established ambitious 2030 Goals to expand our positive impact and strengthen resilience across our value chain. By broadening access to water solutions and deepening collaboration, we are embedding sustainability into everything we do while accelerating progress toward a more sustainable, water-secure future for all.

2025 sustainability highlights



Exceeded all four 2025 Customer Sustainability Goals. Since 2019, our solutions have helped the reuse of 22+ billion m³ of water, prevent 13+ billion m³ of polluted water from entering communities and waterways, reduce 4.3+ billion m³ of non-revenue water, and cut water's carbon footprint by 8+ million metric tons of CO₂e.

46

Disaster-affected areas supported in 2025. We delivered humanitarian aid to communities impacted by water-related disasters—contributing to 200 areas supported since 2019, meeting our 2025 Sustainability Goal.



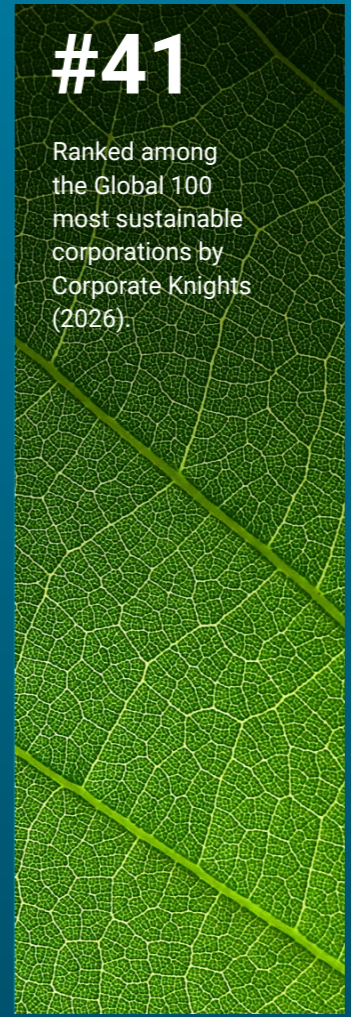
-16%

Reduction in Scope 1 and 2 (market-based) emissions since 2023.



#41

Ranked among the Global 100 most sustainable corporations by Corporate Knights (2026).



3.7 million

People reached in 2025. We provided access to clean water and sanitation solutions—bringing total impact to 20 million people since 2019, achieving our 2025 Sustainability Goal.

-15%

Reduction in water economic intensity since 2023.



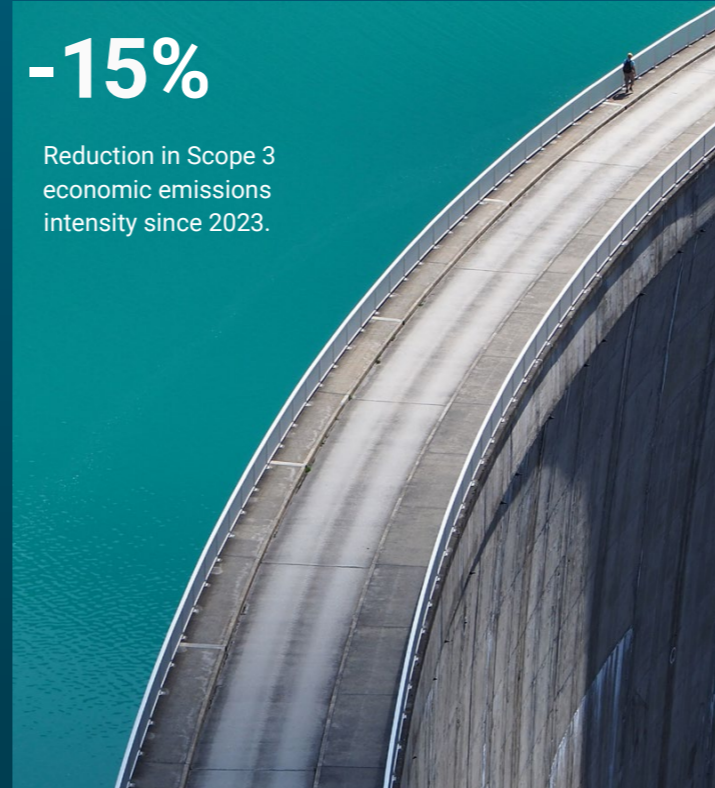
81%

Employee participation in volunteer activities in 2025.



-15%

Reduction in Scope 3 economic emissions intensity since 2023.



CDP Climate Change A List. Our strongest performance since we began reporting in 2013.

29%

Women represented in leadership positions through merit-based retention, promotion, and recruitment.



-15%

Reduction in injury frequency rate to 0.44, surpassing our 2025 Sustainability Goal of 0.5.



About Xylem

Xylem is a Fortune 500 global water solutions partner committed to advancing sustainable impact and championing the people who make water work every day.

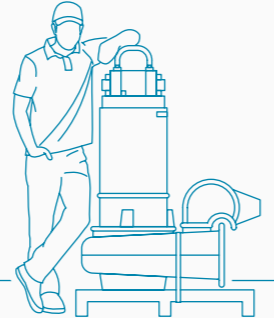
With ~22,000 employees worldwide, we collaborate with utilities, industrial manufacturers, building operators, and communities to solve the water challenges that matter most. We connect diverse capabilities, innovative technologies, and deep expertise to provide tailored solutions

across the entire water cycle. From moving, treating, and measuring water to optimizing and maintaining water systems, Xylem helps customers strengthen resilience, improve resource efficiency, and protect public health and the environment.

~22,000 employees



100+ years of product excellence



Serving customers in ~150 countries



>\$226 million invested in research and development in 2025



>\$9 billion in total revenue in 2025



Ratings and recognition

Sustainability ratings



EcoVadis:
Silver – 93rd percentile
(as of May 2025)



CDP:
Climate Change: A-List
(as of December 2025)
Water Security: B
(as of December 2025)
Supplier Engagement: A
(as of February 2026)



ISS ESG Corporate Rating:
Prime – Decile rank 1
(as of December 9, 2025)



ISS ESG Quality Score:
Environment 1
Social 1
(as of April 1, 2026)

Recognitions

2026 Global 100®
Corporate Knights (ranked #41 out of 100 overall)

2026 Clean 200®
Corporate Knights (ranked #106 out of 200 overall)

2025 250 Best-Managed Companies
Wall Street Journal (ranked #116 out of 250 overall)

2026 America's Most Responsible Companies
Newsweek (ranked #63 out of 600 overall)

2025 The Global 2000
Forbes (ranked #1,041 out of 2,000 overall)

2025 100 Most Sustainable U.S. Companies
Barron's (ranked #6)

2025 America's Most Just Companies
JUST Capital (ranked #65 out of 933 overall)

2026 Equality 100 Award – Leader in Workplace Inclusion
Human Rights Campaign Foundation (6th consecutive year)

Driving impact across our value chain

As a leading global water solutions company, we are dedicated to advancing sustainable impact by empowering the people who make water work every day and their communities. We focus our sustainability efforts on one of the world's most urgent sustainability challenges: responsible stewardship of our shared water resources.

Sustainability is at the heart of everything we do. We view it as a driver of long-term value and a catalyst for positive societal impact. By integrating sustainability into our decision-making and daily operations, we create lasting benefits for our shareholders, customers, employees, and the communities we serve.

We promote sustainable impact across our value chain through proven water solutions and strong, collaborative partnerships with customers, colleagues, suppliers, and communities that drive positive environmental and societal outcomes and long-term value creation.

Through our advanced water technologies, products, and technical expertise, we empower customers and communities to address critical water challenges such as scarcity, quality, resilience, affordability, and availability. Our solutions enable reliable, efficient water and wastewater systems that protect public health, sustain essential services, promote business and economic stability, reduce environmental impact, and contribute to a more water-secure world for people and the planet.

Through our focus on sustainable business and operational practices, employee volunteerism, and community initiatives—including our corporate social responsibility program Xylem Watermark—we advance responsible business and environmental stewardship and promote stronger, more water-secure communities, while reinforcing sustainability as a core element of our strategy.

Customers

We partner with utilities and industries to address water scarcity, quality, resilience, and affordability. Through our broad product portfolio and technical expertise, we empower utilities serving both major cities and remote communities to optimize water and wastewater systems, supporting public health and environmental protection. We also provide integrated solutions to treat, transport, manage, and optimize water systems and improve operational efficiencies for industry and essential services.

Our company

We operate our business with integrity and accountability, focusing on reducing environmental impacts, enhancing product quality and sustainability, and maintaining high standards for safety, well-being, and inclusion. Our workforce and operating practices are central to delivering innovative, reliable water solutions across the value chain.

Communities

Through our technologies, expertise, and partnerships, we support water stewardship and sustainable development in the communities where we operate. Through Xylem Watermark, we collaborate with nonprofit partners, customers, suppliers, business partners, and colleagues to expand access to clean water, sanitation, and water education. These efforts contribute to resilient, water-secure communities and long-term societal and economic well-being.

Our value chain

▲ Upstream



► Our own operations



▼ Downstream



Customers and channel partners

Communities

Waste

End of life and circularity

Our strategic pillars

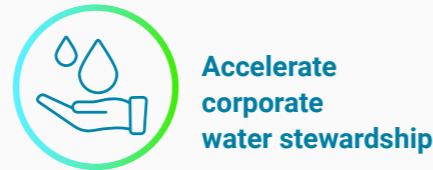
Three sustainability pillars guide our actions to improve water security and focus our efforts where we can create the greatest impact. In response to a changing world with increasing resource demands, we have advanced our 2025 Goals and established ambitious 2030 Goals to expand our positive impact and strengthen resilience across our value chain. By broadening access to water solutions and deepening collaboration, we are embedding sustainability into everything we do while accelerating progress toward a more sustainable, water-secure future for all.



**Decarbonize
the water sector**

Growing environmental and infrastructure challenges represent both a material risk and an opportunity to drive innovation in the water sector. As a technology partner to utilities, industrial water users, and municipalities, we work to reduce sector-wide greenhouse gas emissions while supporting customers' net-zero transitions. Our own science-based targets aim to cut Xylem's carbon emissions by 2030, with an ambition to reach net zero by 2050.

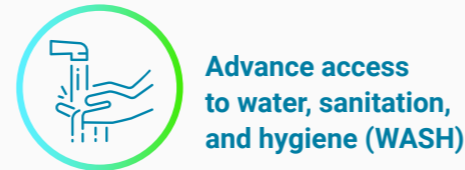
Through collaboration with stakeholders across the water sector, we share knowledge, resources, and standards for low-carbon operations, and we continuously assess and report the environmental footprint of our material products and solutions, from lifecycle performance to end-of-life impacts. By embedding emission-reduction targets into operational planning and decision-making, we align both our internal operations and our external solutions with the broader decarbonization goals we seek to advance across the sector.



**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.



**Advance access
to water, sanitation,
and hygiene (WASH)**

Limited access to clean water and safe sanitation affects billions of people worldwide, creating societal challenges and risks for community resilience. Xylem addresses these challenges by investing in technologies, partnerships, and programs that expand access to climate-resilient WASH solutions. Through strategic collaboration with nonprofits, governments, and the private sector, we help increase resources and funding to support sustainable water access initiatives.

Our colleagues contribute their expertise and volunteer time to strengthen program delivery and community impact. By designing and implementing solutions that mitigate water scarcity, improve public health, and enhance resilience, we support sustainable development in water-insecure regions while advancing our mission to enable safe and reliable water for all.



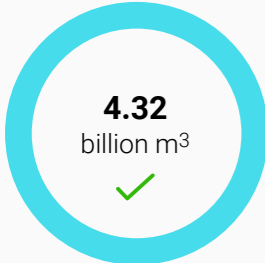
Learn more in our [2025 Sustainability Report](#).



Our 2025 sustainability goals

2025 Customer Sustainability Goals

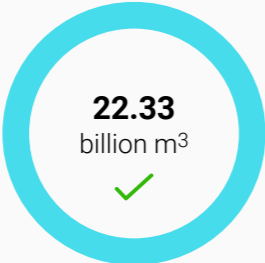
1. Enable customers to reduce more than 3.5 billion cubic meters of non-revenue water.



Progress in 2025
+0.61 billion m³

Goal status
4.32 billion m³ / 3.5 billion m³

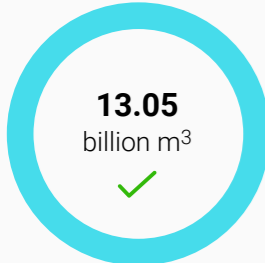
2. Enable customers to treat more than 13 billion cubic meters of water for reuse.



Progress in 2025
+4.18 billion m³

Goal status
22.33 billion m³ / 13 billion m³

3. Enable customers to prevent more than 7 billion cubic meters of polluted water from flooding communities or entering local waterways.



Progress in 2025
+2.31 billion m³

Goal status
13.05 billion m³ / 7 billion m³

4. Enable customers to reduce water's CO₂e footprint by more than 2.8 million metric tons.



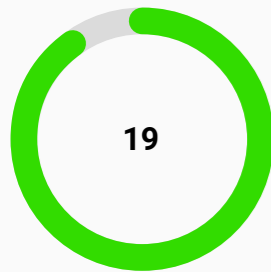
Progress in 2025
+1.67 million metric tons CO₂e

Goal status
8.10 million metric tons CO₂e / 2.8 million metric tons CO₂e



2025 Company Sustainability Goals (Operations)

1. Use 100% renewable energy at our major facilities.¹



Progress in 2025

Following our 2025 portfolio review, we did not proceed with planned sustainability investments in Shenyang, China, and Stará Turá, Slovakia.²

Goal status
19/21³

2. Use 100% process water recycling at our major facilities.



Progress in 2025

+2

Goal status

21/21

3. Achieve zero waste to landfill from processes at our major facilities.



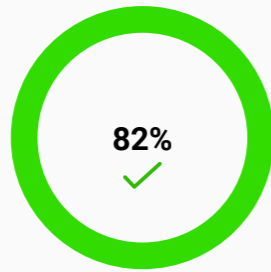
Progress in 2025

+2

Goal status

21/21

4. Achieve packaging material consisting of 75% reusable, recyclable, or compostable content.



Progress in 2025

82%

Goal status

82%/75%

5. Develop 1.5°C science-based targets for GHG reductions across Scopes 1, 2, and 3.



Progress in 2025

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Goal status

2030 science-based targets approved by SBTi.

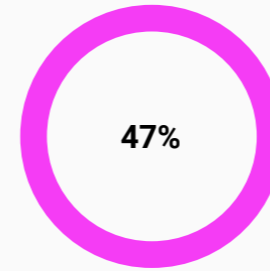
¹ Major facilities are defined as those 21 sites with manufacturing activities that are the top contributors to Xylem's water, waste, or GHG metrics, or are in areas with extremely high water-stress risk.

² This reflects the divestment of our European metering operations and restructuring efforts in China to optimize cost structure and market focus. Capital and resources have been redirected toward initiatives expected to deliver equal or greater CO₂e reductions across our global operations.

³ Slaton (Texas), United States, previously classified as a major facility, closed in 2023, reducing our total number of major facilities to 21.

2025 Company Sustainability Goals (Supply Chain)

1. Require suppliers to disclose sustainability information via EcoVadis or equivalent.



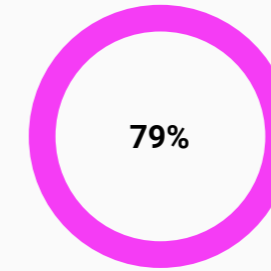
Progress in 2025

+5%

Goal status

47%

2. Engage sustainability-critical suppliers in sustainability initiatives through audit programs and corrective action plans.



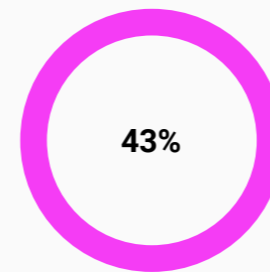
Progress in 2025

Sustainability-critical suppliers identified and engaged.

Goal status

79% of sustainability-critical suppliers identified.

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



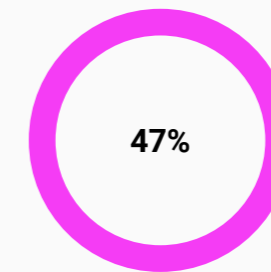
Progress in 2025

+5%

Goal status

43%

4. Require suppliers to take the WASH4Work pledge for access to safe water, sanitation, and hygiene at the workplace.



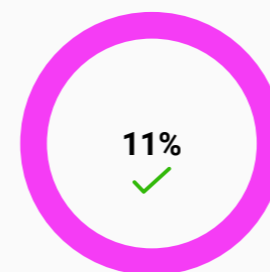
Progress in 2025

+4%

Goal status

47%

5. Establish a supplier community program to attract small businesses and suppliers that reflect the broad spectrum of markets we serve, with a goal of 9.5% spend with qualified small or diverse suppliers in the United States.



Progress in 2025

+2%

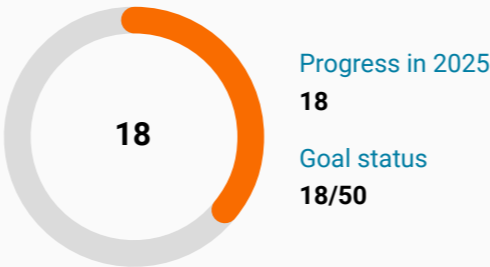
Goal status

11%/9.5%

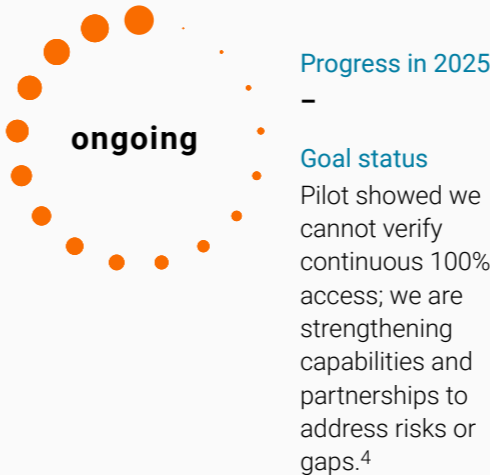


2025 Company Sustainability Goals (Workplace)

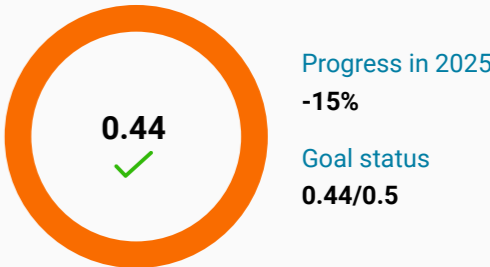
1. Achieve at least an average of 50 hours per employee per year of rich learning and development opportunities to build Xylem's ability to solve water for decades to come.



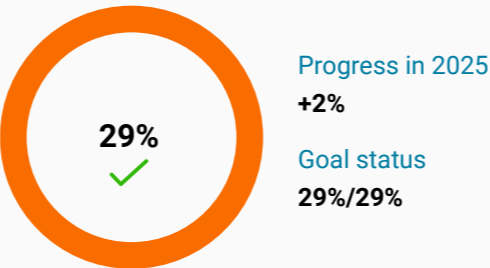
2. 100% of employees have access to clean water and safe sanitation at home and during natural disasters.



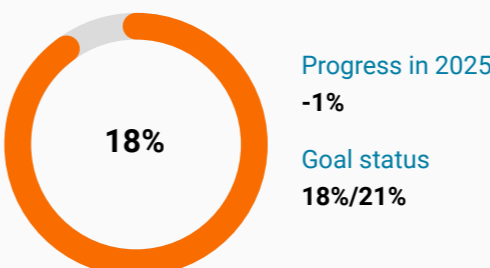
3. Reduce injury frequency to an incident rate of 0.5 or below.



4. 29% representation of women in leadership positions, through merit-based retention, promotion, and recruitment.



5. 21% minority representation in U.S. leadership positions, through merit-based retention, promotion, and recruitment.



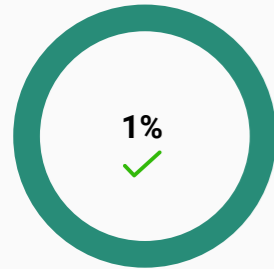
6. Conduct an annual pay equity assessment based on gender and U.S. minority classifications and make pay adjustments, as necessary, based on the results.



⁴ A single-site pilot highlighted limits in continuous verification; Xylem maintains its commitment, supported by disaster response capabilities and partnerships, especially following disruptions.

2025 Community Sustainability Goals

1. Give 1% of company profits⁵ to water-related causes and education.



Progress in 2025
Donated \$9.1 million.
Goal status
1%/1%

2. Provide paid time off for Xylem employees to volunteer 1% of their time.



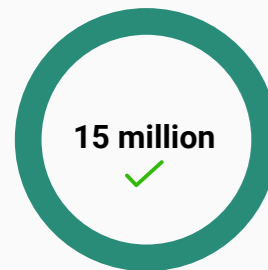
Progress in 2025
20 hours
Goal status
Provided 20 hours paid time off.

3. Deploy humanitarian aid to 200 areas affected by water-related natural disasters.



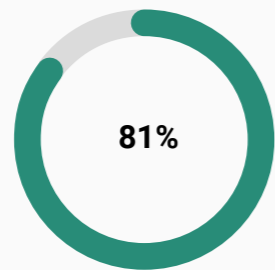
Progress in 2025
+46
Goal status
200/200

4. Provide 15 million people with water education to improve quality of life and raise awareness of water issues.



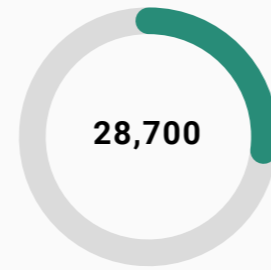
Progress in 2025
+2.6 million
Goal status
15 million/15 million

5. Engage at least 95% of Xylem employees in volunteer activities.



Progress in 2025
81%
Goal status
While participation remains well above industry peers, factors such as the 2023 Evoqua acquisition and resulting headcount growth affected achievement of this goal. We will continue engaging all employees through Xylem Watermark.

6. Engage 100,000 stakeholders in volunteer events.



Progress in 2025
+4,100
Goal status
28,700/100,000
Tracking participants outside Xylem remains challenging, limiting full measurement.⁶

7. Provide access to clean water and sanitation solutions for at least 20 million people living at the base of the global economic pyramid.



Progress in 2025
+3.7 million
Goal status
20 million/20 million



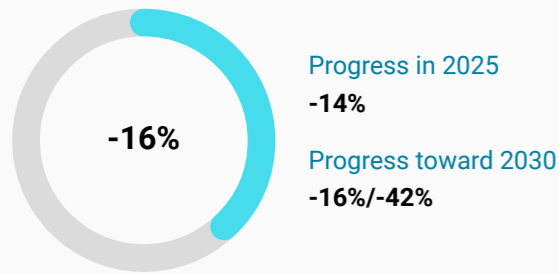
⁵ "Company profits" is defined as GAAP net income.

⁶ Since 2019, we've made strong progress working with suppliers, customers, and partners to expand our community impact. Our 2030 goals will reflect this by focusing on partner-led activations that advance WASH access and resilience.

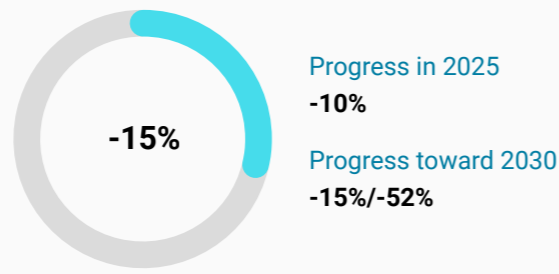
Our 2030 sustainability goals

Decarbonize the water sector

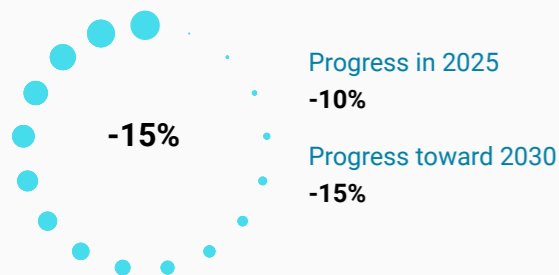
1. 42% Scope 1 and 2 (market-based) emission reductions.⁷



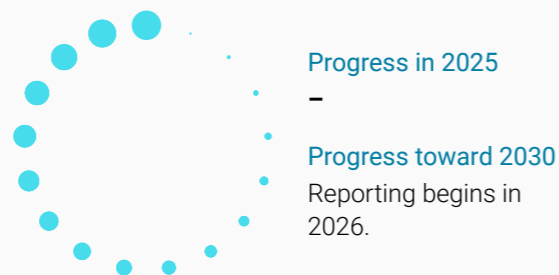
2. 52% reduction in Scope 3 economic emissions intensity.^{8, 9}



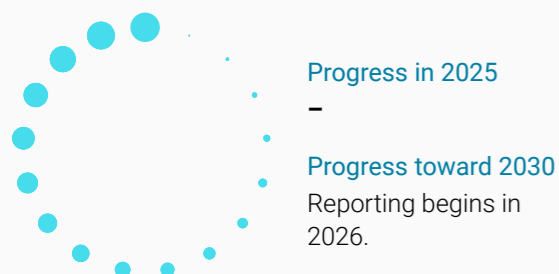
3. Reduce the economic emissions intensity associated with the use of our products by more than half, helping customers across the water sector decarbonize.



4. Publicly disclose lifetime environmental impacts for more than half of our products.



5. New Xylem products will be designed with sustainability embedded from the start.

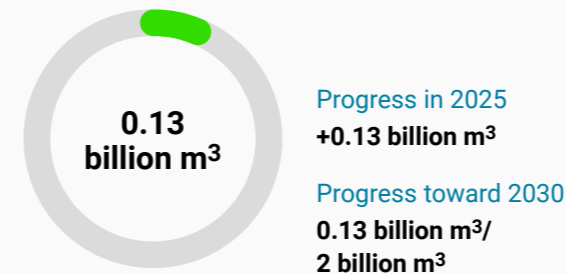


^{7,8} 2030 science-based target validated by SBTi.

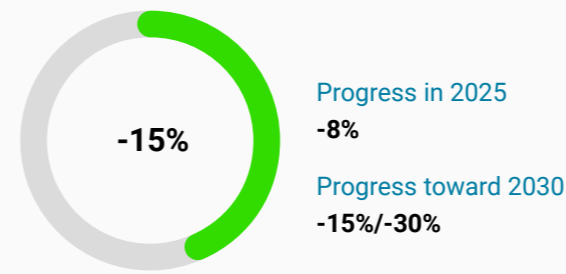
⁹ Scope 3 economic emissions intensity = Absolute Scope 3 emissions / Gross profit.

Accelerate corporate water stewardship

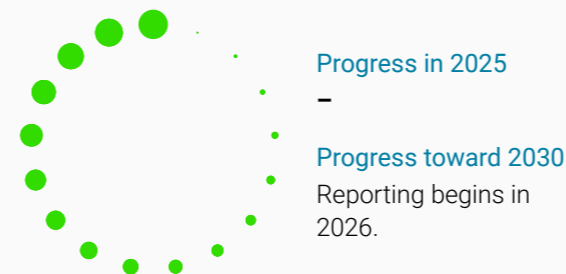
1. Enable customers to reduce annual demand by at least 2 billion cubic meters.



2. Reduce Xylem's water economic intensity by 30%.

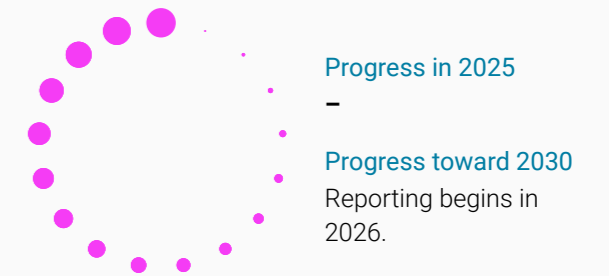


3. Reduce the water intensity of our supply chain through greater accountability of our high-impact suppliers.

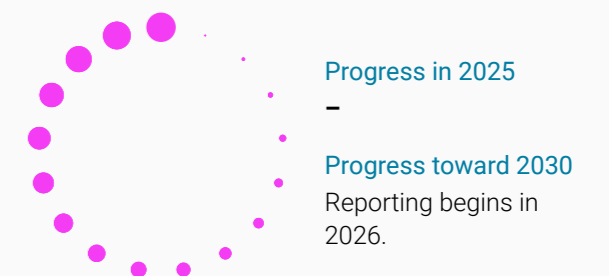


Advance access to WASH

1. Improve water security for 80 million people by enabling climate-resilient WASH access and capacity-building in under-resourced, water-insecure communities by 2030.



2. Invest 30% of employee volunteering in applying employees' professional skills to build organizational capacity, developing our people while sharing expertise where it is needed most.



3. Engage strategic partners in more than 1,000 community activations that advance WASH access and resilience.

