


MEETING DATE	Wed, 15 May 2019 11:00 am	TYPE	AGM	ISSUE DATE	Fri, 17 May 2019
MEETING LOCATION	Xylem World Headquarters 1 International Drive, Rye Brook, New York 10573				
CURRENT INDICES	S&P500				
SECTOR	Pumps and pumping equipment				

PROPOSALS		ADVICE
1a	Elect Jeanne Beliveau-Dunn Independent Non-Executive Director.	For
1b	Elect Curtis J. Crawford, Ph.D Independent Non-Executive Director.	For
1c	Elect Patrick K. Decker Chief Executive.	For
1d	Elect Robert F. Friel Independent Non-Executive Director. He is chair of the Nomination Committee and less than 20% of the Board are women which Triodos does not support.	Oppose
1e	Elect Jorge M. Gomez Independent Non-Executive Director.	For
1f	Elect Victoria D. Harker Independent Non-Executive Director. She is Chair of the Audit Committee which is not fully independent which Triodos does not support, however Triodos favours a better gender balance in the Board and therefore abstains.	Abstain
1g	Elect Sten E. Jakobsson Independent Non-Executive Director.	For
1h	Elect Steven R. Loranger Non-Executive Director. Not considered independent owing to a tenure of over nine years. However, there is sufficient independent representation on the Board.	For
1i	Elect Surya N. Mohapatra, Ph.D Independent Non-Executive Director.	For
1j	Elect Jerome A. Peribere Independent Non-Executive Director.	For
1k	Elect Markos I. Tambakeras Non-Executive Chair of the Board.	For
2	Appoint the Auditors Deloitte proposed. Non-audit fees represented 0.63% of audit fees during the year under review and 4.68% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.	Oppose

3 **Advisory Vote on Executive Compensation**

For

Overall, there is an above average level of company disclosure. Non-financial performance measures influence the award of annual bonuses. The Compensation Committee made no special one-off discretionary payments during the year under review. Annual bonus paid to the CEO during the year under review represents 83.17% of the base salary. Severance and change-in-control agreements are provided for each NEO which is welcomed. Change-in-control payments are subject to double-trigger provisions. Equity is subject to pro-rata vesting upon termination.

Rating: ACB

Triodos supports this resolution.

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 3 - Advisory Vote on Executive Compensation

Disclosure: A Overall, there is an above average level of company disclosure. Peer groups used for the purpose of pay comparison are fully disclosed. Clear link between compensation decisions and performance is provided. Specific performance targets that determine the award of annual bonuses and long-term incentive schemes are disclosed.

Balance: C Non-financial performance measures influence the award of annual bonuses. Which is welcomed. The Compensation Committee made no special one-off discretionary payments during the year under review. Annual bonus paid to the CEO during the year under review represents 83.17% of the base salary, which is within guidelines.

Contracts: B Executives do not receive special pension entitlements. Severance and change-in-control agreements are provided for each NEO which is welcomed. Change-in-control payments are subject to double-trigger provisions. Equity is subject to pro-rata vesting upon termination.

Rating: ACB

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