

# Xylem Sustainability at a Glance

**Sustainability is core to everything we do at Xylem.**

As a leading global water technology company, we are creating a more sustainable world by enabling our **customers** to solve critical water and infrastructure challenges and helping **communities** in more than 150 countries become water-secure. To support and be a model for this vision, we work hard to operationalize sustainability across our own **company**.

With our company, customers, and communities as our focus – we identified **three critical, interconnected water challenges the global community is facing and we believe will be felt across our value chain: decarbonization, watershed resiliency and stewardship, and equity.**



## Decarbonization

Decarbonize the water sector and mitigate future climate impacts by reducing Greenhouse Gas (GHG) released across our value chain and that of our customers.

**Within Our Company: Achieve** Net-Zero ([Scope 1, 2 and 3](#)) before 2050 across our value chain

**Serving Our Customers: Reduce** customers' carbon footprint with Xylem curated solutions and leverage thought leadership to advance water's Race to Zero

**Empowering Communities: Align** philanthropic partnerships to decarbonization, including nature-based climate solutions

## Resiliency and Stewardship

Lead on corporate water stewardship by partnering on and providing innovative solutions to address water challenges already threatening the health of watersheds around the world.

**Within Our Company: Lead** on corporate water stewardship practices and share that methodology with other stakeholders

**Serving Our Customers: Deploy** Xylem technology to improve resiliency by:

- Mitigating the impacts of severe storm water events
- Increasing reuse of water within a watershed
- Reducing the impacts of emerging contaminants

**Empowering Communities: Create** community impact initiatives dedicated to Xylem's highest climate risk facilities and engage water sector talent

## Equity

Strive for all people to have equitable access to water and sanitation services and to have a voice in design and management of those services. Additionally, lead by example by creating an organization centered on diverse representation and inclusivity.

**Within Our Company: Champion** diversity, equity and inclusion across the value chain

**Serving Our Customers: Advance** equitable access to water and sanitation through our solution offerings and strategic partnerships

**Empowering Communities: Engage** youth and strengthen the participation of underserved and underrepresented communities in water and climate action



## We made serious progress towards our sustainability goals in 2021:

- Recycled 100% of process water at 12 of our 22 major facilities
- Helped customers reuse more than 285 billion gallons of water in 2021
- 86% of our indirect energy used in our major facilities was from renewable sources, while 55% of our major facilities are using 100% renewable energy
- Contributed 113,000 employee volunteer hours, with 78% of employees participating in activities to solve water in their local communities
- Engaged nearly 6,000 diverse global youth in water innovation programs such as Xylem Ignite and Stockholm Junior Water Prize, fostering the next generation of water sector talent

Sustainability is a journey, and at Xylem we are **guided by our 2025 Sustainability Goals** and our stakeholders' feedback. The launch of our 2025 Sustainability Goals in 2019 allowed us to consider sustainability across our value chain and beyond. We evolve as we work, learning and improving our programs and processes to look forward through a more critical lens and create intentional, meaningful impact.

What We Did 	What We Learned 	Where We're Going 
<ul style="list-style-type: none"> <li>• <b>Operations</b> – Reduced Scope 1 and 2 GHG emission intensity by 12% and water use by 22% versus 2019</li> <li>• <b>Supply Chain</b> – Onboarded more than 420 suppliers representing 35% of global spend to the WASH4Work Pledge</li> <li>• <b>Product Sustainability</b> – Embedded sustainability into commercial efforts, including the product development process</li> <li>• <b>Diversity, Equity and Inclusion (DEI) &amp; Talent</b> – Improved training opportunities in virtual, online and hybrid format and through unique on-the-job development opportunities</li> <li>• <b>Community Impact</b> – Reached record employee participation and volunteer hours</li> </ul>	<ul style="list-style-type: none"> <li>• Identified the need to accelerate the procurement of renewable heat and natural gas supply for some large facilities</li> <li>• Customized approaches are crucial to effectively educating and supporting our suppliers at different maturity levels of data disclosure, target setting and performance improvement</li> <li>• Customers are increasingly focused on climate change mitigation and adaptation, which will influence product portfolio management</li> <li>• Employees want opportunities to grow and develop their careers, including training, leading Employee Network Groups, managing innovation projects, etc.</li> <li>• Volunteering initiatives need to remain flexible to accommodate new working styles and remote employees</li> </ul>	<ul style="list-style-type: none"> <li>• Establishing more nuanced and facility-specific GHG and water targets</li> <li>• Continuing to expand our Tier 2 Supplier Diversity Program to drive Tier 1 suppliers' buying behaviors and maximize Xylem's impact</li> <li>• Including sustainability as a strategic pillar in the product design phase</li> <li>• Launching an enterprise digital literacy program to support digital transformation</li> <li>• Increase our focus on engaging external stakeholders and inspiring the general public into action by leveraging partnerships with organizations like Manchester City Football Club</li> </ul>

### White Paper

#### Decarbonizing the Water Sector at Neutral to Negative Cost

- Water and wastewater utilities account for an estimated 2% of global GHG emissions, annually
- Existing technology can provide substantial energy reductions, with further innovation possible for comprehensive decarbonization of the water sector

### Community Impact Case Study



#### Breaking the Cycle of Poverty with Engineers Without Borders

- Access to resilient water infrastructure is a key to breaking the cycle of poverty
- Xylem and Engineers Without Borders provided remote support and equipment to develop water infrastructure at a health clinic in rural Malawi

# Sustainability Across Xylem

