



POLITICAL ACTIVITIES POLICY

OBJECTIVE

Xylem Inc. (“Xylem” or the “Company”) believes that corporate participation in the public policy process is an important means of enhancing long-term shareholder value. Xylem engages in public policy advocacy on issues that are core to our businesses through ongoing, constructive and transparent interactions with government officials, policymakers, industry and trade associations and stakeholder groups. Furthermore, as a thought leader and leading, global water technology company committed to solving the world’s water challenges, Xylem believes it has a responsibility to participate in the public policy process.

Our engagement in the public policy process is grounded in and guided by our unwavering commitment to strong corporate governance and compliance with Xylem’s Code of Conduct. We also respect and adhere to the wide range of federal, state and local laws that regulate political activities and the public policy process in the jurisdictions in which we operate globally. Failure to comply with these laws by the Company or any of its directors, officers or employees, even if inadvertent, could result in a legal violation, civil and/or criminal penalty, as well as reputational damage for both the individual and the Company.

The objectives of this policy are to: a) promote compliance with our Code of Conduct, b) promote compliance with applicable laws governing political activity; c) foster accountability, transparency, integrity and responsibility as respects all political activities on behalf of the Company, and d) preserve the reputation and integrity of Xylem, its directors, officers and employees.

Questions about this policy or its application to any proposed transaction should be directed to the Office of the General Counsel.

All words or phrases that are capitalized are defined in the “Key Terms and Definitions” section of this policy. Use of the term “Xylem” in this policy refers to Xylem Inc. and its subsidiaries.

SCOPE

This policy applies to all directors, officers and employees of Xylem and its subsidiaries globally, as well as contractors, consultants and lobbying firms engaged by Xylem or its subsidiaries.

POLICY

1. Lobbying Activity. Should a Xylem employee intend to engage in Lobbying Activity or retain an outside consultant or lobbying firm for this purpose:
 - a. The employee will pre-clear all intended Lobbying Activities, including the retention of outside consultants or lobbying firms, with the Office of the General Counsel;
 - b. The employee, consultant, lobbying firm and the Company will register as lobbyists to the extent required by applicable laws; and
 - c. The employee, consultant, lobbying firm and Company will maintain accurate records of all

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contacts with Government Officials constituting Lobbying Activities and comply with all monitoring, disclosure and/or reporting procedures required by Xylem policy or applicable laws.

2. Political Contributions.

- a. Xylem will not make direct or indirect Political Contributions in support of candidates or campaigns for political office, political causes or political views.
- b. Xylem directors, officers and employees are not permitted to make any Political Contributions on behalf of or for the benefit of Xylem, whether directly or indirectly, explicitly or implicitly. All Political Contributions made by a director, officer or employee shall be strictly at the individual's discretion and in a personal capacity. Xylem will not directly or indirectly reimburse any such personal Political Contributions or related expenses. At no time will Xylem coerce its directors, officers or employees to make any personal Political Contributions, nor will Xylem take any retaliatory actions against such individuals for making, or not making, personal Political Contributions. Any director, officer, employee, outside consultant or lobbying firms retained by Xylem who has made personal Political Contributions in support of individuals associated with the award of bidding activity involving Xylem, must provide all relevant information that is required to be disclosed.

3. Political Action Committees ("PACs"). Xylem will not form, maintain, support or sponsor any PACs.

4. Industry and Trade Associations. Xylem believes that industry and trade associations benefit our business and therefore may elect to participate as a member of an organization(s). Xylem's membership in an organization may be, in whole or part, intended to advance collaborative and constructive approaches to industry engagement with policymakers and other stakeholders to help advance the Company's public policy agenda and related business goals at the federal, state and local level. Although industry and trade associations are not primarily political organizations, a portion of the membership dues that the Company and other participants pay could be part of the funds that the organizations use, at their discretion, to fund political activities. The Company's membership with an organization shall not imply endorsement of all of the policy positions of that particular group. Xylem will review these memberships annually to assess their business value and alignment with the Company's overall public policy agenda.

5. Disclosure.

- a. A current copy of this policy will be maintained on Xylem's external corporate website at www.xylem.com.
- b. Xylem will timely file all registrations and/or information statements required by applicable laws.
- c. Personal Political Contributions made by directors, officers, employees, outside consultants or lobbying firms retained by Xylem shall be disclosed as required in the context of Xylem's participation in bidding activity.
- d. As determined by the General Counsel, Xylem may disclose on its external corporate website at www.xylem.com a list of industry and trade associations to which Xylem has paid a total of

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\$25,000 or more in the prior fiscal year.

KEY TERMS & DEFINITIONS

Government Official means an elected member of the legislative or executive branch of a federal, state or local government, and a staff person working for legislative or executive branch officials or committees that is considered covered by applicable lobbying laws. In some jurisdictions, every staff person is considered covered, while in other jurisdictions only specifically designated staff roles are covered.

Lobbying Activity means:

- a. any oral, written or electronic communication with a Government Official, made on behalf of Xylem for the purpose of influencing executive orders, legislation, rules, regulations, policies, positions, nominations, appointments, or other official governmental policy decisions, (collectively "Official Government Actions");
- b. any attempt to indirectly influence Official Government Actions by urging members of the public to contact Government Officials to propose, support, or oppose such actions; and
- c. any activities supporting the activities described above, including drafting white papers or talking points and coordinating with outside lobbying firms.

Routine administrative contacts that do not attempt to influence a Government Official do not constitute Lobbying Activity. Certain laws may include thresholds for Lobbying Activities that may trigger compliance requirements, and therefore the Office of the General Counsel must be advised of all Activity. In addition, the Office of the General Counsel must be consulted prior to retaining any business development consultants who may, on Xylem's behalf, engage with elected officials, in order to determine whether the engagement may constitute Lobbying Activity. All questions about what may constitute Lobbying Activity should be directed to the Office of the General Counsel.

Political Action Committees ("PACs") means organizations formed for the purpose of raising and spending money in connection with political campaigns at the federal, state or local level of the United States.

Political Contribution means anything of value that is provided directly or indirectly for the benefit of: a) a candidate's campaign for political office, b) a political party, c) a not-for-profit political organization, or e) political committee, whether at the federal, state, or local level. Political Contributions mean monetary contributions (e.g., corporate contribution checks, purchase of tickets for a campaign reception or dinner, or a loan) or "in-kind" contributions (e.g., the use of Xylem facilities or personnel for a fundraiser, campaigning, or payment for services, and/or purchasing of materials or services).



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SUPPORTING DOCUMENTS

- Xylem Code of Conduct
- Policy 40-24: Gifts, Hospitality, Travel & Charitable Contributions
- Policy 40-21: Anti-Corruption
- Policy 40-15: Anti-Boycott
- Policy 40-03: Relationships with Governments

REVISION HISTORY

<u>Date</u>	<u>Revision</u>	<u>Change Made</u>	<u>Executive Sponsor/Approver</u>
January 15, 2021	--	Initial Issuance	Claudia Toussaint