

xylem

Investor Overview, Governance & Sustainability

January 2026



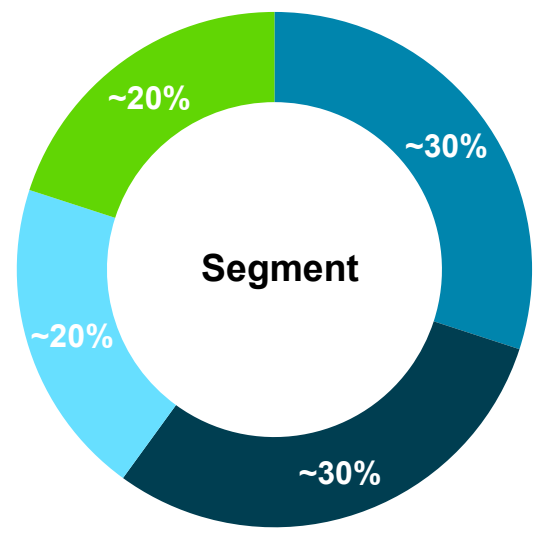
Forward-Looking Statements

This presentation contains “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. 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. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, many of which are beyond our control. Important factors that could cause our actual results, performance and achievements, or industry results to differ materially from estimates or projections contained in or implied by our forward-looking statements include, among others, the following: the impact of overall industry and general economic conditions, including industrial, governmental, and public and private sector spending, interest rates, inflation and related monetary policy by governments in response to inflation, and the strength of the residential and commercial real estate markets, on economic activity and our operations; geopolitical events, including ongoing, possible escalation or outbreak of international conflicts, as well as regulatory, economic and other risks associated with our global sales and operations, including those related to domestic content requirements applicable to projects receiving governmental funding; manufacturing and operating cost increases due to macroeconomic conditions, including inflation, energy supply, supply chain shortages, logistics challenges, tight labor markets, prevailing price changes, tariffs, trade policies or agreements and other factors; demand for our products, disruption, competition or pricing pressures in the markets we serve; cybersecurity incidents or other disruptions of information technology systems on which we rely, or involving our connected products and services; lack of availability or delays in receiving parts and raw materials from our supply chain, including electronic components (in particular, semiconductors); disruptions in operations at our facilities or that of third parties upon which we rely; safe and compliant treatment and handling of water, wastewater and hazardous materials; failure to successfully execute large projects, including with respect to meeting performance guarantees and customers’ budgets, timelines and safety requirements; our ability to retain and attract leadership and other key talent, as well as competition for overall talent and labor; defects, security, warranty and liability claims, and recalls related to our products; uncertainty around restructuring and realignment actions and related costs and savings; our ability to execute strategic investments for growth, including acquisitions and divestitures; availability, regulation or interference with radio spectrum used by certain of our products; volatility in served markets or impacts on our business and operations due to weather conditions, including the effects of climate change; risks related to our sustainability commitments and related disclosures; fluctuations in foreign currency exchange rates; difficulty predicting our financial results; risk of future impairments to goodwill and other intangible assets; changes in our effective tax rates or tax expenses; financial market risks related to our pension and other defined benefit plans; failure to comply with, or changes in, laws or regulations pertaining to our business conduct, operations, products and services, including anti-corruption, artificial intelligence, data privacy and security, trade, competition, the environment, climate change and health and safety; legal, governmental or regulatory claims, investigations or proceedings and associated contingent liabilities; matters related to intellectual property infringement or expiration of rights; and other factors set forth under “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024 (“2024 Annual Report”) and in subsequent filings we make with the Securities and Exchange Commission (“SEC”). Forward-looking and other statements in this presentation regarding our environmental and other sustainability plans and goals are not an indication that these statements are necessarily material to investors, to our business, operating results, financial condition, outlook, or strategy, to our impacts on sustainability matters or other parties, or are required to be disclosed in our filings with the SEC. In addition, historical, current, and forward-looking social, environmental and sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. All forward-looking statements made herein are based on information currently available to us as of the date of this presentation. 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.

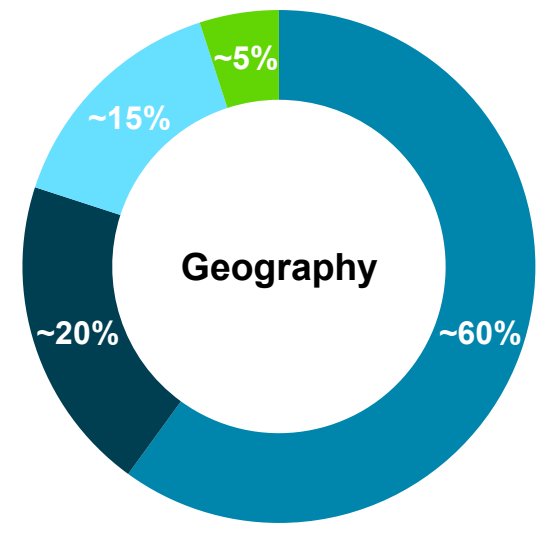
Platform Uniquely Positioned for Value Creation

2025 Guidance	~\$9B Revenue	4-5% Organic* Growth	22 - 22.3% Adj. EBITDA Margin*	140-170bps Expansion	\$5.03 - 5.08 Adj. EPS*	~18% Growth
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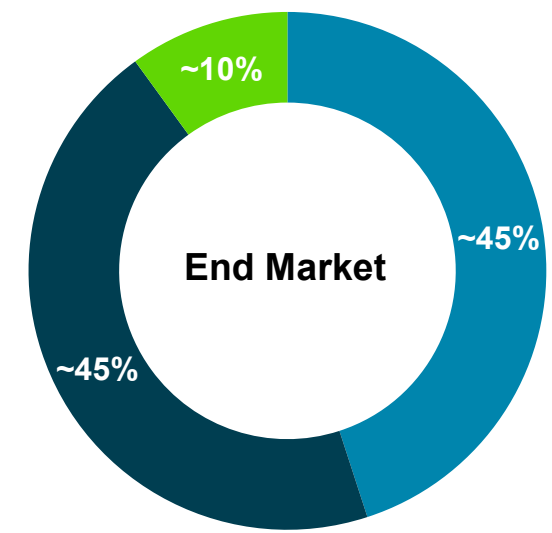
Diversified and Resilient Revenue Mix in Attractive End Markets (FY24 Revenue)



- Water Infrastructure
- Water Solutions and Services
- Measurement and Control Solutions
- Applied Water



- US
- W Europe
- Emerging Markets
- Rest of the World



- Utilities
- Industrial
- Building Solutions

2025 Recognition

America's Most Responsible Companies (Capital Goods industry) **#4**
Newsweek

100 Most Sustainable Companies **#6**
BARRON'S

250 Best Managed Companies **#116**
WSJ

*See appendix for definitions of non-GAAP measures



Water Challenges Are Driving Growth

Intensifying Megatrends



Scarcity



Resilience



Quality

Compounded by Constraints

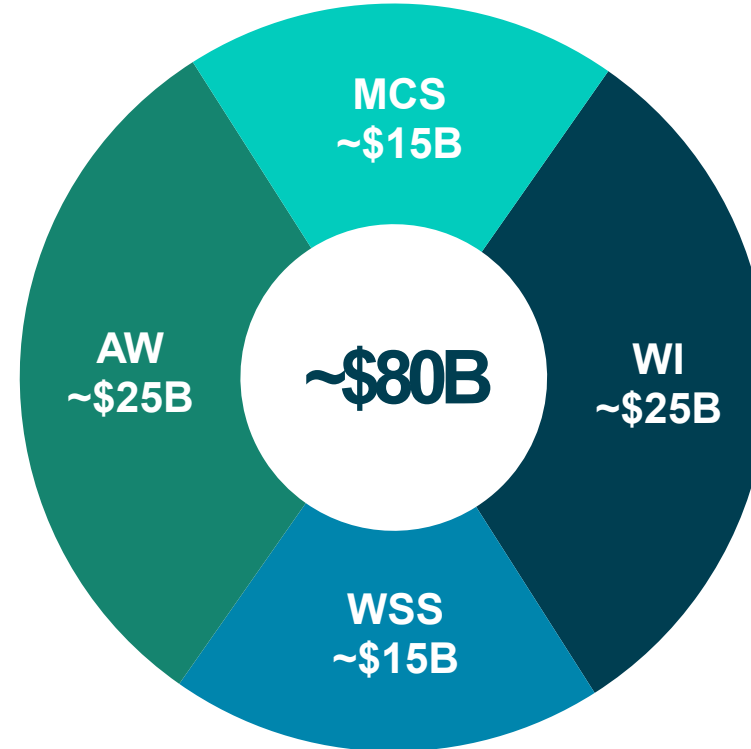


Management Capacity



Affordability

Served Addressable Market



Xylem Share
~10%
2024

Market CAGR
LSD
2024-2027

Xylem CAGR
MSD
2024-2027

Well Positioned To Enable Transition To Water Security...



Differentiated Portfolio

A Leading Position

Across most end-markets

100+ Years

Experience with trusted brands

~4,300 Patents



Unmatched Presence

40M+ AMI Endpoints¹

Deployed or under contract

80M+ Assets

Global installed base

35K+ Direct

Industrial customers



Leading Expertise

~3,500 AQUA pros

Service professionals

200+ Branches

Service network

6,000+

Engineers and salespeople



Sustainability Leadership

>6M Metric Tons

CO₂e reduction²

>10B m³

Water pollution prevention²

>18B m³

Water reuse²

...As a trusted partner to customers and communities

Driving Resilient Above-Market Growth¹

~3% Market Growth

Evoqua Synergies

- High-growth industrials
- Utility penetration
- Global expansion

~1% Revenue Synergies

Innovative Solutions and Services

- Customer-centric organic innovation
- Acceleration through partnerships
- Innovative business models

~2% Above-Market Growth

Strategic Pricing

- Differentiated value-based pricing
- Monetize installed base and aftermarket
- Improved transactional discipline

Simplification

- Differentiated customer engagement
- Improved lead times
- Faster innovation

~(1)% Impact

Improved quality of growth and earnings

Strategic Focus on Profitable and Systematic Growth



Drive Resilient Above-Market Growth

- Evoqua revenue synergies
- Innovative solutions and services
- Strategic pricing



Accelerate Margin Expansion

- Simplification
- Strategic pricing
- Operational productivity



Deploy Capital Efficiently

- Organic core investments
- Consistent M&A compounder
- Opportunistic share repurchases

Uniquely positioned to drive value creation and sustainability leadership

Independent Board of Directors with Deep Expertise¹

Matthew F. Pine
President & CEO, Xylem



Robert F. Friel, Independent Board Chair
Former Chairman, President & CEO, PerkinElmer
Committees: Leadership Development & Compensation

Earl R. Ellis
Executive Vice President & CFO, Panera Bread
Committees: Audit (Chair)



Lisa Glatch
Former President LNG and Net Zero Solutions, Sempra Infrastructure
Committees: Audit; Leadership Development & Compensation

Victoria D. Harker
Former Executive Vice President & CFO, TEGNA
Committees: Leadership Development & Compensation; Nominating & Governance



Mark D. Morelli
President & CEO, Vontier
Committees: Audit; Leadership Development & Compensation (Chair)

Jerome A. Peribere
Former President & CEO, Sealed Air
Committees: Nominating & Governance (Chair)



Lila Tretikov
Partner, Head of Artificial Intelligence Strategy, New Enterprise Associates
Committees: Audit; Nominating & Governance

Uday Yadav
Chief Executive Officer, TK Elevator
Committees: Audit; Nominating & Governance



Global and Diverse Perspectives and Experience

Committed to Excellence in Corporate Governance

Highlights

- All Directors are independent except our CEO (89%); Independent Chair
- Overall Board and committee meeting attendance 100% (2025)
- Declassified board with all directors elected annually
- Shareholders have the right to call special meetings
- Shareholder proxy access right
- No poison pill
- Annual self-assessments of Board, committees and individuals; periodically facilitated by independent 3rd party
- Robust director nominee selection process with commitment to pool of candidates with diverse mix of skills, experience, attributes and backgrounds
- Effective oversight of sustainability risks and opportunities

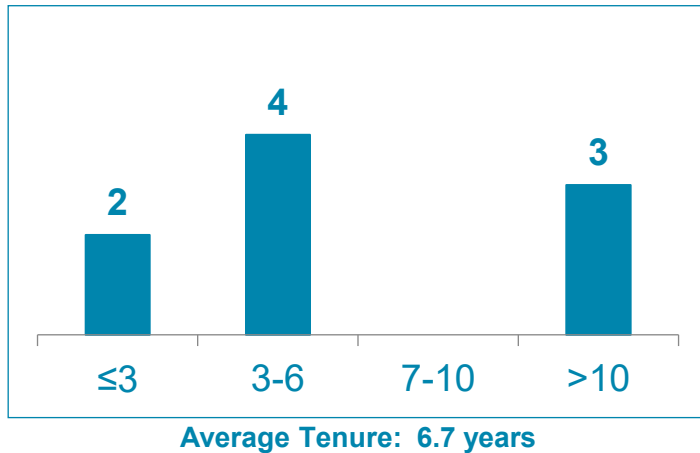
Key Priorities

- 1 Long-term Profitable Growth and Sustainable Value Creation
- 2 Strong Corporate Governance Profile
- 3 Robust Shareholder Engagement
- 4 Board with diverse mix of skills, attributes, backgrounds, and experiences
- 5 Performance-based and strategically aligned compensation design

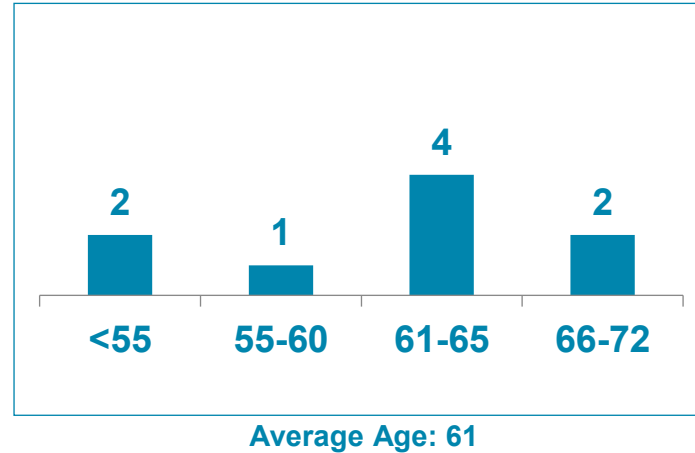
Record of governance enhancements focused on accountability

Actively Manage Board Composition^{1,2} and Succession

Director Tenure¹



Director Age¹



8 of 9

Directors are independent

5 of 9

Directors have CEO experience

2 of 9

Directors are ethnically or racially diverse²

3 of 9

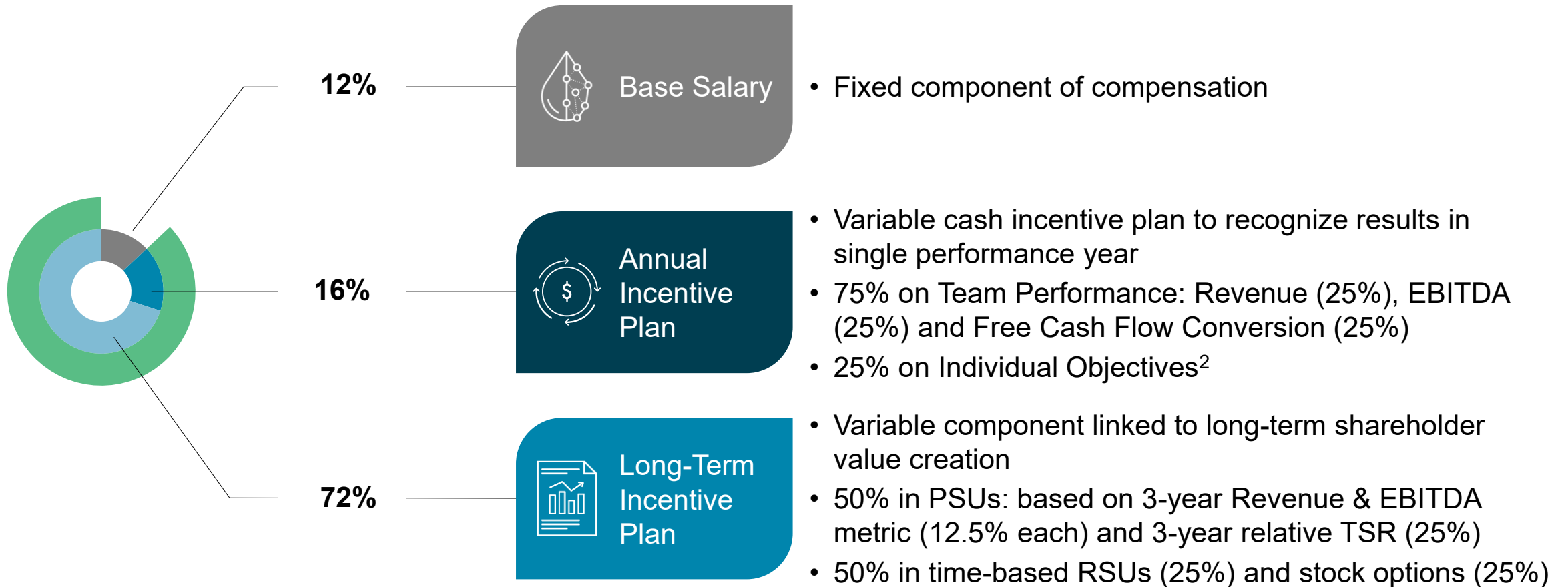
Directors are women²

4 of 9

Directors with origins outside the U.S.²

Focus on diverse skills, attributes, backgrounds, and experiences, including C-suite leadership and global perspectives

2024 CEO Compensation Program Structure¹



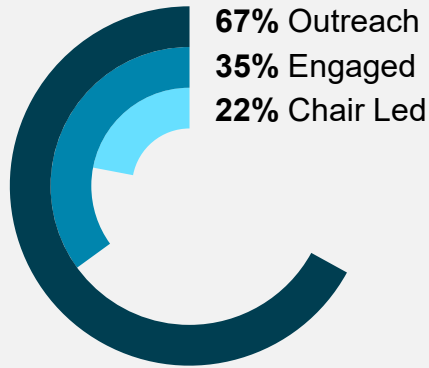
**CEO Compensation is 88% performance-based compensation;
strong 2025 “say on pay” support from top shareholders**

11 (1) Designed to link pay to Xylem’s strategy, reward executives for long-term performance, be market competitive and avoid excessive risk taking.

(2) Individual objectives removed in 2025

Shareholder Engagement Is Essential to Long-Term Sustainable Value

2025 Shareholder Engagement (approx.)



Topics discussed¹ in the 2025 engagement meetings included:

- Board Oversight of Risk, including Cybersecurity
- Board Policy on Outside Directorships
- Board-Shareholder Engagement
- Board Succession and Composition
- Succession Planning
- Strategy
- Corporate Governance Profile Board Leadership Structure
- Disclosure and Transparency
- Inclusion and Belonging
- Executive Compensation Philosophy and Design
- Sustainability, Goals & Value Creation for Society



Engage with shareholders throughout the year



Valuable input and insights from our stakeholders



Ongoing engagement is critical to creating long-term sustainable value



Board seeks to have regular and productive conversations with shareholders

Accelerating Our Purpose With an Intentional Culture Shift



High-Impact Culture



Inspired to
Innovate



Empowered to
Lead



Accountable to
Deliver

Leadership Attributes

Self-propelled,
continuous
learners

Selfless
talent builders

Bold and resilient
leaders

Driving a high-impact culture to deliver performance with purpose

Simplification Is Key To Profitable Growth



Customers

- Make it easier to do business with Xylem
- Unlock the potential of our platform



Colleagues

- Focus on fewer, bigger priorities
- Integrate businesses faster



Communities

- Align with commercial strategy for impact
- Focus on highest impact partnerships



Investors

- Accelerate margin expansion
- Reinvest for growth and productivity

To solve water, we are simplifying water

Leading the Way in Sustainability



Decarbonize the water sector

Lead by example and enable utility commitments to reach Net Zero greenhouse gas emissions

- **42%** absolute emissions reduction in Scope 1 by 2030.
- **42%** absolute emissions reduction in Scope 2 by 2030.
- **52%** reduction in Scope 3 economic intensity by 2030
- Reaching **net-zero** emissions by 2050.



Accelerate corporate water stewardship

Reduce global water demand across our own value chain and through the use of our products

- Enabling our customers to reduce annual demand by **2B m3** through 2030.
- Reducing our water intensity by **30%** through 2030.
- Reducing the water intensity of our supply chain through **greater accountability** of our high-impact suppliers through 2030.



Advance WASH access and capacity building

Provide critical and sustained water, sanitation and hygiene (WASH) access for communities

- Reaching an additional **80M people** with climate-resilient **WASH access** and capacity building in under-resourced, water-insecure communities through 2030 (incl. via **disaster response**).
- Build **pipeline of talent** into water sector, serving Xylem, our customers and partners.
- Scale **skills-based volunteering** to **30%** of all Watermark volunteer hours

Our strategic pillars guide our actions to improve water security

Recent ESG Recognitions and Signatories

 **2025 America's Most Responsible Companies** (#40 out of 600 companies overall; #4 out of 75 in Capital Goods)

 **2025 America's Most JUST Companies** (#118 out of 940 overall; #4 out of 49 in Industrial Goods)

 **2025 100 Most Sustainable Companies** (#6)

 **2025 Clean200** (#101 out of 200 companies)

 **2025 SDG2000 Most Influential Companies**

 **2025 Best Place to Work for LGBTQ and Equality in the United States** (5th consecutive year)

 **2025 250 Best Managed Companies** (#116)



Encourages businesses to adopt sustainable and socially responsible policies and report on implementation.



Joins businesses committing to addressing global water challenges through corporate water stewardship (distinct commitment within UN Global Compact)



Companies commit to advancing women's rights in the workplace and beyond (distinct commitment within UN Global Compact)



Signed by 154 companies to demonstrate their support for action on climate change and for the climate change agreement in Paris that takes a strong step forward toward a low-carbon, sustainable future.



Companies commit to upholding workplace protection for LGBTQ – and all workforce – everywhere they do business



Rallies non-state actors to take action to halve global emissions by 2030



Aligning our GHG commitments to the highest standard of calculation and reduction methodology



Mobilizes business action focused on water stewardship, catalyzes investment into replenishment projects across 100 priority basins

Why Invest In Xylem?

Above-Market Growth

+

Margin Acceleration from Simplification

+

Disciplined Capital Allocation

∨

**Targeting Top-
Quartile TSR**



Growing above market with revenue synergies, innovation, and strategic pricing



Committed to accelerating margin expansion through simplification



Optimizing our portfolio to accelerate shareholder return



Delivering top quartile shareholder returns by compounding earnings

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- Appendix



Xylem Inc. Non-GAAP Measures



Management reviews key performance indicators including revenue, gross margins, segment operating income and margins, orders growth, working capital and backlog, among others. In addition, we consider certain non-GAAP (or "adjusted") measures to be useful to management and investors evaluating our operating performance for the periods presented, and to provide a tool for evaluating our ongoing operations, liquidity and management of assets. This information can assist investors in assessing our financial performance and measures our ability to generate capital for deployment among competing strategic alternatives and initiatives, including but not limited to, dividends, acquisitions, share repurchases and debt repayment. Excluding revenue, Xylem provides guidance only on a non-GAAP basis due to the inherent difficulty in forecasting certain amounts that would be included in GAAP earnings, such as discrete tax items, without unreasonable effort. These adjusted metrics are consistent with how management views our business and are used to make financial, operating and planning decisions. These metrics, however, are not measures of financial performance under GAAP and should not be considered a substitute for revenue, operating income, net income, earnings per share (basic and diluted) or net cash from operating activities as determined in accordance with GAAP. We consider the following items to represent the non-GAAP measures that we consider to be key performance indicators, as well as the related reconciling items to the most directly comparable measure calculated and presented in accordance with GAAP. The non-GAAP measures may not be comparable to similarly titled measures reported by other companies.

"Organic revenue" defined as revenue excluding the impact of fluctuations in foreign currency translation and contributions from acquisitions and divestitures. Divestitures include sales or discontinuance of insignificant portions of our business that did not meet the criteria for classification as a discontinued operation. The period-over-period change resulting from foreign currency translation impacts is determined by translating current period and prior period activity using the same currency conversion rate.

"EBITDA" defined as earnings before interest, taxes, depreciation and amortization expense. **"Adjusted EBITDA"** reflect the adjustments to EBITDA to exclude share-based compensation charges, restructuring and realignment costs, gain or loss from sale of businesses and special charges.

"Adjusted EBITDA margin" and **"Adjusted segment EBITDA margin"** defined as adjusted EBITDA divided by total revenue and segment revenue, respectively.

"Adjusted net income" and **"Adjusted EPS"** defined as net income and earnings per share, adjusted to exclude restructuring and realignment costs, amortization of acquired intangible assets, gain or loss from sale of businesses, special charges and tax-related special items, as applicable.





• Thank you

NYSE: XYL

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