



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.



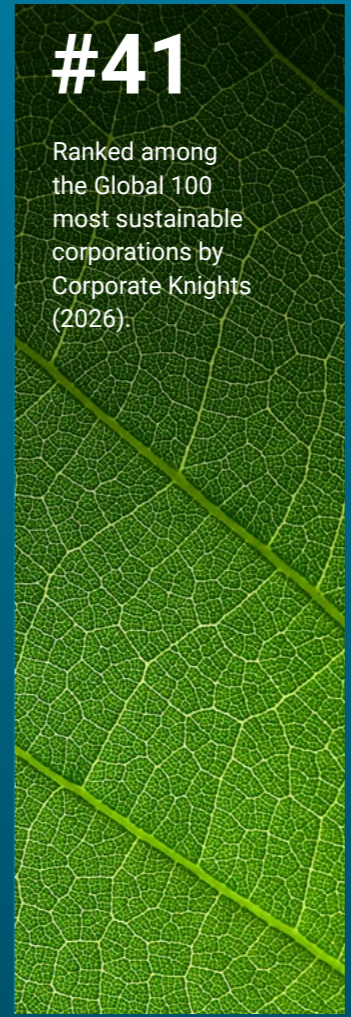
-16%

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.

29%

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

-15%

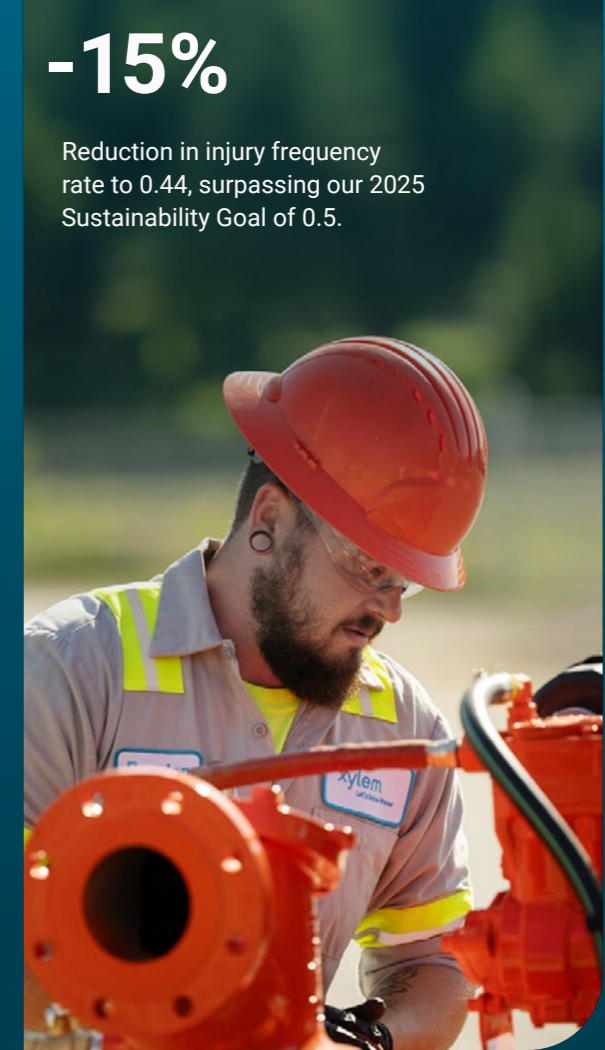
Reduction in Scope 3 economic emissions intensity since 2023.



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

-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

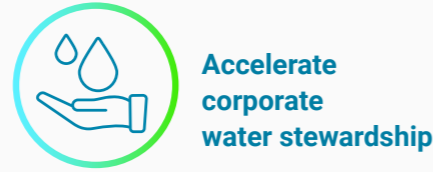
Three sustainability pillars guide our actions to improve water security and focus our efforts where we can create the greatest impact. In response to a changing world with increasing resource demands, we have advanced our 2025 Goals and established ambitious 2030 Goals to expand our positive impact 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.

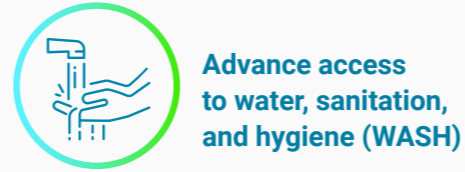
Through collaboration with stakeholders across the water sector, we share knowledge, resources, and standards for low-carbon operations, and we continuously assess and report the environmental footprint of our material products and solutions, from lifecycle performance to end-of-life impacts. By embedding 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.



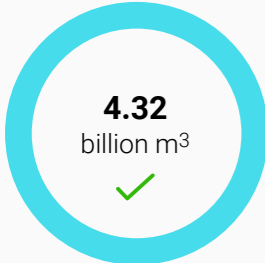
Learn more in our [2025 Sustainability Report](#).



Our 2025 sustainability goals

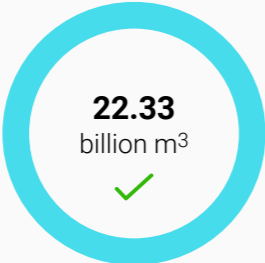
2025 Customer Sustainability Goals

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



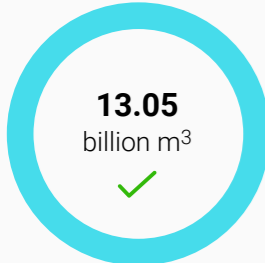
Progress in 2025
+0.61 billion m³
Goal status
4.32 billion m³/
3.5 billion m³

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.

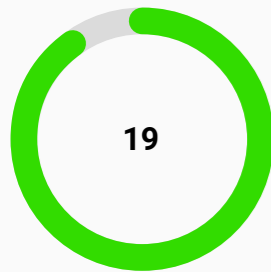


Progress in 2025
+1.67 million metric tons CO₂e
Goal status
8.10 million metric tons CO₂e/2.8 million metric tons CO₂e



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.

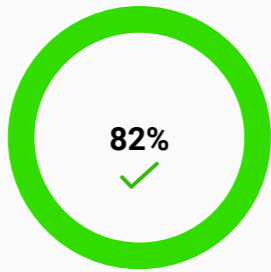


Progress in 2025

+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

-

Goal status
2030 science-based targets approved by SBTi.

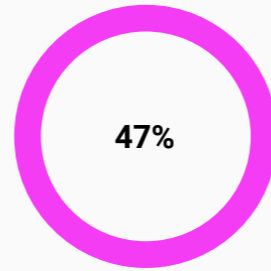
¹ Major facilities are defined as those 21 sites with manufacturing activities that are the top contributors to Xylem's water, waste, or GHG metrics, or are in areas with extremely high water-stress risk.

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.

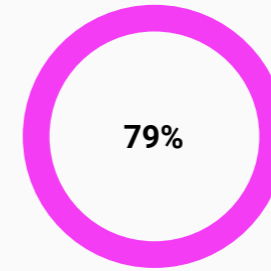


Progress in 2025

+5%

Goal status
47%

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

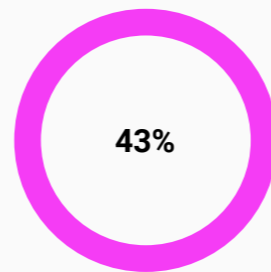


Progress in 2025

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.

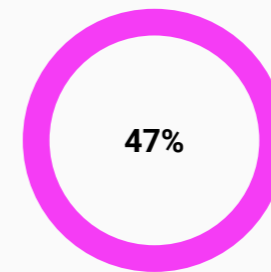


Progress in 2025

+5%

Goal status
43%

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

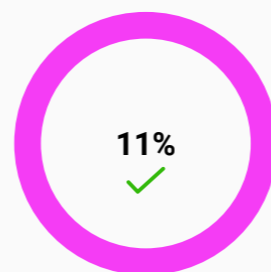


Progress in 2025

+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

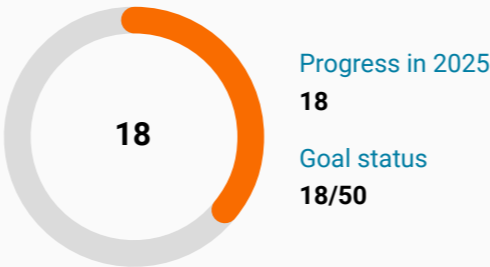
+2%

Goal status
11%/9.5%

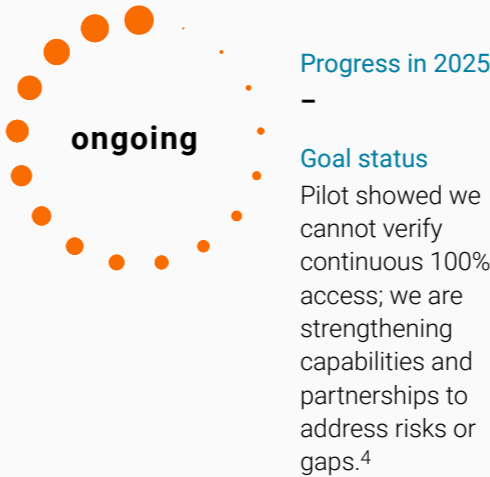


2025 Company Sustainability Goals (Workplace)

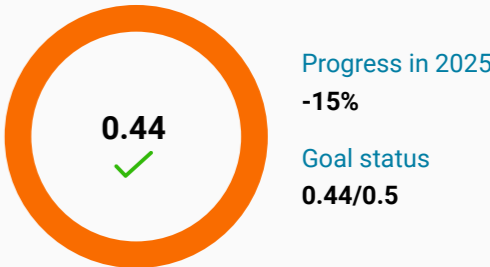
1. Achieve at least an average of 50 hours per employee per year of rich learning and development opportunities to build Xylem's ability to solve water for decades to come.



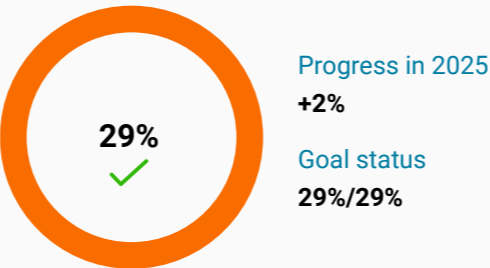
2. 100% of employees have access to clean water and safe sanitation at home and during natural disasters.



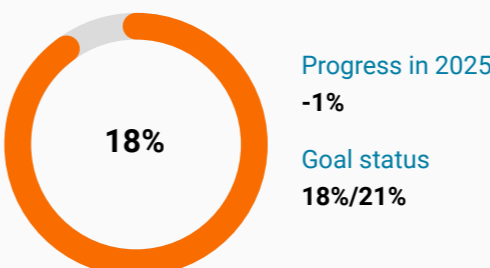
3. Reduce injury frequency to an incident rate of 0.5 or below.



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.



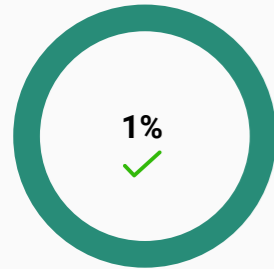
6. Conduct an annual pay equity assessment based on gender and U.S. minority classifications and make pay adjustments, as necessary, based on the results.



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.



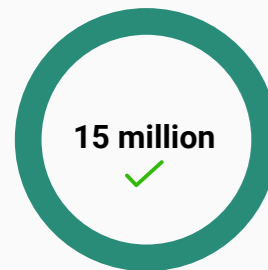
Progress in 2025
20 hours
Goal status
Provided 20 hours paid time off.

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



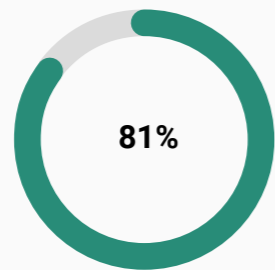
Progress in 2025
+46
Goal status
200/200

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



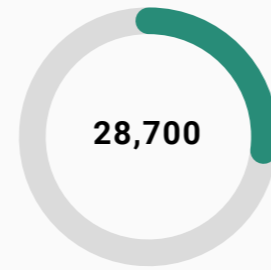
Progress in 2025
+2.6 million
Goal status
15 million/15 million

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



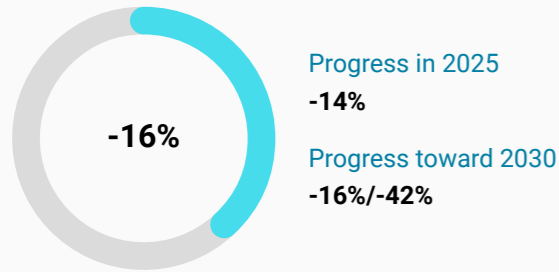
⁵ "Company profits" is defined as GAAP net income.

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.

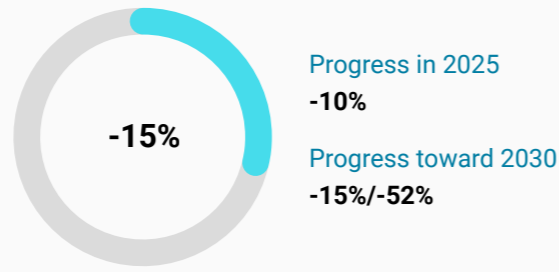
Our 2030 sustainability goals

Decarbonize the water sector

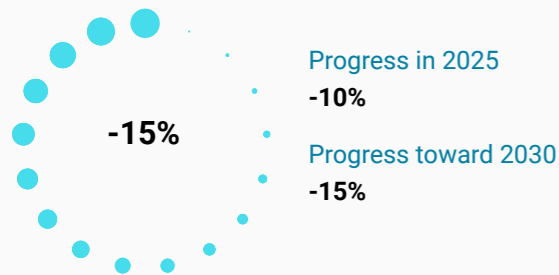
1. 42% Scope 1 and 2 (market-based) emission reductions.⁷



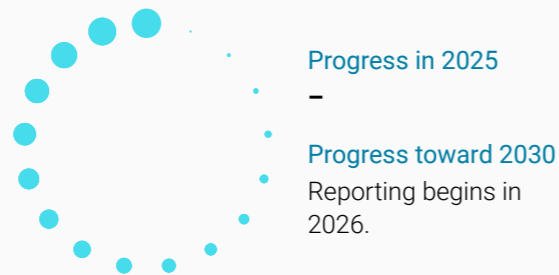
2. 52% reduction in Scope 3 economic emissions intensity.^{8, 9}



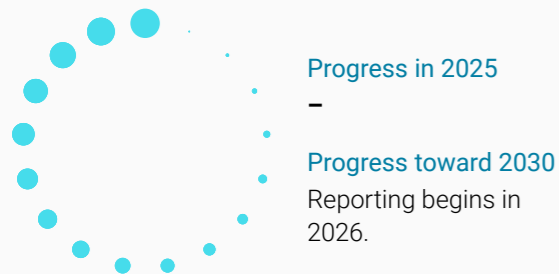
3. Reduce the economic emissions intensity associated with the use of our products by more than half, helping customers across the water sector decarbonize.



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.

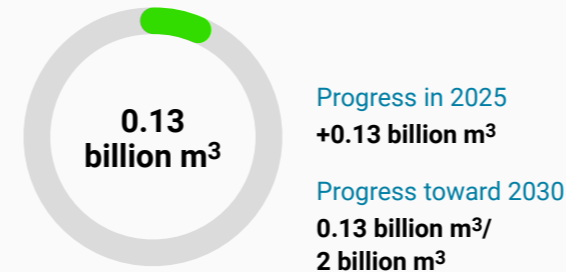


^{7,8} 2030 science-based target validated by SBTi.

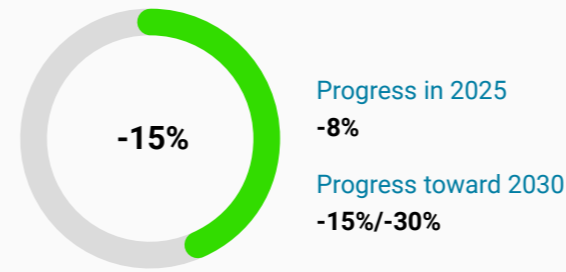
⁹ Scope 3 economic emissions intensity = Absolute Scope 3 emissions / Gross profit.

Accelerate corporate water stewardship

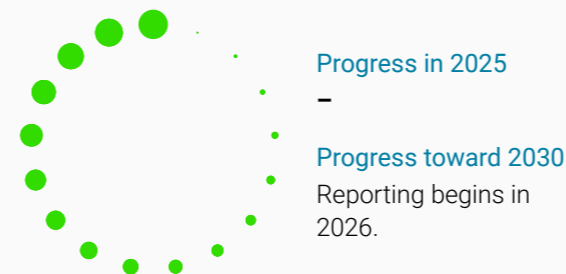
1. Enable customers to reduce annual demand by at least 2 billion cubic meters.



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

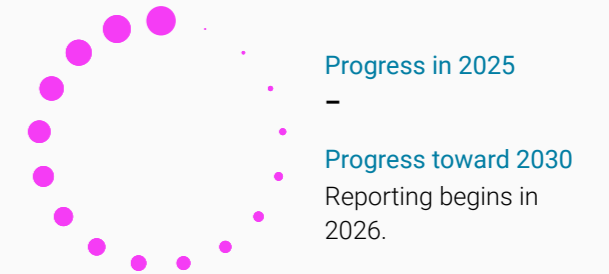


3. Reduce the water intensity of our supply chain through greater accountability of our high-impact suppliers.

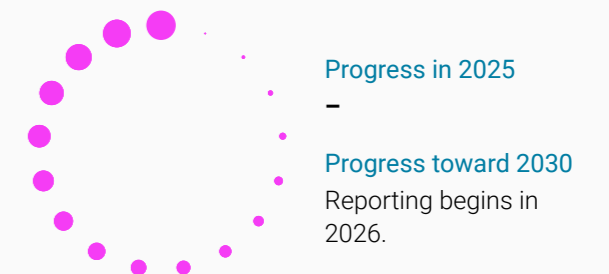


Advance access to WASH

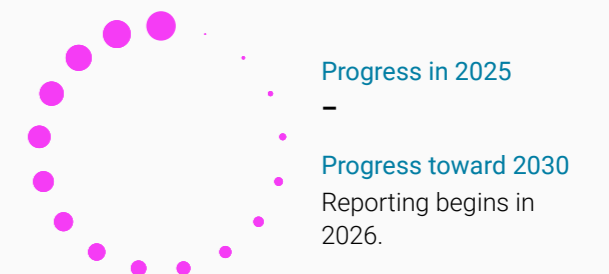
1. Improve water security for 80 million people by enabling climate-resilient WASH access and capacity-building in under-resourced, water-insecure communities by 2030.



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.



The logo for Xylem, featuring the word "xylem" in a white, lowercase, sans-serif font. The logo is positioned in the upper left corner of the image, set against a dark teal background that curves into the main scene. The background of the entire image is a photograph of a water treatment facility in a dry, open landscape with mountains in the distance.

xylem

A photograph of a water treatment facility. In the foreground, there is a series of concrete weirs or spillways where water is cascading down. A person in a brown jacket and blue jeans is standing on one of the higher levels, using a long-handled tool. The background shows a vast, dry, yellowish-brown field under a blue sky with some clouds. In the far distance, there are blue mountains with patches of snow. A power line tower is visible on the left side of the field.

Decarbonizing
the water sector



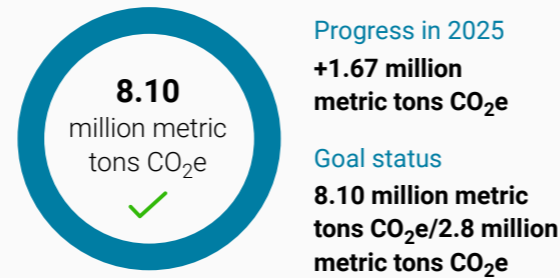
Decarbonize the water sector

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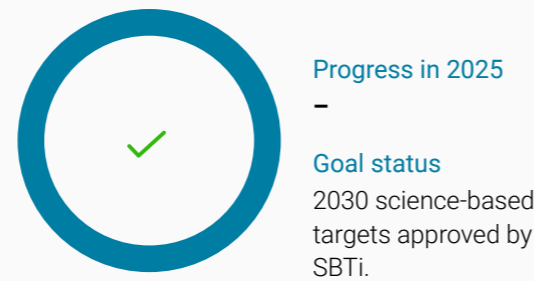
Through collaboration with stakeholders across the water sector, we share knowledge, resources, and standards for low-carbon operations, and we continuously assess and report the environmental footprint of our material products and solutions, from lifecycle performance to end-of-life impacts. By embedding 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.

2025 sustainability goals

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



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

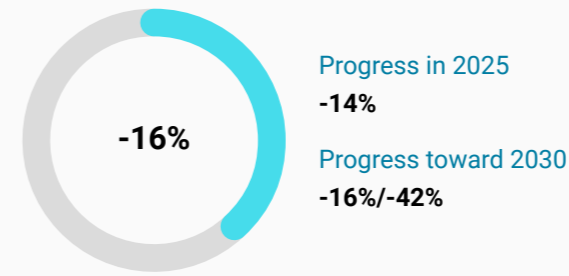


Use 100% renewable energy at our major facilities.¹

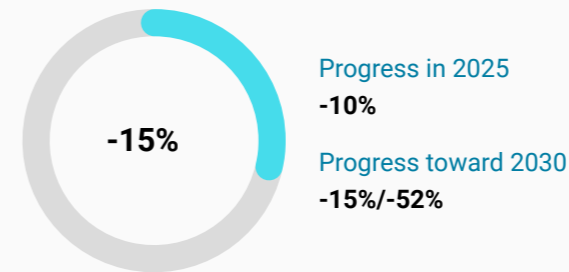


2030 sustainability goals

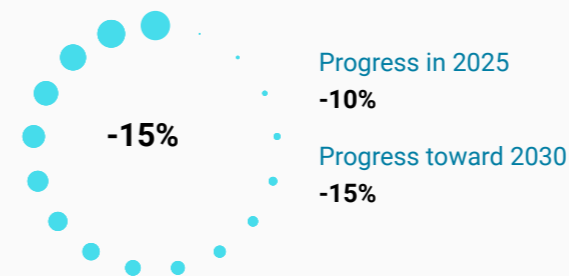
42% Scope 1 and 2 (market-based) emission reductions.⁴



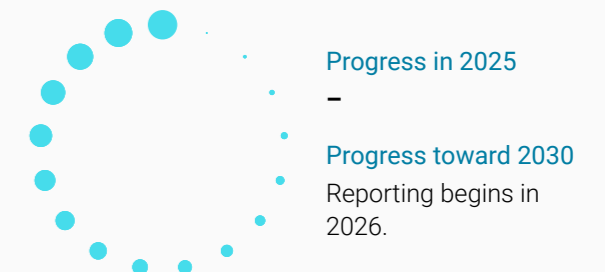
52% reduction in Scope 3 economic emissions intensity.^{5, 6}



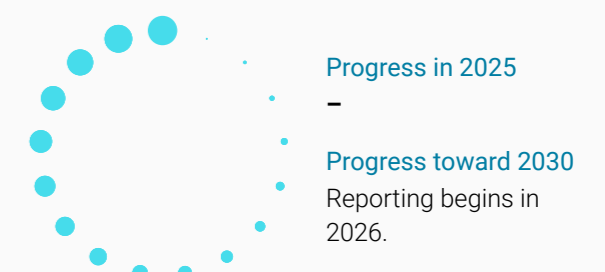
Reduce the economic emissions intensity associated with the use of our products by more than half, helping customers across the water sector decarbonize.



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



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



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.

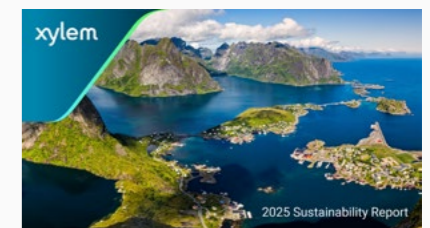
² This reflects the divestment of our European metering operations and restructuring efforts in China to optimize cost structure and market focus. Capital and resources have been redirected toward initiatives expected to deliver equal or greater CO₂e reductions across our global operations.

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

⁴ 2030 science-based target validated by SBTi.

⁵ 2030 science-based target validated by SBTi.

⁶ Scope 3 economic emissions intensity = Absolute Scope 3 emissions/Gross profit.



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

Our path to net zero



Actions pre-2020

Our decarbonization journey builds on more than a decade of action and continuous improvement. In 2014, we set our first operations-focused emission-reduction target, committing to a 20% reduction by 2019. We exceeded that goal, achieving a 28% reduction in operations-related emissions over the period. Building on this progress, we introduced our 2025 Sustainability Goals in 2019, identifying 22 major facilities to lead our efforts to advance our net-zero ambition, expand renewable energy use, and transition significant portions of our global fleet. During this time, we also strengthened our emissions reporting across Scopes 1, 2, and 3.

Actions 2020–2030

From 2020 through 2030, our focus expanded to embedding science-based decarbonization across the business. By 2023, legacy Xylem sites had reduced absolute Scope 1 and 2 market-based emissions by 40% compared to a 2019 baseline.

In 2021, we committed to setting science-based targets aligned with a 1.5°C pathway and the ambition to reach net-zero emissions by 2050. Following the acquisition of Evoqua in 2023, we recalculated and disclosed the combined company's Scope 1, 2, and 3 emissions footprint, establishing a new 2023 baseline.

Based on this updated baseline, we resubmitted our 2030 science-based targets to SBTi, which validated and approved the targets in December 2024. From 2023 to 2025, we reduced Scope 1 and 2 emissions by 16% and Scope 3 economic emissions intensity by 15%.

From 2025 through 2030, we are implementing targeted decarbonization actions, including fleet rightsizing and the accelerated adoption of hybrid and electric vehicles across our global fleet. In parallel, we are strengthening our approach to reducing downstream Scope 3 economic emissions intensity by embedding decarbonization into the full lifecycle of our products.

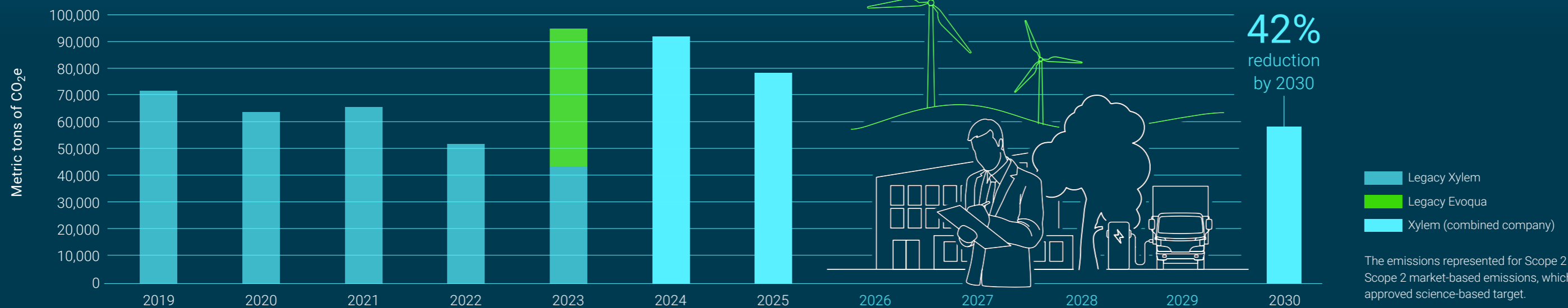
Actions 2030–2050

Looking ahead, our near- to mid-term actions include expanding renewable energy adoption across legacy Evoqua sites, continuing to reduce fleet emissions, and optimizing our product portfolio and customer engagement to further lower downstream Scope 3 economic emissions intensity.

Beyond 2030, we have the ambition to reach net-zero emissions through continued absolute reductions across our sites, fleet, and supply chain. We will also continue working closely with customers to help reduce emissions associated with the use of our products, supporting their operational efficiency and

sustainability objectives while advancing our efforts to reach net zero by 2050. In 2026, we plan to assess the feasibility of this ambition in the context of evolving technologies, policy landscapes, and market conditions. As part of this, we will evaluate the pace and pathways required, recognizing that certain decarbonization levers, particularly across our value chain, are dependent on external factors. We may refine our approach, explore alternative pathways, and adjust timelines to ensure our strategy remains both ambitious and achievable, while maintaining transparency with stakeholders on our progress and any changes to our trajectory.

Xylem Scope 1 and 2 emissions



The emissions represented for Scope 2 in this graph are Scope 2 market-based emissions, which aligns to our approved science-based target.

Decarbonizing our own operations

In 2025, we reduced Scope 1 and 2 (market-based) greenhouse gas emissions by approximately 14% compared to the 2024 calendar year and 16% from our 2023 baseline, reflecting continued progress in energy efficiency, renewable energy adoption, and operational performance. These reductions demonstrate steady progress toward our science-based targets, supported by focused investments and the continued deployment of scalable, low-carbon solutions across our operations.

Scope 1 emissions

Most of our Scope 1 emissions originate from our global vehicle fleet, making fleet transformation a critical lever in achieving our 2030 science-based targets. Our decarbonization strategy focuses on transitioning to lower-carbon alternatives, including battery-electric and plug-in hybrid vehicles, rightsizing vehicles where feasible, and adopting alternative fuels. Progress varies by region, with fleet electrification advancing more rapidly in Europe, while barriers including limited charging infrastructure, vehicle availability, and supply constraints hinder adoption in North America.

Lowering fleet-related emissions remains a core priority in our Scope 1 reduction strategy. Since establishing our fleet electrification ambitions in 2021, the acquisition of Evoqua and continued business growth have expanded our North American service fleet, increasing the proportion of medium- and heavy-duty commercial vehicles required to deliver critical customer services. Given limited vehicle availability and charging infrastructure constraints in North America, our fleet strategy has evolved toward a phased, regionally tailored approach aligned with our 2030 decarbonization roadmap. As a result of these structural market shifts and limitations, achieving our original 2025 fleet electrification target is no longer feasible. Progress continues across regions where market conditions and vehicle availability support electrification.

In 2025, we established a global fleet rightsizing policy to better align vehicle classes and utilization with operational needs, with phased implementation beginning in 2026. As we advance our 2030 regional roadmaps, particularly in Africa, the Middle East, and Latin America, we aim to invest further in electrification, digital insights, and efficiency

improvements to reduce fleet emissions while maintaining safety, reliability, and customer service standards.

[Read more on page 36 of the 2025 Sustainability Report.](#)

Scope 2 emissions

We reduce Scope 2 emissions by sourcing renewable electricity through direct generation (on-site solar) and indirect procurement from the grid, including solar, hydro, and wind power. Where direct renewable energy is not feasible due to regulatory or geographic constraints, we purchase certified renewable energy credits (RECs) to support renewable energy development and lower our Scope 2 footprint. These strategic purchases enable cost-effective decarbonization, particularly at locations without access to on-site or local renewable options. Reducing emissions from heat production remains a challenge, as renewable heat solutions and associated credit mechanisms are limited or cost-prohibitive in many regions.

We regularly assess our global decarbonization investments to align with strategic priorities and evolving market conditions. Following our 2025 portfolio review, we did not proceed with planned sustainability investments at sites in Shenyang, China, and Stará Turá, Slovakia, due to the divestment of our European metering operations and restructuring efforts in China.

While these adjustments resulted in the cancellation of site-specific projects, our overall decarbonization roadmap remains unchanged and on track. Capital and resources have been redirected toward initiatives expected to deliver equal or greater CO₂e reductions across our global operations, supporting continued progress toward our 2030 science-based targets and net-zero ambitions.

Our approach to Scope 2 decarbonization combines renewable energy procurement with site-level efficiency efforts to deliver measurable emissions reductions, while maintaining operational reliability and momentum toward our decarbonization goals. In 2025, 92% of Xylem's electricity consumption was sourced from renewable energy, representing a 12-percentage-point increase compared to 2024.

[Read more on page 36 of the 2025 Sustainability Report.](#)

Decarbonizing our value chain

Reducing emissions beyond our own operations is central to Xylem's path to net zero. By working with customers and suppliers and advancing more energy-efficient solutions, we are lowering carbon emissions across our value chain. In 2025, our Scope 3 economic emissions intensity decreased by 10% compared to 2024 and 15% compared to our 2023 baseline, reflecting progress in data quality, product efficiency, and customer engagement.

Scope 3 emissions

Emissions from the use of sold products (Scope 3, Category 11) represent more than 96% of our total value-chain emissions. This reflects our solutions portfolio, which is largely composed of equipment designed to treat, transport, and manage water and wastewater, delivering essential benefits such as clean drinking water, sanitation and hygiene, and environmental protection. These products are typically electricity-intensive, operate for extended periods each day, and have long service lives that often exceed ten years.

Based on 2025 reported data, approximately 40% of Category 11 emissions are associated with our Applied Water segment pumping solutions serving industrial, commercial, and residential customers. Approximately 50% are attributed to the Water Infrastructure segment, driven largely by our Custom Pump portfolio, which includes large pumps. Within this segment, a small number of custom pump installations—often deployed in major infrastructure projects in regions such as China or India—can account for up to approximately 20% of total Category 11 emissions in a given year. Our Water Solutions and Services segment contributes approximately 10%, while emissions from our Measurement and Control .

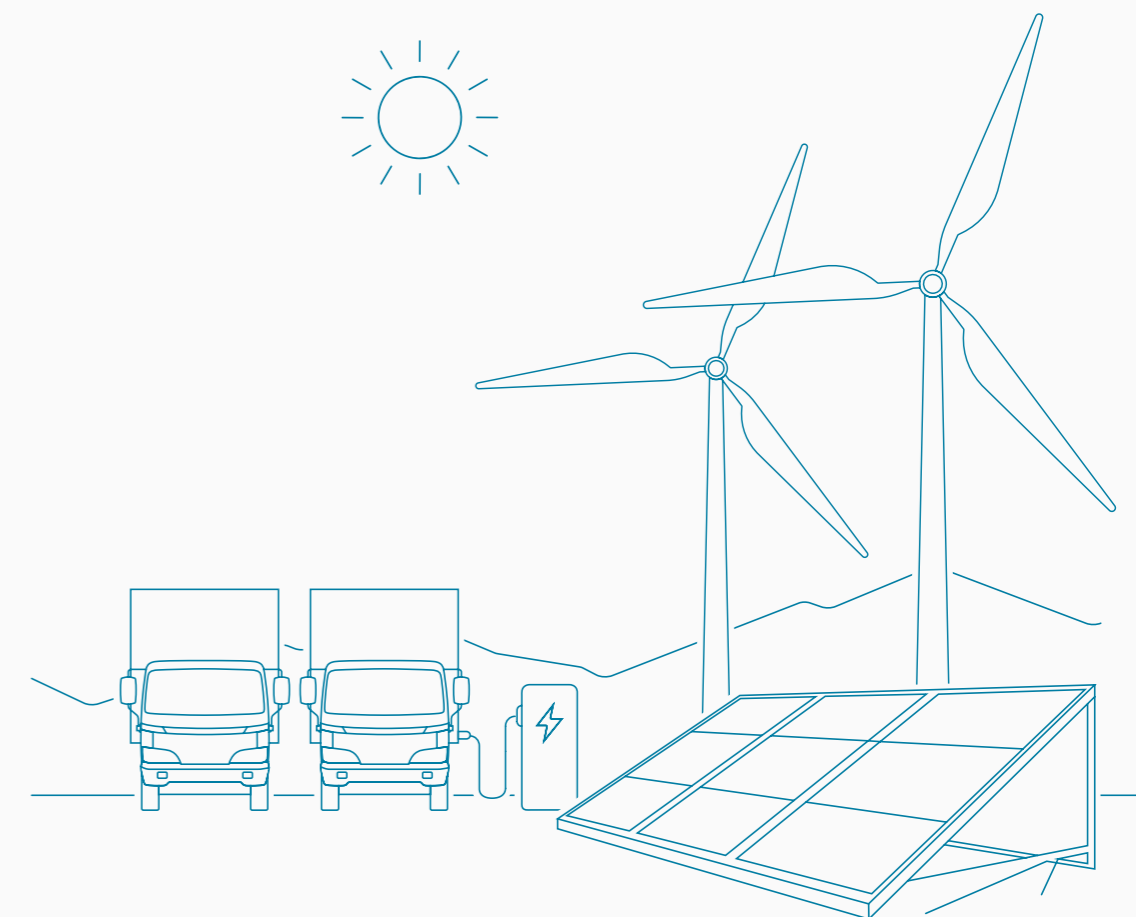
Decarbonization pathway and customer engagement

Our Scope 3 decarbonization strategy prioritizes actions that can drive measurable reductions in downstream use-phase emissions. Key levers include the expanded commercialization of energy-efficient equipment, digital and optimization solutions, and service interventions that recover or improve system efficiency over time. We are also aligning our commercial strategy to support a gradual shift in revenue toward

lower-emission products and solutions, informed by lifecycle-based assessments that demonstrate environmental performance.

In parallel, customer engagement remains a critical driver of our emissions reduction progress. We work with customers to increase transparency and access to environmental performance information for our products and solutions, supporting more informed procurement decisions, risk management, capital planning, and operating-cost optimization. Together, these actions support tangible Scope 3 emissions reductions while reinforcing the long-term resilience and efficiency of water infrastructure systems.

In 2025, we reduced Scope 1 and 2 greenhouse gas emissions by approximately 14% compared to the 2024 calendar year and 16% from our 2023 baseline.



Performance data⁷

Energy consumption (MWh)	2025	2024	2023 ⁸	2019 ⁹
Direct energy by type				
Renewable electricity generated	491	1,713	1,526	1,031
Natural gas	135,243	127,784	152,898	100,175
Stationary source gaseous propane	1	20	161	0.4
Stationary source liquid propane	2,377	1,710	4,729	2,318
Stationary source fuel oil	2,940	4,144	6,789	5,419
Total stationary energy usage	141,051	135,370	166,103	108,943
Mobile source gasoline	67,543	65,157	65,885	4,612
Mobile source diesel	98,225	116,552	110,027	76,993
Mobile source liquid propane	19	14	1,075	0.2
Total mobile energy usage	165,787	181,723	176,987	81,605
Total direct energy usage¹⁰	306,838	317,093	343,091	190,548
Indirect energy by type				
Purchased electricity	178,417	189,500	187,351	167,232
Purchased heat	8,278	11,235	10,565	8,498
Total indirect energy usage	186,695	200,736	197,916	175,730
Total energy consumption	493,532	517,829	541,007	366,278
Total revenue (million \$)	9,035	8,562	8,146	5,249
Energy economic intensity (MWh/million \$ of revenue)	55.1	60.5	-	-
Greenhouse gas (GHG) emissions (mtCO₂e)				
GHG emissions – Scope 1 (direct)				
Natural gas	24,487	23,136	28,142	18,158
Stationary source gaseous propane	0.1	4.2	34.2	0.1
Stationary source liquid propane	509	366	990	485
Stationary source fuel oil	741	1,044	1,710	1,365
Cryogenic CO ₂	1.5	1.8	1.2	1.3
Refrigerant	197	75	188	532
Total stationary GHG emissions	25,935	24,627	31,065	20,543
Mobile source gasoline	17,775	17,148	16,057	1,212
Mobile source diesel	26,817	31,821	28,709	20,713
Mobile source liquid propane	486	347	389	4
Total mobile GHG emissions	45,078	49,315	45,156	21,929
Total Scope 1 emissions	71,013	73,943	76,221	42,471

⁷ Excluding Idrica.

^{8, 11, 13} Combined company.

^{9, 12, 14} Legacy Xylem.

¹⁰ Total direct energy usage = Stationary + Mobile.

¹⁵ Renewable electricity generated does not produce emissions. In previous years, our figures reflected avoided emissions rather than actual emissions; this has been corrected from 2024.

Greenhouse gas (GHG) emissions (mtCO ₂ e) continued...	2025	2024	2023 ¹³	2019 ¹⁴
GHG emissions – Scope 2 (indirect)				
Purchased electricity	44,714	49,459	51,126	48,354
Purchased heat	1,875	2,545	1,579	1,773
Total Scope 2 emissions – location-based	46,590	52,005	52,704	50,127
Total Scope 2 emissions – market-based	8,114	17,516	18,272	28,763
GHG emissions – Scope 1 and 2 economic emissions intensity				
Total Scope 1 and 2 (location-based) emissions	117,602	125,947	128,924	92,598
Total revenue (million \$)	9,035	8,562	8,146	5,249
Scope 1 and 2 (location-based) economic emissions intensity (mtCO₂e/million \$ revenue)	13	14.7	-	17.6
Emissions avoided via purchased renewable energy credits	39,802	35,035	34,448	17,605
Renewable electricity generated	0	0 ¹⁵	800	681
Renewable purchased heat	0	833	813	6
Net GHG emissions (Scope 1 and 2) incl. renewable energy	79,127	91,459	93,676	74,306
Net economic GHG (Scope 1 and 2) emissions intensity (mtCO₂e/million \$ revenue)	8.8	10.7	-	14.2
GHG emissions – Scope 3 (indirect) (mtCO₂e)				
Category 1 – Purchased goods	743,757	847,077	869,020	1,978,871
Category 2 – Capital goods	57,607	11,731	13,924	-
Category 3 – Fuel and energy-related activities	28,876	30,568	40,998	20,643
Category 4 – Upstream transport	168,770	190,755	217,852	251,410
Category 5 – Waste generated	10,203	39,615	14,546	6,050
Category 6 – Business travel	21,939	23,074	31,518	11,653
Category 7 – Employee commuting	55,012	48,277	45,064	20,400
Category 9 – Downstream transport	70,849	82,647	110,346	45,026
Category 11 – Use of sold products	59,966,485	61,466,413 ¹⁶	61,288,587	69,500,776
Category 12 – End-of-life treatment of sold products	49,946	55,895	57,314	-
Category 13 – Downstream leased assets	917,960	869,497	629,286	-
Category 15 – Investments	5,241	5,327	6,304	-
Total Scope 3 emissions	62,096,618	63,670,876¹⁷	63,324,759	71,834,829
Total gross profit (million \$)	3,475	3,212	3,008¹⁸	2,046
Scope 3 economic emissions intensity (mtCO₂e/\$ gross profit)	0.0179	0.0198	0.0211	-

¹⁶ Restated after identifying inaccuracies in the power values previously applied to products within our Applied Water segment. The updated product-specific power assumptions resulted in restated emissions approximately 8% lower than previously reported.

¹⁷ Restated to reflect the correction to Category 11 emissions.

¹⁸ We revised our 2023 baseline gross profit emissions to reflect a full-year, pro forma gross profit for the combined Xylem and Evoqua business. Although the Evoqua acquisition was completed in May 2023, this adjustment aligns gross profit with our full year 2023 Scope 3 emissions for the combined company and better reflects the progress toward our reduction target. We expect to assess a rebaselining of our Scope 3 science-based target with SBTi in 2026.

Advancing circularity across our value chain

Our approach to the circular economy is guided by the principles set out in ISO 59004:2024 and focuses on reducing resource use, improving material efficiency, and extending resource value across the lifecycle. Circularity considerations are embedded across product design, operational management, and the solutions we deliver, providing a strong foundation for advancing resource efficiency and circular resource flows. Continued progress requires ongoing innovation, value-chain collaboration, and sustained implementation of circular practices.

Across the value chain—from raw material extraction through manufacturing, use, and end of life—we prioritize actions that reduce resource consumption in operations while maximizing the positive use-phase impact of our products. Our actions aim to keep materials and components in circulation for as long as possible through durability, reuse, refurbishment, and recycling, while enabling customers to reduce their own resource use through efficient water treatment solutions.

We are actively developing and implementing measures to minimize waste generation, increase the use of secondary resources, and improve end-of-life recovery, supporting the gradual decoupling of economic growth from the consumption of finite resources.

[Read more on pages 52-54 of the 2025 Sustainability Report.](#)

Designing for sustainability

Design for sustainability is embedded in our product development process and provides a structured framework for identifying and reducing environmental impacts (such as material, water, and carbon impacts) of new products across their lifecycle. Through this process, project teams assess key materials and lifecycle stages, enabling data-driven design decisions related to material selection, product architecture, and end-of-life performance. This approach supports early integration of circularity considerations, including recyclability, repairability, and disassembly, into product development.

We apply design principles that promote ease of disassembly, serviceability, maintenance, and repair, supporting efficient material separation and recovery at end of life. Products are designed with durable structural features to extend useful life while maintaining the ability to disassemble components even after prolonged use. These principles contribute to improved product circularity and reduced material losses.

Combined with our lifecycle assessment (LCA) capabilities, this approach supports the ongoing decarbonization of the product portfolio, progress toward 2030 SBTi targets, and more efficient use and retention of materials and resources. Together, these actions enable us and our customers to advance toward more circular and resource-efficient solutions.

Advancing sustainability through product lifecycle insights

In 2025, we strengthened our LCA capabilities in alignment with ISO 14040 and ISO 14044, enabling a comprehensive understanding of product environmental impacts across all lifecycle stages. Our LCAs combine primary, product-specific data with high-quality secondary datasets and follow standardized modeling practices, including independent technical review where applicable.

We expanded the number of product lines with completed LCAs and product sustainability reports (PSRs), including Flygt 4600 mixers, Grindex 8100 dewatering pumps, Concertor 6030, Steady & Lowara 1300 series pumps, and Sensus 640 water meters, providing transparent insights into environmental footprints and identifying opportunities for improvements in material use, efficiency, and product circularity. Our PSRs are available [here](#).

To meet growing customer demand, we continued to develop environmental product declarations (EPDs), including the Ecocirc S, M, and L ranges, independently verified by NSF International. These disclosures offer standardized, credible information to support sustainable purchasing, reporting, and regulatory compliance.

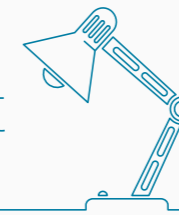
Recognizing gaps in water-sector product category rules (PCRs), we leverage our expertise to support their development, helping customers access reliable upstream environmental data on materials, manufacturing, and packaging. Collectively, these actions strengthen transparency, promote circularity, and enable more informed, sustainable decision-making across the value chain.

Extending product lifespan through maintenance and refurbishment

Xylem works to maximize product lifespans and resource efficiency by offering comprehensive maintenance, repair, and refurbishment solutions across its portfolio. Wedeco TAK UV systems, for example, can be refurbished and upgraded to extend the life of ultraviolet wastewater disinfection equipment by 10–20 years, improving disinfection efficiency, increasing treatment capacity, and delivering energy and cost savings. Flygt pumps and mixers are supported through a spare parts policy that guarantees availability for up to 20 years, depending on the model, ensuring long-term operability. Godwin products benefit from preventive maintenance services that enhance longevity, while Ebro temperature loggers are part of a refurbishment program developed in collaboration with a German customer, allowing units to be inspected, cleaned, recalibrated, and resold with renewed warranties.

These initiatives collectively reduce waste, optimize resource use, and support a more circular approach to water infrastructure.

Spotlight



Strengthening water system reliability through preventive maintenance

Across the state of Florida, water and wastewater utilities are navigating increasing pressure from aging infrastructure, constrained budgets, and workforce shortages, all while supplying the essential services their communities depend on every day. At sites in Sanford, Fort Myers, and Jupiter (Florida), United States, utilities are partnering with Xylem's Flygt Service Solutions to move from reactive repairs to proactive preventive maintenance agreements (PMAs), helping safeguard critical assets and reduce the risk of service disruptions.

Through these long-term service partnerships, our teams conduct routine inspections, service pumps according to manufacturer standards, monitor performance trends, and address issues before failures occur. This proactive approach extends equipment life and reduces unplanned outages. It also lowers overall resource use by minimizing premature replacements, excess energy consumption, and emergency interventions.

Behind the scenes, Flygt Service Solutions teams manage multiple sites, coordinate complex schedules, and work closely with utility operators to keep systems performing at their best. These efforts free up utility staff to focus on long-term planning and system improvements, while helping protect water quality and operational continuity.

By partnering with Xylem to embed preventive maintenance into daily operations, Xylem's utility customers demonstrate how proactive asset management strengthens reliability, supports environmental stewardship, and increases community confidence in local water and wastewater systems.

“Preventive maintenance costs a little up front, but it saves significantly over time. More importantly, it allows utilities to stay focused on serving their communities instead of reacting to breakdowns.”

Ben Griffin,
Branch Manager at Xylem's Flygt Service Center in Florida

The logo for Xylem, featuring the word "xylem" in a white, lowercase, sans-serif font. A thick, curved line in shades of teal and green starts from the top left and curves towards the top right, partially overlapping the logo and the background image.

xylem

A high-angle, low-perspective shot of a large, curved concrete walkway or ramp on the side of a water tower. The walkway is bordered by a metal railing. A small person is walking on the walkway, providing a sense of scale. The background is a clear, bright teal sky. The overall image has a clean, modern aesthetic with a teal and green color palette.

Accelerating corporate
water stewardship

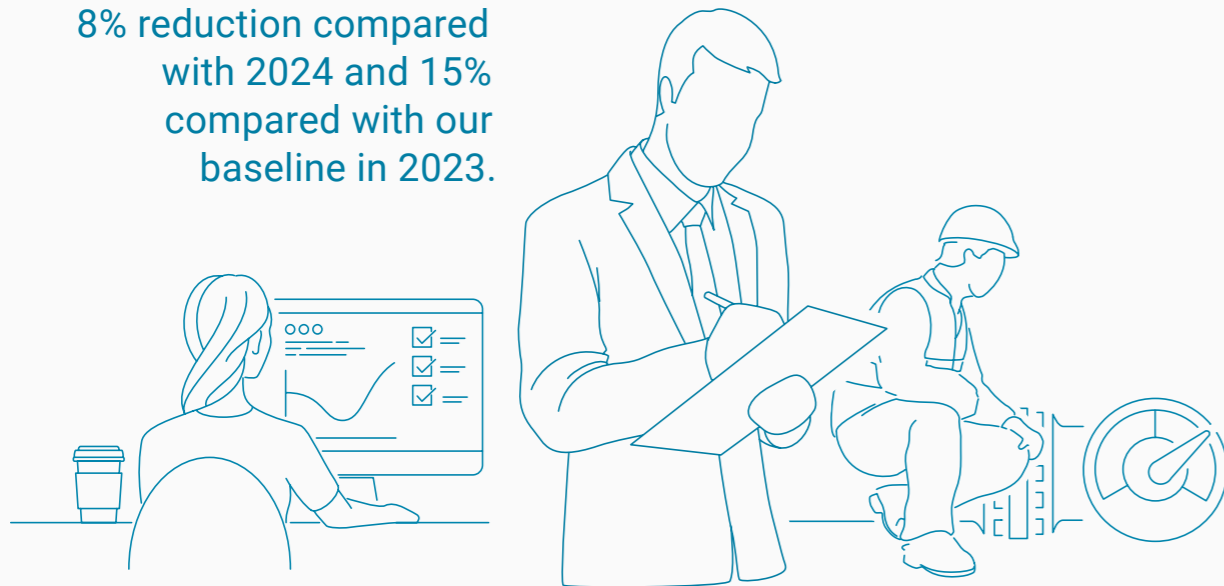


Accelerate corporate water stewardship

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.

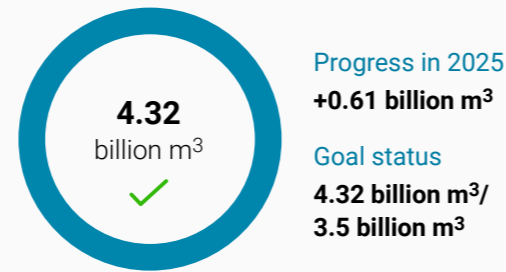
At the same time, we collaborate with customers, industry partners, and cross-sector initiatives to advance water stewardship and thought leadership, enabling communities, organizations, and governments to manage water resources more sustainably and resiliently.

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.

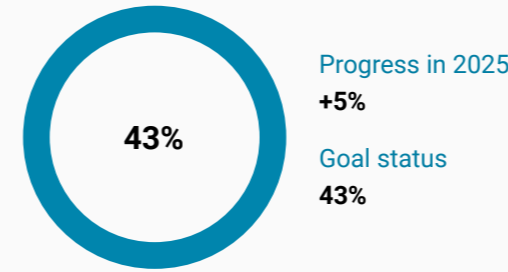


2025 sustainability goals

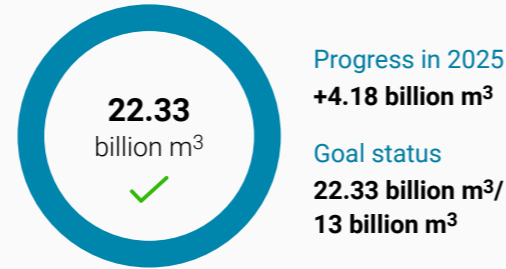
Enable customers to reduce more than 3.5 billion cubic meters of non-revenue water.



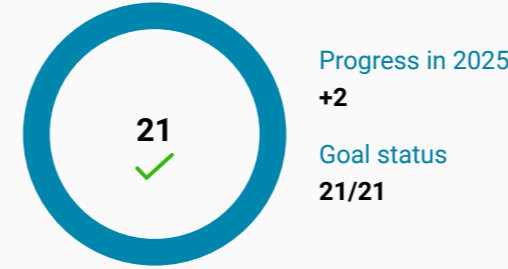
Require suppliers to disclose Scope 1 and 2 GHG emissions and water usage via CDP Supply Chain or equivalent.



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

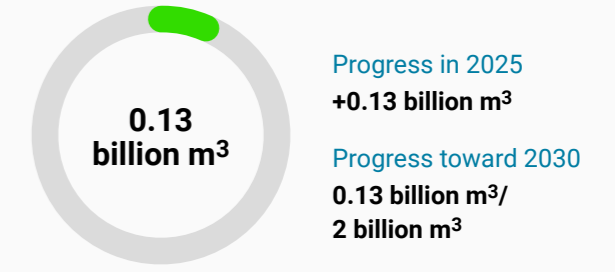


Use 100% process water recycling at our major facilities.

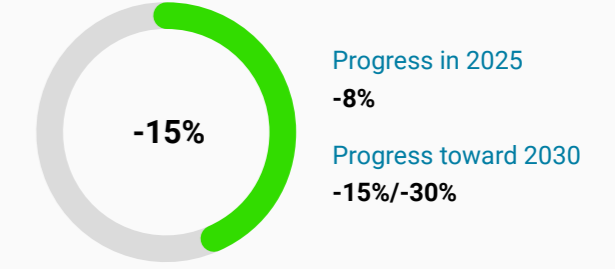


2030 sustainability goals

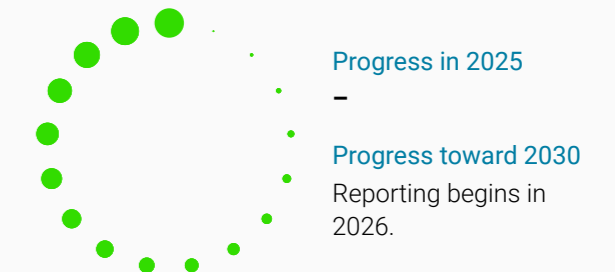
Enable customers to reduce annual demand by at least 2 billion cubic meters.



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.

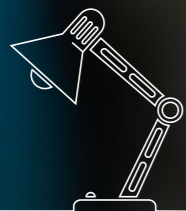
To address this, the site implemented a boiler steam recovery and reuse system, transforming a linear process into a closed loop. Under the new configuration, condensate from the heat exchanger is captured, routed to a holding tank, and returned directly to the boiler for reuse. Steam is then reintroduced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

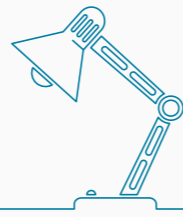
Xylem Innovation Labs, our corporate innovation and venture team, accelerates water innovation by collaborating with startups, universities, venture capital firms, and global innovators. Since launching the Partnerships Accelerator program in 2022, we have worked with more than 60 startups and 40 innovation 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



A young boy is drinking water from a public tap. He is looking towards the camera with a slight smile. Water is splashing around him. In the foreground, another child is washing their hands. The background is slightly blurred, showing other people and a yellow wall. The overall scene is bright and clean, emphasizing the importance of access to clean water and hygiene.

xylem

Advancing access to water,
sanitation, and hygiene (WASH)



Advancing 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.

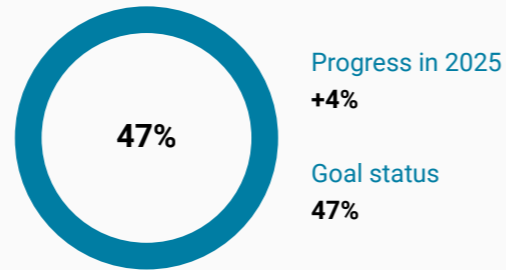
Our colleagues contribute their expertise and volunteer time to strengthen program delivery and community impact. By designing and implementing solutions that mitigate water scarcity, improve public health, and enhance resilience, we support sustainable development in water-insecure regions while advancing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



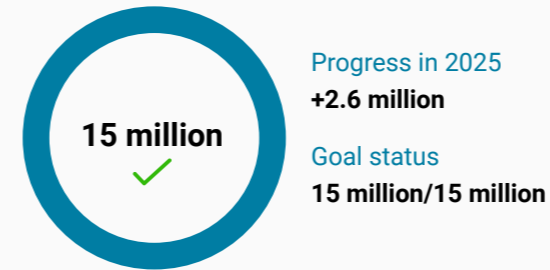
Learn more in our [2025 Sustainability Report](#).

2025 sustainability goals

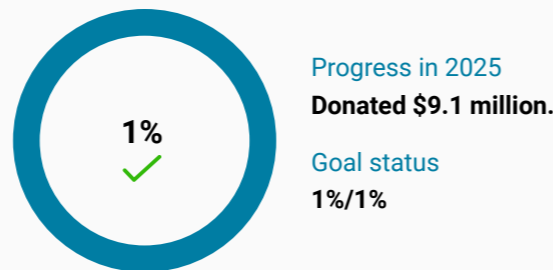
Require suppliers to take the WASH4Work pledge for access to safe water, sanitation, and hygiene at the workplace.



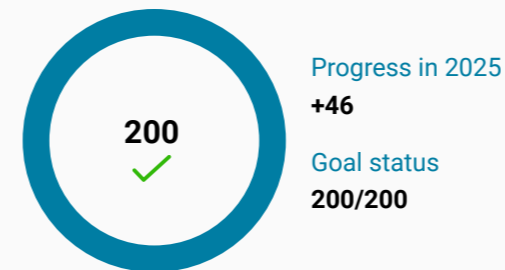
Provide 15 million people with water education to improve quality of life and raise awareness of water issues.



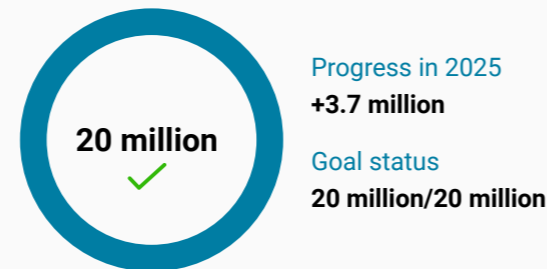
Give 1% of company profits⁵ to water-related causes and education.



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



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

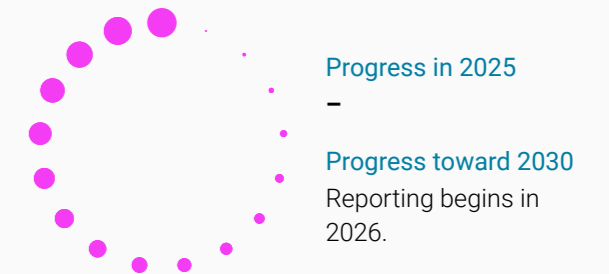


Engage at least 95% of Xylem employees in volunteer activities.

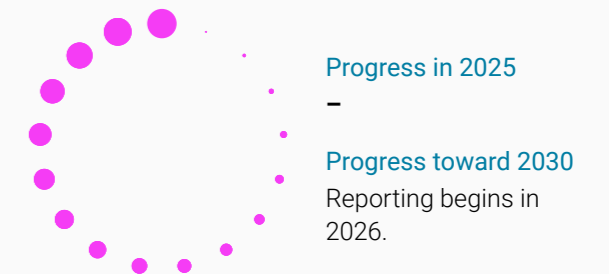


2030 sustainability goals

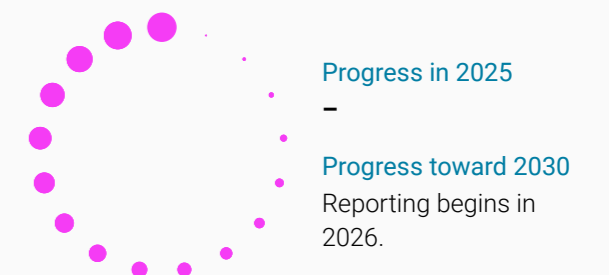
Improve water security for 80 million people by enabling climate-resilient WASH access and capacity-building in under-resourced, water-insecure communities by 2030.



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.



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



Advancing WASH access and capacity-building

Today, 2.2 billion people lack access to safely managed water, 3.5 billion live without adequate sanitation, and 2 billion lack basic hygiene facilities.¹ Climate extremes, conflict, and economic instability continue to slow progress toward the United Nations Sustainable Development Goal 6 (SDG 6): Clean Water and Sanitation for All. Access to safe WASH services improves health outcomes, supports education, and strengthens economic opportunity, while climate-resilient systems reduce vulnerability to shocks.

In 2025, our efforts to advance WASH access and build related capacities reached approximately 3.7 million people through donations, partnerships, innovative solutions, and strategic investments. By the end of 2025, we achieved a cumulative milestone of reaching 20 million people over seven years, demonstrating measurable progress in expanding access to safe and resilient WASH services.

Mobilizing donations

A key enabler of this progress was the launch of a streamlined in-kind donation process in 2025, which allows us to scale the deployment of high-value equipment and technology to nonprofit partners implementing water solutions in underserved communities. By pairing advanced technology with local implementation support, the program reduces financial barriers and accelerates deployment. For example, as part of the Lee County Pump project in South Carolina, United States, in collaboration with Community Engineering Corps (a program of Engineers Without Borders USA), we upgraded critical local water infrastructure. In Lynchburg (Virginia), United States, we sponsored the Path to New Wastewater Treatment Pumps initiative, contributing technical expertise and equipment that delivered tangible benefits to the community.

Providing WASH solutions

Partnerships remain central to delivering safe water and sanitation at scale. In 2025, collaboration with Wine to Water supported water filter build events and distributions that reached 50,000 people with over 4,100 filter kits. These efforts extended internationally through a rainwater harvesting initiative in Colombia and employee engagement activities for Ukraine. Our expansive work with Americares reached 1.6 million people across twelve countries—addressing urgent WASH needs of vulnerable and marginalized populations by improving access at healthcare facilities and implementing targeted actions at community level. At the same time, support for UNICEF's Regional WASH Programme strengthened multi-country initiatives serving refugees, internally displaced persons, and host communities in Ethiopia, Somalia, and Sudan. We contributed catalytic funding, technical expertise, and in-kind solutions for energy-efficient water access and managed aquifer recharge, reinforcing long-term resilience in fragile settings.

Investing for impact

Beyond direct donations and partnerships, we continue to invest strategically in scalable water technologies, infrastructure development, and growth-focused WASH ventures that combine commercial innovation with societal benefit. These investments help communities gain immediate access to water and sanitation, as well as systems capable of adapting to climate variability and population growth.

Looking ahead to 2030

To advance toward our 2030 WASH Goal, we are pursuing a multi-pronged strategy to reach 80 million additional people with climate-resilient WASH access and capacity-building, including disaster response support. This includes partnering with customers and suppliers to implement global WASH projects, scaling skills-based volunteering, strengthening the pipeline of water-sector talent, and expanding commercial WASH offerings alongside in-kind support. Employees remain central to these efforts through our commitment to dedicating 1% of their time to water-related causes.

¹ [The United Nations World Water Development Report 2024: Water for prosperity and peace](#)



Employee volunteering through Xylem Watermark

Employee engagement is rooted in purpose and powered by Xylem Watermark, our global corporate social responsibility program. Employees are eligible for up to 20 hours of paid time off each year to engage in volunteer efforts—equivalent to 1% of their working time. By enabling employees to participate in volunteer activities, particularly water-related projects, and contribute beyond their day-to-day roles, Xylem Watermark strengthens connections between employees and the communities we serve, promotes workplace well-being and engagement, builds leadership skills, helps reduce absenteeism, and fosters a more connected, motivated, and resilient workforce.

In 2025, Xylem Watermark expanded its portfolio of in-person, virtual, and skills-based volunteering opportunities aligned with our mission to address global water challenges. Since 2019, employees have contributed more than one million volunteer hours. Employees who volunteer 20 or more hours annually are recognized through the Make Your Mark Club, which included 3,790 employees this year.

A global network of more than 500 Xylem Watermark Champions, Leads, and Ambassadors drives engagement across the organization, contributing to 81% overall employee participation and 255,000 hours to community service in 2025. Signature initiatives that engage employees as well as external business partners included Wave of Action and Aquaton.

Through Xylem Watermark, employees apply their skills and passion to address critical water challenges while strengthening collaboration and leadership, with purpose and community engagement integral to how we work.

[Read more on pages 63 of the 2025 Sustainability Report.](#)

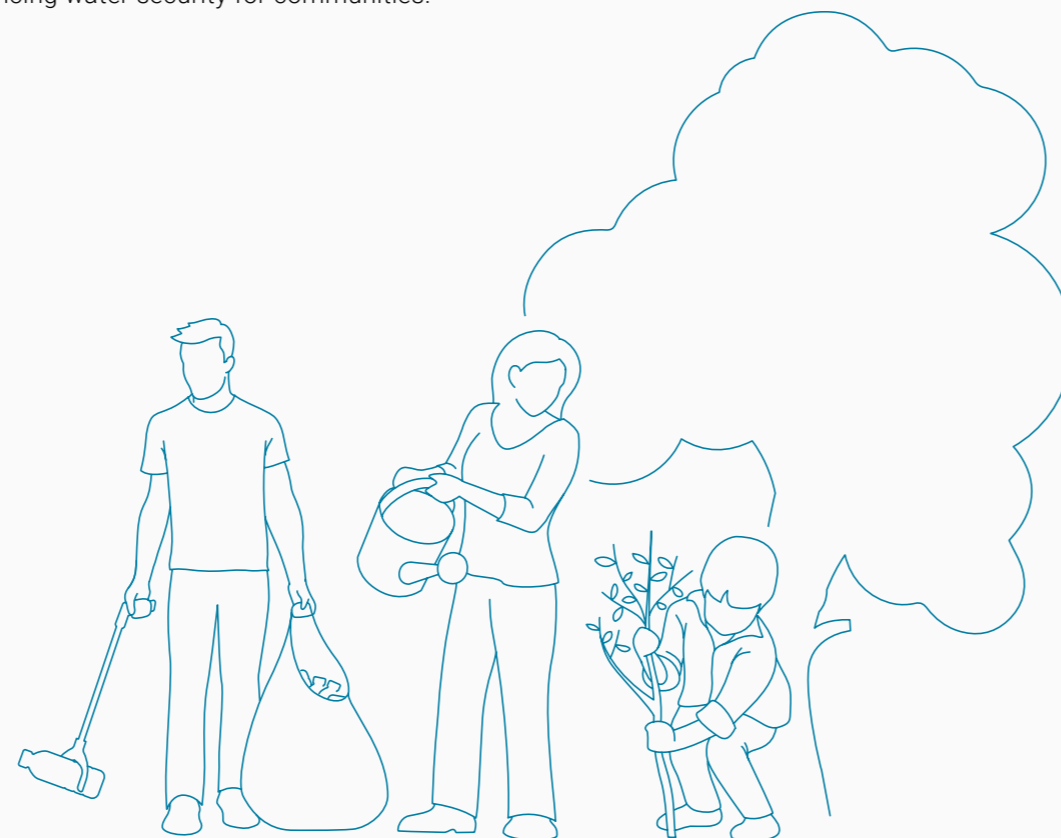
Partnering with our value chain

We also engage suppliers and other value-chain partners through collaborative community initiatives led by Xylem Watermark. These activities promote water education; advance water, sanitation, and hygiene (WASH) principles; and strengthen awareness of shared sustainability challenges.

In 2025, Xylem organized more than 120 Xylem Watermark events with suppliers, contributing to local community impact while strengthening supplier relationships. Engagement activities included volunteer programs, global awareness campaigns, and partnerships with nonprofit organizations such as Wine to Water and Planet Water Foundation. Through these collaborations, we expanded access to clean water, supported sustainable water infrastructure projects, and increased participation from suppliers, channel partners, and customers.

By combining reporting mechanisms, supplier due diligence, and collaborative engagement, we promote responsible business conduct, support the identification and mitigation of value-chain risks, and strengthen integrity and accountability across our supply chain, while advancing water security for communities.

81% of all Xylem employee collectively volunteered 255,000 hours in our communities in 2025.



Spotlight



Turning supplier collaboration into clean water impact

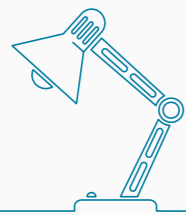
In 2025, Xylem's Montecchio, Italy site brought together employees and value-chain partners for a Xylem Watermark volunteer event that combined community impact with supplier collaboration. Organized by our employees who serve as local Xylem Watermark Champions in partnership with our Montecchio procurement team, the event engaged seven supplier partners alongside Xylem buyers in a hands-on filter build in collaboration with global nonprofit Wine to Water.

Participants worked side by side to assemble water filter kits that provide clean and safe drinking water to families around the world. The collaborative format—paired with a friendly team competition—created an engaging experience while delivering a tangible contribution to global WASH efforts. By bringing people together around a shared task with visible outcomes, the event turned collaboration into meaningful action, illustrating how everyday partnerships can contribute to safer water and healthier communities.

The event demonstrated how Xylem Watermark serves as a platform for deeper engagement across our value chain, strengthening relationships beyond traditional business interactions and reinforcing shared sustainability priorities.

“This experience showed the added value of true partnership. Working together with Xylem on a project that delivers real societal impact strengthened our relationship and highlighted how collaboration across the value chain can make a meaningful difference for communities.”

Gianandrea Sterza,
Key Account Sales Manager at CPC Italy Srl.



Young innovators deliver scalable flood warnings

Flooding is one of the world's most pressing climate challenges, impacting communities and water bodies of all sizes. Two student innovators from Germany—Niklas Ruf and Jana Spiller—won the 2025 Stockholm Junior Water Prize for their innovative work to create a smart, scalable flood warning system for small streams.

The award recognized Ruf and Spiller's four-year effort to develop a network of sensors linked to an app that provides real-time alerts to both experts and the public. Unlike larger rivers, small streams often lack the data needed for early warnings—an information gap the students' groundbreaking system is helping to close. The project is already being scaled across their region in collaboration with multiple partners.

The Award Jury praised the project for tackling “a critical challenge we are seeing around the globe: more frequent and bigger floods,” noting that the students not only built a functioning system but are also actively scaling it to reach more communities.

Looking forward, the duo hopes decision-makers and industry leaders will increase their focus on the root causes of flooding, including climate risks: “Of course, what we are doing is building something to tackle the consequences of climate change,” they reflected. “But the ideal solution would be if there were no climate change to begin with.”

While the Junior Water Prize honored local innovation to mitigate flood impacts, the 2025 Stockholm Water Prize recognized Austrian professor Günter Blöschl, a global leader in flood hydrology. Together, their work underscores the importance of combining grassroots solutions and scientific expertise to address flood risks worldwide.

Developing the next generation of the water workforce

Resilient and sustainable WASH access requires more than technology alone. That's why we also focus on strengthening capacity, expanding knowledge, and attracting the talent needed to support our critical water systems and address global water challenges. To empower the next generation, we focus on equipping young people with the knowledge, tools, and platforms needed to develop and implement innovative solutions. In 2025, we engaged more than 16,500 students through our global youth programs. Our flagship youth engagement program, Xylem Ignite, supports the development of young talent by offering mentorship, skills development, innovation experience, community action, and leadership opportunities.

Through the Xylem Global Student Innovation Challenge, students gain knowledge and technical skills during an eight-week virtual competition, including mentorship from Xylem experts and expert-led master classes. In 2025, the Challenge focused on glacier loss and increasing water-related disasters, engaging more than 8,800 students who submitted over 440 ideas, with nearly 190 becoming published projects. Xylem is also the Global Founding Partner of the Stockholm Junior Water Prize, which supports students ages 15–20 in developing innovative solutions to water challenges. In 2025, German students Niklas Ruf and Jana Spiller won for a scalable flood warning system for small streams, already being scaled regionally. These initiatives highlight the ingenuity and impact of young innovators, reflecting Xylem's commitment to nurturing future water leaders and advancing practical, sustainable solutions worldwide.

Through our support of global nonprofit EarthEcho International, we empower young people to lead local water protection efforts in their communities. In 2025, EarthEcho welcomed a new cohort of Water Challenge Ambassadors, including 43 new youth leaders and 11 returning participants, who are taking part in a year-long program focused on water quality monitoring, community science, peer education, and advocacy. The global Challenge has engaged more than 1.8 million participants across 157 countries, and Ambassadors lead local monitoring activities

and inspire community action to protect vital water resources. Supported through Xylem Watermark, this initiative strengthens youth leadership and drives measurable environmental impact at the community level.

[Read more on pages 61 of the 2025 Sustainability Report.](#)

Raising awareness and providing water education

Sustainable WASH access depends not only on infrastructure, but also on knowledge, behavior change, and community ownership. Our water awareness and education initiatives mobilize individuals to adopt responsible WASH practices and build local capacity to operate and maintain water systems. In 2025, we reached 2.6 million people through water education initiatives, achieving our 2025 Sustainability Goal of delivering water education to 15 million people cumulatively.

Through our partnership with the football club Manchester City F.C., the Play Smart campaign continued to inspire fans worldwide to adopt smart water-saving behaviors at home. In 2025, we reached 2.1 million individuals with targeted, interactive education—including a Water Score Calculator to help people better understand and reduce their household water consumption.

By integrating infrastructure investment with education, digital engagement, and community empowerment, we strengthen local ownership and enhance the long-term sustainability of water solutions

[Read more on pages 81 of the 2025 Sustainability Report.](#)

Strengthening community resilience through disaster response

During natural disasters and climate-related events, WASH services are often among the first critical systems to be disrupted. Restoring access to safe water quickly is essential to protect public health and help communities begin to recover. Pumping and water treatment solutions also help remove

floodwaters, reopen roads, and support hospitals and other critical facilities. Beyond immediate relief, strengthening preparedness and resilience helps communities better withstand future shocks.

We support disaster-affected communities by mobilizing our people, partners, technology, and funding to deliver practical, timely assistance—sometimes in places where our employees live and work. Our approach combines emergency response with longer-term preparedness. This includes repositioning and deploying pumping and water treatment equipment to address flooding and contaminated water, supporting nonprofit partners through grants and matching campaigns, engaging employees in volunteer and supply collection efforts, and promoting preparedness through simulation activities and WASH education programs delivered with partners.

In 2025, we provided humanitarian assistance in 46 disaster-affected areas across 22 countries.

[Read more on pages 82 of the 2025 Sustainability Report.](#)

In 2025, we reached 2.6 million people through water education initiatives.





From crisis to recovery: Our Hurricane Melissa response

In October 2025, Hurricane Melissa—one of the most powerful Atlantic storms on record—made landfall in Jamaica with sustained winds of 298 km/h. Catastrophic flooding and landslides caused widespread infrastructure damage, disrupting electricity, health services, and water systems. More than 2.3 million people were affected, including over 30,000 displaced, and communities across western Jamaica faced urgent shortages of safe drinking water and medical care.

Xylem activated a coordinated, multi-partner response to address immediate water, health, and recovery needs. Through our partnership with Planet Water Foundation, six AquaBlock emergency water filtration systems were rapidly deployed in the hardest-hit parishes of Westmoreland, Trelawny, and St. Elizabeth. Installed at shelters, schools, and community hubs, each system can produce up to 700 liters of safe drinking water per hour—collectively providing reliable access to clean water for up to 36,000 people and helping reduce the risk of waterborne disease.

To support frontline health services, we partnered with global nonprofit Americanas as part of its \$3 million emergency health response. Assessment teams mobilized quickly, distributing essential medicines and hygiene supplies, preparing mobile medical services, and coordinating with national and regional authorities to help stabilize primary care and strengthen health system resilience during the acute response phase.

We also worked with global nonprofit Wine to Water to distribute portable water filters to households with limited access to centralized treatment, expanding safe water coverage in remote and hard-to-reach communities.

In parallel, support through the Rapid Response Fund of global humanitarian nonprofit Mercy Corps enabled immediate relief and early recovery planning. Funding supported prompt needs and market assessments, distribution of essential non-food items through local partners on the ground in Jamaica, and groundwork for recovery approaches designed to operate through local markets to strengthen local capacity.

By combining water technology, healthcare support, local partnerships, and early recovery funding, our response to Hurricane Melissa addressed urgent humanitarian needs while helping lay the foundation for longer-term community resilience.



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