2021-22 SUSTAINABILITY OVERVIEW













Cummins Inc.



SUSTAINABILITY IS WHAT WE'VE ALWAYS DONE

Cummins sees sustainability as closely aligned to the company's mission to make people's lives better by powering a more prosperous world.

A more prosperous world includes a healthier planet, vibrant communities and engaged citizens. For more than 100 years those have been important goals for Cummins as we develop commercial power technologies for trucks, buses, rail, marine, agriculture, construction, generators and more.

Our company has long practiced the stakeholder model of business management and the idea that we best serve our stakeholders by serving the interests of all of them – investors, employees, customers, communities, regulators and more.

As attention is increasingly focused on corporate sustainability, Cummins wants to continue playing a leadership role in environmental, social and governance excellence.

Our commitment can be seen in many ways, from the company's efforts to reduce the carbon impact of our products and facilities, to Cummins' initiatives to address racial and gender inequality, to the way we conduct our business around the world.

2021-22 ESG HIGHLIGHTS

The past year had many highlights for our environmental, social and governance efforts, including:



ENVIRONMENT Cummins received Prince Charles' Terra Carta Seal for the company's leadership on environmental sustainability.



The company's <u>Cummins</u> <u>Powers Women</u> initiative has impacted the lives of an estimated 26 million women and girls around

the world since the initiative started in 2018.



GOVERNANCE

SOCIAL

Women, including Cummins President and Chief Operating Officer Jennifer Rumsey (center), now make up just over 38% of the company's Board of Directors.

INNOVATION FOR A CLEANER, HEALTHIER FUTURE

Cummins views decarbonization as a growth opportunity that aligns with the company's vision, mission and values.

DESTINATION ZERO

<u>Destination Zero</u> is the company's strategy to power customers exclusively with net-zero emission technologies by 2050 in a way that serves all of Cummins' stakeholders. It calls for improving the company's core products to reduce carbon today while bringing to market the no-carbon technologies that will power tomorrow, so customers have a partner in every step of their unique decarbonization journey.



ACTING TODAY

Here are three ways Cummins is working to reduce carbon in the near term:



FUEL AGNOSTIC ENGINE PLATFORMS

Cummins will develop fuel agnostic internal combustion powertrain platforms using designs with common blocks and other elements that can then be optimized for the low-carbon fuel they use.



HYDROGEN ICE

Cummins announced it's moving forward with an internal combustion engine fueled by no-carbon hydrogen as it explores low-carbon fuels for its core products.

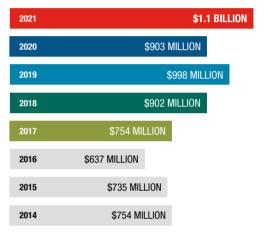


EXPANDING OPTIONS

In 2021, Cummins brought to market a near-zero emission <u>15-liter natural gas engine</u> for heavy-duty trucks, providing customers a cost-competitive option to reduce carbon.

INVESTING IN TOMORROW

Cummins invested a record \$1.1 billion in research, development and engineering expenses as the company worked to reduce its carbon impact.



GLOBAL PATENTS

Cummins had a record number of global patents in 2021. While every patent starts with a great idea, the size of the increase could also reflect patent offices catching up with backlogs caused by pandemic shutdowns.

COMPANY RECORD 564

2021

2021







READY FOR TOMORROW

For customers who are ready, the Cummins New Power business segment is bringing to market the no-carbon technologies expected to power the future.

NEW POWER FIRSTS

Cummins New Power has been part of several industry firsts. Here are three:

- Cummins is powering the world's largest PEM electrolyzer in operation at 20 MW in Bécancour, Canada.
- Company technology is powering the world's first hydrogen-powered passenger train, operating in locations across Europe.
- Cummins technology is part of the world's first hydrogen refueling station for ships, cars, trucks and industrial customers in Antwerp, Belgium.

NEW POWER BY THE NUMBERS

Cummins' New Power business segment continues to bring new technologies to market. Here's a look:

500+

Cummins powered battery-electric buses moving communities forward

600+

Company electrolyzers across the globe

2,000+

Cummins fuel cells deployed

6,200+

Cummins' battery modules and packs deployed

GOAL DRIVEN, RESULTS ORIENTED, ENVIRONMENT FOCUSED

Cleaner air, sustainable water supplies, and reducing waste and greenhouse gases have long been goals at Cummins.



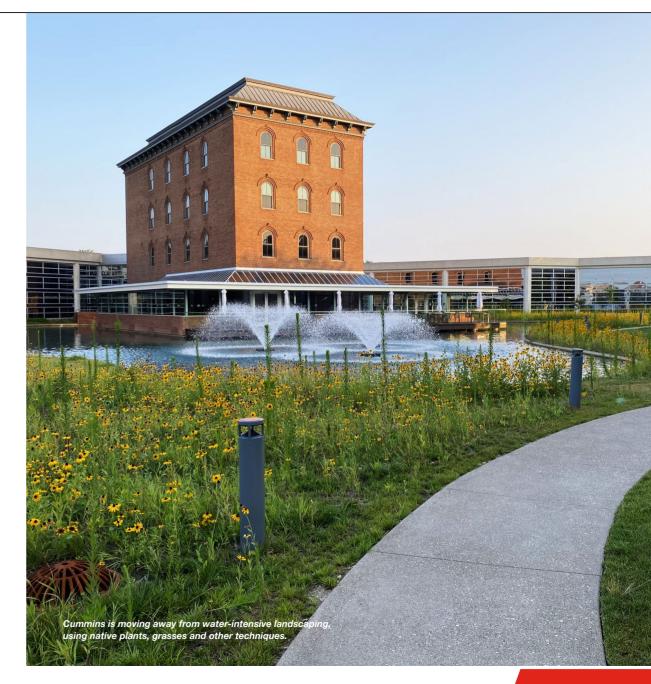
A PLAN FOR THE PLANET

The company's <u>PLANET 2050</u> environmental sustainability strategy establishes specific, science-based goals timed to 2030 and the aspiration to be carbon neutral in its operations by 2050. Cummins reports on its progress against those goals in its annual Sustainability Progress Report.



PARTNERS IN REDUCING CO.

Cummins has worked with its customers to make an estimated cumulative reduction in carbon dioxide since 2014 of more than 21.7 million metric tons from the company's products in use.



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Member of

Dow Jones Sustainability Indices

Powered by the S&P Global CSA

2021-2022 HIGHLIGHTS

Cummins' recognition as a world leader in environmental sustainability was one of many highlights over the past year.

SOLAR STRIDES

Cummins worked on a record 20 solar installations at company plants and facilities in 2021, including the array at the engine plant in Rocky Mount, North Carolina (left).

EXPANDING INFLUENCE

The company's PLANET 2050 Influencer initiative topped 200 employees advocating for action on Cummins' 2030 environmental goals.

MAKING THE GRADE

Cummins in 2021 was honored to be named to the S&P Dow Jones World Sustainability Indices, which includes the most sustainable companies across the globe.

ENVIRONMENT BY THE NUMBERS

Cummins' commitment to environmental sustainability can be seen in the goals it sets, the resources it invests and the partnerships it builds with customers.

6.7 BILLION

Estimated customer savings in dollars from products in-use fuel economy projects since 2014.

55

2030 goal in millions of metric tons of scope 3 greenhouse gas emissions Cummins hopes to remove from its products in use, working in partnership with its customers.

20%

Reduction in Cummins' annual water use between 2014 and 2020.

65M+

Cummins' investment in dollars in energy improvements over the past five years.

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HELPING COMMUNITIES WORK FOR EVERYONE

At Cummins, we're committed to using our skills to build stronger communities.

PRIORITY AREAS

Cummins approaches community engagement with a focus on three key priorities where employees especially have the skills to make a difference:



Advocating for equitable educational systems and high-quality learning environments.

ENVIRONMENT

Creating a net positive impact and near zero local environmental footprint.

EQUALITY OF OPPORTUNITY

Increasing opportunity and equity for everyone.









STRATEGIC INITIATIVES

CUMMINS POWERS WOMEN

Launched in 2018, this \$22 million (to date) global community program has so far advanced rights and opportunity for an estimated 26 million women and girls.

CUMMINS ADVOCATING FOR RACIAL EQUITY (CARE)

This 2020 U.S. initiative targets institutional racism, partnering to invest more than \$23 million in its first year for police and criminal justice reform, social justice and economic empowerment.

CUMMINS WATER WORKS

Launched in 2021, this more than \$10 million effort partners with leading experts to invest and engage in high-impact projects bringing fresh water to people who would not otherwise have access to it.

CUMMINS TEC: TECHNICAL EDUCATION FOR COMMUNITIES

This global program initiated in 2012 transforms lives through technical vocational education, training more than 2,700 disadvantaged youth to date in skills they need to gain good jobs.

COMMUNITY ENGAGEMENT BY THE NUMBERS

26 MILLION

Women and girls impacted by Cummins Powers Women initiatives since the program launched in 2018.

35.7 MILLION

Record community giving in dollars in 2021 as Cummins continued responding to the global pandemic and other community challenges.

32

Gender equality law and policy changes initiated through Cummins Powers Women since it launched in 2018. **754**

Cummins TEC: Technical Education for Communities graduates in 2021.

HARNESSING THE POWER OF DIVERSE IDEAS

Diversity, equity and inclusion have long been a bottom-line priority at Cummins, key to generating innovation for our customers.



GENDER DIVERSITY

Cummins is committed to improving gender diversity at the company. It has made significant strides, especially in company leadership.

CUMMINS BOARD OF DIRECTORS*

WOMEN 38.5%

MEN 61.5%

CUMMINS EXECUTIVE TEAM**

WOMEN 60%

MEN 40%

CUMMINS LEADERSHIP TEAM**

WOMEN 47.6%

MEN 52.4%

CUMMINS OPERATING TEAM**

WOMEN 42.9%

57.1%

* As of May 15, 2022

MEN

** As of March 31, 2022

DIVERSITY, EQUITY AND INCLUSION BY THE NUMBERS

Cummins strives for a workforce that reflects the markets where it does business and various other dimensions of diversity.



FIFTY-FOUR

Percentage of employees age 39 or younger.

35.4

Percentage of employees represented by unions.

27.8

Percentage of global workforce made up of women.

7.6

11.6

Percentage of
Latinx employees
in the U.S.

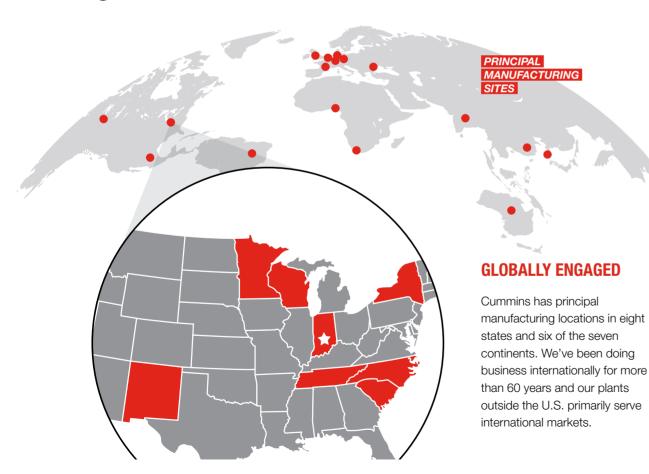
Percentage of Black employees in the U.S.

* As of Dec. 31, 2021

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COMMITTED TO EXCELLENCE

Cummins is a more than century old company, supporting tough, clear and enforceable regulations around the world.



POSITIONED FOR PROGRESS

Cummins knows the commercial power market, providing power to more than a dozen different segments including:



AGRICULTURE



BUS



CONSTRUCTION



HEAVY-DUTY TRUCK



MARINE



MEDIUM-DUTY TRUCK



POWER GENERATION



RAIL

ADVOCATES FOR CHANGE

Cummins advocates for global trade, racial equity in the U.S. and the accelerated adoption of decarbonized technologies around the world. Here are some examples:



HYDROGEN

Chairman and CEO Tom Linebarger sits on the board of the Hydrogen Council, a global CEO-led initiative of leading companies with a united vision and long-term ambition: for hydrogen to foster the clean energy transition for a better, more resilient future.



CLIMATE ACTION

Cummins is part of numerous groups advocating for climate action including the CEO Climate Dialogue, Business Ambition for 1.5°C, and the United Nations' Race to Zero.



GLOBAL TRADE

The company's Government Relations team has positioned Cummins as a strong supporter of free trade especially during the passage and implementation of the U.S.-Canada-Mexico trade agreement (USMCA) and through Chairman and CEO Tom Linebarger's leadership at the U.S.-China Business Council where Cummins leads discussions with U.S. and Chinese leaders on the importance of a strong U.S.-China relationship.



RACIAL EQUITY

The same function has led a coalition of advocacy groups and business leaders pushing for police and criminal justice reform in Indianapolis and the Indiana State Legislature, as well as communities around our facilities in Charleston, South Carolina.



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cummins.co

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