



# PAANI

Sustainability Report 2013

Water surrounds all of us in some form or the other; be it the water we drink, the seas we sail, the rivers we channelize or the reservoirs we use to generate power. In India, particularly, the significance of water is not just physical but also spiritual and cultural.

Xylem is a leading global water technology provider, enabling customers to transport, treat, test and efficiently use water for public utility, residential and commercial building services, industrial and agricultural settings.

Our vision and purpose of addressing India's water and wastewater challenges, is in line with our Global Vision:

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We devote our technology, time and talent to advance the smarter use of water.

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We look to a future where global water issues do not exist.

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This being Xylem India's first sustainability report, it has been our endeavor to show how PAANI (water, in Hindi) is an integral part of everything that we do. Hence, we have bifurcated this report in following manner.

**Prosperity | Ability | Accountability | Neutrality | Inclusivity**

# PAANI



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# Executive Speak



Dear Stakeholder,

On behalf of Xylem India, I am pleased to present our first Sustainable Development Report 2012-2013. This publication is a map of our progress on economic, environmental and social parameters. As the local business of a global water company, this report demonstrates how we continue to integrate with our culture in order to be an entity that serves India out of respect and necessity. This report also aims to unite us all in our common mission - to devote our technology, time and talent to advance the sustainable use of water and towards creating a future where water issues are solved through our expertise and collaborations. For our external Stakeholders, what we say here illustrates who we are, what we believe in and how we are the catalyst of a better tomorrow; today.

We live in a time of unprecedented global opportunity. India's economy hinges on how it addresses its socio-

economic challenges. Climate change, resource management and changing demographics directly impact the world's perception of our country. Sustainable Development is the means to empowerment of our future generation and world status. We invite you to join us in the continued developmental success of our nation and to necessarily focus on the heritage of India - our PAANI.

Water conservation and security is imperative; something we at Xylem India are committed to partnering and providing. The subject should be a prime consideration for India across all levels of planning and enterprise. According to the Asian Development Bank, India's national water security ranks among the worst in the Asia-Pacific region. It is vulnerable across household, economic, urban, environment and resilience indicators. Xylem is doing its part, but solving India's water issues requires concerted action across all levels of society. We recognize this need for entities to work closely and that partnership is intrinsic to the success of our efforts. We take a multi-sector approach; reaching out with our own interventions, technological, knowledge, resources and goodwill.

Our business is developing within India. Over the last year, we had revenue of INR 1.64 billion. While we have achieved this result in just five years of operations, we believe that this is just the start of our journey. Our business in India is in a growth cycle and our solutions / technology are well accepted in the market for providing efficiency, quality, reliability and innovation. Despite a slower economic growth over the last years, we have invested in, grown and expanded our operations. We believe Xylem India will significantly contribute to Solve Water issues in the Country. Our products and solutions impact lives across all socio-economic boundaries. We believe we can make a difference because of strong business values.

I would like to thank you for the continued support. This encouragement allows us to accelerate our mission and make a better tomorrow for all of us.

We need to preserve, conserve and improve the quality of our water stocks for India as well for future generations. Xylem is addressing and championing these changes through the 6R concept - Reduce, Recycle, Reuse, Recharge, Rehabilitate and Regulate.. This concept is at the heart of a proactive and manageable approach to water in India. We hope that as a concerned stakeholder, this report will encourage you to address the 6R's in your model. We at Xylem look forward to working with you and invite your comments and feedback at: [mdindia@xylem.com](mailto:mdindia@xylem.com). Together "Let's Solve Water."

**Sam Yamdagni**

President and Managing Director

# The 6Rs

The Concept of 3Rs - Reduce, Reuse and Recycle is a widely accepted and followed method in waste management. Xylem is cascading this methodology towards water conservation and is also taking this one step ahead with 6Rs. Xylem is the only company that can execute this concept through its extensive experience, innovative products and specialized know-how.



## Reduce

A pail of water saved, is a pail earned. We aim to reduce water usage by enhancing awareness about water and its usage through water education and water efficiency promotion. Our products and solutions are found to provide energy efficiency.



## Recycle

Recycled water goes a long way in sustaining the water cycle. Xylem offers a full spectrum of wastewater treatment solutions that recycle water.



## Reuse

Water used twice cuts usage by half. We offer solution that help our customers get more from every drop and enhance their profitability and sustainability.



## Recharge

Recharging of groundwater is one of the ways the water cycle completes a full circle. Xylem facilitates recharging through its pumping systems and other products .



## Rehabilitate

Rehabilitation rejuvenates dried river beds to bring back the flora and fauna. Our comprehensive irrigation solutions focus on assets that treat water and make this rehabilitation possible.



## Regulate

Regulating the flow of water and enhancing the quality of water bodies and wastewater is key to sustainability. Our extensive range of pumps and monitoring & control solutions ensure proper management.

# Xylem and Sustainability

## Our Genesis and Belief System

Xylem Inc. is a leading global water technology provider, enabling customers to transport, treat, test and efficiently use water in public utility, residential and commercial building services, industrial and agricultural settings, treatment, and control. Our products touch every part of the water spectrum. Xylem's

approach is derived from nature's intrinsically intelligent water transportation methods. Our name is near synonymous with nature. Drawn from ancient Greek, "Xylem" is the tissue that transports water in plants. We seek to emulate nature's way through the engineering efficiency of our water-centric business.

Our Company has a rich heritage and illustrious lineage.

Launched in 2011 from the spin-off of the water-related businesses of ITT Corporation, Xylem is headquartered in White Plains, N.Y., U.S.A, with 2012 annual revenue of \$3.8 billion and 12,700 employees worldwide.



## Unmatched Global Presence

**XYLEM OPERATES IN MORE THAN 150 COUNTRIES THROUGH A NUMBER OF MARKET-LEADING PRODUCT BRANDS WITH 2012 ANNUAL REVENUE OF \$3.8 BILLION AND 12,700 EMPLOYEES WORLDWIDE.**



Xylem operates in more than 150 countries through a number of market-leading product brands. In fluid pumping and transportation, we offer world-famous brands like Flygt, Goulds, Bell & Gossett, A-C Fire Pump, Sanitaire and Lowara.

We are committed to develop, manage and utilize global water resources sustainably. We recognize that what we do has a direct impact on the health of India

and the planet. Around the world, Xylem is renowned for extraordinary solutions to meet life-critical water issues. As an Indian entity we know how intricately water resources and development needs are entwined. People depend on us. This calls for a greater degree of accountability, something we pursue passionately with our customers, employees, suppliers, investors and communities.

Our people bring broad applications expertise with a strong focus on finding local solutions to challenging water and wastewater problems. We have a large, growing and diverse customer base who we assist to transport, treat, test and efficiently use water in public utility, residential and commercial building services, industrial and agricultural settings.



**Our Company culture is attuned to sustainable development, espoused by core values.**

**RESPECT**

For each other, for diversity of people and opinions, for the environment.

**RESPONSIBILITY**

For our words and actions, for customer satisfaction, for giving back to our communities.

**INTEGRITY**

For acting ethically, for doing what we'll say we'll do, for having the courage to communicate with candor.

**CREATIVITY**

For thinking beyond boundaries, for anticipating tomorrow's challenges, for unlocking growth potential.

## Xylem One with India

Xylem India subscribes to its parent Company's global aspirations to find local solutions to the world's pressing water and wastewater needs. In India, our vision is to devote our technology, time and talent to advance the sustainable use of water. We look to a future where water issues do not exist.

Xylem Water Solutions India Private Limited was established in 2011 from the spin-off of the water related business of ITT Corporation India. Drawing on its global best practices, Xylem India sets itself apart through premium brands, strong distribution channels and deep application expertise. Through the implementation of a forward looking strategy, we have established ourselves in multiple regional geographies thereby expanding our reach, tapping local expertise and enhancing local talent.

Our Corporate office is located in Mumbai while our Manufacturing Facility and Research, Development & Engineering Center are in Vadodara. We have regional sales offices in Bengaluru, Chennai, Delhi, Kolkata, Mumbai and Pune.



# Xylem India - Roots of Sustainability

## Stakeholder Engagement

We understand our primary responsibility is towards our Customers, Employees and Stakeholders. Xylem believes in demonstrating its commitment to its Suppliers, Government, the Environment and the Local Communities. We seek to solicit feedback from our Stakeholders in many ways and are initiating a formal Stakeholder Engagement Process.

## Memberships and Associations

We have an active voice at several marquee industry associations including Confederation of Indian Industry (CII), American Chamber of Commerce in India (AMCHAM INDIA), Indian Chamber of Commerce (ICC) and Federation of Indian Chamber of Commerce & Industry (FICCI). Here we seek to engage, share knowledge and best practices and partner with like-minded entities to solve water issues in India. Xylem is also partnering with various IITs to develop the right strategies around water.



# INITIATIVE



## Supplier's Meet

Our suppliers are an important link in our value chain. Naturally it becomes important to ensure that our suppliers and the services that they provide are aligned to our targets and business expectations which is why we introduced Supplier's Meets.

The objective of Supplier's Meet is to increase awareness of the business context of working with partners and suppliers, and how this can best be directed towards realizing business benefit for the organization. This forum helps us communicate with our suppliers to better understand their motivations and expectations. Through these Meets, we conduct workshops for the suppliers pertaining to enhancing quality and business relations facilitating long partnerships.

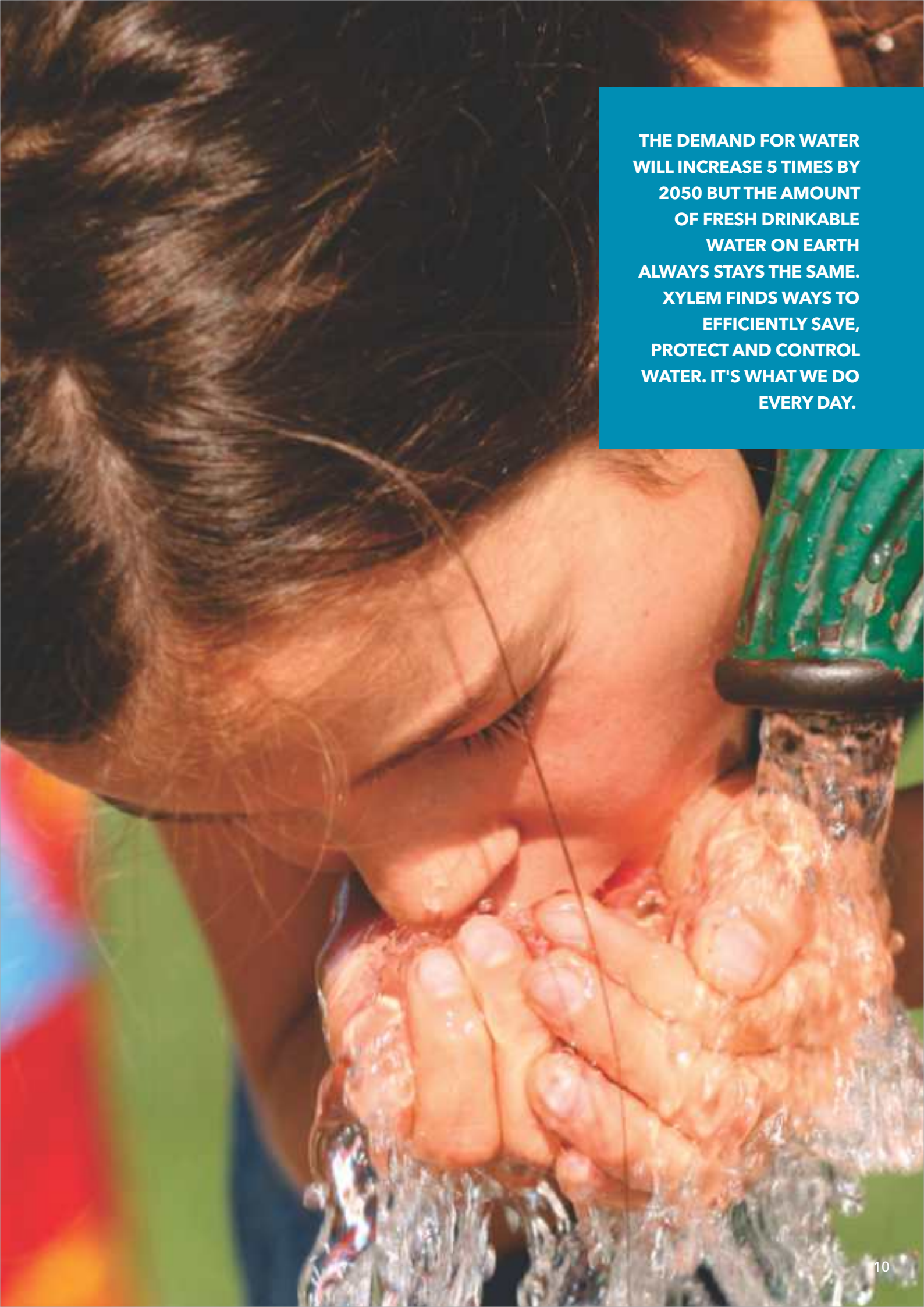
One of the major forms of workshops conducted by us is the Supplier Expectation Meet. We conducted 8 such workshops in 2012 where 30 suppliers received a clear understanding of Xylem's best business practices.

## Materiality

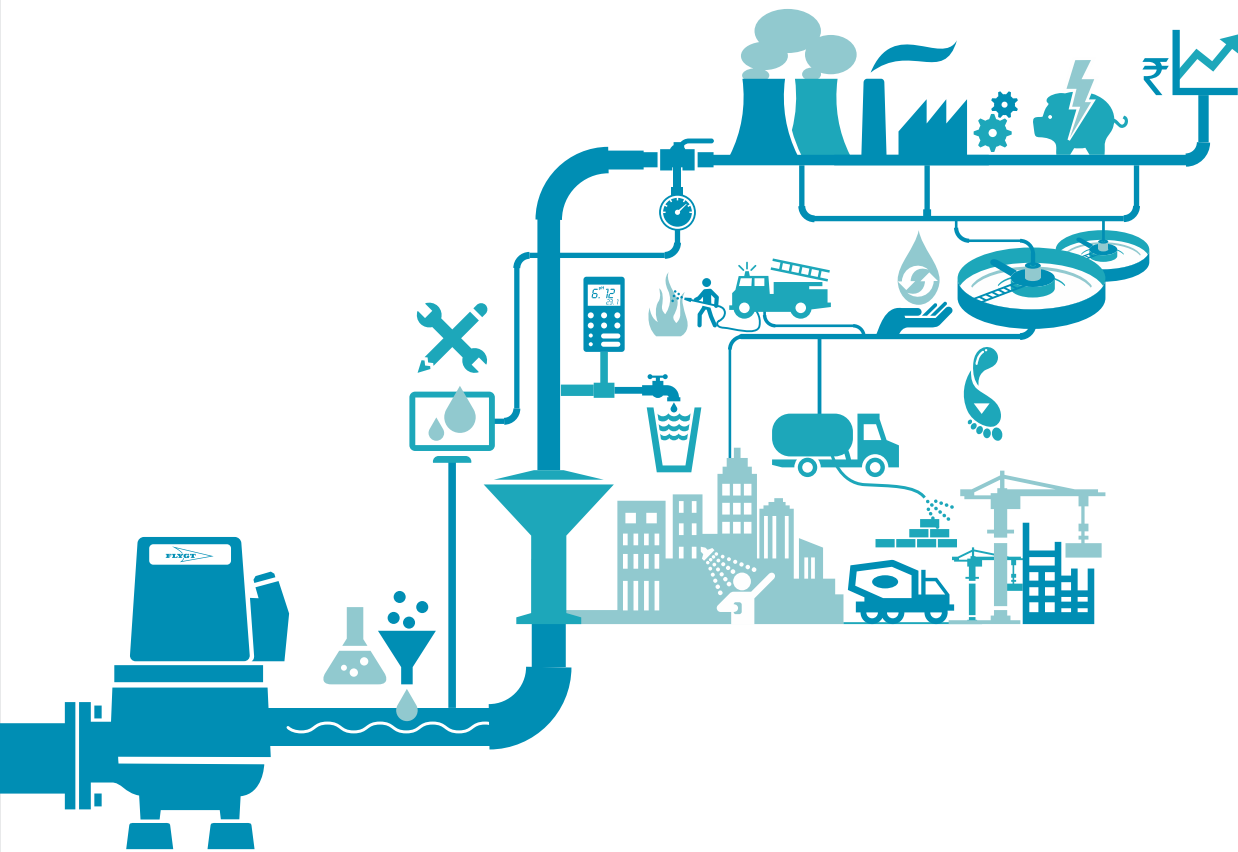
The stakeholder engagement process has raised key issues which the management has benchmarked. Environmental Health & Safety (ESH) is a common denominator across identified categories:

| MATERIALITY                                  | INITIATIVE  |
|--|---|
| <b>Environmental Health and Safety (ESH)</b> | Xylem pledges to take appropriate action and measures to ensure health & safety of personnel who are directly or indirectly working with it. These may be company employees, contractors, customers, visitors, communities and users of Xylem products and services. Overall, we seek to promote a Culture of Safety through behavior-based programs.       |
| <b>Product Design and Execution</b>          | Prime importance is accorded to safety during design and execution of projects and in: <ul style="list-style-type: none"> <li>■ Development of ESH Management System for operation facilities and installation &amp; commissioning as per ISO:14001 and OHSAS 18001 standards. This improves ESH at manufacturing facilities and customer sites.</li> </ul> |
|  | <ul style="list-style-type: none"> <li>■ Identifying operational risks and developing a framework to manage these at all functional areas.</li> </ul>   |
|  | <ul style="list-style-type: none"> <li>■ Considering safety performance as an important parameter during supplier rating and selection.</li> </ul>  |
| <b>Water Conservation</b>                    | Install 'Zero Liquid Discharge' system for water treatment and reuse.   |
| <b>Waste Management</b>                      | Evaluate water, waste and carbon footprint and map performance to an established baseline.  |
| <b>Carbon Footprint</b>                      | Occupy a Green Building for minimum energy consumption, promote use of eco-friendly material and lower carbon footprint.  |



A close-up photograph of a young girl with dark hair, seen from the side, drinking water from a green water fountain. Her hands are cupped under the stream of water, and she has a joyful expression. The background is blurred with colorful shapes.

**THE DEMAND FOR WATER  
WILL INCREASE 5 TIMES BY  
2050 BUT THE AMOUNT  
OF FRESH DRINKABLE  
WATER ON EARTH  
ALWAYS STAYS THE SAME.  
XYLEM FINDS WAYS TO  
EFFICIENTLY SAVE,  
PROTECT AND CONTROL  
WATER. IT'S WHAT WE DO  
EVERY DAY.**



# Prosperity

We see our revenue stream as a river and our products as the source from which it originates. We aim to fortify and enrich our source through innovation, providing a continuous flow of prosperity for us and our Stakeholders.



## Products

Our products span the water spectrum. Our global leadership in fluid transportation, treatment and control is well established. In fluid pumping and transportation, our brands Flygt, Goulds, Bell & Gossett, A-C Fire Pump, Flojet, Jabsco and Lowara are market leaders. Being the largest pump manufacturer in the world, Xylem provides a wide range including large pumps (100+ cubic meters per second) to small pumps that are used in Specialized Pumping

Applications (SPAs) and even beverage dispensing machines. Our world-class submersible pumps, of which our Flygt product range is illustrative, are energy efficient pumps suitable for sewage management. These pumps reduce footprint cost as they do not require a wet or dry pit installation.

In water treatment, Xylem owns leading brands Sanitaire, Wedeco, and Leopold which provide

complete solutions for Municipal and Industrial water and wastewater treatment. For this segment, we also supply monitoring and control systems equipment. Xylem is the leader in Sequential Bio Reactor (SBR) technology and offers this as a competitive solution to the Municipal segment treating water to WHO standards. Our proven Biological, Filtration, and Disinfection processes are at the cutting edge of the water and wastewater treatment.

### Some of the leading brands of Xylem in water and wastewater transportation, treatment and test





# Business in India

Our manufacturing facility, Center of Excellence team, and Research, Development & Engineering Center (RD&E) form the core of the India operations. Since coming into existence, following the spin-off of water businesses of ITT Corporation, Xylem India has opened offices at 5 locations across the country and more are on the anvil. Flow Control and RCW (Residential and Commercial Water) have been combined to form AWS (Applied Water Solutions) and Large Pumps was rechristened Water Solutions.

**XYLEM IS A PREMIUM APPLICATION SOLUTIONS COMPANY SOLVING OUR CUSTOMERS' MOST CHALLENGING WATER PROBLEMS BY LEVERAGING UNIQUE GLOBAL ASSETS AND A HIGH PERFORMING CULTURE.**



## Manufacturing Facility

Our manufacturing facility caters to the Indian market by supplying globally recognized Xylem products for water transport and treatment to industries such as Chemicals & Petrochemicals, Power, Oil & Gas, Irrigation, HVAC, Building Services, Municipalities, General Industries, Light Industries, Wastewater Transport and Treatment Systems and Sewage Processes. Xylem India has its largest pump testing facility of 7.35 MW (9856 HP) in Vadodara. The facility tests vertical turbine pumps, horizontal split case pumps and dry pit sewage pumps. The pumps are tested for performance, submergence and reliability.

## Research, Development & Engineering Center (RD&E), India

Xylem India's RD&E was established to accelerate the Company's mission to solve water challenges.

The RD&E is a Center of Excellence created to:

- Engineer and improve lifecycle cost
- Develop product localization plans
- Develop innovative product offerings for challenging water and waste water applications.

The RD&E was inaugurated in November 2007 at Vadodara and is the first major facility of Xylem in India.



Manufacturing & Pump Testing Facility, Vadodara



India Corporate Office, Mumbai

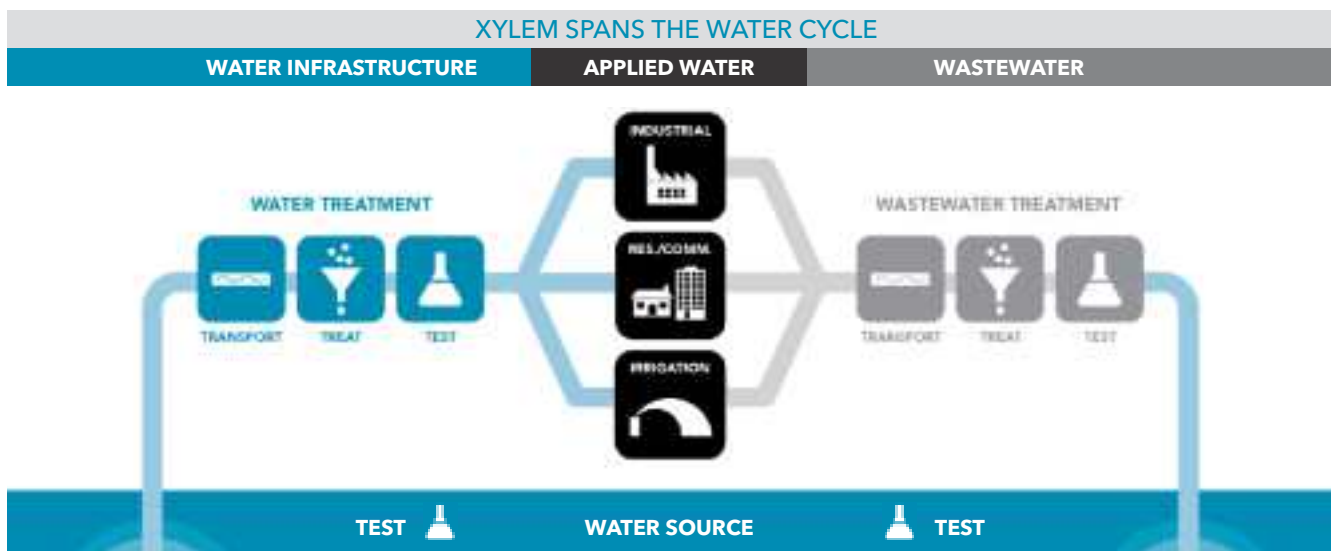


In 2011-12 Xylem India expanded its building services portfolio by introducing two new packaged system products. Xylem’s new HVAC and Fire Skid Systems are designed to help facilities limit energy consumption, lower life-cycle operating costs and enhance reliability. The primary-secondary and primary variable technology deployed in these systems can deliver energy savings as high as 25-30 %. In addition to these savings, the skid also helps save on piping, civil engineering and installation costs.

The Lowara Fire Fighting Skid System meets local fire Tariff Advisory Committee (TAC) requirements as it includes all pumps, valves, switches, controls, tank, and the engine - all mounted on a single base frame. This highly compact product has a small footprint. It is 'ready to play' and requires only two pipe connections to install, thus leading to savings in time and installation costs.



## Sectors & Application



Xylem India focuses on sectors that drive the Indian economy.

We strengthen our Indian offerings with global expertise across diverse applications such as:

- Agriculture | Construction | Environmental | Industrial
- Food & Beverage | Government Agencies | Mining
- Public Utilities | Residential

# Agriculture



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

We deliver Total Water Solutions for Soil, Crops and Livestock. Agriculture is a water intensive sector and timely delivery and management of water are critical to its success. Xylem’s solutions supply water, treat and analyze wastewater even under harsh conditions. Our products, systems and services for agriculture include water transport, treatment, disinfection and wastewater treatment products and systems, which cover a multitude of agricultural businesses including:

Aquaculture | Dairy, Poultry and Hog Operations | Grain Growing / Processing | Greenhouses | Orchard and Fruit Processing | Pump Houses | Raw Water | Sludge Transport and Processing | Vineyards / Winery Operations | Waste Treatment

# Building



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

Xylem successfully executes mandates from Site Dewatering to HVAC, Plumbing, Fire Safety, Water Supply, Wastewater Treatment and Underground Construction.

Our heavy duty pumps are used in infrastructure projects including pipeline and utility construction.

Our products and solutions include products for dewatering applications for construction sites:

Site Drainage | Bentonite Slurry Pumping | Stream Diversions | Process Water Supply | Active Dewatering | Wellpoint Dewatering | Tunneling

# Environmental



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

Xylem is a leading manufacturer of premium laboratory, field, portable, online analytical instrumentation and data collection platforms. Our technology not only provides ability to collect data but also offers possible solutions.

Our areas of expertise include:

Source Water | Storm Water | Surface Water | Wastewater | Groundwater | Drinking water | Agriculture | Hydraulic Fracturing | Ocean and Coastal Monitoring | Aquaculture and Fishing | Desalination

## Food and Beverage



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

Xylem delivers quality control and analysis for beverage, wine, beer and food processing:

[Sanitary Positive Displacement Pumps](#) | [Hygienic Pumps for Dairy, Winery and Food Processing](#) | [Membrane Filtration Systems Produce Pure Water & Water Treatment for Food Processing](#) | [Dissolved Oxygen Meters](#) | [Digital Refractometers](#)

Xylem products and services for beverage processing and dispensing. Xylem solutions provide hygienic pumps & dispensing systems. Our treatment technology with proprietary membrane, UV & Ozone technology ensures the right treatment for high quality water:

[A full Line of Wash-down, Bottle Washing and Filling, Disinfection and Oxidation Products](#) | [Dissolved Oxygen Meters and Digital Refractometers](#) | [Reliable, Life-long Pumps for Long-draw, High-Volume Keg or Cask Beer](#) | [Dispensing Installations of up to 1,000 Feet](#) | [Innovative Pumps for Syrups and Juices that shorten the dispensing time and reduce waste](#) | [Bottled Water Dispensing Pump Systems Dispense Water Directly into Equipment](#)

## Government Agencies



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

Our water quality sensors, along with our accurate velocity and flow devices, give government agencies and officials a complete picture of both the quality and quantity of water resources. Some of the products, systems and services that we market for government agencies include:

[Stream Gauging](#) | [Flood Monitoring](#) | [Water Resource Planning](#) | [Beach Monitoring](#) | [Source Water Protection](#) | [Environmental Impact Studies](#) | [Water Quality Impacts of Floods, Hurricanes, Fires, etc.](#) | [Analysis of Toxic Spills for Ground and Surface Water](#) | [Monitoring the Impact of Dredging Operations](#) | [Alerting Local Officials of Toxic Algae Blooms in Recreational Waters](#) | [Port and Harbor Navigations](#) | [Assessing the Impact of Climate Change](#) | [Real-time Monitoring of Ecosystem Restoration Projects](#) | [Protecting Fragile Aquatic Species](#) | [Storm Water Monitoring](#)

Velocity and flow devices includes:

- Water quality sampling and monitoring instrumentation
- Velocity, radar and flow devices to measure water level and movement
- Real-time telemetry systems, including cellular and satellite communications

# Industrial



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

We provide customized products, systems and services for industrial water supply and use, as well as wastewater treatment and reuse including reverse osmosis, UV and ozone systems, mixers and aeration systems.

We cater to applications across areas such as

[Oil & Gas](#) | [Pharmaceuticals](#) | [Biotech and Medical](#) | [Power Generation](#)

# Mining



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

Xylem produces a wide range of pumps, mixers and analyzers for the mining and mineral processing industries - designed for the most severe applications with a wide range of corrosion and abrasion-resistant offerings.

We provide a range of mining products and accessories including:

## Analytical Instrumentation

Rugged and reliable equipment to monitor environmental impact including groundwater testing, contaminants and erosion.

## Pumps

- Electric and hydraulic submersible pumps for dewatering, bypass, drainage and sludge applications
- Pumps for water recovery, wash-down sumps, water supply and wastewater treatment including vertical turbine, bore hole pumps and durable centrifugal pumps
- Fully automatic diesel, electric or natural gas powered, solids-handling dry-priming pumps for high-volume and high-discharge heads
- Horizontal dry-mounted and submersible abrasion-resistant slurry pumps with agitators for removal and handling of abrasive and corrosive liquids
- Vertical and horizontal multi-stage pumps
- Stainless steel submersible centrifugal and vertical multi-stage centrifugal pumps for wastewater handling
- Intelligent control systems

## Mixers

Submersible mixers used in mining as well as mineral processing operations to re-suspend and/or keep solids in suspension in reservoirs, lagoons, over ground or underground, and in basins and tanks.

Our pumps cater to following kinds of mines:

[Iron](#) | [Zinc](#) | [Coal](#) | [Aluminum](#) | [Copper](#) | [Gold](#)



# Public Utilities



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

We strive to make water fit for public consumption and reuse. In the public utilities industry, Xylem is working at every part of the water cycle including:

## Transport

- For public utility water supply networks, Xylem's powerful pumps draw raw water from its sources - wells, rivers, lakes and oceans
- Pump systems move water to and from treatment plants, to storage facilities, and on through distribution systems for public utility

## Treatment

- Membrane and gravity media filtration systems for purifying and desalinating water; filtration system solutions range from packaged residential units to city-scale treatment installations
- Disinfection offerings from Xylem include world-class ultraviolet and ozone oxidation solutions for water treatment
- Analytical sensors, instruments and systems for measuring and monitoring water quality, level and flow
- Integrated solutions combining Xylem technologies and engineering expertise to offer full process design, equipment selection and supply, installation, commissioning and operator training

## Biological treatment systems

We offer a wide array of biological treatments solutions including:

- Dual-stage membrane bioreactor systems that accept wastewater with high loadings of suspended solids and other contaminants
- Highly efficient and robust products such as pumps and mixers to move and mix all types of wastewater and sludge in a treatment plant
- Conventional biological treatment technologies including energy-efficient ceramic and membrane fine-bubble aeration systems and sequencing batch reactor (SBR) systems
- A variety of filtration technologies to meet various reuse quality requirements - from media filtration to membrane filtration including ultrafiltration and reverse osmosis
- Dissolved oxygen and pH / ORP analyzers / controllers to monitor water quality

We also offer solutions for:

## Desalination

Remove dissolved solids and contaminants from various sources of water including seas, oceans, brackish resources and fresh water intended for high purity applications and wastewater intended for reuse.

## Filtration and Clarification

Treat, filter and clarify water and wastewater through a wide array of media filtration techniques, membrane systems and treatment solutions.

## Ultraviolet and Disinfection

Our ozone and ultraviolet disinfection systems protect the environment by disinfecting water and making it safe for use before returning it to nature.

## Testing

We offer analytical sensors, instruments and systems for measuring and monitoring water quality, level and flow.

## Residential



Reduce



Recycle



Reuse



Recharge



Rehabilitate



Regulate

We manufacture and market pumps, systems and accessories for residential, marine and home and garden applications including water wells and wastewater pumps, pressure boosters and treatments.

- Our powerful pumps pull raw water from its sources - wells, rivers and lakes - to homes around the world
- Our packaged pump systems move water to and from treatment plants, to storage facilities, and then on through distribution systems to residential consumers
- For homes off the public utility distribution grid, our submersible and turbine pumps supply water from underground wells and surface water sources

## Key Financial Highlights for FY 2012

Over the last year, we had revenue of INR 1,649.83 million and posted a loss of INR 81 million. But we understand that our business in India is at a nascent stage. Despite a slower Indian economy over the last years, we have invested in, grown and expanded our operations.

| Sr. No. |  | INR Million |
|---------|--|-------------|
| 1       | <b>REVENUE FROM OPERATIONS (GROSS)</b>                               |             |
|         | (a) Domestic   | 1,505.73    |
|         | (b) Export   | 0.16        |
|         |  | 1,505.89    |
|         | Less: Excise Duty  | 0.00        |
|         | Revenue from Operations (Net)  | 1,485.55    |
| 2       | <b>SERVICE INCOME</b>  | 159.57      |
| 3       | <b>OTHER INCOME</b>  | 9.8         |
| 4       | <b>TOTAL REVENUE (1+2+3)</b>   | 1,655.19    |
| 5       | <b>TOTAL EXPENSE</b>   | 1,736.29    |
| 6       | <b>LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (4-5)</b> | (81.10)     |
| 7       | <b>PROVISION FOR TAX</b>   | 0.00        |
| 8       | <b>LOSS FOR THE YEAR (6-7)</b>                                       | (81.10)     |

**Economic Value Generated:** 1,655.19 INR mn | **Economic Value Distributed:** 1,736.29 INR mn

## Xylem India's Growth Plan

We believe that we have the knowledge, solutions and expertise to address and solve the most complex water and wastewater problems that are plaguing our nation. The need and demand of customers around energy efficiency, water efficiency, footprint efficiency and stricter environment norms around quality, regulation, recycle and reuse creates a strong need to bring best of international knowledge to solve existing problems.

We see our solutions contributing to 'PAANI' in India. Through value engineering, customization and localization, our techno-commercial products and solutions will accelerate prudent water management through implementing sustainable solutions. In this, we see the development of India and our own growth.

Our growth plans have been validated by the fact that Xylem India is:

**Increasing its India footprint – we are penetrating Tier 1 and 2 cities, establishing new offices and adding to employee headcount**

**We are percolating growth locally – Our RD&E center designs products locally, for local application and for the Indian market**

**The large custom pumps that were indigenously made, are now being exported to other emerging markets**



# Ability

A seemingly placid reservoir has the ability to generate electricity that can light up lives and irrigate land to satisfy the hunger of thousands. For Xylem, its reservoir is its workforce - the calm and composed individuals who are capable of effecting a sea of change. But unlike a reservoir, we believe in constantly enriching our human capital and enhancing their potential.



# Our Human Capital

Xylem India is a young and dynamic organization. Our workforce shapes our culture and defines who we are. We are organized across key business functions illustrated as:



## HR Practices



**OUR EMPLOYEES ARE INSPIRED TO MAKE DIFFERENCE THROUGH INNOVATION AND OUTREACH.**

Xylem is driven by a purpose; doing well by doing good. By focusing on water, we are dedicated to improve people's lives. This sentiment inspires our employees to make a difference through innovation and outreach. We communicate our belief in growth beyond boundaries, global exposure and cross-domain experience. At Xylem, we focus extensively on key parameters:

### Generating meaningful employment

Xylem India is developing its business in an area of social necessity. As our organization grows, we seek to give back to Indian society by way of providing meaningful employment - marrying skills which prospective people possess with those that are required by our Company. Our human resource needs are systematically assessed and planned for.

Employment creation begins with manpower planning, usually done for

the current year as well for the next. As we forecast the necessary intake, we map job description with a competency matrix for all existing positions in the organization and for emergent opportunities. To hire the best talent, we encourage employee referrals and also use a variety of methods such as data banks, portals, and HR consultants. We have also commenced on campus recruitment at reputed business schools.

Our matrix is superimposed on a hiring calendar. We recognize merit and hire deserving candidates. We ensure the absence of discrimination on any grounds, and weed out nepotism or corruption and other kind of bias in the hiring process which might lead to unfair recruitment.

We believe and are working towards being a preferred employer. We also seek to retain high performance talent and manage attrition rates. Many separations from the Company

take place at the sales force and workmen cadres - levels which are typically prone to industry and market churn. Our attrition rate over a one year period was 7%.

### Non-discrimination

Xylem takes its core values seriously. Respect is a primary concern. We do not discriminate on any grounds including race, caste, class, gender or disability. Our workforce is sensitized about rights, responsibilities and remedial action. We regularly invite trainers from our headquarters to engage with staff. We have an Ombudsperson in India who can be directly contacted by any employee or workman. The Ombudsperson's contact details are visibly displayed across the Company. They can be reached without any fear of reproach, confidentiality and anonymity is ensured.



## Labor-Management relations and fair wages

At our Company, we take a proactive and inclusive approach to labor relations and conflict management. We pride ourselves on our meritocracy and fair and equal treatment to all staff, irrespective of hierarchy. Our 'open door' approach to address grievances within reasonable bounds of rationality is effective.

Every staff member is entitled to a healthy and stimulating work environment. We ensure that we abide by all labor laws applicable and seek to establish voluntary best practices. This includes our transportation and guest house facilities, decent and subsidized canteen food, and identity cards and uniforms to workmen. We also provide employee benefits such as superannuation, medical insurance and personal accident policy. We provide a fair and equal remuneration. We subscribe and support The Factories Act and The Minimum Wages Act. Our wages are higher than the minimum wage. We monitor our suppliers through monthly audits and ensure that our contractors provide minimum wages to workers that they employ.

## Child labor and prevention of forced and compulsory labor

At Xylem India we abide by the Child Labor (Prohibition and Regulation) Act, 1986. We do not employ child labor directly or through our contractors.

We are especially sensitive to the issue of child labor and our office security has been instructed to not permit any children into our premises. We do not employ any kind of forced or compulsory labor.

| Sr. No.                       | Benefits  | Eligibility  | Agency        |
|-------------------------------|---|--|---------------|
| <b>STATUTORY BENEFITS</b>     |   |  |               |
| 1                             | Employees Provident Fund  | Eligibility as per Statute   | RPFC          |
| 2                             | Group Gratuity  | Eligibility as per Statute<br>Applicable after the completion of five years (continuous service) | LIC           |
| 3                             | Employee Compensation   | Eligible only for Workmen  | Bajaj Allianz |
| <b>NON-STATUTORY BENEFITS</b> |   |  |               |
| 1                             | Group Superannuation  | Applicable after completion of Three Years (12% Basic)   | LIC           |
| 2                             | Mediclaim Insurance (Cashless and Reimbursement facilities available to employees in case of hospitalization) | Sum Insured<br>• DGM & Above<br>500,000  | Bajaj Allianz |
|                               |   | • Below DGM and above Trainees / Workmen<br>300,000  |               |
|                               |   | • Trainees / Workmen<br>200,000  |               |
| 3                             | Personal Accident (Reimbursement in Case of Accident and Loss of Working Days)                                | Sum Insured - 48 times of Basic  | Bajaj Allianz |

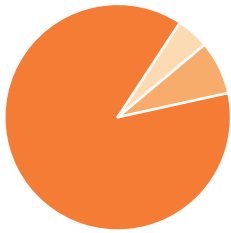
# Employee Diversity and Talent Management

Xylem India has a diverse workforce across India. Given our geographical spread, our employees have different social, economic and geographic backgrounds. We also have both female and male officers. We think that the diversity enriches our Company, bringing in fresh perspectives. Our policies are applicable to all staff. Insight into our human capital across key parameters - employment type, category and gender, qualification age and skill is as follows:

## Total Workforce Strength

210

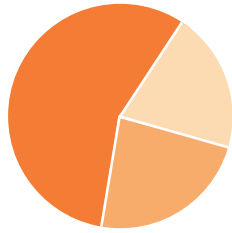
### Total Workforce By Employment Type



Contract-wise breakup of employees

|            |            |
|------------|------------|
| <b>94%</b> | Regular    |
| <b>04%</b> | Trainee    |
| <b>02%</b> | Fixed Term |

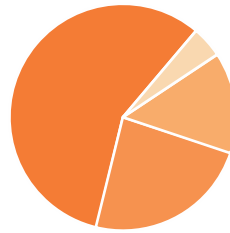
### Employees By Qualification



Degree-wise breakup of employees

|              |                |
|--------------|----------------|
| <b>23%</b>   | Under Graduate |
| <b>53.5%</b> | Graduate       |
| <b>23.5%</b> | Post Graduate  |

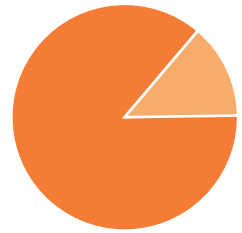
### Employees By Age



Age-wise breakup of employees

|            |                 |
|------------|-----------------|
| <b>53%</b> | Age group 21-30 |
| <b>33%</b> | Age group 31-40 |
| <b>12%</b> | Age group 41-50 |
| <b>02%</b> | Age group 51-60 |

### Employees By Skill



Degree-wise breakup of employees

|            |               |
|------------|---------------|
| <b>85%</b> | Technical     |
| <b>15%</b> | Non-technical |



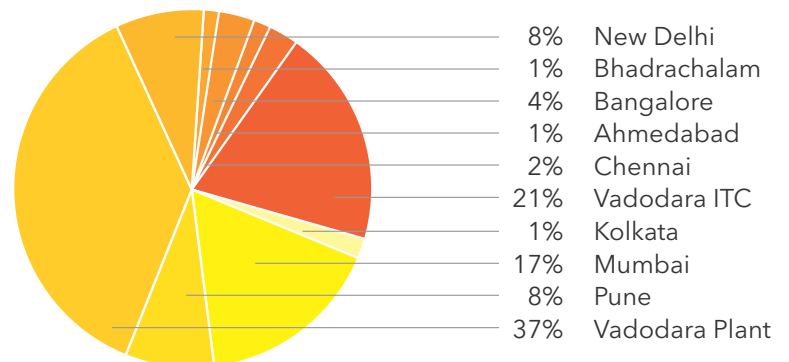
### Gender Breakup By Analysis of Employees Left

| Category     | Female | Male |
|--------------|--------|------|
| Manager      | 0%     | 17%  |
| Professional | 6%     | 67%  |
| Workmen      | 0%     | 11%  |

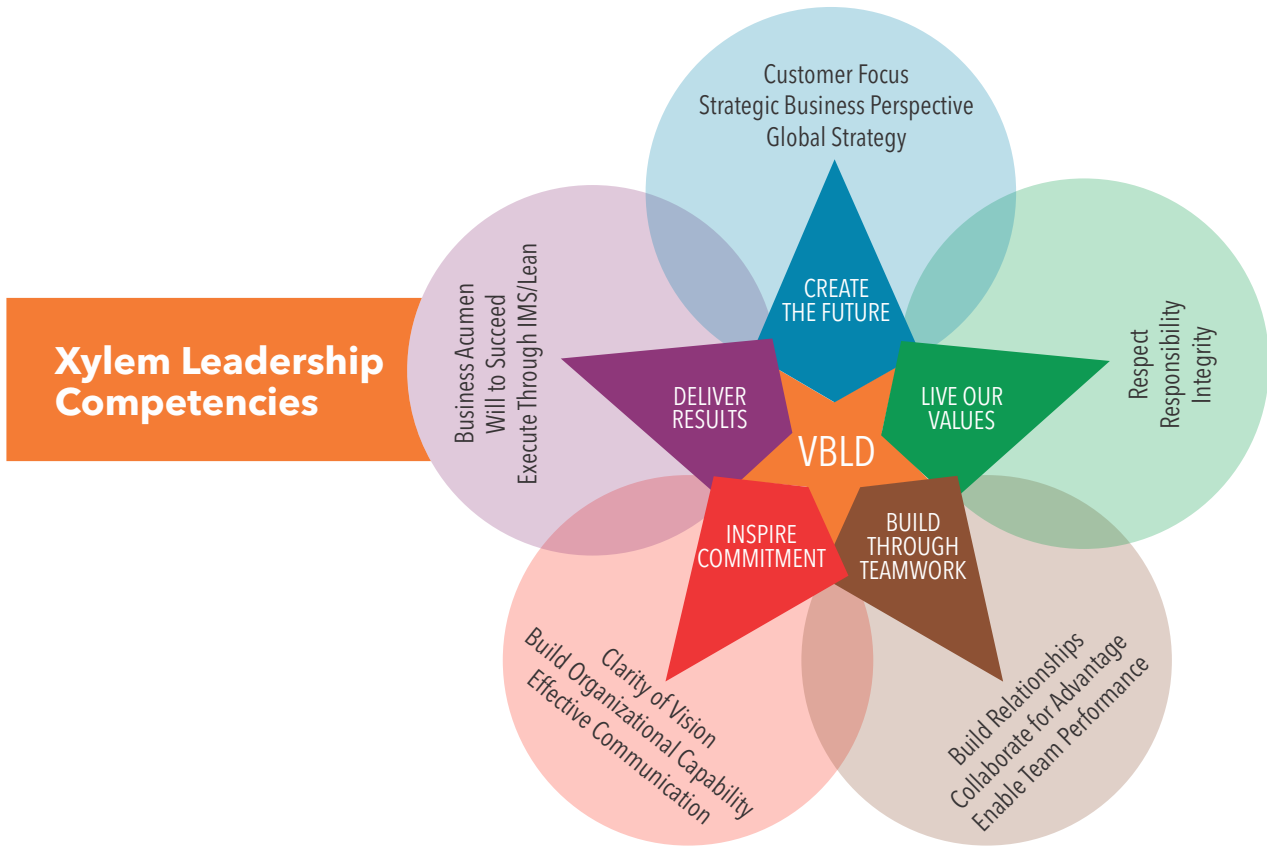
### Gender Breakup By Location

| Location           | Female     | Male       |
|--------------------|------------|------------|
| Ahmedabad          | 0%         | 1%         |
| Bangalore          | 0%         | 4%         |
| Bhadrachalam       | 0%         | 1%         |
| Chennai            | 0%         | 2%         |
| Vadodara ITC       | 1%         | 20%        |
| Kolkata            | 0%         | 1%         |
| Mumbai             | 4%         | 13%        |
| New Delhi          | 0%         | 8%         |
| Vadodara - Plant   | 4%         | 33%        |
| Pune               | 2%         | 6%         |
| <b>Grand Total</b> | <b>11%</b> | <b>89%</b> |

### Headcount By Location



Our focus on talent management has led us to build leadership competencies in our company. These competencies address the multifaceted aspects of being a professional at Xylem. Our focus therefore is on creating stars through VBLD (Value Based Leadership Development). It encompasses values, teamwork, commitment, results and enabling the future, which are captured in the diagram below.



## Training, Education and Enabling Empowerment

Xylem India considers training and education as a key activity for the growth of the individual and the organization. We invest resources - monetary, time and interest, to train and develop our talent. We actively promote a culture of teamwork and believe in fostering winning teams.

Our approach to training includes identification of training needs from sources such as:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Performance appraisal system</li> <li>• Department heads / immediate supervisor</li> <li>• Self-identification by employees</li> <li>• Inputs from our headquarters</li> <li>• Interview assessment sheets</li> <li>• Induction programs</li> <li>• Competency metrics / skill matrix</li> <li>• New product development</li> </ul> | <ul style="list-style-type: none"> <li>• Customer feedback</li> <li>• Legal and mandatory requirements</li> <li>• Market requirements including quality / productivity, Six Sigma, Lean, QMS/ EMS &amp; OHSAS systems, job rotation and soft skills, technology change, CAPA &amp; accident invest</li> <li>• Environmental aspect impact register (EAA), HIRA</li> </ul> |
|--|---|

**OUR ORGANIZATION AIMS TO ENABLE EMPLOYEES TO DEVELOP & WE CONSIDER EMPLOYEES EQUAL PARTNERS IN OUR ORGANIZATIONAL GROWTH.**



**EACH GRAPE REPRESENTS A COMPETENCY FOR A FUNCTION AGAINST WHICH EMPLOYEES ARE RATED.**



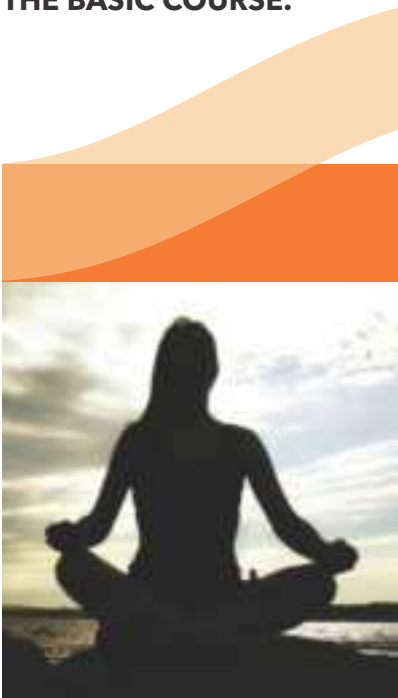
Our training calendar and programs are implemented through a dynamic process called Grapevine. The color of the grape signifies the bare minimum skills, capabilities and competencies required for an employee to fulfill his / her responsibilities. Any employee achieving a rating of 2 or below has to be developed in that competency and training is necessitated. The Grapevine structure not only shows the scope for ability development of an employee, it also helps in his/her career progression and career framework.

Our organization aims to enable employees to develop and we consider employees as equal partners in our organizational growth. In addition to technical training we impart behavioral and conceptual training to enable employees to grow professionally and personally.

### Talent Development Journey

| Sr. No.      | Training Type   | Total Participants | Total Hours  |
|--------------|---|--------------------|--------------|
| 1.           | Behavioral Training - Winning in a Highly Effective Team        | 90                 | 1,740        |
| 2.           | General Training  | 42                 | 546          |
| 3.           | Environmental Safety & Health                                   | 75                 | 1,999        |
| 4.           | Integrated Management Systems                                   | 27                 | 335          |
| 5.           | Technical Training  | 78                 | 128          |
| 6.           | COC / Trade Compliance / Anti-corrupption Face-to-Face Training | 207                | 443          |
| 7.           | Online Code Of Conduct Training                                 | 177                | 265          |
| <b>Total</b> |   | <b>696</b>         | <b>5,456</b> |

**WE HAVE INTRODUCED THE WELL-KNOWN ART OF LIVING PROGRAMS AT OUR OFFICES AND EACH AND EVERY EMPLOYEE HAS ATTENDED THE BASIC COURSE.**



We measure the topicality and effectiveness of programs through feedback forms, written tests and surveys. In the relatively short span of our existence in India, we are proud of the employee engagement that has been created.

We have launched XPRESS - the Xylem Internal Communication Software to inform employees and internal stakeholders about developments in the company, announce events and achievements and to increase the integrity of the employees with the organization.





**XYLEM PROVIDES ITS EMPLOYEES WITH A WIDE RANGE OF DEVELOPMENT PROGRAMS DESIGNED TO KEEP THEM SAFE AND IN COMPLIANCE, INCREASE THEIR JOB SKILLS AND ADVANCE THEIR CAREERS.**

## Rewards and Recognition



Our rewards and recognition processes are evolving. At present we have a Good Job / Pin award, the main purpose of which is to select our best performing employees every quarter. Nominations are reviewed and selected by the Managing Director.

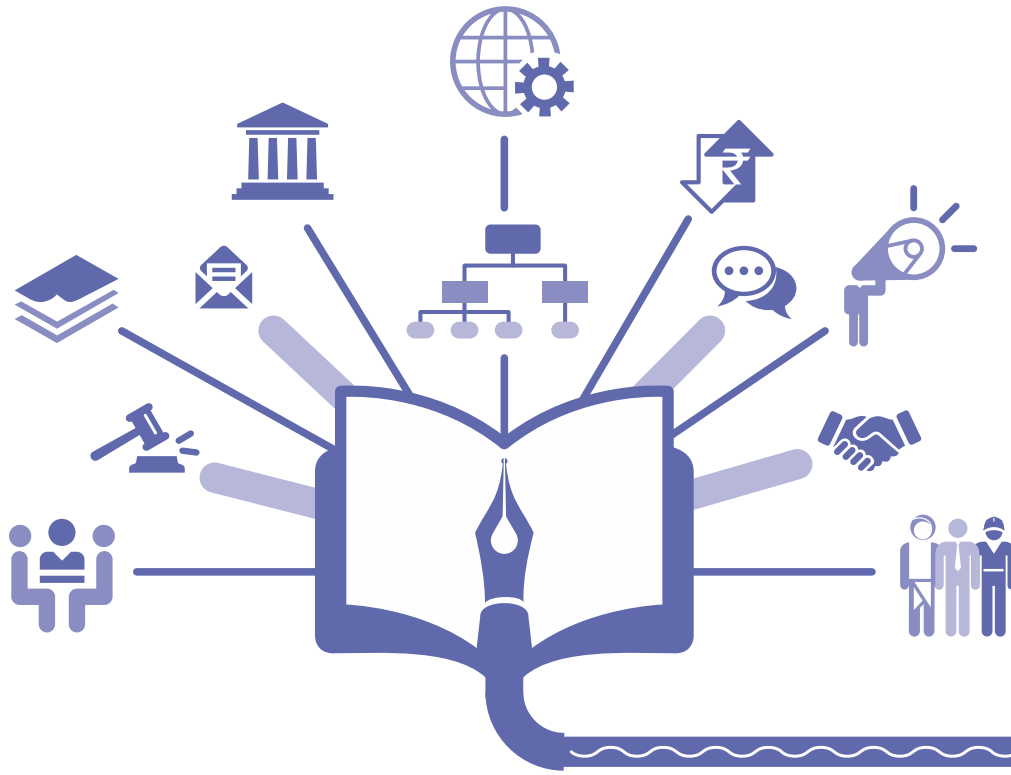
## Occupational Health and Safety

We strive to avoid injury in our operations and promote a culture where every employee is motivated to be at work. We recognize that illness cannot be avoided, but encourage staff to be absent only when absolutely required. We meticulously record employee data which is presented in the adjacent table.

| Injury / Illness                      | Unit |
|---------------------------------------|------|
| With No Time Lost (Nos.)              | 1    |
| With Days Away from Work (Nos.)       | 1    |
| Total Recorded (Nos.)                 | 2    |
| Total Days Absenteeism (Nos.)         | 5    |
| Total Injury / Illness Frequency Rate | 0.61 |
| Total Injury / Illness Severity Rate  | 1.51 |



\*Achieved in September 2011

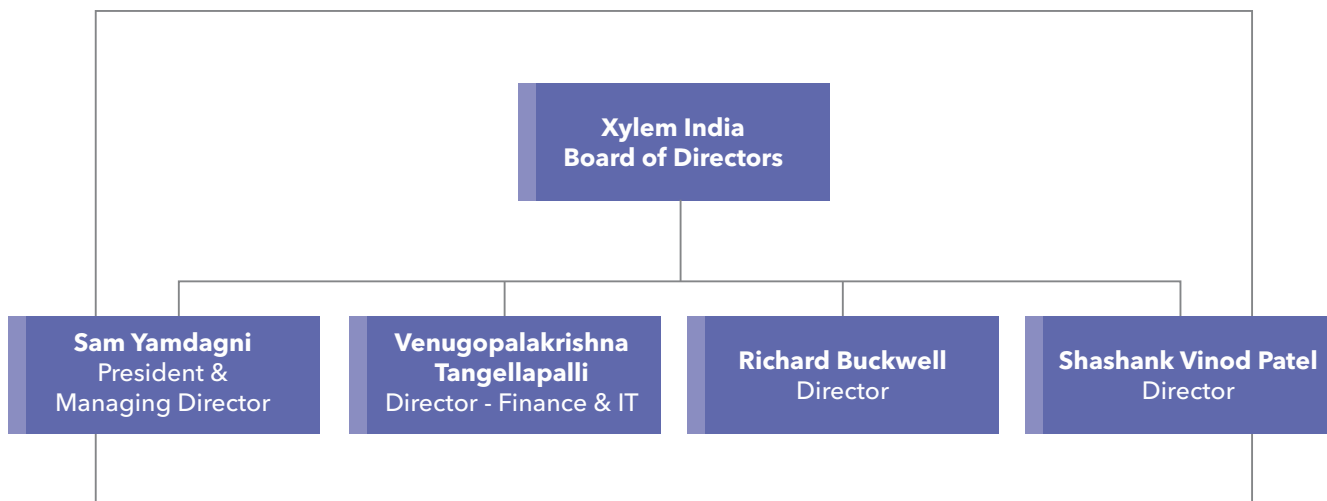


# Accountability

One of the unique characteristics of water is the fact that although it has the flexibility to mould into any shape, it still retains its basic properties that instills a deep sense of trust towards it. We strive to emulate this same characteristic in our governance mechanism - an ability to change in line with time and circumstances but based on underlying philosophies and principles that remain unchanged.



# Corporate Governance



**THE BOARD TYPICALLY SETS POLICY FOR THE COMPANY AND ADVISES & COUNSELS THE CHIEF EXECUTIVE OFFICER AND SENIOR EXECUTIVES WHO MANAGE THE COMPANY'S BUSINESS AND AFFAIRS.**



Corporate Governance at Xylem India is discharged by the Board of Directors, who act in the best interests of the Company and its shareholders. The Board typically sets policy for the Company and advises and counsels the Chief Executive Officer and senior executives who manage the Company's business and affairs. The Board reviews and approves the Company's long-term strategies, investments in new businesses, joint ventures and partnerships and business acquisitions. The Board also reviews the Company's operating plans and capital, research and development and engineering budgets.

The Board is responsible for ensuring:

- Continuity of leadership
- Management develops sound business strategies

- Capital and managerial resources are available to implement strategies
- Adequate systems of financial and internal control
- Overview of risk profiles and their management
- Conformity with applicable laws and regulations
- Effective utilization and review of Company assets including subsidiaries

At Xylem India, we have a dedicated approach to address sustainability, managed through committees on Anti-corruption, Environmental Safety and Health (ESH) and Women's Grievances. We also have an Ethics and Compliance Review Board, which is a common platform across our global operations and includes international officers at Xylem India meetings.

The Xylem Anti-Corruption Manual is an important document. It provides Xylem employees with guidance on issues relevant to conducting international business with relevant Stakeholders.

The Manual includes information on Xylem’s Global Due Diligence Review Process for its third parties and business partners that conduct international business with

government customers, officials and employees.

An Anti-Corruption Program Oversight Committee monitors approval processes as well as the Third Party Due Diligence Process including Post Approval Monitoring and the adherence to the commission rate guidelines set out in the Anti-Corruption Manual.

The Committee meets every quarter and at such meetings Regional Directors, Business Unit Directors and Functional Heads report on the status of the anti-corruption work in their respective area of responsibility. The purview also extends to engagements in the social realm – such as community initiatives and engagements.

Our Goal Deployment Plan process (GDP) is an integral part of our approach to Governance. GDP is a dynamic process to identify breakthrough objectives and Key Performance Indicators (KPIs). The diagram shares the key approach to this.



## Code of Conduct

A strict Code of Conduct governs what we do. This Code is our roadmap. It guides us to consistently do the right thing by describing common legal and ethical issues, including potential challenges, and provides avenues to obtain advice or raise concerns.

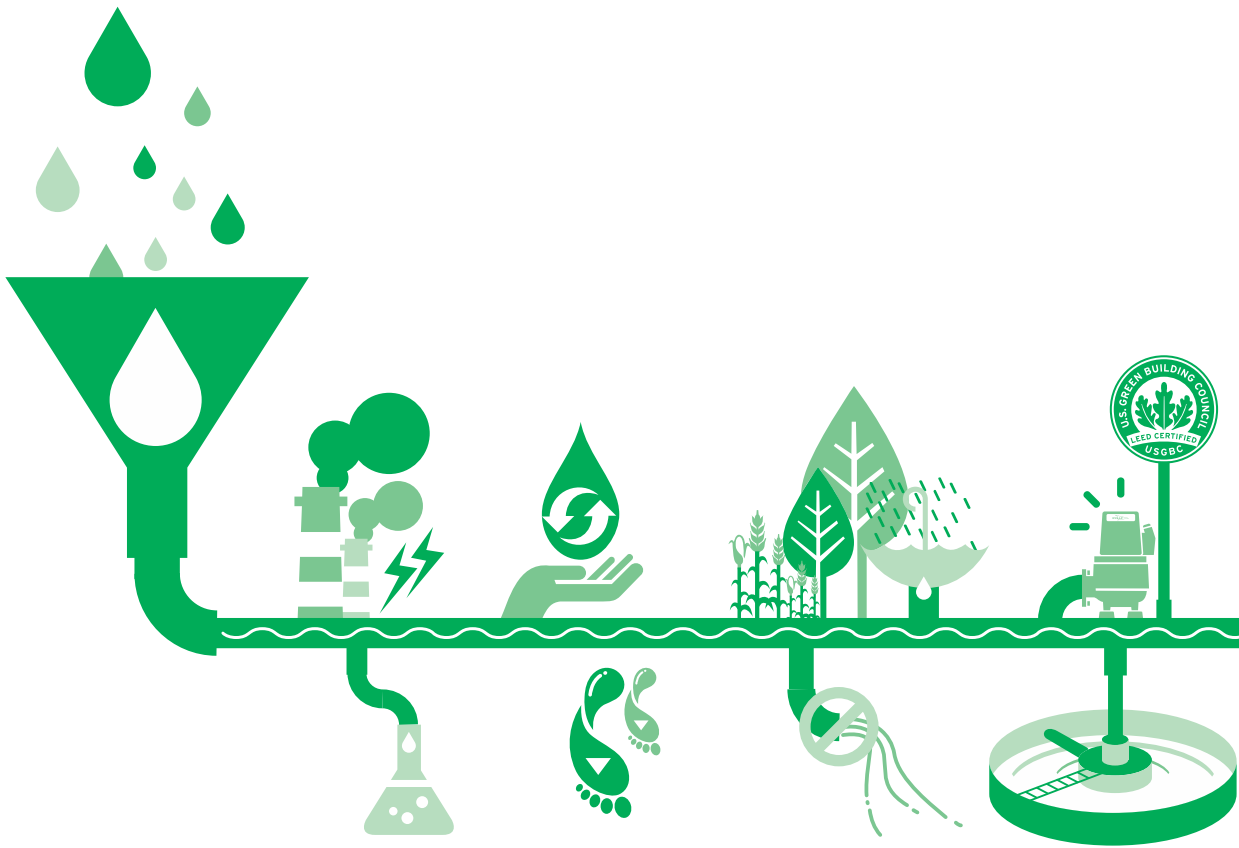
The Code of Conduct applies to Xylem globally and we recognize the ramifications and sensitivity of local issues. Many concerns are governed and addressed by specific committees. Some policies such as the one for human resources is often culture and location specific. Xylem is opposed to child labor and we are particularly wary of any such issues in India. Our recently initiated focus on managing and screening our Supply Chain, includes but is not limited to child labor.

The Code of Conduct covers key markers across the Workplace, Environment and Communities, Corporate Records, Conflict of Interest, Business Courtesies, Government Contracts, International Business, Money Laundering Prevention, Antitrust & Competition, Securities Trading & Company Assets and Reputation.

A detailed view of our Code of Conduct is available at [www.xylemindia.in](http://www.xylemindia.in)



**THE CODE OF CONDUCT  
GUIDES US TO  
CONSISTENTLY DO THE  
RIGHT THING BY  
DESCRIBING COMMON  
LEGAL AND ETHICAL  
ISSUES, INCLUDING  
POTENTIAL CHALLENGES,  
AND PROVIDES AVENUES  
TO OBTAIN ADVICE OR  
RAISE CONCERNS.**



# Neutrality

The neutral nature of water is universally known. Not just in terms of chemical composition but also in terms of physical nature; ice will melt to become water, vapor will condense to become water. Irrespective of the pressure or temperature, water always tries to maintain a status quo. Our environment policy seeks to do the same. We strive to balance the scale of neutrality as far as emissions, energy consumption and waste production are concerned.

## Our Environment Policy

For Xylem India, the environment is sacrosanct. Water is a critical sector for environmental well-being. By choosing to work with water, we have aligned our Company to accord the highest priority to the environment. We apply the Brundtland Commission's definition of Sustainable Development to the water sector and seek to assist India in managing its water resources for current and future generations.

Our approach to environment is encapsulated by our Environmental Safety and Health Policy which is driven by our President and Managing Director.

**Sustainable Development is the development which meets the needs of current generations without compromising the ability of future generations to meet their own needs.**

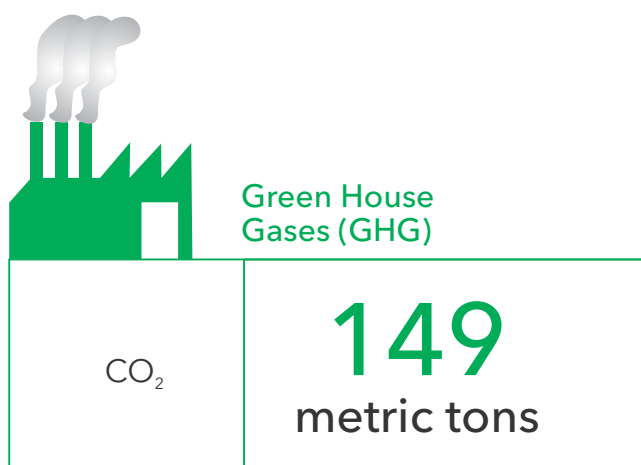
**- The Brundtland Commission Report**



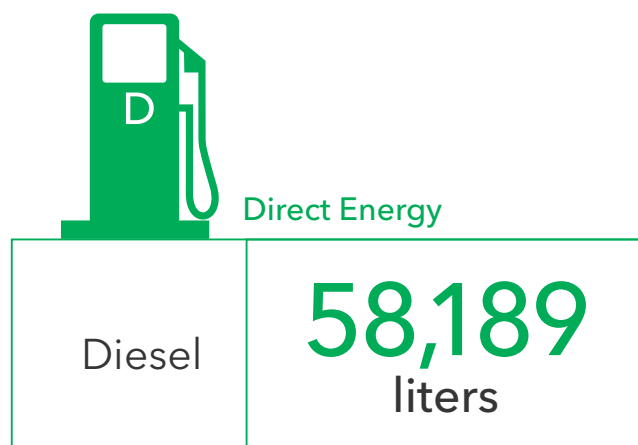
## Performance Indicators

Nature nurtures us and we operate to safeguard its resources. Our company takes its role as a technology and solutions provider, user and manager of water and other resources such as electricity, paper and waste seriously. We are committed to doing more using less. An illustration is our new Water Reuse Sewage Treatment Plant (STP) at our facilities at Vadodara. The wastewater generated will be recycled for flushing in toilets and for gardening. We have captured our attempts and indicators to minimize our impact on the environment.

This being our maiden report, the measurement mechanisms are underway in our offices in New Delhi, Mumbai, Bengaluru, Chennai, Pune and Kolkata, and hence have been excluded in the environment performance parameters.



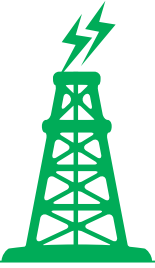
The NO<sub>x</sub> and SO<sub>2</sub> is released into the air from the use of Diesel Generator (DG) sets. The emissions are less than the permissible limits for NO<sub>x</sub> (50 ppm) and SO<sub>2</sub> (100 ppm). The particulate matter emitted in both DG sets and the paint booth is also strictly kept under permissible limits.



Over the year, we consumed about 58,000 liters of diesel at a cost of USD 52,955.

In the absence of grid connected electricity at our manufacturing facility, we consumed this source till September 2012.



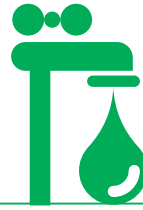


### Indirect Energy

|             |                       |
|-------------|-----------------------|
| Electricity | <b>109,950</b><br>kwh |
|-------------|-----------------------|

Over 2012, we spent about USD 12,687 on electricity. Effective October, when we were granted an electricity connection, we migrated from fuel oil. We are proud that we reduced fuel oil dependency from a peak of 7,600 liters in May 2012 to only 30 liters in December 2012.

Xylem India seeks to promote solar energy and plans are underway for deployment of solar lighting at our manufacturing facility in Vadodara.



### Water

|      |                    |
|------|--------------------|
| Used | <b>2,606</b><br>kl |
|------|--------------------|

In the absence of a municipal water connection, we depend on transported water for our operations. Nevertheless, we have consistently used water prudently.

## Green Facilities



We have taken a concerted decision to promote green facilities. Xylem's Vadodara building addresses key aspects of water usage that goes a full circle from toilet to tap. We have deployed a 30KLD STP Zero Discharge system to treat water for our own use.



### Waste Recycled

|               |                     |
|---------------|---------------------|
| Non Hazardous | <b>34,310</b><br>kg |
|---------------|---------------------|



### Waste Disposal

|               |                     |
|---------------|---------------------|
| Non Hazardous | <b>13,300</b><br>kg |
|---------------|---------------------|

The nature of our business is such that it does not produce any hazardous waste. We recycle non-hazardous waste where possible and were able to recycle 72% of our waste over the reporting period.

### Designated Sub-station - 66 kV Switch Yard / VFD

To promote a prudent use of electricity and conserve energy, Xylem has commissioned a 66 kV substation, wherein a submerged HT line runs from the GIDC feeder station 3 km away.

This project was undertaken despite significant investment cost to free up 11 kV grid of load sharing and also to reduce power transmission losses. The facility also has a 11 kV, 7.35 MW VFD to cater to large pump testing which ensures that there are no power surges.

# Green Product Portfolio

## Green Buildings and HVAC

Resource conservation is a priority for policy-makers, legislators and industries. This has been driven both by increasing awareness about climate change, higher cost of power and energy efficiency. As a result, LEED certified projects have been gaining popularity in India. Xylem's system and application expertise enhances overall system efficiency in eco-commercial buildings.



### Bell & Gosset HVAC System

Xylem recently introduced a packaged Bell & Gossett HVAC skid system specifically designed to meet the requirements of chilled water systems in a commercial building. It includes a range of HVAC products that are brought together to minimize installation time, reduce material costs and improve the quality of assembly. This intelligent and highly efficient system provides a packaged pumping and control solution for a constant-primary / variable-secondary chilled water system. It is compact and occupies a smaller footprint, helping the system designer optimize mechanical room space.

Following are some of our prominent projects where the Bell & Gosset system has been successfully installed:

#### ■ Indira Paryavaran Bhavan

(LEED India Platinum Rating and GRIHA 5 star rating)

An office building project of the Ministry of Environment and Forests, New Delhi. The building was conceived to maximize energy saving and minimize operating cost by adopting the green building concepts. Bell & Gossett, a Xylem brand was chosen as the energy efficiency partner of this building project. The objective was to achieve highest energy savings in pumping system.

#### ■ Rashtrapati Bhavan

The residence of the President of India utilizes a variable speed pumping system from Bell & Gossett, a Xylem brand.

**Variable Speed Pumping System - Xylem's pioneering concept, is based on the principle of Primary-Secondary Pumping. It provides optimal cooling for buildings while consuming the least amount of energy.**

## Climate Change and Clean Energy

We create brands that make markets work for sustainability. Xylem is adept at designing efficient sustainable water management solutions that help in changing the climate for the better.

### Facilitating Clean Energy



An innovative Xylem offering, Essence of Life focuses on the needs of the small landholder farmers. This brand, well suited to the typical small and marginalized landholding size of about 1.2 hectares, is in the process of getting launched in India. The Essence of Life is a sustainable business model with potentially game-changing benefits for the population at the base of the economic pyramid, as well as for the large array of NGO and other citizen-sector organizations whose mission is to fight poverty and support rural development.

Deploying technology and factoring the 'rural voice of customers', Xylem manufactured "Saajhi" (meaning companion) - the first, major global water OEM-engineered solution for rural water management needs. Saajhi has a unique combination of suction capability, pressure head, and flow rate with self-priming and diaphragm technology that caters to rural market nuances.

## Combating Climate Change

Xylem provides efficient, environmentally sustainable water management solutions to solve specific applications. Our extensive portfolio addresses the full cycle of water from irrigation to drainage, water purification to distribution, quality monitoring to consumer use, and waste removal to clean return to source.

Localization and inclusion of the human dimension has been the key in the success of these products. Care is taken during product design for ease of use and maintenance.

These innovations have assisted Indian farmers to increase revenue - driven by increased crop yields and cropping cycles, reduce labor time to irrigate fields and become entrepreneurial. This has aided the Government by reducing water usage and in turn providing more water at the source.



## Sustainable Water Projects

**Xylem is expanding its business in India and we are proud of our projects, some are completed while some are ongoing and on the anvil for the near future:**

### COMPLETED PROJECTS

1



|            |  |
|------------|--|
| Project    | <b>8 MLD STP at Talwara, Punjab</b>  |
| Client     | Bhakra Beas Management Board (BBMB)  |
| Contractor | Hydrotech Pariyavaran  |
| Scope      | Design, engineering, supply and supervision of erection & commissioning for ICEAS SBR and Control System |
| Status     | Commissioning completed in April 2012<br>Achieved BOD of less than 5 mg/l                                |

2



|            |  |
|------------|--|
| Project    | <b>4 MLD CETP at Jasol, Rajasthan</b>  |
| Client     | Jasol Water Treatment and Pollution Control Trust  |
| Contractor | Divija Infrastructure  |
| Scope      | Design, engineering, supply and supervision of erection & commissioning for TRUESBR for CETP & Control Systems |
| Status     | Commissioning completed in April 2012<br>Achieved BOD of less than 30 mg/l                                     |



3



|                   |   |
|-------------------|---|
| Project           | <b>180 MLD at Delhi Jal Board, Rithala</b>        |
| Type              | Supply of air main grid and diffusers (disc type) |
| Client            | Delhi Jal Board                                   |
| Contractor        | Hydrotech Pariyavaran                             |
| Scope             | Supply of Sanitaire diffusers and fittings        |
| Type of Diffusers | 9" Silver Series II - EPDM                        |
| No. of Diffusers  | 10,727  |
| Status            | Commissioning completed in May 2012               |

4



|                   |  |
|-------------------|--|
| Project           | <b>4 MLD at Jasol, Rajasthan</b>   |
| Type              | Common Effluent Treatment Plant for textile mill effluent (Xylem SBR technology) |
| Client            | Jasol Water Pollution Control and Treatment Trust (JWPC&T)                       |
| Contractor        | Divija Infrastructure Pvt. Ltd.  |
| Scope             | Treated water is sent for irrigation reuse                                       |
| Type of Diffusers | Fine bubble disk diffuser, UPVC with EPDM membrane                               |
| No. of Diffusers  | 1,959  |
| Status            | Commissioning completed in April 2012  |

## ONGOING PROJECTS

1

|  |  |   |   |
|--|--|---|---|
| <b>Project</b><br>30 MLD SBR treatment plant under construction at Kota, Rajasthan | <b>Client</b><br>Urban Improvement Trust, Kota | <b>Purpose</b><br>The sewage collected from Kota city will be treated and discharged to a river | <b>Status</b><br>Civil work under progress, supply completed, commissioning expected by June 2013 |
|--|--|---|---|

2

|   |  |  |  |
|---|--|--|--|
| <b>Project</b><br>23 MLD Sewage Treatment Plant (STP) is being set up at Attapur, Hyderabad, Andhra Pradesh | <b>Client</b><br>Hyderabad Metropolitan Water Supply & Sewage Board (HMWSSB) | <b>Purpose</b><br>To address sewage treatment for the entire Rajendra Nagar Circle. The treated sewage water will be discharged to a river | <b>Status</b><br>Civil Work Under Progress. Supply expected to be completed by October 2013 and commissioning by December 2013 |
|---|--|--|--|

3

|  |  |  |  |
|--|--|--|--|
| <b>Project</b><br>5 MLD sewage treatment plant is being set up at Raipur Kalan, Chandigarh | <b>Client</b><br>Public Health & Engineering Department (PHED) of Chandigarh | <b>Purpose</b><br>To counter 5 MLD of sewage being dumped into an open canal | <b>Status</b><br>Commissioning by end of the year 2013 |
|--|--|--|--|

4

|  |  |  |  |
|--|--|--|--|
| <b>Project</b><br>5 MLD sewage treatment plant is being set up at SAS Nagar Kurali, Mohali, Punjab | <b>Client</b><br>Greater Mohali Area Development Authority (GMADA) | <b>Purpose</b><br>To counter 5 MLD of sewage being dumped into an open canal | <b>Status</b><br>Commissioning by end of the year 2013 |
|--|--|--|--|



## S U C C E S S S T O R I E S

### 1 Xylem advance Mines Dewatering solution to largest Zinc producing mine in the world

Mines and large scale construction sites often accumulate dangerous levels of polluted water and successfully removing this flood risk is of vital importance to the safety of workers, as well as the productivity of the business. Xylem's Flygt® brand will be supplying its super high head dewatering pump to Hindustan Zinc Ltd., to meet their high demanding application of dewatering with a high quantity of barite and waste rock in its wastewater. This new pumping system will provide an efficient and reliable water management solution at their mines.

The mine has recorded a more reliable and efficient dewatering process on-site, substantially reduced maintenance bills and a safer environment for their underground workers. Currently Hindustan Zinc has more than 45 nos. of Flygt mine dewatering pumps at their mines situated at Rampura Agucha (largest zinc producing mine in the world), Sindesar Khurd, Rajpura Dariba and Zawar in Rajasthan.



## 2

# Interceptor Project of Delhi Jal Board



The Interceptor Sewer Project is a major initiative being undertaken by Delhi Jal Board to tackle the issue of sewage pollution in the river Yamuna.

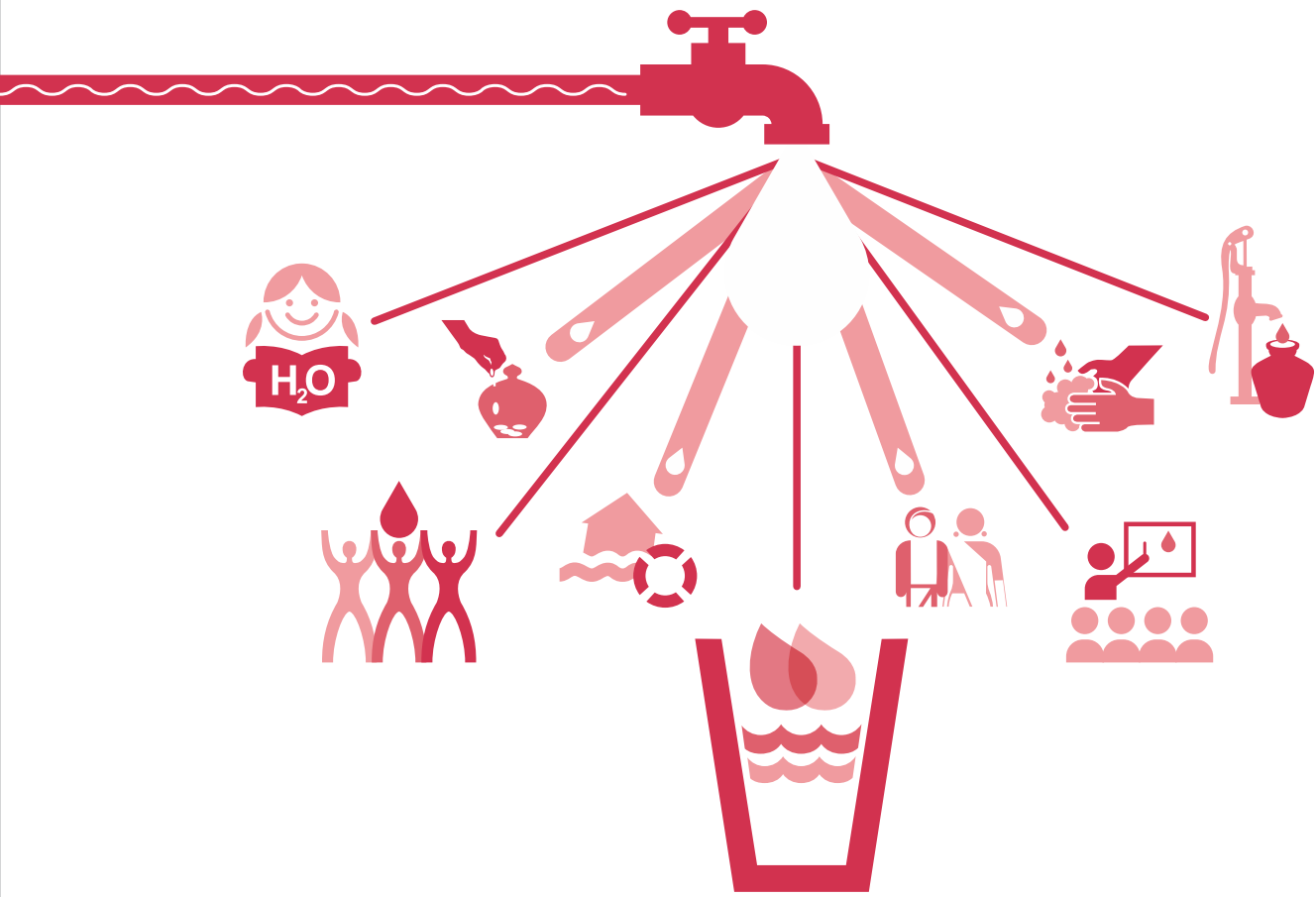
The Interceptor Sewer is being laid along the three major drains i.e. Najafgarh, Supplementary and Shahdara. This would ensure that the three major drains, which account for 75% of the sewage pollution problem, carry only treated effluent and, therefore greatly improve the quality of water entering the river.

Xylem will be supplying 30 pumps in this project. This order of 30 large capacity pumps is the largest single order for supply of Submersible Pumps for Sewerage Application in any Municipality in India.

## Certifications

ISO 9001:2008 | ISO 14001:2004 | OHSAS 18001:2007





# Inclusivity

Water, in its natural form, is a great example of inclusivity. It doesn't differentiate between gender, race, caste, religion or socio-economic demographics. It quenches the thirst of anyone who drinks it, buoys anyone who floats in it and takes along anyone who navigates its ways. Xylem's social initiatives seek to bring a positive change in the lives of people, cutting across societal barriers and educating the population on sustainable water management.

Water scarcity has a domino effect on a number of societal and existential problems ranging from water borne diseases as a result of poor sanitary conditions to scarcity of drinking water leading to poor agricultural output and community conflicts. Hence as a corollary, improving the accessibility to safe water and facilities for sanitation also results in overall well-being of the community.

Water and sanitation projects are at the heart of all Xylem initiatives. We understand that community education and participation at each stage of planning and implementation is essential for the success of these projects. The approach to community is espoused by our pioneering and innovative program, Watermark.

## About Xylem Watermark

**WATERMARK HAS PROVIDED SAFE WATER AND SANITATION TO MORE THAN 500,000 PEOPLE AND WILL REACH ONE MILLION MORE BY 2013.**



Xylem is a leading global water technology provider, enabling customers to transport, treat, test and efficiently use water in public utility, residential and commercial building services, industrial and agricultural settings, treatment, and control. Our products touch every part of the water spectrum. We are harnessing our expertise to address the issues of supplying safe drinking water and enhancing sanitation facilities using creative and sustainable solutions. Watermark is an important piece of Xylem's holistic approach in solving water.

Xylem Watermark is Xylem Inc.'s corporate citizenship and social investment program, created to provide and protect safe water resources in communities around

the world. Xylem works with leading international non-profit organizations to provide water with community-based and emergency response projects, and to use sustainable methods to protect water resources through disaster risk reduction efforts.

Launched in 2008 by ITT Corporation, Watermark began as a three-year, \$4 million commitment and has since improved the lives of more than 500,000 people. In 2011, at World Water Week in Stockholm, Xylem announced the program's continuity as Xylem Watermark, and expects to fulfill the renewed commitment announced by ITT in 2010, pledging \$10.5 million over three years (2011-2013) to serve one million more people around the world.

### Watermark focuses on three key areas:

School and community based projects that provide water safety and hygiene education to students, teachers and families



Disaster risk reduction projects that secure water in vulnerable areas



Disaster response efforts that deliver water in aftermath of emergencies





## Watermark in India



Xylem Watermark is touching lives across the world. Following are some of the ways in which it has made an impact in India.

- In the last six years of Watermark's operation in West Bengal and Bihar, over 300 schools with 241,151 children were provided with safe drinking water.
- Close to 50 schools that were facing possible arsenic contamination, were provided with arsenic filters.
- In Karnataka and Gujarat, aqua towers have been installed at nearly 16 locations. Simultaneously, water education and awareness programs have benefited over 54,000 inhabitants.

### CASE STUDY

#### The Data That Helps Decision-making

In West Bengal, Xylem volunteers collected data on water, sanitation, and hygiene conditions in high schools and primary schools across the North 24 and South 24 Parganas districts.

Volunteers trained in the use of the Field Level Operations Watch (FLOW) data collection devices, interviewed school administrators and head teachers regarding the sanitary blocks constructed as part of Water For People-Xylem schools programming.

The outcomes of this study helped identify trends and issues for future programs to implement in these schools.



**Xylem has also developed partnerships with other civil society actors from different countries who are working for water-related problems. Seven projects with Planet Water Foundation have been implemented in Kalol and Halol areas in Vadodara.**

## Community Development through Participation

Community involvement in various water and environmental sustainability projects helps in sustaining existing resources resulting in effective consumption and sustainability. Along with Watermark, Xylem also strives to drive change in the communities by facilitating innovative initiatives and their implementation. This is done by creating awareness on water consumption and environment.

**The various developmental activities undertaken by Xylem for sensitization of water consumption include:**

### Employee Volunteer-ism for Enhancing Awareness

In Vadodara, Xylem supports Aanganwadis, which are courtyard shelters set up by the Government to provide supplementary nutrition, non-formal pre-school education,

nutrition and health education in underprivileged communities. Once every week, Xylem employees spend time with the children and educate them on sustainable activities to

promote good hygiene, effective water consumption, health and safety through drawing competitions and recreational activities to motivate the children.

### Celebrating World Water Day 2012

**March 22, 2012 was celebrated as World Water Day across various campuses of Xylem India**



#### Vadodara

Xylem volunteers celebrated the day with 200 children from Xaviers Kelavni Kendra - an institute that educates children of migrant workers, 52 kids from Don Bosco Snehalaya - an orphanage for young boys who work at the railway station cleaning train compartments, and about 300 children from a school in Anjesar based in Savli Taluka, Vadodara.

The activities included

- Screening of various animation films that highlight the importance of water

- A drawing competition with the theme of 'Water in the Surroundings'
- The Xylem volunteers awarded the best entries by gifting them Xylem flasks and other school stationeries.

At Xylem RD&E (Vadodara Plant), the volunteers took an oath of 'Being Water Wise' by making a painting which reflected the World Water Day theme - water and food security, as well as the slogan 'The world's thirsty because we are hungry'.

#### Chennai

Xylem Chennai celebrated World Water Day by holding awareness campaigns at Anna University and Loyola college where about 3,000 college students were sensitized and given knowledge about different ways to save water and promoting sustainable practices for our future generations.

## Giving back to the Society



In January 2012, Xylem India sponsored a Golf Tournament as a part of its CSR project. The sponsorship will be utilized for providing sustainable facilities like clean water supply to municipal schools thereby benefiting children from marginalized communities.

In February 2012, Xylem India supported the Vadodara International Half Marathon 2012 as an H<sub>2</sub>O Partner. Xylem distributed bottles of drinking water to the participants.





**AS A MEMBER OF AGRICULTURE  
INDUSTRY THAT USES 70% OF  
THE WORLD'S WATER  
RESOURCES, WE ASSUME OUR  
RESPONSIBILITY TOWARDS  
SUSTAINABLE WATER  
SOLUTIONS AND IMPROVED  
FARM PRODUCTIVITY.**



# GRI Index

## STANDARD DISCLOSURES PART I: Profile Disclosures

| Profile Disclosure               | Description   | Reported | Cross-reference/Direct Answer   |
|----------------------------------|---|----------|---|
| <b>1. Strategy and Analysis</b>  |   |          |   |
| 1.1                              | Statement from the most senior decision-maker of the organization.  | Full     | Page 1-4  |
| 1.2                              | Description of key impacts, risks, and opportunities.   | Full     | Page 1-4  |
| <b>2. Organizational Profile</b> |   |          |   |
| 2.1                              | Name of the organization.   | Full     | Xylem Water Solutions India Pvt. Ltd.   |
| 2.2                              | Primary brands, products, and/or services.  | Full     | Page 12   |
| 2.3                              | Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.   | Full     | Page 30   |
| 2.4                              | Location of organization's headquarters.  | Full     | Registered Office: Plot No. 731, GIDC Savli, Manjusar, Savli Road, Vadodara - 391770  |
| 2.5                              | Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.                    | Full     | Page 5-6  |
| 2.6                              | Nature of ownership and legal form.   | Full     | Private Limited Company.<br>Ownership Structure:<br>Xylem Holdings S.à r.l.: 26%<br>Xylem Luxembourg S.à r.l.: 74%.<br>Ultimate Holding Company: Xylem Inc. |
| 2.7                              | Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).  | Full     | Page 5-6, 14-19   |
| 2.8                              | Scale of the reporting organization.  | Full     | Page 5-6, 14-19, 23-24  |
| 2.9                              | Significant changes during the reporting period regarding size, structure, or ownership.  | Full     | Page 5-6  |
| 2.10                             | Awards received in the reporting period.  | Full     | Nil   |
| <b>3. Report Parameters</b>      |   |          |   |
| 3.1                              | Reporting period (e.g., fiscal/calendar year) for information provided.   | Full     | January - December 2012   |
| 3.2                              | Date of most recent previous report (if any).   | Full     | This report is the maiden Sustainability Report of Xylem India.   |
| 3.3                              | Reporting cycle (annual, biennial, etc.)  | Full     | Annual  |
| 3.4                              | Contact point for questions regarding the report or its contents.   | Full     | mdindia@xyleminc.com  |
| 3.5                              | Process for defining report content.  | Full     | Page 9  |
| 3.6                              | Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.  | Full     | Xylem, India  |
| 3.7                              | State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).  | Full     | Page 34   |
| 3.8                              | Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations. | Full     | We do not have any JVs and Subsidiaries. Our leased facilities do not pose any significant impact on comparability.   |



| Profile Disclosure | Description   | Reported | Cross-reference/Direct Answer  |
|--------------------|---|----------|--|
| 3.9                | Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols. | Full     | Environmental data is being measured by analytical instruments according to IS/GPCB/EPA standards. Safety and health data is measured based on IS/Factories Act/OHSA guidelines. |
| 3.10               | Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).   | Full     | Not Applicable, as this is our first report.   |
| 3.11               | Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.   | Full     | Not Applicable, as this is our first report.   |
| 3.12               | Table identifying the location of the Standard Disclosures in the report.   | Full     | Page 47  |
| 3.13               | Policy and current practice with regard to seeking external assurance for the report.   | Full     | This is a self-declared B level report and we have not opted for external assurance.   |

#### 4. Governance, Commitments, and Engagement

|      |  |      |  |
|------|--|------|--|
| 4.1  | Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.   | Full | Page 30  |
| 4.2  | Indicate whether the Chair of the highest governance body is also an executive officer.  | Full | Page 30  |
| 4.3  | For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.  | Full | Page 30  |
| 4.4  | Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.  | Full | Through emails, town hall meetings, HoDs, Ombudsperson, monthly GDP Meetings, Department Review.   |
| 4.5  | Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).  | Full | According to Industry best practices.  |
| 4.6  | Processes in place for the highest governance body to ensure conflicts of interest are avoided.  | Full | Page 31  |
| 4.7  | Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.  | Full | Page 30  |
| 4.8  | Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.   | Full | Page 31  |
| 4.9  | Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles. | Full | Page 31  |
| 4.10 | Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.  | Full | We conduct monthly business review meetings along with Top Management. Additionally, our ELT (Extended Leadership Team) also conduct monthly reviews on our various ongoing projects through GDP (Goal Deployment Process) and Key Business Metric Review (KBM). |

| Profile Disclosure | Description  | Reported | Cross-reference/Direct Answer  |
|--------------------|--|----------|--|
| 4.11               | Explanation of whether and how the precautionary approach or principle is addressed by the organization.   | Full     | Page 1   |
| 4.12               | Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.  | Full     | The UN Global Compact is a guide for Xylem in the areas of human rights, labor standards, the environment and anti-corruption. |
| 4.13               | Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic. | Full     | Page 8   |
| 4.14               | List of stakeholder groups engaged by the organization.  | Full     | Page 8   |
| 4.15               | Basis for identification and selection of stakeholders with whom to engage.  | Full     | Page 8   |
| 4.16               | Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.  | Full     | Page 8   |
| 4.17               | Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.  | Full     | Page 9   |

### STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

| G3.1 DMAs     | Description   | Reported | Cross-reference/Direct Answer |
|---------------|---|----------|-------------------------------|
| <b>DMA EC</b> | <b>Disclosure on Management Approach EC</b>   |          |                               |
| Aspects       | Economic performance, Market presence, Indirect economic impacts  | Full     | Page 19                       |
| <b>DMA EN</b> | <b>Disclosure on Management Approach EN</b>   |          |                               |
| Aspects       | Materials, Energy, Water, Biodiversity, Emissions, effluents and waste, Products and services, Compliance, Transport, Overall   | Full     | Page 33-34                    |
| <b>DMA LA</b> | <b>Disclosure on Management Approach LA</b>   |          |                               |
| Aspects       | Employment, Labor/management relations, Occupational health and safety, Training and education, Diversity and equal opportunity, Equal remuneration for women and men   | Full     | Page 21-22                    |
| <b>DMA HR</b> | <b>Disclosure on Management Approach HR</b>   |          |                               |
| Aspects       | Investment and procurement practices, Non-discrimination Freedom of association and collective bargaining, Child labor, Prevention of forced and compulsory labor, Security practices, Indigenous rights, Assessment, Remediation | Full     | Page 21-22                    |
| <b>DMA SO</b> | <b>Disclosure on Management Approach SO</b>   |          |                               |
| Aspects       | Local communities, Corruption, Public policy, Anti-competitive behavior, Compliance   | Full     | Page 41                       |
| <b>DMA PR</b> | <b>Disclosure on Management Approach PR</b>   |          |                               |
| Aspects       | Customer health and safety, Product and service labelling Marketing communications, Customer privacy, Compliance  | Full     | Page 11-12                    |

## STANDARD DISCLOSURES PART III: Performance Indicators

| Performance Indicator          | Description   | Reported | Cross-reference/Direct Answer  |
|--------------------------------|---|----------|--|
| <b>Economic</b>                |   |          |  |
| Economic performance           |   |          |  |
| EC1                            | Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments. | Full     | Page 19  |
| EC3                            | Coverage of the organization's defined benefit plan obligations.  | Full     | Page 23  |
| EC4                            | Significant financial assistance received from government.  | Full     | No Financial Assistance Received.  |
| Market presence                |   |          |  |
| EC5                            | Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.  | Full     | Page 23  |
| <b>Environmental</b>           |   |          |  |
| Materials                      |   |          |  |
| EN2                            | Percentage of materials used that are recycled input materials.   | Full     | No recycled material is used.  |
| Energy                         |   |          |  |
| EN3                            | Direct energy consumption by primary energy source.   | Full     | Page 35  |
| EN4                            | Indirect energy consumption by primary source.  | Full     | Page 35  |
| Water                          |   |          |  |
| EN8                            | Total water withdrawal by source.   | Full     | Page 35  |
| Biodiversity                   |   |          |  |
| EN11                           | Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.  | Full     | None of our locations fall under / are near to protected areas and areas of high biodiversity. |
| EN12                           | Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.   | Full     | None of our locations fall under / are near to protected areas and areas of high biodiversity. |
| EN13                           | Habitats protected or restored.   | Full     | Not Applicable as our facility is located in an Industrial Area.                               |
| EN14                           | Strategies, current actions, and future plans for managing impacts on biodiversity.   | Full     | Not Applicable as our facility is located in an Industrial Area.                               |
| EN15                           | Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.  | Full     | Not Applicable as our facility is located in an Industrial Area.                               |
| Emissions, effluents and waste |   |          |  |
| EN20                           | NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight.   | Full     | Page 34  |
| EN23                           | Total number and volume of significant spills.  | Full     | There were no significant spills in the reporting year.  |

| Performance Indicator                          | Description   | Reported | Cross-reference/Direct Answer                    |
|--|---|----------|--|
| <b>Products and services</b>                   |   |          |  |
| EN27   | Percentage of products sold and their packaging materials that are reclaimed by category.   | Full     | No packaging materials is reclaimed.             |
| <b>Compliance</b>                              |   |          |  |
| EN28   | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.                | Full     | There were no fines during the reporting period. |
| <b>Social: Labor Practices and Decent Work</b> |   |          |  |
| <b>Employment</b>                              |   |          |  |
| LA1  | Total workforce by employment type, employment contract, and region, broken down by gender.   | Full     | Page 24  |
| LA2  | Total number and rate of new employee hires and employee turnover by age group, gender, and region.   | Full     | Page 24  |
| LA3  | Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.                                  | Full     | Page 23  |
| LA15   | Return to work and retention rates after parental leave, by gender.   | Full     | 100%   |
| <b>Occupational health and safety</b>          |   |          |  |
| LA7  | Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.                        | Full     | Page 28  |
| <b>Training and education</b>                  |   |          |  |
| LA12   | Percentage of employees receiving regular performance and career development reviews, by gender.  | Full     | 100%   |
| <b>Equal remuneration for women and men</b>    |   |          |  |
| LA14   | Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.                                       | Full     | Page 23  |
| <b>Social: Human Rights</b>                    |   |          |  |
| <b>Non-discrimination</b>                      |   |          |  |
| HR4  | Total number of incidents of discrimination and corrective actions taken.   | Full     | No incidents have been reported.                 |
| <b>Security practices</b>                      |   |          |  |
| HR8  | Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations. | Full     | 100%   |
| <b>Remediation</b>                             |   |          |  |
| HR11   | Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.   | Full     | No Grievance reported                            |
| <b>Social: Society</b>                         |   |          |  |
| <b>Corruption</b>                              |   |          |  |
| SO2  | Percentage and total number of business units analyzed for risks related to corruption.   | Full     | Page 31  |

| Performance Indicator | Description  | Reported | Cross-reference/Direct Answer                     |
|-----------------------|--|----------|---|
| SO3                   | Percentage of employees trained in organization's anti-corruption policies and procedures. | Full     | 100%  |
| SO4                   | Actions taken in response to incidents of corruption.                                      | Full     | No incidents related to corruption were reported. |

#### Public policy

|     |  |      |        |
|-----|--|------|--------|
| SO5 | Public policy positions and participation in public policy development and lobbying. | Full | Page 8 |
|-----|--|------|--------|

### Social: Product Responsibility

#### Customer health and safety

|     |  |      |   |
|-----|--|------|---|
| PR2 | Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes. | Full | No incidents of non-compliance were reported. |
|-----|--|------|---|

#### Product and service labelling

|     |  |      |  |
|-----|--|------|--|
| PR3 | Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.  | Full | Product manual is sent along with every product. |
| PR4 | Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes. | Full | No incidents of non-compliance were reported.    |

#### Marketing communications

|     |  |      |   |
|-----|--|------|---|
| PR7 | Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes. | Full | No incidents of non-compliance were reported. |
|-----|--|------|---|

#### Compliance

|     |   |      |                        |
|-----|---|------|------------------------|
| PR9 | Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. | Full | No fines were imposed. |
|-----|---|------|------------------------|



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