



Cummins Inc. Sustainability Journey

Partners for Pollution Prevention Quarterly Meeting

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Cummins Facts

2019 Sales - \$23.6B

~11,000 Employees in Indiana

#17 Newsweek Most Responsible Companies (2020)

#50 Barron's Most Sustainable Companies (2020)

14 Consecutive Years on Dow Jones Sustainability
Index

Fuel Systems – Columbus, IN

Products: Fuel systems components, injectors, fuel pumps

Columbus Midrange Engine Plant – Columbus, IN

Products: 6.7L Midrange Turbo Diesel

Columbus Engine Plant – Columbus, IN

Products: 5.0L V8 Light Duty Turbo Diesel, engine blocks & heads for heavy duty on & off-highway applications

Cummins Onan – Elkhart, IN

Products: Mobile generators and accessories

Fort Wayne, IN

Indianapolis, IN

Seymour Engine Plant – Seymour, IN

Products: 19L, 30L, V903, 95L high horsepower engines

Evansville, IN

● Plant

★ Distributor



Cummins Legacy and Core Values

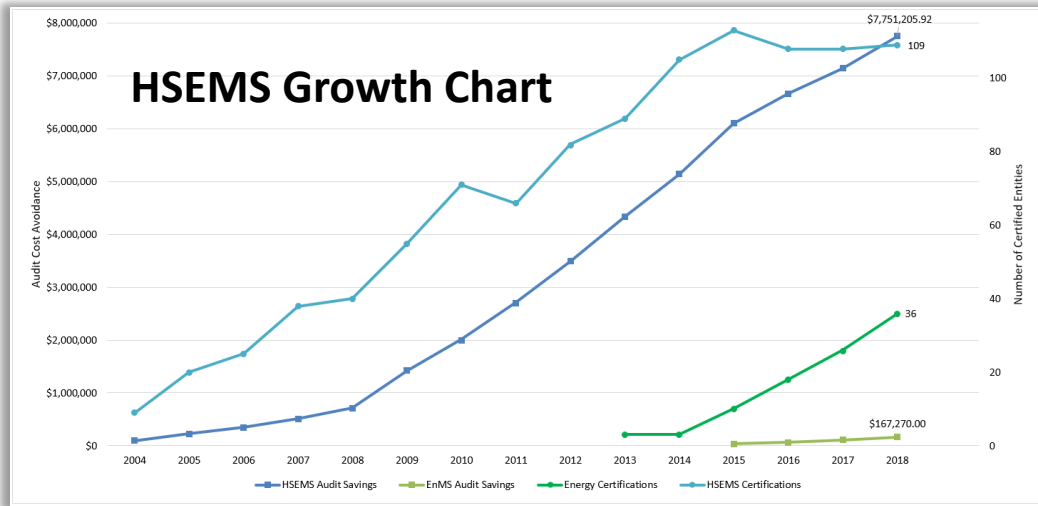
“...we believe that our survival in the very long run is as dependent upon responsible citizenship in our communities and in the society, as it is in responsible technological, financial and production performance.”

-- J. Irwin Miller

Former Chairman and CEO



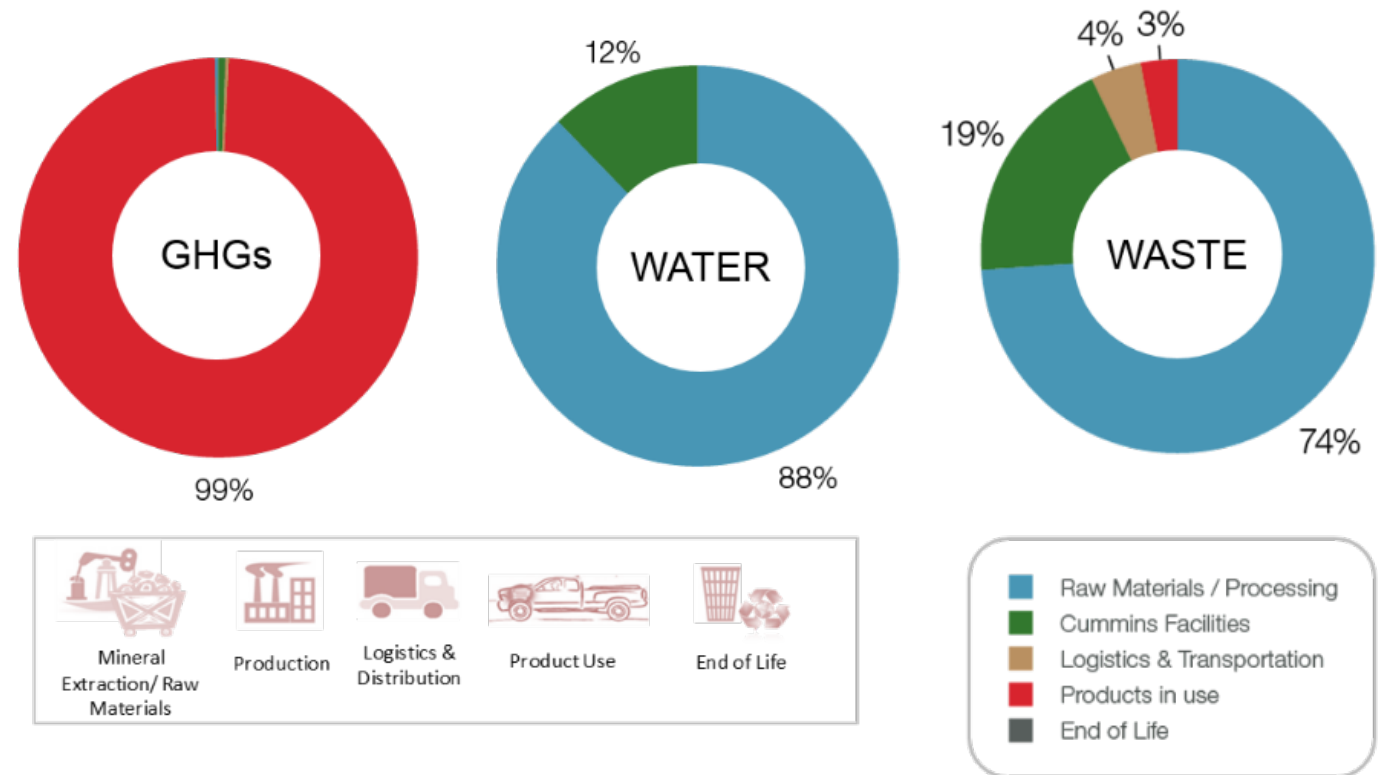
Health, Safety, Environmental & Energy Management Systems



- Essentially all non-office sites (~357) 3rd party certified
- One, global “Enterprise” HSEMS
- Lead Auditor certification program
- Internal pre-assessment process



Common, global standards



Environmental Sustainability Targets

TO ACHIEVE BY

2020

1

3.5 million

Metric tons of carbon dioxide (CO₂) reduced annually through fuel efficiency gains from products in use.

2

32 percent

Energy intensity reduction in facilities, adjusted by hours worked.

3

50 percent

Reduction in direct water use intensity, adjusted by hours worked, with 15 sites achieving Water Neutrality.

4

95 percent

Company-wide facility recycling rate with 30 sites achieving Zero Disposal status.

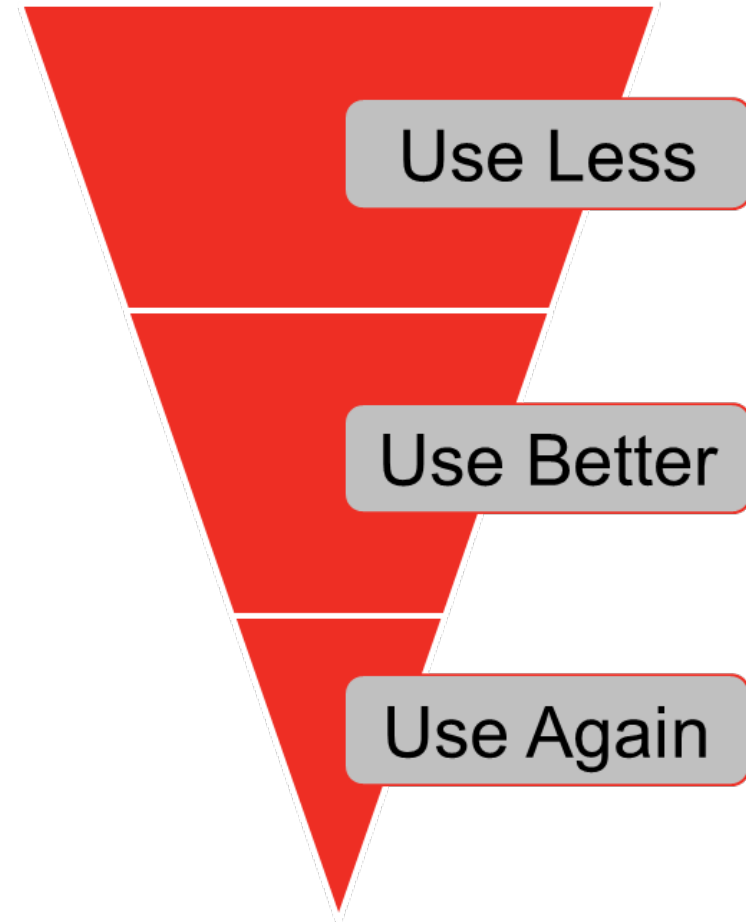
5

10 percent

Reduction in CO₂ per KG of company goods shipped annually

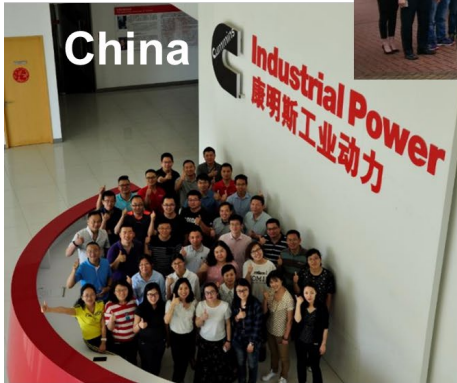
Cummins Eco-Efficiency Principles

- Use Less, Use Better, Use Again hierarchy
- Systemic thinking
- Risk & science-based prioritization
 - *Additional*
 - *Tangible*
 - *Cost effective*
 - *Transparent*



Keys to Success

People



Environmental Champions

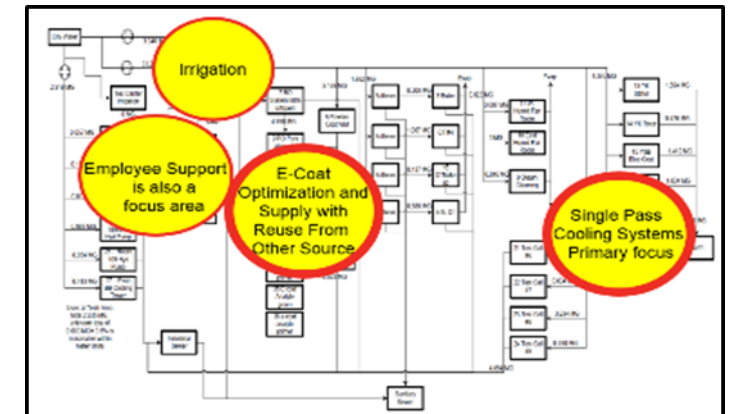
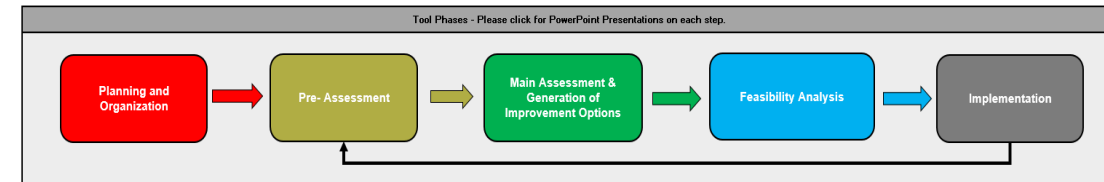
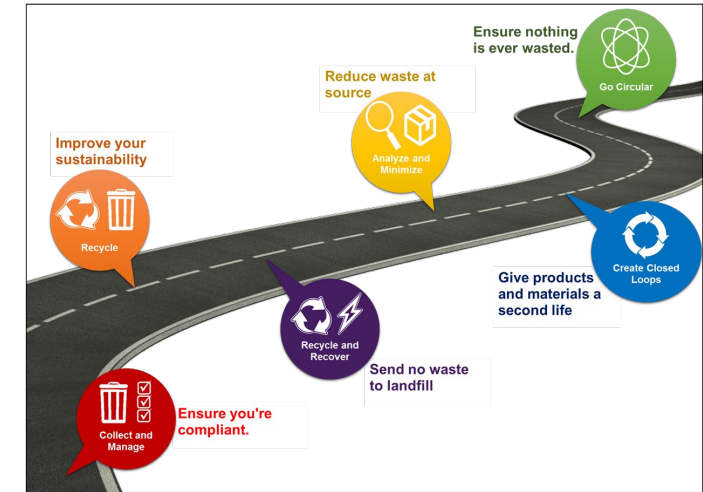
Programs



June **Env**ironment Month

Globally **Env**olved
Cummins Environmental News

Tools and Processes



Energy Capital Plan

2020 Plan

- Goal-based annual investment targets
- Global project hopper
- Project dashboard
- Deployment campaigns

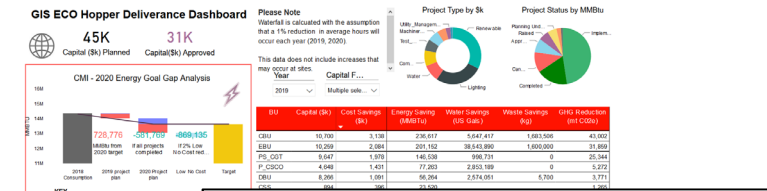
Capital investment criteria

- >11% IRR, and
- <\$1000/ton CO₂e, or
- Strategic value

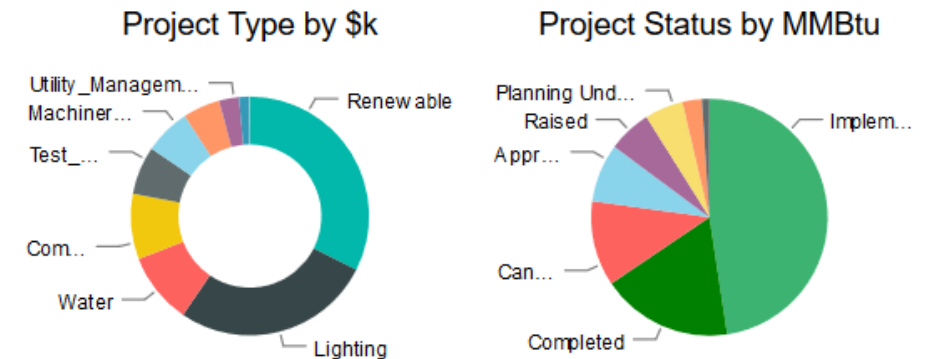
IRR = internal rate of return

[illegible]

Project hopper



Project dashboard



Cummins Renewable Energy Portfolio



Onsite owned (32 projects, 16.7 MWp, 2.2%)



Onsite PPA (3 projects, 9.2 MWp, 1.2%)



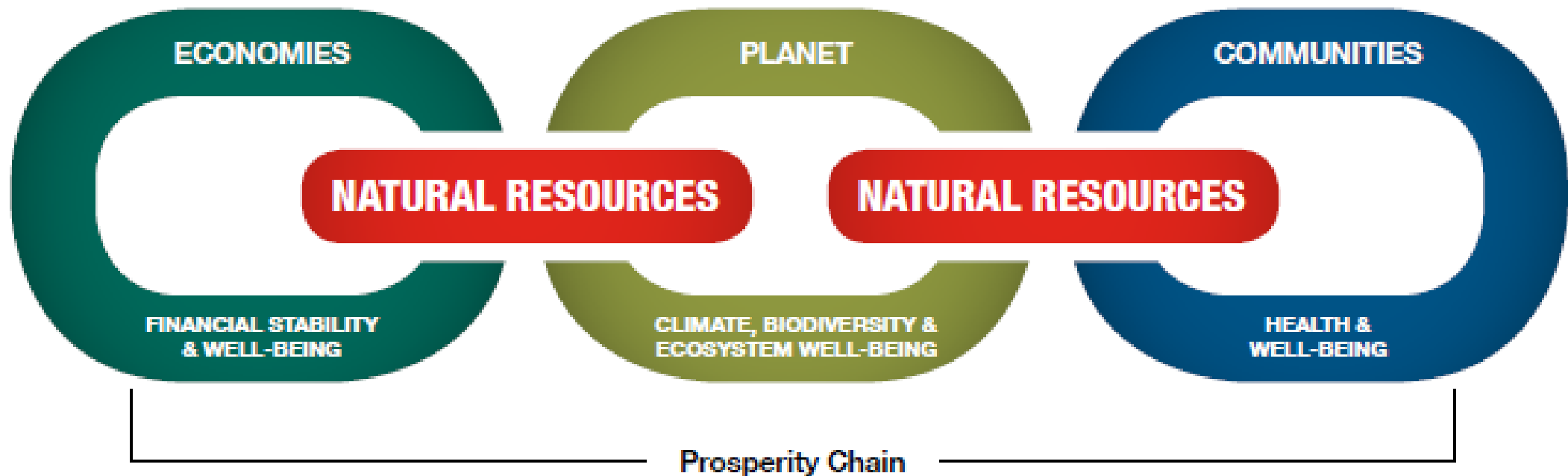
Guiding principles:

- *Additional*
- *Tangible*
- *Cost effective*
- *Transparent*

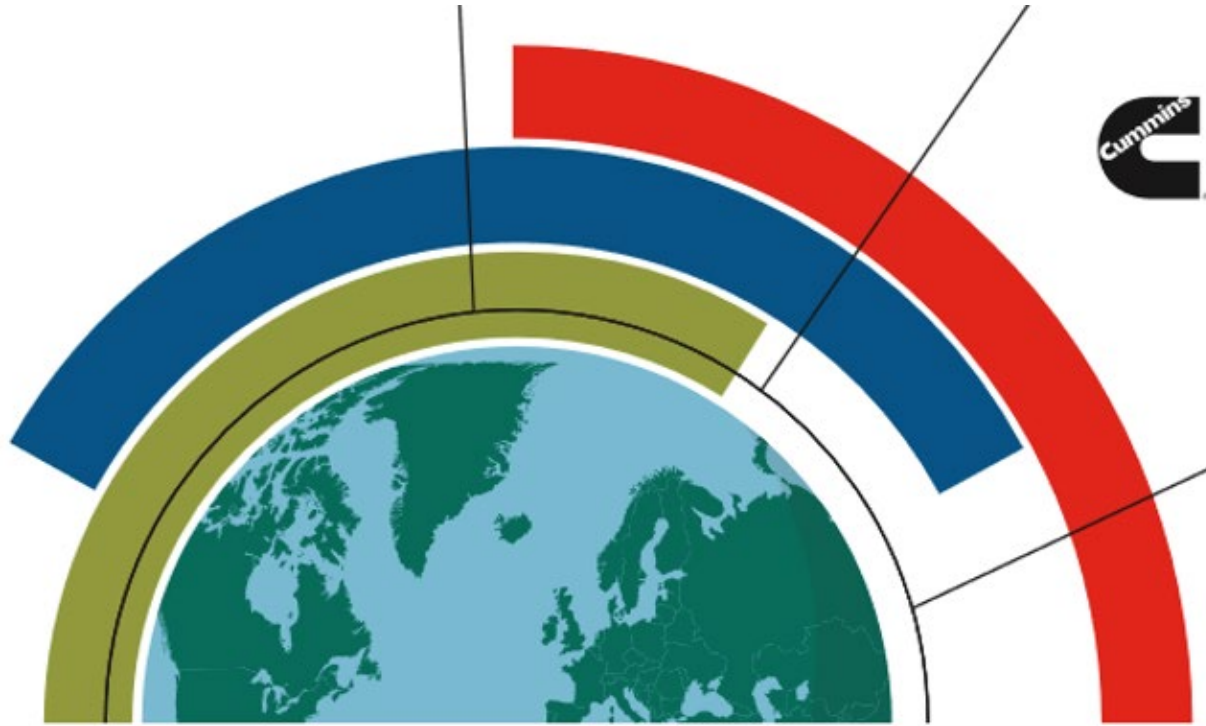
Cummins Indiana VPPA

- 75 MW
- 262,000 MWh/year
- 26% global electricity
- 165,000 MTCO₂e/year

Making people's lives better by powering a more prosperous world



A more prosperous world requires a healthier planet



PLANET2050

PROSPERITY | LEADERSHIP | ADVOCACY | NURTURE | ENVIRONMENT | TOGETHER



What makes PLANET 2050 different?

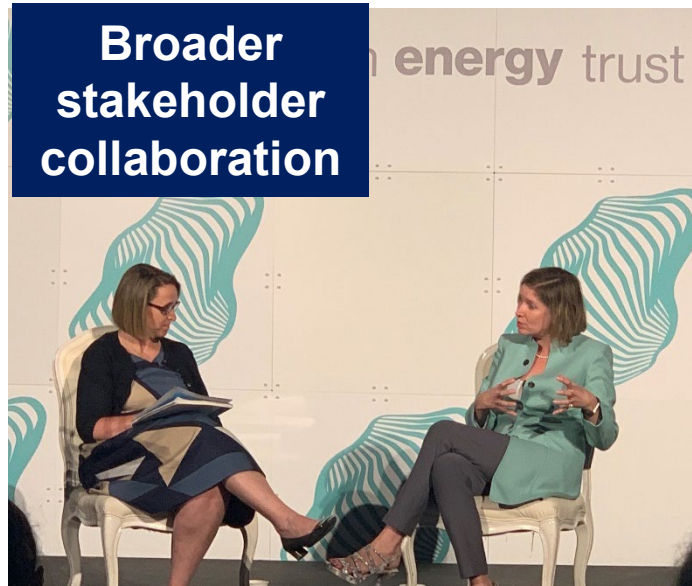
Full range of products Included



Design out waste upfront



Broader stakeholder collaboration



1. Science-based climate goals
2. Absolute goals
3. Reducing natural resources by design
4. Employee involvement
5. Collective action required across stakeholders – customers, suppliers, government, communities, nongovernmental organizations, etc.

Our 2050 Aspirational Targets

COMMUNITIES ARE BETTER BECAUSE WE ARE THERE

2050 Targets

- Net positive impact in every community in which we operate
= sum of environmental good > local environment footprint
- Near zero local environmental impact

DOING OUR PART TO ADDRESS CLIMATE CHANGE AND AIR EMISSIONS

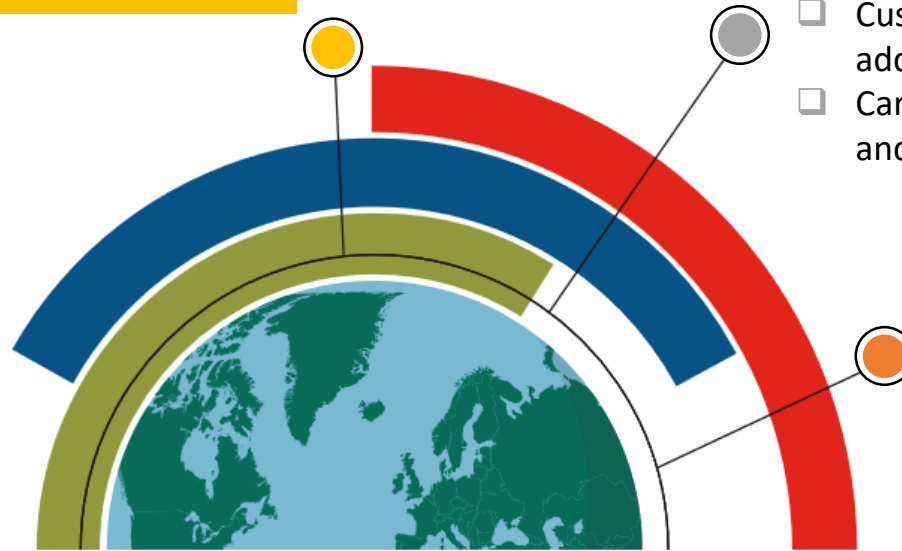
2050 Targets

- Customer success powered by carbon neutral technologies that address air quality
- Carbon neutrality and near zero pollution in Cummins' facilities and operations

USING NATURAL RESOURCES IN THE MOST SUSTAINABLE WAY

2050 Targets

- Nothing wasted
 - Design out waste in products and processes
 - Use materials again for next life
 - Reuse water and return clean to the community

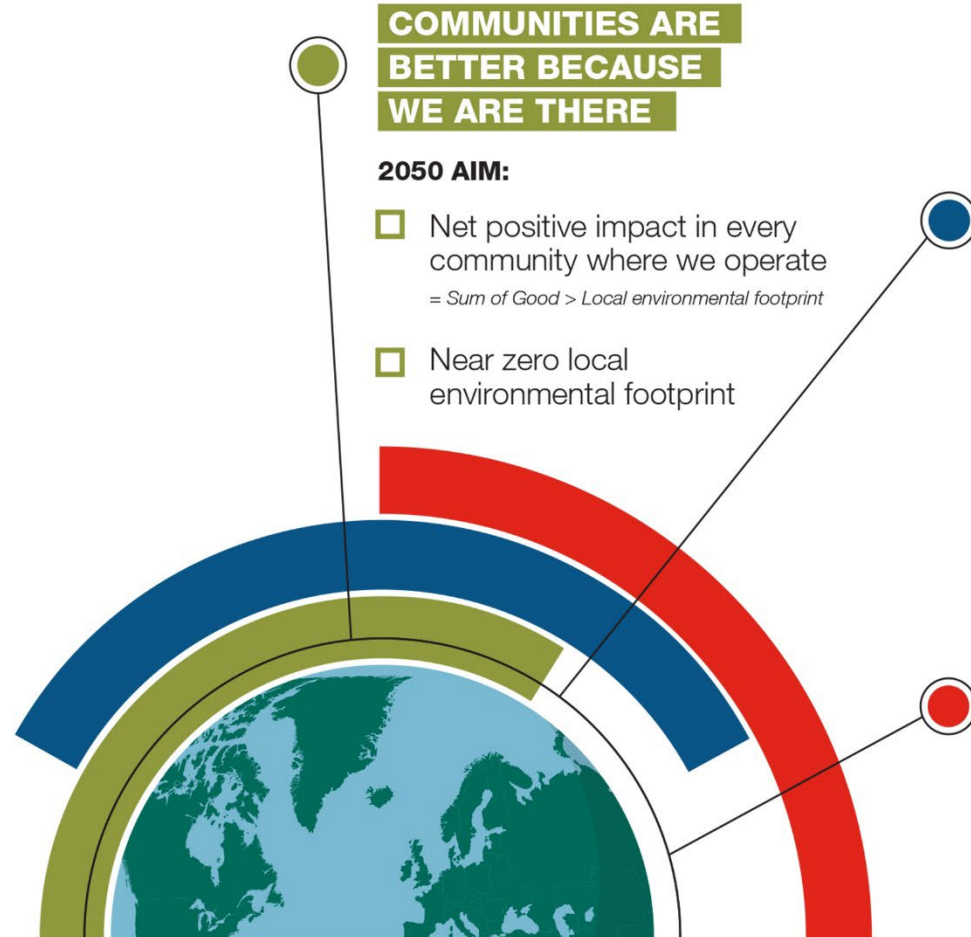


PLANET2050

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NOTES References to “facilities” relate to all consolidated operations and joint ventures subscribing to Cummins’ Enterprise Environmental Management System. Goals will be periodically assessed for progress and continued practicability

OUR 2050 AIMS



PLANET 2050

PROSPERITY | LEADERSHIP | ADVOCACY | NURTURE | ENVIRONMENT | TOGETHER

OUR 2030 GOALS

SCIENCE-BASED TARGETS

1. Reduce absolute GHG emissions from facilities and operations by 50%
2. Reduce Scope 3 absolute lifetime GHG emissions from newly sold products by 25%
3. Partner with customers to reduce Scope 3 greenhouse gas emissions from products in the field by 55 million metric tons
4. Reduce volatile organic compounds emissions from paint and coating operations by 50%
5. Create a lifecycle plan for every part to use less, use better, use again
6. Generate 25% less waste in facilities and operations as a percent of revenue
7. Reuse or responsibly recycle 100% of packaging plastics and eliminate single-use plastics in dining facilities, employee amenities and events
8. Reduce absolute water consumption in facilities and operations by 30%



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