xylem

2024 Sustainability Report

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About this report

The 2024 Sustainability Report describes our approach and performance on the sustainability topics that are of most interest to our stakeholders, including where Xylem can have the greatest impact. The term "material" or "materiality," as used in this report, is based on a different definition of materiality than that used in the U.S. federal securities laws.

This report, published in April 2025, encompasses our fiscal year from January 1, 2024 to December 31, 2024, for all entities under Xylem's operational control.[1]

It was prepared with reference to the GRI Sustainability Reporting Standards. We also integrated disclosures in accordance with the standards of the Sustainability Accounting Standards Board (SASB).

Selected data on key performance indicators is subject to limited assurance by Lloyd's Register Quality Assurance (LRQA) and can be found on pages 94–95.

To share your thoughts and suggestions, please contact us at sustainability@xylem.com.

Forward-looking statements

The statements included in this document and the materials or websites it may cross-reference regarding future performance and results, expectations, plans, strategies, priorities, commitments, and other statements, including those related to our societal, environmental, and other sustainability goals, that are not historical facts are forward-looking statements within the meaning of the U.S. federal securities laws. Generally, the words "anticipate," "estimate," "expect," "project," "intend," "plan," "contemplate," "predict," "forecast," "likely," "believe," "target," "will," "could," "would," "should," "potential," "may" and similar expressions or their negative, may, but are not necessary to, identify forward-looking statements.

Forward-looking and other statements included or cross-referenced in this document regarding our environmental and other sustainability plans and goals are not an indication that these statements are necessarily material to investors, to our business, operating results, financial condition, outlook or strategy, or to our impacts on sustainability matters or other parties, or are required to be disclosed in our filings with the Securities and Exchange Commission or other regulatory authorities, and are not intended to create legal rights or obligations. In addition, historical, current, and forward-looking social, environmental, and sustainability-related statements may be based on standards for measuring progress that are still developing; internal controls and processes that continue to evolve; third-party data, review, representations, or certifications; information from acquired entities, which may be subject to ongoing review, may not yet or ever be integrated into our reporting processes, and may not be reconcilable with our processes; and assumptions that are subject to change in the future.

Forward-looking statements are based upon current beliefs, expectations, and assumptions and are subject to significant risks, uncertainties, and changes in circumstances are difficult to predict, often beyond our control, and that could cause actual results to differ materially from the forward-looking statements. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. A detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is provided in "Item 1A. Risk Factors" in our Annual Report on Form 10-K, and include changes in legal and regulatory requirements, business conditions, and stakeholder expectations. Readers of this report are cautioned not to rely on these forward-looking statements since there can be no assurance that these forward-looking statements will prove to be accurate. We expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, and despite any historical practice of doing so. The information and statements in this document speak only as of the date of this document and are subject to change without notice.

[1] In the fourth quarter of 2024, Xylem announced the acquisition of a majority stake in Global Omnium Idrica, S.L. ("Idrica") and the acquisition of Heusser Water Solutions AG. Due to the timing of these transactions, their sustainability data will not be included in Xylem's 2024 Sustainability Report but will be fully integrated into the 2025 reporting cycle.

A sustainability advantage to Xylem and our customers

Dear stakeholders,

Water is the foundation of healthy communities, resilient economies, and thriving ecosystems. But that foundation is under mounting stress. Water is becoming scarcer, weather patterns are becoming more volatile, and contaminants continue to threaten the safety and quality of our drinking water. These intensifying water challenges call for urgent action to safeguard our communities, serve as a catalyst for prospering economies, and secure reliable access to clean water for generations to come.

We see these challenges as an opportunity to create lasting impact. We know what's possible when we collaborate with our customers and communities to turn water challenges into progress. That is why sustainability is embedded in our business strategy. It powers innovation, growth, and resilience. Better sustainability outcomes make Xylem more competitive and deliver tangible value to the people who make water work every day.

2024: A year of impact

In 2024, we maintained our focus where we have the greatest impact: conducting our business responsibly and empowering our customers and communities to become more water-secure. This year marked significant milestones in our sustainability journey:

Progress on our product-based Customer Sustainability Goals: We delivered on all four of our 2025 Customer Sustainability Goals ahead of schedule. The completion of our final goal — reducing non-revenue water by more than 3.5 billion cubic meters since 2019 — underscores the synergy between sustainability outcomes and customer value. Reducing energy use and water loss helps customers lower operating costs, make infrastructure more efficient and affordable, lower energy and emissions, and strengthen resilience against climate-related risks.

Enhancing our advanced analytics offering: In December, we acquired a majority stake in Idrica, strengthening our Xylem Vue digital suite with advanced analytics. This investment empowers customers with real-time insights to reduce water loss, optimize performance, and cut costs while helping utilities build smarter, more resilient, and sustainable water systems.

Supporting our people: With the integration of legacy Evoqua, a refreshed strategy, and a strengthened leadership team, we have fostered a High-Impact Culture built on three core behaviors — inspired to innovate, empowered to lead, and accountable to deliver — driving us to move faster, stay focused, and execute with greater impact for our customers and communities.

Advancing in our safety performance: Our continued focus on workplace safety resulted in a more than 14% year-over-year improvement in our injury frequency rate, demonstrating our commitment to employee well-being while driving operational efficiency.

Driving community impact: Through Watermark, our corporate social responsibility program, 79% of Xylem colleagues volunteered more than 220,000 hours, doing meaningful work in communities worldwide. Alongside our global nonprofit partners, we responded to 43 disasters, delivering humanitarian aid — including pro-bono emergency water treatment and dewatering solutions — during crises in Brazil, India, the Philippines, the United States, Poland, and Spain.

Investing in water access and climate resilience: We joined WaterEquity's Water & Climate Resilience Fund as a strategic investor, supporting projects and growth companies across the water value chain — including bulk water supply, distribution, wastewater treatment, and reuse. At full scale, the fund aims to provide safe water or sanitation access to 15 million people across Africa, Asia, and Latin America.

Continuing to drive energy e f ciency and emission reductions: In December, our 2030 science-based targets were validated by the Science Based Targets initiative, affirming our commitment to reducing GHG emissions in our operations and value chain.

Looking ahead to 2030

As we look forward, we will continue to provide innovative solutions and services that help our customers to meet their objectives and to deliver clean water, treat wastewater, lower operational risk and cost, and protect public health in their communities.

Our 2030 Sustainability Goals launched in May 2024 set a higher bar for impact, focusing on reducing water-related emissions, enhancing water reuse, and expanding equitable access to water and sanitation. These goals reflect our ambition to be a catalyst for change across the water industry and position us to help build a future where people and nature thrive.

A water-secure future is possible. But it will take bold ideas, deep collaboration, and unwavering commitment. The Xylem team around the world is proud of the work we do to empower our customers and communities to build a more water-secure world.

Thank you for your continued trust and partnership.

Matthew Pine
President & Chief Executive Officer

Claudia Toussaint
Chief Sustainability Officer

2024 highlights

Science-based targets approved

The Science Based Targets initiative approved Xylem's 2030 science-based targets in December 2024.

New 2030 Sustainability Goals

We announced our new 2030 Sustainability Goals aimed at accelerating water stewardship and advancing water security.

All four 2025 Customer Sustainability Goals achieved

Having previously achieved three of four 2025 Customer Sustainability Goals, we delivered the fourth in 2024 — enabling customers to reduce more than 3.5 billion cubic meters of non-revenue water since 2019. Completing all 2025 Customer Goals ahead of schedule is a great milestone for Xylem and underscores our capability to enable customers to lower GHG emissions, reduce water demand, and protect water resources.

Employee volunteerism

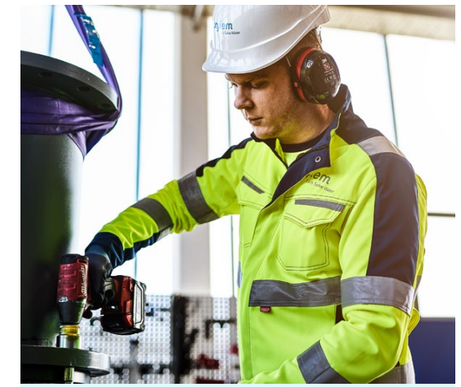
79% of our ~23,000 employees volunteered more than 220,000 hours for Watermark, our corporate social responsibility program, impacting communities worldwide.

Sustainable supply chain

42% of our global supplier base by spend completed EcoVadis assessment and maintained an active scorecard.

Enabled WASH access for 9+ million people in 5 years with Americares

Through our partnership, we have improved access to WASH services in 25 countries, with a focus on improving water, sanitation and hygiene in community health centers that serve people living with low incomes, in low-resource communities — those who are most affected by disease and disaster.



Improved safety YoY

We achieved an injury frequency rate of 0.52, which is an improvement of more than 14% compared to 2023.

Empowering digitalization of water

In December, Xylem acquired a majority stake in Idrica, a leading provider of water data management and analytics solutions. This strategic move, which combines Xylem's existing digital water solutions portfolio with Idrica's technology platform, empowers customers to address critical challenges with real-time insights. The combination enables a simpler, more powerful customer experience.

About Xylem

Xylem is a leading global water solutions company dedicated to advancing sustainable impact and empowering the people who make water work every day.

Xylem connects diverse capabilities and innovative technologies to provide tailored solutions across the entire water cycle. From moving, treating, and measuring water to optimizing and maintaining water systems, our approximately 23,000 colleagues worldwide collaborate with customers to solve their most critical challenges. Together, through partnerships with utilities, industrial manufacturers, building operators, and communities, we are building a more water-secure world.

~23,000
employees

100+ years
of product excellence

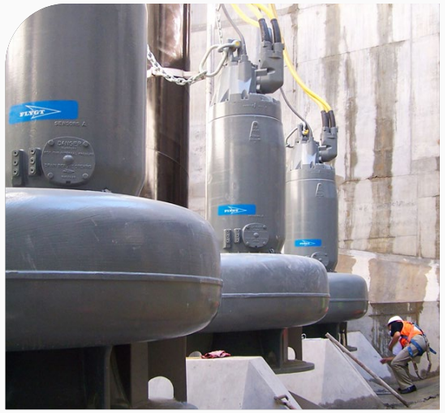
~150 countries
Serving customers

>$230M
invested in research and development in 2024

$8,562M
in total revenue in 2024

Our business segments

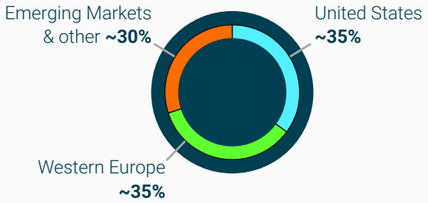
Four strategic segments with products and solutions to move, treat, and measure water and optimize and maintain water systems.



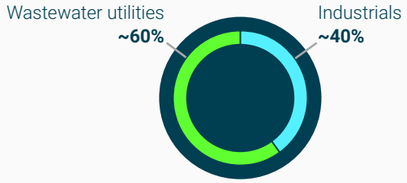
Water Infrastructure

Water Infrastructure provides essential solutions to transport, treat, and manage water throughout the entire water cycle. We serve public utility and industrial customers with integrated products and systems, including water and wastewater pumps, filtration, biological treatment, disinfection systems, and advanced digital solutions for enhanced performance and efficiency.

Geographical revenue



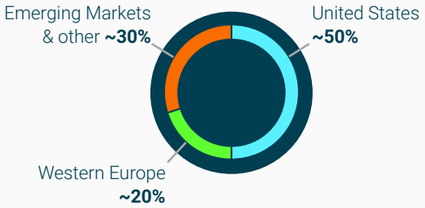
End market revenue



Applied Water

Applied Water provides flow control solutions to minimize water and energy usage while maximizing efficiency. We primarily serve commercial, industrial, residential, and public utility customers, providing pumps, heat exchangers, valves, and controls. These solutions are designed for process water circulation, heating and cooling systems, pressure boosting, potable water, and wastewater applications.

Geographical revenue



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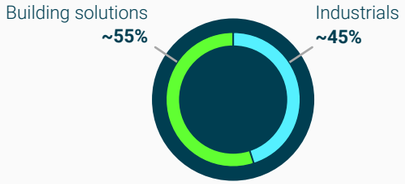
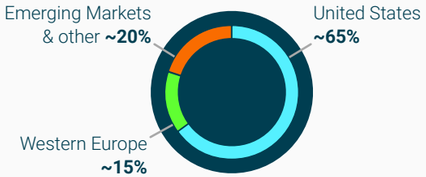


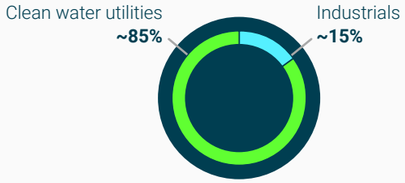
Measurement and Control Solutions

Measurement and Control Solutions provides intelligent solutions that enhance operational efficiency through advanced sensing, communications, and data management technologies. We serve water, gas, and electric utilities and industrial customers, offering cutting-edge smart metering, quantitative and qualitative measurement capabilities, and data management solutions.

Geographical revenue



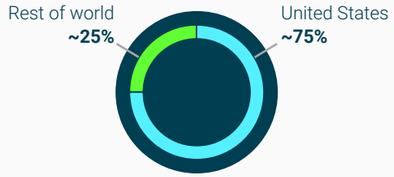
End market revenue



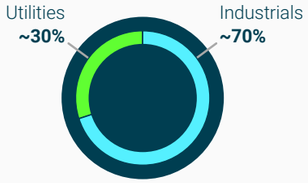
Water Solutions and Services

Water Solutions and Services provides tailored services and innovative solutions designed to deliver measurable outcomes. We serve industrial and public utility customers with integrated treatment systems for clean water, process water, and wastewater, pumping solutions for moving water and wastewater, and solutions for assessing and optimizing water distribution networks.

Geographical revenue



End market revenue

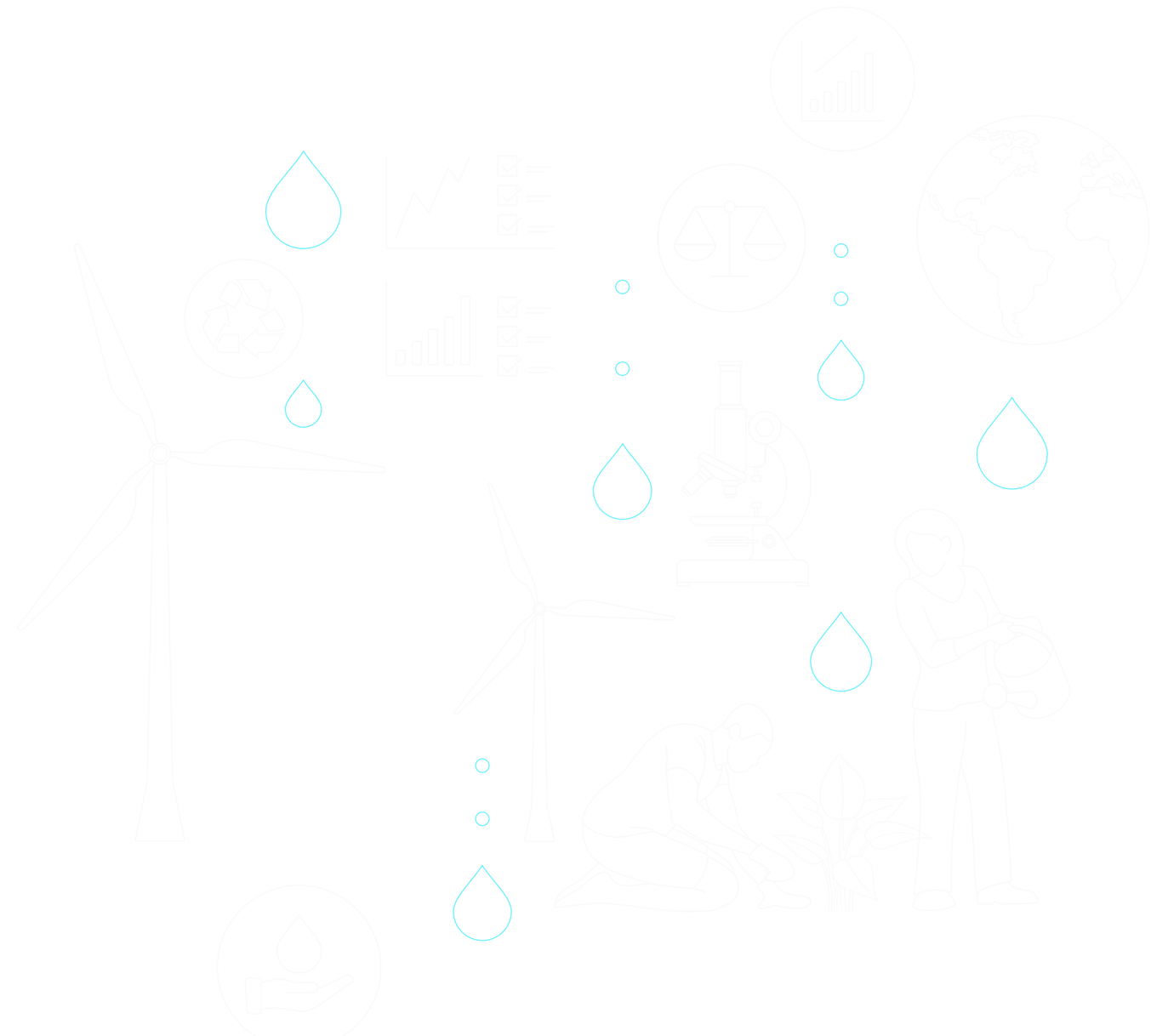


Sustainability at Xylem

Sustainability is at the core of our business strategy, reflecting our belief that advancing environmental stewardship and contributing to a more resilient society go hand in hand with financial success.

As water challenges — from scarcity to emerging contaminants — intensify, communities and businesses worldwide are increasingly prioritizing water security, focusing on the access and stewardship of safe, affordable, and resilient water resources to support sustainably healthy communities and prosperous economies. We are uniquely positioned to support them on their journey, providing innovative solutions and services that empower our customers to deliver clean water, treat wastewater, and protect public health within their communities.

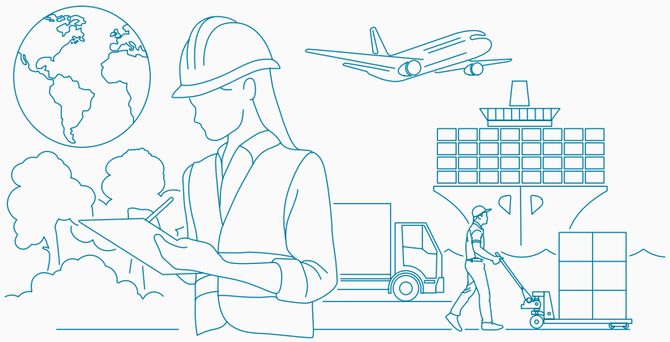
Customers in the water sector value sustainability as a competitive differentiator, and we are advancing our 2025 Goals and have set ambitious 2030 Goals to deliver even greater impact. By adapting to a changing world, expanding access to water solutions, and strengthening partnerships across our value chain, we aim to deliver on our commitments and accelerate progress toward a more sustainable and water-secure future for all.



Driving impact, innovation, and growth

Supply Chain

Collaborating with suppliers to build a responsible, resilient and transparent supply chain, while supporting their sustainability efforts.



Operations

Operating with integrity, reducing our environmental impact, prioritizing health, safety and well-being, and fostering employee growth in a respectful and inclusive workplace.

Product

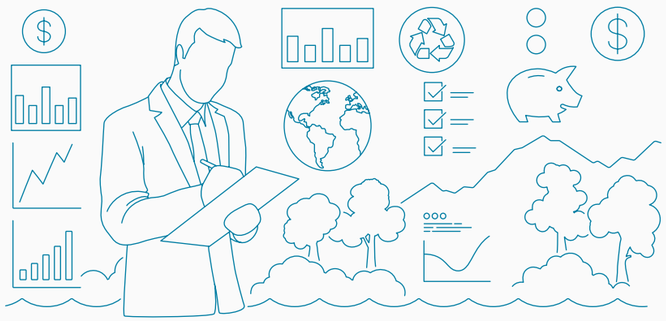
Delivering products that enable our customers to reduce their environmental impact, while upholding our commitment to product safety and lowering our product's environmental footprint.

Customers

Enabling our customers to reduce water scarcity and loss, while optimizing water systems to make water more affordable through our wide range of products and application expertise.

Tvtubjobcnf!Áobodf

Leveraging our leadership in sustainability to develop attractive and sustainable financial strategies.



Communities

Promoting sustainability and water stewardship globally through thought leadership, innovative solutions, technical expertise, community partnerships, and a commitment to youth education.

Our impact

Across our value chain, we build strong partnerships committed to sustainability. By engaging customers, colleagues, suppliers, and other partners, we drive positive change and promote practices that support a resilient and responsible business ecosystem.

Our customers

We collaborate with water operators, utilities, and users of water to tackle issues such as water scarcity, quality, availability, resilience, and affordability, enabling them to solve their water challenges with leading technology and services.

With our broad product portfolio and technical expertise, we help utilities in large cities and remote communities, alike, to optimize water systems, providing clean water and managing wastewater for a healthier environment. We also provide companies with the water quality solutions needed for industrial production processes and essential services.

>3.7 billion m^3

of non-revenue water has been reduced by our customers since 2019.

>18.1 billion m^3

of water has been treated for reuse by our customers since 2019.

>10.7 billion m^3

of polluted water has been prevented from flooding communities or entering local waterways by our customers since 2019.

>6.4 million MT

of water's CO_2e footprint has been reduced by our customers since 2019.

Our company

We are committed to conducting our business with integrity, reducing our environmental impact, continuously enhancing product quality and sustainability, creating a thriving workplace that prioritizes safety and well-being, and fostering a respectful and inclusive environment.

SBTi validated

Xylem's science-based targets in 2024.

19/21

of our major facilities are using 100% renewable energy, recycle 100% process water, and have achieved zero waste to landfill from processes as of end of 2024.

27%

of leadership positions were held by women in 2024.

16.4

learning hours averaged by our employees in 2024.

Our communities

With our solutions, technical expertise, and strong community partnerships, we advance sustainability and water stewardship across communities. Our corporate social responsibility program, Watermark, works with nonprofit partners and volunteers — from colleagues to customers and partners — to provide access to clean water, sanitation, and education, supporting the development of resilient, water-secure communities.

Watermark strives to provide access to sufficient, safe, and affordable water resources, promoting well-being, prosperity, and long-term sustainability for both current and future generations.

79%

of our employees engaged in volunteer activities in 2024.

9.5 hours

was the average time our employees gave to volunteering activites in 2024.

>12 million

people have received water education from us since 2019.

154

water-related natural disasters have been responded to by us since 2019.

Spotlight

Combatting PFAS with proven water technologies

Per- and polyfluoroalkyl substances (PFAS) are widely used in various industrial and consumer products due to their resistance to water, oil, and heat. Found in items such as non-stick cookware, water-repellent clothing, and firefighting foams, PFAS are highly persistent in both the environment and the human body, earning them the nickname "forever chemicals."

With more than 4,700 substances in use, they are more than likely present in homes, workplaces, and the environment, often making their way into rainwater, soil, sediment, and drinking water, where they can be ingested by humans and animals.[2]

The World Economic Forum's Global Risks Report 2024 ranks pollution as the 10th most pressing threat to society, in both the short and long term. From 2018 to 2022, 51–60% of rivers, 11–35% of lakes, and 47–100% of transitional and coastal waters in Europe exceeded the annual average environmental quality standards for PFAS.[3] The U.S. Geological Survey estimates that at least 45% of tap water in the United States contains one or more types of PFAS.[4] Given its persistence and potential risk to human health, there is an urgent need to address PFAS contamination, particularly in drinking water.

Xylem has been addressing PFAS contamination for more than 10 years, completing more than 80 PFAS remediation projects in the United States for municipal and industrial customers. We offer a range of solutions to help mitigate the challenges of reducing PFAS levels in water.

Granular activated carbon, ion-exchange resins, and, in some cases, reverse osmosis, are some of the best available technologies for addressing PFAS contamination. These technologies effectively remove PFAS from drinking water, enabling water utilities to comply with regulatory requirements, improve water quality, and positively impact human health.

Stratmoor Hills Water & Sanitation District (SHWSD) in southern Colorado Springs has deployed selective ion exchange treatment to tackle the threat of two key PFAS compounds. By using selective single-use ion exchange technology, the utility has reduced contaminants to levels below compliance limits, addressing water quality issues for its customers. Read more here.

Construction Simplified in Michigan detected PFAS in water being pumped out for a building foundation. The company swiftly deployed a mobile carbon filtration system that removed the PFAS to undetecable levels. Over a period of two months, the solution treated 21 million gallons (79,500 cubic meters) of water, returning clean water to the sanitary sewer system. Read more here.

Kennebunk, Kennebunkport & Wells Water District (KKWWD) in Maine took proactive action when PFAS were detected in one of its supply wells. Working with Xylem, KKWWD deployed a granular activated carbon system that has treated more than 200 million gallons of water to meet drinking water treatment goals. Read more here.

"Xylem has been working on PFAS solutions for more than 10 years, deploying more than 80 PFAS remediation projects in the United States alone for municipal and industrial customers. We partner with our customers to talk through the situation and the conditions they face, and how we can best support them in mitigating the PFAS pollution and provide clean drinking water to their communities."

Snehal Desai
Xylem's Chief Growth and Innovation Officer

2 World Economic Forum – Scientist have invented a method to break down 'forever chemicals' in our drinking water
3 European Environment Agency – PFAS pollution in European waters (December 2024)
4 United States Geological Service (USGS) – Tap water study detects PFAS 'forever chemicals' across the US

Spotlight

Xylem's 2024 Sustainability Excellence Awards

At a time when water challenges are becoming increasingly urgent, our customers are demonstrating how technology can drive sustainable water management and environmental stewardship.

Xylem's 2024 Sustainability Excellence Awards recognized Spanish water utility Consorci d'Aigües de Tarragona (CAT) and US-based Mingo Aerospace for their pioneering approaches to tackling growing water challenges.

As industries and utilities confront these challenges, CAT and Mingo Aerospace exemplify how innovative digital solutions can drive meaningful environmental and public health benefits. Using digital twins for infrastructure monitoring and closed-loop wastewater recycling systems, these organizations have significantly reduced their environmental footprint while enhancing reliability and efficiency and lowering costs — demonstrating that operational resilience and sustainability can go hand in hand.

Read more about our 2024 award winners here.

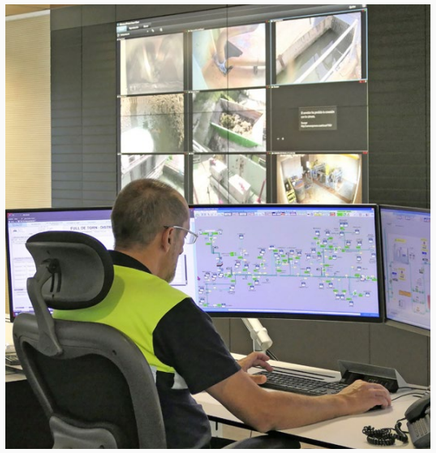
Safeguarding a vital water supply in Catalonia, Spain

CAT delivers water to 850,000 people — a number that doubles in the summer due to tourism — and to key industries across Spain's water-stressed Catalonia region. In 2020, CAT faced a crisis when a major pipeline failure put critical services at risk. In response, the utility partnered with Xylem and deployed cutting-edge monitoring systems that provide real-time and predictive insights about the integrity of the pipe network.

The impact has been profound. CAT has prevented two catastrophic failures and numerous leaks, saving an estimated 6.6 million gallons (~25,000 cubic meters) of water annually — equivalent to more than 10 Olympic-sized swimming pools. By proactively maintaining its infrastructure, the utility has also cut operational costs by €1 million (~ $1.090 million), reduced energy consumption, and lowered greenhouse gas emissions.

> "The digital twin is helping improve service for our customers and supporting our sustainability goals. We have already prevented a pipe breakage that could have resulted in a 15-day outage for 800,000 people. By avoiding leaks and major outages, we minimize the risk of disruption to our community and businesses, while using less water and reducing emissions."

Marc Brunet
President of Consorci d'Aigües de Tarragona



All images © Consorci dAigües de Tarragone

Our strategic pillars

Three strategic sustainability pillars guide our actions to improve water security.

They address the greatest challenges our stakeholders face and highlight where Xylem and our solutions play a unique role in creating lasting, positive impact.

Decarbonize the water sector

It is estimated that water use and management accounts for nearly 10% of global greenhouse gas emissions, with more than 2% stemming from water and wastewater utility operations. As a technology partner for water managers and users, we play a vital role in decarbonizing the water sector. This starts with our own commitment, including our science-based targets aimed at reducing Xylem's GHG emissions by 2030, and our goal to reach net-zero by 2050.

By driving net-zero initiatives and fostering collaboration across utilities and other key stakeholders, we empower the water sector to transition to reduce its greenhouse gas footprint.

Accelerate corporate water stewardship

Access to reliable water resources remains a challenge for industries and businesses that depend on water for their operations. As global demand for water increases, so does the need for companies to adopt water strategies — often prioritizing water stewardship practices.

Our portfolio of technologies and services enables industrial water users to maintain reliable operations while minimizing their impact on water sources. At the same time, Xylem is enhancing water stewardship across our own value chain.

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

To enable communities to achieve greater water security, we must address the needs of more than two billion people lacking access to clean drinking water and safe sanitation. We are committed to investing in communities and advancing smart solutions to help solve WASH access challenges. We are leveraging our cutting-edge technologies and strategic partnerships, with a focus on under-resourced and water-insecure communities.

Our efforts prioritize climate-resilient solutions that mitigate the impacts of water scarcity, improve public health, and enable communities to thrive.

Our sustainability goals

To reinforce our commitment to environmental and social responsibility, we set comprehensive and ambitious goals to center our focus and resources.

2025 Customer Sustainability Goals

Progress: In 2024, we achieved our fourth and final 2025 Customer Goal: enabling customers to reduce more than 3.5 billion cubic meters of non-revenue water since the beginning of 2019.

Completing all four 2025 Customer Goals ahead of schedule is a significant milestone for Xylem, highlighting our ability to enable our customers to reduce GHG emissions, lower water demand, and adopt proactive water management practices. We will continue to monitor and report on progress toward these goals through the end of 2025.

For further details, please explore our "Product sustainability" section on pages 43–45.

Goal 1

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

3.71 B m^3 ✓

2024 update
+ 1.0 billion m^3

Progress to 2025
3.71 billion m^3
Goal exceeded

Goal 2

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

18.15 B m^3 ✓

2024 update
+ 4.79 billion m^3

Progress to 2025
18.15 billion m^3
Goal exceeded

Goal 3

Enable customers to prevent more than 7 billion dvcjd!n fufst!pg!qpmvufe!xbufs!gspn!áppejoh! communities or entering local waterways

10.74 B m^3 ✓

2024 update
+ 2.29 billion m^3

Progress to 2025
10.74 billion m^3
Goal exceeded

Goal 4

Enable customers to reduce water's CO_2e footprint by more than 2.8 million metric tons

6.43 M MT ✓

2024 update
+ 2.48 million metric tons

Progress to 2025
6.43 million metric tons
Goal exceeded

2025 Company Sustainability Goals (Operations)

Progress: By the end of 2024, 19 of our 21 [5] major facilities [6] had achieved at least one of the following goals: 100% process water recycling, zero waste to landfill, and 100% renewable energy. Of these, 16 major facilities had met all three goals.

Goal **1**

Use 100% renewable energy at our major facilities

2024 update
Added **1** new facility

Progress to 2025
19/21

Goal **2**

Use 100% process water recycling at our major facilities

2024 update
Added **3** new facilities

Progress to 2025
19/21

Goal **3**

Bdijfwf!{fsp!xbtuf!up!boeÁm!gspn!qspdfttft!bu! our major facilities

2024 update
Added **2** new facilities

Progress to 2025
19/21

Goal **4**

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

2024 update
Achieved

Progress to 2025
82%
Goal exceeded

Goal **5**

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

2024 update
Achieved

Progress to 2025
Our 2030 science-based targets were validated by SBTi in December 2024 [7]

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

6 Major facilities are defined as those 21 facilities 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. See more information in the accounting principles on pages 83–86.

7 Read more on page 33–37.

2025 Company Sustainability Goals (Supply Chain)

Progress: In 2024, we implemented our 2025 Company Sustainability Goals for the supply chain into the legacy Evoqua business. As a result, the percentage of total spend appears lower compared to previous years. However, we continue to make progress toward achieving all our goals.

We also made notable improvements in our supplier disclosures and scores through CDP and EcoVadis and are proud of our suppliers' participation in the WASH4Work commitment, a key element of our social impact strategy. Additionally, we engaged with our suppliers in more than 100 Watermark events throughout the year.

Goal 1

Sfrvjsf!tvqqmjfst!up!ejtdmptf sustainability information via EcoVadis ps!frvjwbmfou

42%

2024 update
Included legacy Evoqua supply base

Progress to 2025
42% of global spend

Goal 2

Engage suppliers in sustainability initiatives through audit programs and corrective action plans

8:&

2024 update
Included legacy Evoqua supply base

Progress to 2025
79% of high-impact suppliers identified

Goal 3

Sfrvjsf!tvqqmjfst!up!ejtdmptf!Tdpqf!2!'!3 GHG emissions and water usage via CDP Supply Chain

38.4%

2024 update
Included legacy Evoqua supply base

Progress to 2025
38.4% of global spend

Goal 4

Sfrvjsf!tvqqmjfst!up!ublf!uif!XBTI5Xpsl! pledge for access to safe water, sanitation, and hygiene at the workplace

43%

2024 update
Included legacy Evoqua supply base

Progress to 2025
43% of global spend

Goal 5

Establish a Supplier Opportunity Program to attract small businesses and suppliers that sfǻfdu!uif!cspbe!tqfdusvn!pg!nbslfut!xf!tfswf-!xjui!b!hpbm!pg!:/3&!tqfoe!xjui!rvbmjǺfe! small or diverse suppliers in the United States

9.2%

2024 update
Included legacy Evoqua supply base

Progress to 2025
9.2% of U.S. spend
Goal achieved

2025 Company Sustainability Goals (Workplace)

Progress: In 2024, representation of women in leadership positions [8] increased by 2% compared to 2023. However, progress toward our U.S. minority leadership goal saw a slight decline in 2024.

We also saw a significant rise in average learning hours per employee, demonstrating our commitment to professional development. This increase reflects improved tracking of learning activities.

Goal 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

2024 update
Avg. 16.4 hours per employee

Progress to 2025
16.4/50

Goal 2

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

2024 update
Refined tracking and addition of legacy Evoqua employees

Progress to 2025
Continue to monitor for any gaps in access

Goal 3

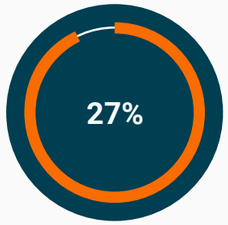
Sfevdf!jokvsz!gsfrvfodz!up!bo!jodjefou rate of 0.5 or below

2024 update
-14.75%

Progress to 2025
0.52

Goal 4

3:&!sfqsftfoubujpo!pg!xpnfo!jo!mfbefstijq! positions, through merit-based retention, promotion, and recruitment



2024 update
+2%

Progress to 2025
27% representation

Goal 5

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

2024 update
-2%

Progress to 2025
19% representation

Goal 6

Dpoevdu!bo!boovbm!qbz!frvjuz!bttfttnfou! based on gender and U.S. minority dmbttjÁdbujpot!boe!nblf!qbz!bekvtunfout- as necessary, based on the results.

2024 update
Executing plans to reduce and close identified gaps by 2025

Progress to 2025
In 2024, we conducted a global pay equity analysis and identified no systemic disparities based on gender or race. We plan to conduct a follow-up analysis in the second half of 2025 after an ongoing organizational realignment

8 "Leadership positions" are defined by an internal salary band structure that reflects executive and critical leadership positions.

2025 Community Sustainability Goals

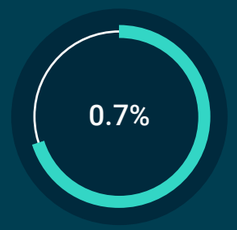
Progress: In 2024, we successfully expanded our employee volunteer program, Watermark, to our legacy Evoqua colleagues, contributing to a record-breaking 220,000+ volunteer hours in our communities.

To advance toward our WASH access goal, we provided clean water and sanitation solutions to an additional 3.6 million people in under-resourced communities.

Additionally, we reached 2.1 million individuals through water education initiatives and delivered humanitarian aid in response to 43 water-related disasters — more than in any prior year.

Goal 1

Hjwf!2&!pg!dp n qboz!qspÁut [9] to water-related causes and education



2024 update
Donated **0.7%**, or **$6.4+ million**, through financial and in-kind equipment donations

Progress to 2025
On track to meet 1% by 2025

Goal 2

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

2024 update
On average, employees volunteered 9.5 hours

Progress to 2025
20 hours (or 1% for full-time employees) of volunteer time off now available for all employees

Goal 3

Fohbhf!bu!mfbtu!:6&!pg!Yzmf n!f n qmpzf f t!jo! volunteer activities

2024 update
Included legacy Evoqua employees in reporting

Progress to 2025
79% of employees volunteered

Goal 4

Engage 100,000 stakeholders in volunteer events

2024 update
6,000 stakeholders participated in volunteer events

Progress to 2025
24,600/100,000

Goal 5

Provide 15 million people with water education up!j n qspwf!rvbmjuz!pg!mjgf!boe!sbjt f!bxbsfoft t! of water issues

2024 update
Provided water education to **2.1 million** people in 2024

Progress to 2025
12.4/15 million people

Goal 6

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

2024 update
Provided access to **3.6 million** people in 2024

Progress to 2025
16.3/20 million people

Goal 7

Deploy humanitarian aid to 200 areas affected by water-related natural disasters [10]

2024 update
Responded to **43** disasters with humanitarian aid

Progress to 2025
154/200

9 "Company profits" is defined as GAAP Net Income.

10 See a definition of water-related natural disasters in the accounting principles on pages 85–86.

Scaling solutions for a water-secure and low-carbon future – our 2030 Goals

2030 Decarbonization Goals

We believe the water sector has a key role in supporting global efforts to reduce GHG emissions. Striving to lead by example, we developed **1.5°C-aligned 2030 science-based targets for Xylem's Scope 1, 2, and 3 GHG emissions** and are committed to reaching **net-zero by 2050**. In 2024, our science-based targets were validated and approved by the Science Based Targets initiative (SBTi). See pages 33–37 for details.

Crucially, our greatest opportunity to reduce emissions in water management lies in driving innovation and collaborating with our customers and stakeholders — an essential focus of our efforts.

Key efforts:

- Collaborate with stakeholders across the water sector, enhance resources for utilities on their net-zero journey, support regulators in utility decarbonization, and raise awareness with thought leadership. See pages 27–28, 43–45, and 81.
- Measuring our products' environmental impact through life-cycle assessments and detailed product sustainability reports and evaluating the impact of our solutions on end-of-life waste-related emissions. See pages 43–45.
- Reducing our Scope 1, 2, and 3 emissions, and embedding targets in our operational and financial success. See pages 33–37, and 25.

Spotlight

Empowering our customers' decarbonization journeys while delivering cost savings

In 2024, Xylem presented a compelling proposal for an aeration system upgrade at an Eastern European food processing facility. The proposal combined technical expertise, cost analysis, and impactful GHG emissions reduction insights to address the customer's needs and enable a 33% reduction in electricity consumption, which would result in a significant annual decrease of 13 metric tons of CO_2e emissions.

The plan centered on replacing outdated positive displacement blowers with energy-efficient Sanitaire Turbo units. Using a customized analysis tool, Zsombor Vánkos, Application Engineering Team Leader and a member of Xylem's Customer Sustainability team, provided tailored projections of return on investment and emission savings. These calculations factored in the facility's specific energy costs and operational requirements.

By aligning the proposal with the customer's sustainability goals, we highlighted the dual benefits of financial savings and positive environmental impact. That proposition resonated with the local plant manager and also addressed the broader objectives of corporate leadership at the company's headquarters in France. The data-driven approach delivered clear and compelling insights, enabling the customer to fully grasp the value of reducing energy consumption and emissions.

We continue to empower customers on their decarbonization journeys, driving measurable reductions in GHG emissions and delivering tangible progress toward their sustainability goals.

> "It was inspiring to see how we turned a simple proposal into a comprehensive, sustainability-focused offering, including emission reductions. This approach generated enthusiasm, supported local development, and enhanced customer satisfaction through value-driven analyses."

Zsombor Vánkos
Application Engineering Team Leader

2030 Water Stewardship Goals

Our role in supporting the efficient use of critical water resources across industries is reflected in our ability to help customers reduce water demand in their operations. By the end of 2030, we aim to **enable our customers to reduce at least 2 billion cubic meters of annual water demand**. Additionally, we are committed to **reducing our own water intensity by 30%** and **driving greater accountability among high-impact suppliers to lower water intensity across our supply chain.**

Key efforts:

- Measure the positive impact of our technologies' ability to enable our customers to reduce water demand. See pages 43–45.
- Partner across sectors to advance water stewardship thought leadership and share best practices. See pages 27–28.
- Continue to improve water use and management across our own operations. See page 32.
- Partner with suppliers to improve water stewardship practices across our supply chain network. See page 66.

Spotlight

Xylem's Water Walk: Identifying water efficiency opportunities for a global spirits manufacturer

A global spirits manufacturer in the southern United States set an ambitious goal to cut water use by 50% by 2030. While plant personnel had already identified and implemented some water-saving measures, progress had stalled.

To help identify new opportunities, Xylem's local sales team and sustainability experts conducted a Xylem Water Walk — a six-hour, hands-on assessment of the facility's water usage. Engaging directly with plant personnel, the team examined how water was being used, pinpointing areas where conservation and reuse strategies could be applied.

The Water Walk uncovered 10 significant opportunities to reduce and reuse water, many of which required only simple operational changes rather than major capital investments. Beyond water savings, the assessment also identified potential reductions in chemical usage and emissions.

With these actionable insights, the facility is expected to save more than 1 million gallons of water annually, making steady progress toward its sustainability goals.

By leveraging Xylem's expertise, the manufacturer has turned its sustainability aspirations into practical strategies. The Water Walk not only provided a clear roadmap to enhance water efficiency but also reinforced the power of collaboration in driving meaningful environmental impact.

2030 WASH Access Goal

Through technology, expertise and partnership, we aim to improve water security for **80 million people by the end of 2030 by enabling climate-resilient WASH access and capacity building** in under-resourced, water-insecure communities

Key efforts:

- Continue to partner with Watermark nonprofit partners to invest in climate-smart WASH access projects. See page 70.
- Invest in and scale technology solutions suited for WASH development. See page 70.
- Partner across the private sector to enable greater finance options for WASH development. See page 70.
- Support WASH access projects through volunteer time and our colleagues' expertise. See pages 67–74.

Spotlight

Xylem's solar-powered pumping system: Delivering clean water to small communities in Malawi

Xylem has joined forces with Engineers Without Borders and Freshwater Project International to design a groundwater extraction system for the Mbeta water points in the Nsanje District, located in Malawi's Southern Region. This initiative aims to provide a sustainable and reliable water source for local communities, addressing one of the most pressing public health challenges: access to clean water.

The project focused on creating a reliable system to extract and store groundwater, providing a steady supply of clean water for the community. This included designing a borehole pump to draw water from under the ground, installing storage tanks to keep an adequate supply, and recommending the best setup for solar panels to power the system. A key goal was to develop a solar-powered pump that could provide up to 20,000 liters of water each day.

Xylem played a key role by designing the system and supplying an advanced solar-powered pump. This pump uses energy from solar panels to draw water efficiently. We also developed a special controller that helps manage the power flow so that the system runs smoothly and reliably.

Beyond technical contributions, we collaborated with Engineers Without Borders and Freshwater Project International to provide training sessions on the solar pumping system design and best installation practices. By equipping local engineers and technicians with essential skills, we are empowering them to sustain and expand these vital water solutions over time and enable communities to maintain their water systems independently, fostering long-term resilience.

Access to clean water is a fundamental driver of public health. Reliable water sources reduce the prevalence of waterborne diseases, prevent healthcare-associated infections, and improve overall community well-being. With clean water, children can attend school without the burden of illness, healthcare facilities can maintain hygienic conditions, and families can thrive in healthier environments.

The impact of this project is already visible, as the water system now serves 224 households — benefiting approximately 1,120 people across three villages: Mbeta, Chikolongo, and Chikanguya. Additionally, it provides clean water to Nswanswa Primary School, which serves 1,100 students — 552 girls and 548 boys.

Sustainability governance

Robust governance structures are essential to the effectiveness and credibility of our sustainability programs, commitments, goals, and reporting. From our Board of Directors (Board) to our teams operationalizing sustainability across our businesses, we apply strong governance to provide oversight that is responsive to operational needs.

Xylem's Board

Strong sustainability governance starts with our Board. Our Board, primarily through its Nominating and Governance Committee, oversees Xylem's sustainability and corporate social responsibility programs. The committee also oversees the business continuity, disaster recovery, crisis response, and compliance programs, including environmental, health, safety, and security, data privacy and conflict minerals. The Leadership Development and Compensation Committee oversees Xylem's executive compensation, including linkage to sustainability performance, and Xylem's approach to human capital management, including talent and the workplace. The Audit Committee oversees financial reporting processes and controls, compliance with legal and regulatory requirements, including business ethics and anti-corruption, and cybersecurity controls and reporting.

The full Board reviews sustainability as a strategic enabler for Xylem's value creation. It also periodically reviews responsibilities delegated to its committees to maintain effective oversight of sustainability matters given broader trends and the evolving regulatory landscape.

The Board and its committees regularly discuss with management our approach to sustainability, including risks and opportunities, implications for Xylem's strategy, and our progress toward meeting our sustainability commitments.

Xylem's senior leadership

Our Chief Executive Officer, Chief People and Sustainability Officer, business Presidents and other members of the senior leadership team lead execution of our sustainability strategy and drive progress toward our goals.

The Sustainability Goal Deployment Committee meets quarterly to review progress toward goals and address challenges and opportunities related to goal achievement. The committee includes a wide range of participants, including senior leaders and those individuals responsible for operational execution. The Sustainability Reporting and Green Finance Committee reviews and advises on our green finance strategy, as appropriate, and the ongoing refinement of our sustainability reporting strategy, which aims to provide our stakeholders with contextualized, transparent, and reliable information about our sustainability performance.

Finally, whenever new sustainability disclosures are planned, relevant members of Xylem's Disclosure Committee review the proposed disclosure to provide oversight as part of our governance process.

Board selection

Xylem and its Board believe that a wide range of backgrounds, experiences, and perspectives in the boardroom contributes to Xylem's success and our ability to create long-term value for shareholders and other stakeholders.

The Board actively seeks to attract a diverse group of highly qualified individuals to be included in the pool of candidates from which Board nominees are selected. When making selection decisions, the Board considers nominees' viewpoints, professional experience, education, and skills.

Directors' profile [11]

- **Independent directors: 9 of 10**
- **Directors with CEO experience: 5 of 10**
- **Average years of tenure: 6.05**
- **Average age: 61.01**

Jeanne Beliveau-Dunn

CEO & President, Claridad LLC

Age: **65**
Independent: ✓
Number of public boards: **3**
Director since: **2017**
Comittees: **Audit Committee, Leadership Development & Compensation Committee**

Earl R. Ellis

EVP & CFO, ABM Industries Inc.

Age: **59**
Independent: ✓
Number of public boards: **1**
Director since: **2023**
Comittees: **Audit Committee (Chair)**

Robert F. Friel (Chair)

Former Chairman, President & CEO, PerkinElmer Inc.

Age: **69**
Independent: ✓
Number of public boards: **2**
Director since: **2012**
Comittees: **Leadership Development & Compensation Committee**

Lisa Glatch

Former President, LNG and Chief Sustainability Officer, Sempra Infrastructure

Age: **62**
Independent: ✓
Number of public boards: **3**
Director since: **2023** [12]
Comittees: **Leadership Development & Compensation Committee**

Victoria D. Harker

Former EVP & CFO, TEGNA Inc.

Age: **60**
Independent: ✓
Number of public boards: **3**
Director since: **2011**
Comittees: **Audit Committee, Nominating & Governance Committee**

Mark D. Morelli

President & CEO, Vontier Corp.

Age: **60**
Independent: ✓
Number of public boards: **2**
Director since: **2022**
Comittees: **Audit Committee, Leadership Development & Compensation Committee (Chair)**

Jerome A. Peribere

Former President & CEO, Sealed Air

Age: **70**
Independent: ✓
Number of public boards: **2**
Director since: **2013**
Comittees: **Nominating & Governance Committee (Chair)**

Matthew F. Pine

President & CEO, Xylem Inc.

Age: **53**
Independent: **CEO**
Number of public boards: **1**
Director since: **2024**
Comittees: **—**

Lila Tretikov

Partner, Head of Artificial Intelligence Strategy, New Enterprise Associates

Age: **46**
Independent: ✓
Number of public boards: **2**
Director since: **2020**
Comittees: **Nominating & Governance Committee**

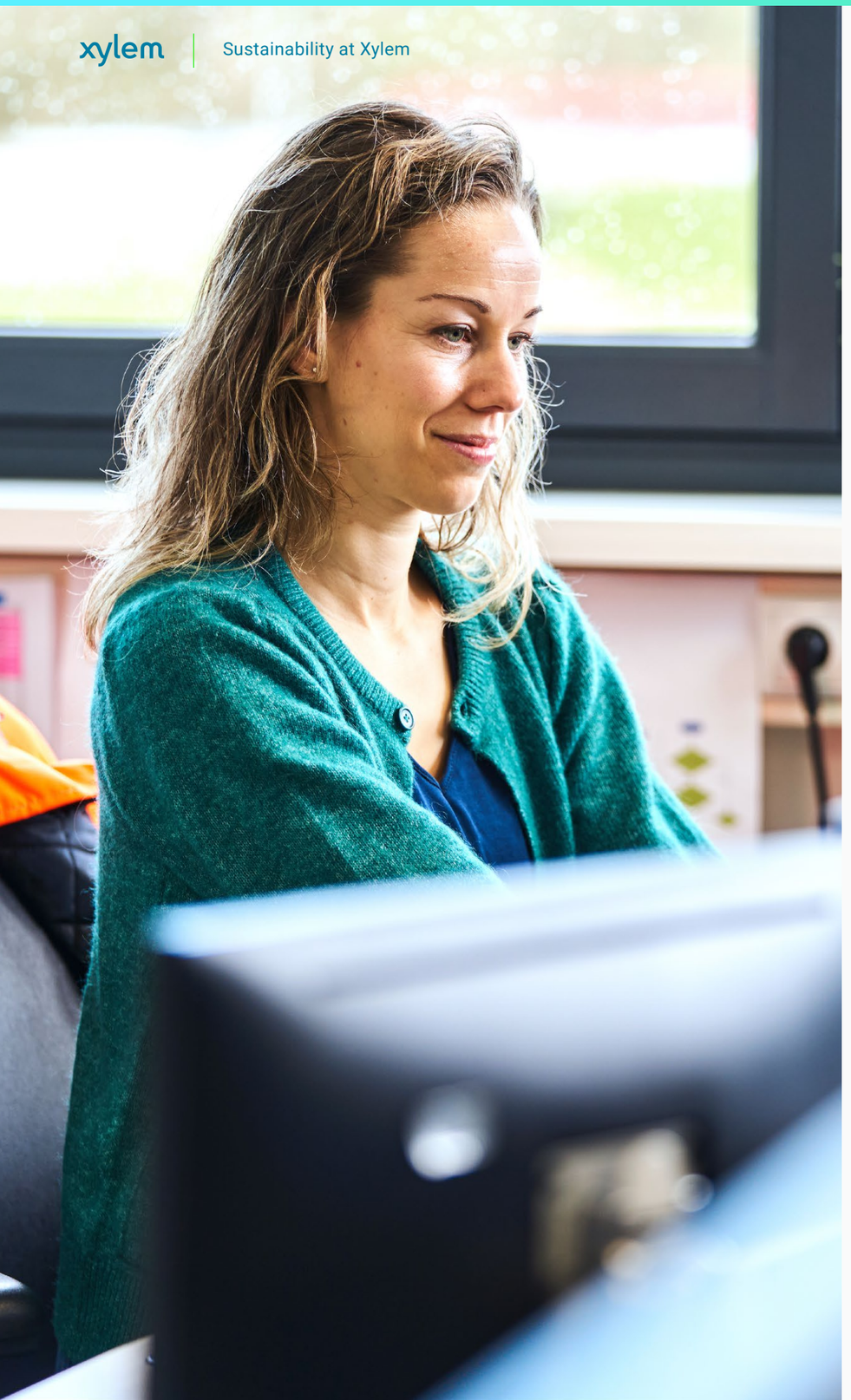
Uday Yadav

CEO, TK Elevator

Age: **61**
Independent: ✓
Number of public boards: **1**
Director since: **2020**
Comittees: **Audit Committee, Nominating & Governance Committee**

[11] Information as of December 31, 2024.

[12] Served on Evoqua Water Technology Corporation's Board of Directors from 2020 until Xylem's acquisition on May 24, 2023.



Sustainability-linked compensation

To further drive executive execution of sustainability performance, several sustainability-related goals have been included in executive compensation. These goals include improving the representation of women in Xylem's leadership by utilizing merit-based hiring and promotions and expanding candidate pools to include a range of backgrounds and demographics for all professional positions to attract and retain top talent. Additional goals involve improving our injury frequency rate, achieving 100% process water recycling at our major facilities, and enabling customers to reduce their annual water demand.

Sustainability reporting process

Our sustainability reporting continues to evolve to meet regulatory and stakeholder requirements. We continue to enhance the integrity of our disclosures and transparency and strengthen our reporting practices to support sustainability reporting.

Double materiality assessment exercise

In early 2024, we completed our double materiality assessment in preparation for European Corporate Sustainability Reporting Directive (CSRD) requirements. Unlike our previous materiality assessments, which primarily identified topics of interest to stakeholders and informed our voluntary reporting, CSRD, once applicable, would require the consideration of how Xylem impacts both people and the planet, as well as how sustainability issues affect the company's financial performance.

The assessment was informed by input from interviews with internal and external stakeholders, including investors, lenders, customers, and nonprofit partners. Additionally, we conducted an online survey to gather insights from Xylem's internal subject matter experts, supported by desktop research and validation by third-party experts specializing in responsible business conduct, water, biodiversity, human rights, and CSRD reporting. The process also included multiple workshops, where internal business leaders and subject matter experts reviewed and validated the assessment's approaches and findings. We plan to review the double materiality results annually and upon any material changes to the company.

While we have made significant strides in preparing for the CSRD requirements, further progress is needed. As such, the disclosures in this year's report primarily reflect Xylem's prior materiality assessments.

Reporting governance: Xylem's Sustainability Management System

Xylem's Sustainability Management System governs our sustainability reporting processes and provides guidance on what sustainability content and data are reported, as well as how and where such content and data are disclosed. It also defines the responsibilities of key stakeholders and other processes that enable our sustainability priorities to resonate throughout our organization. It is regularly updated based on best practices and findings from our sustainability program to meet the expectations of our stakeholders and the changing regulatory landscape.

We have further strengthened our internal controls by developing a comprehensive framework for sustainability reporting and initiating the implementation of a new data management tool in 2025. These efforts aim to enhance the integrity of our disclosures and improve audit readiness in preparation for the CSRD requirements.

Guiding reporting frameworks

We report in reference to the GRI Standards in our annual sustainability reporting to disclose information on general topics such as business, the environment, society, and human rights. We are also guided by the relevant industry-specific standards of the Sustainability Accounting Standards Board (SASB), the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations Global Compact.

In 2024, we completed an update of our TCFD assessment. Results are included in our newly published Climate Action Plan.

Risk management oversight

Identifying and mitigating risks improves our decision-making and prioritization of time and resources. Management is responsible for day-to-day management of the company's risks, including the creation of appropriate risk management programs, policies, and practices. As part of this responsibility, Xylem's management conducts an enterprise risk management program — an evergreen process that uses a widely accepted framework to identify, assess, monitor, and communicate our strategic, operational, financial, compliance, and reputational risks over the short, intermediate, and long term.

Risk assessments are conducted annually and as needed in line with changes to our business and external factors. We continue to monitor our risks throughout the year, including to understand how internal and external factors may impact our risk profile and inform our mitigation plans. The enterprise risk management risk register includes sustainability and climate risk among the risks the program assesses and monitors.

Management incorporates enterprise risk management into the company's strategy, strategic planning, and business operations. As an integral and ongoing part of its work, the Board oversees management's approach to risk management and execution of its risk management responsibilities.

Further details on delegated responsibility of risk oversight by the Board are provided on page 29 of our 2025 Proxy Statement.

Sustainable finance

Over the past decade, we have continued to align positive environmental and social impacts with strong economic outcomes, reinforcing our commitment to placing sustainability at the core of everything we do. In recent years, we further advanced our sustainable financing initiatives and the key performance indicators that support them.

Examples of key initiatives include:

- Launched a five-year revolving credit facility in 2023 featuring pricing adjustments based on Xylem's achievement of certain sustainability-related key performance indicators alongside its credit rating. These targets are aligned with climate mitigation action across our value chain, including emissions reduction, customer GHG emission reduction, and increased supplier reporting of environmental data to EcoVadis or equivalent assessment platforms.
- In partnership with impact platform CNote, invested a portion of our cash on hand in mission-driven banks and credit unions that facilitate investments in historically underserved communities. As of December 31, 2024, we have invested $12 million.
- Established a demand deposit account with yields on deposits linked to the achievement of our 2025 Sustainability Goals. Since 2021, we have earned nearly $300,000 in interest bonuses based on the average balance in the account for each year.
- Completed a $1 billion green bond offering, with proceeds directed toward projects that improve water accessibility, affordability, and resiliency.
- Transitioned supply chain finance agreements to sustainable frameworks, providing incentives for participating suppliers to initiate and improve their EcoVadis (or equivalent) scores.

In 2024, we were honored with the "Best ESG Working Capital Initiative" award by The Working Capital Forum for our global sustainable supply chain finance program in partnership with ING. The award recognized our program as a leading example of effective working capital management, with judges praising its clear key performance indicators, robust infrastructure, and advanced payment capabilities that have enabled significant growth in both size and scope.

We remain committed to advancing sustainability-focused financing strategies, aligning capital deployment with our mission to drive meaningful environmental and social outcomes.

Spotlight

Empowering communities through sustainable finance: Xylem's impact with CNote

CNote is a financial technology platform that enables companies and individuals to channel deposits and investments into mission-driven banks and credit unions that are deeply rooted in their local communities. These deposits don't just sit idle — they actively support economic growth and social impact.

Through our partnership with CNote and its Impact Cash® solution, Xylem placed deposits with 48 community financial institutions in 2024. These institutions originated more than $7.5 billion in loans, with $4.4 billion directed to under-resourced communities.

Funding from these institutions have made a tangible impact in 2024 by:

- Supporting small businesses with $820 million in loans, helping create and sustain 4,800 jobs.
- Advancing affordable housing with $612 million in loans, supporting more than 1,500 housing units.
- Driving green initiatives with more than $147 million in loans, promoting environmental sustainability.

© CNote

Making clean energy accessible

Among the many success stories, Flywheel Development stands out. Founded in 2014 with the goal of making renewable energy accessible to low-income families in Washington, DC. However, like many first-time entrepreneurs, securing financing was a challenge — until they connected with Locus Bank, a CNote Impact Cash partner.

Thanks in part to deposits made by Xylem, Locus Bank provided Flywheel with the critical financing needed to launch the Solar for All program — an initiative bringing clean energy to 100,000 low- and moderate-income households. These projects have helped families save up to 50% on electricity bills while accelerating the adoption of renewable energy.

Today, Flywheel's 49+ solar projects across Washington, DC, and Maryland are making sustainable energy affordable for those who need it most — demonstrating the power of impact-driven finance to transform lives and communities.

Read more here.

Innovation

Innovation and sustainability are deeply interconnected, driving our efforts to address the world's greatest water challenges.

Innovation extends beyond the development of advanced technologies to include rethinking how we work, partner, deliver solutions to our customers and communities, and develop talent for the water sector. Inspiring youth worldwide to solve global water challenges plays an important role in our approach to innovation. Find out more about our youth programs on page 73.

Research and development

Sustainability is not merely a goal but a fundamental principle that guides our approach to innovation, so that our products and processes enable customers to meet their sustainability objectives while minimizing life-cycle impacts.

This thinking is embedded in our research and development efforts and growth strategy. By focusing on designing high-quality, reliable products, services, and solutions, we aim to meet emerging needs of our diverse, global customer base. Our "design for sustainability" approach integrates sustainability considerations into our product development methodology.

Proactive customer outreach, conducted in collaboration between our Product Sustainability and Product Management teams, provides valuable insights into our customers' sustainability priorities. These findings guide our technology investments and support the development of solutions targeting critical impact areas, such as water efficiency — a top priority identified by our customers.

Emerging trends further highlight the increasing demand for highly efficient, digital, and energy-saving water technologies. For example, our digital suite, Xylem Vue, integrates Xylem's existing digital water solution portfolio with Idrica's technology platform, enabling seamless data management across water and wastewater networks. This helps utilities reduce water loss, optimize performance, adapt to changing conditions, and achieve significant cost savings. To further enhance these capabilities and create a more streamlined customer experience, Xylem acquired a majority stake in Idrica in December 2024, strengthening the Xylem Vue offering. Similarly, energy efficiency remains a critical focus for customers, with solutions like the Hydrovar® X variable speed pump drive enhancing water efficiency, reducing energy consumption, and lowering the carbon footprint.

Spotlight

Driving responsible innovation: Accelerating AI adoption at Xylem

Shyam Boriah, VP of Artificial Intelligence and Digital Product Solutions, shares insights into the steps Xylem took in 2024 to advance the adoption of *artificial intelligence* (AI):

With rapid innovation in AI technology in recent years, we recognized that the opportunity to tackle complex external water and internal operational challenges through AI is immense. That opportunity creates the need to accelerate AI adoption to enhance both the customer and employee experiences, while also addressing the governance of AI and related risk management.

In 2023, a group of executives participating in the Executive Development Program developed a project focused on how Xylem could responsibly accelerate the adoption of AI across the business. This led to the formation of a cross-functional AI Task Force in early 2024, with a one-year mandate to drive AI adoption and develop long-term governance recommendations.

Over the past year, we have focused on three key areas across the organization:

1. Educating colleagues

We recognize that the workforce of the future will closely interact with AI tools. When adopted appropriately, these tools can significantly enhance both the customer experience and employee experience. Our goal is to enable our people to utilize AI to improve productivity in their day-to-day work, allowing them to better serve customers and focus their time on high-value tasks. To support this, we rolled out a series of short AI training videos for all employees, established standard usage guidelines, and provided learning resources. We aim for employees to feel confident and empowered to adopt AI in ways that suit their roles.

2. Accelerating adoption

To effectively integrate AI in the day-to-day operations of the business, we developed a disciplined and robust framework to align AI investments with business priorities. We formed a small core team of AI experts from within the organization to drive the adoption of AI capabilities across various functions. To maintain agility in the value realization process, we focused on iterative rapid prototyping, followed by either scaling or pivoting solutions.

3. Defining governance

To support responsible AI adoption, we recognized the need for clear governance to appropriately assess and mitigate risks related to company, employee and customer data. The AI Task Force developed use guidelines for employees and provided recommendations for long-term risk assessment and governance, drawing on best practices from external partners and organizations.

Xylem's AI journey is off to a strong start, supporting our ability to empower customers and communities more effectively. We are providing upskilling opportunities for our colleagues to grow and build skills for the next generation of work, while also establishing robust governance structures to promote responsible use. Learn more about our enterprise risk management on page 24.

Advancing sustainability through collective action

Advancing shared interests: The Reservoir Center for Water Solutions

The Reservoir Center for Water Solutions is co-located with Xylem's global headquarters in Washington, DC, providing space for cross-sector collaboration across various water issues. The initiative now counts more than 75 organizations as partners, including universities, nonprofit organizations, think tanks, and youth education organizations. 2024 marked a year of significant growth for the Reservoir Center, which saw a 33% increase in visitor traffic and welcomed more than 4,000 visitors.

In 2024, the Reservoir Center and its partners hosted more than 50 events addressing global water challenges. Highlights included the expansion of the Careers for Change program, a World Water Day Summit, and Hill Coffees, providing partners with opportunities to engage directly with U.S. Congress staff. Curated dialogues tackled pressing issues such as PFAS contamination, interagency coordination through the water subcabinet, and water policy.

Additionally, Reservoir Center staff and partners dedicated more than 400 hours of water-focused education and community engagement throughout the DC area, further strengthening our commitment to fostering a deeper understanding of water issues and driving impactful change.

Fostering water innovation: Xylem Innovation Labs

Our corporate innovation and venture team, Xylem Innovation Labs (XIL), accelerates water innovation by partnering with startups, venture capital firms, universities, and key innovators to develop cutting-edge technologies that address global water challenges. Through XIL programming, we connect with our customers, understand their needs, and bring the most innovative solutions to market.

The mission of XIL has three key pillars:

1. **Unlocking new technologies for customers through the Partnerships Accelerator program**

- In 2024, twelve companies from six countries joined the Xylem Partnerships Accelerator, exploring areas such as advanced sensing, AI and digital workforce, sustainable treatment solutions, and net-zero energy solutions.

Our 2024 partnerships in action:

- **eoapp AQUA launch:** Water quality sensing and bathymetry provides a holistic view of watersheds for our customers as a result of a partnership between Xylem Analytics and satellite remote sensing company EOMAP, formed through the 2022 Xylem Partnerships Accelerator.

- **PFAS solutions:** In response to growing PFAS concerns from our industrial and municipal customers, we have augmented Xylem's core portfolio of PFAS treatment solutions, including companies engaged in PFAS destruction such as Aclarity, Onvector, Revive, and others.

- **N_2O reduction:** Partnering with Cobalt Walter, a 2023 Xylem Partnerships Accelerator company, we are now able to use software to pinpoint N_2O emissions risk in wastewater treatment and deploy targeted solutions, a key step toward helping customers achieve their net-zero targets.

2. **Deploying advanced financing mechanisms to catalyze the adoption of innovative water technologies**

- Xylem is a founding sponsor of the Isle Utilities' Climate Change Trial Reservoir and Industrial Treatment Trial Reservoir programs, global private-revolving loan funds that de-risk full-scale trials of emerging technologies. In 2024, these programs deployed about $500,000, evaluating 121 technologies and launching 4 pilots.

- Xylem continues to invest in venture capital funds, including WaterEquity, a WASH impact fund, as well as Burnt Island Ventures (BIV), the leading early-stage water venture capital fund anchoring both Fund 2 and the Opportunity Fund in 2024.

- Xylem funded more than 16 pilots in 2024, demonstrating the commercial viability of new technologies with partners and customers through XIL programs.

3. **Becoming a catalyst in the water innovation ecosystem by partnering with leading entrepreneurs and open innovation partners around the world**

- XIL has become a hub for water innovation, building a network of more than 40 global partners, including venture capital firms, accelerators, research institutes, universities, customers, and nonprofit organizations.

- We are partnering with regional consortiums to promote water innovation in key regions including the Kinneret Innovation Center in Israel, the International Centre for Clean Water (ICCW) in India, and the Research Institute for Water Management and Climate Future of at RWTH Aachen University (FiW) in Germany where Xylem opened the European Xylem Innovation Hub.

Our commitment to continuous progress

As a signatory to each of these compacts, pledges, and mandates, we are committed to continuous progress in alignment with their core elements. This helps us better understand and manage our own environmental, social, and corporate governance opportunities and risks.

United Nations Global Compact

The United Nations Global Compact (UN Global Compact) is a corporate sustainability initiative developed by the United Nations for businesses to align their operations and strategies with the United Nations' universal key sustainability principles in the areas of human rights, labor, environment, and anti-corruption. We first committed to the UN Global Compact in 2002 and annually report and publish our progress on implementing its Ten Principles.

CEO Water Mandate

The CEO Water Mandate was established in 2007 by the UN Secretary General and the UN Global Compact in partnership with the Pacific Institute to advance corporate water stewardship around the world. In 2017, we endorsed the CEO Water Mandate and committed to adopting and implementing a comprehensive approach to water management that incorporates the initiative's six commitment areas.

Race to Zero

Race to Zero is a global campaign, under the banner of the United Nations Framework Convention on Climate Change (UNFCCC), rallying support from businesses, cities, and regions to take rigorous and immediate action to halve global emissions by 2030 and promote sustainable growth.

In 2021, we joined a consortium of partners including the UN Climate Change High-Level Champions, CDP, Water UK, the US Water Alliance, the International Water Association, and others to help water utilities commit to reducing GHG emissions. Additionally, we work with partners to drive the Race to Zero commitments of water and wastewater utilities to support decarbonizing the water sector.

Women's Empowerment Principles

The Women's Empowerment Principles (WEPs) provide guidance to companies on how to support and promote equal opportunities for women in the workplace, marketplace, and community.

The WEPs were established by UN Women and the UN Global Compact and are based on international labor and human rights standards. Xylem has been a signatory since early 2019.

Human Rights Campaign Foundation's Global Business Coalitions

The Human Rights Campaign Foundation's Global Business Coalition is a consortium of major global businesses committed to upholding workplace protections for all employees — including LGBTQ+ employees — everywhere they do business. Xylem became a coalition member in 2018.

Additional commitments include:

- American Business Act on Climate Pledge
- Business Roundtable Pledge
- Time to Vote
- United Nations (UN75) Uniting Business Statement
- World Business Council for Sustainable Development WASH at the Workplace
- UN Standards for Business Tackling Discrimination Against LGBTI People
- Human Rights Campaign Foundation's Business Coalition for the Equality Act
- Charta der Vielfalt (Germany)

Ratings and recognitions

Ratings

EcoVadis: Silver - 91st percentile
as of February 2024

CDP Climate Change: B
as of February 2025

CDP Water: B
as of February 2025

MSCI: AAA
as of February 2025

ISS ESG Corporate Rating: Prime - Decile rank 1
as of November 2024

ISS ESG Quality Score:
- Environment 1
- Social 1
- Governance 2

as of March 2025

Recognitions

NEWSWEEK

2025 America's Most Responsible Companies

Newsweek
Ranked #40 out of 600 overall; #4 out of 75 in Capital Goods industry

CORPORATE KNIGHTS

2025 Clean200™

Corporate Knights *Ranked #101 out of 200 companies*

2025 SDG2000 Most Influential Companies

World Benchmarking Alliance

2025 America's Most Just Companies

JUST Capital
Ranked #118 out of 940 overall; #4 out of 49 in Industrial Goods industry

BARRON'S

2025 100 Most Sustainable Companies

Barron's
Ranked #6

2025 Best Place to Work for LGBTQ Equality in the United States

Human Rights Campaign Foundation
(5th consecutive year)

2025 Best LGBTQ+ Workplaces in Mexico

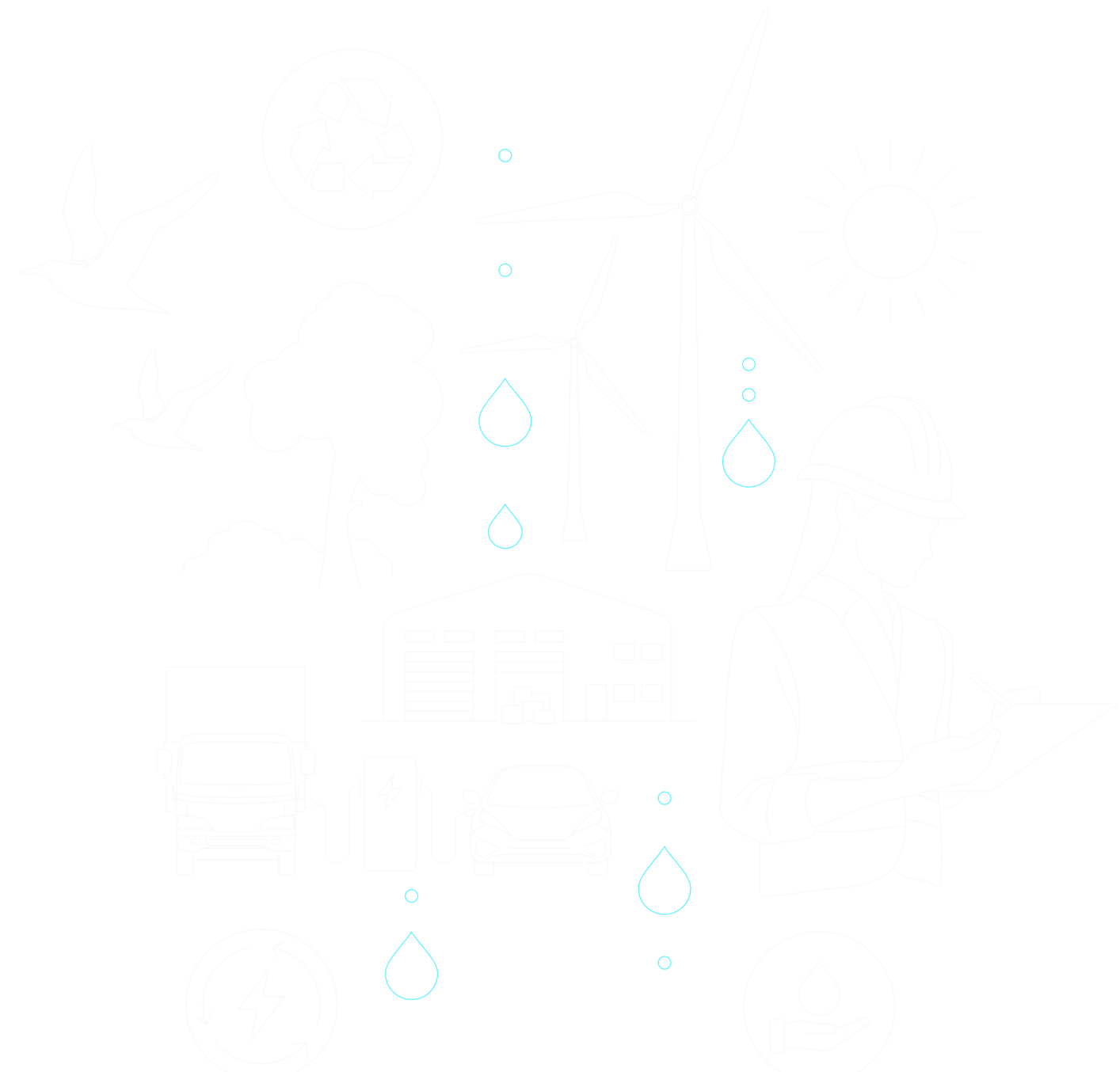
Human Rights Campaign Foundation

Impact on the environment

Protecting the environment's natural resources is fundamental to the water sector, as well as a key differentiator and essential to the value we deliver. It is central to our purpose: empowering customers and communities to build a more water-secure future.

We are continuously enhancing sustainability across our operations by optimizing water use, improving energy efficiency, reducing emissions and waste streams, and adopting circular economy principles — all contributing to our 2025 and 2030 environmental goals. Additionally, by designing for sustainability, we minimize environmental impact across product lifecycles, helping our customers to meet their own sustainability goals.

By embedding sustainability into our operations and enhancing product efficiency, we create opportunities to strengthen financial performance, reinforce our market position, expand into new growth markets, and build long-term business resilience in a rapidly evolving global landscape. Most importantly, we help our customers deliver clean water, treat wastewater, and protect public health in their communities.



Operational sustainability

We strive to integrate sustainability into our operations to reduce our environmental impact, preserve resources, and support the well-being of the communities we serve.

Beyond compliance, our approach to sustainability aims to create lasting value and resilience. In 2024, we invested more than $2.6 million in initiatives aimed at reducing GHG emissions, water consumption, and waste across our operations.

Our commitment to transparent environmental management

We uphold transparency and accountability through rigorous tracking and reporting mechanisms. Our digital environment, health, and safety metric database enables us to effectively monitor environmental projects at our facilities and manage environmental data with reliability.

We hold ourselves to high standards:

- 88 Xylem facilities are certified to ISO 14001: Environmental Management, representing 21% of all facilities. 43% of our 21 major facilities are ISO 14001 certified.
- 5 facilities hold certification for ISO 50001: Energy Management, representing 1% of all facilities. 14% of our 21 major facilities are ISO 50001 certified.

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

14 Major facilities are defined as the 21 manufacturing sites that contribute most significantly to Xylem's water, waste, or GHG metrics, or are in areas with extremely high water-stress risk. See more information in the accounting principles on pages 83–86.

Progress on our 2025 Company Sustainability Goals (Operations)

With a global operational footprint spanning 21 countries and comprising 54 manufacturing facilities, our commitment to sustainability extends across various regions. In 2019, we identified 22 [13] major facilities [14] with significant energy, waste, and water impacts. While those major facilities provide the greatest opportunity for positive change, our operational sustainability practices influence all 427 Xylem facilities.

Our operational 2025 Sustainability Goals serve as vital benchmarks across four key categories: water management, waste management, energy efficiency, and emissions reduction.

Validation process of goal achievement

When a facility reports achieving a goal, internal teams review the data against specific support criteria tailored to each goal type, such as water usage in production, water recycling rates, or waste recycling and reuse methods. In 2022, we assessed the effectiveness of our on-site goal validation process for three facilities: renewable energy in San Diego (California), USA, zero waste to landfill in Texarkana (Arkansas), USA, and process water recycling in Chihuahua, Mexico. An external auditor reviewed evidence collected by the local facilities and confirmed that the process met audit standards.

Since 2023, a third party has independently collected, analyzed, and compared relevant data to validate our process water recycling goal, which is linked to our revolving credit facility. This approach provides an objective assessment and validation of our operational water sustainability achievements.

Progress towards our 2025 Goals in 2024

Goal 1

Use 100% renewable energy at our major facilities

2024 update
Added 1 new facility

Progress to 2025
19 / 21

Goal 2

Use 100% process water recycling at our major facilities

2024 update
Added 3 new facilities

Progress to 2025
19 / 21

Goal 3

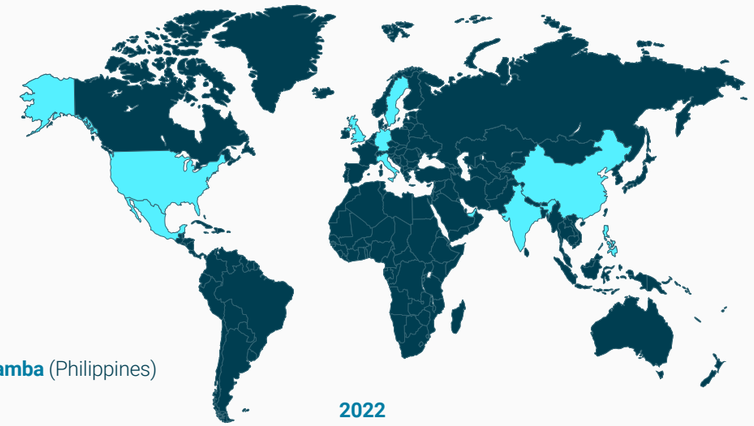
Bdijfwf!{fsp!xbtuf!up!mboeÁmm!gspn!processes at our major facilities

2024 update
Added 2 new facilities

Progress to 2025
19 / 21

Xylem's "Triple Crown" facilities

By the end of 2024, five additional major facilities attained what we internally call "Triple Crown" status by achieving all three operational goals. These are in addition to the major facilities that attained Triple Crown status in 2023. As of the end of 2024, a total of 16 of our 21 major facilities have achieved Triple Crown status.



2024

- **Quenington** (United Kingdom)
- **Vadodara** (India)
- **San Diego,** California (USA)
  Dubois, Pennsylvania (USA)
  Auburn, New York (USA)

2023

- **Calamba** (Philippines)
- **Chihuahua** (Mexico)
- **Emmaboda** (Sweden)
- **Herford** (Germany)
- **Lubbock,** Texas (USA)
  Morton Grove, Illinois (USA)
  Pewaukee, Wisconsin (USA)

2022

- **Dubai** (United Arab Emirates)
- **Nanjing** (China)
- **Montecchio** (Italy)
- **Texarkana,** Arkansas (USA)

Water management

As a company dedicated to addressing global water challenges through our products and solutions, we recognize the impact our own water consumption has on local watersheds.

To lead by example, we remain committed to minimizing our water footprint through reduction and reuse, leveraging our own technology where possible, particularly in regions facing water scarcity. Our operational water-reduction efforts, like our 2030 water goal, underscore our commitment to optimizing and digitizing water management, implementing reuse systems, and focusing on high-impact reduction efforts.

Our resin regeneration and ion exchange service, while mitigating landfill disposal and virgin resin procurement, is water-intensive. The cumulative amount of water reused at all resin regeneration facilities exceeds 100% of the water withdrawn at all those same facilities. In 2024, we established water management plans at these facilities, focusing on water withdrawal reduction, and prioritized facilities based on water consumption.

2024 progress

In 2024, our water withdrawal was reduced to 2,480 megaliters — a 3% drop from 2023. Corresponding to $8,562 million in revenue, this is an intensity of 0.29 megaliters per million US dollars of revenue.

We continued to showcase our commitment to water stewardship by recycling and reusing 2,508 megaliters, representing a 16% increase from 2023, and treating and releasing 1,846 megaliters, a 98% increase from 2023. This growth reflects several factors, including the implementation of projects to recover, treat, and reuse or recycle process water in high-usage facilities within legacy Xylem operations, the first-time inclusion of legacy Evoqua data, and ongoing improvements in tracking and reporting treated and released water from major water-using sites. Overall, we recycled and reused more than 100% of our total water withdrawn.

An additional three [15] out of our 21 major facilities achieved the significant milestone of recycling and reusing 100% of their process water, bringing the total to 19 facilities overall.

2024 highlights:

- After identifying water recycling opportunities in the Submersibles Reclaim and Paint Line Reclaim systems, our facility in Auburn (New York), USA, redirected the recycled water to facility restrooms, resulting in a 27% reduction in total water use at the facility.
- At our Texarkana (Arkansas), USA facility, we introduced 12 waterless urinals and installed a sensor system in the water tank clarifier and passivation tanks to minimize excess water use. Since September 2024, these initiatives have reduced water consumption by approximately 70,000 gallons per month.
- The installation of a closed loop glycol chiller at our Buffalo (New York), USA facility optimized the need for process water to cool their braze press, reducing their total water usage by 50%.

Water consumption *(in megaliters)*

	2024	2023
Total water withdrawal	**2,480**	2,556
Total water recycled and reused	**2,508**	2,101
Water recycled and reused *(%)*	**100%**	82%
Total water treated and released	**1,846**	32.6
Total revenue *(million $)*	**8,562**	8,146 [16]
Total water intensity *(megaliters / million $ of revenue)*	**0.29**	–

[15] Auburn, New York and Dubois, Pennsylvania, in the United States, and Quenington in the United Kingdom.

[16] 2023 pro forma revenue of the combined company.

Energy efficiency and emissions reduction

We strive to be a leader in the journey to decarbonize the water sector – setting an example by reducing emissions across our value chain.

We remain committed to achieving net-zero emissions by 2050 and meeting our interim near-term science-based targets by 2030 for Scopes 1, 2 and 3, aligned to the 1.5-degree scenario. Our 2030 science-based targets were officially validated and approved by the Science Based Targets initiative (SBTi) in late 2024.

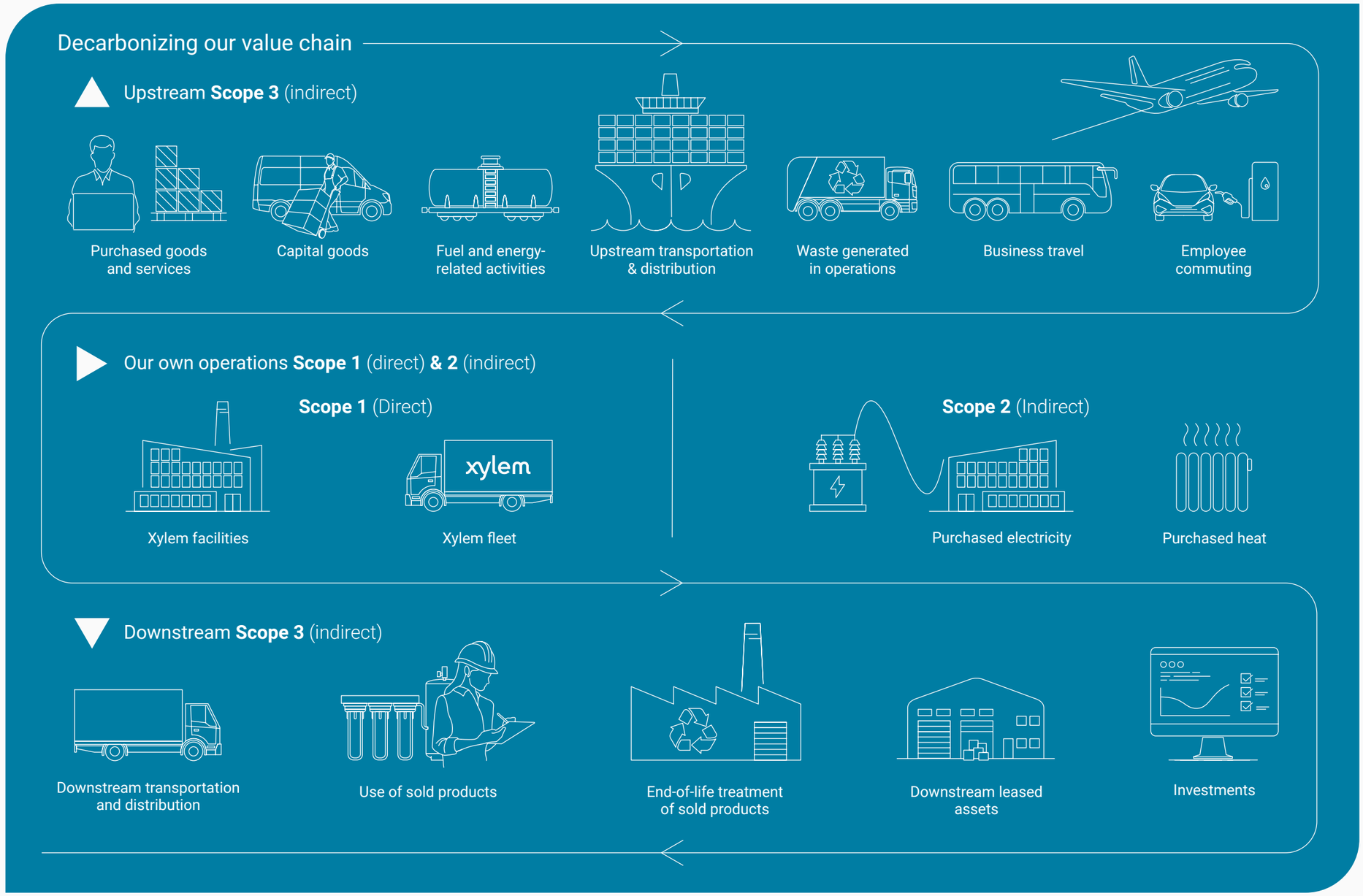
Our SBTi-approved 2030 science-based targets are as follows, against a 2023 baseline:

42%

Scope 1 and 2 absolute reductions

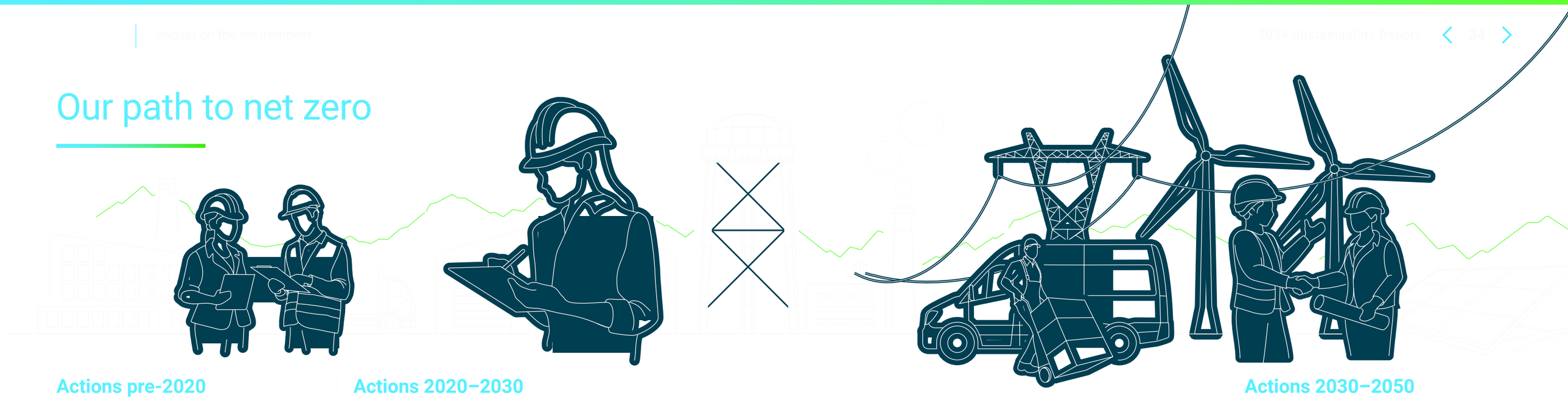
52%

Scope 3 economic intensity reduction [17]



[17] Scope 3 economic intensity = absolute Scope 3 emissions/gross profit.

Our path to net zero



Actions pre-2020

In 2014, we committed to reduce operations-related emissions by 20% by 2019. A reduction of 28.3% was achieved during this time.

In 2019, we committed to an ambitious set of 2025 Sustainability Goals, identifying 22 major facilities to focus on to reach the company's net-zero commitment. In addition, we made commitments to green large portions of our fleet and continued to report on Scope 1, 2, and 3 emissions.

Actions 2020–2030

Legacy-Xylem sites reduced absolute Scope 1 and 2 (market-based) emissions by 40% in 2023 vs 2019. In 2021, we committed to setting science-based targets aligned to a 1.5°C reduction scenario by 2030 and achieving net-zero by 2050.

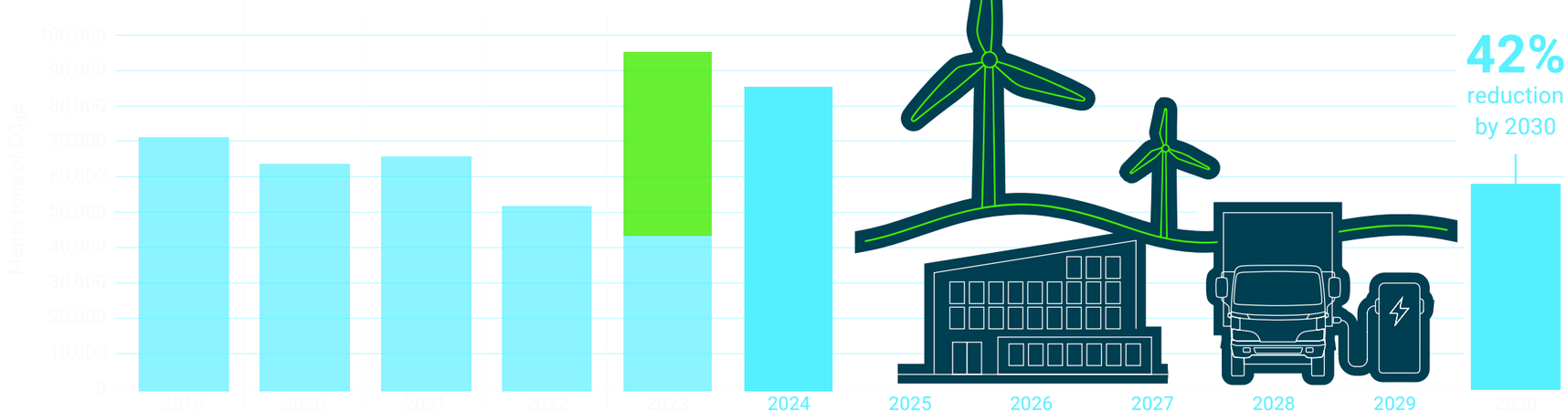
After the acquisition of Evoqua in 2023, the combined company's Scope 1, 2 and 3 emissions footprint was recalculated and reported in the 2023 Sustainability report. In 2024, we resubmitted our 2030 science-based targets to SBTi, based on the updated 2023 baseline of the combined company. Our 2030 science-based targets were validated and approved by the SBTi in December 2024.

Plans for 2025 and beyond include increasing renewable energy use at legacy-Evoqua facilities, reducing fleet emissions, and optimizing our portfolio and customer engagement to reduce downstream Scope 3 emissions intensity.

Actions 2030–2050

We are committed to achieving net-zero emissions by reducing absolute greenhouse gas emissions across our operations, including our facilities, fleet, and supply chain. We will continue to work with our customers to reduce emissions associated with the use of our products, but supporting their operational and sustainability goals.

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.

Reducing our operational GHG footprint

In 2024, Xylem reduced its Scope 1 and 2 emissions by approximately 2.4% compared to the 2023 calendar year, reflecting our continued focus on energy efficiency, renewable energy adoption, and operational improvements. We remain committed to further reducing our footprint through strategic investments and innovative solutions.

Scope 1 emissions

Most of our Scope 1 emissions reside within the operations of our fleet. Transitioning to a lower-emissions fleet would include leveraging fully electric and hybrid vehicles, reducing vehicle size as appropriate, and identifying alternative fuels. These mitigation techniques are expected to be critical to our achievement of our 2030 science-based targets. While fleet electrification is progressing in Europe, limited charging infrastructure in North America and potential supply constraints could hinder Scope 1 emission reductions. Read more on page 37.

Scope 2 emissions

We use renewable electricity, including solar, hydro, and wind power, that is either direct (generated on-site) or indirect (purchased from the grid). We also use renewable heat and renewable energy credits (RECs). Where direct renewable energy isn't feasible due to regulations or geography, we purchase certified RECs to support renewable development and reduce Scope 2 emissions. These strategic purchases have helped green our energy profile cost-effectively, especially at facilities without direct access to renewables. Reducing emissions from heat production remains a challenge due to limited or costly REC options. Additionally, shifting our baseline year from 2019 to 2023 to incorporate Evoqua resets our progress, making reductions at our most challenging facilities even more critical. Read more on page 37.

Reducing emissions across our value chain

Reducing emissions beyond our own operations is key to our path to net-zero. By working closely with our customers and suppliers, optimizing logistics, and innovating efficient solutions, we are taking meaningful steps to cut carbon across our entire value chain. In 2024, our indirect Scope 3 emissions increased by 9% as compared to calendar year 2023. This increase is primarily due to a large Custom Pump order that impacted our Scope 3, Category 11 emissions.

Scope 3 emissions

Our indirect Scope 3 GHG emissions occur from assets not owned or controlled by Xylem but directly affected by our value chain. Emissions from customers' use of our products (Scope 3, Category 11) account for more than 96% of total emissions across our value chain, as of 2024. A significant portion of our solutions portfolio is designed to treat, move, and manage water resources, delivering critical benefits such as environmental protection, clean drinking water, and sanitation. These products predominantly rely on electricity to operate, often running for many hours daily, and typically have long life cycles, exceeding 10 years.

Our Scope 3 reduction target is heavily dependent on the global transition to low carbon energy production. Since our products are utilized globally and frequently rely on electricity at our customers' facilities, we utilize regional electric emissions factors when calculating our Scope 3, Category 11 totals. If the global shift to low carbon energy does not make significant progress by 2030 and beyond, we face the risk of falling short of our Scope 3 emissions intensity reduction target. For more information on our Scope 3 emissions mitigation plans, see our Climate Action Plan.

Managing other air emissions

Beyond targeting Scope 1, 2, and 3 GHG emissions, we remain committed to reducing other air emissions where possible, particularly volatile organic compounds (VOCs). Strengthening our data monitoring and analysis practices has enabled a more detailed and accurate assessment of VOCs and other air emissions, supporting our ongoing efforts to minimize environmental impact.

This year, we enhanced our emissions calculations to provide a more accurate and complete picture of our environmental impact. Our methodology now includes estimates for additional facilities, such as previously unaccounted-for legacy Evoqua locations, and applies facility-specific emission factors from IEA and eGrid instead of a single, generalized set. These refinements do not reflect an increase in emissions but rather a more precise measurement, allowing our total reported GHG emissions to align more closely with CO_2-equivalent calculations, including cryogenic CO_2 and refrigerants.

2024 highlight:

- We installed a catalytic combustion system for VOC emissions reduction in our paint shop in Shenyang, China. The system is estimated to reduce VOC emissions by more than 90% compared to previous levels.

Greenhouse gas (GHG) emissions

	2024	2023
GHG emissions – Scope 1 (direct) *(in metric tons CO_2e)*		
Natural gas	23,136	28,142
Stationary source gaseous propane	4.2	34.2
Stationary source liquid propane	366	990
Stationary source fuel oil	1,044	1,710
Cryogenic CO_2	1.8	1.2
Refrigerant	75	188
Total stationary GHG emissions	**24,627**	**31,065**
Mobile source gasoline	17,148	16,057
Mobile source diesel	31,821	28,709
Mobile source liquid propane	347	389
Total mobile GHG emissions	**49,315**	**45,156**
Total Scope 1 emissions	**73,943**	**76,221**
GHG emissions – Scope 2 (indirect) *(in metric tons CO_2e)*		
Purchased electricity	49,459	51,126
Purchased heat	2,545	1,579
Total Scope 2 emissions – location-based	**52,005**	**52,704**
Total Scope 2 emissions – market-based	**17,516**	**18,272**
Total GHG emissions (Scope 1 & 2) intensity *(in metric tons CO2e / million $ of revenue)*		
Total GHG (Scope 1 & 2) emissions *(tCO_2e)*	**125,947**	**128,924**
Total revenue *(million $)*	**8,562**	**8,146** [18]
Total GHG emissions (Scope 1 & 2) intensity	**14.7**	**-**
Emissions avoided via purchased renewable energy credits *(tCO_2e)*	35,035	34,448
Renewable electricity generated *(tCO2e)*	0 [19]	800
Renewable purchased heat *(tCO_2e)*	833	813
Net GHG emissions (Scope 1 & 2) incl. renewable energy *(tCO_2e)*	91,459	93,676
Total net GHG emissions (Scope 1 & 2) intensity	**10.7**	**-**
GHG emissions – Scope 3 (indirect) *(in metric tons CO_2e)*		
Category 1 – Purchased goods	847,077	869,020
Category 2 – Capital goods	11,731	13,924
Category 3 – Fuel and energy-related activities	30,568	40,998
Category 4 – Upstream transport	190,755	217,852

Greenhouse gas (GHG) emissions in 2024 continued	2024	2023
Category 5 – Waste generated	39,615	14,546
Category 6 – Business travel	23,074	31,518
Category 7 – Employee commuting	48,277	45,064
Category 9 – Downstream transport	82,647	110,346
Category 11 – Use of sold products	66,845,993	61,288,587
Category 12 – End-of-life treatment of sold products	55,895	57,314
Category 13 – Downstream leased assets	869,497	629,286
Category 15 – Investments [20]	5,327	6,304
Total Scope 3 emissions	**69,050,457**	**63,324,759**
Air emissions *(in metric tons)*		
Volatile organic compound (VOC) emissions	**80.6**	**91.1**
Other GHG emissions [21] *(in metric tons)*		
CO_2	**125,115**	**58,842**
CH_4	**154**	**17.1**
N_2O	**602**	**79.3**

[18, 23] 2023 pro forma revenue of the combined company.

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

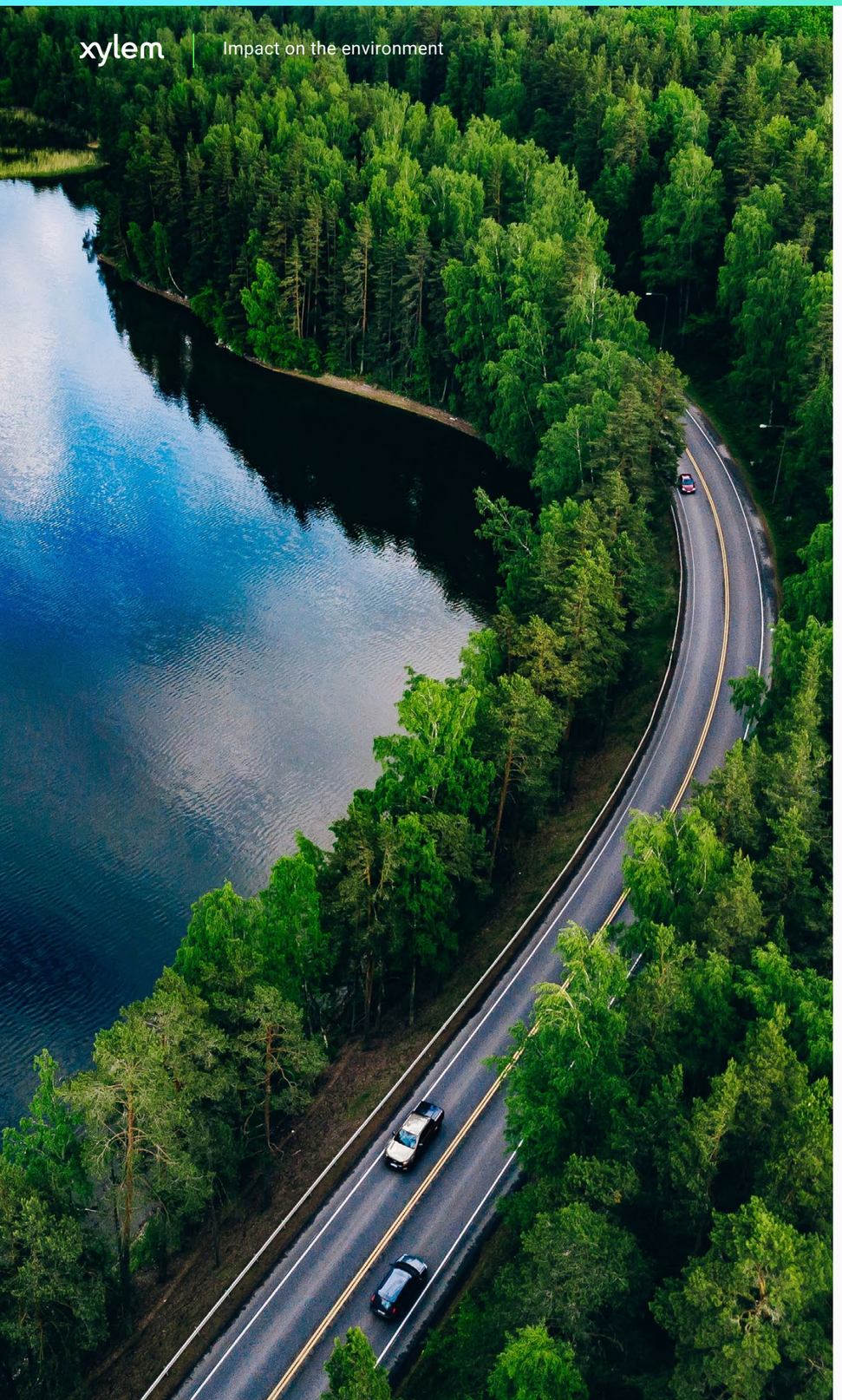
[20] Scope 3, Category 15 (Investments) emissions are estimated using available revenue data and supply chain average emission factors from the EPA. One investment was excluded from this year's calculations due to unavailable revenue information at the time of the publication of this report. We plan to include updated figures in next year's sustainability report.

[21] This table breaks down the total GHG emissions previously reported in above tables into specific gases — CO_2, CH_2, and N_2O — rather than presenting them solely as CO_2-equivalent (CO_2e).

[22] Total direct energy usage = stationary + mobile.

Energy consumption

	2024	2023
Direct energy by type *(in megawatt-hours)*		
Renewable electricity generated	1,713	1,526
Natural gas	127,784	152,898
Stationary source gaseous propane	20	161
Stationary source liquid propane	1,710	4,729
Stationary source fuel oil	4,144	6,789
Total stationary energy usage	**135,370**	166,103
Mobile source gasoline	65,157	65,885
Mobile source diesel	116,552	110,027
Mobile source liquid propane	14	1,075
Total mobile energy usage	**181,723**	**176,987**
Total direct energy usage [22]	**317,093**	**343,090**
Indirect energy by type *(in megawatt-hours)*		
Purchased electricity	189,500	187,351
Purchased heat	11,235	10,565
Total indirect energy usage	**200,736**	**197,916**
Total energy consumption	**517,829**	**541,007**
Total revenues *(million $)*	**8,562**	**8,146** [23]
Total energy intensity *(megawatt-hours / million $ of revenue)*	**60.5**	**-**



Fleet e f ciency and low-carbon transition

In 2024, reducing fleet-related emissions remained a key focus in our efforts to lower Scope 1 emissions. In 2021, we committed to transitioning 100% of passenger vehicles and 80% of our global fleet — including service vans and trucks — to electric or hybrid plug-in solutions by 2025. While we remain aligned to this strategy, the Evoqua acquisition and Xylem's continued growth have expanded our North America-based service fleet. These heavy-duty commercial vehicles support critical services for our customers; however, hybrid and electric options remain limited in North America. While we continue to prioritize lower-emission solutions where possible, it has become evident that our 2025 target is no longer attainable.

To continue momentum, all ordered passenger vehicles in Europe have been electric since April 2021, and in 2024, countries like France and the United Kingdom began exclusively ordering battery-electric vehicles (BEVs) for new passenger vehicle purchases. In other regions, we continue piloting plug-in hybrid and battery-electric light commercial vehicles. We remain on track to meet our electrification plans in these regions, provided that infrastructure and viable electrified alternatives for medium- and heavy-duty vehicles continue to advance.

Safety remains our top priority, along with reliable product and service delivery. We are leveraging data-driven solutions to reduce emissions, including vehicle telematics technology in Australia and New Zealand to enhance driver safety and sustainability. As we refine our 2030 roadmap for regions like Africa, the Middle East, and Latin America, we will continue investing in electrification, data insights, and operational efficiency to reduce fleet emissions, focusing on innovation and strategic planning to benefit our customers, employees, and communities.

2024 highlights:

- By the end of 2024, more than 1,100 electrified vehicles (EVs) made up nearly 85% of our EU passenger fleet and nearly 60% of our total EU fleet, including commercial vehicles.
- We nearly doubled our fleet of EVs in North America, with more than 460 on the road at the end of 2024.
- More than 30% of new North American vehicle orders were hybrids, supporting fleet sustainability despite shifting manufacturer priorities and reduced incentives.
- Following the Evoqua acquisition, we streamlined North American fleet management under a single provider for better visibility and long-term planning.
- A unified telematics system for legacy commercial fleets is improving fuel efficiency, utilization, and overall sustainability beyond electrification.

Optimizing our operational energy pro f le

Our energy profile across manufacturing, office, and service facilities is evolving, with greater adoption of renewable energy — especially at U.S. commercial facilities — alongside global investments in energy efficiency. Through strategic renewable energy purchases, we have greened our energy profile in a cost-effective manner, particularly at facilities lacking access to renewable energy sources. In 2024, 80% of Xylem's electricity was derived from renewable sources.

In 2024, one [24] of the 21 major facilities achieved the significant milestone of using 100% renewable electricity, bringing the total to 19 facilities overall.

2024 highlights:

- Our Dubois (Pennsylvania), USA facility upgraded its HVAC system, allowing the removal of one of two outdated and inefficient natural gas boilers. This improvement reduced GHG emissions by 25% and saved 20,000 gallons of water annually.
- At our Emmaboda, Sweden facility, a wood crusher was installed to reduce both internal and external transport of wooden waste. Previously, the facility generated approximately 400 metric tons of wood waste annually, requiring more than 100 transport trips for recycling. With the wood crusher, transport needs have been cut by about 50%, reducing CO_2 emissions by more than 1,000 kilograms per year. Additionally, safety at the facility has improved by minimizing container changes and limiting the need for external waste management vehicles on-site.

[24] Vadodara in India.

Resource use and circular economy

The circular economy presents an opportunity to use resources more efficiently while reducing the environmental impact of industry.

Xylem brings circularity to life through solutions that enable circular water resource management. We also strive to embed circular principles throughout the life cycle of our products — from sourcing and manufacturing to use and end of life.

Central to a circular economy is the idea of keeping products and materials in use for as long as possible through strategies such as maintenance, reuse, refurbishment, recycling, and composting. By embracing these principles, we unlock innovation, create business value, and contribute to a more sustainable future — for our company, our customers, and the communities we serve.

By enhancing the circularity and efficiency of our products — and helping customers manage water more responsibly — we conserve resources, reduce greenhouse gas emissions and waste, and advance the decarbonization of the water sector. These efforts also drive broader corporate water stewardship.

As a manufacturer of industrial equipment and a leader in the water sector, we are uniquely positioned to help accelerate the transition to a circular economy and more efficient use of resources. We believe these practices not only benefit the environment but also strengthen our business, support our customers' decarbonization goals, and create lasting benefits for the communities we serve.

Xylem products – The products, solutions, and services provided by Xylem.

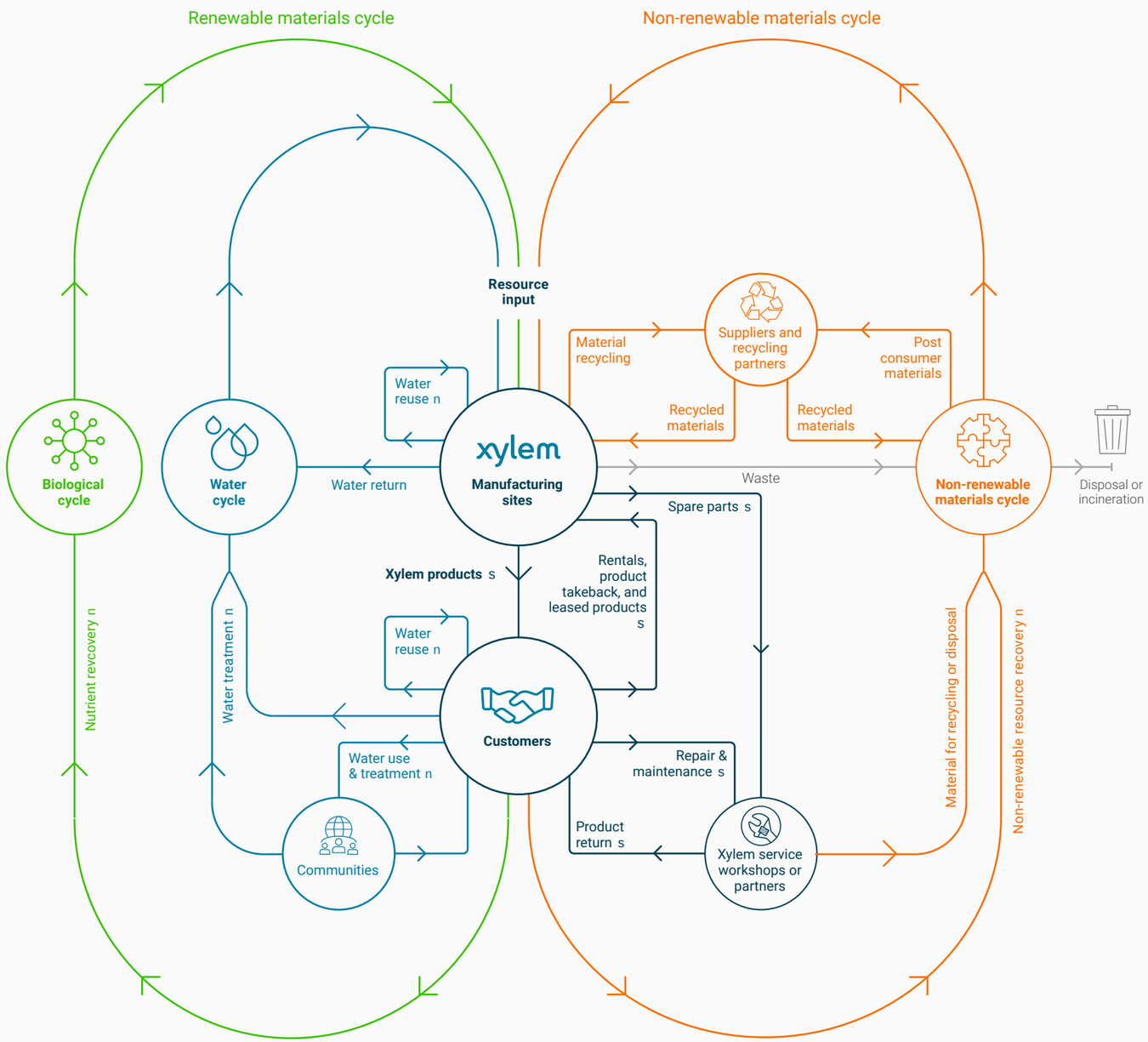
Renewable materials – Materials derived from biological sources, such as wood or paper.

Water – Water in liquid or vapor form.

Non-renewable materials – Finite resources, such as iron or copper.

n **Xylem product use**
When our products treat, transport, or measure water — or recover biological nutrients, non-renewable resources, or energy — they help sustain resource flows within the water, biological, and technical cycles.

s **Xylem products & spare parts**
When our products and spare parts are physically moved — whether from our manufacturing sites to customers, between customers and partners, or back to Xylem.



Spotlight

Closing the loop: Emmaboda's foundry embracing circular practices

Xylem's Emmaboda facility in Sweden plays a key role in the company's global operations, specializing in wastewater pumping and irrigation solutions. The facility produces up to 150,000 pumps and mixers annually, with some units reaching three meters in size and handling 7,000 liters per second. Covering 400,000 square meters and employing more than 1,350 people, Emmaboda is a highly integrated manufacturing facility — overseeing casting, machining, motor manufacturing, assembly, testing, painting, and worldwide distribution.

With growing interest in circular economy solutions, particularly in Europe, our on-site foundry is working to increase the use of recycled materials while maintaining high product quality. By prioritizing material reuse and waste reduction, the foundry aligns with Xylem's broader sustainability strategy, meeting both regulatory expectations and customer demand for greater transparency in manufacturing processes.

The foundry processes about 18,000 metric tons of iron annually, with a significant portion derived from recycled sources. Of this, more than 85% of the material used comes from recycled or reclaimed sources, either external or internal. This results in high recycled content rates across different materials: approximately 89% recycled content in gray iron castings and approximately 95% recycled content in hard iron products. By increasing the use of secondary materials, the foundry reduces the need for virgin raw materials and contributes to more resource-efficient manufacturing.

Waste materials from production are recovered and put back into the melting process whenever possible:

- The foundry sources recycled metal from external suppliers as its primary raw material and reuses 30% of cast iron and 68% of white iron internally, further reducing material waste.
- During machining, metal chips are collected, cleaned, and reintroduced into production.
- Before recycling, cutting fluids are removed to maintain material quality before recycling.
- Defective or surplus cast parts are crushed into smaller pieces and added back into the melting process to minimize waste.

Transitioning to a higher percentage of recycled materials comes with operational challenges. For example, replacing pig iron with fully recycled materials initially led to buildup issues in melting ovens. The team continues to refine the process to find the right balance between efficiency, sustainability, and product performance. Not compromising quality and maintaining reliability, the foundry monitors the quality of molten iron and finished castings at multiple production stages. The team is also working to further optimize recycling rates while maintaining production efficiency and material consistency.

Our foundry in Emmaboda demonstrates how industrial manufacturing can integrate circular economy principles — reducing waste, increasing recycled content, and refining material reuse strategies. These efforts contribute to Xylem's broader sustainability goals, helping conserve resources and reduce environmental impact while maintaining the quality and performance our customers expect.

85%

of the material used in our foundry's processes comes from recycled or reclaimed sources, either external or internal.

Advancing circularity across the business

Our approach to the circular economy is guided by the vision and principles outlined in ISO 59004:2024. We strive to minimize resource use while maximizing efficiency and effectiveness through product design, operational management, and the solutions we deliver. This ambition has long been embedded in our company, providing a strong foundation for further progress. At the same time, fully realizing our ambition will require continued innovation, collaboration across our value chain, and deliberate, sustained action.

From raw material extraction to the impact our products have throughout their lifecycle, we are committed to reducing resource consumption in manufacturing while maximizing the positive impact of our products during use. Our goal is to keep valuable resources in circulation for as long as possible, so that they can be reclaimed at the end of their life, while providing water treatment solutions that help our customers reduce their resource use.

We envision a future where waste is eliminated from the system, the reuse of resources such as water, is the norm, and economic growth is decoupled from the consumption of finite resources. To turn this vision into reality, we are actively investigating and implementing circular practices across our business.

Designing for extended product lifespan

We aim to design products that are easy to disassemble, service, maintain, and repair. These design principles support efficient material separation at the product's end-of-life, enabling proper recycling. Additionally, our designs incorporate durable structural features that withstand wear and tear while allowing for disassembly, even after extensive use.

Partnering with suppliers to increase use of recycled materials

We collaborate with suppliers to incorporate secondary resources and recycle materials from our machining processes, reducing our reliance on virgin, non-renewable inputs. Learn more about how we integrate recycled materials into cast iron production at our foundry in Emmaboda, Sweden on page 39.

Advancing circularity across our operations

Since 2019, we have prioritized waste reduction, water reuse, and sustainable packaging as part of our 2025 Sustainability Goals. To date, 19 of our 21 major facilities have eliminated process waste, and 19 facilities recycle 100% of their process water. In packaging, we exceeded our 2025 goal of making 75% of materials reusable, recyclable, or compostable as early as 2021. Today, more than 85% of our packaging materials meet these characteristics.

Delivering circular solutions to our customers

Our products and services prioritize circularity, helping customers reduce waste and recover resources. Examples include:

- Rental solutions of pumps and treatment systems for water reuse.
- Wastewater ion exchange solutions for recovering valuable resources from industrial wastewater. Learn more on page 41.
- Hydronic system component reuse through Xylem's Bell & Gossett heating, ventilation, and air conditioning (HVAC) solutions. Read more here.

We are also exploring takeback programs in certain areas of our businesses to meet growing customer interest in circular solutions.

Extending product lifespan through maintenance and refurbishment

We aim to maximize product lifespans and resource efficiency by offering maintenance, repair, and refurbishment options. Examples include:

- **Wedeco TAK UV systems:** Refurbishment and upgrade solutions can extend the lifespan of ultraviolet light (UV) wastewater disinfection systems by 10–20 years to improve disinfection efficiency, increase treatment capacity, and deliver energy and cost savings. Read more here.
- **Flygt pumps and mixers:** A spare parts policy guarantees availability of spare parts for up to 20 years (depending on the model). Read more here.
- **Godwin products:** Preventive maintenance services to improve product longevity. Read more here.
- **Ebro temperature loggers:** In collaboration with a German customer, we have developed a refurbishment program to inspect, clean, recalibrate, and resell loggers to the same customer with renewed warranties.

Waste management

Our waste management approach is guided by the waste management hierarchy, which prioritizes prevention, reduction, reuse, recycling, energy recovery, and, finally, treatment and disposal. This commitment is embedded across all our facilities, encompassing the 21 major facilities included in our 2025 Sustainability Goal aimed at achieving zero waste to landfill.

In 2024, two [25] additional major facilities successfully reached our target of zero waste to landfill, representing an increase from 17 facilities in 2023 to 19 in 2024. To meet the goal, a facility must follow industry-wide standards that require diverting at least 90% of waste from landfills, while limiting energy recovery to no more than 10%.

Waste management *(in metric tons)*

	2024	2023
Non-hazardous waste recycled	29,608	32,067
Non-hazardous waste to non-landfill	1,594	1,588
Non-hazardous waste to landfill	6,455	8,053
Total non-hazardous waste	**37,657**	**41,708**
Hazardous waste recycled	1,753	1,241
Hazardous waste to non-landfill	12,009	13,393
Hazardous waste to landfill	89	63
Total hazardous waste [26]	**13,851**	**14,698**
Total waste recycled	**31,361**	**33,308**
Total waste to non-landfill	**13,602**	**14,981**
Total waste to landfill	**6,544**	**8,117**
Total waste	**51,507**	**56,406**

Ejwfsujoh!xbtuf!gspn!mboeÁmm

Our concerted efforts to increase waste diversion from landfills at our larger facilities are yielding substantial results. Through on-site initiatives and collaborative efforts with suppliers, we are actively reducing packaging, enhancing waste segregation practices, optimizing recycling processes, and exploring innovative reuse methods. In 2024, Xylem recycled 31,361 metric tons of waste representing approximately 61% of the waste generated. More than 82% of our packaging material is comprised of reusable, recyclable, or compostable content, exceeding our 2025 Sustainability Goal of 75%.

2024 highlight:

- In 2024, our Texarkana (Arkansas), USA facility launched a powder waste recycling initiative to reduce landfill waste. Epoxy powder previously accounted for approximately 10% of the facility's process waste sent to landfill each year. This new initiative is expected to increase the facility's overall recycling rate from 93% in 2024 to 95% by the end of 2025.

Management of hazardous waste

We prioritize the responsible management of hazardous waste, striving to reduce its generation wherever possible. Through rigorous waste management practices, adhering to strict regulatory requirements, and implementing best practices, we aim to minimize the impact of hazardous materials on the environment, demonstrating our dedication to environmental stewardship in all aspects of our operations.

[25] Quenington and Stara Tura – both facilities in Europe.

[26] As compared to 2023, there has been an increase in hazardous waste treated in 2024. This is mainly due to our legacy Evoqua facility in Roseville (Minnesota), United States — a specialized treatment storage disposal facility (TSDF). Roseville treats both hazardous and non-hazardous waste for customers, including metal extraction and material consolidation for recycling or disposal. 90% of the hazardous waste categorized as non-landfilled originates from liquid hazardous waste generated and treated on-site. Following treatment, the wastewater is discharged as non-hazardous. Unlike typical manufacturing facilities, Roseville minimizes landfill reliance by managing hazardous waste in-house.

Spotlight

Our Wastewater Ion Exchange – a sustainable solution for industrial wastewater

In the heart of Twin Cities, Minnesota, Xylem's Wastewater Ion Exchange (WWIX) service is redefining sustainable wastewater treatment for industrial and commercial manufacturers. With a focus on environmental stewardship and operational efficiency, this innovative service is helping businesses meet strict discharge requirements while reducing environmental impact and lowering costs.

Manufacturers across industries generate wastewater containing heavy metals like zinc, copper, nickel, and chromium. Traditional treatment methods can be costly, labor-intensive, and inefficient, often resulting in significant waste. Our WWIX service provides a game-changing alternative. Through a service-based model, customers receive pre-filled ion exchange tanks designed to remove contaminants effectively. Once exhausted, these tanks are replaced with fresh ones. The used material inside the tanks, known as spent media, is then transported to our regeneration facility, where it is cleaned and prepared for reuse.

The impact of our WWIX service extends far beyond compliance. By recovering heavy metals and minimizing hazardous waste disposal, customers significantly reduce their environmental footprint. The process supports circular economy principles by regenerating ion exchange media, diverting waste from landfills, and reducing the need for new raw materials. Additionally, the system's low-maintenance design minimizes operator intervention, allowing businesses to focus on their core operations.

Our Roseville (Minnesota), United States facility exemplifies Xylem's commitment to provide customers with tailored solutions that adapt to evolving needs, offering customers a local, reliable, and circular option for wastewater treatment and enabling them to reduce their overall water consumption.

Watch the video here.

7.95M

gallons of customers' water were treated for reuse or safe discharge through wastewater treatment and ion exchange processes at our Roseville facility in 2024.

Biodiversity

Our products and services empower our customers to protect biodiversity and water resources, contributing to a healthier natural environment. Additionally, the knowledge, passion, and hands-on efforts of Xylem employees and partners have had a tangible impact on watersheds where we live and work. This includes collaborating with suppliers, channel partners, and customers to mobilize action worldwide.

Watershed restoration

In 2024, Xylem employees around the world dedicated 32,000 hours to more than 440 volunteer events designed to protect their local watersheds and preserve biodiversity.

2024 highlights:

- In April, the Procurement team at our Montecchio, Italy facility in Italy hosted a Watermark event with team members and representatives from eight suppliers. The day included a presentation on Watermark's mission and a plogging activity at Fimon Lake in Vicenza, combining environmental cleanup with a nature hike. This initiative fostered stronger supplier relationships, encouraged team building, and emphasized the importance of preserving natural environments.
- Participation in Xylem Watermark's two-month Watershed Challenge initiative doubled compared to 2023, with 4,300 employees and partners engaging in hands-on efforts to protect and restore water ecosystems. Activities included removing invasive species, planting trees, cleaning waterways, constructing rain gardens, labeling storm drains, and testing water quality.
- We also partnered again with Stroud Water Research Center, a US-based leader in freshwater science and education, to host an educational webinar. This session provided participants with practical resources to protect and monitor their local watersheds, empowering communities to actively safeguard their local environments for future generations.

Spotlight

Enhancing biodiversity and ecosystem health: Tree planting at Wadhwana Wetland

80 employees from our Vadodara, India facility planted trees at the nearby Wadhwana Wetland, a Ramsar wetland of international importance.

A Ramsar site is a wetland designated under the Ramsar Convention, an international treaty adopted in 1971 to recognize and protect wetlands of global ecological significance. These wetlands are critical for biodiversity, providing essential habitats for wildlife, particularly waterbirds, while also supporting human well-being by regulating water cycles, mitigating floods, and storing carbon.

Wadhwana Wetland exemplifies this importance by serving as a vital wintering ground for more than 80 migratory bird species, including threatened and near-threatened species such as the Dalmatian Pelican and the Oriental Darter. Situated along the Central Asian Flyway, the wetland acts as a crucial stopover for birds undertaking long migratory journeys, offering food, water, and shelter critical to their survival.

Tree planting efforts around the wetland enhance its ecological value by creating nesting and roosting habitats for birds, improving water quality through natural filtration, and supporting soil stability to prevent sedimentation. Additionally, the wetland supports aquatic biodiversity, contributes to nutrient cycling, and serves as a water reservoir that benefits nearby communities.

By protecting Wadhwana Wetland, Xylem reinforces its commitment to conserving globally significant ecosystems, showcasing the interconnectedness of biodiversity, healthy ecosystems, and human and environmental health.

> "Planting a tree is more effective in combating pollution than wearing a mask. Trees are essential to life and vital for a healthier environment."

Dipti Pathak
Watermark Champion and Deputy Manager Finance at Xylem, India

Product sustainability

The positive environmental impacts our products enable are what we call a product's "handprint," while the total environmental impacts across all life stages of a product are known as its "footprint." Increasingly, our customers evaluate the balance between the two — how a product's handprint can help reduce their operational environmental impacts and mitigate the effects of a product's footprint throughout its life cycle.

Our commitment to transparently disclosing both the handprint and footprint of our products provides customers with the comprehensive data they need to make informed purchasing decisions and enhance their operational reporting. At the same time, it allows us to monitor and continuously improve our portfolio's sustainability performance.

In 2019, we established four product-based 2025 Customer Sustainability Goals to track how our products enable our customers to reduce their environmental impacts. Building on that foundation, in 2024, we introduced a new 2030 Customer Water Stewardship Goal to further measure the positive impacts facilitated by our solutions.

[27] This goal is included as a key performance indicator (KPI) in our five-year revolving credit facility entered in 2023 and will be tracked throughout the duration of the agreement.

Progress on product-based customer sustainability goals

Our first set of goals, the 2025 Customer Sustainability Goals, used two distinct methodologies:

- **Sales Year Accounting Method:** This approach attributed the full lifetime impact of our solutions to the year the project was sold. It was used for our goals related to reuse, non-revenue water, and CO_2e reduction. Solutions included in these goals are often installed for long lifetimes, delivering positive impacts well into the future.
- **Contribution Method:** This approach attributed impact only from specific projects, used for our pollution prevention goal. These solutions are typically installed for limited periods of time to reduce pollution overflow.

Looking ahead, we continue to advance how we measure the positive environmental impact — or handprint — our solutions deliver for customers. Our 2030 Water Stewardship Goal, introduced in 2024, builds on our 2025 Goals and brings us closer to aligning with how our customers track and report their own environmental performance.

Our goal reflects our ability to enable customers reduce the annual impact of their water use through a wide range of Xylem solutions, including leak detection, water reuse, and on-site water management services.

Since announcing our 2030 Goal, we have developed a calculation methodology and begun tracking progress in 2025. We look forward to sharing our first year of results in next year's report.

2025 Community Sustainability Goals

Goal 1

Enable customers to reduce more than 3.5 billion cubic meters of non-revenue water by 2025

3.71BM³

Progress since 2019
3.71 billion m³
(Goal surpassed)

Calculation method:
Total reported volume of leaks reduced following digital or one-time inspection services and average reduced leak, or non-revenue water detected by smart water metering solutions.

Product groups/products included:
Smart metering, assessment services, and leak detection solutions.

Goal 2

Enable customers to treat more than 13 billion cubic meters of water for reuse by 2025

18.15BM³

Progress since 2019
18.15 billion m³
(Goal surpassed)

Calculation method:
Total reported volume of water reuse enabled by a sold product throughout its operational lifetime.

Product groups/products included:
UV, ozone, advanced oxidation, and filtration treatment systems.

Goal 3

Enable customers to prevent more than 7 billion cubic meters of polluted water from flooding communities or entering local waterways by 2025

10.74BM³

Progress since 2019
10.74 billion m³
(Goal surpassed)

Calculation method:
Total reported volume of contaminated water pumped in temporary rental solutions and total reported volume of wastewater reduced in annual sewer overflow.

Product groups/products included:
Dewatering rental pumping and digital wastewater network optimization solutions.

Goal 4

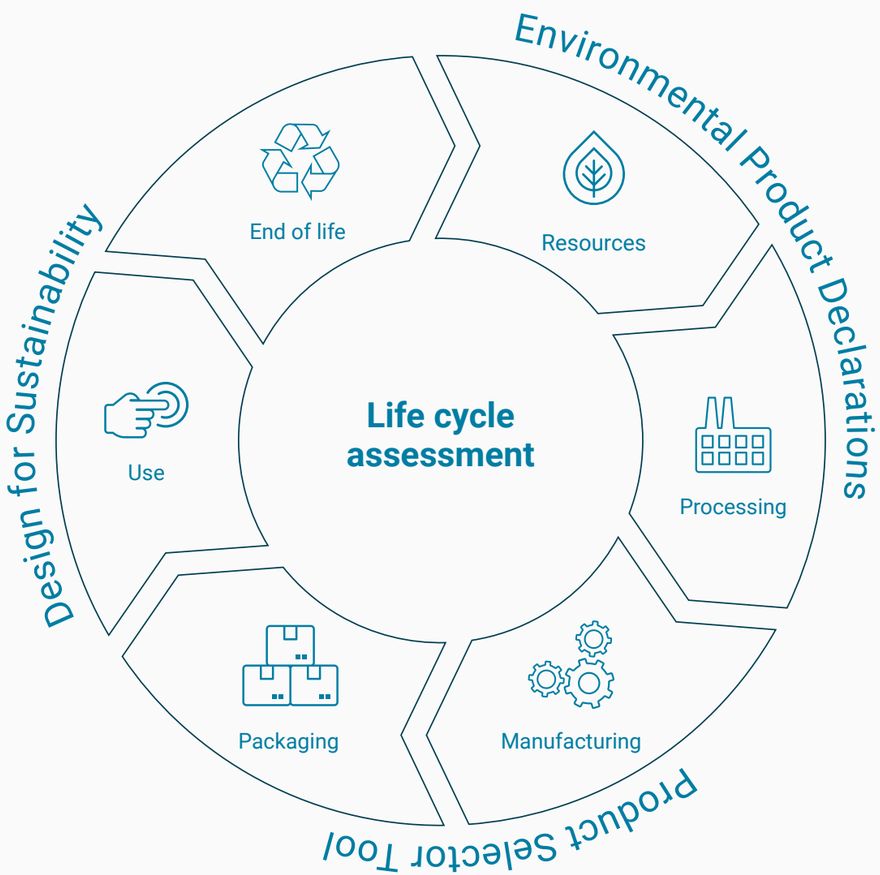
Enable customers to reduce water's CO_2e footprint by more than 2.8 million metric tons by 2025 [27]

6.43MMT

Progress since 2019
6.43 million metric tons
(Goal surpassed)

Calculation method:
Total reported energy efficiency improvement of installed solutions, relative to regional GHG emissions factor and reduced distance driven by installation of smart metering.

Product groups/products included:
Transport, dewatering, treatment, and smart metering solutions.



Our products' role in reaching net-zero

Emissions from the use of our sold products (Scope 3, Category 11) account for more than 96% of our total emissions across our value chain. A significant portion of our portfolio is designed to treat, move, and manage water as well as optimize and manage complex water systems, delivering critical benefits such as environmental protection, clean drinking water, and sanitation services. These products primarily operate on electricity, often running for many hours each day, and typically have long life cycles, lasting more than a decade.

Following GHG Protocol's methodology, our Category 11 emissions are calculated based on the average power draw (kW) or fuel consumption rate and lifetime use (running hours). These factors are multiplied by the appropriate emissions factor of the country where the products are sold.

Breakdown of emissions from the use of our sold products by business segment

The approximate share of emissions for each segment may fluctuate annually based on factors such as sales volume, product mix, and the execution of large projects. Based on 2024 reported emissions, the breakdown of Scope 3, Category 11 emissions is as follows:

- **Applied Water:** Approximately 40% are attributed to Applied Water pumping solutions supporting industrial, commercial, and residential customers.
- **Water Infrastructure:** Approximately 55% are attributed to Water Infrastructure's portfolio of transport and treatment solutions. Notably, our Custom Pump portfolio — including very large pumps often deployed in large-scale projects in regions such as China or India — can account for up to 15% of Xylem's total Scope 3, Category 11 emissions in a given year. [28] This means that a small number of projects can significantly impact total Category 11 emissions.
- **Water Solutions and Services:** Less than 5% are associated with the Water Solutions and Services portfolio.
- **Measurement and Control Solutions:** Most products within this segment, such as Smart Metering, operate on long-life batteries and have a negligible impact on our Scope 3, Category 11 emissions.

Regional considerations in our emissions calculations

In calculating emissions associated with Scope 3 Category 11, we take into account the destination country of our products sold, and regional emissions factors can significantly impact use-phase emissions of our products. For instance, a large custom pump or treatment installation in India, with its higher regional emissions factor, will have a much larger emission footprint than the same project installed in Europe or other regions with lower emission factors.

Striving for continuous improvement in emissions reporting

We continue to identify opportunities to enhance the accuracy of our Scope 3, Category 11 emissions reporting by refining the values and methods used in our calculations, leveraging the best available equipment usage data. These updates improve the accuracy and reliability of our Scope 3 emissions reporting, enabling more informed sustainability assessments.

For more information, please see page 84.

Advancing sustainability through product life-cycle insights

In 2024, we continued to build our life-cycle assessment (LCA) capabilities, aligning with ISO 14000 standards to evaluate the environmental impacts of our products across their life cycles. These advancements enabled us to successfully conduct LCAs and produce product sustainability reports (PSRs) for several of our product lines.

As part of this work, we have conducted LCAs and developed PSRs for several key product lines, including the Lowara Ecocirc XL, the Flygt Concertor 6020, and the Flygt 3000 series. These reports provide comprehensive, standardized insights into each product's environmental footprint, demonstrate the benefits of our sustainability initiatives, and support continuous improvement in product design. By prioritizing transparency and accountability, we are not only strengthening customer trust — we are helping build a more water-secure future.

Meeting the growing demand for environmental product declarations

As customer expectations for transparent, standardized sustainability information continue to rise, we are advancing our capabilities to deliver high-quality environmental product declarations (EPDs). EPDs, which provide reliable insight into a product's environmental performance, are becoming a key tool for informed purchasing and regulatory compliance.

However, while product category rules (PCRs) — the foundation for creating validated EPDs — are well-established in sectors like consumer goods and construction, they remain limited in the water industry. To address this gap, we are leveraging our expertise to help drive the development of relevant PCRs for water sector products. This effort enables us to better meet customer needs, particularly around upstream carbon footprint data, including raw material extraction, manufacturing, and packaging.

[28] Based on 2023 emissions.

Product safety

We are committed to taking all appropriate safety measures related to the use of our products and services to protect our customers, end users, employees, the public, and the environment.

Governance of product safety

Our Board of Directors, primarily through delegation to its Audit Committee, oversees product safety and reviews the structure of our product safety governance with management. Xylem's Product Safety Policy stipulates that product safety must be considered at all stages of product development and support, prioritizing customer safety in product design, manufacturing, maintenance, and end of life.

Our Product Safety Management System — comprising Product Safety Review Committees and a Product Safety Manual — provides a structured approach to incident management. All safety-related incidents are reviewed at multiple levels, incident management is tracked, and roles, responsibilities, and annual training are well-documented. Additionally, product safety dashboards are used across all business units and reviewed quarterly by the Product Safety Steering Committee.

In 2024, we expanded our product safety process and reporting to cover the entire Xylem business. Over the year, we recorded 26 product safety inquiries across Xylem, of which 18 were classified solely as inquiries. Six were near misses, 19 were low-potential safety hazards that were mitigated or eliminated upon resolution, and one was a moderate incident with no reported personal injury. Each incident led to one or more corrective actions to prevent future occurrences.

Product safety risk assessments

We evaluate safety risks for new and modified products, particularly when design changes may impact safety. Our proactive approach involves assessing and documenting product safety risks during development. Any unacceptable risks are addressed through design improvements before a product is released. Additionally, we review all product safety incidents at the local level. Depending on the severity, incidents may be escalated to the relevant Product Safety Review Committee to develop a risk mitigation plan.

Spotlight

Strengthening product safety through proactive audits and corrective action

Product safety is embedded in every stage of our process, from design to deployment. An internal audit review of the electric panel switch in our Domestic Pump product line in early 2024 highlighted the importance of continuous oversight and improvement. We identified that our switch supplier had undergone significant changes, including plant relocations and personnel shifts.

During our audit, we found that while the switch was designed to meet a Type 4/4X environmental rating [29], the vendor's packaging lacked the required Underwriters Laboratories (UL) certification labeling [30] — a necessary step for official recognition of the rating.

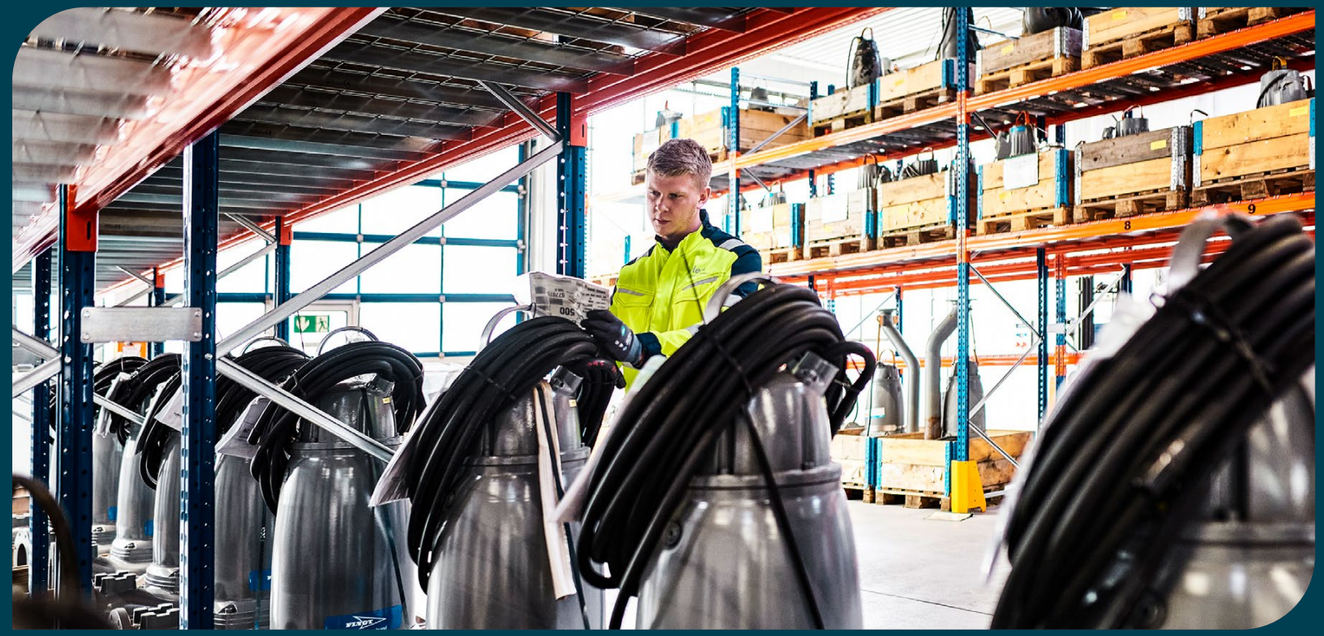
Although the units in the field had gasketing similar to Type 4/4X switches, the absence of certified testing and labeling prevented UL recognition. To address this, Xylem Engineering took corrective action by sourcing switches from a new supplier that provides UL-certified environmental ratings. The newly sourced switches met all compliance requirements, with proper markings on the product and packaging.

Expanding on this effort, in October 2024, Xylem Engineering conducted a comprehensive review of all agency-rated components used in the Domestic Pump product line. This review confirmed that all required components and packaging display evidence of agency-certified compliance.

With all corrective actions completed, this product safety record was successfully closed — demonstrating Xylem's commitment to product integrity and customer safety.

29 A Type 4/4X environmental rating is a standard established by the National Electrical Manufacturers Association (NEMA), indicating that an electrical enclosure is weatherproof and built from corrosion-resistant materials to withstand harsh conditions. Read more here.

30 UL certification labels testify to a product's compliance with strict safety standards essential for manufacturers, organizations, and consumers.



Impact on society

Xylem is a purpose-driven company committed to aligning our business with building a more resilient society. We recognize that our success is built on the strength of our relationships — with colleagues, customers, suppliers, and communities.

By fostering an inclusive and safe environment, we cultivate an engaged, productive, innovative, and collaborative workforce — increasing retention and enhancing economic stability for our people. Our High-Impact Culture promotes agility and efficiency, empowering employees to deliver strong outcomes for our customers and communities while creating lasting value for the business.

Upholding human rights and ethical business practices across our operations and supply chain builds trust and strengthens resilience. Engaging with responsible suppliers minimizes potential risks related to labor and environmental compliance. Through our global corporate responsibility program, Watermark, we empower employees, suppliers, and partners to create meaningful impact in communities around the world while fostering strong partnerships.

By driving positive impact in communities, we not only advance our commitment to improve water security and advance public health for those who are under-resourced and water-insecure, we also enhance our competitive edge, attract top talent, and build long-term business success.

Human rights

We are committed to respecting human rights as set out in the United Nations Guiding Principles on Business and Human Rights. This commitment encompasses internationally recognized human rights as defined by the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We are also a signatory to the United Nations Global Compact and the Women's Empowerment Principles. While first following local regulations, we are also committed to principles in other widely accepted international human rights conventions, including the International Convention on the Elimination of All Forms of Racial Discrimination, the Convention on the Elimination of All Forms of Discrimination Against Women, the Convention on the Rights of the Child, the Convention on the Rights of Persons with Disabilities, the Charter of Fundamental Rights of the European Union, and the American Convention on Human Rights.

Our Human Rights Statement formalizes our long-standing commitment to uphold and respect human rights, establishing the overarching principles that are reflected within our policies and management systems. It sets the fundamental standards for business conduct and human rights, guiding us as we seek to identify and manage the human rights impacts, mitigate risks, and transparently engage with our stakeholders.

We have established due diligence processes to prevent, mitigate and address adverse impacts on human rights and the environment, following the guidelines established by the OECD Due Diligence Guidance for Responsible Business Conduct and the United Nations Guiding Principles on Business and Human Rights.

Additionally, we are continuing to establish appropriate controls designed to prevent, mitigate, or eliminate relevant risks and prevent abuses, including through corrective actions in EcoVadis, our Conflict Minerals program, and subject-specific assessments and audits. We monitor the effectiveness of our controls and provide for, or cooperate in, remediation when appropriate.

We recognize that our commitment to advancing human rights is an ongoing effort and we continue to work to evolve our human rights program to meet challenges we may face.

Supporting policies and positions

- Code of Conduct
- Business Partner and Supply Partner Code of Conduct
- Statement on Efforts to Combat Modern Slavery
- Conflict Minerals Policy

Training

Our employees are trained in human rights-related policies and procedures through our Code of Conduct annual training. In 2024, 99% of our employees completed the online Ethics and Compliance training, which includes a module on our Code of Conduct, and certified their compliance with its mandate.

Human rights in our supply chain

In early 2024, we updated our Business Partner and Supply Partner Code of Conduct and took additional steps to assess the effectiveness of our suppliers' policies, emphasizing the importance of human rights and ethical labor practices across our supply chain.

At the end of 2023, we began engaging with Evoqua suppliers active on EcoVadis. Throughout 2024, their strong participation further enhanced supply chain transparency and risk mitigation. By year-end, more than 1,000 suppliers held active EcoVadis scorecards, covering 42% of Xylem's global spend.

Each year, we assess our suppliers' labor and human rights practices through the EcoVadis platform. This evaluation verifies that suppliers have appropriate policies in place, confirms that these are aligned with international standards, and assesses how effectively the policies are implemented.

If a supplier is classified as "high sustainability risk," an internal risk mitigation workflow is triggered. Given the complexity of human rights and labor risks, each case is managed individually. Depending on supplier cooperation and the severity of identified issues, actions may include implementing corrective action plans via EcoVadis, targeted supplier assessments, educational training programs, and, if necessary, on-site audits.

Based on EcoVadis assessments, expert analysis, and 360° Watch Findings (AI-driven risk monitoring), no major violations of human rights or labor practices were identified in 2024.

Modern slavery

As with our human rights efforts, we rely on our revised Business Partner and Supply Partner Code of Conduct and EcoVadis assessments to identify and prevent modern slavery risks in our supply chain. We expect all business and supply partners to comply with local labor laws and align with international standards on modern slavery.

Through EcoVadis' 360° Watch Findings tool, we continuously monitor public and private news sources for reported incidents that could negatively impact Xylem's relationships with its partners. Additionally, we leverage EcoVadis' IQ Risk Management Tool to conduct high-level risk analysis, providing insights into potential supplier risks.

99%
of our employees completed the online Ethics and Compliance training.

42%
of Xylem's global supplier base by spend held an active EcoVadis scorecard.

Our people

Our success is driven by a global workforce united by a shared purpose — to empower our customers and communities to build a more water-secure world. We cultivate a High-Impact Culture where employees are inspired to innovate, empowered to lead, and accountable to deliver.

We aim to create an environment where employees feel valued and heard, have opportunities to grow, bring their authentic selves to their work, do their best work, and experience a strong sense of belonging.

Over the past year, we have continued to evolve our organization to create value for our customers, shareholders, and communities. By embracing inclusion and belonging and fostering an environment of continuous learning, we fuel innovation. By staying attuned to our customers' needs and building trust through transparency, we empower our teams. And by promoting clarity and focus, we strengthen our commitment to deliver results for each other, our customers, and the communities we serve together.

Talent management

We are committed to empowering Xylem employees with the skills to drive our success and their success.

Developing and implementing policies and programs that promote inclusive, merit-based hiring, retention and promotion, professional development and learning, comprehensive benefits, and competitive compensation are essential to our success. In 2024, we reinforced existing initiatives and introduced new programs and policies to further strengthen our talent management approach.

Recruiting and hiring top talent

We are dedicated to developing the next generation of water leaders.

Youth engagement programs

To build awareness of global water challenges, we engage and equip young people to become the next generation of water leaders.

In Sweden, we participated in Introduce a Girl to Engineering Day, organized by Womengineer, to encourage young women to explore engineering careers. Twenty students, aged 13 to 19, visited our Sundbyberg facility, toured a lab, and engaged in hands-on water testing assignments, introducing them to real-world applications in the water sector.

In 2024, we also collaborated with a local high school in Emmaboda, Sweden, where we have significant operations, for our Industrial Technology Program. In their third year, students undertake a thesis project, typically based on an assignment from Xylem. Upon graduation with passing grades, they are guaranteed a six-month probationary employment period with Xylem, with most program graduates transitioning into permanent positions. Graduates qualify as upper-secondary engineers, prepared for roles such as production technicians.

We also continue to support various youth engagement programs, including Xylem Ignite, the Stockholm Junior Water Prize, Water Heroes Academy, and EarthEcho. For more information, please see "Youth engagement" on page 73.

Local university student and graduate programs

To attract and hire students across the globe, we maintained a localized approach, tailoring strategies to secure top talent for our entry-level programs. Our University Champions play a key role in building relationships with select universities, directly engaging with students and sharing their experiences. Regional highlights included:

- **United States:** We continued our university recruitment efforts through career fairs, Senior Design Project sponsorships, and speaking engagements.
- **Sweden:** We continued our partnership with Cogig's Female Technical Engineer program, connecting with female engineering students from leading technical universities.
- **South Africa:** We enhanced our advanced leadership initiatives by introducing an Apprenticeship and People with Disabilities Learnership program. This 12–36-month company-based training equips participants with technical skills, workplace experience, and social competencies, fostering confidence and inclusion. Additionally, we participated in the Soweto Career Fair, engaging with a wide range of talent, including young people with disabilities, to build a strong entry-level talent pipeline.
- **Middle East & Türkiye:** We successfully launched an internship program for recent graduates, hosting 12 interns for three months and providing cross-functional exposure to enhance their professional development.
- **India:** We collaborate on research programs and actively participate in professional forums, creating opportunities to engage with university professionals, foster partnerships, and attract top graduate talent.

Other hiring programs

We continued to implement hiring initiatives aimed at attracting talent at all career levels, fostering a more inclusive workforce. For more information, please see "Inclusion and belonging" on pages 55–59.

Veteran hiring program

In 2024, we continued our commitment to providing transitioning military personnel with hands-on internship opportunities at Xylem. This initiative helps participants develop valuable skills and gain industry experience, paving the way for a smooth transition into full-time roles after their military service.

Fair chance hiring program

To expand access to employment opportunities, we further advanced our fair chance hiring practices in select locations in the United States, offering career opportunities to individuals with criminal records. Partnering with Envoy, we extended the program to four additional locations. We also joined the Second Chance Business Coalition. This program includes strategic planning, talent recruitment, policy updates, community partnerships, and specialized training for employees and hiring teams. It allows us to access talent primarily for roles in certain of our manufacturing locations.

Onboarding

In 2024, we focused on creating an onboarding experience that welcomes new employees, empowers them to succeed, and accelerates their ability to make contributions. Guided by feedback from new employee surveys, we enhanced the onboarding process through personalization, streamlining, and standardization. Key achievements included:

- **Pre-onboarding enhancements:** Introduced onboarding roadmaps to provide clear guidance and a warm welcome before day one.
- **Streamlined and standardized processes:** Simplified and standardized onboarding materials and resources for easy access and consistency across new employees, Human Resources, and hiring managers.
- **Personalized experience:** Clarified and augmented the hiring manager role to offer tailored support and a more relevant onboarding journey by role.
- **Modernized tools:** Launched updated CEO Welcome and Company Overview videos, along with refreshed templates and eLearning modules to better equip hiring managers.

Looking ahead to 2025, we will introduce a Global New Hire Orientation eLearning Program to create a unified and simpler onboarding experience across the organization while maintaining the hiring manager's role.

Performance, learning and development

We are committed to empowering employees to reach their full potential through continuous learning, development, and knowledge-sharing. In 2024, we integrated our High-Impact Behaviors into our performance management system and our development programs.

Performance management

Our performance management system **"Connect. Perform. Grow." (CPG)** is designed to foster ongoing, meaningful conversations between managers and team members to set goals, assess performance, and identify growth opportunities. This regular dialogue includes coaching and peer feedback to support professional development. In 2024, we enhanced the process and system to reinforce High-Impact Behaviors.

Learning

We follow the 70/20/10 learning model, recognizing that 70% of learning happens on the job, 20% through interactions with employees, customers, and partners, and 10% via formal training.

Our learning management system offers formal learning opportunities through on-demand and instructor-led training in leadership, professional skills, technical expertise, and role-specific competencies. In 2024, employees averaged 16.4 formal learning hours each.

16.4
formal learning hours on average per employee.

Building a strong talent pipeline

To support career growth, internal mobility, and succession planning, we provide comprehensive talent development programs across all levels, businesses, and functions. These initiatives include entry-level recruitment, emerging leader development, first-time leader cohorts, mid-level leadership programs, and executive leadership development.

High potential talent and leader development

In 2024, we launched a range of leadership programs designed to cultivate emerging talent and strengthen our leadership pipeline:

- **New Manager Orientation:** A self-paced learning journey designed for newly hired or promoted managers, equipping them with essential knowledge to support their teams throughout the employee life cycle. Optional courses offer additional skill-building opportunities, including how to empower employees, foster personal and team creativity, deliver growth-oriented feedback, and build a positive and inclusive workplace.
- **Impactful Leadership Essentials:** A cohort-based program for first-time leaders, focused on foundational leadership skills. More than 300 managers participated worldwide.
- **Emerging Leaders:** More than 45 high-potential employees participated in three function-specific cohorts focused on Supply Chain, Innovation & Technology, and Strategy.
- **Manager to Leader:** A nine-month, cohort-based initiative designed to prepare 20 high-potential, mid-level managers for expanded people leadership responsibilities.
- **Growth Talent Sponsorship:** An 18-month program providing career advocacy and guidance to accelerate the growth and visibility of high-performing mid-level talent. In 2024, 18 high-potential employees were paired with sponsors from middle management. The next cohort begins in the second half of 2025.
- **Senior Leader Sponsorship:** This 18-month program supports high-potential leaders by providing career advocacy, fostering a growth mindset, and strengthening the leadership pipeline. The inaugural cohort of 15 senior leaders completed the program in 2024, with 27% receiving promotions or role changes. The next cohort begins in early 2025.
- **McKinsey's Connected Leaders Academy:** Thirty-two early-career professionals and three experienced leaders in the United States participated in this external leadership series program.
- **Executive Development Program:** A year-long, cohort-based program aimed at enhancing enterprise leadership skills among 20 high-potential senior leaders. The program equips participants with the skills to drive enterprise initiatives and prepares them for succession into senior leadership roles. The program also includes engagement with Xylem's Board of Directors.

Global Leadership Team development

In 2024, members of our global leadership team (top 150 leaders) participated in workshops to identify and leverage individual and team strengths, enhancing overall team effectiveness. Additionally, they engaged in a six-week Aligned Leader Program, equipping them with tools to lead through influence, foster enterprise alignment, and address key blockers that may hinder strategic progress. This focused leadership development aimed to strengthen alignment across the enterprise, deepen connections, and accelerate our High-Impact Culture to drive our strategic priorities.

Expanding learning and development opportunities

To support continuous growth, we introduced a Learning and Development Opportunities Guide, helping employees identify formal learning experiences aligned with their career objectives. We also expanded open-enrollment courses, with a particular focus on communication skills, presentation techniques, and storytelling in business contexts.

Early career development

Our early career programs provide participants with rotational experiences in key roles aligned with Xylem's strategy. These programs offer exposure to different business areas, networking opportunities, and structured development. In 2024, more than 80 employees across Finance, Operations, Engineering, and Commercial functions took part. Additionally, we hosted our second Talent Accelerator Program, bringing in nine emerging talents for a 16-week training cohort, followed by placements in sales roles across the United States.

Xylem's Innovation Champions

Launched in 2022 in partnership with Xylem Innovation Labs, the Innovation Champions program offers employees hands-on experience with emerging technologies while expanding their skills and networks. Participants collaborate with startups and Xylem Innovation Labs team members, providing subject matter expertise and advocating for new technologies within Xylem. To date, 168 employees have participated, averaging more than 40 participants annually. A participant shared: "The program turned out to be even more impactful than I expected, providing an immersive experience that expanded my knowledge and allowed me to contribute meaningfully to real-world projects."

Social impact leadership opportunities

Through Xylem Watermark, more than 500 employees dedicated volunteer time in leadership roles supporting social impact initiatives. These experiences provided invaluable leadership development while advancing Xylem's mission to drive positive change in communities. For more information, please see "Employee and stakeholder engagement" on page 69.

Recognition

Rooted in our High-Impact Behaviors, our recognition programs allow employees to recognize and celebrate the exceptional contributions of one another by providing both monetary and non-monetary rewards. In the second half of 2024, we began consolidating our recognition programs and platforms into a unified program on a single platform, which begins launching in early 2025.

This approach is designed to foster a sense of belonging, enhance collaboration, and promote a High-Impact Culture by making recognition more accessible, equitable, and meaningful for all employees. It enables managers to easily celebrate achievements and reinforce our company values, while also providing data-driven insights to improve effectiveness and streamline recognition efforts. For employees, the experience of being acknowledged by peers and leaders increases job satisfaction, strengthens connections across teams, and contributes to a positive, inclusive workplace that grows alongside the organization.

Spotlight

Shaping the future of Xylem's global leadership

LaShondra Edwards

Sr. Director 80/20 & Transformation for Measurement and Control Solutions

(Morrisville, North Carolina, United States)

"The Executive Development Program was a transformative experience that strengthened my leadership skills in self-leadership, team leadership, and enterprise leadership. Through in-person learning, coaching, and collaboration, I gained invaluable insights into strategic thinking, communication, and team dynamics. This journey not only shaped my confidence as a leader but also empowered me to bring my authentic self to work — driving meaningful change and delivering exceptional value to our customers."

Alberto Vasquez

Value Stream Manager

(Morton Grove, Illinois, United States)

"The Impactful Leadership Essentials program equipped me with strategic decision-making, team engagement, and performance management skills, enhancing my confidence and adaptability as a leader. This training refined my leadership approach, enabling me to mentor my team more effectively, approach problem-solving more proactively, and drive initiatives with greater efficiency. By applying these principles, I've fostered stronger team cohesion, improved operational performance, and enhanced cross-functional communication — delivering greater value to our customers."

Praveen Gaikwad

General Manager Engineering

(Mumbai, India)

"The Innovation and Technology Leadership Development Program provided me with invaluable networking opportunities, direct exposure to Xylem leadership, and a deeper understanding of our products, services, and business strategies. Collaborating with internal experts worldwide and external facilitators sharpened my problem-solving skills through innovative design thinking and structured creativity methods. The program enhanced my executive capabilities, enabling me to make more strategic decisions and demonstrate high-impact leadership behaviors in my daily project work. By cultivating an agile mindset and a collaborative approach, I have helped drive a dynamic work environment, more effective change management, and ultimately, greater customer satisfaction through faster, more thoughtful solutions."

Samantha Bootsman

Managing Director, BeNeLux

(Dordrecht, The Netherlands)

"The Manager to Leader program equipped me with essential leadership skills, enabling my growth as a business and change leader. It deepened my self-awareness, adaptability, and empathy, empowering me to engage more effectively with others, foster an inclusive environment where teams thrive, and lead through change with cultural sensitivity. By applying these skills, I've contributed to stronger team dynamics, improved conflict resolution, and drive innovation — helping both me and the company succeed and grow in an increasingly interconnected and dynamic global market."

Talia Mekinulov

Engineering Leadership Development program participant

(Washington, DC, United States)

"Xylem's Engineering Leadership Development program has been a transformative journey, shaping me into a more agile, collaborative, and purpose-driven professional. By navigating new roles in different locations, expanding my global network, and applying new skills, I have strengthened my leadership confidence and deepened my understanding of how to contribute to solving complex water challenges. This program has not only enhanced my technical and leadership skills but has also deepened my commitment to working for an organization that aligns with my values and drives innovation for a sustainable future. Embracing change and fresh perspectives fuels progress, enabling us to push boundaries and create impactful solutions for both our customers and the communities we serve."

Tim Holm Svensson

Operations Leadership Development program participant

(Emmaboda, Sweden)

"Xylem's Operations Leadership Development program has been a catalyst for my growth, providing invaluable industry insights and a dynamic rotation schedule that accelerated my business acumen. This experience empowered me to challenge existing processes, drive continuous improvement, and foster a High-Impact Culture that inspires others to grow and lead change. Along the way, I've refined my decision-making, recognizing the value of stepping back before executing, and embraced lean principles across my rotations — including my current role as a project manager — driving smart product development to strengthen our market position and deliver lasting impact for our customers."

Compensation and benefts

We are committed to offering Xylem employees competitive compensation and benefits through a total rewards approach that integrates compensation, benefits, and well-being programs. [31]

As part of our global well-being framework, we provide benefits that address the varied and interconnected aspects of employees' lives — physical, mental, emotional, social, and financial well-being. While benefits vary by country, location, role, and level, our competitive compensation and benefits packages extend beyond salaries to include health insurance coverage, retirement plans, paid leave, wellness programs, mental well-being, flexible work schedules, equity grants, and more.

We also continue to balance in-person, remote and hybrid work to meet business needs and attract top talent. While approaches vary by country and role, office-based colleagues generally follow a hybrid working approach.

Recognizing the importance of peer-driven engagement, we also introduced the Well-being Champion Network, a team of more than 50 Well-being Champions across 27 Xylem facilities dedicated to fostering an environment focused on holistic health and well-being within their respective locations. Additionally, the work of our Watermark Champions and the offering of Watermark activities worldwide underscore the health benefits of community engagement and serve as an added incentive. These Well-being Champions play a crucial role in encouraging participation, promoting available resources, and helping employees integrate wellness into their daily routines.

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To support the physical well-being of Xylem employees, we introduced several new programs and enhanced existing regional and global initiatives in 2024:

United States:

- We provide comprehensive employee health benefits, including medical, prescription drug, dental, and vision plans. In 2023, we introduced a back and joint health program, which offers digital exercise therapy for managing chronic pain. In 2024, more than 340 members engaged, completing more than 15,500 treatment sessions with a 9/10 satisfaction rating. This program has led to significant health improvements, such as pain reduction and a reduction in anxiety and depression. Employees also have access to hearing exams every 24 months under our medical plans.
- For employees enrolled in our medical plans, we provide coverage for travel and lodging expenses when cost-effective, in-network medical care is not available within 50 miles of their home. Telemedicine continues to be an essential service, with 960 visits in 2024, allowing employees to access care from home or work for non-emergency medical services, helping to avoid unnecessary urgent care or emergency room visits.
- Through our U.S. Well-being Incentive Program, we continue to expand opportunities for employees to prioritize their physical, emotional, and financial health by providing accessible and meaningful wellness initiatives. Participation in the program continues to grow, with more than 2,700 employees earning incentives in 2024, collectively completing nearly 5,000 activities such as completing an annual physical, engaging in physical well-being activities, and undergoing preventive screenings. Beyond incentives, our program offers a range of tools and services designed to support employees in building sustainable health habits.
- Additionally, we launched the Superfit Fitness Challenge, which attracted 117 participants who collectively logged more than 80,000 minutes of fitness, with 60% successfully completing the challenge.

Europe:

- All employees have access to extensive healthcare benefits, including medical, dental, and vision coverage. Regular health checkups support proactive well-being management. These benefits are benchmarked against local standards to meet or exceed market expectations.
- Our commitment to preventive care was reinforced through key initiatives aimed at reducing long-term health risks. Employees were encouraged to participate in annual health screenings, flu vaccinations were made readily available, and smoking cessation programs were introduced to help lower the risk of smoking-related illnesses. These initiatives support both individual health and overall workplace productivity by reducing illness-related absenteeism.
- Various fitness challenges and wellness initiatives were organized to inspire employees to stay active. These included team-based competitions, individual exercise challenges, and company-sponsored sports events. By promoting physical activity, employees are encouraged to incorporate regular exercise into their daily routines, helping to prevent lifestyle-related diseases.
- We emphasize self-care and work-life balance, encouraging employees to take breaks, practice mindfulness, and use stress management resources. Flexible work arrangements and supportive policies help prevent burnout and promote well-being.

Emerging Markets:

- Employees now have family health insurance, extending vital healthcare services to their dependents. In 2024, more than 30 wellness sessions were held across the region, including in-office yoga, expert-led fitness sessions, and nutrition workshops.
- In Southeast Asia, a Monthly Fruit Day was introduced, providing fresh fruit at all locations, fostering both healthy eating and social interaction. Quarterly exercise sessions were conducted both in-office and virtually. Additionally, a health screening in Singapore received positive employee feedback.
- In Australia and New Zealand, we implemented a flu vaccination program with free vouchers to encourage preventive care. Men's Health Week and Women's Health Week featured webinars, educational content, and interactive activities. A women's health webinar, *Let's Talk Menopause*, provided insights and support on managing menopause.
- In China, employees now have 24/7 access to free online medical consultations, improving convenience for health-related queries. Health checkup packages were also upgraded to enhance preventive care.
- In Africa, employees now have family coverage for health insurance, providing their dependents with access to essential healthcare services. In addition, a Wellness Day allowed employees to receive physical checkups, complemented by expert-led nutrition sessions. In October, a Breast Cancer Awareness session was held. In Morocco, a gym partnership was secured, offering discounted memberships to employees.

>50
Champions across 27 Xylem facilities are dedicated to fostering a culture of health and well-being at their respective locations.

>2,700
employees participated in the U.S. Well-being Incentive Program completing nearly 5,000 activities.

[31] Individual program components may differ by country, role, or level.

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We recognize that promoting and safeguarding the mental health of employees is essential to our long-term growth and success. These are some of our key initiatives:

Global:

- Our Employee Assistance Programs (EAPs), available in 47 countries, provide 24/7 confidential counseling and support services, including counseling and family assistance in Europe, emotional and physical health webinars in Emerging Markets, and access to Talkspace in the United States, where employees can connect with licensed behavioral therapists via unlimited text, video, and audio messages. In 2024, more than 320 employees accessed critical support for anxiety, depression, relationship issues, and financial or eldercare concerns.
- In 2024, more than 540 employees became certified as Mental Health First Aiders, equipping them with the skills to recognize and support employees facing mental health challenges in the workplace and direct them to appropriate resources — bringing our total to more than 640 certified Mental Health First Aiders.

47
countries offer employees 24/7 confidential counseling and support service through Xylem's Employee Assistance Programs.

>540
employees became certified as Mental Health First Aiders in 2024.

- Additional resources for employees include online self-study programs in the Xylem Learning Center and an internal mental health and wellness social media group. Managers have access to ad hoc mental health coaching when needed. We also offer coaching and training for leaders and host Leaders Talk sessions where senior team members share their personal experiences with mental health challenges.

United States:

- Beyond EAP, we provide comprehensive WorkLife services through the Emotional Well-being Solutions platform, which saw nearly 1,000 visits in 2024. Employees can access resources for adult and eldercare, parenting, and chronic condition support. To further support employee well-being, we launched a series of online workshops in 2024, drawing strong participation: the Stress Reduction Workshop and the Preventing Burnout Workshop were attended by nearly 350 employees each, and the Money and Mental Health Workshop by nearly 3,000 employees.

Europe:

- We relaunched the EAP in active countries, now covering 90% of the population. This confidential service provides counseling and support to help employees manage stress, anxiety, and other mental health challenges. In 2024, we introduced mental health coaching for leaders, equipping them with skills to better support their teams.

Emerging Markets:

- In 2024, we organized 12 webinars for both leaders and employees, covering topics such as *Avoiding Burnout: Self-Assessment Methods*, *Mental Health Awareness for Leaders*, *Self-Care Tips for Managers*, and *Languishing vs. Flourishing in Mental Health*. A special session focused on *Psychological Safety for Leaders*, emphasizing its critical role in the workplace. These sessions engaged more than 1,000 employees, fostering meaningful discussions on mental health and well-being.
- We observed R U OK?Day and conducted training on psychological safety in Australia and New Zealand, encouraging open conversations about mental health and well-being in the workplace.
- In the Middle East and Türkiye (MET), we introduced a workplace wellness program with in-office yoga sessions led by a certified yoga guru. Employees learned desk-friendly yoga poses and breathing techniques to reduce stress. Sessions also explored *Ahimsa* — the principle of non-violence in yoga — promoting mindfulness and self-care. Positive feedback highlighted their impact. Additionally, we launched the MET Employee Support Platform, a dedicated resource for mental health and well-being.
- In 2024, we hosted 20 well-being workshops with 2,000 participants in China. The existing free hotline and face-to-face EAP consultations were expanded to include legacy Evoqua employees and their families, covering at least 400 people.
- In Africa, we extended our global EAP to all employees, increasing accessibility to mental health support across the region.

Through these initiatives, along with leadership engagement, open discussions, and psychosocial safety audits, we are actively working to reduce the stigma surrounding mental health and foster an environment that prioritizes mental well-being, providing our employees with the resources they need to thrive.

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A 2023 PwC study [32] found that 57% of participants identified finances as their primary source of stress. Financial stress can negatively impact mental and physical health, self-esteem, sleep, and overall well-being, while also affecting employee productivity and engagement. The study also found that financially stressed employees are more likely to be distracted and less engaged at work.

To support the financial well-being of Xylem employees, we launched several regional programs in 2024:

United States:

- Launched a student debt program, providing a $100 monthly payment directly toward employees' student loans, up to a lifetime maximum of $10,000. This contribution, made in addition to regular loan payments, helps employees pay off their student debt faster.
- Introduced the Alight Digital Wallet, an optional compensation tool that allows employees to access up to 50% of their earned wages before payday. By giving employees control over when they receive their wages, this tool can help alleviate financial stress and provide flexibility in managing unexpected expenses.
- Full-time employees can participate in Xylem's retirement plan and select from a range of life and disability insurance options.

100%
of employees who took parental leave in the Unites States in 2024 returned to work.

Europe

Financial well-being remained a key focus in Europe, with initiatives aimed at enhancing employees' financial literacy. We provided financial planning workshops and retirement planning guidance, equipping employees with the knowledge to make informed financial decisions, reduce stress, and improve overall well-being.

Looking ahead, we plan to expand financial flexibility benefits to additional markets, tailoring them to regional and country-specific needs. Our focus remains on enhancing employees' financial literacy through financial planning workshops and retirement guidance.

Flexible working arrangements

We have significantly enhanced our policies and benefits in the United States in recent years to increase employees' ability to manage their flexibility and paid time off. Our shift to flexible work arrangements simplifies the way our employees manage their time off by giving them the flexibility to take time off when they want (including vacation, sick, and personal time) and for however long they need. Employees in other regions also have access to flexible work schedules and remote work options to reduce burnout and enable an inclusive workplace.

Parental leave

Parental leave is structured in accordance with local practices and regulations across our global locations. To foster a more inclusive and supportive workplace, we complement these practices and regulations with additional benefits:

United States:

We have enhanced our paid parental leave policy to better support working caregivers. New mothers receive up to eight weeks of paid parental leave and are also eligible for short-term disability insurance covering 100% of income for the first six weeks of paid leave. Fathers, same-sex partners, and parents welcoming a child through adoption, surrogacy, or foster care are also eligible for the same eight weeks of paid parental leave, which can be taken within the first six months of a qualifying event. In 2024, approximately 8,952 U.S. employees were eligible for this benefit (2,049 women and 6,903 men). 220 employees took parental leave, including 183 men (83%) and 37 women (17%). 100% of employees who took parental leave in 2024 returned to work. Additionally, employees have access to medical coverage for IVF and other fertility treatments, as well as travel cost coverage for reproductive care not available in their state of residence.

Europe:

All European countries provide statutory benefits to employees, establishing a minimum standard of welfare and working conditions. These mandatory benefits typically include parental leave. We complement these local mandates with additional support, such as pregnancy loss leave in EU Member States and shared parental leave in Switzerland, reinforcing our commitment to employee well-being.

Emerging Markets:

We have strengthened our parental leave policies in select regions and are working to implement more comprehensive country-specific policies in 2025.

Voluntary time off benefits

We actively encourage and support employees worldwide to engage in volunteer activities, particularly in water-related projects, as part of our global corporate social responsibility initiative, Watermark. In 2024, we offered employees up to 20 hours of time off annually to participate in volunteer efforts. 79% of our workforce took part in these initiatives, collectively contributing more than 200,000 hours to community service. This engagement not only strengthens the bond between employees and their communities but also enhances workplace well-being, fosters employee engagement, and reduces absenteeism, helping to create a more connected and motivated workforce.

Compensation

Our compensation programs are designed to be competitive within each local market and aligned with our business strategy. We support our pay-for-performance philosophy by offering a comprehensive compensation package that includes base salary and, for eligible employees, performance-based incentives such as annual, sales, and long-term incentives, generally in the form of equity grants.

Internal pay equity

We believe that fair and equitable compensation is key to fostering a positive workplace environment, enhancing job satisfaction, and supporting overall employee well-being.

In 2024, we conducted a global gender pay equity analysis for a significant number of employees, and a race and ethnicity pay equity analysis for the United States. Our review found no systemic disparities based on gender or race. We plan to conduct a follow-up analysis in the second half of 2025 after an ongoing organizational realignment.

[32] PwC – 2023 Employee Financial Wellness Survey (based on an online survey of 3,638 full-time employed U.S. adults across a variety of industries in January 2023).

Employee feedback communication

In the first half of 2024, Xylem conducted a global employee survey to help us understand the activation of our High-Impact Culture. We invited all employees — whether on the manufacturing floor, in the field, working remotely, or in offices worldwide — to provide feedback. The survey's design fostered broader representation and deeper insights by combining quantitative rating scales with open-ended qualitative feedback. This anonymous format empowered employees to share honest perspectives and detailed suggestions for improvement and innovation, strengthening Xylem's commitment to a transparent and inclusive workplace.

We received responses from 63% of employees, for a total of nearly 13,000 participating. The survey results highlighted strong engagement and alignment across the organization:

- **Favorable feedback:** 80% of responses were positive.
- **Engagement:** 83% of employees reported feeling engaged, surpassing the 81% goal.
- **Alignment with priorities:** 90% of employees confirmed understanding of how their work contributed to our 2024 priorities, validating the impact of our goal deployment process.

Leveraging advanced AI tools, we analyzed survey insights to identify focus areas and provided each member of the senior leadership team with tailored results to drive targeted improvements.

Following the survey, a dedicated cohort of our global leadership team members and human resource advisors began translating feedback into meaningful action. They equipped teams with tools and guidance to address specific needs through focus groups and open forums, initiating sustainable changes. Throughout the second half of 2024, this cohort prioritized process improvements, enhanced information-sharing practices, and strengthened two-way communication plans. Best practice sharing sessions were conducted to promote consistency and effectiveness across all teams. As in the past, the results continued to inform our enterprise priorities as well, including simplifying our organizational structure, standardizing our processes, and modernizing our systems.

Xylem remains committed to fostering a High-Impact Culture and driving positive change. In 2025, we plan to conduct two global employee surveys to assess progress and identify new opportunities to refine how we work together to deliver value to our customers.

In addition to our global employee survey, we regularly gather feedback through smaller, more targeted pulse surveys, virtual coffee chats, breakfast chats, town halls, focus group discussions, onboarding surveys, stay interviews, and other interactive forums.

Employee representation

We recognize that the work of labor organizations, works councils, and unions better the lives of our employees and we respect their legal right to join or to refrain from joining such organizations. An employee's decision to join or not join a labor organization will in no way result in any discrimination against that employee. We raise awareness among managers at all levels of the importance of respecting the employees' right to organize or to be represented. We also work to establish favorable employment conditions that promote positive relationships between employees and their managers, facilitate communication among employees and support their development.

As of December 31, 2024, we employed approximately 23,000 people worldwide. Approximately 66% of our employees in Europe are represented by trade unions or works councils and approximately 11% of our employees in the United States are represented by labor unions. In some other countries, employees are also represented by works councils.

13,000
employees participated in our inhouse global employee survey.

80%
of survey responses were positive.

83%
of employees reported feeling engaged.