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Accelerating progress toward a water-secure future

Dear stakeholders,

Water is one of the defining challenges of our time, a critical constraint for urbanization, industrial growth, and now the AI revolution. The new economy is reshaping our world faster than any other technology before, but every chip, every data center, and every megawatt of power depends on reliable supplies of clean water. As demands are rising, the world's water systems are struggling. Aging infrastructure, decades of underinvestment, and climate pressures are straining supplies. Already water-stressed regions are especially hard-hit and urgently need more resilient, efficient, and sustainable water systems.

Innovation and prosperity can advance alongside water security; they do not have to compete. Our recent study [Watering the New Economy](#), written in collaboration with Global Water Intelligence, has a clear conclusion: we can turn water constraints into water security, provided we stop the leaks, reuse the water, and build strong partnerships across industries, utilities, and communities.

Xylem brings the domain expertise, hardware, and analytics at scale to solve this sustainability challenge across the full water cycle. We have a clear strategy and purpose: to help customers and communities build a more water-secure world, from moving, treating, and measuring water to optimizing and maintaining the water systems that sustain communities and industries. We are convening partners, leveraging AI, and combining engineering expertise with digital innovation to help customers modernize water systems, improve operational performance, and manage resources more effectively. That's how we safeguard public health, strengthen community resilience, support economic growth, and protect the planet.

From commitment to measurable impact

In 2025, we completed the sustainability goals we set in 2019, surpassing many of our targets and achieving them ahead of schedule in collaboration with our customers and partners. Our Xylem teams:

- enabled the reuse of more than 22 billion cubic meters of water,
- prevented over 13 billion cubic meters of polluted water from entering communities and waterways,
- reduced more than 4.3 billion cubic meters of non-revenue water (water lost to leaks, meter inaccuracies, or unauthorized use), and
- reduced water's carbon footprint by more than 8 million metric tons of CO₂e.

This shows how innovation, advanced technologies, and close collaboration with customers turn sustainability ambitions into measurable operational and environmental outcomes.

We continued to transform our own operations, expanding renewable energy use, increasing process water recycling, and improving waste diversion at major facilities. We also strengthened safety performance and increased the representation of women in leadership roles. This progress was recognized externally: in 2025, Xylem was named to the CDP Climate Change A List, our strongest performance since we began reporting in 2013. Xylem also ranked No. 41 on the 2026 Global 100 list of the world's most sustainable corporations by Corporate Knights.

Turning lessons into action for 2030

Now we are building on this momentum and using our 2030 sustainability agenda to deepen our impact and accelerate progress toward water security. Our approach reflects lessons learned from previous goals, focusing on areas where we can have the greatest impact and deliver disproportionate value for customers and stakeholders. We will continue to drive decarbonization in the water sector, advance corporate water stewardship, and expand access to water, sanitation, and hygiene (WASH). To achieve our sustainability and business ambitions, we are investing in the talent, skills, and capabilities needed to innovate, scale solutions, and embed sustainability into every aspect of our business.

Water security requires innovation and collaboration on a global scale. At Xylem, we are committed to working with partners across sectors to build resilient systems that support communities, protect the environment, and create lasting value for customers and stakeholders. Together, we are building a more water-secure, sustainable future.



Matthew Pine
Chief Executive Officer



Claudia Toussaint
Chief People and Sustainability Officer