

May 5, 2023

Xylem Human Rights Statement

Xylem Inc. (NYSE: XYL) is privileged to work on water and other essential resource challenges around the world. We are committed to solving critical water and infrastructure challenges with innovation. That is our mission. Working with our customers and other partners, we are acting across multiple fronts to help communities, businesses and other users of water solve many of their water and climate-related challenges using our technologies, products, and services.

Human Rights is an area of growing importance to our colleagues, suppliers, partners, shareholders, investors, customers, and the communities in which we operate. This Human Rights Statement updates and formalizes our long-standing commitment to uphold and respect human rights and contains overarching principles that we strive to embed into our policies and management systems. We believe this Statement reflects fundamental standards for business conduct and human rights, provides a cornerstone for Xylem to identify and manage its human rights impacts, and mitigate risks, and fosters collaborative and transparent engagement with our stakeholders.

This Statement highlights Xylem's efforts on human rights in our own operations, our supply chains and in our activities with our business partners. We believe in treating everyone in our business and our supply chain with dignity and respect.



Patrick Decker
President and CEO, Xylem

Foundational Principles

We are committed to respecting human rights as set out in the United Nations Guiding Principles on Business and Human Rights. This commitment encompasses internationally recognized human rights as defined by the International Bill of Human Rights — which consists of the Universal Declaration of Human Rights; the International Covenant on Civil and Political Rights; and the International Covenant on Economic, Social and Cultural Rights — as well as the International Labour Organization Declaration on Fundamental Principles and Rights at Work. Xylem is also a signatory to the United Nations Global Compact, the CEO Water Mandate, and the Women's Empowerment Principles.

While first following local regulation and situational circumstances, we are also committed to the principles in other widely accepted international human rights conventions, including the International Convention on the Elimination of All Forms of Racial Discrimination; the Convention on the Elimination of All Forms of Discrimination Against Women; the Convention on the Rights of the Child; the Convention on the Rights of Persons with Disabilities; the Charter of Fundamental Rights of the European Union; and the American Convention on Human Rights.

Our Commitment to Human Rights

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

We have formalized our commitment to responsible business conduct and practices in our Code of Conduct, policies and management systems. We are continuing to develop processes to help identify and assess adverse impacts on human rights and environmental protection throughout our operations and supply chain. We are establishing appropriate controls designed to prevent, mitigate, or eliminate relevant risks and prevent abuses, including with respect to the activities of external stakeholders and throughout our supply chain. We monitor the effectiveness of our controls and provide for, or cooperate in, remediation when appropriate.

We recognize that our commitment to advancing human rights is an on-going effort and we continue to work to evolve our human rights program to meet these challenges.

Our annual Statement on Efforts to Combat Modern Slavery further demonstrates our commitment to the above referenced Foundational Principles and is publicly available on our Sustainability website.

This Human Rights Statement supersedes our prior Human Rights Policy #22-02 and applies to all colleagues, as well as Xylem's partners and suppliers.

Our Commitment to Remediation

Xylem's Code of Conduct reaffirms our commitment to conducting business in a manner that respects human dignity and human rights, regardless of local business customs, sets out guidelines for the business conduct required of all colleagues and identifies multiple channels to report concerns or violations, as well as potential remedies. Xylem regularly trains current colleagues and all new colleagues on our Code of Conduct.

As part of our robust Global Ethics and Compliance Program, the Xylem Integrity Line, a 24-hour confidential reporting portal, is available to all colleagues, suppliers and customers and other third parties, to report any suspected violations of our policies, Code of Conduct or Supplier Code of Conduct, including adverse impact on human rights and working conditions. The Xylem Integrity Line offers support in multiple languages.

Retaliation or intimidation against individuals reporting issues in good faith is strictly prohibited.

If Xylem identifies adverse impact on rights and working conditions that we are causing or are contributing to, we will take appropriate remedial steps and will undertake action to prevent such activities from causing or contributing to adverse impact in the future. Additionally, we are committed to engaging with stakeholders that are affected by such activities and seek to collaborate to implement corrective actions. We will also use our leverage with suppliers and business partners to encourage them to implement measures to help cease, prevent, and mitigate potential or actual adverse impact in the supply chain. We monitor our actions so that corrective measures are implemented, and that they are effective.

Commitment to Support Rule of Law

Xylem recognizes the diversity of laws in the locations where we operate, and we strive to respect domestic laws. When faced with conflicts between such laws and our human rights commitments, we seek to honor the principles of internationally recognized human rights to the greatest extent possible and consistent with our mission to solve water and resource-related challenges using our technology, products, and services.

Commitment to Vulnerable Groups

Aligned with our dedication to promote workforce diversity, equity, and inclusion, Xylem is committed to respecting the rights of all people, and does not tolerate unlawful discrimination or harassment based on a person's race, sex, gender, pregnancy, gender identity or expression, color, creed, religion, national origin, nationality, citizenship, age, physical or mental disability or medical condition, genetic information, marital status (including domestic partnerships and civil unions), sexual orientation, culture, ancestry, familial or caregiver status, military status, veteran status, socioeconomic status, unemployment status, status as a victim domestic violence, or other basis prohibited by law, regardless of whether such individual protections are legally mandated or enforced in the countries where we operate. We regularly engage stakeholders to identify salient human rights issues and to assist in the ongoing development of our human rights program.

Commitment to Sustainable Procurement

Xylem has a large and diverse supply chain, and we recognize that our suppliers play an integral role in helping us to source responsibly and sustainably. Xylem's [Supplier Code of Conduct](#) requires suppliers to conduct business with social responsibility and with the highest degree of integrity. We choose to partner with suppliers who share these same standards and values. Xylem's Supplier Code of Conduct clearly defines expectations regarding respect for human rights, including labor rights and working conditions, for both our direct suppliers as well as extended tiers of our supply base. By agreeing to our Supplier Code of Conduct, suppliers are required to participate in our Supplier Audit Program and to provide us with access to their facilities and all relevant records associated with the products and services sold to Xylem. Xylem has the right to terminate its relationship with any supplier that does not follow the Supplier Code of Conduct.

Xylem will only work with suppliers who commit to implementing the requirements of our Supplier Code of Conduct. By making this commitment, Suppliers agree to be transparent, remedy any shortcomings, and drive continuous improvement. Xylem's Supplier Code of Conduct contains explicit requirements and guidance on grievance mechanisms described above in "Our Commitment to Remediation".

Xylem's standard terms and conditions of purchase require a supplier certification demonstrating the prohibition of breaches of decent working conditions. By accepting the terms and conditions of purchase, suppliers certify that they will not use child labor; will not use forced or compulsory labor; will not physically

abuse laborers; and will respect colleagues' rights to third-party representation and collective bargaining per local law. Additionally, our suppliers certify that they will comply with all applicable laws and regulations concerning wages and benefits, working hours and overtime, health and safety, and environmental matters.

In support of our Supplier Code of Conduct and its policies, Xylem's Supplier Audit Program requires an assessment of Supplier processes and procedures; communication channels; sustainability practices, including environment, safety, and health; compliance with conflict minerals initiatives; organizational capability and structure; and logistics. As part of each assessment, the Supplier responds to a questionnaire about its corporate responsibility credentials and is subject to further review when and where appropriate.

Xylem has published a [Conflict Minerals Policy Statement](#) supporting the fight against violence and human rights violations in mining conflict minerals. If Xylem colleagues discover the use of such minerals that originate from sources found to be not conflict-free: Xylem will take all suitable actions to remedy the problem and transition the product in question to a Supplier that meets conflict-free requirements.

To highlight labor and human rights risks, Xylem assesses a wide selection of our suppliers and requires them to disclose internal policies, practices, and historical violations. Xylem also uses a supplier risk mapping tool with automation and advanced analytics to screen our Supply Chain and map our supplier risk landscape across all critical sustainability criteria. Xylem utilizes the EcoVadis IQ Risk mapping service, which maps 80% of our Tier 1 supply base. The EcoVadis IQ tool provides insight into Supplier risk based on their industry and country of operation.

Commitment to Mitigating Climate Change and Water Insecurity in Service of Our Human Rights Commitment

Climate change and water insecurity present challenges to communities and exacerbate existing poverty and inequality and therefore increase the risks to respecting human rights. Xylem engages with stakeholders to understand their perspectives and improve our monitoring, analysis, and remediation of impacts to water security, resilience and affordability through our broader commitment to sustainability. As discussed in our annual Sustainability Report, we developed a materiality matrix through outreach with a number of stakeholders. This matrix sets out our most impactful priorities in supporting climate mitigation, adaptation and water insecurity through our sustainability programs, practices, and policies.

We strive to mitigate our own impacts by reducing greenhouse gases emissions, water usage and waste generation throughout our operations and value chain. We have committed to science-based and net-zero targets aligned with the Science-Based Targets initiative 1.5°C trajectory by 2050. We track and report on our progress towards these targets in our annual [Sustainability Report](#).

We recognize that some groups and communities are more vulnerable than others to climate change and water insecurity impacts, including women, communities living in or near poverty, indigenous peoples, and minority groups. We commit to engaging with marginalized communities, or their legitimate representatives, and aim to partner with organizations that have the same commitment. We commit to leveraging our technology, innovation, and partnerships to support vulnerable communities in bolstering their climate and water resilience.

Commitment to Governance, Oversight, and Accountability

Our Commitment

Xylem makes the following commitments to respect, support, and promote human rights. We expect our partners and suppliers to make commitments aligned with these human rights.

- **No Harsh or Degrading Treatment/Harassment**

Xylem treats colleagues with dignity and in accordance with Xylem's policy of maintaining a work environment free of all forms of harassment, whether physical, verbal, or psychological.

- **Non-discrimination and Equality**

Xylem provides equality of opportunity and treatment for the purposes of eliminating discrimination based on race, color, gender, sexual orientation, gender identity, religion, political opinion, nationality, social origin and status, indigenous status, disability, age, or other status of individuals unrelated to the individual's ability to perform work.

Xylem requires that migrant workers have the same entitlements as local colleagues. All legally mandated paperwork is required for employment. We cover all commissions and other fees in connection with employment. We do not require colleagues to relinquish their identification documents as part of the employment process.

- **Child Labor**

Xylem prohibits the use of child labor. We do not employ anyone under the age of 15, under the age for completing compulsory education, or under the legal minimum working age for employment, whichever requirement is most restrictive. We support all forms of legal youth employment, including the development of legitimate workplace apprenticeship programs for the educational benefit of young people. We prohibit colleagues who are under the age of 18 from performing work that is likely to jeopardize their health or safety such as night work, overtime, heavy lifting and working with toxic or hazardous materials.

- **Forced/Bonded/Compulsory Labor**

Xylem does not allow forced, bonded, indentured or prison labor to be used in the production of products or the delivery of services. Overall terms of employment are voluntary. No employee may be compelled to work through force or intimidation of any form, or as a means of political coercion or as punishment for holding or expressing political views.

- **Freedom of Association/Collective Bargaining**

Xylem respects our colleagues' right to join, form or not to join a labor union or works council, including the right to strike, without fear of reprisal, intimidation, or harassment. Where colleagues are represented by a legally recognized union or works council, we are committed to establishing a constructive dialogue with their freely chosen representatives. Xylem is committed to bargaining in good faith with such representatives.

- **Health and Safety**

Xylem has a strong Environmental, Health and Safety program that focuses on employee care, continuous improvement, governance, risk reduction, training and education, and leadership accountability that provides our colleagues with safe and healthy workplaces. This philosophy equally applies to visitors at our locations. We believe that injuries, occupational illnesses, and environmental incidents are preventable. We also promote a safe work at home culture.

- **Working Conditions**

Xylem is committed to treating colleagues fairly and honestly regardless of where they work. Colleagues are entitled to reasonable breaks, access to toilets, rest facilities and drinkable water at their place of work, and holiday and sick leave at a minimum in accordance with the laws of the country where they work. All colleagues are provided with an equal opportunity for appropriate job skills training.

Xylem prohibits requiring colleagues to work more than the maximum hours as set by international standards, local and national laws, or in the freely negotiated and legitimate collective agreement, whichever are most restrictive. Overtime is voluntary and paid in accordance with local and national laws or regulations. A work week must not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Colleagues must be allowed at least one day off per seven-day work week.

- **Fair Wages/Compensation**

Xylem pays a fair wage to all colleagues which is at least the minimum wage required by local law or the prevailing industry wage, where applicable, whichever is higher, and provides all legally mandated benefits. Colleagues who are eligible for overtime hours are compensated for overtime hours at the rate established by local law.