

Statement on Efforts to Combat Modern Slavery

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

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

This statement on Xylem's efforts to combat modern slavery in its operations and supply chains is made and published pursuant to the U.K. Modern Slavery Act (2015), the Australia Modern Slavery Act (2018), and the California Transparency in Supply Chains Act (2010). This statement identifies the efforts of Xylem and its subsidiaries during the financial year ending December 2019. For simplicity, we use the term "modern slavery" to encompass all forms of forced, involuntary, or enslaved labor, child labor, servitude, and trafficked labor.

Assesment of Modern Slavery Risk

Based on geography, the type of work being conducted, and the type of labor required for our operations, we believe that the inherent risk of modern slavery in Xylem's directly employed workforce is extremely low. This is because Xylem's employees are largely educated or skilled, or are undertaking work in controlled environments where there are established policies and processes. Last year Xylem completed its first Slavery and Trafficking Risk Template ("STRT") to begin validating these statements.

As highlighted below, our Supplier Code of Conduct prohibits unlawful business practices, including modern slavery, and engaging in such practices would cause us to terminate supplier relationships. To better understand the use of indirect labor providers in our supply chain, we are committed to audit practices of our supply chain. In that regard, in 2019 we conducted a sustainability workshop for our supply chain auditors which covered the topic of modern slavery. Results from these audits will be reported, analyzed, and actioned upon in the upcoming year.

Code of Conduct and Training

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

Verification of Supply Chains & Audit of Suppliers

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

suppliers provide us with access to their facilities and all relevant records associated with the products and services provided to Xylem as part of our Supplier Audit Program.

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

The frequency of follow-up assessments is established based on the time since the last assessment and the specific development plan with a particular supplier. Xylem is advancing strategies to enhance its Supplier Audit Program to evaluate further operational risks at selected suppliers.

Certification by Suppliers

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

Accountability and Performance Monitoring Indicators

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

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

Next Steps

In 2020 we will complete a new STRT for our own operations to determine opportunities for improvement. We will begin using one of the world's largest web-based collaborative platforms to assess the environmental and social performance of our global suppliers.

We will also consider how we should enhance training, particularly for procurement staff and others making purchasing decisions at Xylem and determine what performance measures we can most usefully report, year to year, to indicate the progress we are making to combat modern slavery.

In accordance with the U.K. Modern Slavery Act (2015), the California Transparency in Supply Chains Act of 2010, the Australia Modern Slavery Act (2018), 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.

Flow Control LLC

Peter Bilelis
Peter Bilelis (Mar 27, 2020)

Name: Peter Bilelis

Title: Director

Fluid Handling, LLC

Peter Bilelis
Peter Bilelis (Mar 27, 2020)

Name: Peter Bilelis

Title: Director

Sensus USA Inc.

Natalie Gominger
Natalie Gominger (Mar 27, 2020)

Name: Natalie Gominger

Title: Director

Xylem Analytics Germany Sales GmbH & Co. KG

Ulrich Schwab

Name: Ulrich Schwab

Title: Managing Director

Xylem Dewatering Solutions, Inc.

Peter Bilelis
Peter Bilelis (Mar 27, 2020)

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Xylem Europe GmbH

Louis Corapi
Louis Corapi (Mar 27, 2020)

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Nicole Diane Springer

Name: Nicole Diane Springer

Title: Director

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Falk Petersdorf

Name: Falk Petersdorf

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Xylem Water Solutions Deutschland GmbH

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Rafael Alvarez

Name: Rafael Alvarez

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Xylem Water Solutions UK Ltd.

Ian Thompson
Ian Thompson (Mar 27, 2020)

Name: Ian Thompson

Title: Director

Xylem Water Solutions U.S.A., Inc.

Peter Bilelis
Peter Bilelis (Mar 27, 2020)

Name: Peter Bilelis

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Xylem Water Systems U.S.A., LLC

Peter Bilelis
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Peter Bilelis
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