

Independent Assurance Statement to Xylem Inc.

ERM Certification and Verification Services (ERM CVS) was engaged by Xylem Inc. to provide limited assurance in relation to specified 2015 environmental data presented in the Xylem 2016 Sustainability Report ('the Report') as set out below.

Engagement Summary	
Scope of our assurance engagement	Whether the corporate 2015 data for the following selected indicators are fairly presented, in all material respects, in accordance with the reporting criteria: <ul style="list-style-type: none"> • Total Direct energy use (MWh) • Total Indirect energy use (MWh) • Total Direct GHG emissions (metric tons of CO2e) : • Total Indirect GHG emissions (metric tons of CO2e) • Total water withdrawal (mega-liters) • Total hazardous waste (metric tons) • Total non-hazardous waste (metric tons)
Reporting criteria	The EHS reporting program and specific metric definitions as prepared by Xylem Inc.
Assurance standard	ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).
Assurance level	Limited assurance.
Respective responsibilities	Xylem Inc. is responsible for preparing the data and for its correct presentation in the Report to third parties, including disclosure of the reporting criteria and boundary. ERM CVS' responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

Our conclusions

Based on our activities, nothing has come to our attention to indicate that the corporate 2015 data for the selected indicators listed under 'scope' above and presented in the Report are not fairly presented, in all material respects, with the reporting criteria.

Our assurance activities

We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions. A multi-disciplinary team of EHS and assurance specialists performed the following activities:

- Interviews with relevant staff to understand and evaluate the data management systems and processes used for collecting and reporting the selected data.
- An analytical review of the data from all sites and a check on the completeness and accuracy of the corporate data consolidation for the selected indicators.
- A visit to a manufacturing facility at Emmaboda (Sweden) to review the local reporting processes and check samples of underlying source data for each selected indicator.
- A further desk-top review of primary data from Morton Grove (US) and Montecchio (Italy).
- A visit to Xylem's corporate office (Schaffhausen, Switzerland) to review the consolidation and reporting process including checking calculations, applied emission factors and the corporate quality and assurance processes.

The limitations of our engagement

The reliability of the assured data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our Observations

We have provided Xylem Inc. with a separate management report. Without affecting the conclusions presented above, we have the following observations: Xylem is keen to improve the quality of its performance reporting across a range of indicators. As part of this process we recommend attention is given during 2016 to:

- further developing the global reporting manual with internal indicator definitions better aligned with the GRI (Xylem's chosen reporting framework); and
- updating the training of all key site staff on data quality and reporting in connection with the 2016 roll-out of a new EHS data reporting system.



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