

Statement on Efforts to Combat Modern Slavery

Xylem Inc. (NYSE: XYL) is a leading global water technology company with operations in more than 150 countries, featuring well-known industry-leading brands of water solution products and services that make a difference in communities around the world. Information on Xylem's worldwide organizational structure and global footprint is available here: <https://www.xylem.com/en-US/about-xylem/where-were-located/>

At Xylem, good corporate governance is non-negotiable. It is an integral part of the company's sustainability strategy. We have created a business structure that promotes corporate fairness, transparency, and accountability – all hallmarks of a strong, sustainable enterprise. As Xylem purchases goods and services directly and indirectly from suppliers worldwide, Xylem is committed to the highest standards of integrity and social responsibility within our company operations and throughout our global supply chain. We are committed to treating everyone in our business and supply chain with dignity and respect and endeavor to partner with suppliers that reflect these same standards and values.

This statement on Xylem's efforts to combat modern slavery in its operations and supply chains is made and published pursuant to the Australia Modern Slavery Act (2018), the California Transparency in Supply Chains Act (2010), and the U.K. Modern Slavery Act (2015). This statement identifies the efforts of Xylem and its subsidiaries during the financial year ending December 2020. For simplicity, we use the term "modern slavery" to encompass all forms of forced, involuntary, or enslaved labor, child labor, and trafficked labor.

Assesment of Modern Slavery Risk

Based on geography, the type of work being conducted, and the type of labor being used in our operations, we believe that the risk of modern slavery in Xylem's directly employed workforce is very low. This is because Xylem's employees are largely educated or skilled, or are undertaking work in controlled environments where there are established policies and processes in place to combat modern slavery.

To better understand the use of indirect labor providers in our supply chain, we enhanced our supplier environmental and social assessment program. In 2020, we began requiring a percentage of our suppliers to participate in a global, third-party managed, collaborative platform to assess their environmental and social performance, which includes combating modern slavery. We will continue to increase the number of suppliers in the program to ensure adequate engagement in the future.

Code of Conduct and Training

Xylem regularly trains current employees and all new employees on Xylem's Code of Conduct (<https://www.xylem.com/en-US/about-xylem/our-code-of-conduct/>), which includes our commitment to the elimination of modern slavery.

Verification of Supply Chains & Audit of Suppliers

Xylem maintains a Supplier Code of Conduct (<https://www.xylem.com/en-US/about-xylem/supplier-code-of-conduct/>) to make clear that Xylem expects its suppliers and vendors to conduct business with a high degree of integrity and in a socially responsible manner. Xylem's Supplier Code of Conduct requires that suppliers not allow any unlawful business practices, including the use of modern slavery. By agreeing to our Supplier Code of Conduct, suppliers provide us with access to their facilities and all relevant records associated with the products and services provided to Xylem as part of our Supplier Audit Program.

To support Xylem's Supplier Code of Conduct and its policies, Xylem's Supplier Audit Program requires, among other things, an assessment of a supplier's processes and procedures; communication channels; sustainability practices, including environment, safety, and health; compliance with conflict minerals initiatives; organizational capability and structure; and logistics. For each assessment, the supplier undergoes a series of questions about its corporate responsibility credentials, including modern slavery matters, and is subject to further review when and where appropriate.

The frequency of follow-up assessments is established based on the time since the last assessment and the specific development plan with a particular supplier. We do not use third parties to verify suppliers for purposes of assessing compliance with modern slavery laws and we do not conduct independent and unannounced audits to evaluate compliance with our standards against modern slavery. Xylem is advancing strategies to enhance its Supplier Audit Program to evaluate further operational risks at selected suppliers.

Certification by Suppliers

Xylem's standard terms and conditions of purchase include a certification prohibiting the use modern slavery. By accepting the terms and conditions of purchase, the supplier certifies that it will not use child labor as defined by local law; will not use forced or compulsory labor; will not physically abuse labor; and will respect employees' rights to choose whether to be represented by third parties and to bargain collectively in accordance with local law. In addition, the supplier certifies that it will comply with all applicable laws and regulations with respect to wage and benefit, working hours and overtime, health, safety, and environmental matters.

Accountability and Performance Monitoring Indicators

Xylem's Human Rights corporate policy, which includes commitments on preventing modern slavery, provides that Xylem can terminate any relationship with a supplier that does not adhere to our policies prohibiting any form of modern slavery. In addition, we have engaged an external vendor to provide employees, suppliers, and customers with a toll-free, 24-hour-a-day reporting help line to report any suspected violations of Xylem's Code of Conduct or Supplier Code of Conduct, including violations of our policy regarding modern slavery. The hotline includes language support in over 180 languages.

At Xylem headquarters, and in each region throughout the world, we have installed Ethics and Compliance Review Boards, staffed by senior managers and compliance leaders, to oversee local compliance with our Code of Conduct and monitor any ethics and compliance investigations that may be received through our hotline or through other reporting channels offered by the company.

Next Steps

Currently, we are collating and reviewing the data sets collected from our recent supplier engagements to determine what performance measures we can most usefully report, year to year, to indicate the progress we are making to combat modern slavery. In 2021, we will establish a robust Country/Industry Risk Mapping process

for our supply chain and continue to educate our procurement staff and others making purchasing decisions at Xylem. Both actions are essential for gaining additional supply chain visibility and understanding of related priorities to further drive our supply chain assessment, auditing, and monitoring efforts.

In accordance with the Australia Modern Slavery Act (2018), the California Transparency in Supply Chains Act (2010), and the U.K. Modern Slavery Act (2015), and guidance thereunder, this statement has been signed by the undersigned directors (or applicable equivalent) for and on behalf of the following entities to the extent that this statement relates to the activities of those respective entities.

Fluid Handling LLC <i>Peter Bilelis</i> _____ Name: Peter Bilelis Title: Director
Sensus USA Inc. <i>[Signature]</i> _____ Name: Natalie Gominger Title: Director
Xylem Delaware, Inc. <i>Gary Ross</i> _____ Name: Gary Ross Title: Director
Xylem Dewatering Solutions, Inc. <i>Peter Bilelis</i> _____ Name: Peter Bilelis Title: Director
Xylem Water Solutions Australia Limited <i>[Signature]</i> _____ Name: Nicole Springer Title: Director
Xylem Water Solutions UK Ltd <i>Ian Thompson</i> _____ Name: Ian Thompson Title: Director
Xylem Water Solutions U.S.A., Inc. <i>Peter Bilelis</i> _____ Name: Peter Bilelis Title: Director