

Statement on Efforts to Combat Modern Slavery

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

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

This statement on Xylem's efforts to combat modern slavery in its operations and supply chains is made and published pursuant to section 54 of the U.K. Modern Slavery Act (2015) and the California Transparency in Supply Chains Act of 2010. This statement identifies the efforts of Xylem and its subsidiaries during the financial year ending 2018. For simplicity, we use the term "modern slavery" to encompass all forms of forced, involuntary, or enslaved labor, child labor, and trafficked labor.

Code of Conduct and Training

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

Verification of Supply Chains

Xylem maintains a Supplier Code of Conduct (<https://www.xylem.com/en-US/about-xylem/supplier-code-of-conduct/>) to make clear Xylem's expectations that its suppliers conduct business with a high degree of integrity and in a socially responsible manner. Xylem's Supplier Code of Conduct requires that suppliers not allow any unlawful business practices, including the use of modern slavery.

Xylem purchases goods and services directly and indirectly from suppliers worldwide. To support Xylem's Supplier Code of Conduct and its policies, Xylem conducts supplier capability assessments and quality audits which include, among other things, an assessment of a supplier's processes and procedures; communication channels; sustainability practices, including environment, safety, and health; compliance with conflict minerals initiatives; organizational capability and structure; and logistics. For each assessment the supplier undergoes a series of questions about its corporate responsibility credentials, including modern slavery matters, and is subject to further review when and where appropriate.

The frequency of follow-up assessments is established based on the time since the last assessment and the specific development plan with a particular supplier. We do not use third parties to verify suppliers for purposes of assessing compliance with modern slavery laws.

Certification by Suppliers

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

Audits of Suppliers

By agreeing to our Supplier Code of Conduct, suppliers provide us with access to their facilities and all relevant records associated with the products and services provided to Xylem as part of a newly launched Supplier Quality Audit Program. We do not conduct independent and unannounced audits to evaluate compliance with our standards against modern slavery. Xylem is advancing strategies to enhance its Supplier Quality Audit Program to evaluate further operational risks at selected suppliers.

Accountability and Performance Monitoring Indicators

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

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

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

Fluid Handling LLC

Christine Valencia

Christine Valencia (Feb 15, 2019)

Name: Christine Valencia

Title: Director

Pure Technologies (UK) Ltd.

Mike Wrigglesworth

Mike Wrigglesworth (Mar 21, 2019)

Name: Michael Wrigglesworth

Title: Director

Sensus USA Inc.

Natalie Gominger

Natalie Gominger (Feb 5, 2019)

Name: Natalie Gominger

Title: Director

Sensus UK Systems Limited

Garry Cox

Garry Cox (Feb 15, 2019)

Name: Garry Cox

Title: Director

Xylem Water Solutions Austria GmbH

Olivier LAMARIE

Name: Olivier LAMARIE

Title: Director

Xylem Water Solutions France SAS

Geraud de Saint Exupery

Name: Geraud de Saint Exupery

Title: Managing Director

Xylem Water Solutions Deutschland GmbH

Falk Petersdorf

Falk Petersdorf (Mar 8, 2019)

Name: Falk Olaf Petersdorf

Title: Managing Director

Xylem Analytics Germany Sales GmbH & Co. KG

Ulrich Schwab

Ulrich Schwab (Mar 14, 2019)

Name: Ulrich Schwab

Title: Managing Director

Xylem Water Solutions Italia S.r.l.

Stefano Sampaolo

Stefano Sampaolo (Mar 15, 2019)

Name: Stefano Sampaolo

Title: Managing Director

Xylem Water Solutions UK Ltd.

Jason Howlett

Jason Howlett (Mar 18, 2019)

Name: Jason Howlett

Title: Managing Director

Xylem Delaware, Inc.

Gary Ross

Gary Ross (Feb 5, 2019)

Name: Gary Ross

Title: Director

YSI Incorporated

Colin Sabol

Colin Sabol (Mar 18, 2019)

Name: Colin Sabol

Title: Director