



Photo Source: Paulina, Xylem Colleague, 2022

Sustainability in Everything We Do

Sustainability is embedded in all aspects of our operations, enabling us to reduce our environmental footprint and be positive community partners in the areas where we operate.

We engage closely with our 10,000+ supply chain partners to promote sustainable practices across our value chain while reducing water, greenhouse gas (GHG) emissions and waste footprints in our own operations. And we do all this while providing a safe, inclusive and rewarding environment for our colleagues worldwide.

Sustainability is a journey, and at Xylem our 2025 Sustainability Goals guide us, allowing us to measure our progress across our operations and value chain.

Our operational footprint spans the globe,

including **42 manufacturing facilities in 19 countries**. Although our sustainability practices are implemented at all of our 320+ facilities, we have focused our efforts on 22 facilities through our 2025 Sustainability Goals. In 2022:

-  Our facility in **Emmaboda, Sweden** completed the installation of a water treatment system to recycle and reuse water from its own process and testing activities. The system includes 22 different Xylem products and is estimated to save 20 megaliters, or 5.28 million gallons, of water annually.
-  We doubled the number of major facilities achieving our goal of zero process waste to landfill this year, from 6 facilities in 2021 to 12.
-  Despite increased logged work hours, we reduced our injury rate by 4.5% and developing more robust performance management, training systems and employee engagement methodologies.
-  We committed to transitioning 100% of passenger vehicles to electric or hybrid plug-in solutions and 80% of our global fleet, which includes service vans and trucks, to electric or hybrid plug-in solutions by 2025.

80%

of our European vehicle orders placed in 2022 were for either fully electric vehicles or electric hybrid plug-in vehicles.

Progress of our 22 major facilities* on our 2025 Sustainability Goals



- Dubai, United Arab Emirates
- Montecchio, Italy
- Nanjing, China
- Texarkana, AR, U.S.

* Major facilities are defined as those 22 facilities with manufacturing activities that are the top contributors to Xylem's water, waste, or GHGs metrics or located in areas with extremely high water-stress risk.



Driving Sustainability Throughout Our Value Chain

Fulfilling our sustainability commitments requires close collaboration with our supply chain partners. Together, we learn, grow and evolve our strategy, striving to maintain a more sustainable supply chain.

We have high standards for our supply partners, requiring them to behave ethically, responsibly, sustainably and consistently with our own behaviors and values to create long-term value for our customers.

In 2022, we created a framework to include probabilistic social and environmental risk as an integral part of our strategy for supplier engagement with our desktop audits. We follow a clear path to mitigating identified risks through our suppliers' evaluations from these third-party sustainability ratings. By the end of 2022, **61% of the suppliers that were re-evaluated had improved their score**, and 21% remained stable.



Calculating emissions, setting emissions-reduction targets, and driving operational and efficiency improvements provide a framework to drive sustainability and resiliency within our supply base. **At the end of 2022, nearly one-third of our supply base by spend had disclosed their GHG emissions via CDP.** In addition, about 40% of these suppliers, with high water consumption as an input to production, disclosed their water consumption

75%

of our packaging material is reusable, recyclable or uses compostable content.

9.1%

of U.S. spend from diverse suppliers.

and stewardship.

Xylem also remains committed to expanding our supplier diversity program, which allows us to support small and medium-sized businesses, generating economic value and jobs in our communities while increasing competition and fostering innovation. We're proud to prioritize

39.7%

of our global supply base by spend has completed the EcoVadis assessment.

32.4%

of our global supply base has completed the CDP disclosure.

Safe WASH as Part of Supply Chain Resiliency

- Since 2020, 612 of our suppliers have committed to the [Water, Sanitation and Hygiene \(WASH\) Pledge](#) for the Workplace
- Ensuring safe WASH is a key component of business continuity and supply chain resilience
- Engaging our Supply Partners to raise awareness of and tackle global water challenges through [Xylem Watermark](#)