

C0. Introduction

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C0.1

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**(C0.1) Give a general description and introduction to your organization.**

Xylem, with 2021 revenue of \$5.2 billion and more than 17,000 diverse employees, is a leading global water technology company committed to solving critical water and infrastructure challenges with technological innovation. We are creating a more sustainable world by enabling our customers to optimize water and resource management and helping communities in more than 150 countries become water secure.

We design, manufacture and service highly engineered products and solutions ranging across a wide variety of critical applications, primarily in the water sector, but also in electric and gas. Our broad portfolio of products, services and solutions addresses customer needs across the water cycle, from the delivery, measurement and use of drinking water to the collection, test and treatment of wastewater to the return of water to the environment. We have differentiated market position in core application areas including transport, treatment, test, smart metering, smart infrastructure, analytics, digital solutions, condition assessment and leak detection, building services and industrial processing.

Xylem is headquartered in Washington, DC and has 44 manufacturing facilities in 19 countries which produce over 42 product lines for customers in over 150 countries through a balanced distribution network consisting of our direct sales force and independent channel partners. Our product, services and solutions offerings are organized into three reportable segments that are aligned around the critical market applications they provide: Water Infrastructure, Applied Water and Measurement & Control Solutions.

The name Xylem is derived from classical Greek referring to the tissue that transports water in plants, highlighting the engineering efficiency of our water-centric business by linking it with the best water transportation of all – that which occurs in nature.

C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2021	December 31 2021	No	<Not Applicable>

C0.3

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**(C0.3) Select the countries/areas in which you operate.**

- Algeria
- Argentina
- Australia
- Austria
- Belgium
- Brazil
- Canada
- Chile
- China
- Colombia
- Czechia
- Denmark
- France
- Germany
- Hong Kong SAR, China
- Hungary
- India
- Italy
- Japan
- Malaysia
- Mexico
- Morocco
- Netherlands
- New Zealand
- Norway
- Peru
- Philippines
- Poland
- Portugal
- Republic of Korea
- Russian Federation
- Singapore
- Slovakia
- South Africa
- Spain
- Sweden
- Switzerland
- Turkey
- United Arab Emirates
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Uruguay

**C0.4**

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

**C0.5**

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

**C0.8**

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**(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	98419M1009

**C1. Governance**

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**C1.1**

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**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

**C1.1a**

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board-level committee	The Board has delegated responsibility for oversight of certain risk categories to designated Board Committees based on each Committee's expertise; each Committee regularly receives updates on these matters from management and reports on them to the full Board so that the Board has information necessary to fulfill its risk oversight responsibilities. The Audit and Finance Committees oversee the company's overall risk assessment and risk management processes and policies as well as accounting, controls, and financial disclosures. The Board's Nominating & Governance Committee is responsible for overseeing risks related to sustainability, business continuity and disaster recovery, and compliance programs, including environmental, health and safety, along with related activities. The Committees and the full Board discuss climate- and water-related issues with management in connection with oversight of our strategy and these other areas. One Board meeting per year is dedicated to an intensive review and discussion of Xylem's strategic plans, including our approach to sustainability and ESG matters; the Board receives updates on our strategy at other Board meetings. Our business strategy is also discussed in executive sessions of independent directors and at Committee meetings. We develop our business and sustainability strategy through the lens of resiliency of water systems against climate change, water scarcity and water affordability. Climate and water-related risks are part of our regular strategy discussions with the Board and its Committees. When we review our manufacturing and supply chain strategy, sustainability and footprint management are included in those discussions. Our Innovation & Technology Committee reviews our technology and innovation priorities in the context of overall corporate and innovation strategies, including reducing the climate impact of our pumping and treatment technologies. Our Nominating & Governance Committee reviews our sustainability strategy and performance against our goals at least annually; these goals focus our efforts to enhance water systems resilience to climate change and other water challenges and affordability issues.

**C1.1b**

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> <li>Reviewing and guiding strategy</li> <li>Reviewing and guiding major plans of action</li> <li>Reviewing and guiding risk management policies</li> <li>Setting performance objectives</li> <li>Monitoring implementation and performance of objectives</li> <li>Overseeing major capital expenditures, acquisitions and divestitures</li> <li>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</li> </ul>	<Not Applicable>	The Board has delegated responsibility for oversight of certain risk categories to designated Board committees based on each committee's expertise and applicable regulatory requirements. The committees regularly receive updates from management on these matters within their purview and report on them to the full Board. The Audit Committee oversees the company's overall risk assessment and risk management processes and policies as well as accounting, controls, and financial disclosures. The Finance Committee oversees the company's capital allocation strategies and plans, including investments related to sustainability initiatives. The Board's Nominating & Governance Committee is responsible for overseeing risks related to sustainability, business continuity and disaster recovery, and compliance programs, including environmental, health and safety, along with related activities. The above committees and the full Board discuss climate- and water-related issues with management in connection with oversight of our strategy and these other areas. One Board meeting per year is dedicated to an intensive review and discussion of Xylem's strategic plans, including our approach to sustainability and ESG matters. At each of its meetings, the Board receives updates on our execution of our strategy. Our business strategy is also discussed in executive sessions and at committee meetings. We develop our business and sustainability strategy through the lens of resiliency of water systems against climate change, water scarcity and water affordability. Additionally, when innovation and technology, manufacturing and supply chain strategy is reviewed with our Board, sustainability and environmental footprint management are included in those discussions. Our Nominating & Governance Committee reviews our sustainability strategy and performance against our goals at least annually; these goals focus our efforts to enhance water systems resilience to climate change and other water challenges and affordability issues.

**C1.1d**

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	The Nominating & Governance Committee seeks to identify candidates who possess the experience, skills, qualifications and attributes that will provide a broad range of personal characteristics to the Board, including diversity of thought and background, C-suite experience, experience in technology and innovation and global business. As our annual Board meeting includes a review of our strategic approach to sustainability, ESG competence, including competence on climate-related issues, is considered as one key factor in our Board composition and refreshment. In fulfilling its refreshment responsibilities, the Board and the Nominating & Governance Committee use an evergreen process as outlined on page 28 of our 2022 Proxy Statement.	<Not Applicable>	<Not Applicable>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

**C1.2a**

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Sustainability isn't just an initiative at Xylem; it's our core business strategy, and it drives our employees to come to work each day with a common purpose and passion – to redefine and advance the world's water systems and, in doing so, to improve the lives of people around the globe. As the world's climate changes, water issues are intensifying around the globe – demanding new and bold solutions. For Xylem, the planet's climate-related water challenges provide opportunities for us to address and overcome them.

Our senior leadership team members, under the direction of our CEO, lead businesses, sales teams and functional areas with the intent of building an enduring and successful company in service to customers and communities. Our businesses integrate sustainability - such as climate change mitigation and adaptation solutions – into their strategies to accelerate innovation, sell our products and services, and grow our business. Ultimately, our growth strategies are designed to position Xylem as a leader in the global water technology industry, enabling customers to increase their resiliency against climate change and to optimize their water and resource management for the communities around them. Our CEO has ultimate responsibility for aligning Xylem's long-term business strategy with climate-driven market conditions in the water technology industry.

Our CEO's approach to climate-related issues is informed by Xylem's Climate Action Plan, which covers the management of our operational environmental impact and outlines our enterprise commitment to develop innovative mitigation and adaptation solutions for the water-related challenges associated with climate change. This approach is also applied to our M&A strategy, which is led by our CEO and focused on key growth areas that can further advance our ability to have a positive impact on climate-related issues. For example, since 2016, we have completed several acquisitions in systems intelligence, adding leading products and technologies in smart metering, data analytics and software & managed services to our portfolio. We are also focused on increasing our capabilities in the areas of advanced industrial water treatment and industrial water services.

Our CEO leads an intensive review and discussion of Xylem's strategic plans, including our approach to sustainability and ESG matters, with our Board during our annual strategy meeting; the Board receives updates on our strategy from our CEO and other members of our senior leadership team at other Board meetings. Our CEO develops our business and sustainability strategy through the lens of resiliency against climate change, water scarcity and water affordability. Sustainability, including climate- and water-related risks, underlies our strategy discussions with the board. When we review our manufacturing and supply chain strategy, sustainability and footprint management are included in those discussions. Our Innovation & Technology Committee reviews our technology and innovation strategy including innovation to reduce the climate impact of our pumping and treatment technologies. Our Nominating & Governance Committee reviews our sustainability strategy and performance against our goals, many of which consider climate and water risks, at least annually.

**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Incentives are provided for the management of climate-related issues, including the achievement of specific 2025 goals and targets.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Efficiency target	At Xylem, sustainability is at the center of who we are and what we do. As a leading global water technology company, we address one of the world's most urgent sustainability challenges – responsible stewardship of our shared water resources. Technology is playing an increasingly important role in helping the world solve water issues. We have a long history of innovation and are focused on the powerful capabilities of smart technology, integrated management and data analytics. A significant portion of our executive pay is performance-based and not guaranteed. In 2021, 74% of our corporate executive team's annual incentive compensation was tied to targets for revenue, operating income and free cash flow conversion, weighted equally. For 2021, core financial metrics were selected to reflect the importance of top line growth, profit, and management of free cash flow as the foundation for building shareholder value. The remaining 25% of the annual incentive compensation was tied to financial and non-financial Individual Objectives for Named Executive Officers (NEOs) that were used to align closely with the Company's five top strategic priorities and two core imperatives: Revenue growth means that we are successful in selling more of our green/sustainable products and solutions. Operating income improvements means that we are thoughtful about our costs, including energy costs. Our energy treasure hunts routinely contribute to our operating income performance. A portion of the individual component of the 2021 Annual Incentive Compensation for both our CEO and our Chief Sustainability Officer (CSO) was tied to Xylem's sustainability performance as rated by Sustainalytics. In addition, the individual component of the 2021 Annual Incentive Compensation for our segment Presidents included the safety performance of their businesses as measured by injury frequency and risk reduction index. In 2022, the Company is augmenting its sustainability-linked compensation for all our NEOs, as well as a broader group of executives, with a special, one-time grant of performance share units with goals that are based on 5 of our strategically transformative 2025 sustainability goals.
All employees	Non-monetary reward	Energy reduction target	We are making significant progress, from identifying our highest-emitting activities to engaging employees across our company to adopt a more energy-efficient mindset - all of which will help move us closer to achieving our goal to reduce our GHG emissions. Some of our most successful initiatives to engage employees in energy-reduction efforts have been "Energy Treasure Hunts" at selected facilities. During these events, cross-functional teams of employees identify possible day-to-day energy efficiency improvements. The goal is to find opportunities to reduce energy use, costs and greenhouse gas emissions related to energy. Treasure Hunts and other activities that identified energy efficiency, emissions, water, and waste reduction opportunities were conducted at 35 Xylem facilities in 2021, starting with our highest resource-consuming facilities. In 2021, we determined these efforts have led to 49 recommended projects, 29 percent of which are underway. These projects are expected to avert 210 tons of CO2e emissions and save 338,000 kilowatt hours. Non- monetary incentives such as Xylem-logoed shirts and novelty items, pizza parties and cookouts are given to employees in recognition for participation in Sustainability and Health & Safety initiatives like the Energy Treasure Hunts.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	5	
Long-term	5	10	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Xylem defines a substantive financial impact or strategic impact as anything within our direct operations, supply chain, or value chain that stands to impact 4% or more of Xylem's overall annual revenue.

C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

More than once a year

**Time horizon(s) covered**

Short-term  
Long-term

**Description of process**

Risks, including the effects of climate change, are disclosed in our annual 10-K filing with the Securities and Exchange Commission. Xylem's risks are managed through a comprehensive Enterprise Risk Management (ERM) program with 5 key components: Risk Appetite & Strategy, Governance & Organization, Policies and Procedures, Risk Management Process, and Monitoring & Reporting. Our ERM program is underpinned by a framework and evergreen process, which together enable the ongoing capture, assessment and monitoring of risks and mitigation plans. Each risk is assigned a score for i) severity of impact, ii) likelihood of occurring, iii) preparedness of controls / vulnerabilities, and iv) speed of onset, and placed on a heat map to highlight its relative importance. Risks are reviewed and updated periodically to determine if and how each risk's inherent risk profile and residual risk has changed, as appropriate, as Xylem's business and strategy evolves. In 2021, we conducted a transition and physical risk scenario analysis using the Task Force on Climate Related Financial Disclosures (TCFD) framework. In our 2022 TCDF report, we identified several risks including current and emerging regulations and reporting requirements, technology and competitive market changes, carbon pricing mechanisms, and increased severity and frequency of extreme weather events. In addition, we identified several opportunities including increased revenues resulting from increased demand for climate adaptive and resilient products and services, increased revenues through access to new and emerging markets, and use of more efficient production and distribution processes. The ERM Program is led by an Enterprise Risk Committee (ERC), chaired by Xylem's, VP, Chief Corporate Counsel and Assistant Corporate Secretary and which includes the CFO, General Counsel and executives from Treasury, Risk Management, Legal, Finance, Operations, Marketing and IT. The VP of Internal Audits has a standing invite. The ERC's responsibilities include: a) establishing and maintaining the risk management framework, b) ensuring that all critical risks are identified and managed on an ongoing basis, c) reviewing the results of the annual Enterprise Risk Assessment, d) fostering a risk management culture and discipline necessary to achieve the Company's objectives, e) defining the organization's risk profile based on the results of the annual Risk Assessment and the Company's strategic objectives, and f) scanning the Company's ecosystem to identify emerging risks. Risks are considered more than six years into the future. Xylem's ERM Program is audited by the Internal Audit Department, which reviews the Program and its effectiveness, and tests selected risks. The ERC reports findings and status of risks to Xylem's Senior Leadership Team, Audit Committee and Board of Directors, who have ultimate oversight and responsibility for risk assessment, management processes and policies.

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**C2.2a**

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**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Our manufacturing operations worldwide are subject to many requirements under environmental laws. In the U.S., the Environmental Protection Agency and similar state agencies administer laws and regulations concerning air emissions, water discharges, waste disposal, environmental remediation, and other aspects of environmental protection. Such environmental laws and regulations in the U.S. include, for example, the federal Clean Air Act (CAA), the Clean Water Act (CWA), the Resource, Conservation and Recovery Act (RCRA), and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). Environmental requirements significantly affect our operations. We have established an internal program to address global compliance with applicable environmental requirements such as the EU Regulations and Directives and other country-specific environmental laws. Compliance risk is considered as part of our semi-annual ERM process, as described in C2.2.
Emerging regulation	Relevant, always included	Unforeseen environmental issues could impact our financial position or results of operations. Our operations, products and solutions are subject to and affected by many federal, state, local and foreign environmental laws and regulations, including those enacted in response to climate change concerns. In addition, we could be affected by future environmental laws or regulations, including, for example, those imposed in response to climate change concerns. Compliance with current and future environmental laws and regulations currently requires and is expected to continue to require operating and capital expenditures. Increased public and governmental awareness and concern regarding global climate change has led to significant legislative and regulatory efforts to limit greenhouse gas emissions and will likely result in increasing environmental and climate change laws or regulations. Compliance with these current and future laws and regulations currently requires, and is expected to continue to require, increasing operating and capital expenditures which could impact our business, financial condition and results of operations. Additionally, President Biden's administration may increase the likelihood of potential changes in these laws and regulations and the enforcement of any existing or new legislation or directives by government authorities. Environmental laws and regulations may authorize substantial fines and criminal sanctions as well as facility shutdowns to address violations and may require the installation of costly pollution control equipment or operational changes to limit emissions or discharges. We also incur, and expect to continue to incur, costs to comply with current environmental laws and regulations. Developments such as the adoption of new environmental laws and regulations, stricter enforcement of existing laws and regulations, violations by us of such laws and regulations, discovery of previously unknown or more extensive contamination, litigation involving environmental impacts, our inability to recover costs associated with any such developments, or financial insolvency of other responsible parties could in the future have a material adverse effect on our financial position and results of operations. Due to the nature of these risk, as described here, assessment of risk associated with emerging regulation is included in our ERM process, as described in C2.2.
Technology	Relevant, always included	Our competitive position and future growth rate depend upon a number of factors, including our ability to successfully: (i) innovate, develop and maintain competitive products, services, business models and customer experience to address emerging trends and meet customers' needs, (ii) defend our market share against an ever-expanding number of competitors, (iii) enhance our product and service offerings by adding innovative features or disruptive technologies that differentiate them from those of our competitors and prevent commoditization, (iv) develop, manufacture and bring compelling new products and services to market quickly and cost-effectively, (v) continue to cultivate, develop and maintain our distribution network of channel partners, (vi) attract, develop and retain individuals with the requisite innovation and technical expertise and understanding of customers' needs to develop new technologies, products and services, (vii) continue to invest in manufacturing, research and development, engineering, sales and marketing, customer service and support, and our distribution networks, (viii) win large contracts, and (ix) compete for business subject to applicable governmental procurement laws and policies. We may not be successful in maintaining our competitive position, which could adversely affect our business, financial condition, cash flows or results of operations. The failure of our technologies, products or services to maintain and gain market acceptance due to more attractive offerings, or customers' slower-than-expected adoption of and investment in our new and innovative technologies could significantly reduce our revenues or market share and adversely affect our competitive position. Pricing pressures also could cause us to adjust the prices of certain products to stay competitive, or we may not be able to continue to win large contracts, which could adversely affect our market share and competitive position. Additionally, a significant portion of our products and offerings in our Measurement & Control Solutions segment are affected by the availability and regulation of radio spectrum. Accordingly, if the United States Federal Communications Commission does not renew our existing spectrum licenses, our business could be adversely affected. As these risks have significant and fundamental impact on our profitability and ability to compete, technology risk is included in our ERM process, as described in C2.2.
Legal	Relevant, always included	We are subject to various laws, ordinances, regulations, and other requirements of government authorities in foreign countries and in the United States, any violation of which could potentially create substantial liability for us and also damage to our reputation. Changes in laws, ordinances, regulations or other government policies, the nature, timing, and effect of which are uncertain, may significantly increase our expenses and liabilities. If we do not or cannot adequately protect our intellectual property, if third parties infringe or misappropriate our intellectual property rights, or if third parties claim that we are infringing or misappropriating their intellectual property rights, we may suffer competitive injury, expend significant resources enforcing our rights or defending against such claims, or be prevented from selling products or services. We keep abreast of these emerging legal issues, such as significant litigation or claims through our ERM process and by our various legal and regulatory compliance teams. There were no climate-related litigation claims in 2021.
Market	Relevant, always included	We are exposed to market risk, including related to foreign currency exchange rates, trade restrictions and tariffs, and interest rates. These exposures are monitored by management and are included in our ERM process, as described in C2.2. Our exposure to foreign exchange rate risk is due to certain costs, revenue and borrowings being denominated in currencies other than one of our subsidiaries' functional currency. Similarly, we are exposed to market risk as the result of changes in interest rates which may affect the cost of our financing. It is our policy and practice to use derivative financial instruments only to the extent necessary to manage exposures. Weather conditions, including the effects of climate change, may cause volatility in several served markets, and may affect our financial results. The unpredictable nature of weather conditions, including heavy flooding, prolonged droughts and fluctuations in temperatures or weather patterns, including as a result of climate change, can positively or negatively impact portions of our business, as well as the operations of certain of our customers and suppliers. For example, heavy flooding and rain events, which may be due to global climate change, may increase demand for some of our solutions that may help customers manage water and storm water overflows. Within the dewatering space, pumps provided through our Godwin and Flygt brands are used to remove excess or unwanted water. On the other hand, prolonged drought conditions drive higher demand for pumps used in agricultural and turf irrigation applications, such as those provided by our Goulds Water Technology and Lowara brands. In addition, fluctuations in temperatures result in varying levels of demand for products used in residential and commercial hydronic applications, where homes and buildings use circulating water to heat and cool living spaces, such as those provided by our Bell & Gosset brand. Significant fluctuations in these weather conditions and climate changes can therefore result in volatility in our financial results.
Reputation	Relevant, always included	We are exposed to various product, technology, regulation and physical risks, which could potentially damage our reputation. Product recalls, removals, safety or security alerts, and product liability and quality claims can result in significant costs, as well as negative publicity and damage to our reputation that could reduce demand for our products and have a material adverse effect on our business, financial condition and results of operations. In addition, Xylem is subject to various laws, ordinances, regulations, and other requirements of governmental authorities in foreign countries and in the United States, any violation of which could potentially create substantial liability for us and damage to our reputation. Xylem also partners with and/or sponsors other entities. If one of these partners gains negative publicity, it could affect our reputation. Disruption to any of the information technology and communications networks on which we rely, or an attack on our products and services, could interfere with our operations or result in theft or compromise of our and our customers' intellectual property and trade secrets, and therefore negatively impact our reputation. Finally, while Xylem is not directly dependent on large quantities of water for our operations, as a water technology company, lack of proactive management of our energy and water footprints and climate risk could damage our reputation and reduce demand for our products.
Acute physical	Relevant, always included	If our facilities or operations, or that of third parties on which we rely in our supply chain and critical business operations, were to be disrupted as a result of a significant equipment failure, natural disaster, power, water or communications outage, fire, explosion, critical supply failure, pandemic, terrorism, cybersecurity attack, political disruption, insurrection, armed conflict or war, labor disputes, work stoppage or slowdown, technology failure, adverse weather conditions or other reason, our financial performance operations and business could be adversely affected. Interruptions could cause an inability to meet customer demand or contractual commitments, increase our costs, reduce our sales and impact our business processes and activities. Any interruption in capability may be lengthy and have lasting effects, require a significant amount of management and other employees' time and focus, and require us to make substantial expenditures to remedy the situation, which could negatively affect our profitability and financial condition. Any recovery under our insurance policies may not offset the lost sales or increased costs that may be experienced during the disruption of operations, or any resultant longer-term loss of suppliers, sales or customers, which could adversely affect our business, financial condition and results of operations. In 2021, Xylem commissioned Trucost to assist us in performing a Taskforce on Climate-Related Financial Disclosure (TCFD) Scenario Analysis assessing our climate-related transition and physical risks. For physical risks we focused on extreme weather impacts and other climate impacts in 2025, 2030, and 2050 timeframes for our most critical global locations. We also analyzed the physical risks for our most critical suppliers. Due to the nature of this risk, acute physical risk is considered in our ERM process, as described in C2.2.
Chronic physical	Relevant, always included	Water and our climate are deeply intertwined. According to research by the Intergovernmental Panel on Climate Change (IPCC), climate change will intensify risks associated with water availability and quality. Climate change will exacerbate the water challenges that lie at the heart of Xylem's work. In 2018, we began using the WRI Aqueduct Tool to conduct water sensitivity analyses and communicate water use and risks relative to water availability. In 2021, 285 (over 90%) Xylem facilities were analyzed using the WRI tool. As a part of this analysis, we mapped our facilities to global water basins, determining 129 of Xylem facilities are in areas with less than 1700 m3/(person*year) / 20-40% Water Stress or higher of available water. Inadequate water supply for our operations could result in increased operating costs and reduced production capacity. In 2021, Xylem commissioned Trucost to assist us in performing a Taskforce on Climate-Related Financial Disclosure (TCFD) Scenario Analysis assessing our climate-related transition and physical risks. For physical risks we focused on extreme weather impacts and other climate impacts in 2025, 2030 and 2050 timeframes for our most critical global locations. We also analyzed the physical risks for our most critical suppliers. Due to the nature of this risk, acute physical risk is considered in our ERM process, as described in C2.2.

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Our TCFD analysis, performed with the assistance of TruCost ESG Analysis, using carbon pricing risk projections, indicates that Xylem's carbon pricing risk exposure for the year 2030 ranges from \$50 million to \$195 million per annum under low to high carbon prices respectfully. Xylem's direct operations have the highest exposure to potential carbon pricing risk in the U.S. due to the size of our carbon footprint and the low level of carbon pricing currently in existence in the U.S. Having said this, the most significant carbon pricing risk exposure is not in our direct operations but in our global supply chain and in how our customers use our products and solutions. This is one of the reasons we are keenly focused on reducing the carbon footprint of our products and solutions.

**Time horizon**

Short-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

107000000

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

The scenario analysis performed with Trucost, using carbon pricing risk projections, indicates that our carbon pricing risk exposure for the year 2030 ranges from \$50 million to \$195 million per annum under low to high carbon price scenarios respectively. \$107 million USD is the amount under the moderate scenario.

**Cost of response to risk**

1000000

**Description of response and explanation of cost calculation**

We reduce our exposure to these risks by actively managing our GHG emissions. Lowering our emissions may reduce the likelihood of cap-and-trade regulations and carbon taxes increasing our tax burden. Electricity consumption is the largest contributor to GHGs associated with our operations which we aim to reduce by reducing energy use and increasing investments in renewable energy. We had identified our highest-emitting activities and rolled out emissions reduction activities, resulting in a more than 5% decrease in GHG emissions intensity from 2020 to 2021. We have also engaged employees on "Energy Treasure Hunts" to find energy and GHG reduction opportunities. Treasure Hunts and other activities that identified energy efficiency, emissions, water and waste reduction opportunities were conducted at 35 Xylem facilities in 2021, starting with our highest resource-consuming facilities. In 2021, we determined that these efforts led to 49 recommended projects, 29% of which are underway. These projects are expected to avert 210 tons of CO2e emissions and save 338,000 kWh. To keep abreast with emerging regulatory requirements, we also include climate change in our semi-annual enterprise risk management process.

**Comment**

Many of these energy-saving projects are low- or no-cost improvements and relatively easy to implement, such as the installation of efficient lighting and mechanical systems, refrigeration systems and office equipment. In 2021, we capitalized on the benefits of our investments in at least 14 energy reduction projects involving solar panels installation, replacement of less-efficient lighting units with light-emitting diode (LED) lighting at major facilities and from several other opportunities, including compressed air efficiencies and equipment turn off after hours. The estimated yearly impact/reduction of those projects is around 338,000 kWh per year of electricity and 210 tons per year of CO2e emissions. One of the simplest ways to reduce our overall GHG emissions is through the purchase of renewable energy credits and renewable energy. As of year-end 2021, 80 Xylem manufacturing facilities and sales offices purchased electricity generated from renewable sources, which accounts for 75% of our electrical energy use.

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Chronic physical	Other, please specify (water availability and quality)
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Water and our climate are deeply intertwined. According to research by the Intergovernmental Panel on Climate Change (IPCC), climate change will intensify risks associated with water availability and quality. Moreover, the transport, treatment, and use of both clean water and wastewater are significant sources of GHG emissions. Climate change will exacerbate the water challenges that lie at the heart of Xylem's work. We actively manage our own water footprint and we work with our partners to increase water productivity, quality and resilience, resulting in direct and indirect benefits to climate change. In addition to our comprehensive Enterprise Risk Management (ERM) Program, Xylem uses the WRI Aqueduct Tool to analyze which facilities are at risk of a host of environmental factors that would lead to water scarcity. Considering all the factors, Xylem's facility in Shenyang, China, is found to be in an area of extreme water scarcity. Even though Xylem is not dependent on large quantities of freshwater for production, should water cease as a source for this facility, Xylem's production capacity would reduce, and cause a substantive financial impact on our business. Our TCFD Physical Risk Analysis consisted of looking at scenarios under three possible climate change impacts: High Climate Change Scenario: Continuation of business as usual with emissions at current rates. This scenario is expected to result in warming more than 4°C by 2100. Moderate Climate Change Scenario: Strong mitigation actions to reduce emissions to half current levels by 2080. This scenario is more likely than not to result in warming more than 2°C by 2100. Low Climate Change Scenario: Aggressive mitigation actions to halve emissions by 2050. This scenario is likely to result in warming of less than 2°C by 2100. We also looked at the following Climate Hazard Indicators: Water Stress, Flood, Heatwave, Coldwave, Hurricane, Wildfire and Sea Level Rise. The key findings from our TCFD Physical Risk Analysis includes the following: Overall, Xylem's facilities are in areas facing moderate physical risk with greatest exposure to water stress, coldwave and wildfire, although coldwave is declining over time. The top Xylem facilities at risk are in the Philippines, the U.S., Chile, China and India. Those highest risk facilities are prioritized in our business continuity planning efforts. We also looked at the physical risks associated with 133 of our major suppliers' facilities.

**Time horizon**

Long-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

208000000

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

The facility located in Shenyang, China, is considered a "critical" Xylem site as it contributes to 4% or more of Xylem's overall revenue. Xylem's overall revenue in 2021 was 5.2 billion, therefore 4% would be \$208 million.

**Cost of response to risk**

1500000

**Description of response and explanation of cost calculation**

We achieved an approximately 22% reduction in water use intensity in 2021 compared to 2019. To accelerate our efforts, we have committed to employing 100% process water recycling at our major facilities by 2025 using Xylem technologies and equipment. In 2021, six facilities – Dubai, Lubbock, Montecchio, Quenington, San Diego, and Vadodara – achieved that goal. Together with our climate action plan, our 2025 signature water goals help us manage our water consumption and reduce our exposure to these risks. We also signed the CEO Water Mandate in 2017. We have implemented a variety of projects at our facilities, such as rainwater collection for test tank use and recycled water use for landscaping and sanitation. We also equip facilities with our own energy and water saving technologies. These initiatives not only improve our cost efficiencies and insulate from potential future risk, but also build our reputation as a water technology company and provide an internal testing ground for our products and solutions. For example, the upgrade of the existing wastewater treatment system at our Shenyang, China facility continues to contribute to our overall reduction in water use intensity in 2020. This included the installation of Xylem technologies (Flygt, Steady and Lowara pumps, Sanitaire aeration and Wedeco ozone disinfection), allowing the facility to treat its wastewater and reuse it in test tanks, and for several other purposes, including facilities cleaning, toilet flushing, landscaping, and sprinkler system refilling.

**Comment**

As a water technology company, we use our own products to reduce our water usage, and therefore, risk. Our Hydroinfinity product is also being used at facilities located in water-stressed areas to treat contaminated water, chemically-free, to independently verified drinking water standards. Electronic sensors and remote monitoring enable continuous monitoring of the water quality. In 2018, Hydroinfinity/Rainmaster units were installed at our facilities in Chihuahua, Mexico (extreme high-risk water stress), Hoddesdon, United Kingdom (high-risk water stress), and Kolding, Denmark (not water-stressed); these units were also installed in 2017 in Montecchio, Italy (high-risk water stress), and Cape Town, South Africa (extreme high-risk water stress).

**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Market	Changing customer behavior
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**Primary potential financial impact**

Other, please specify (Change in revenue mix and sources )

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Weather conditions and climate changes may adversely affect, or cause volatility in, our financial results. Weather conditions, including heavy flooding, droughts and fluctuations in temperatures or weather patterns, including as a result of climate change, can positively or negatively impact portions of our business. Within the dewatering space, pumps provided through our Godwin and Flygt brands are used to remove excess or unwanted water. Heavy flooding due to weather conditions drives increased demand for these applications. On the other hand, drought conditions drive higher demand for pumps used in agricultural and turf irrigation applications, such as those provided by our Goulds Water Technology and Lowara brands. Fluctuations to warmer and cooler temperatures result in varying levels of demand for products used in residential and commercial applications where homes and buildings are heated and cooled with HVAC units such as those provided by our Bell & Gosset brand. Given the unpredictable nature of weather conditions and climate change, this may result in volatility for certain portions of our business, as well as the operations of certain of our customers and suppliers.

**Time horizon**

Long-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

3860000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Our business is impacted by an increasing amount of short cycle, and book-and-bill business, which we have limited insight into, particularly for the business that we transact through our distributors. We are also impacted by large projects, whose timing can change based upon customer requirements due to several factors affecting the project, such as funding, readiness of the project and regulatory approvals. As it is difficult to determine the potential financial impact of this risk, we have provided our 2021 revenue for our water infrastructure and applied water segments to provide a magnitude of this impact.

**Cost of response to risk**

204000000

**Description of response and explanation of cost calculation**

Our Research and Development (R&D) efforts anticipate customer needs and emerging trends. Our engineers are involved in new product development and improvement of existing products to increase customer value. We have R&D and product development capabilities around the world. R&D activities are initially conducted in our technology centers, located in conjunction with some of our major manufacturing facilities to ensure an efficient and robust development process. We have several global technical centers and local development teams around the world where we are supporting global needs and accelerating the customization of our products and solutions to local needs. For example, our AWS e80SC pump, manufactured in Morton Grove, IL, was localized to India. This allowed Xylem to decrease the supply chain footprint (i.e., less transportation) and provide a locally relevant product at a local competitive price. In some cases, our R&D activities are conducted at our piloting and testing facilities and at strategic customer facilities. These piloting and testing facilities enable us to serve our strategic markets globally.

**Comment**

R&D spending was \$204 million, or 3.9% of revenue, in 2021 as compared to \$187 million, or 3.8% of revenue, in 2020.

**C2.4****(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a****(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development of climate adaptation, resilience and insurance risk solutions

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

The effects of climate change present serious water challenges for our planet and Xylem is well-positioned to provide climate adaptation solutions that address global water needs. Increased natural disasters will increase global demand for products and services needed during flood and drought response. Products such as our Godwin dewatering pumps help remove and/or redirect flood water. Our Goulds Water Technology and Lowara brands provide efficient pumps that help our customers weather drought conditions. Our Wedeco brand also provides wastewater recycling solutions that help mitigate drought risk. The threat of extreme weather events also increases the need to upgrade existing infrastructure to ensure reliable access to water in an emergency. As public and private organizations prepare for climate scenarios, the demand

for Xylem's water, wastewater, and resiliency services will increase. Through brands including Leopold and Wedeco, we provide efficient delivery and use of clean water and efficient and effective management of wastewater. Through brands such as Flygt, Godwin, and Pure Technologies, we help customers manage water-related risks and the resilience of water infrastructure. As the world transitions to a low-carbon economy, pressures to upgrade energy-intensive wastewater management systems will also increase. Xylem provides energy-saving solutions such as our Wedeco Duron UV disinfectant system that provides an energy-efficient alternative for wastewater treatment and our Flygt 4220 mixer that improves mixing efficiency in wastewater processing. The customer base for Equipment and Services in the water industry is diverse. We serve a wide range of industries, including utilities supplying water through an infrastructure network; engineering, procurement and construction firms working with utilities to design and build water and wastewater infrastructure networks; and others, such as farms, mines, power plants, industrial facilities and residential and commercial customers. Our customers also look to us for technology and application expertise to address physical impacts of climate change. For example, Xylem's YSI brand provides real-time water quality monitoring for the Mississippi river using a platform that can be replicated around the world.

#### Time horizon

Short-term

#### Likelihood

More likely than not

#### Magnitude of impact

Medium-high

#### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

#### Potential financial impact figure (currency)

156000000

#### Potential financial impact figure – minimum (currency)

<Not Applicable>

#### Potential financial impact figure – maximum (currency)

<Not Applicable>

#### Explanation of financial impact figure

Though it is difficult to determine the potential long-term financial impact climate change has on our revenue we estimate the total addressable market size of the global water industry to be approximately \$560 billion. In the short-term, we are positioned to capture favorable regulatory, demographic, and infrastructure conditions. Regulations continue movement toward environmental focuses, quality standards and energy efficiency, while demographics trend toward increased population and urbanization along with growth of the middle class in emerging markets. Further, as water scarcity becomes more prevalent and a changing climate leads to more extreme weather patterns, aging infrastructure becomes increasingly problematic. Partially due to these trends, we expect to deliver organic revenue growth of 1 to 3% through 2022. We believe up to half of this growth, or approximately \$156 million, could be directly related to the climate change trends discussed above.

#### Cost to realize opportunity

204000000

#### Strategy to realize opportunity and explanation of cost calculation

A major driver of our strategy to realize this opportunity is to continue innovating new products that provide distinctive solutions for our customers' most important water productivity, quality and resilience challenges. We anticipate we will continue to develop and invest in our R&D capabilities to promote a steady flow of innovative, high-quality and reliable products and integrated solutions to further strengthen our position in the markets we serve. Based on 3% organic growth by 2022, this may yield an increased R&D spend of approximately 210 million. We incurred \$204 million, \$187 million, and \$191 million as a result of R&D investment spending in 2021, 2020, and 2019. Our goal is to continually improve the product energy efficiency of specific Xylem product lines. For example, we have increased the average product efficiency of the e-XC single stage, double suction, centrifugal pump by 2% since 2017 offering a broader hydraulic range and higher efficiency than our previous models. Built on a legacy of pump innovation, the e-XC replaces the AC Series 8100, 8300 and 9100 pump range. With flow rates exceeding 57,000 gpm, it can easily handle medium and large capacity systems and higher head. Manage extra-large applications with Xylem's A-C Custom pump range. With an average energy usage of 53 KW per pump over 8,700 operating hours per year, this is a 2% energy usage improvement over the older model. This resulted in an annual emission reduction of 19,643 tonnes CO<sub>2</sub>e in 2019 and 81,060 CO<sub>2</sub>e tonnes in 2020. In 2021, it helped to reduce 131,149 tonnes of CO<sub>2</sub>e. The 2019 emissions reduction value has been restated due to a change in methodology of the Massachusetts Institute for Technology (MIT) Sustainability and Health Initiative for NetPositive Enterprise (SHINE) handprinting framework. Please see our 2021 Sustainability Report for details.

#### Comment

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#### Identifier

Opp2

#### Where in the value chain does the opportunity occur?

Downstream

#### Opportunity type

Markets

#### Primary climate-related opportunity driver

Access to new markets

#### Primary potential financial impact

Increased revenues through access to new and emerging markets

#### Company-specific description

Global macro trends, such as strengthening global environmental, climate change and water quality regulations are increasing the need for more efficient solutions. Population growth, urbanization and a growing middle class in emerging markets are boosting demand for clean water while putting strains on aging infrastructure. At the same time, the impacts of climate change are disrupting water supplies with intensifying water scarcity in many parts of the world, as well as flooding from a growing number of extreme weather events. These factors combine to produce a growing need for water and critical energy infrastructure solutions that are modern, efficient, and resilient. Xylem is well-positioned to fulfill these long-term needs as our business strategy is built around creating technology-enabled solutions to increase water productivity, water quality and resilience. These factors are also increasing demand for advanced sensing technologies and data analytics. Our 2016 acquisition of Sensus enabled us to broaden our market reach into the broad category of systems intelligence, bringing best-in-class advanced metering infrastructure, advanced data analytics and software development capabilities to our portfolio. These technologies will continue to deliver value to Xylem as companies, cities and countries put in place energy-efficient, IoT-connected, climate resilient infrastructure.

#### Time horizon

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1200000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Due to challenges created by climate change, such as increased desire for energy and water efficiency as a factor, we foresee creating opportunities for growth in our measurement and control solutions (which includes advanced data sensing technologies and data analytics). It is difficult to determine the potential long-term financial impact climate change has on our revenue; however, we estimate the global metering market to be approximately \$12 billion annually. Our 2021, revenue for our measurement and control solutions was \$1,335 million. For 2022, we expect organic growth in the low-to-mid single-digit range.

**Cost to realize opportunity**

1700000000

**Strategy to realize opportunity and explanation of cost calculation**

In 2016, we acquired Sensus, a leading provider of smart meters, network technologies and advanced data analytics, with more than 80 million metering devices installed globally for \$1.7 billion. In 2017, we implemented an organizational redesign by moving Xylem's Analytics business from our Water Infrastructure segment to combine it with our Sensus and Visenti businesses to form our Measurement and Control Solutions business segment. We believe that the combination of these businesses will enhance our focus on advanced sensing technologies and will lead to operating efficiencies by integrating the supply chain process and moving to a leaner functional structure.

**Comment****Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Use of more efficient production and distribution processes

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

Increasing attention to climate change is providing companies with a stronger business case to pursue voluntary energy efficiency, GHG reduction and renewable energy initiatives, such as our goal to use 100 percent renewable energy at our major facilities by 2025 and develop science-based targets for GHG reduction (Scope 1, 2, 3). In 2021, 55 percent of our major facilities met our renewable energy goal and in 2022, we have launched a programmatic review of Xylem's Scope 1, 2 and 3 emissions with the intention to confirm our science-based targets by year end. As part of our efforts to achieve these goals and reduce operating costs, in 2021 we identified 98 projects with the potential to reduce our water, waste or GHG footprint. 49 of those projects were related to reductions in GHGs, 43 to water and 6 to waste. We invested in 14 energy and GHG reduction projects that resulted in the reduction of approximately 338,000 kWh per year of electricity and 210 tons per year of GHG emissions.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

108000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

These initiatives resulted in actual monetary savings of \$53,000 USD in 2021 and have a total estimated financial impact of \$108,000 USD.

**Cost to realize opportunity**

480000

**Strategy to realize opportunity and explanation of cost calculation**

To achieve our sustainability goals and reduce costs, we created a cross-functional team of procurement, environment, health & safety (EHS), and operations stakeholders to identify and implement projects to reduce our water, waste, or GHG footprint. Xylem Corporate has established a specific budget for Sustainability initiatives, including efficiency projects.

C3. Business Strategy

C3.1

**(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?**

**Row 1**

**Transition plan**

Yes, we have a transition plan which aligns with a 1.5°C world

**Publicly available transition plan**

Yes

**Mechanism by which feedback is collected from shareholders on your transition plan**

We do not have a feedback mechanism in place, but we plan to introduce one within the next two years

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

**Attach any relevant documents which detail your transition plan (optional)**

Xylem 2021 TCFD Report.pdf

Xylem Climate Action Plan.pdf

**Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

<Not Applicable>

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

C3.2

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

**(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.**

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	Customized publicly available transition scenario	Company-wide	1.6°C – 2°C	High Carbon Price Scenario (IEA 66% 2C Scenario/ IRENA - Customized publicly available transition scenario - 1.6°C – 2°C): This scenario represents the implementation of policies that are considered sufficient to reduce greenhouse gas emissions in line with the goal of limiting climate change to 2°C by 2100. This scenario is based on research by OECD and IEA (2017).
Transition scenarios	Customized publicly available transition scenario	Company-wide	1.6°C – 2°C	Moderate Carbon Price Scenario (Bespoke transition scenario - 1.6°C – 2°C): This scenario assumes that policies will be implemented to reduce greenhouse gas emissions and limit climate change to 2°C in the long term, but with action delayed in the short term. This scenario draws on research by OECD and IEA along with assessments of the sufficiency of country Nationally Determined Contributions by Climate Action Tracker by Ecofys, Climate Analytics and New Climate Team. Countries with Nationally Determined Contributions that are not aligned to the 2°C goal in the short term are assumed to increase their climate mitigation efforts in the medium and long term.
Transition scenarios	Customized publicly available transition scenario	Company-wide	1.6°C – 2°C	Low Price Scenario (IEA NPS (2017) - 3.1°C - 4°C): This scenario represents the full implementation of country Nationally Determined Contributions under the Paris Agreement, based on research by OECD and IEA (2017). Prices in this scenario are considered likely to be insufficient to achieve the goals of the Paris Agreement.
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>	High Climate Change Scenario (RCP 8.5): Continuation of business as usual emissions growth. This scenario is expected to result in warming more than 4°C by 2100.
Physical climate scenarios	RCP 4.5	Company-wide	<Not Applicable>	Moderate Climate Change Scenario (RCP 4.5): Strong mitigation actions to reduce emissions to half of current levels by 2080. This scenario is more likely than not to result in warming more than 2°C by 2100.
Physical climate scenarios	RCP 2.6	Company-wide	<Not Applicable>	Low Climate Change Scenario (RCP 2.6): Aggressive mitigation actions to halve emissions by 2050. This scenario is likely to result in warming of less than 2°C by 2100.

**C3.2b**

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

**Row 1**

**Focal questions**

How resilient is Xylem’s business to different climate scenarios? Xylem is much more resilient to different climate scenarios because we have conducted scenario analysis specific to our and our critical suppliers’ major facilities. We have a robust Business Continuity Management Program for our global manufacturing facilities to appropriately identify and proactively mitigate risk, and to develop contingency plans and response capabilities at all levels within the company. Manufacturing facilities complete business continuity activities on an annual or bi-annual cycle. Business Continuity Plans are tested through table-top exercises which drives continuous improvement for the next business continuity cycle. What actions can Xylem take to manage climate risks and build resilience? Scope 1 and Scope 2 emissions are, by definition, indicative of exposure to fossil fuel-sourced energy, and thus a source of climate risks if these sources become regulated or taxed significantly. We continually seek to source more of our energy from non-fossil fuel sources. We are also engaging with our suppliers to reduce their GHG emissions through the CDP Supply Chain Program. Where in our operations and supply chain exists the highest exposure to potential carbon pricing risks? See answer below. Which of Xylem’s facilities face moderate physical risk such as exposure to water stress, coldwave, and wildfire? Xylem facilities in the Philippines and Chile are exposed to high composite physical risk on average. Nineteen geographies are exposed to moderate composite physical risks. Four geographies are exposed to low composite physical risk, including Sweden where Emmaboda, our largest manufacturing facility, is located.

**Results of the climate-related scenario analysis with respect to the focal questions**

The key findings from our TCFD Transition Policy Risk Analysis includes the following: Our analysis, performed with the assistance of TruCost ESG Analysis, using carbon pricing risk projections, indicates that Xylem’s carbon pricing risk exposure for the year 2030 ranges from \$50 million to \$195 million per annum under low to high carbon prices respectfully. Xylem’s direct operations have the highest exposure to potential carbon pricing risk in the U.S. due to the size of our carbon footprint and the low level of carbon pricing currently in existence in the U.S. Having said this, the most significant carbon pricing risk exposure is not in our direct operations but in our global supply chain and in how our customers use our products and solutions. This is one of the reasons we are keenly focused on reducing the carbon footprint of our products and solutions. The key findings from our TCFD Physical Risk Analysis includes the following: Overall, Xylem’s facilities are in areas facing moderate physical risk with greatest exposure to water stress, coldwave and wildfire, although coldwave is declining over time. The top Xylem facilities at risk are in the Philippines, the United States, Chile, China and India. Those highest risk facilities are prioritized in our business continuity planning efforts. In addition, as part of our TCFD assessment, we reviewed the physical risks related to our top 133 most critical suppliers by spend. Based on that assessment, it is clear that Xylem’s procurement organization and supply chain play a key role in mitigating climate-related risks.

**C3.3**

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Xylem designs and brings to market innovative solutions, creating water, cost and energy efficiencies that enable utilities to solve their water challenges. These solutions help utilities increase resource-use efficiency and adopt environmentally sound technologies and cleaner industrial processes to build safer, cleaner communities. • Our products specifically aim to address the energy intensiveness embedded in the water cycle and allow for the reuse and recycling of wastewater for agricultural use and other uses. • We invest in Research and Development and early stage technology to create cutting-edge solutions to the world's water and infrastructure challenges. As a result, we empower developing regions to achieve sustainable and robust infrastructure development where it is most needed.
Supply chain and/or value chain	Yes	In 2021, due to COVID-19 travel restrictions, we conducted virtual Supplier Quality Assessment Program audits and EcoVadis desktop audits to assess and mitigate sustainability risks at suppliers. Suppliers must reach a certain score to be considered part of our Preferred Supplier Program. The EcoVadis questionnaire includes questions about climate change and water performance. In 2021, we launched the CDP Supply Chain Program for our suppliers to report out on climate change and water performance. There is also a requirement for our suppliers to sign the WASH4Work pledge. Suppliers not engaging in the EcoVadis, CDP Supply Chain and WASH4Work programs by 2025 will not be eligible for Preferred Supplier status.
Investment in R&D	Yes	Xylem develops and brings to market innovative solutions that create major water, energy and cost efficiencies, helping to solve critical water-related challenges associated with climate change. As part of our strategy, we invest substantial resources into R&D. We anticipate we will continue to develop and invest in our R&D capabilities to promote a steady flow of innovative, high-quality and reliable products and integrated solutions to further strengthen our position in the markets we serve. R&D expense was \$204 million, or 3.9% of revenue, in 2021 as compared to \$187 million, or 3.8% of revenue, in 2020. The increase in R&D as a percent of revenue for year was primarily driven by the Company's continued focus on strategic investments during the year, while revenue was negatively impacted by the COVID-19 pandemic. We incurred \$204 million, \$187 million, and \$191 million in R&D investment spending in 2021, 2020, and 2019.
Operations	Yes	Risks related to future environmental laws and regulations, such as those imposed in response to climate change concerns (as described in C2.3a Risk 1) could result in increased operating costs for Xylem. For example, our facilities may become subject to GHG regulations, including carbon taxes. Conversely, we see resource efficiency as an opportunity that could lead to reduced operating costs (as described in C2.4a Opportunity 3). Xylem's Climate Action Plan outlines our climate change strategy on a corporate level, including our commitment to reduce GHG emissions and increase resource efficiency in our operations. To this end, we have committed to achieving 100 percent renewable energy at major facilities by 2025. By the end of 2021, 55 percent of our major facilities met this goal. As part of our strategy to use resources efficiently, we drive continuous improvement to strengthen our Lean Six Sigma and global procurement capabilities and continue to optimize our cost structure through business simplification by eliminating structural, process and product complexity.

**C3.4**

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital allocation	Xylem's Green Finance Framework (a green bond offering of \$1 billion in Senior Unsecured Notes) funded projects providing clear environmental benefits. The Green Bond Principles (GBP) and the Green Loan Principles (GLP) recognize eligible green categories for utilization of green proceeds, contributing to five high-level environmental objectives: climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation and pollution prevention and control. Project evaluation and selection was carried out by the Xylem Green Finance Committee. Net outstanding proceeds of green financing instruments were managed using a portfolio approach. In June 2021, we published a Green Bond Report that outlined how Xylem allocated the proceeds of the Green Bond to projects that improve water-security and advance sustainability, thus further aligning our sustainability and financing strategies. Through these initiatives, we helped utilities, industrials and other sectors address three of the greatest water challenges of our time: water scarcity, water affordability, and water infrastructure resilience to climate change and other urgent threats. We did this by providing an unparalleled portfolio of water and infrastructure solutions that strengthen and optimize water management by improving water quality, productivity and resiliency. In line with the GBP and GLP, Xylem allocated the net proceeds from any Green Financing to a portfolio of Eligible Projects across Xylem's three business segments: Water Infrastructure, Applied Water, and Measurement & Control. The Eligible Projects identified by Xylem fall into the following GBP/GLP categories: • Eco-efficient and/or circular economy adapted products, production technologies and processes • Sustainable water and wastewater management Xylem activities that were eligible for use of proceeds: •Investments and/or expenditures for the research, development, manufacturing and distribution of products that improve water productivity, including: •Decision Intelligence, Digital and IoT-based technologies to optimize and automate water management and pollution prevention for Smart Cities & Utilities (e.g., Sensus Smart Meters) •Initiatives to improve the energy performance of existing and new products, including R&D •Investments and/or expenditures for the research, development, manufacture and distribution of products that improve water quality, including: •Water recycling and reuse technologies, purification systems and chemical-free disinfection for drinking water •Ultraviolet and ozone technologies to treat wastewater and process water (e.g., Wedeco) •Investments and/or expenditures for the research, development, implementation, and maintenance of projects that improve water resilience, including: •Projects that strengthen critical water infrastructure •Flood control systems for storm relief infrastructure •Water leakage detection systems to reduce waste and infrastructure downtime •Investments and/or expenditures for the research, development, implementation and maintenance of projects that improve water resilience, including: •Projects that strengthen critical water infrastructure •Flood control systems for storm relief infrastructure •Water leakage detection systems to reduce waste and infrastructure downtime •Projects that monitor and protect water security for communities in water-stressed regions

**C3.5**

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?**

Yes

**C3.5a**

**(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's transition to a 1.5°C world.**

**Financial Metric**

Other, please specify (Xylem's Green Bond)

**Percentage share of selected financial metric aligned with a 1.5°C world in the reporting year (%)**

100

**Percentage share of selected financial metric planned to align with a 1.5°C world in 2025 (%)**

100

**Percentage share of selected financial metric planned to align with a 1.5°C world in 2030 (%)**

100

**Describe the methodology used to identify spending/revenue that is aligned with a 1.5°C world**

With its Green Finance Framework, Xylem issued green financing instruments and used the proceeds to finance and refinance eligible green projects that contributed to the sustainable use and protection of water and marine resources, as well as efforts related to climate change mitigation and climate change adaptation. The Xylem Green Finance Framework follows the Green Bond Principles (GBP) 2018 and the Green Loan Principles (GLP) 2020. In line with the GBP and GLP, Xylem allocated the net proceeds from Green Financing to a portfolio of Eligible Green Projects across Xylem's three business segments: Water Infrastructure, Applied Water, and Measurement & Control Solutions. Xylem intends to select Eligible Green Projects that help improve water productivity, water quality and water resilience. The Eligible Green Projects identified by Xylem fall into the following GBP/GLP categories: - Eco-efficient and/or circular economy adapted products, production technologies and processes - Sustainable water and wastewater management Following our completion of a \$1 billion Green Bond offering in 2020, the proceeds were allocated to projects that help improve water accessibility, water affordability and water systems resilience. The \$1 billion of Green Bond proceeds allocated includes retroactive spending in two separate Green Bonds with due dates of January 2028 and January 2031, respectively. Therefore, these metrics will continue to align with our climate transition plan in 2025 and 2030, as outlined in Xylem's 2021 TCFD Report (<https://www.xylem.com/siteassets/sustainability/company/external-reporting/xylem-tcf-final.pdf>). As recommended by the GBP and GLP, Xylem intends to report on the allocation of net outstanding green proceeds to Eligible Green Projects in the portfolio, and the positive environmental impact related to those Projects. Sustainalytics has independently reviewed and evaluated Xylem's Green Finance Framework and has issued a Second Party Opinion on the Green Finance Framework. For more information, please see Xylem's 2021 Green Bond Report: <https://www.xylem.com/siteassets/sustainability/2021-green-bond-report.pdf>.

**C4. Targets and performance**

**C4.1**

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Absolute target

Intensity target

**C4.1a**

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

**Target reference number**

Abs 1

**Year target was set**

2021

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

Scope 2

**Scope 2 accounting method**

Location-based

**Scope 3 category(ies)**

<Not Applicable>

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

42471

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

50127

**Base year Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

<Not Applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

92598

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100



**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

100

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

&lt;Not Applicable&gt;

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

46299

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

47707

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

44569

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

92276

**% of target achieved relative to base year [auto-calculated]**

0.695479384003974

**Target status in reporting year**

New

**Is this a science-based target?**

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain target coverage and identify any exclusions**

Xylem commits to reduce absolute Scope 1 and Scope 2 GHG emissions 50% by 2030 from a 2019 base year. We committed to the SBTi in 2021 to setting a net-zero target to be achieved before 2050, inclusive of our entire value chain, across Scope 1, 2 and 3. Given the complexities around 2020 and 2021 emissions due to the COVID-19 pandemic, we selected to use a 2019 emissions baseline, which we believe was most representative of our normal operations. In 2022, we calculated the percent Scope 1, 2, 3 GHG reductions needed to meet our 2030 and 2050 science-based and net-zero targets in line with 1.5°C emissions scenarios and recommendations of the SBTi. We are using those targets internally to track progress in 2022 and will submit those targets to the SBTi later this year so that those targets will be made publicly available. We will report out our progress on those emission targets on an annual basis. Additionally, for us, the commitment to net-zero goes beyond tracking and reducing our own emissions. It includes leveraging our position as an industry-leading technology partner and committing to advancing the entire water sector's commitment to setting net-zero goals. It is estimated that water and wastewater utilities account for over 2% of the global GHG emissions each year, and we believe existing technology solutions can significantly reduce that footprint.

**Plan for achieving target, and progress made to the end of the reporting year**

As we work towards this long-term goal, our focus is real reduction of emissions across all categories. Over the next several years, we anticipate the largest reductions as a result of: • Continuing to grow % purchase of energy from renewable sources • Moving towards fully electric and hybrid fleet • Engaging suppliers and customers in setting and advancing their own GHG reduction goals In the near-term, we do not anticipate using carbon offsets to reduce our GHG footprint. We believe there are a number of measures we can take to reduce the GHG footprint of our value chain, and we will prioritize those real reductions over offset measures in the immediate future. Over the coming years as carbon offset and sequestration markets mature, we will most likely consider using offsets in our long-term GHG transition roadmap.

**List the emissions reduction initiatives which contributed most to achieving this target**

&lt;Not Applicable&gt;

**C4.1b****(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).****Target reference number**

Int 1

**Year target was set**

2021

**Target coverage**

Company-wide

**Scope(s)**

Scope 3

**Scope 2 accounting method**

&lt;Not Applicable&gt;

**Scope 3 category(ies)**

Category 1: Purchased goods and services

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution

Category 5: Waste generated in operations  
Category 6: Business travel  
Category 7: Employee commuting  
Category 9: Downstream transportation and distribution  
Category 11: Use of sold products

**Intensity metric**

Metric tons CO2e per USD(\$) value-added

**Base year**

2019

**Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3 (metric tons CO2e per unit of activity)**

0.0344

**Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)**

0.0344

**% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure**

100

**% of total base year emissions in all selected Scopes covered by this intensity figure**

100

**Target year**

2030

**Targeted reduction from base year (%)**

55

**Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]**

0.01548

**% change anticipated in absolute Scope 1+2 emissions**

50

**% change anticipated in absolute Scope 3 emissions**

55

**Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3 (metric tons CO2e per unit of activity)**

0.031

**Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)**

0.031

**% of target achieved relative to base year [auto-calculated]**

17.9704016913319

**Target status in reporting year**

New

**Is this a science-based target?**

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain target coverage and identify any exclusions**

Xylem commits to reducing its Scope 3 GHG emissions intensity per gross profit 50% by 2030 from a 2019 base year. We committed to the SBTi in 2021 to setting a net-zero target to be achieved before 2050, inclusive of our entire value chain, across Scope 1, 2 and 3. Given the complexities around 2020 and 2021 emissions due to the COVID-19 pandemic, we selected to use a 2019 emissions baseline, which we believe was most representative of our normal operations. In 2022, we calculated the percent Scope 1, 2, 3 GHG reductions needed to meet our 2030 and 2050 science-based and net-zero targets in line with 1.5°C emissions scenarios and recommendations of the SBTi. We are using those targets internally to track progress in 2022 and will submit those targets to the SBTi later this year so that those targets will made publicly available. We will report out our progress on those emission targets on an annual basis. Additionally, for us, the commitment to net-zero goes beyond tracking and reducing our own emissions. It includes leveraging our position as an industry-leading technology partner and committing to advancing the entire water sector's commitment to setting net-zero goals. It is estimated that water and wastewater utilities account for over 2% of the global GHG emissions each year, and we believe existing technology solutions can significantly reduce that footprint.

**Plan for achieving target, and progress made to the end of the reporting year**

As we work towards this long-term goal, our focus is real reduction of emissions across all categories. Over the next several years, we anticipate the largest reductions as a result of: • Continuing to grow % purchase of energy from renewable sources • Moving towards fully electric and hybrid fleet • Engaging suppliers and customers in setting and advancing their own GHG reduction goals In the near-term, we do not anticipate using carbon offsets to reduce our GHG footprint. We believe there are a number of

measures we can take to reduce the GHG footprint of our value chain, and we will prioritize those real reductions over offset measures in the immediate future. Over the coming years as carbon offset and sequestration markets mature, we will most likely consider using offsets in our long-term GHG transition roadmap.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not Applicable>

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## C4.2

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**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to increase low-carbon energy consumption or production

### C4.2a

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**(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.**

**Target reference number**

Low 1

**Year target was set**

2019

**Target coverage**

Other, please specify (Major facilities. )

**Target type: energy carrier**

All energy carriers

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Base year**

2019

**Consumption or production of selected energy carrier in base year (MWh)**

76202

**% share of low-carbon or renewable energy in base year**

32

**Target year**

2025

**% share of low-carbon or renewable energy in target year**

100

**% share of low-carbon or renewable energy in reporting year**

55

**% of target achieved relative to base year [auto-calculated]**

33.8235294117647

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

This target supported the attainment of Int1.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain target coverage and identify any exclusions**

Our 22 major facilities are defined as those facilities with manufacturing activities that are the top contributors to Xylem's water, waste, or GHG metrics or located in areas with extreme high water-stress risk.

**Plan for achieving target, and progress made to the end of the reporting year**

Plan for achieving target, and progress made to the end of the reporting year: As we work towards this long-term goal, our focus is real reduction of emissions across all categories. Over the next several years, we anticipate the largest reductions as a result of: • Continuing to grow % purchase of energy from renewable sources • Moving towards fully electric and hybrid fleet • Engaging suppliers and customers in setting and advancing their own GHG reduction goals In the near-term, we do not anticipate using carbon offsets to reduce our GHG footprint. We believe there are a number of measures we can take to reduce the GHG footprint of our value chain, and we will prioritize those real reductions over offset measures in the immediate future. Over the coming years as carbon offset and sequestration markets mature, we will most likely consider using offsets in our long-term GHG transition roadmap.

**List the actions which contributed most to achieving this target**

<Not Applicable>

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## C4.3

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**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*	14	210
Not to be implemented		

**C4.3b**

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Energy efficiency in buildings	Other, please specify (Solar panels installation, LED lighting, and equipment upgrades)
--------------------------------	---

**Estimated annual CO2e savings (metric tonnes CO2e)**

210

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

53000

**Investment required (unit currency – as specified in C0.4)**

216000

**Payback period**

<1 year

**Estimated lifetime of the initiative**

6-10 years

**Comment**

In 2021, we identified 98 projects with the potential to reduce our water, waste or GHG footprint. 49 of those projects were related to reductions in GHGs, 43 to water and 6 to waste. We invested in 14 energy and GHG reduction projects that resulted in the reduction of approximately 338,000 kWh per year of electricity and 210 tons per year of GHG emissions. Examples of projects include: • Installation of solar panels, • Upgrade to LED lighting, • Replacement of equipment (e.g., ovens, cleaning equipment) for more efficient models, and • Improvement of docks seals and other energy saving measures.

**C4.3c**

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Dedicated budget for energy efficiency	Xylem Corporate has established a specific budget for Sustainability initiatives, including energy-efficiency projects in addition to facility-specific budgeted sustainability projects.
Employee engagement	Xylem has implemented the Energy Treasure Hunt initiative, engaging employees to identify opportunities to reduce energy use, costs and greenhouse gas emissions related to energy. Xylem uses an on-line tool to track each project.

**C4.5**

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

Yes

**C4.5a**

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.**

**Level of aggregation**

Group of products or services

**Taxonomy used to classify product(s) or service(s) as low-carbon**

Other, please specify (Estimated transportation reduction of 4.3 miles per meter per year is converted into Kilograms of CO2e by using auto emission factor. Furthermore, this is applied on entire sales quantity of eligible water meters. )

**Type of product(s) or service(s)**

Other	Other, please specify (water meters)
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**Description of product(s) or service(s)**

Xylem's Sensus brand has variety of water meters in portfolio. Few water meter series are capable to transmit data remotely. Through this innovation, a new type of sensor helps utility (our customers) to eliminate need of travelling in a vehicle to read meters. This helps third parties to reduce an estimated transportation by 4.3 miles per meter per year. This innovative meter helped third parties avoid GHG emissions of approximately 18,000 tonnes of CO2e in 2021, 22,000 tonnes of CO2e in 2020 and 26,000 tonnes of CO2e in 2019 by considering 10 years of product lifetime impact in the same year when product is sold.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

Yes

**Methodology used to calculate avoided emissions**

Other, please specify (MIT SHINE Handprint Method which is aligned with ISO 14044 )

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

Other, please specify (Transportation by vehicles for collecting billing data from meter)

**Functional unit used**

Average miles driven by utility vehicles to collect data from meter. Xylem's 2020 Handprinting Analysis was conducted by MIT Shine for a series of product innovation initiatives undertaken by Xylem. The primary focus of the assessment is global warming potential: the emissions of GHGs, primarily CO2. The contribution analyses consider impacts related to water supply. The time horizon for the handprint assessments address innovations implemented during the time frame from 2019 through 2025.

**Reference product/service or baseline scenario used**

Xylem's legacy/old product without remote communication capabilities.

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

Other, please specify (Transportation by vehicles for collecting billing data from meter)

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

66000

**Explain your calculation of avoided emissions, including any assumptions**

Approximately 66,000 tonnes CO2e between 2019 to 2021. This equals the actual number of smart meters sold x miles saved per meter as a result of remote communication capabilities x product lifetime x GHG factor for Automobiles Assumptions: Auto GHG factor = 0.44 kg of CO2e / mile (USA EPA, MIT Source) We have arrived at estimates of projected climate-related handprints via smart metering product innovations during the 2019-2025 period as 259 thousand tons CO2e by considering 10 years of product lifetime impact in the same year when product is sold. Through this innovation, a new type of sensor is introduced which sends data remotely, eliminating the need for utility personnel to travel in vehicles to read meters. The estimated reduction in distance traveled per meter is 4.3 miles per year. Based on company estimates, approximately 30% of Xylem's annual revenue from low-carbon product(s) and services addresses SDG 13.

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

30

**Level of aggregation**

Group of products or services

**Taxonomy used to classify product(s) or service(s) as low-carbon**

Other, please specify (Average energy efficiency of selected product lines and set up of a goal to increase this number year by year. The difference in average energy efficiency is used as a basis for an estimation of avoided CO2e emissions)

**Type of product(s) or service(s)**

Other	Other, please specify (pumps)
-------	-------------------------------

**Description of product(s) or service(s)**

Our Flygt brand is essentially comprised of submersible pumps. As early as 2010, our Flygt brand set up a goal based on the average efficiency of sold products to measure progress on this specific priority (about 30% of our revenue, but the product family that consume most energy) and target year over year improvements. In 2019, the average efficiency of these product lines was 61.8 percent, slightly up from 61.6 percent in 2018. Our 2019 performance represented a 3.9 percent improvement since 2012. The total energy consumption of all the pumps produced in 2018, along their lifetime represents 100,000 GWhr (Giga Watt Hour). The 0.2% energy efficiency improvement of the 2019 production represents a total reduction of environmental impact of 61,981 tonnes CO2e. For 2020, we assumed a 0.4% energy efficiency improvement and it helped the reduction of environmental impact by 118,967 tonnes of CO2e. In 2021, we considered 0.6% energy efficiency improvement with total CO2e reduction of 197,749 tonnes.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

Yes

**Methodology used to calculate avoided emissions**

Other, please specify (MIT SHINE Handprint Method which is aligned with ISO 14044)

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

Other, please specify (electricity consumption by pumps throughout their lifetime)

**Functional unit used**

1 specific pump running for certain hours throughout its lifetime Xylem's 2020 Handprinting Analysis was conducted by MIT Shine for a series of product innovation initiatives undertaken by Xylem. The primary focus of the assessment is global warming potential: the emissions of GHGs, primarily CO2. The contribution analyses consider impacts related to water supply. The time horizon for the handprint assessments address innovations implemented during the time frame from 2019 through 2025.

**Reference product/service or baseline scenario used**

Xylem's legacy/old product with lesser energy efficiency

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

Other, please specify (electricity consumption by pumps throughout their lifetime)

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

378697

**Explain your calculation of avoided emissions, including any assumptions**

Approximately 378,697 tonnes of CO2e between 2019 to 2021. This equals the number of highly efficient pumps sold x average power consumption across selected product lines x running hours in 1 year x product lifetime x Electricity GHG factor Assumptions for selected product lines: Electricity GHG factor = 0.71 kg of CO2e / kWh(MIT Source) We have arrived at estimates of projected climate-related handprints via applied water systems (AWS) pump efficiency during the 2019-2025 period as 1,095 thousand tons CO2e by considering 10 years of product lifetime impact in the same year when product is sold. Based on company estimates, approximately 30% of Xylem's annual revenue from low-carbon product(s) and services addresses SDG 13.

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

30

**Level of aggregation**

Group of products or services

**Taxonomy used to classify product(s) or service(s) as low-carbon**

Other, please specify (Average energy efficiency of selected product lines and set up of a goal to increase this number year by year. The difference in average energy efficiency is used as a basis for an estimation of avoided CO2e emissions)

**Type of product(s) or service(s)**

Other	Other, please specify (pumps)
-------	-------------------------------

**Description of product(s) or service(s)**

In 2017, we unveiled a new series of dewatering pumps under our Godwin brand. The Godwin S Series Dri-Prime pump reduces emissions by 90 percent and fuel consumption by 10 percent. Furthermore, in an industry first, it can be monitored and controlled from any smartphone, tablet or desktop computer, anywhere in the world. The new Godwin series also features Xylem's unique Flygt N-Technology for more efficient wastewater transport. The pump offers self-cleaning capability and sustained hydraulic efficiency. These dry-prime pumps are capable of handling solids up to 3 inches in diameter. The innovated model includes a fully electronic engine. Emissions have been reduced through in-cylinder technology.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

Yes

**Methodology used to calculate avoided emissions**

Other, please specify (MIT SHINE Handprint Method which is aligned with ISO 14044)

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

Other, please specify (energy consumption by pumps throughout their lifetime)

**Functional unit used**

1 specific pump running for certain hours throughout its life Xylem's 2020 Handprinting Analysis was conducted by MIT Shine for a series of product innovation initiatives undertaken by Xylem. The primary focus of the assessment is global warming potential: the emissions of GHGs, primarily CO2. The contribution analyses consider impacts related to water supply. The time horizon for the handprint assessments address innovations implemented during the time frame from 2019 through 2025.

**Reference product/service or baseline scenario used**

Xylem's legacy/old product with lesser energy efficiency

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

Other, please specify (energy consumption by pumps throughout their lifetime)

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

313230

**Explain your calculation of avoided emissions, including any assumptions**

Approximately 313,230 tonnes of CO2e between 2019 to 2021. This equals the number of highly efficient pumps sold x average power/fuel consumption across selected product lines x running hours in 1 year x product lifetime x Electricity/Diesel GHG factor Assumptions: Diesel GHG factor = 10.21 kg of CO2e / gallon (USA EPAMIT Source) We have arrived at estimates of projected climate-related handprints via dewatering pump innovations during the 2019-2025 period as 1,256 thousand tons CO2e by considering 5 years of product lifetime impact in the same year when product is sold. These dry-prime pumps are capable of handling solids up to 3 inches in diameter. The innovated model includes a fully electronic engine. Emissions have been reduced through in-cylinder technology. Based on company estimates, approximately 30% of Xylem's annual revenue from low-carbon product(s) and services addresses SDG 13.

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

30

**C5. Emissions methodology**

**C5.1**

**(C5.1) Is this your first year of reporting emissions data to CDP?**

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

42471

Comment

Our Scope 1 includes stationary emissions (natural gas, LPG, fuel oil, cryogenic CO2, refrigerant leakage) from Xylem facilities and mobile sources from Xylem company cars and service vehicles.

Scope 2 (location-based)

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

50127

Comment

Scope 2 (market-based)

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

28763

Comment

We are reporting a Scope 2, market-based figure.

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

1978871

Comment

**Scope 3 category 2: Capital goods**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

20643

**Comment**

**Scope 3 category 4: Upstream transportation and distribution**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

251410

**Comment**

**Scope 3 category 5: Waste generated in operations**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

6050

**Comment**

**Scope 3 category 6: Business travel**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

11653

**Comment**

**Scope 3 category 7: Employee commuting**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

20400

**Comment**

**Scope 3 category 8: Upstream leased assets**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**



**Scope 3 category 9: Downstream transportation and distribution**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

45026

**Comment**

**Scope 3 category 10: Processing of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 11: Use of sold products**

**Base year start**

January 1 2019

**Base year end**

December 31 2019

**Base year emissions (metric tons CO2e)**

69500776

**Comment**

**Scope 3 category 12: End of life treatment of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 13: Downstream leased assets**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 14: Franchises**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 15: Investments**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3: Other (upstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3: Other (downstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

### C5.3

---

**(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

### C6. Emissions data

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#### C6.1

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**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

47707

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

#### C6.2

---

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

#### C6.3

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Scope 2, location-based**

44569

**Scope 2, market-based (if applicable)**

18214

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

#### C6.4

---

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

#### C6.5

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**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

## Purchased goods and services

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

2051168

### Emissions calculation methodology

Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Emissions were calculated using the Economic-Input-Output methodology. EIO-LCA uses Xylem's total spend in different categories of goods and services to estimate the associated emissions. For any purchase types identified by the user as Standard Good or Service, the sector of purchase chosen by the user is linked to a 2009 world multi-regional estimate of average environmental impacts by region-sector combined with global warming potential impact assessment (Timmer 2012, IPCC 2007). The reference flow quantity is provided by the user in the form of purchase quantity in basic price USD.

## Capital goods

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Xylem's business model consists of primarily assembly of subcomponents into finished products. Therefore, we do not rely upon capital equipment in any significant way and estimate that the GHG impacts of our capital equipment is several orders of magnitude less than the other Scope 3 categories reported here.

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

2563

### Emissions calculation methodology

Fuel-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Line losses resulting from transmission and distribution (T&D) of electricity are reported here. Calculated with average well-to-tank emissions and T&D losses of 25% for Scope 1 fuels and 20% for Scope 2 electricity.

## Upstream transportation and distribution

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

272265

### Emissions calculation methodology

Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Third party transport emissions factors are calculated using a 2009 world multi-regional estimate of average environmental impacts by region-sector combined with global warming potential impact assessment (Timmer 2012, IPCC 2007). The reference flows are any USD expenditures associated with these categories, as identified by the user.

## Waste generated in operations

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

6776

### Emissions calculation methodology

Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Based on any waste expenditure identified, an OpenIO emissions dataset for waste management is multiplied with the expenditure quantity (TSC 2011).

## Business travel

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

2182

### Emissions calculation methodology

Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

The business travel calculation consists of a summary of Air Travel (2,663 mT), Hotel Stays (188 mT), and Car Travel (175 mT). This data was supplied directly from the 3rd party travel provider for Xylem and was calculated according to the GHG protocol.

## Employee commuting

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

20400

### Emissions calculation methodology

Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Using US Department of Transportation data (USDOT 2014), in conjunction with ecoinvent 2.2 datasets for various transportation modes in conjunction with GWP impact assessment (SCLCI 2010, IPCC 2007), as well as some assumptions about commuting and work schedules, it is estimated that the average employee emits 1,700 kgCO<sub>2</sub>-eq/year.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category is not relevant to Xylem's business operations or business model.

## Downstream transportation and distribution

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

56518

### Emissions calculation methodology

Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Third party transport emissions factors are calculated using a 2009 world multi-regional estimate of average environmental impacts by region-sector combined with global warming potential impact assessment (Timmer 2012, IPCC 2007). The reference flows are any USD expenditures associated with these categories, as identified by the user.

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Xylem's products are delivered complete and operational and do not require significant additional processing by the customer.

## Use of sold products

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

58794207

### Emissions calculation methodology

Methodology for direct use phase emissions, please specify (GHG Protocol)

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Use of sold products was calculated using the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (version 1.0) - Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard. The CO2e emissions from the use of sold products represents the sum across fuels consumed from use of products, the sum across electricity consumed from use of sold products, and the sum across refrigerant leakage from the use of sold products. Xylem collected primary product data including the number of units sold, running kilowatts, running hours, and the product lifetime. Full kilowatt hours were collected for the entire product lines using this data. Finally, country-specific emission factors were applied to the kilowatt hour data.

## End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category is very minor in comparison to other Scope 3 categories and is further diminished by the long life-cycle of the products

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category is not relevant to Xylem's business operations or business model.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category is not relevant to Xylem's business operations or business model.

## Investments

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category is not relevant to Xylem's business operations or business model.

**Other (upstream)**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

This category is not relevant to Xylem's business operations or business model.

**Other (downstream)**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

This category is not relevant to Xylem's business operations or business model.

**C-CG6.6**

**(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?**

	Assessment of life cycle emissions	Comment
Row 1	Yes	In a partnership with the Massachusetts Institute for Technology (MIT) Sustainability and Health Initiative for NetPositive Enterprise (SHINE), Xylem assessed Scope 3: Category 11: Use of Sold Products emissions for several of its products in 2021 using handprint methodology.

**C-CG6.6a**

**(C-CG6.6a) Provide details of how your organization assesses the life cycle emissions of its products or services.**

	Products/services assessed	Life cycle stage(s) most commonly covered	Methodologies/standards/tools applied	Comment
Row 1	Representative selection of products/services	Use stage	ISO 14040 & 14044 Other, please specify (SHINE Handprinting analysis methodology (MIT))	In partnership with the Massachusetts Institute for Technology (MIT) Sustainability and Health Initiative for NetPositive Enterprise (SHINE), Xylem's products and services were analyzed for Carbon Net Positivity. Results are available in our 2021 Sustainability Report. Included in the study were: • Introduction of a "smart" metering system which eliminates the need for utility personnel to travel to customer facilities to check meters; • Innovations that improve electric motor efficiency for Applied Water Systems (AWS) pumps • Innovations that improve the energy efficiency of transport pumps • Innovations that improve the energy efficiency of treatment blowers • Innovations that improve the efficiency of dewatering prime pumps • Innovations that reduce non-revenue water through improvements to sensor precision Moving forward, all new products will be analyzed for water and carbon impact.

**C6.7**

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

**C6.10**

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

17.75

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

92276

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

5200

**Scope 2 figure used**

Location-based

**% change from previous year**

2.5

**Direction of change**

Decreased

**Reason for change**

The gross global combined Scope 1 and 2 (location-based) emissions for 2021 consist of a gross sum of emissions resulting from the following: fuel from non-renewable energy, electricity from renewable and non-renewable energy, and self-generating renewable energy. The intensity figure is calculated by dividing the combined Scope 1 and 2 emissions by the total revenue (millions) in USD for 2021. Xylem reported revenue of \$5,195 million for 2021, an increase of \$319 million, or 6.5%, from \$4,876 million reported in 2020. On a constant currency basis, revenue increased by \$197 million, or 4.0%, during the year. The increase at constant currency was driven by an increase in organic revenue of \$210 million reflecting strong organic growth in the industrial, commercial and residential end markets, partially offset by organic declines in utilities, largely as a result of component shortages in our Measurement & Controls Solutions segment. As of year-end 2021, 80 Xylem manufacturing facilities and sales offices purchased electricity generated from renewable sources. Combined, these facilities purchased 27,631CO2- equivalent metric tons in renewable energy, electricity, and gas during 2021. As described in question C4.3b, during 2021 we also capitalized on the benefits of our investments in 14 energy reduction projects involving the installation of solar panels, replacement of less-efficient lighting units with light-emitting diode (LED) lighting at major facilities and from several other opportunities like replacement of equipment (e.g. ovens, cleaning equipment). The estimated yearly impact/reduction of those projects is around 338,000 kWh per year of electricity and 210 tons per year of CO2 emissions.

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## C7. Emissions breakdowns

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### C7.1

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**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

No

### C7.2

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**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
Argentina	24.09
Australia	1067.93
Austria	787.07
Belgium	86.91
Brazil	16.53
Canada	2648.37
Chile	227.73
China	51.79
Colombia	2.55
Denmark	556.51
France	1317.65
Germany	3351.29
Hungary	401.73
India	7.02
Italy	1980.73
Japan	8.01
Mexico	177.33
Netherlands	354.17
New Zealand	82.14
Norway	634.55
Peru	18.96
Philippines	129.32
Poland	513.7
Algeria	13.04
Hong Kong SAR, China	8.7
Malaysia	20.95
Portugal	82.82
Russian Federation	0
Republic of Korea	32.66
Spain	203.38
Sweden	1144.71
Switzerland	228.27
United Arab Emirates	0
United Kingdom of Great Britain and Northern Ireland	3171.33
Uruguay	4.08
United States of America	27932.85
Czechia	124.38
Morocco	124.38
Singapore	38.99
Slovakia	78.45
South Africa	0
Turkey	50.58

**C7.3**

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

**C7.3a**

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO2e)
Commercial Team Americas	16605.29
Commercial Team Emerging Markets	1386.75
Commercial Team Europe	9006.91
Applied Water Systems	8156.15
Dewatering	325.36
Measurement and Control Solutions	10051.93
Transport	752.49
Treatment	1127.93
Xylem USA and Switzerland Headquarters	228.27
VUE	64.55



## C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Algeria	594.7	594.7
Argentina	90.9	84.9
Australia	844.2	844.2
Austria	44.4	44.4
Belgium	17.1	21.2
Brazil	29.2	29.2
Canada	388	312.6
Chile	53.5	53.5
China	4743.1	2020.9
Colombia	1.5	1.5
Denmark	123.9	145
France	63.9	2.1
Germany	3950.7	190.9
Hong Kong SAR, China	40.3	40.3
Hungary	241.5	291.3
India	528.8	528.8
Italy	2917	242
Japan	16.8	16.8
Malaysia	191.4	191.4
Mexico	712.1	712.1
Netherlands	97.1	0
New Zealand	8.5	8.5
Norway	11.9	23.4
Peru	15.4	15.4
Philippines	325.5	325.5
Poland	2239.1	4.4
Portugal	7.5	11.9
Russian Federation	12.9	12.9
Singapore	76.5	76.5
Slovakia	398.2	454.8
South Africa	574.3	574.3
Republic of Korea	30.1	30.1
Spain	31.8	23.2
Sweden	2042.2	1214.2
Switzerland	0.9	0
United Arab Emirates	409.9	0
United Kingdom of Great Britain and Northern Ireland	552.7	161.1
Uruguay	0.2	0.2
United States of America	21898.9	8661.2
Czechia	29	35.1
Morocco	45.8	45.8
Please select	167.3	167.3

## C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

### C7.6a

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Commercial Team Americas	2777	2398.8
Commercial Team Emerging Markets	8507.1	5375
Commercial Team Europe	1210.4	746.4
Applied Water Systems	13501.8	3814.8
Dewatering	105.1	0
Measurement and Control Solutions	15175	4060.8
Transport	2174	1357.4
Treatment	1103.2	446.3
Xylem USA and Switzerland Headquarters	0.9	0
VUE	14.1	14.1

**C7.9**

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Increased

**C7.9a**

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	2459	Decreased	3.9	Decrease due to a 9.8% increase in renewable energy purchases in 2021. In 2021, 2,459 tons of CO2e were reduced by additional RECs and green gas purchased. Our total net Scope 1 and Scope 2 emissions in the previous year was 63,817 t CO2e, therefore we arrived at -9.3%. through $(-2,459 / 63,817) * 100 = -3.9\%$ (i.e., 3.9% decrease in emissions).
Other emissions reduction activities	210	Decreased	0.32	Decrease due to energy efficiency measures in 2021. Last year 210 tons of CO2e were reduced by solar panels installation, LED lighting, and equipment upgrades. Our total net Scope 1 and Scope 2 emissions in the previous year was 63,817 tCO2e, therefore we arrived at -0.32%. through $(-210/63,817) * 100 = -0.32\%$ (i.e., 0.32% decrease in emissions).
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	7019	Increased	11	Due to disruption caused by the COVID-19 pandemic in 2020, the higher difference in energy consumption versus 2021 (11%) was driven by the gradual increase of activity when COVID-19 restrictions started to lift. The main parameters that we may use to estimate the increased activity after recovery from COVID-19 are: a) the man hours worked increased 3% in 2021 vs 2020 and b) total Sales increased almost 7% in same period. Our total net Scope 1 and Scope 2 emissions in the previous year was 63,817 t CO2e, therefore we arrived at 11%. through $(7,019 / 63,817) * 100 = 11\%$ (i.e., 11% increase in emissions).
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	0	No change	0	

**C7.9b**

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

**C-CG7.10**

**(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?**

Decreased

**C-CG7.10a**

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(C-CG7.10a) For each Scope 3 category calculated in C6.5, specify how your emissions compare to the previous year and identify the reason for any change.

**Purchased goods and services**

**Direction of change**

Increased

**Primary reason for change**

Other, please specify (Increase in total spend)

**Change in emissions in this category (metric tons CO2e)**

72297

**% change in emissions in this category**

4

**Please explain**

There was an increase in total spend on purchased goods and services in 2021.

**Fuel and energy-related activities (not included in Scopes 1 or 2)**

**Direction of change**

Decreased

**Primary reason for change**

Change in methodology

**Change in emissions in this category (metric tons CO2e)**

18080

**% change in emissions in this category**

88

**Please explain**

The methodology used to calculate Xylem's fuel and energy-related activities was updated in 2021 to account for transmission and distribution losses.

**Upstream transportation and distribution**

**Direction of change**

Increased

**Primary reason for change**

Change in methodology

**Change in emissions in this category (metric tons CO2e)**

20855

**% change in emissions in this category**

8

**Please explain**

In 2021, two MIT students enrolled in the Master of Science Supply Chain Management program mapped Xylem's current inbound transportation activities, calculated our 2019 GHG baseline for inbound transportation and logistics and identified leading indicators for those emissions. Expanding upon this scope resulted in improvements made to the calculation of our upstream transportation emissions where data had previously been lacking.

**Waste generated in operations**

**Direction of change**

Increased

**Primary reason for change**

Other, please specify (Increase in waste expenditure)

**Change in emissions in this category (metric tons CO2e)**

726

**% change in emissions in this category**

12

**Please explain**

There was an increase in waste spend due to increases in waste disposal costs. Xylem has a goal to achieve zero waste to landfill from processes at our major facilities by 2025.

## Business travel

### Direction of change

Decreased

### Primary reason for change

Change in physical operating conditions

### Change in emissions in this category (metric tons CO2e)

9471

### % change in emissions in this category

81

### Please explain

In 2021, due to the ongoing COVID-19 pandemic, business travel continued to be limited to business-critical activities which could not be accomplished remotely. Business travel reduced 27% from 2020 and 81% when compared against our 2019 baseline year. Widespread use of video meetings and virtual conferencing technology has created new patterns of business behavior. These digital alternatives to analogue encounters have been widely adopted under lockdown-driven duress and their legacy will endure and most likely expand.

## Employee commuting

### Direction of change

No change

### Primary reason for change

<Not Applicable>

### Change in emissions in this category (metric tons CO2e)

<Not Applicable>

### % change in emissions in this category

<Not Applicable>

### Please explain

The size of Xylem's workforce did not change significantly in 2021.

## Downstream transportation and distribution

### Direction of change

Increased

### Primary reason for change

Change in output

### Change in emissions in this category (metric tons CO2e)

11492

### % change in emissions in this category

26

### Please explain

Due to disruption caused by the COVID-19 pandemic in 2020, the higher difference in downstream transportation and distribution versus 2021 was driven by the gradual increase of activity when COVID-19 restrictions started to lift.

## Use of sold products

### Direction of change

Decreased

### Primary reason for change

Other, please specify (Project installations)

### Change in emissions in this category (metric tons CO2e)

10706569

### % change in emissions in this category

15

### Please explain

The decrease in emissions from use of sold products is primarily due to timing of large project installations within the Custom Pump portfolio.

## C8. Energy

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### C8.1

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#### (C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 10% but less than or equal to 15%

### C8.2

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**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

**C8.2a**

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	3891	212049	215940
Consumption of purchased or acquired electricity	<Not Applicable>	120822	41588	162410
Consumption of purchased or acquired heat	<Not Applicable>	5221	5718	10939
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	1203	<Not Applicable>	1203
Total energy consumption	<Not Applicable>	131137	259355	390493

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Sustainable biomass**

**Heating value**

**Total fuel MWh consumed by the organization**

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Other biomass**

**Heating value**

**Total fuel MWh consumed by the organization**

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

**Total fuel MWh consumed by the organization**

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Coal**

**Heating value**

**Total fuel MWh consumed by the organization**

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Oil**

**Heating value**

LHV

**Total fuel MWh consumed by the organization**

97418

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Gas**

**Heating value**

LHV

**Total fuel MWh consumed by the organization**

118522

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Other non-renewable fuels (e.g. non-renewable hydrogen)**

**Heating value**

**Total fuel MWh consumed by the organization**

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Total fuel**

**Heating value**

LHV

**Total fuel MWh consumed by the organization**

215940

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**C8.2d**

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1203	1203	1203	1203
Heat				
Steam				
Cooling				

**C8.2e**

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

United States of America

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

37455

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Sustainable biomass

**Country/area of low-carbon energy consumption**

United States of America

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

15707

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Country/area of low-carbon energy consumption**

United Arab Emirates

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

2416

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Arab Emirates

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Country/area of low-carbon energy consumption**

China

**Tracking instrument used**

---



Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

1208

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

China

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Country/area of low-carbon energy consumption**

United States of America

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

604

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Country/area of low-carbon energy consumption**

Argentina

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

604

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Argentina

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Renewable energy mix, please specify (Mix of wind, biomass, hydro, solar and/or landfill gas)

**Country/area of low-carbon energy consumption**

United States of America

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

32622

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Renewable energy mix, please specify (Unknown technology types)

**Country/area of low-carbon energy consumption**

Italy

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

25373

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Italy

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)****Comment****Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Renewable energy mix, please specify (Unknown technology types)

**Country/area of low-carbon energy consumption**

United Kingdom of Great Britain and Northern Ireland

**Tracking instrument used**

Contract

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

4833

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)****Comment****C8.2g****(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.****Country/area**

Argentina

**Consumption of electricity (MWh)**

316.65

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

316.65

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Australia

**Consumption of electricity (MWh)**

1232.65

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1232.65

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Austria

**Consumption of electricity (MWh)**

295.75

**Consumption of heat, steam, and cooling (MWh)**

18.48

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

314.23

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Belgium

**Consumption of electricity (MWh)**

103.41

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

103.41

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Brazil

**Consumption of electricity (MWh)**

280.92

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

280.92

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Canada

**Consumption of electricity (MWh)**

3005.37

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

3005.37

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Chile

**Consumption of electricity (MWh)**

121.21

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

121.21

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

China

**Consumption of electricity (MWh)**

6635.18

**Consumption of heat, steam, and cooling (MWh)**

2684.16

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

9319.34

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Colombia

**Consumption of electricity (MWh)**

7.78

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

7.78

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Czechia

**Consumption of electricity (MWh)**

65.87

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

65.87

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Denmark

**Consumption of electricity (MWh)**

259.9

**Consumption of heat, steam, and cooling (MWh)**

436.52

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

696.42

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

France

**Consumption of electricity (MWh)**

1194.21

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1194.21

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Germany

**Consumption of electricity (MWh)**

11214.66

**Consumption of heat, steam, and cooling (MWh)**

385.42

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

11600.08

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Hungary

**Consumption of electricity (MWh)**

1062.85

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1062.85

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

India

**Consumption of electricity (MWh)**

731.99

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

731.99

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Italy

**Consumption of electricity (MWh)**

10235.03

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

10235.03

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Japan

**Consumption of electricity (MWh)**

34.6

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

34.6

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Mexico

**Consumption of electricity (MWh)**

1792.85

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1792.85

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Morocco

**Consumption of electricity (MWh)**

65.87

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

65.87

**Is this consumption excluded from your RE100 commitment?**

&lt;Not Applicable&gt;

**Country/area**

Netherlands

**Consumption of electricity (MWh)**

263.92

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

263.92

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

New Zealand

**Consumption of electricity (MWh)**

69.38

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

69.38

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Norway

**Consumption of electricity (MWh)**

1156.69

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1156.69

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Peru

**Consumption of electricity (MWh)**

76.45

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

76.45

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Philippines

**Consumption of electricity (MWh)**

484.43

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

484.43

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Poland

**Consumption of electricity (MWh)**

3369.06

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

3369.06

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Algeria

**Consumption of electricity (MWh)**

1229.27

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1229.27

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

---

**Country/area**

Hong Kong SAR, China

**Consumption of electricity (MWh)**

49.17

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

49.17

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

---

**Country/area**

Malaysia

**Consumption of electricity (MWh)**

289.03

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

289.03

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

---

**Country/area**

Portugal

**Consumption of electricity (MWh)**

31.63

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

31.63

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

---

**Country/area**

Russian Federation

**Consumption of electricity (MWh)**

34.49

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

34.49

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

---

**Country/area**

Singapore

**Consumption of electricity (MWh)**

198.58

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

198.58

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

---

**Country/area**

Slovakia

**Consumption of electricity (MWh)**

706.05

**Consumption of heat, steam, and cooling (MWh)**

1328.9

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2034.95

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

South Africa

**Consumption of electricity (MWh)**

616.22

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

616.22

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Republic of Korea

**Consumption of electricity (MWh)**

58.36

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

58.36

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Spain

**Consumption of electricity (MWh)**

160.28

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

160.28

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Sweden

**Consumption of electricity (MWh)**

52357.15

**Consumption of heat, steam, and cooling (MWh)**

6085.75

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

58442.9

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Switzerland

**Consumption of electricity (MWh)**

38.58

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

38.58

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Turkey

**Consumption of electricity (MWh)**



387.88

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

387.88

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

United Arab Emirates

**Consumption of electricity (MWh)**

812.25

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

812.25

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

United Kingdom of Great Britain and Northern Ireland

**Consumption of electricity (MWh)**

2639.95

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2639.95

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Uruguay

**Consumption of electricity (MWh)**

20.18

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

20.18

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

United States of America

**Consumption of electricity (MWh)**

58704.61

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

58704.61

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**C-CG8.5**

---

**(C-CG8.5) Does your organization measure the efficiency of any of its products or services?**

	Measurement of product/service efficiency	Comment
Row 1	Yes	

**C-CG8.5a**

---

**(C-CG8.5a) Provide details of the metrics used to measure the efficiency of your organization's products or services.**

**Category of product or service**

Other, please specify (Water Infrastructure)

**Product or service (optional)**

Flygt Water and Wastewater Products

**% of revenue from this product or service in the reporting year**

35

**Efficiency figure in the reporting year**

0.6

**Metric numerator**

Other, please specify (Average Power gained by flow (Unit weight x flow rate x head rise))

**Metric denominator**

Other, please specify (Average Power supplied to pump)

**Comment**

In 2021, we continued to increase product energy efficiency, achieving a 0.6 percent increase in average product energy efficiency across the entire Flygt product line since 2018. Our Transport and Dewatering revenue was \$1,816M, or 35% of total revenue, in 2021. In 2021, we continued to increase the energy efficiency of our new to market products. These products are designed using state-of-the-art design system and are meant to reduce the energy required for operations, versus older models. We currently offer our customer speed regulated machines which improve the efficiency of older models, however, we have yet to integrate these innovations into our average sold efficiency metric.

**Category of product or service**

Other, please specify (Applied Water Systems)

**Product or service (optional)**

e-XC single stage, double suction centrifugal pumps

**% of revenue from this product or service in the reporting year**

31

**Efficiency figure in the reporting year**

2

**Metric numerator**

Other, please specify (Average power gained by flow)

**Metric denominator**

Other, please specify (Average power supplied to pump )

**Comment**

In 2021, we continued to increase product energy efficiency, achieving a 2 percent increase in efficiency for new products launched for our Applied Water Systems business since 2018, representing cumulative savings of 1,095,089 metric tons of CO2e between 2019 and 2025. Our Applied Water Systems revenue was \$1,613M, or 31% of total revenue, in 2021.

**C9. Additional metrics**

**C9.1**

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

**Description**

Other, please specify

**Metric value**

**Metric numerator**

**Metric denominator (intensity metric only)**

**% change from previous year**

**Direction of change**

<Not Applicable>

**Please explain**

In 2019, Xylem announced that through partnerships with our customers, by 2025 we will: • Reduce over 3.5 billion m3 of nonrevenue water, equivalent to the domestic water use needs of over 55 million people annually • Treat 13 billion m3 of water for reuse, equivalent to the domestic water use needs of over 197 million people annually • Prevent over 7 billion m3 of polluted water from flooding communities or entering local waterways • Reduce water's CO2 footprint by over 2.8 million metric tons, equivalent to 46 million tree seedlings growing for 10 years In 2019, Xylem announced that by 2025 we will: • Ensure 100% of Xylem employees have access to clean water and safe sanitation at work, at home and during natural disasters • Use 100% renewable energy and process water recycling at our major facilities • Achieve Zero Waste to Landfill from processes at our major facilities • Require preferred suppliers to take the WASH4WorkPledge • Ensure packaging material consists of 75% reusable, recyclable or compostable content • Develop science-based targets for GHG reduction (Scope 1,2,3) • Give 1% of our company profits to water-related causes and education • Deploy humanitarian aid to 200 areas affected by water-related natural disasters • Provide 15 million people with water education to improve quality of life and raise awareness

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	

C-CG9.6a

(C-CG9.6a) Provide details of your organization’s investments in low-carbon R&D for capital goods products and services over the last three years.

**Technology area**

Other energy efficient products or efficiency drivers

**Stage of development in the reporting year**

Large scale commercial deployment

**Average % of total R&D investment over the last 3 years**

41 - 60%

**R&D investment figure in the reporting year (optional)**

204000000

**Comment**

Xylem develops and brings to market innovative solutions that create major water, energy and cost efficiencies, helping utilities solve critical water challenges for their communities making them more sustainable with increased resource-use efficiency and greater adoption of cleaner and environmentally sound technologies and industrial processes. Xylem invests substantial resources into Research and Development and our leading-edge technologies facilitate sustainable and resilient infrastructure development in developing countries. In 2021, total R&D investments were 204 USD million.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Xylem Sustainability Report 2021-compressed.pdf

**Page/ section reference**

2021 Sustainability Report (GRI 2-5) -- Independent Assurance Statement to Xylem Inc. pg. 104 <https://www.xylem.com/en-us/sustainability/>

**Relevant standard**

ISAE3000

**Proportion of reported emissions verified (%)**

100

C10.1b

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Xylem Sustainability Report 2021-compressed.pdf

**Page/ section reference**

2021 Sustainability Report (GRI 2-5) -- Independent Assurance Statement to Xylem Inc. pg. 104 <https://www.xylem.com/en-us/sustainability/>

**Relevant standard**

ISAE3000

**Proportion of reported emissions verified (%)**

100

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**C10.1c**

---

**(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

**Scope 3 category**

Scope 3: Purchased goods and services

Scope 3: Waste generated in operations

Scope 3: Business travel

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Xylem Sustainability Report 2021-compressed.pdf

**Page/section reference**

2021 Sustainability Report (GRI 2-5) -- Independent Assurance Statement to Xylem Inc. pg. 104 <https://www.xylem.com/en-us/sustainability/>

**Relevant standard**

ISAE3000

**Proportion of reported emissions verified (%)**

100

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**C10.2**

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, we do not verify any other climate-related information reported in our CDP disclosure

**C11. Carbon pricing**

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**C11.1**

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**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

**C11.2**

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**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

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## C11.3

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### (C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

## C12. Engagement

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### C12.1

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#### (C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

### C12.1a

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#### (C12.1a) Provide details of your climate-related supplier engagement strategy.

##### Type of engagement

Information collection (understanding supplier behavior)

##### Details of engagement

Collect climate change and carbon information at least annually from suppliers

##### % of suppliers by number

9.5

##### % total procurement spend (direct and indirect)

24.9

##### % of supplier-related Scope 3 emissions as reported in C6.5

4

##### Rationale for the coverage of your engagement

Xylem collaborates with our supply chain partners on our sustainability journey to develop our collective impact. Disclosing to CDP has been a cornerstone initiative to Xylem's Supply Chain Sustainability Strategy and each year since 2013, we have disclosed our environmental performance. Starting in 2021, we asked Xylem's key suppliers to do the same. We launched our CDP Supply Chain program in 2021, inviting more than 120 suppliers to calculate and disclose Scope 1 & 2 GHG emissions and water usage. At this point the coverage is focused on key suppliers that represent nearly 25% of global procurement spend. We will continue to roll out this requirement and, by 2025, submitting Climate Change and Water Security questionnaires to CDP will be a requirement of all Xylem Preferred Suppliers. By 2025, more than a third of our global supply base will be required to disclose emissions to CDP annually.

##### Impact of engagement, including measures of success

Maintaining high participation in Xylem's CDP Supply Chain program will be a key driver in tackling our Scope 3 upstream emissions reductions and Net-Zero target. As a CDP supply chain member, Xylem receives supplier data, analysis, and insights on an annual basis. Success will be measured by the response rate of suppliers disclosing emissions to CDP annually. Our target is to have more than a third of our global supply base disclosing emissions to CDP by 2025. In 2021, we measured the success of this strategy, closing the disclosure cycle achieving an 80% response rate, exceeding our disclosure target in our first year. Almost 25% of our supply base by spend has disclosed their GHG emissions and/or water usage via CDP.

##### Comment

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##### Type of engagement

Information collection (understanding supplier behavior)

##### Details of engagement

Collect climate change and carbon information at least annually from suppliers

##### % of suppliers by number

12.5

##### % total procurement spend (direct and indirect)

37

##### % of supplier-related Scope 3 emissions as reported in C6.5

4

##### Rationale for the coverage of your engagement

Xylem require suppliers to disclose sustainability information via EcoVadis

##### Impact of engagement, including measures of success

Since 2020, we have partnered with EcoVadis to assess the performance of our supply base on Labor and Human Rights, Environment, Ethics and Sustainable Procurement. With this program, we look to increase our transparency and help our suppliers track and improve their performance year over year. In 2021, we started reviewing scorecards with our suppliers and have requested Corrective Action Plans from our suppliers with scores below expectations. By the end of 2021, 69% of the suppliers who were re-evaluated had improved their score and 15% remained stable. Success will be measured by these improvements and our average supply chain base performance score has improved since 2020.

##### Comment

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## C12.1b

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### (C12.1b) Give details of your climate-related engagement strategy with your customers.

#### Type of engagement & Details of engagement

Other, please specify	Other, please specify (Actively work with customers to reduce their carbon footprint utilizing more energy efficient products and improved management of existing assets)
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#### % of customers by number

100

#### % of customer - related Scope 3 emissions as reported in C6.5

4

#### Please explain the rationale for selecting this group of customers and scope of engagement

As a global water technology company, we have the opportunity to address the many water challenges—including climate-related issues, such as access to freshwater and energy-efficiency in water infrastructure. Solving Water is a huge and vital undertaking that calls for collaboration and teamwork across our value chain. For customer and end users, we publish news about our products and services through a variety of media channels, original research, white papers and case studies, a customer focused digital magazine, Making Waves, and a quarterly magazine, Mission: Water, which features stories about scientists, environmentalists and the various challenges they work to solve. For example, in the freely accessible Making Waves, a recently published article—Iceland stream warming study gives preview of climate change—we discuss how Xylem's YSI ProODO handheld dissolved oxygen meters were employed to study how global climate change could affect rivers and streams. In a recent Making Waves webinar—Urban Resilience Planning – How Ready Are You?—also freely available at [makingwaves.xylem.com](http://makingwaves.xylem.com), we provide case studies of how communities are designing resilient pump stations, creating early warning systems for flooding, and developing rapid response and recovery plans using Xylem solutions. We expand upon this notion of sustainable communities in our Building Resilience brochure. We identify key points to building resilience: ensuring water security, strengthening critical infrastructure, driving response and recovery and engaging community stakeholders. Around the world and over the years, Xylem has worked with cities and communities to manage water scarcity. Several case studies are mentioned such as using the Wedeco PDO ozone generators in Wichita, Kansas, to recharge aquifers through treated freshwater injections. By involving the public in resiliency decisions and planning, communities are empowered to withstand unexpected climate events that affect their livelihoods and access to water. We provide customers the ability to earn complimentary CEU credits by completing this online webinar. Bell & Gosset's "Little Red Schoolhouse" goes beyond product training to educate today's engineers on hydronic systems and system design. Our program provides a customized learning environment for each attendee and enables them to take courses at their convenience.

#### Impact of engagement, including measures of success

Our success in engaging customers is measured directly to our revenue. Additionally, we track several customer-related 2025 Sustainability goals towards increasing water reuse applications, reducing non-revenue water loss and stormwater overflow, and reducing the water sector's carbon footprint. These are tracked and published in our annual Sustainability report.

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## C12.2

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### (C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

## C12.2a

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**(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.**

**Climate-related requirement**

Other, please specify (Included climate change in supplier selection / management mechanism)

**Description of this climate related requirement**

We expect 100 percent of our suppliers to adhere to our global sustainability standards. As part of our procurement process, any new Xylem supplier is required to align with our business standards in terms of product quality, process capabilities and sustainable actions. During our supplier capability assessment, we ask, "What actions are in place regarding the reduction of energy consumption and the emissions of greenhouse gases (GHGs)?" and rate their actions as "acceptable" or "not acceptable." We then summarize key areas for supplier improvement. Additionally, we began implementing a sustainability audit process that prioritizes suppliers located in countries where human and labor rights issues could be a concern, and those located in water-stressed areas. Through these engagements, we ensure that all of the suppliers we work with conduct business in compliance with all applicable environmental laws and regulations. This minimizes environmental pollution, promotes an efficient use of natural resources and protects the environment. The supplier must ensure compliance with product-related requirements and may be required to declare the material content and origin of products delivered to Xylem. Suppliers shall have environmental procedures in accordance with applicable elements in ISO14001 or equivalent standard.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

100

**% suppliers by procurement spend in compliance with this climate-related requirement**

100

**Mechanisms for monitoring compliance with this climate-related requirement**

Supplier scorecard or rating

**Response to supplier non-compliance with this climate-related requirement**

Other, please specify (Suppliers that refuse to participate in our Sustainability strategy by 2025 will no longer be considered "Preferred", and therefore not favored for new business opportunities.)

---

**Climate-related requirement**

Other, please specify (Require suppliers to take the WASH4Work Pledge)

**Description of this climate related requirement**

Xylem requires its suppliers to take the WASH4Work Pledge for access to safe water, sanitation and hygiene (WASH) at the workplace. When the World Business Council for Sustainable Development transitioned the WASH Pledge to WASH4Work, Xylem was invited to join the organization as a member of the Steering Committee where we work together with the WASH4Work Secretariat and other Steering Committee members to continuously improve the Pledge program and its adoption. By 2021, we onboarded more than 420 suppliers representing nearly 35% of global spend to the WASH4Work Pledge.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

100

**% suppliers by procurement spend in compliance with this climate-related requirement**

34.7

**Mechanisms for monitoring compliance with this climate-related requirement**

Supplier scorecard or rating

**Response to supplier non-compliance with this climate-related requirement**

Other, please specify (Suppliers that refuse to participate in our Sustainability strategy by 2025 will no longer be considered "Preferred", and therefore not favored for new business opportunities)

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**C12.3**

**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

Row 1

**Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate**

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

Yes

**Attach commitment or position statement(s)**

[https://www.xylem.com/siteassets/about-xylem/climate-change/20150528\\_climate-change-policy-position\\_vfinal.pdf](https://www.xylem.com/siteassets/about-xylem/climate-change/20150528_climate-change-policy-position_vfinal.pdf)

Xylem Climate Action Plan.pdf

**Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy**

Our ESG Committee is composed of representatives from multiple geographies, businesses and functions and is under the executive sponsorship of the SVP, General Counsel and Corporate Secretary, the SVP, Chief Innovation, Technology and Product Management Officer and the SVP, Chief Supply Chain Officer. The committee meets on a regular basis. The objectives of the ESG Committee include but are not limited to: • Identifying and evaluating emerging strategic sustainability issues, considering: regulatory and legislative developments, NGO stakeholder input, market opportunities, brand/reputation, customers and others, as appropriate • Coordinating company responses to strategic public policy and regulatory issues • Establishing Xylem's sustainability goals and objectives • Developing action plans and associated programs • Reviewing enterprise-wide sustainability programs and performance, and providing input to the Senior Leadership Team for establishing/modifying the company's goals and objectives We have established targets related to climate change that impact our products, operations, employees and stakeholder engagement. We will continue to track and report our progress against these goals. We continue to look for energy efficiency improvements in our products, set ambitious goals to reduce emissions and increase resource efficiency. Our corporate citizenship program, Xylem Watermark, informs our employee's perspectives on sustainability through first-hand experiences bringing clean water, sanitation and hygiene education to communities in need, drawing the connection between climate change and water issues. In addition, we work closely with partners to drive collective action. Xylem is focused on our commitment to sustainability and to the UN SDGs, a framework of global commitments to create a fairer and more sustainable world by 2030. These goals provide an opportunity for Xylem to strengthen our collaboration with stakeholders from a cross-section of industries, communities, governments and the social sector. While we are uniquely poised to help achieve the 17 SDGs through responsible and mindful management of our internal operations and supply chain, CSR programs, diversity and inclusion practices, and most importantly, the products, solutions and services that we offer to customers, we consider six goals our focus SDGs. For an overview of our connection to SDGs, see our Sustainability website.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

C12.3a

**(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?**

**Focus of policy, law, or regulation that may impact the climate**

Adaptation and/or resilience to climate change

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

In 2021 and 2022, Xylem worked with Members of Congress to develop draft legislation to require the Secretary of the Interior to prepare a digital climate solutions report. This report will include an inventory and assessment of digital climate solutions in the water sector and will suggest how water and wastewater service providers could use digital tools and platforms to accelerate digital climate and resiliency solutions in water systems. This report will also include an evaluation of existing community-centered smart water technologies and a summary of opportunities to enhance standardization of both voluntary and regulatory climate disclosure protocols.

**Policy, law, or regulation geographic coverage**

National

**Country/region the policy, law, or regulation applies to**

United States of America

**Your organization's position on the policy, law, or regulation**

Support with no exceptions

**Description of engagement with policy makers**

In 2021 Xylem continued its advocacy for policies that support the adaptation and resilience to climate change. Xylem has asked Congress to enact the requirements of a Digital Climate Solutions Report to assess digital tools and platforms as climate solutions in the water sector.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

<Not Applicable>

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**Focus of policy, law, or regulation that may impact the climate**

Other, please specify (Water Infrastructure)

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

The Water Infrastructure Modernization Act of 2021 authorizes an EPA grant program to advance the use of proven digital, data-driven solutions to address America's water challenges. These technologies modernize water networks and lower up-front costs, lower ongoing operating costs, and can improve the delivery of safe and reliable water supplies. The Water Infrastructure Modernization Act incentivizes a comprehensive approach to integrate smart water technologies into our national effort to modernize the water infrastructure needs of municipal, industrial, agricultural, and ecosystems. The bill will enhance the delivery of critical infrastructure for public health and robust economic activity and address the growing affordability needs of communities throughout rural and urban America. It will position the nation to address the demands imposed by antiquated systems, stringent water quality and drinking water standards, legacy contaminants, resiliency, and disadvantaged communities' needs, while ensuring continued progress of an improved quality of life in the decades ahead.

**Policy, law, or regulation geographic coverage**



National

**Country/region the policy, law, or regulation applies to**

United States of America

**Your organization's position on the policy, law, or regulation**

Support with no exceptions

**Description of engagement with policy makers**

In 2021 Xylem continued its advocacy for innovative solutions to Water Infrastructure issues by asking Congress to enact the Water Infrastructure Modernization Act of 2021. The Act authorizes grant funding to support investments in the deployment of smart water technology which will help companies such as Xylem in developing technology to modernize aging water infrastructure and improve water quality.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

<Not Applicable>

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**Focus of policy, law, or regulation that may impact the climate**

Other, please specify (Water Infrastructure)

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

Adequate water supplies and wastewater services are critical to public health and the economic development in Native communities. While many communities across the nation continue to struggle to address aging infrastructure, lead pipes, emerging contaminants, climate impacts, and other stressors, far too many Native communities lack access to basic water and wastewater services. The U.S. Environmental Protection Agency estimates the costs of future Tribal drinking water infrastructure needs at an additional \$3.8 billion over the next 20 years. The Department of Housing and Urban Development found that 5.6 percent of Tribal homes have a plumbing inadequacy - defined as lacking piped hot water or a flush toilet, or lacking both bathtub and shower, for the exclusive use of the unit, compared to 1.3 percent of homes in the U.S. The Tribal Access to Clean Water Act of 2021 aims to ensure access to reliable, clean drinking water and wastewater services for all Americans, targeting investment in Native communities.

**Policy, law, or regulation geographic coverage**

National

**Country/region the policy, law, or regulation applies to**

United States of America

**Your organization's position on the policy, law, or regulation**

Support with no exceptions

**Description of engagement with policy makers**

Xylem has long-standing partnerships with many non-governmental organizations and government agencies, including the Rural Community Assistance Partnership (RCAP), DigDeep, the US Water Alliance and the National Water Resources Association (NWRA), to name a few. In 2021 Xylem, together with the aforementioned industry partner organizations, asked for Congress to enact the Tribal Access to Clean Water Act of 2021 to ensure access to reliable, clean drinking water and wastewater services for all Americans. This targeted investment in Native communities would be a significant step towards ensuring universal access to water and wastewater services.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

<Not Applicable>

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**C12.3b**

**(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.**

**Trade association**

Other, please specify (The UNFCCC's Race to Zero)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We publicly promote their current position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

The Race to Zero is a global campaign, under the banner of the UNFCCC, rallying support from businesses, cities, and regions to take rigorous and immediate action to halve global emissions by 2030 and promote sustainable growth. The water sector's Race to Zero is an international collaboration of partners promoting the vision of delivering net zero water service for the world's homes and businesses. The campaign is encouraging water utilities, worldwide, to commit to their own net-zero targets. In 2021 Xylem called on water sector leaders and organizations to join a global sustainability push to reduce greenhouse gas emissions related to water systems and water management. The encouragement came after Xylem's announcement to formalize its commitment to achieve net-zero carbon emissions across its value chain before 2050. Attention to greenhouse gas (GHG) emissions in the water sector is increasing, with water use and management accounting for up to 10% of global GHG emissions, today. Xylem is collaborating with a consortium of partners including the UNFCCC High Level Climate Action Champions, CDP, Water UK, the US Water Alliance, the International Water Association, GIZ and others to help water utilities commit to reducing GHG emissions.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**Trade association**

Other, please specify (Reservoir Center for Water Solutions)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We publicly promote their current position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

In 2022, Xylem announced the opening of the Reservoir Center for Water Solutions in Washington, DC – a major milestone for the water sector. The Center will serve as a global collaboration hub to advance breakthrough water solutions and innovations and promote water education and awareness. A consortium of 33 leading organizations within and beyond the water sector, the Center includes academia, technology providers, trade associations and NGOs (non-governmental organizations) that are bringing together their resources, knowledge, and networks to accelerate solutions to the world's critical water and sustainability challenges. Partners include: the U.S. Water Alliance, the International Water Association, EarthEcho International, the Aspen Institute – and Xylem, a founding partner and sponsor of the Center. The facility is co-located with Xylem's new global headquarters in D.C., allowing us to further advance and lead collaboration across water sector partners.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)****Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (Imagine H2O )

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We publicly promote their current position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

Ongoing droughts and severe weather events underscore the need to mobilize innovation on a broader scale, in the race to solve the world's water challenges. Xylem's Innovation Labs partners with Imagine H2O, the leading water innovation accelerator and ecosystem for water entrepreneurs, to support pioneers who are developing bold, new sustainable solutions to urgent water challenges facing communities and businesses. As a global partner, Xylem brings expanded support to Imagine H2O's startup accelerator, including having executives and business leaders from Xylem play an active role in the accelerator's evaluation process and mentorship activities. Additionally, Xylem's support is helping to expand Imagine H2O's efforts to validate, scale and finance water solutions in high-impact markets. Read more about the partnership at <https://www.xylem.com/en-ie/about-xylem/newsroom/press-releases/xylem-expands-partnership-with-imagine-h2o-to-support-water-innovation-entrepreneurs/>.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)****Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (Sump and Sewage Pump Manufacturers Association)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We publicly promote their current position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

The Sump and Sewage Pump Manufacturers Association's mission is to represent the industry in a manner consistent with the highest standards of business practice and its obligations under law and regulation, by educating the industry, general public, and legislative and regulatory groups, in the proper application, use, installation, and maintenance of the products and services offered by its members. Although we are not aware of a SSPMA Climate Change Policy, the Association's focus on proper application, use, installation and maintenance of pumps would result in fewer GHG emissions from our customers in the use phase of our products. Therefore, this statement aligns with our desire to reduce GHG emissions for our customers by providing the most energy efficient equipment to our customers. Xylem's William Gell: President and Board Member

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)****Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (Europump, the European Association of Pump Manufacturers )

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We publicly promote their current position

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**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

Europump represents 16 National Associations in 14 EU Member States, Turkey, Russia & Switzerland. Europump members represent more than 450 companies with a collective production worth more than €10 billion and employing 100,000 people in Europe. The ever improving performance of liquid pumps increases the productivity of end user sectors and contributes to competitiveness and growth. Xylem's Markus Holmberg: Council Member Since 2010 Markus has been a member of Europump Standards Commission and Technical Commission and has for the last four years been the chairman of Europump Lot 28 workgroup. Markus is active within the Swedish pump supplier association, Swepump, and is representing Swedish Standards Institute at CEN/TC 197 and ISO/TC 115.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (WASH4Work)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We publicly promote their current position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

WASH4Work aims to mobilize business to address WASH challenges in the workplace, in communities where companies operate, and across supply chains. Xylem's Donna Laviolette: Steering Committee Member Xylem's Andrea Montuori: Steering Committee Member

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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## C12.3c

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**(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.**

**Type of organization**

Other, please specify (Sustainability Advocacy Organization )

**State the organization to which you provided funding**

Ceres Company Network

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

25000

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

The Ceres Company Network includes major corporations committed to driving sustainable business leadership by taking action to stabilize the climate, protect water and natural resources, and build a just and inclusive economy. Ceres works with companies to integrate sustainability into corporate decision-making, challenge traditional business practices and collaborate towards systems-level change. By leveraging Ceres' unique access to investors, companies and other advocacy organizations, Company Network members realize a competitive advantage by integrating stronger environmental, social and governance practices into their core business strategies.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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## C12.4

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**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

Xylem Sustainability Report 2021-compressed.pdf  
xyl-12.31.2021-10-k.pdf

**Page/Section reference**

2021 Sustainability Report (page 25) 10-K (page 11)

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Other, please specify (Xylem, customer and supplier operations)

**Comment**

10-K - Financials

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**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

Xylem Sustainability Report 2021-compressed.pdf

**Page/Section reference**

2021 Sustainability Report - page 85

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

**Comment**

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

Xylem Investor Overview and ESG Highlights.pdf

**Page/Section reference**

Xylem Investor Overview and ESG Highlights 2021 - page 16

**Content elements**

Strategy  
Risks & opportunities  
Other metrics  
Other, please specify (Financials)

**Comment**

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## C15. Biodiversity

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### C15.1

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**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, executive management-level responsibility	Our CSO is ultimately responsible for Xylem’s sustainability programs, which includes overseeing the impact of Xylem’s activities on local biodiversity and ecosystems. Through our corporate social responsibility program, Xylem Watermark, we provide 10 hours of time off annually for employees to volunteer in their communities to help solve water challenges. Since January 2021, Xylem employees have volunteered over 11,000 hours for events focused on invasive species removal or native planting. Through our Community Grants program, any Xylem employee, customer, supplier, and partner can apply for a grant on behalf of a nonprofit organization that they are engaging in community volunteer efforts with. Xylem Watermark has partnered with EarthEcho International to help inspire young people worldwide to act now to combat global water issues. Through this partnership, volunteers are acting in their communities to transform the future of waterways. In North Carolina, volunteers created “floating islands” made completely of reused single use plastics to build filtering islands that improve natural habitats. Composted mulch was spread over the structures and native plants were added. This provides biodiversity and habitats, while also removing common chemical pollutants from agriculture and landscaping such as nitrogen and phosphorus. In Hawaii, volunteers helped to remove invasive species that harm local watersheds to allow its native species to thrive again. In 2022, we introduced the Watermark Watershed Bingo Challenge to inspire Xylem employees to participate in activities such as invasive species removal, river clean-ups, education events and more. For every completed Bingo Board received, Xylem will donate \$10 to EarthEcho International.	<Not Applicable>

**C15.2**

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Other, please specify (Xylem Watermark)	SDG Other, please specify (TCFD – physical risk assessment)

**C15.3**

**(C15.3) Does your organization assess the impact of its value chain on biodiversity?**

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

**C15.4**

**(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Education & awareness

**C15.5**

**(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?**

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Other, please specify (As a leading sponsor and participator of the EarthEcho Water Challenge, Xylem conducts basic monitoring of local waterbodies and submits data to EarthEcho’s database to support the development of a water quality map of the world.)

**C15.6**

**(C15.6) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments	<a href="https://wateractionhub.org/organizations/158/d/xylem-inc/">https://wateractionhub.org/organizations/158/d/xylem-inc/</a>

C16. Signoff

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C-FI

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**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

C16.1

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**(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	CEO	Chief Executive Officer (CEO)

SC. Supply chain module

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SC0.0

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**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

Xylem’s mission is to solve water. Xylem’s vision and values provide its foundation for growth and inspire Xylem to behave as a responsible industry leader and corporate citizen:

- Respect for internationally proclaimed human rights and working conditions, and for the environment
- Responsibility for how our activities, products and services affect people and the environment
- Integrity for acting ethically and living up to our Code of Conduct
- Creativity to develop innovative energy and water efficient solutions

Xylem was recently named “Net-Zero Carbon Champion” at the 2022 Global Water Awards, recognizing our work to advance the decarbonization of the water sector. The award is a major milestone in our mission to accelerate progress towards a more water sustainable future.

**Committed to net-zero carbon emissions**

Moving and treating water and wastewater is an energy-intensive business, with water utilities accounting for about 2% of global GHG emissions<sup>1</sup>. At Xylem, we are committed to solving water challenges and building a more water-secure world for future generations. Last year, we formalized our commitment to achieve net-zero carbon emissions across our value chain before 2050 and we are on track to meet our Science-Based Target commitments by 2030.

In addition to our own commitments to achieve net-zero carbon emissions, we also partner with utilities, businesses and water managers around the world to help reduce their carbon footprint. In 2020, we established far-reaching sustainability goals that seek to reduce water’s CO<sub>2</sub>e footprint by over 2.8 million metric tons by 2025.

In the two years since launching our ambitious five-year plan, we have already reduced the CO<sub>2</sub>e footprint of our water customers by over 1 million metric tons.

**High-efficiency solutions**

The Net Zero Carbon Champion award recognizes the work by Xylem and our utility partners to deploy advanced solutions that optimize energy consumption across water networks and reduce greenhouse gas emissions.

For example, Xylem’s [Flygt Bibo Alpha pumping system](#) can reduce energy consumption by up to 60%. Xylem’s AI-powered [Treatment System Optimization](#) solution has also helped a wastewater treatment plant in Cuxhaven, Germany, [cut aeration energy use by 30%](#).

In 2020 alone, Xylem’s high-efficiency technologies and digital solutions collectively helped customers reduce their carbon footprint by 0.7 million metric tons of CO<sub>2</sub>e, the equivalent to keeping 150,000 cars off the road for a year.

Xylem previously [won the “Water Project of the Year” award](#) for its work to modernize the Orly drinking water treatment plant in Paris, France at the 2021 Global Water Awards. The project helped Eau de Paris increase capacity and strengthen its water treatment capabilities while reducing energy consumption and improving water safety.

**The Race to Zero**

In addition to driving progress through our solutions, we are working to build awareness of the net-zero opportunity through contributions like our recent paper [“Water Utilities: Moving Fast Toward A Zero-Carbon Future”](#) and by encouraging stakeholders to join the sector’s [“Race to Zero.”](#)

**About the Global Water Awards**

The Global Water Awards, an initiative of Global Water Intelligence, recognizes the industry’s greatest achievements, rewarding initiatives and companies in the water, wastewater and desalination sectors that are moving the industry forward with improved operating performance, innovative technology adoption and sustainable financial models.

Xylem was named the Water Technology Company of the Year at the 2018 Global Water Awards. The accolade was presented to the company that made the most significant contribution to the field of water technology in 2017.

Xylem’s recent acquisitions of Pure Technologies, EmNet, and Valor Water Analytics were each noted for strengthening the Company’s suite of solutions to address non-revenue water, as well as smart water and wastewater network assessment and management. Other achievements highlighted include the installation of Xylem’s Concertor intelligent wastewater pumping system in Washington, D.C., and the launch of Xylem’s latest smart dewatering pump. Also acknowledged were Xylem’s continued efforts to develop potable reuse solutions with the installation of the world’s first large-scale ultraviolet /chlorine process to treat wastewater to drinking water standards at the Terminal Island Water Reclamation Plant in Los Angeles in 2017.

Please see the [Xylem Website](#) for more information about our company.

**SC0.1**

**(SC0.1) What is your company’s annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	5195000000

**SC1.1**

**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**

**Requesting member**  
Aguas Andinas SA

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

44

**Uncertainty (±%)**

20

**Major sources of emissions**

Fuels burned and electricity generated.

**Verified**

Yes

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Please select

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We use the economic allocation method to allocate emissions to each of our customers. We realize that there is a limitation to our estimation model, given the fact that the intensity of greenhouse gas emissions can vary by customer depending on type of services provided, geographic location, and in some cases, specific customer requirements; however, we have determined that sales dollars is the most straight forward proxy, the margin of error for large customers is likely to be small and the data is easy for our customers to cross check and validate. As reported in our 2022 CDP Investor Response, 2021 Scope 1 and 2 emissions for Xylem amount to 44,707 (Scope1) and 44,569 (Scope 2) metric tons CO2e. Our 2021 Annual Report states total (global) 2021 revenues for Xylem as \$5,195,000,000. Next, we identified spend for each customer, in order to allocate emissions based on the market value of services purchased as a proportion of total 2021 revenues for those markets. We used the following formula for our allocation: Emissions by customer, metric tons CO2e = [Market Value of Services Purchased in 2021 \$US / Xylem 2021 Revenues \$US] x Xylem 2021 Emissions (Scope 1 and 2), metric tons CO2e Where; Xylem 2021 Revenues = \$5,195,000,000 Xylem 2021 Emissions (Scope 1 and 2) = 92,276 metric tons CO2e Market Value of Services Purchased in 2021 = \$[varies by customer]. The main sources of uncertainty for these calculations is extrapolation in cases where data sets were incomplete and the assumption that all customers use similar or average services. We estimate the uncertainty to be +/- 20%.

**Requesting member**

Aguas Andinas SA

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

41

**Uncertainty (±%)**

20

**Major sources of emissions**

Fuels burned and electricity generated.

**Verified**

Yes

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Please select

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We use the economic allocation method to allocate emissions to each of our customers. We realize that there is a limitation to our estimation model, given the fact that the intensity of greenhouse gas emissions can vary by customer depending on type of services provided, geographic location, and in some cases, specific customer requirements; however, we have determined that sales dollars is the most straight forward proxy, the margin of error for large customers is likely to be small and the data is easy for our customers to cross check and validate. As reported in our 2022 CDP Investor Response, 2021 Scope 1 and 2 emissions for Xylem amount to 44,707 (Scope1) and 44,569 (Scope 2) metric tons CO2e. Our 2021 Annual Report states total (global) 2021 revenues for Xylem as \$5,195,000,000. Next, we identified spend for each customer, in order to allocate emissions based on the market value of services purchased as a proportion of total 2021 revenues for those markets. We used the following formula for our allocation: Emissions by customer, metric tons CO2e = [Market Value of Services Purchased in 2021 \$US / Xylem 2021 Revenues \$US] x Xylem 2021 Emissions (Scope 1 and 2), metric tons CO2e Where; Xylem 2021 Revenues = \$5,195,000,000 Xylem 2021 Emissions (Scope 1 and 2) = 92,276 metric tons CO2e Market Value of Services Purchased in 2021 = \$[varies by customer]. The main sources of uncertainty for these calculations is extrapolation in cases where data sets were incomplete and the assumption that all customers use similar or average services. We estimate the uncertainty to be +/- 20%.

**Requesting member**

Vale SA



**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

50

**Uncertainty (±%)**

20

**Major sources of emissions**

Fuels burned and electricity generated.

**Verified**

Yes

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Please select

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We use the economic allocation method to allocate emissions to each of our customers. We realize that there is a limitation to our estimation model, given the fact that the intensity of greenhouse gas emissions can vary by customer depending on type of services provided, geographic location, and in some cases, specific customer requirements; however, we have determined that sales dollars is the most straight forward proxy, the margin of error for large customers is likely to be small and the data is easy for our customers to cross check and validate. As reported in our 2022 CDP Investor Response, 2021 Scope 1 and 2 emissions for Xylem amount to 44,707 (Scope1) and 44,569 (Scope 2) metric tons CO2e. Our 2021 Annual Report states total (global) 2021 revenues for Xylem as \$5,195,000,000. Next, we identified spend for each customer, in order to allocate emissions based on the market value of services purchased as a proportion of total 2021 revenues for those markets. We used the following formula for our allocation: Emissions by customer, metric tons CO2e = [Market Value of Services Purchased in 2021 \$US / Xylem 2021 Revenues \$US] x Xylem 2021 Emissions (Scope 1 and 2), metric tons CO2e Where; Xylem 2021 Revenues = \$5,195,000,000 Xylem 2021 Emissions (Scope 1 and 2) = 92,276 metric tons CO2e Market Value of Services Purchased in 2021 = \$[varies by customer]. The main sources of uncertainty for these calculations is extrapolation in cases where data sets were incomplete and the assumption that all customers use similar or average services. We estimate the uncertainty to be +/- 20%.

**Requesting member**

Please select

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

47

**Uncertainty (±%)**

20

**Major sources of emissions**

Fuels burned and electricity generated.

**Verified**

Yes

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Please select

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We use the economic allocation method to allocate emissions to each of our customers. We realize that there is a limitation to our estimation model, given the fact that the intensity of greenhouse gas emissions can vary by customer depending on type of services provided, geographic location, and in some cases, specific customer requirements; however, we have determined that sales dollars is the most straight forward proxy, the margin of error for large customers is likely to be small and the data is easy for our customers to cross check and validate. As reported in our 2022 CDP Investor Response, 2021 Scope 1 and 2 emissions for Xylem amount to 44,707 (Scope1) and 44,569 (Scope 2) metric tons CO2e. Our 2021 Annual Report states total (global) 2021 revenues for Xylem as \$5,195,000,000. Next, we identified spend for each customer, in order to allocate emissions based on the market value of services purchased as a proportion of total 2021 revenues for those markets. We used the following formula for our allocation: Emissions by customer, metric tons CO2e = [Market Value of Services Purchased in 2021 \$US / Xylem 2021 Revenues \$US] x Xylem 2021 Emissions (Scope 1 and 2), metric tons CO2e Where; Xylem 2021 Revenues = \$5,195,000,000 Xylem 2021 Emissions (Scope 1 and 2) = 92,276 metric tons CO2e Market Value of Services Purchased in 2021 = \$[varies by customer]. The main sources of uncertainty for these calculations is extrapolation in cases where data sets were incomplete and the assumption that all customers use similar or average services. We estimate the uncertainty to be +/- 20%.

**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

<https://www.xylem.com/siteassets/investors/xyl-12.31.2021-10-k.pdf>

**SC1.3**

**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	The ability to identify emissions by businesses (Water Infrastructure, Applied Water and Measurement & Control Solutions) will help us overcome these challenges and will enable us to allocate emissions to customers based on the products and services they use and the geographic locations they operate in. Determining the specific carbon intensity of individuals is a challenge. Today, we use the economic allocation method based on customer spend. We realize that this is a limitation to our estimation model, given the fact that the intensity of greenhouse gas emissions vary by customer depending on type of products purchased, services provided, geographic location, and in certain cases, specific customer requirements. Currently, we do not have enough information to evaluate and compare the specific carbon intensities of our different businesses, product categories and geographic locations.

**SC1.4**

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

Yes

**SC1.4a**

**(SC1.4a) Describe how you plan to develop your capabilities.**

Xylem has a culture of continuous improvement – improving efficiency, service quality and being able to help customers meet their environmental goals. We are constantly working on improvements to our overall GHG management programs. In the future, we plan to account for environmental impacts based on our businesses and products. For example, new products developed in Transport are bringing an average 0.2 percent average energy-efficiency improvement per year, leading to cumulative savings of 280,000 metric tons of CO2e between 2019 and 2025.

When we can account for the GHG footprint of each business and product category, we will also be able to more accurately allocate emissions to customers based on the products and services they use. We believe that improved understanding of the carbon intensity of our businesses and product categories will lead to better opportunities for collaboration on mitigation, and ultimately a better customer experience.

**SC2.1**

**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**

**Requesting member**

Aguas Andinas SA

**Group type of project**

Change to provision of goods and services

**Type of project**

Other, please specify (recycled/renewable packaging materials)

**Emissions targeted**

Actions that would reduce our own supply chain emissions (our own scope 3)

**Estimated timeframe for carbon reductions to be realized**

0-1 year

**Estimated lifetime CO2e savings**

500

**Estimated payback**

0-1 year

**Details of proposal**

Take our current goal of "Ensure packaging material consists of 75% reusable, recyclable or compostable content" from 75% to 100%; which would also support our "Achieve zero waste to landfill from processes at our major facilities" goal (embedded Scope 3 emissions would lower).

**Requesting member**

Aguas Andinas SA

**Group type of project**

Reduce Logistics Emissions

**Type of project**

Consolidated logistics

**Emissions targeted**

Actions that would reduce our own supply chain emissions (our own scope 3)

**Estimated timeframe for carbon reductions to be realized**

0-1 year

**Estimated lifetime CO2e savings**

5000

**Estimated payback**

3-5 years

**Details of proposal**

Engage in supply chain order/route/delivery optimization to minimize delivery-miles and embedded Scope 3 emissions.

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**Requesting member**

Aguas Andinas SA

**Group type of project**

New product or service

**Type of project**

Other, please specify (product recycle/takeback program)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

3-5 years

**Estimated lifetime CO2e savings**

**Estimated payback**

Please select

**Details of proposal**

Engage in product takeback/recovery/CE programs with suppliers to encourage optimal next use for products at the end of useful life at Xylem.

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**Requesting member**

Vale SA

**Group type of project**

Change to provision of goods and services

**Type of project**

Other, please specify (recycled/renewable packaging materials)

**Emissions targeted**

Actions that would reduce our own supply chain emissions (our own scope 3)

**Estimated timeframe for carbon reductions to be realized**

Other, please specify

**Estimated lifetime CO2e savings**

500

**Estimated payback**

3-5 years

**Details of proposal**

Take our current goal of "Ensure packaging material consists of 75% reusable, recyclable or compostable content" from 75% to 100%; which would also support our "Achieve zero waste to landfill from processes at our major facilities" goal (embedded Scope 3 emissions would lower).

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## SC2.2

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**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

## SC4.1

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**(SC4.1) Are you providing product level data for your organization's goods or services?**

No, I am not providing data

[Submit your response](#)

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**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

**Please confirm below**

I have read and accept the applicable Terms