

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): September 1, 2023

XYLEM INC.

(Exact name of registrant as specified in its charter)

Indiana
(State or other jurisdiction
of incorporation)

001-35229
(Commission
File Number)

45-2080495
(IRS Employer
Identification No.)

301 Water Street SE
Washington, DC
(Address of principal executive offices)

20003
(Zip Code)

(202) 869-9150
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange of which registered
Common Stock, par value \$0.01 per share	XYL	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 5, 2023, Xylem Inc. (“Xylem” or the “Company”) announced that Patrick K. Decker will retire from his position as President and Chief Executive Officer and resign from the Board of Directors (“Board”) effective December 31, 2023, in advance of his planned retirement from the Company on March 31, 2024. The Company and Mr. Decker entered into a Transition Services Agreement under which he will remain employed by the Company as a senior advisor through his March 31, 2024 retirement date to facilitate a smooth and orderly transition.

Pursuant to the Transition Services Agreement, during the transition period, Mr. Decker will continue to receive his base salary at an annual rate of \$1,196,000 and will continue to participate in the Company’s employee benefit plans. Mr. Decker’s outstanding equity awards will be eligible to continue vesting through March 31, 2024 in accordance with the terms of the applicable Long-Term Incentive Plans (“LTIP”) and award agreements. He will also be eligible to receive an annual incentive plan payout based on the Company’s actual performance for the 2023 fiscal year pursuant to the Company’s Annual Incentive Plan for the Senior Leadership Team, an exhibit to the Company’s Quarterly Report on Form 10-Q filed on August 2, 2022 (“AIP”). Consistent with the Company’s LTIP, the Transition Services Agreement also provides for pro-rated vesting and payout of Mr. Decker’s outstanding performance share units based on the Company’s actual performance and payout dates for related performance cycles, and pro-rated vesting of his unvested restricted stock units and stock options. The above description of the Transition Services Agreement is qualified in its entirety by reference to the full text of the Transition Services Agreement, a copy of which is filed herewith as Exhibit 10.1.

On September 1, 2023, Xylem’s Board appointed Matthew F. Pine, age 52, as the Company’s President and Chief Executive Officer to succeed Mr. Decker and to serve as a member of the Board, effective January 1, 2024.

Mr. Pine joined the Company in March 2020 as Senior Vice President and President, Applied Water Systems and Americas Commercial Team. In May 2022, he was appointed to the role of Senior Vice President and President, Americas, Applied Water Systems and Measurement and Control Solutions. In December 2022, Mr. Pine was appointed to the role of Chief Operating Officer effective January 1, 2023. Prior to joining the Company, Mr. Pine served as Vice President and General Manager of Carrier Residential, a United Technologies Corporation business, from 2017 to 2018, and then as President of Carrier Residential from 2018 until 2020.

In connection with his appointment as President and Chief Executive Officer, Mr. Pine will receive an annual base salary of \$1,100,000, subject to annual adjustment. Mr. Pine will be eligible for (1) an annual cash incentive under the Company’s AIP with a target of 135% of his base salary for 2024 and a maximum possible payout of 200% of target, based on actual 2024 performance results, subject to the Board’s Leadership Development and Compensation Committee’s (“LDCC”) approval of the Company’s 2024 AIP program and performance criteria; and (2) an annual target equity grant under the Company’s LTIP of \$6,500,000 for 2024, subject to the LDCC’s approval of the Company’s 2024 LTIP program and performance criteria. The LTIP award, if approved, will be provided as performance share units (50%), restricted stock units (25%) and stock options (25%) on terms consistent with the Company’s existing performance share unit, restricted stock unit, and non-qualified stock option grant agreements, or grant agreements subsequently updated, as appropriate, in connection with 2024 grants.

Mr. Pine will participate in the Company’s Senior Executive Severance Pay Plan and the Special Senior Executive Severance Pay Plan, as filed with the Company’s Quarterly Reports on Form 10-Q filed on August 1, 2017 and August 2, 2022, respectively. Each plan provides for the payment of severance benefits to certain senior executives upon involuntary termination in specified circumstances. Mr. Pine will also receive standard benefits generally available to the Company’s US-based salaried employees.

Mr. Pine and his immediate family members are not party to any related person transactions for which disclosure would be required pursuant to Item 404(a) of Regulation S-K. There is no family relationship between Mr. Pine and any of the Company’s directors or executive officers.

Effective October 1, 2023, Sandra E. Rowland will cease to serve as Senior Vice President and Chief Financial Officer. The Company and Ms. Rowland entered into a Transition Services Agreement under which she will remain employed by the Company as a strategic advisor to facilitate a smooth and orderly transition until her termination from employment by the Company without cause on March 31, 2024. Ms. Rowland’s

departure from the Company is not a result of any disagreement with the Company's independent auditors or any member of management on any matter of accounting principles or practices, financial statement disclosure, or internal controls. Pursuant to the Transition Services Agreement, during the transition period, Ms. Rowland will continue to receive her base salary at an annual rate of \$750,000 and will continue to participate in the Company's employee benefit plans. In addition, Ms. Rowland's outstanding equity awards will be eligible to continue vesting through her termination date in accordance with the terms of the applicable LTIPs and award agreements. She will also be eligible to receive a 2023 annual incentive plan payout based on the Company's actual performance for fiscal year 2023. The above description of the Transition Services Agreement is qualified in its entirety by reference to the full text of the Transition Services Agreement, a copy of which is filed herewith as Exhibit 10.2.

On September 1, 2023, the Board appointed William K. Grogan to the office of Senior Vice President and Chief Financial Officer effective October 1, 2023.

Since January 2017, Mr. Grogan, age 45, has been serving as Senior Vice President and Chief Financial Officer of IDEX Corporation ("IDEX"), a diversified industrial company that develops, designs and manufactures fluidics systems and specialty engineered products across various industrial, life sciences, energy and municipal markets. From July 2015 to January 2017, Mr. Grogan served as Operational Finance Leader to IDEX's Chief Operating Officer, and from January 2012 to July 2015 he held segment Chief Financial Officer roles for the company. Prior to joining IDEX in 2012, Mr. Grogan worked at Walgreens, Highway Technologies and Crane Co., where he progressed through several senior financial roles. Mr. Grogan has served on the Board of Directors of Crane NXT, a leading industrial technology company in the areas of advanced micro-optics technologies and electronic equipment and software, since April 2023.

Mr. Grogan will receive an annual base salary of \$725,000, subject to annual adjustment. Mr. Grogan will be eligible for a pro-rated annual cash incentive under the Company's 2023 AIP with a target of 80% of his annualized base salary and a maximum possible payout of 200% of target. The pro-rated annual cash incentive will be based on the Company's actual 2023 fiscal year performance results. Mr. Grogan will also receive an annual equity award under the Company's LTIP with a target award of \$2,000,000 for 2024, subject to the LDCC's approval of the Company's 2024 LTIP program and performance criteria. This award will be provided as performance share units (50%), restricted stock units (25%) and stock options (25%) on terms consistent with the Company's existing performance share unit, restricted stock unit, and non-qualified stock option grant agreements, or grant agreements subsequently updated, as appropriate, in connection with 2024 grants. In addition, Mr. Grogan will receive a one-time sign-on cash award of \$350,000; and in recognition of equity awards forfeited upon accepting Xylem's offer of employment, Mr. Grogan will receive a one-time sign-on grant of \$1,000,000 in performance share units with vesting, performance targets and terms and conditions consistent with the applicable grant agreement, and a one-time sign-on grant of \$2,750,000 in restricted stock units that will vest in three installments on the anniversaries of the grant date, subject to the terms and conditions of the applicable grant agreement.

Mr. Grogan will participate in the Company's Senior Executive Severance Pay Plan and the Special Senior Executive Severance Pay Plan. Each plan provides for the payment of severance benefits to certain senior executives upon involuntary termination in specified circumstances. Mr. Grogan will also receive relocation and standard benefits generally available to the Company's US-based salaried employees.

Mr. Grogan and his immediate family members are not party to any related person transactions for which disclosure would be required pursuant to Item 404(a) of Regulation S-K. There is no family relationship between Mr. Grogan and any of the Company's directors or executive officers and there are no arrangements or understandings with other persons pursuant to which Mr. Grogan was selected as an officer.

A copy of the press release announcing the executive changes is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 5.02.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
10.1	Transition Services Agreement entered into between Patrick Decker and Xylem Inc. dated September 1, 2023
10.2	Transition Services Agreement entered into between Sandra Rowland and Xylem Inc. dated September 1, 2023
99.1	Press Release issued by Xylem Inc. on September 5, 2023.
104.0	The cover page from Xylem Inc.'s Form 8-K, formatted in Inline XBRL (included as Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

XYLEM INC.

Date: September 5, 2023

By: /s/ Kelly C. O'Shea
Kelly C. O'Shea
VP, Corporate Secretary and Senior Managing Counsel, Corporate

September 1, 2023

Xylem Inc.
301 Water Street, SE
Washington DC 20003



PERSONAL AND CONFIDENTIAL

To: Patrick Decker

TRANSITION SERVICES AGREEMENT

This Transition Services Agreement ("Agreement") confirms the mutual understanding between you and Xylem, Inc. (the "Company") regarding the transition of services to be performed. Effective December 31, 2023, you will cease serving as the Company's Chief Executive Officer and will continue to support the Company as Senior Advisor until March 31, 2024 ("Retirement Date").

1. Transitional Services. Your employment with the Company will end effective March 31, 2024, unless terminated by you voluntarily. The Company agrees that it will not terminate your employment without Cause (as defined in the Xylem Inc. Senior Executive Severance Pay Plan) prior to March 31, 2024. You agree that from January 1, 2024 through the Retirement Date your primary focus will be: (i) transition of leadership with a focus on effective external and internal stakeholder management; (ii) continued support and reasonable engagement for the successful integration and synergy capture associated with the Evoqua acquisition; (iii) reasonable advisory duties as identified by the Chair of the Board of Directors or Chief Executive Officer; and (iv) continued engagement in a positive and active manner with Company personnel, investors, customers, suppliers and representatives. The Company agrees that the manner in which you perform your employment as a Senior Advisor will be in a similar manner to your existing schedule and engagement. In exchange for your execution and compliance with the terms of this Agreement, and your execution, on or within two business days after the Retirement Date, of a General Release of Claims in the form attached as Exhibit A hereto (the "Release"), the Company shall continue to pay your base salary through the Retirement Date, you will continue to be eligible under the Company's benefit programs and you will be entitled to pro-rata vesting of your then outstanding and unvested long-term incentive awards (for clarity, with pro rata vesting of your awards on March 1, 2025 and March 1, 2026, respectively, based upon your March 31, 2024 retirement date), in the manner to be set forth as an attachment to the Release which will include a statement that you are entitled to pro-rata "retirement vesting" of your awards that will vest in March '25 and '26, and the amount of shares this impacts (understanding that the "performance" portion of the awards, and therefore the exact amount actually delivered at these dates, will be dependent on achievement of actual performance) consistent with Xylem's equity plan. In exchange for your execution and compliance with the Release, the Company will provide you with COBRA benefits for a period of 18 months post retirement and allow for you to retain your Company-provided phone, phone number and Ipad.

2. Annual Incentive. You will be paid an annual incentive for the 2023 performance year based on the Company's performance against financial targets and your individual performance score under the executive Annual Incentive Plan. The actual payout will be based on the Company's actual performance (weighted 75%) and your individual performance as assessed and recommended by the Board of Directors for the 2023 performance year (weighted 25%) and will be approved by the Leadership Development and Compensation Committee ("LDCC") in February 2024. Any amounts payable under this annual incentive, as well as any other long-term incentive compensation arrangement, are subject to any policy established by the Company providing for legally required clawback or

recovery of amounts that were paid to you. The Company will make any determination for clawback or recovery in accordance with any applicable law or regulation. Payment will be made to you in March 2024 consistent with the timing for all other executives. As a Senior Advisor, you will not be eligible for annual incentive considerations for the 2024 fiscal year.

3. Restrictive Covenants. You agree that for a period of 12 months following the Retirement Date, you will not without Xylem's prior written consent, (i) solicit, induce, hire or attempt to solicit, induce or hire, any person who is employed as an employee by Xylem or each of its direct and indirect wholly or partially owned subsidiaries and other affiliates worldwide (collectively, "Subsidiaries") (Xylem, collectively with the Subsidiaries (the "Xylem Entities"), to leave his, her or their employment with the Xylem Entities and/or to perform services of any kind for any other person, firm or corporation, (ii) divert or take away, or call-on, solicit or attempt to call-on or solicit, any of the Xylem Entities' current customers, suppliers or clients, including those whom you called or who you solicited, or with whom you became acquainted while engaged as an employee of the Xylem Entities, and (iii) engage in, become affiliated with, or become employed by any business competitive with the Xylem Entities. For purposes of clarity and the avoidance of doubt, with respect to clause (iii) above, you are specifically permitted to engage with entities that are in the same or a similar business with the Xylem Entities as long as you do not receive monetary compensation in exchange for such engagement, and the activities performed or to be performed by you are engaged in solely for purposes of civic/community/social improvement or advancement.

You further agree that you will not disparage or encourage or induce others to disparage the Company. For the purpose of this Agreement, "disparage" includes making comments or statements on social media or the internet, or to any person or entity including the press and/or media, investors, current or former employees, board members, business partners or customers of the Company or any entity with whom the Company has a business relationship, that would adversely affect in any manner (a) the conduct of the business of the Company (including any business plans or prospects) or (b) the reputation of the Company. A breach of this provision will be deemed to be a material breach of this Agreement. Nothing in this Agreement prohibits you from providing truthful information as required by law, including in a legal proceeding or a government investigation. The Company, including on behalf of its Subsidiaries, its corporate officers, and members of the Board of Directors, agrees not to slander, defame, disparage (as defined above) or otherwise injure your reputation.

You agree to keep confidential and not disclose, without Xylem's prior written consent, any proprietary information concerning matters relating to the business or strategy of the Xylem Entities, including trade secrets and other intellectual property, products, services, methods of manufacture, pricing or business models.

You acknowledge that money damages would not be a sufficient remedy for any breach by you of the covenants set forth herein. You accordingly consent that the Company may apply to a court of competent jurisdiction to enter an order finding that the Company has been irreparably harmed as a result of any such breach and granting injunctive relief without proof of actual damages as a remedy for any such breach, and you further waive any requirement for the securing or posting of any bond in connection with any such remedy. Such remedies shall not be deemed to be the exclusive remedies for your breach of this section but shall be in addition to all other remedies available at law or equity to the Company.

4. Governing Law. This Agreement shall be construed and in accordance with the laws of the state of Indiana.

Exhibit A - General Release

This General Release ("Release") is made and entered into by and between Xylem Inc. ("Xylem" or the "Company") and Employee (referred to herein in the first person). Capitalized terms herein are defined as specified in the Transition Services Agreement entered into between Xylem and me are incorporated by reference. In consideration of the mutual promises contained herein, it is agreed as follows:

1. I will be employed with Xylem through the Retirement Date as set forth in the Transition Services Agreement.
2. I agree to the following:
 - a) I am not eligible and will not receive any compensation, fringe benefits, employee benefits, pay in lieu of notice, or severance or termination pay except as provided in the Transition Services Agreement. I agree and acknowledge that the payments and benefits set forth in the Transition Services Agreement (including but not limited to equity vesting) constitute good and sufficient consideration for all of my promises, obligations and covenants set forth in the Transition Services Agreement and in this Release.
 - b) On behalf of myself and my heirs, executors, administrators, personal and legal representatives, successors and assigns, I waive, release and forever discharge Xylem, its current and former subsidiaries, affiliates, divisions and related entities and their predecessors, successors and assigns, and all of their past and present officers, directors, shareholders, agents, representatives, administrators, employees, insurers, attorneys, and benefit plans (collectively "Releasees") from any and all claims, demands, debts, liabilities, obligations, expenses (including attorney's fees and costs), promises, covenants, controversies, grievances, claims, suits, actions or causes of action, in law or in equity, known or unknown to me, foreseen or unforeseen, contingent or not contingent, liquidated or not liquidated, which I may have had in the past, may have now, or may in the future claim to have against Releasees, arising with respect to any incident, event, act or omission occurring at any time prior to my signing of this Release. This Release shall not operate as a release or waiver of claims or rights that may arise after the date of its execution, for vested benefits or other applicable benefit plan entitlements, for indemnification pursuant to Company policy or applicable law, for coverage under any directors' and officers' liability or any fiduciary liability insurance policies in accordance with the terms of such policy, or any rights I may have as a shareholder in a public company (collectively, the "Reserved Rights") and this Release shall not affect my right to seek enforcement of the terms and conditions of the Transition Services Agreement, (including the equity vesting attachment to this Release), this Release or the Reserved Rights.
 - c) This Release specifically includes, but is not limited to, any and all claims and causes of action arising under tort or contract law, other common law claims, including without limitation wrongful discharge claims, and claims under specific statutes prohibiting discrimination based on sex, color, race, national origin, religion, disability, veteran status, age, gender identity, sexual orientation, marital status, genetic information, citizenship status or other protected characteristics including without limitation, the Americans With Disabilities Act, the Age Discrimination in Employment Act of 1967, Title VII of the Civil Rights Act of 1964, the Civil Rights Acts of 1866 and 1871, the Equal Pay Act, Fair Labor Standards Act of 1938, the Worker Adjustment and Retraining Notification Act of 1988, the Employee Retirement Income Security Act of 1974, the Family Medical Leave Act of 1993; (all as amended); or any other federal, state, city, or local laws. This Release specifically includes but is not limited to all claims and causes of action under these laws and any contractual or tort claims arising under common law, including but not limited to wrongful discharge.
 - d) In consideration of the benefits provided to me under the Transition Services Agreement and this Release, I agree to waive, and will not assert any of the claims or causes of action I have waived in this Release, before any federal or state court, any federal or state agency, or in any public or private arbitration. This prohibition does not apply if it would be a violation of applicable law or regulation. If this prohibition does not apply, however, and a charge or lawsuit is filed by or on behalf of me, I agree not to seek or accept any personal relief, award, monetary damages or other benefits in connection with or based on such charge or lawsuit. This paragraph is not intended to limit my right to commence and maintain legal action for the sole purpose of enforcing the Transition Services Agreement, this Release or the Reserved Rights.

- e) I also agree to waive, release and forever discharge the Releasees from any and all claims, causes of action and/or lawsuits that may arise from any incident, event, act or omission occurring prior to my Retirement Date, as defined in the Transition Services Agreement, except for the purpose of enforcing the Transition Services Agreement, this Release or the Reserved Rights.
3. Long-Term Incentives: Outstanding long-term incentive equity-based awards from the Company are set forth in Exhibit A attached hereto. Upon and following the Retirement Date, each such award will be treated in accordance with the terms of applicable grant agreements (including any such applicable terms requiring execution of this Release) with respect to my retirement, including pro-rata vesting.
4. Except as may be required under applicable law or the rules of a stock exchange or national securities quotation system, I agree to keep the Transition Services Agreement and this Release confidential and not disclose their contents to anyone except my immediate family, my financial or legal consultants, and appropriate governmental agencies that may subpoena this information. If I receive a subpoena that calls for the production of this Release, the Transition Services Agreement or related documents, I will advise Xylem in writing before I respond to any subpoena, and give Xylem an opportunity to move to quash any such subpoena.
5. I agree that I will not disparage or encourage or induce others to disparage the Company. For the purpose of this Agreement, "disparage" includes making comments or statements on social media or the internet, or to any person or entity including the press and/or media, investors, current or former employees, board members, business partners or customers of the Company or any entity with whom the Company has a business relationship, that would adversely affect in any manner (a) the conduct of the business of the Company (including any business plans or prospects) or (b) the reputation of the Company. A breach of this provision will be deemed to be a material breach of this Release and Agreement. Nothing in this Release prohibits me from providing truthful information as required by law, including in a legal proceeding or a government investigation. The Company, including on behalf of its Subsidiaries, its corporate officers, and members of the Board of Directors, agrees not to slander, defame, disparage (as defined above) or otherwise injure my reputation. Additionally, I agree that any restrictive covenants that I agreed to with respect to my employment with Xylem, including but not limited to obligations with respect to confidentiality, and non-solicitation, will remain in effect for twelve (12) months from my Retirement Date for Xylem and/or the businesses specified in any such restrictive covenants.
6. Xylem agrees to the following:
- a) Xylem waives, releases and forever discharges me and my heirs (collectively "Decker Releasees") from any and all claims, demands, debts, liabilities, obligations, expenses (including attorney's fees and costs), promises, covenants, controversies, grievances, claims, suits, actions or causes of action, in law or in equity, known or unknown, foreseen or unforeseen, contingent or not contingent, liquidated or not liquidated, which they or any of them may have had in the past, may have now, or may in the future claim to have against any Decker Releasees arising out of, in relation to or with respect to any incident, event, act or omission occurring at any time prior to the signing of this Release. The release in this paragraph 6(a) shall not operate as a release or waiver of claims or rights that may arise after the date of the execution of this Release or any rights under the restrictive covenants, agreements and plans described in paragraph 5 (collectively, the "Xylem Reserved Rights") and the release in this paragraph 6(a) shall not affect Xylem's right to seek enforcement of the terms and conditions of the Transition Services Agreement, this Release and/or the Xylem Reserved Rights.
- b) From and after the date of this Release, Xylem Inc. agrees, and agrees to cause each of its direct and indirect wholly or partially owned subsidiaries and other affiliates worldwide (collectively, "Subsidiaries"), to jointly and severally indemnify and hold harmless Employee in respect of his service as an officer and/or director of Xylem Inc. and any of its Subsidiaries to the same extent Employee is indemnified by Xylem Inc. or its Subsidiaries as of the date hereof pursuant to the governing documents of Xylem Inc. or its Subsidiaries or any agreement between Xylem Inc. or its Subsidiaries and Employee, for acts or omissions occurring at or prior to the date of this Release.
- c) Xylem, including on behalf of its Subsidiaries, its corporate officers and members of the Board of Directors, agrees not to slander, defame, disparage or otherwise injure my reputation.

7. I acknowledge: (i) I have been advised in writing to consult with an attorney of my own choice regarding this Release and have had an opportunity to do so; (ii) I have been advised in writing I have 21 calendar days from my receipt of this Release to review and consider it; (iii) I fully understand the terms and conditions of this Release; (iv) I am voluntarily and of my own free will executing this Release on the date reflected below and I was not subjected to any duress or undue influence in connection with my decision to execute it; and (v) during a period of 7 calendar days following my execution of this Release, I may revoke such execution and this Release shall not be effective or enforceable until such 7 calendar-day period has expired. Should I desire to revoke this Release, my revocation must be made in writing and sent to the attention of Claudia Toussaint, SVP, Chief People and Sustainability Officer, via email to Claudia.toussaint@xylem.com within the 7 calendar-day revocation period.
8. This Release contains the entire agreement between me, Xylem, and all Releasees relating to the subject matter thereof. I represent and acknowledge in signing this Release, I have not relied upon any representation or statement, oral or written, not otherwise set forth herein. No amendment to this Release shall be binding unless it is in writing, expressly designated as an amendment, dated, and signed by the parties.
9. Nothing in this Release constitutes an admission of liability by Xylem or any Releasees or me, and this Release will not be used by me, Xylem or any other entity or person as evidence in any administrative or legal proceeding or trial, except to enforce the terms of this Release and/or the Reserved Rights.
10. This Release shall be construed in accordance with the laws of the State of Indiana. Should any provision of this Release be determined invalid or unenforceable, the validity of the remaining provisions shall not be affected and shall remain in full force and effect to the maximum extent permitted by law. Any claim or dispute involving the Release shall be resolved in Indiana state courts or federal courts, both located in Marion County, Indiana. The parties mutually agree to waive a jury trial in any such proceeding.
11. The Release may be assigned to the successors and assigns of Xylem Inc.
12. I have carefully read this Release, fully understand its provisions, and my signature below indicates my understanding and agreement with their terms and conditions.

A scanned copy of the signed Release must be emailed to Claudia Toussaint at claudia.toussaint@xylem.com

EMPLOYEE: Patrick Decker

Employee Signature

Date

EMPLOYER: Xylem Inc.

 Claudia Toussaint, SVP, Chief People and Sustainability Officer

Xylem Inc. 301 Water Street SE, Washington, DC, 20003

Date

Privileged

Xylem Inc.
301 Water Street, SE
Washington DC 20003



PERSONAL AND CONFIDENTIAL

To: Sandy Rowland

TRANSITION SERVICES AGREEMENT

This Transition Services Agreement (“Agreement”) confirms the mutual understanding between you and Xylem, Inc (the “Company”) regarding the transition of services to be performed. Effective October 1, 2023, you will cease serving as the Company’s Senior Vice President and Chief Financial Officer role and continue to report to and support the Chief Executive Officer as a Strategic Advisor to the Chief Executive Officer until March 31, 2024 (“Separation Date”).

1. **Transitional Services.** Your employment with the Company will end effective March 31, 2024, unless earlier terminated by you voluntarily or upon mutual consent between you and the Company. You agree that from October 1, 2023 through the Separation Date your primary focus will be: (i) engaging with the Evoqua integration and transitioning integration oversight at the appropriate time; (ii) overseeing key finance process transformations; (iii) assisting with support and planning for the Company’s investor day in 2024; (iv) transitioning functional leadership of the Finance team; (v) other advisory duties as identified by the Chief Executive Officer; and (vi) continuing to engage in a positive manner with Company personnel, investors, customers, suppliers and representatives. In exchange for your execution and compliance with the terms of this Agreement, the Company shall continue to pay your base salary through the Separation Date and you will continue to be eligible under all benefit programs as well as the executive Annual Incentive Plan at your current target %.

2. **Separation Agreement.** Separate and apart from the terms of this Agreement, you will also receive on or before March 31, 2024, a Separation Memorandum (“Memorandum”) and Separation Agreement and General Release (the “Release”). The Memorandum and Release will confirm the mutual understanding regarding your separation from employment with the Company as well as confidentiality and non-solicitation provisions. You will also receive severance according to the better of (1) the Company’s plan as they exist on March 31, 2024 or (2) the Company’s plan as they exist as of the effective date of this Agreement.

3. **Annual Incentive.** You will be paid an annual incentive for the 2023 performance year based on the Company’s performance against financial targets and your individual performance score under the executive Annual Incentive Plan. The actual payout will be based on the Company’s actual performance (weighted 75%) and the higher of your individual performance as assessed and recommended by the CEO for the 2023 performance year or the Company’s actual performance (weighted 25%) and must be approved by the Leadership Development and Compensation Committee (“LDCC”) in February 2024. Payment will be made to you in March 2024 consistent with all other executives. You will not be eligible for annual incentive considerations for the 2024 fiscal year. Any amounts payable under this annual incentive, as well as any other long-term incentive compensation arrangement, are subject to any policy established by the Company providing for clawback or recovery of amounts that were paid to you. The Company will make any determination for clawback or recovery in accordance with any applicable law or regulation.

4. Governing Law. This Agreement shall be construed and in accordance with the laws of the state of Indiana.

You have a right to consult with an attorney regarding this Agreement. To accept this Agreement, please sign and date this Agreement by September 1, 2023.

Sincerely,
Xylem, Inc.

By: /s/ Claudia Toussaint
(Signature)

Name: Claudia Toussaint
Title: SVP, Chief People and Sustainability Officer
Dated: September 1, 2023

My agreement with the terms and conditions of this Agreement is signified by my signature below. Furthermore, I acknowledge that I have read and understand this Agreement, that I have a right to consult with an attorney regarding this Agreement, and that I sign this knowingly and voluntarily.

Signed /s/ Sandra Rowland
Sandra Rowland

Dated: September 1, 2023

**Xylem Inc.**

301 Water Street SE, Suite 200
 Washington, DC 20003
 Tel +1.202.869.9150

Contacts: Media

Houston Spencer +1 (914) 323-5723
houston.spencer@xylem.com

Investors

Andrea van der Berg +1 (914) 260-8612
andrea.vanderberg@xylem.com

**Xylem Announces CEO Succession Aligned with Growth Strategy
 and Next Steps in Value Creation**

- **Patrick Decker to retire from CEO position at the end of the year and remain employed as an advisor through March 2024**
- **COO Matthew Pine to assume CEO position effective January 1, 2024**
- **William Grogan appointed CFO, succeeding Sandra Rowland, effective October 1, 2023**
- **Company reaffirms third-quarter and full-year 2023 guidance**

WASHINGTON, D.C., (Sept. 5, 2023) – Xylem Inc. (NYSE: XYL), a leading global water technology company dedicated to solving the world’s most challenging water issues, today announced that after a distinguished decade leading Xylem, President and Chief Executive Officer Patrick Decker has announced his plans to retire as CEO at the end of 2023. In accordance with the Company’s long-term succession planning process, Decker will be succeeded by Matthew Pine, Xylem’s Chief Operating Officer, effective January 1, 2024. At that time, Decker will retire from Xylem’s Board and Pine will join as a Director. Decker and Pine will work closely together to ensure a smooth transition.

Xylem has also appointed William Grogan, formerly Chief Financial Officer of IDEX Corporation, to Senior Vice President and Chief Financial Officer, effective October 1, 2023. Grogan succeeds Sandra Rowland who is leaving to pursue new and different opportunities. Both Decker and Rowland will remain employed through March 2024 to serve as advisors and support the transitions.

Robert Friel, Chair of Xylem’s Board, commented, “With Patrick’s decision to retire, we have the privilege of making these executive appointments as Xylem’s strength, performance and momentum continue to rise. The Board unanimously agrees that Matthew is the right leader to drive the next chapter of value creation at Xylem. Matthew brings a strategic, global mindset and deep operational capability, and we look forward to his continued leadership in advancing the Company’s impact around the world.”

Friel continued, “The Board is very grateful for Patrick’s leadership over nearly ten years, a period during which Xylem transformed into a global market leader with expanded scale and international presence, the water industry’s most advanced portfolio of solutions, and an outstanding record of value creation – delivering more than 300% total return to shareholders. Under Patrick’s visionary and passionate leadership, he and the team have fortified Xylem’s competitive advantages and put the Company on a path of continuing growth. Xylem’s future is very bright and we thank Patrick for his service.”

Patrick Decker commented, “It has been a tremendous honor to serve as CEO for nearly a decade. I am so proud of the impact the Xylem team has had helping our customers and communities become more water-secure and more sustainable. Having worked side-by-side with Matthew for the past several years, I have full confidence he will continue Xylem’s trajectory of growth and accelerate our focus on both economic and social value creation. I want to thank Rob and our entire Board of Directors for their steadfast encouragement and partnership throughout my tenure. I am excited about Xylem’s next chapter and look forward to working with Matthew over the next several months to ensure a smooth transition.”

COO Matthew Pine said, “Xylem is an outstanding company with an exceptionally talented and purpose-driven team. I am humbled and excited to have the opportunity to build on the strong foundation, momentum and long-term trajectory created under Patrick’s leadership. As we integrate two great companies – Xylem and Evoqua – the whole team is committed to helping our customers address intensifying global water challenges by applying the power of technology and innovation, driving the digital transformation of water, and delivering solutions at scale. Together with our partners, we have an unparalleled opportunity to deliver even more impact, alongside profitable growth and value creation for all our stakeholders.”

Commenting on the CFO succession, Decker said, “Bill will be an outstanding partner in guiding Xylem’s future, and Matthew and I are thrilled to welcome him to the team. A strategic global finance leader, Bill brings an impressive track record of value creation over 20-plus years. His deep experience delivering profitable organic and inorganic growth, focus on productivity, and disciplined approach to capital deployment will serve Xylem well as we continue on our path to deliver sustained organic growth, margin expansion, and above-market returns.”

Decker concluded, “On behalf of our entire company, I want to extend heartfelt thanks to Sandy for her countless contributions as our CFO over the past three years. Her energizing leadership and commitment to excellence have put us in a position of robust financial health and steered us confidently into the next phase of Xylem’s growth.”

The Company is reaffirming its third-quarter and full-year 2023 guidance issued on August 2, 2023.

About Our Executives

Matthew Pine joined Xylem in 2020. During his tenure, he has led Xylem’s Applied Water Systems and Measurement & Control Solutions segments and the Americas Commercial Team. As Chief Operating Officer, he currently leads Xylem’s regions, business segments and the Company’s global innovation, technology, product management, IT, integrated supply chain, and digital functions. Prior to joining Xylem, Mr. Pine amassed more than 25 years of experience in general management, sales, marketing, digital and product management, including as President of Carrier Residential for United Technologies Corporation, Marketing and Product Management Lead for the Carrier Residential HVAC business unit, Head of Power Plant Sales Technology in Central Europe for Vestas Wind Systems, Director of Product Management and Marketing for Lennox International Inc., and sales and marketing leadership roles at Trane Residential & Light Commercial Systems.

William Grogan has served since 2017 as Executive Vice President and Chief Financial Officer of IDEX Corporation (NYSE: IEX), a diversified manufacturer of highly engineered, mission-critical products for a wide range of markets. At IDEX, Mr. Grogan was responsible for a global financial strategy that supported more than doubling the Company's market cap to \$17 billion during his tenure as CFO. He previously held finance leadership roles at Walgreens, Highway Technologies, Crane, and Sears. Mr. Grogan earned a Bachelor's Degree in Finance from Merrimack College and an MBA from Kellogg Graduate School of Management at Northwestern University. He is a member of the Board of Directors and the Audit Committee for Crane NXT (NYSE: CXT).

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About Xylem

Xylem (XYL) is a leading global water technology company committed to solving the world's critical water, wastewater, and water-related challenges through technology, innovation, and expertise. Our more than 22,000 diverse employees delivered combined pro forma revenue of \$7.3 billion in 2022. We are creating a more sustainable world by enabling our customers to optimize water and resource management and helping communities in more than 150 countries become water-secure. Join us in the effort at www.xylem.com and Let's Solve Water.

Forward-Looking Statements

This press release contains certain statements that may be deemed "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Generally, the words "anticipate," "estimate," "expect," "project," "intend," "plan," "contemplate," "predict," "forecast," "likely," "believe," "target," "will," "could," "would," "should," "potential," "may" and similar expressions or their negative, may, but are not necessary to, identify forward-looking statements. By their nature, forward-looking statements address uncertain matters and include any statements that are not historical, such as statements about our strategy, financial plans, outlook, objectives, plans, intentions or goals (including those related to our social, environmental and other sustainability goals); or address possible or future results of operations or financial performance, including statements relating to orders, revenues, operating margins and earnings per share growth. Such statements are not guarantees of future performance. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. The forward-looking statements included in this press release are also subject to a number of material risks and uncertainties set forth under "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022, and in subsequent filings we make with the Securities and Exchange Commission. All forward-looking statements made herein are based on information currently available to us as of the date of this press release. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.