

xylem

Business Partner and Supply Partner Code of Conduct



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Introduction

In nature, xylem is a vascular tissue in plants that is critical to life. It transports water upwards from the roots to the rest of the plant, providing a vitalizing service. At Xylem, we know clean, abundant water is fundamental to life, growth, and the well-being of people and the planet. Developing sustainable solutions to global water challenges is central to who we are as a company, just like it's embodied in our name. As a leading global water technology company, our culture – driven by our [Purpose and Values](#) – dictates how we work and partner around the world. Working with our Business Partners and Supply Partners (collectively “Partners”), we have the privilege of serving a diverse and global set of customers who all share a common goal: responsible use and management of our planet's most valuable resource, water. We work across our value chain to engage Business Partners, Supply Partners, their personnel, customers, and other partners in practices that support ethical business practices and a resilient business ecosystem.

Xylem's Business Partner and Supply Partner Code of Conduct (“Code”) explains the minimum standards of integrity and business conduct required and expected of our Partners (including sub-suppliers and other entities performing work on behalf of Xylem). We expect our Partners to require the same levels of integrity and business conduct from their personnel and anyone outside their organization working on Xylem's behalf. No code of conduct can address every situation that our Partners may encounter, and this Code is not a substitute for our Business Partners' and Supply Partners' own accountability and responsibility to exercise good judgment and obtain guidance regarding proper business conduct.

Xylem Partners are expected to assist Xylem in enforcing this Business Partner and Supply Partner Code of Conduct by communicating its principles to their supervisors, employees, subcontractors, suppliers, and others working on their behalf. Xylem may discontinue its relationship with Partners who fail to comply with this Code consistent with applicable termination processes agreed between the parties. As you review the requirements and expectations outlined in this document, it is important to distinguish between what Xylem considers a Business Partner and a Supply Partner. In the context of this document, a Supply Partner is an external party to Xylem that is commercially managed by the Procurement Team and provides goods or services, that support the products we produce, as well as indirect procurement items to generally support the administration of Xylem's business, such as office supplies, consultants, and professional firms. Separately, Xylem works with a variety of external Business Partners that act as extensions of our commercial team's strategic business development teams, etc. These partners would include but are not limited to, channel partners, digital partnerships, and joint ventures.

Xylem also has a [Code of Conduct](#) that sets the rules that outline the appropriate ethical standards, business conduct, and expected behaviors of all our employees. The Xylem Business Partner and Supply Partner Code of Conduct incorporates these ethical standards along with the specific requirements listed below.

Human and Labor Rights

We are committed to conducting business that respects human dignity and advances human rights wherever we do business. Our colleagues are entitled to safe working conditions and fair and equal treatment, and we expect our Partners to achieve the same goal.

Our Partners must:

- Respect human rights by not willingly or knowingly assisting in any human rights violation including within their value chain.
- Ensure that no compulsory labor is used including forced labor, bonded labor, slavery, human trafficking, and child labor for any work performed by the Business Partner or Supply Partner on behalf of Xylem.
- Ensure and verify (if asked to) that they do not employ workers under the age of 15. Or, in those countries subject to the developing country exception of the International Labour Organization (ILO) convention 138, employ workers under the age of 14.
- Comply with the applicable maximum number of working hours laws.
- Comply with fair remuneration laws including laws relating to respective national statutory minimum wage.
- Prohibit and not engage in behavior that has the purpose or effect of intimidating or resulting in a hostile or offensive work environment including gestures, language, and physical contact that is sexual, coercive, threatening, abusive, or exploitative.
- Promote and support equal opportunities for and treatment of its employees irrespective of race, nationality, social background, Veteran status, disabilities, sexual orientation, gender identity or expression, political or religious conviction, or age.
- Respect the personal dignity, privacy, and rights of all employees by not subjecting workers to corporal punishment, physical, sexual, psychological, or verbal harassment or abuse.

In addition Xylem Supply Partners are expected to:

- Commit to providing accessible clean drinking water and water for sanitation and hygiene (WASH) for all employees at facilities under the Xylem Supply Partner's direct control.

Employee Well-Being

We are committed to respecting health and safety, diversity and equity, and proper hiring practices for all our employees. We expect our Partners to do the same.



Our Partners must:

- Comply with proper hiring practices, including verification of each worker's legal right to work in the country, ensuring all mandatory documentation (such as work permits) is readily available.
- Provide employees with a safe and healthy working environment and ensure compliance with all local health and safety laws.
- Grant workers the freedom to join associations and to collective bargaining, where local law confers such rights.
- Act proactively to control hazards and support the prevention of accidents by providing appropriate health and safety training and conducting health and safety risk assessments.
- Drive inclusivity in the workplace, encouraging employee diversity and providing equal opportunity for all employees.
- Maintain health and safety procedures in accordance with ISO 45001 or an equivalent standard.

Environment

Sustainability is embedded in all our operations, enabling us to reduce our environmental footprint and be positive community partners in the areas where we operate. We expect our Partners to do the same.



Our Partners must:

- Adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.
- Obtain all required environmental permits, approvals, and registrations. Ensuring they are maintained and kept current, complying with relevant operational and reporting requirements.

In addition, Xylem Supply Partners must:

- Maintain the ability to certify and provide proof of traceability that raw materials used in production, procured from a source other than Xylem, comply with the International Labour Organization (ILO) Convention 203.
- Ensure environmental procedures are in accordance with applicable elements of the ISO14001 or equivalent standard, with a specific focus on the handling, movement, and disposal of hazardous materials.

and are expected to:

- Proactively disclose environmental impacts through disclosure requests, such as CDP and EcoVadis.
- Engage in Xylem-led activities to mitigate the impacts of carbon, promote the efficient use of natural resources, and commit best efforts to protect the local environment.
- Collaborate with Xylem on driving waste reduction activities, improving product and packaging recyclability, and taking actions to mitigate waste to landfills.

Business Ethics and Integrity

We are committed to conducting business with integrity and hold high business practice standards and ethical behavior. We expect our Partners to do the same.



Our Partners must:

- Obey lawful business practices and provide goods and services in compliance with local laws including anti-bribery and anti-corruption laws, contractual obligations, and applicable Xylem policies.
- Protect all Xylem information, electronic data, and intellectual property or Xylem technologies with appropriate safeguards. The transfer of confidential information must comply with Xylem's Standard Terms and Conditions of Sale and Standard Terms and Conditions of Purchase in a way that secures and protects the intellectual property rights of Xylem and its Partners. Partners may receive our confidential information only as authorized by a confidentiality or non-disclosure agreement and are obligated to not use the information except as permitted by the agreement and to protect the information from misuse or unauthorized disclosure.
- Prevent the use of the Xylem trademarks, images, copyrights, trade secrets, or other intellectual property owned by Xylem unless explicitly authorized in writing.
- Avoid conflicts of interest in all work with Xylem. A conflict of interest may happen when a Business Partner or Supply Partner has a competing professional or personal interest while carrying out Xylem's business. All known conflicts of interest must be disclosed to Xylem at the time of contracting or when the conflict arises.

Transparency and Adherence

We are committed to ensuring compliance throughout our business practices to prevent, mitigate, and remediate risks when identified. We expect our Business Partners and Supplier Partners to do the same.

Our Partners must:

- Commit to prevent, mitigate, and remediate risks that impact Xylem. To monitor this, the Business Partner and Supply Partner will provide Xylem, its representatives, and agents, at mutually agreeable dates and times, access to its facilities and all relevant records and documentation associated with Xylem products and services and, allow Xylem to conduct onsite audits, review and approve corrective action plans, and verify the implementation of corrective actions.
- If risks to Xylem's business are identified, allow Xylem, upon request, immediate access to the products, services, and associated records, and the Business Partner and Supply Partner must accommodate Xylem's access as required.
- For Partners who provide products and services to Xylem, ensure compliance with product-related requirements, such as REACH, RoHS, and Conflict Minerals, and may be required to declare material content and origin to Xylem.
- Report suspected misconduct or wrongdoing relating to Xylem to our reporting line (integrity.xylem.com).
- Cooperate in investigations of potential misconduct and/or wrongdoing including responding to information requests, participating in interviews, and preserving/providing relevant documents and communications. Cooperation also includes remediating potential misconduct and/or wrongdoing through personnel actions and enhancements to training, communications, and policies.
- Support Xylem in the enforcement of the Business Partner and Supply Partner Code of Conduct by clearly communicating its principles within its value chain and all parties related to the management, production, sale, and service of Xylem products.
- Have a communicated process for their personnel to raise concerns confidentially, without fear of retaliation.

Cybersecurity

We believe any robust information security model is comprised of three main components: confidentiality, integrity, and availability. We expect our Partners to implement measures to ensure proper information security.

Our Partners must:

- Ensure data is only available to authorized parties. Confidential data should never be available or disclosed to people who do not require or should not have access to it.
- Provide certainty that data and functionality are not subject to any unauthorized modification, tampering, or degradation during or after submission.
- Ensure data and functionality are available when needed to authorized users, as demonstrated through properly functioning computing systems, security controls, and communication channels that are resilient to cyber threats and have safeguards against power outages, hardware failures, and other events that could affect system availability.

Confidentiality and Data Protection

Sometimes we must collect, use, store, or share personal information from our Partners. When we do, we take care to keep that information safe and confidential.

We collect only the personal data that is needed and use it only for legitimate business purposes.

We share it only with people who are authorized to see it. We always handle personal data responsibly and in compliance with the data privacy laws where we operate. We expect our Partners to do the same.

Our Partners must:

- Handle and disclose personal data and confidential information obtained in the course of the relationships with Xylem, only as authorized and directed by Xylem and as required by applicable laws and regulations.
- Protect personal data and confidential information against unauthorized and unlawful use, disclosure, access, loss, alteration, damage, and destruction.

Antitrust and Fair Competition

We believe in free and fair competition. We always compete for business openly, honestly, and lawfully and do not tolerate anti-competitive activity in any form. We expect our Partners to do the same.

Our Partners must:

- Never communicate confidential and/or competitively sensitive data of one party with any other person or party not authorized to receive it.
- Never communicate with Xylem, Xylem's competitors, or with other Partners about Xylem or competitor prices, output, capacities, sales, bids, profits, profit margins, costs, methods of distribution, production, and scheduling, or any other parameter that could determine or influence competitive behavior with the aim of soliciting parallel behavior from the competitor or that otherwise results in artificially limiting competition or causing a restraint on trade.
- Not enter into an agreement with Xylem competitors, Business Partners, Supply Partners, or their associated upstream or downstream third parties (such as resellers and wholesalers): not to compete, restrict dealings with suppliers or customers, submit bogus offers for bidding, divide up customers, markets, territories, or production programs, or attempt to influence the resale prices charged by our purchasers or attempt to make them restrict the export or import of goods supplied by Xylem.
- Not obtain competitive intelligence by using industrial espionage, bribery, theft, or electronic eavesdropping, or communicating knowingly false information about a competitor or its products or services.

Combatting Bribery and Corruption

We prohibit all forms of bribery and corruption and adhere to applicable anti-corruption laws where we do business around the world. We expect our Partners to do the same.

Our Partners must:

- Comply with anti-corruption and anti-bribery laws.
- Prohibit and not authorize, pay, promise, or offer to give money, a gift, or anything of value (including non-monetary value) to any individual or entity to improperly influence that individual or entity to act favorably towards Xylem. This also applies to subcontractors or agents hired by the Business Partner or Supply Partner.
- Prohibit and do not engage in corruption, bribery, or any activity (including improper payments) that may imply involvement in corruption or bribery when working for or with Xylem. This includes facilitation payments or the giving or receiving of preferential treatment that may be perceived as a bribe for or on behalf of Xylem.

xylem

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