

Xylem Inc.

Patrick K. Decker
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Ms. Sanda Ojiambo CEO and Executive Director United Nations Global Compact 685 3rd Ave, Suite 12 New York, NY 10017

Dear Ms. Ojiambo:

On behalf of my more than 16,000 colleagues at Xylem around the world, it is an honor to be a participant in the United Nations Global Compact and the CEO Water Mandate and to help advance these vitally important causes.

Xylem is a global water technology company committed to developing innovative solutions to the world's toughest water challenges, including water scarcity, infrastructure resilience to climate change, and water affordability. In recent years, we have played a key role in driving the digital transformation of water, which is creating powerful water, energy and cost savings for water utilities and the communities and businesses they serve. Advances in technology are creating the opportunity of a lifetime to deliver a more water-secure and sustainable world.

Sustainability is core to everything we do at Xylem. As a leading global water technology provider, we have a unique opportunity and responsibility to advance sustainability. We do this by helping communities and industries optimize water management and lessen human impact on the environment through our innovative commercial solutions, and through our social impact efforts to provide disaster response, access to clean drinking water and education around water issues.

We take great care to ensure our business activities are managed in a responsible manner wherever we operate. Our responsible management philosophy is consistent with our commitment to the United Nations Global Compact's (UNGC) ten principles on human rights, labor rights, environment and anti- corruption and the six commitment areas of the CEO Water Mandate.

In June we released our 2019 Sustainability Report, "Water for a Healthy World," and published progress against our ambitious slate of 2025 signature goals that advances our sustainability commitment across three fronts: serving our customers through sustainable solutions, building a sustainable company that embraces sound business practices and creates economic and social value, and empowering communities through social impact initiatives. Our five signature goals are:

 Optimize global water management by saving more than 16.5 billion cubic meters (m3) of water through advanced technologies that avert water loss and enable water reuse, and by preventing over 7 billion m3 of polluted water from flooding communities or entering local waterways

- Provide access to clean water and sanitation solutions for at least 20 million people living at the base of the global economic pyramid
- Use 100% renewable energy and process water recycling at Xylem's major facilities
- Ensure that 100% of Xylem employees have access to clean water and safe sanitation at work, at home and during natural disasters
- Give 1% of Xylem employees' time and 1% of company profits to water-related causes and education

In addition to these commitments, we signed on to the United Nations Women's Empowerment Principles in 2019, and have expanded our efforts on gender equality, diversity and inclusion. By 2025, we have a goal to achieve 50 percent gender parity in leadership positions and will access and monitor equitable pay practices with a goal to eliminate pay differences based on gender, race or ethnicity.

Xylem is uniquely positioned to contribute to the achievement of the 17 Sustainable Development Goals (SDGs) through the proactive management of the company's internal operations and supply chain, corporate social responsibility programs, diversity and inclusion practices, and most importantly, the products, solutions and services that we offer to customers. We consider the following six goals our focus SDGs:

SDG 3 Good Health and Well Being

SDG 5 Gender Equality

SDG 6 Clean Water and Sanitation

SDG 9 Industry, Innovation and Infrastructure

SDG 11 Sustainable Cities and Communities

SDG 13 Climate Change

For an overview of Xylem's connection to the 17 SDGs, see our Xylem <u>Sustainability website</u>.

All our work in addressing the world's toughest water challenges supports the SDGs, and it also addresses fundamental questions of equity: water equity, environmental equity, racial equity and gender equity. Ensuring all people have access to safe, reliable, and affordable water and wastewater systems is foundational to a sustainable population. Pollution restraint and mitigation must be distributed fairly across communities, alongside their attendant environmental benefits, so that no group bears a disproportionate burden of environmental hazards. And race and gender equity are pre-conditions for a foundation of justice on which sustainability necessarily rests.

The UNGC and the Communication on Progress is an important transparency initiative that provides a key forum for Xylem to discuss our achievements and the challenges we face. We recently signed the <u>Statement from Business Leaders for Renewed Global Cooperation</u>. While Xylem is proud of the progress we are making, we know there is much work to be done to fulfill our goal to solve water and create a more water-secure and sustainable world. We look forward to working with UNGC to advance the conversation about how businesses can play a more pivotal role in driving sustainability, and we are proud to re-confirm our support for the United Nations Global Compact and the CEO Water Mandate.

Sincerely,

