

# PLANET 2050

PROSPERITY | LEADERSHIP | ADVOCACY | NURTURE | ENVIRONMENT | TOGETHER™

# PLANET 2050

Cummins is committed to making people's lives better by powering a more prosperous world. That prosperity includes strong communities, robust business and environmental sustainability.

Environmental sustainability leadership for the next several decades requires a focused approach, starting with the choice of material to how products are designed, made, used — and disposed. Sustainability actions can be thought of as **value creation** (increase innovation, improve competitiveness, and strengthen culture), as well as **value protection** (reduce regulatory uncertainty and strengthen risk mitigation).

That is why Cummins has created its **PLANET** 2050 environmental sustainability strategy. The strategy sets big targets for 2050 and specific goals for 2030. It will help employees see the roles they and Cummins play in our company's and planet's sustainable future.

There are three primary focus areas for the strategy:

- 1. Reducing greenhouse gas (GHG) emissions in line with climate experts' recommendations.**
- 2. Doing our part to use natural resources in the most sustainable way possible.**
- 3. Our communities are better because we are there.**

Cummins firmly believes the companies that are successful in the future will deliver more value to customers with less of an environmental impact. Cummins intends on being one of those companies.

# OUR 2050 ASPIRATIONAL TARGETS

## COMMUNITIES ARE BETTER BECAUSE WE ARE THERE

### 2050 TARGETS:

- Net positive impact in every community where we operate  
= Sum of environmental good > Local environmental footprint
- Near zero local environmental footprint

## 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

#### 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.

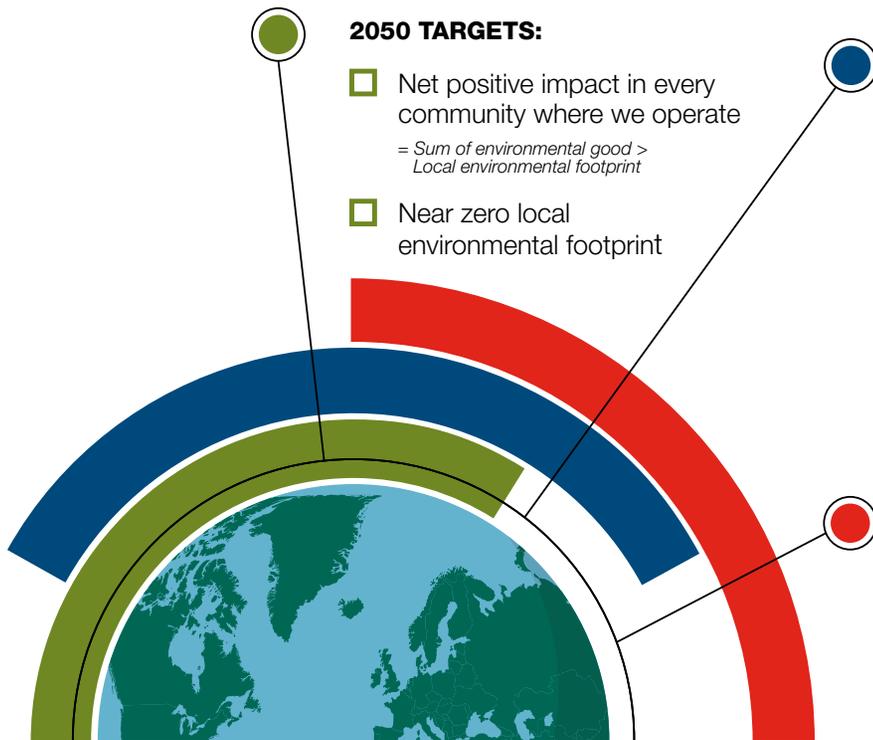
## OUR EIGHT 2030 GOALS

SCIENCE-BASED TARGETS

1. Reduce absolute greenhouse gas (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 GHG emissions from products in the field by 55 million metric tons.
4. Reduce volatile organic compounds emissions from paint and coating operations by 50%.

CIRCULAR ECONOMY

5. Create a circular 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%.



# PLANET 2050

PROSPERITY | LEADERSHIP | ADVOCACY | NURTURE | ENVIRONMENT | TOGETHER™

**FORWARD-LOOKING DISCLOSURE STATEMENT** Information provided in this document that is not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding forecasts, guidance, preliminary results, expectations, hopes, beliefs and intentions on strategies regarding the future. The forward-looking statements made herein are made only as of the date of this document and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. More detailed information about factors that may affect our performance may be found in our filings with the SEC, which are available at [www.sec.gov](http://www.sec.gov) or at [www.cummins.com](http://www.cummins.com) in the Investor Relations section of our website.

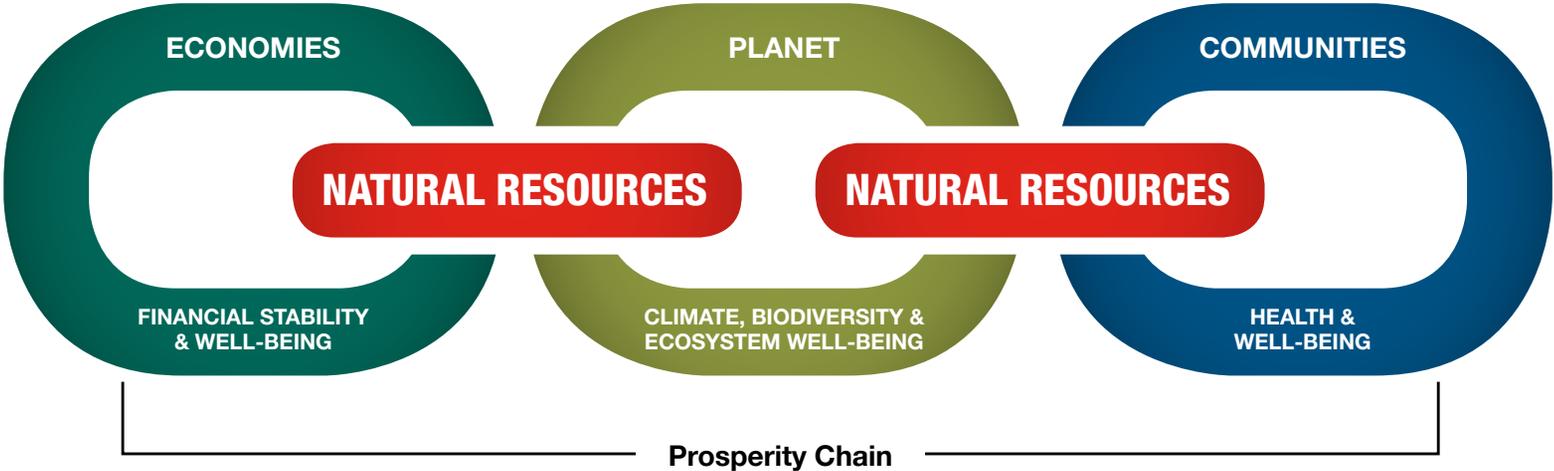
# DEVELOPING PLANET 2050

Scientific research on climate change and natural resources makes a compelling case for strong action.

The United Nation’s International Panel of Climate Change’s (IPCC) report of October 2018 calls for accelerated actions to cut GHG emissions 45% from 2010 levels by 2030 and 100% by 2050 to keep the earth’s warming to 1.5 degrees Celsius from pre-industrial levels. According to a World Resources Institute report, “Companies that anticipate a growing population that will demand more water and energy... **also** anticipate business risks related to scarcity and volatility, including increased costs, regulations, and supply vulnerabilities and disruptions.”

It is increasingly evident that the purposeful use of natural resources is vital to the well-being of economies, the planet and communities.

**Sustainability is an interconnected systems concept**  
*Our communities and our business depend on our collective response to improve the health of the planet.*



Cummins also was guided by these compelling trends emerging now:

- » Materials extraction has tripled since 1970 and is forecast to increase by 55% in the next decade.
- » Projections that by 2030 the world's global demand for water will exceed our 2015 supply by 40%.
- » Current and emerging regulations in Europe and around the world may increasingly impact Cummins' business.
- » More than 90% of the world's children breathe toxic air every day.
- » Weather-related events affect 205 million lives annually
- » 1.4 billion pounds of trash wind up in the world's oceans every year.

As Cummins developed its strategy, it also used the long-standing strategy of the stakeholder model of governance. It is based on the idea that through understanding, decision making, compromise and communication, leaders can turn individual group self-interest into mutual long-term benefit for all stakeholders. We understand that results matter because our existence depends on meeting the needs of our stakeholders.

**Strategy considers interests of all stakeholders**



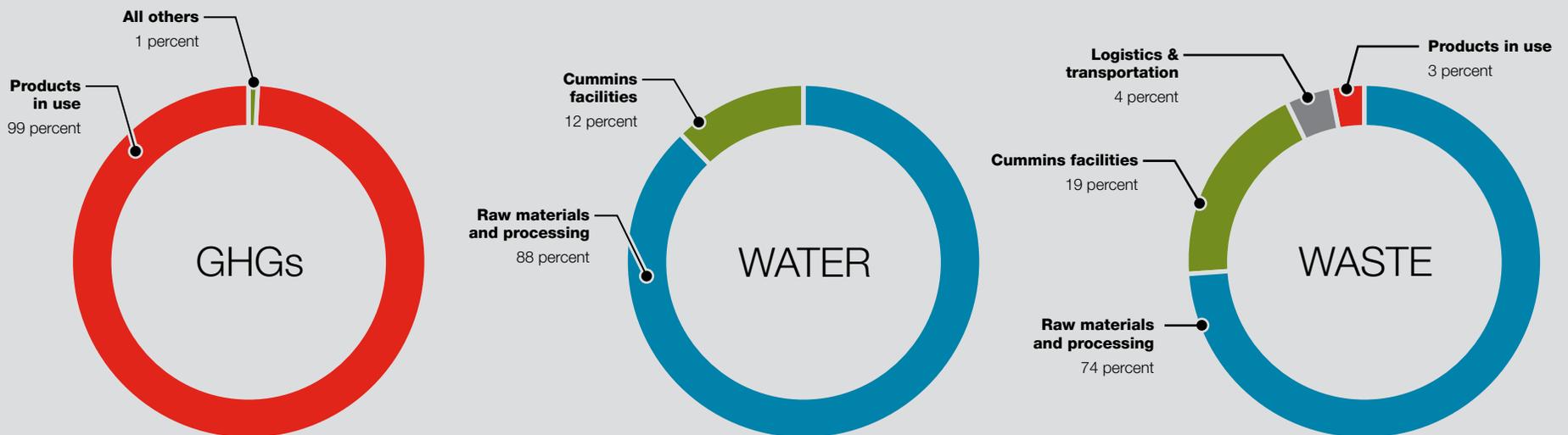
## GOAL DEVELOPMENT

**PLANET 2050** follows our first comprehensive plan announced in 2014 with five facility goals, later amended with products in-use and logistics goals (2015) and a new product vision statement (2016).

Cummins product lifecycle analyses have indicated that products in-use fuel consumption is our greatest GHG impact. Findings also indicate the greatest potential for water and waste reduction from products can be realized by reducing material consumption, which is predominantly determined during the product design phase. In fact, about 70% of a product's environmental impact is determined early on in the design phase.

### Results of our environmental assessment

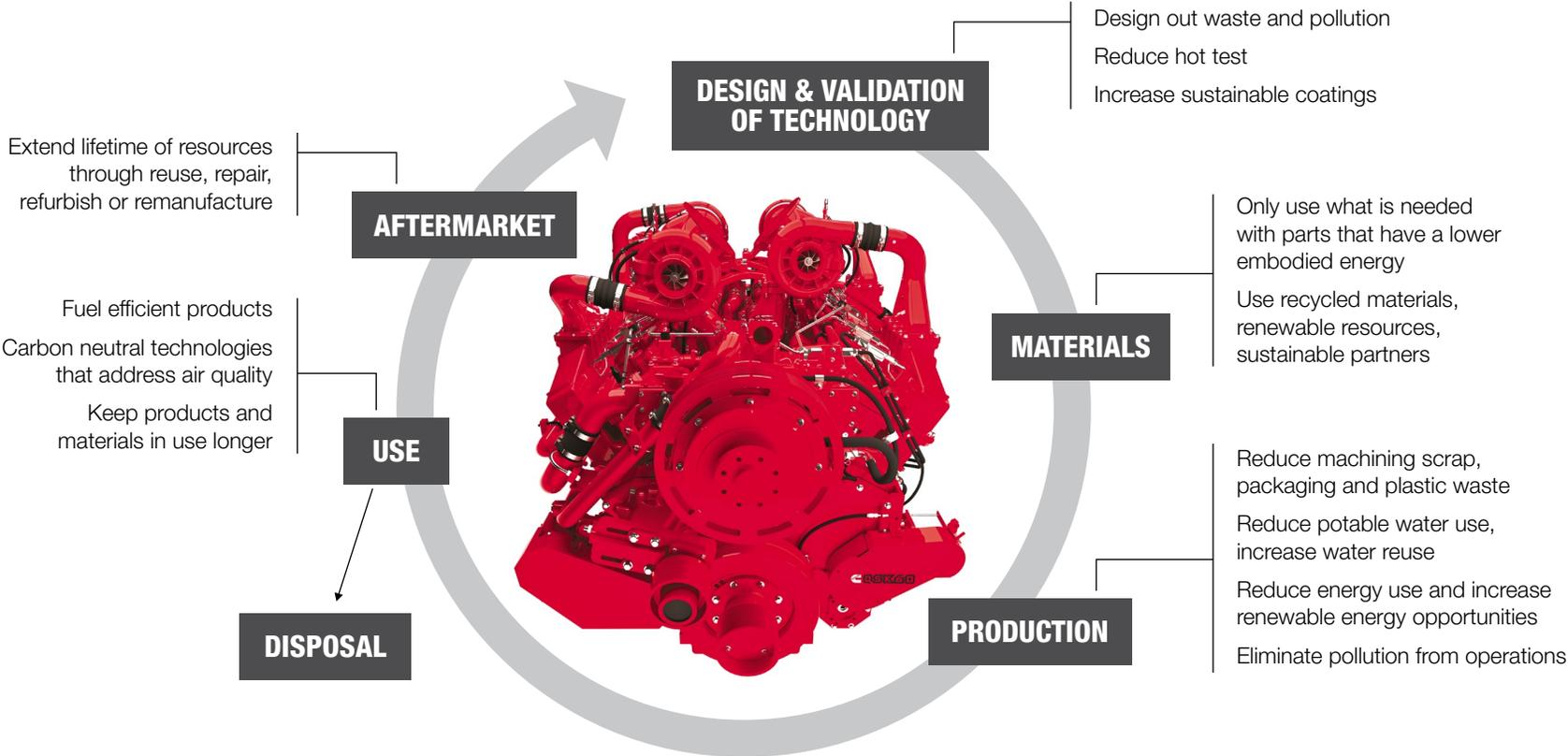
Cummins product lifecycle analyses have indicated that products in-use fuel consumption is our greatest GHG impact.



# LIFECYCLE ANALYSIS

Cummins' Action Committee for Environmental Sustainability (ACES) is comprised of functional, business and regional leaders from across the company. Since early 2012, its focus has been to look at the company's environmental impact using the lens of the full product lifecycle, from design and manufacture to end of life. In each phase of the cycle, we asked ourselves:

How might we lessen our environmental impact?



## ALIGNING WITH THE SDGs

The ACES team has benchmarked best-in-class and sector sustainability plans and reviewed the United Nations Sustainable Development Goals (SDGs) – and its list of more than 160 key performance indicators and targets – to inform its thinking and plan development.

In 2017, the company formally committed to develop science-based targets under the Science Based Target Initiative. This approach provides a framework for Cummins to calculate GHG goals for products and facilities that are in line with recommendations by climate scientists. In addition, the team considered the best options based on the October 2018 report by the International Panel on Climate Change<sup>4</sup>, which sets a high bar to limit global temperature rise to 1.5 degrees Celsius.

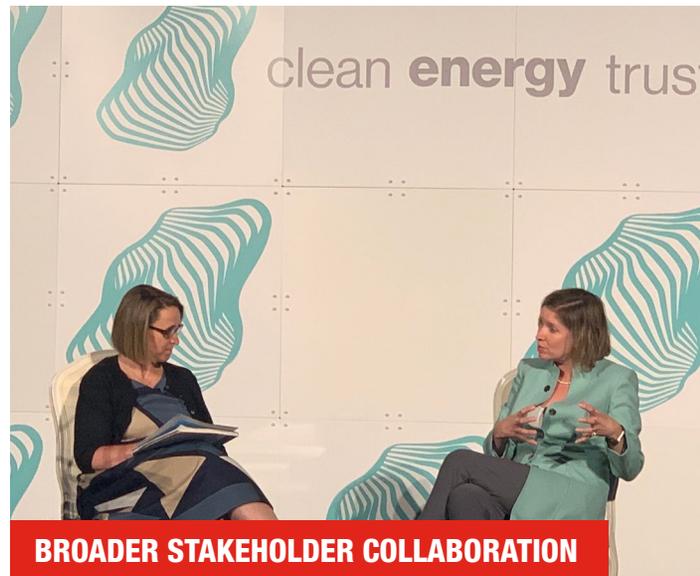
**Cummins goals and targets align closely with 12 (listed below) of the 17 UN Sustainable Development Goals**



### THE SIX PRINCIPLES BEHIND PLANET 2050

1. Develop innovative technology solutions that result in sustainable outcomes
2. Partner to solve complex problems
3. Design out waste and pollution
4. Reuse resources at their highest value for as long as possible
5. Connect inspired employees with meaningful action
6. Advocate for regulations that are tough, clear and enforceable

**PLANET** 2050 is a long-range business strategy with an environmental lens. **What makes PLANET 2050 different?**



**1. Science-based GHG reduction goals**

- » Scopes 1, 2 and 3
- » New product portfolio roadmaps
- » Absolute instead of intensity goals

**2. Source fewer natural resources by design**

- » Use less. Use better. Use again.
- » Sustainable Materials Lifecycle
- » Waste minimization mindset

**3. Stakeholders need our leadership in responding to environmental challenges**

**4. Vision is to connect societal purpose with employees' daily work**



# THE GOALS

Further details about the eight **PLANET** 2050 goals by focus area are in the pages that follow.

## DOING OUR PART TO ADDRESS CLIMATE CHANGE AND AIR EMISSIONS

2050 TARGETS	2030 GOALS	THEMES
<p><b><i>Customer success powered by carbon neutral technologies that address air quality</i></b></p> <p><b><i>Carbon neutrality and near zero pollution in Cummins' facilities and operations</i></b></p>	<ol style="list-style-type: none"> <li><b>Reduce absolute greenhouse gas (GHG) emissions from facilities and operations by 50%.</b></li> <li><b>Reduce scope 3 absolute lifetime GHG emissions from newly sold products by 25%.</b></li> <li><b>Partner with customers to reduce scope 3 GHG emissions from products in the field by 55 million metric tons.</b></li> <li><b>Reduce volatile organic compounds emissions from paint and coating operations by 50%.</b></li> </ol>	<ul style="list-style-type: none"> <li>» Innovative technologies, fuel efficiency, advanced fuels, partnerships, advocacy</li> </ul>

Cummins two science-based targets for climate change encompass scopes 1, 2 and 3 emissions, which include its facilities and operations (1 and 2) and products (3). Scope definitions are:

- » **SCOPE 1:** direct emissions from owned or controlled sources (e.g. facilities and operations)
- » **SCOPE 2:** indirect emissions from the generation of purchased energy (e.g. facilities and operations)
- » **SCOPE 3:** all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions (e.g. products)

Both goals are aggressive and based on climate science. Our facilities 2030 science-based GHG goal is in line with the 1.5° C trajectory; our product goal is in line with the Paris Climate Agreement of 1.5° - 2° C.

## PRODUCTS GOALS

### GOAL #1

*Reduce absolute lifetime GHG emissions from newly sold products by 25%*

### GOAL #2

*Partner with customers to reduce GHG emissions from products in the field by 55 million metric tons*

The scope for the products' science-based target (SBT) includes GHG emissions generated during the use phase of the product throughout the product lifetime. The goal does not include full lifecycle or well to wheel considerations, per definition of the official Science-based Target Initiative (SBTi) guidance. Cummins used sector decarbonization data provide by the SBTi and applied it to its existing lifetime emissions model.

Products in-use (PIU) engines are those that are currently in use today or new installations with current products that incorporate new learnings in fuel efficiency. Fuel efficiency improvements that are in scope under this goal will be those that are implemented at a Cummins plant, at the Original Equipment Manufacturer (OEM), or at the customer working with our distribution business. This goal is a continuation of the goal set with a baseline year of 2014.

### Calculating lifetime emissions of sold products



Start with Cummins volumes by segment and engine model sold in the reporting year



Multiply by the attrition rates to determine the volumes in operation each year moving forward



Determine attrition rate using our parts consumption model and customer engineering analysis



Apply the efficiency age factor to years going forward to determine yearly miles per gallon



Then convert miles per gallon or gallons per hour to million metrics tons of CO<sub>2</sub>e



Apply the CO<sub>2</sub>e conversion factor for diesel based on the EPAs EF Hub and AR 4

**REACHING THE GOALS**

The future of power requires a multi-faceted strategy. Our customers need the right tools for their work. And these power solutions must be reliable, efficient, flexible and sustainable to meet the evolving demands for powering our communities and the infrastructure and equipment that shape our world. They also must comply with stringent emission regulations, help address climate change and be part of the solution for the energy and environmental challenges facing the planet.

Cummins is further advancing diesel and natural gas engine technology and will continue bringing new solutions to market. It is developing electrified solutions and investing in alternative technologies like natural gas and hydrogen fuel cells and exploring other new technologies.

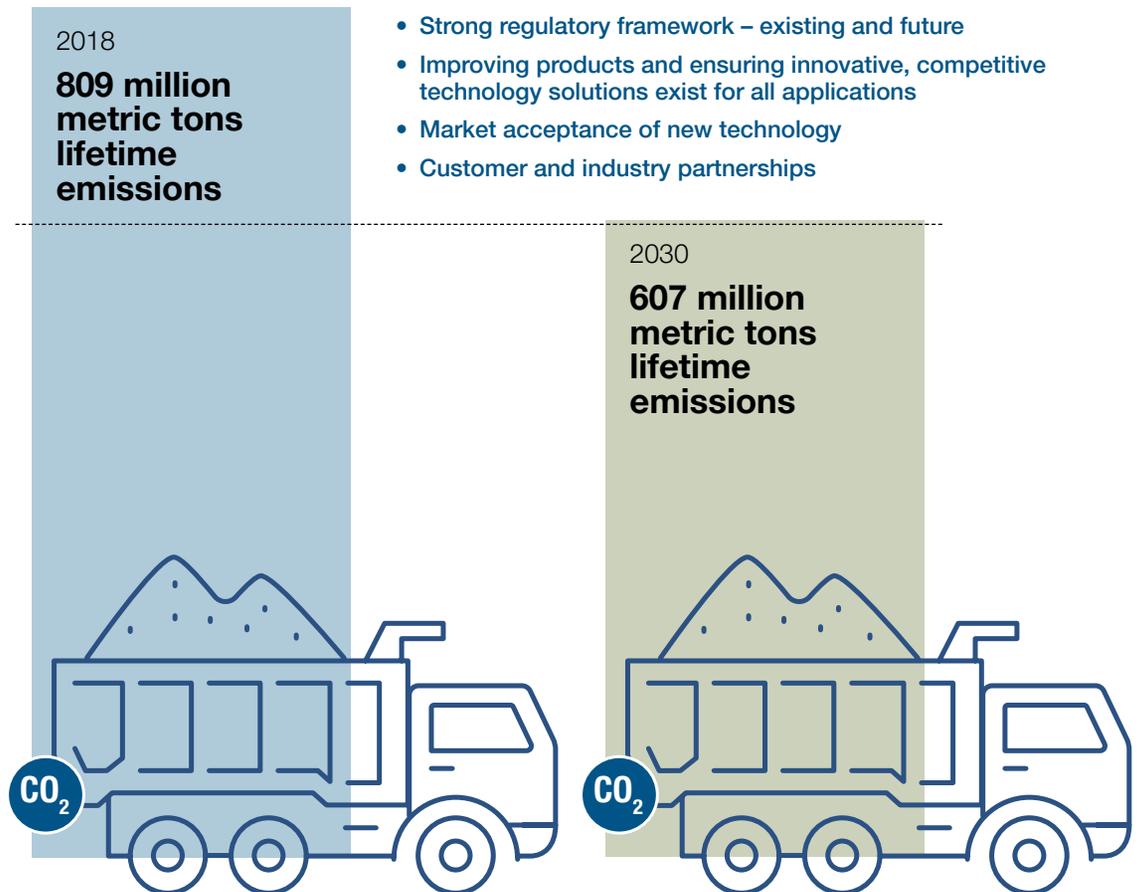
Cummins will monitor key signposts such as technology mix and adoption rate of low carbon technologies driven either by customer request, market demands or regulations. Actions to meet the goals will include strong integration into product planning as key considerations for decision making.

- » Research and technology investment portfolio
- » Design and architecture selection
- » Product planning
- » Policy advocacy

The diagram to the right depicts internal analysis of how we might meet the 25% goal.

Cummins will continue to build on the global momentum of its 2020 products in use goal, launching new initiatives, better fuel economy improvements and an increase in the number of overall projects. Global fuel economy teams have been building functional capability via fuel economy forums, training and tools.

**Meeting our science-based product target of a 25% CO<sub>2</sub> reduction**



## FACILITIES GOALS

### GOAL #3

*Reduce absolute GHG emissions from facilities and operations by 50%*

The 50% absolute carbon emissions reduction by 2030 from a base year of 2018 is a target consistent with the level of decarbonization required to keep global temperature increase to below 1.5°C compared to pre-industrial temperatures.

### REACHING THE GOALS

Cummins plans actions in these areas:

- » Reduce absolute energy consumption in facilities through efficiency upgrades.
- » Reduce production and research and development hot test fuel consumption.
- » Install regenerative dynos and load banks at existing high-horsepower research and development test cells.
- » Install energy storage if unable to export excess test power to neighboring site or grid.
- » Increase innovative processing through 3D Printing and design innovation, advanced manufacturing and connected supply chains.
- » Provide more renewable electricity through onsite solar photovoltaics and offsite power purchase.
- » Replace selected leased and owned executive cars, service and yard vehicles with electric vehicles; install electric vehicle charging stations.

### GOAL #4

*Reduce VOC emissions from paint and coating operations by 50%*

Air pollution is a growing global health concern, and emissions regulations and enforcement are increasing. For these reasons, addressing air pollution is a top environmental priority for Cummins products as well as our facilities and operations. Volatile organic compounds (VOCs) are a key component in smog formation, and VOC emissions are highly regulated in many of the countries where Cummins operates.

Painting and coating processes at Cummins facilities account for 73% of the VOC emissions from Cummins facilities, with the rest from combustion of fossil fuels.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

### KEY TAKEAWAY

***The Science-based Target Initiative provided the sector data needed to help develop our product CO<sub>2</sub> reduction goal.***

## FAQS: DOING OUR PART

### WHAT IS THE SCIENCE BASE TARGET INITIATIVE?

Following the Paris Climate Agreement in 2015, several organizations including United Nations Global Compact, CDP, World Wildlife Fund and World Resources Institute partnered to develop the Science Based Target Initiative aimed at driving ambitious corporate climate action. Hundreds of companies are taking science-based climate action and 285 companies have approved science-based targets (as of October 29, 2019).

Cummins signed its commitment letter in June 2017 and is the first on and off highway industrial manufacturer to have approved targets in 2019.

To find out more about SBTi visit: [sciencebasedtargets.org](https://sciencebasedtargets.org)

### WHAT IS A SCIENCE BASED TARGET?

A science-based target is an objective, scientific evaluation of what is needed for global GHG emissions reduction by sector to limit climate change. These targets provide an approach for companies to manage their emissions over the long term. Our proposed goals align with the levels of ambition defined and currently accepted by the science-based targets initiative in alignment with international consensus of climate scientists.

### WHAT OPPORTUNITIES IN ENERGY EFFICIENCY ARE LEFT?

We have extensive experience in energy efficiency management, gained during the pursuit of three previous generations of goals starting in 2009. Hundreds of projects have been implemented at our facilities around the world, including conventional technology such as LED lighting, compressed air optimization, variable frequency drives, building management systems, etc., and less conventional technology like regenerative dynamometers. We have implemented effective management toolkits, financial analysis tools, project hopper and dashboard, and training programs to support deployment of skills, tools and best practices.

Many of the best, highest-return projects have already been implemented, and future improvements will, in general, be more difficult and expensive. However, opportunities still exist, and new ones will emerge along with the need to upgrade or replace existing facility and process machinery and equipment, and as more efficient technologies become available. The US DOE predicts that on average, a company's energy intensity will improve 1% per year based on technology improvements alone (replacing obsolete equipment and machines).

### WHAT ARE THE OPPORTUNITIES IN HOT TEST FUEL CONSUMPTION?

Most Cummins engines and generator sets undergo “hot testing” in test cells (using diesel or natural gas) during the regular production process (exception is Columbus MidRange Engine Plant engines for RAM pickups). An estimated 5.3 million gallons of diesel fuel were consumed during production testing. An estimated 7.2 million gallons of diesel fuel were consumed during research and development testing. Significant but unquantified electrical power is also required for test cell air handling and cooling system equipment. Engine and genset hot testing is a major source of facility air pollutant emissions and government regulations are increasingly mandating expensive and energy-intensive exhaust aftertreatment to control these emissions. Hot testing also consumes

significant volumes of water to reject waste engine and dyno heat through cooling towers (an estimated 116 million gallons in 2018, which is 12% of the company’s total water use). The goal proposes deep reductions in production hot testing, to be potentially replaced by improved quality control, design modifications and/or cold testing (engines driven by electric motors) and analysis led design innovations.

This will require significant study and analysis for hot testing.

### HOW DOES HIGH HORSEPOWER TEST ENERGY RECOVERY WORK?

With conventional dynamometers, all output power is converted to heat, which is rejected to the atmosphere through cooling towers. Regenerative dyno technology converts engine output power to electricity.

Two of the 15 high horsepower (HHP) dynos at our Seymour Engine Plant are regen (the rest are conventional), and by themselves generate approximately 17% of the site’s total electricity requirements). From a GHG goal perspective, energy recovery from HHP test cells are the priority because of the high fuel consumption and potential electric power recovery.

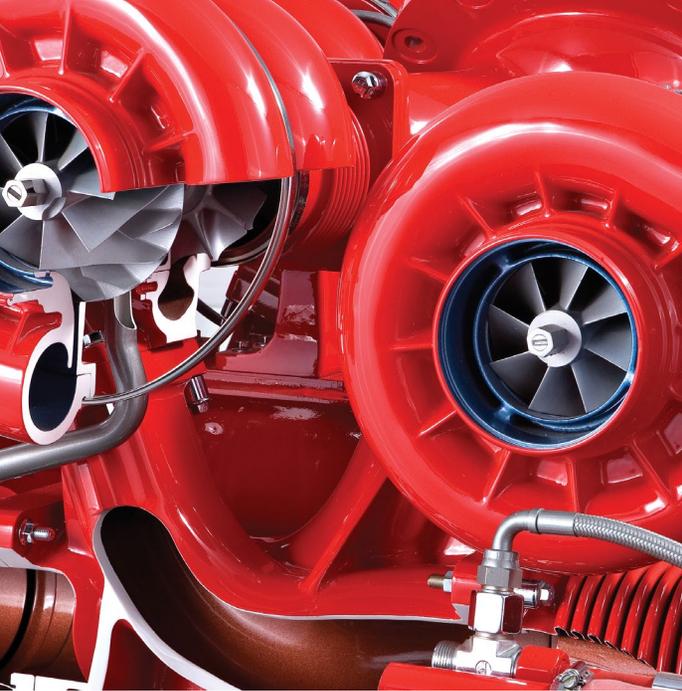
Regen dyno installation costs are more expensive than conventional dynos, but regen dynos provide greater technical capabilities, require less cooling, and reduce operating costs, carbon emissions and cooling water consumption. They are also somewhat larger, requiring more physical space for a given capacity output than conventional dynos.

### WHAT IS OUR RENEWABLE ENERGY STRATEGY?

While Cummins continues to minimize the amount of energy needed to power the company’s operations through efficiency and process improvements, Cummins also needs to reduce the environmental impact of that energy through renewable sources. Four of the company’s guiding principles specifically apply to the selection of renewables to ensure Cummins maximizes benefits for the environment avoids green washing:

**GUIDING PRINCIPLES**

- » **Additional:** Must lead to a net increase in renewable energy. Buying Renewable Energy Certificates (RECs) doesn’t meet this criterion; improve access to renewables where good options don’t exist.
- » **Tangible:** Must be understood and accepted by stakeholders. We seek renewable generation geographically close to our operations, and options that are simple and easy to grasp; visibility to community, customers etc.
- » **Cost effective:** Generate the most environmental and business benefits for the investment. Factors include financial return on investment, local environmental conditions (air quality, water scarcity, carbon intensity of grid power), regulatory pressure, stakeholder interest, and strategic incentives.
- » **Transparent:** Clear, complete accounting and disclosure; follow Carbon Disclosure Project, Department of Energy guidelines.



## USING NATURAL RESOURCES IN THE MOST SUSTAINABLE WAY

2050 TARGET	2050 TARGETS	2030 GOALS	THEMES
<p><b>Nothing Wasted</b></p>	<ul style="list-style-type: none"> <li>» Design out waste in products and processes</li> <li>» Use materials again for next life</li> <li>» Reuse water and return clean to the community</li> </ul>	<ol style="list-style-type: none"> <li>5. <b>Create a circular lifecycle plan for every part to use less, use better, use again.</b></li> <li>6. <b>Generate 25% less waste in facilities and operations as a percent of revenue.</b></li> <li>7. <b>Reuse or responsibly recycle 100% of packaging plastics and eliminate single-use plastics in dining facilities, employee amenities and events.</b></li> <li>8. <b>Reduce absolute water consumption in facilities and operations by 30%.</b></li> </ol>	<ul style="list-style-type: none"> <li>» Water efficiency and reuse, near zero global irrigation (lawn care), no one time water use</li> <li>» Intentional sourcing and use of natural resources – additive manufacturing, topology optimization, material selection, remanufacturing, service strategy</li> <li>» Waste minimization realized in facilities, packaging, material scrap reduction, dining facility plastics</li> </ul>

**KEY TAKEAWAY**

*Using natural resources in a sustainable way changes the focus from disposing of existing waste to creating less waste from the start.*

**GOAL #5**

*Create a lifecycle plan for every part to use less, use better, use again*

This goal is to drive processes, data and innovation to intentionally design in the intelligent use of natural resources embodied in the materials that we use. We consider this sustainable material efficiency (also known as “circular economy”) and have approved design principles to use less, use better, use again. There is a realization that what has made Cummins successful in the past regarding material use most likely will not hold true for the future. A Design for Lifecycle approach for sustainable material efficiency lays out the path to bridge the gap for natural resource constraints and increased regulations.

**REACHING THE GOAL**

This requires upfront use of:

- » Topology and multi-disciplinary optimization
- » Additive manufacturing and design innovation
- » Sustainable material selection
- » Service strategy that extends use of components and products longer
- » Ability to disassemble
- » Remanufacture, reuse or recycle at end of use

**TWO WASTE GOALS**

**GOAL #6**

*Generate 25% less waste in facilities and operations as a percent of revenue*

**GOAL #7**

*Reuse or responsibly recycle 100% of packaging plastics and eliminate single-use plastics in dining facilities, employee amenities and events*

Current waste goals are around recycling and zero disposal. Support efforts have resulted in the development of training and tools as well as strong recycling processes and infrastructure that have established a foundation for waste management. Ongoing efforts focused on recycling remain necessary and are not only important in meeting goals but also represent a key opportunity to engage every employee in meaningful environmental initiatives.

These waste goals are designed to move waste up the hierarchy towards “reduce” and “reuse” versus the previous focus on management once a waste has been generated. This will require management tools and investment in returnable and reusable packaging, as well as process improvements in manufacturing and services.

## **REACHING THE GOALS**

Cummins plans actions in these areas:

- » Design out waste in new products by ensuring initial production is very close to the final shape, reducing the need for surface finishing.
- » Identify opportunities to design out waste in legacy products.
- » Identify and prioritize packaging opportunities through packaging design assessment of 100,000 plus legacy parts.
- » Reduce packaging waste through design optimization and use of returnable, reusable packaging.
- » Reduce general refuse at facilities through continual improvement projects.
- » Improve material efficiency and reduce consumables in manufacturing, supply chain and services.
- » Reduce hazardous waste in manufacturing and services.
- » Eliminate polystyrene packaging, cups and containers, plastic straws, condiment packaging, etc. These efforts will allow employees to engage in company improvement efforts in visible and tangible ways.

## **GOAL #8**

*Reduce absolute water consumption in operations by 30%*

Going forward efforts will require a continued focus on low cost improvements and further operational optimization. Much of Cummins water efficiency improvements in facilities to meet its 2020 goal have been achieved through low and no cost efforts, notably, fixing leaks and process optimization. Efforts have also involved capital projects, primarily elimination of one-pass cooling water systems.

## **REACHING THE GOAL**

Cummins plans actions in these areas:

- » Hot test reduction (which saves water)
- » Wastewater reuse
- » Elimination of potable water irrigation
- » Fire test water recapture

# FAQS: NATURAL RESOURCES

## IS WASTE NOTHING REALLY ACHIEVABLE?

Yes, it is achievable, but it requires a shift in how we think about materials and waste. It means doing all we can to purposefully use less material to make our products and therefore reduce the chance for waste up front. By doing that, we also save water and energy in extracting new raw material. Wasting nothing is also about being even more vigilant in using materials at their highest value for as long as possible. What does that mean? It means we remanufacture an engine and its components to be used again as engines and components, and not recycled as scrap metal or worse, be thrown away.

## WHAT ARE EXAMPLES OF DESIGNING OUT WASTE?

Designing out waste is a critical step in achieving nothing wasted, both in material consumption and processing. This could be realized in upfront processes such as design as material engineers identify materials that use less water and energy, and manufacturing engineering reducing processing and scrap.

## ARE THERE SOME EXAMPLES OF DESIGNING OUT WASTE?

In a recent project on a manifold, engineers worked with suppliers to determine the minimum cast thickness without impacting quality and then worked with optimization to ensure the design used least amount of material to meet the strength and performance requirements. Other general examples include near final shape which reduces material scrap from manufacturing or selecting the right material and processing.

## WHAT DOES A PLAN FOR EVERY PART INCLUDE?

Although sustainability has many interconnecting elements, a plan for every part as we have defined it includes four main categories: material and process selection, geometry optimization, manufacturing optimization and closing the loop (which includes remanufacturing) to ensure end of life has been considered. These four categories are measured by the Sustainable Materials Scorecard where a high Sustainable Materials Index indicates a good plan has been made for the part.

## WHY ARE WE FOCUSING ON PLASTICS?

In its first-ever global plastics report released in 2018, the United Nations stated that only nine percent of all plastics ever produced have been recycled, and 79% of plastics have ended up in landfills. Eight million tons of plastic end up in the world's oceans every year, which could mean more plastic than fish by 2050. Soft and rigid recycled plastic is about 1.5% of Cummins' waste but that number increases when non-recycled and contaminated plastics becomes part of the 10% of our general refuse category. Packaging plastics and single-use plastics used in our dining areas are very visible to employees and presents actions where they can contribute and make meaningful reductions.



# COMMUNITIES ARE BETTER BECAUSE WE ARE THERE

2050 TARGETS	THEMES
<p><b>Net positive impact in every community where we operate</b>            = <i>Sum of environmental good &gt; Local environmental footprint</i></p> <p><b>Near zero local environmental footprint</b></p>	<ul style="list-style-type: none"> <li>» Understand and identify unique environmental challenges in our communities</li> <li>» Create partnerships and engagement using Cummins' core skills to help address community environmental needs</li> </ul>

Cummins is committed to making people’s lives better by powering a more prosperous world.

We seek to make the world a better place by providing sustainable solutions to community environmental challenges.

The launch of **PLANET** 2050 marks an exciting time. One of the three primary focus areas for the plan includes helping our communities address major environmental needs. Cummins will launch a strategic community environmental program to align our efforts and affirm our commitment to the environment as one of our three community priority areas.

The program will focus initially on Cummins’ regions with a significant employee presence that suffer from intense environmental constraint, such as water scarcity. We will continue over time to build the program in other Cummins locations as we work together to meet our **PLANET** 2050 goals.

**CUMMINS JOINS CEO WATER MANDATE**

***Business leaders  
advancing water  
stewardship***

The CEO Water Mandate is a UN Global Compact initiative that mobilizes business leaders on water, sanitation and the Sustainable Development Goals. Endorsers of the CEO Water Mandate commit to continuous progress against six core elements of stewardship and in so doing understand and manage their own water risks.

The mandate’s six commitment areas:

1. Direct operations
2. Supply chain and watershed management
3. Collective action
4. Public policy
5. Community engagement
6. Transparency

Our vision for 2050 is a world where Cummins powers the world's really important work with carbon neutral products and operations.

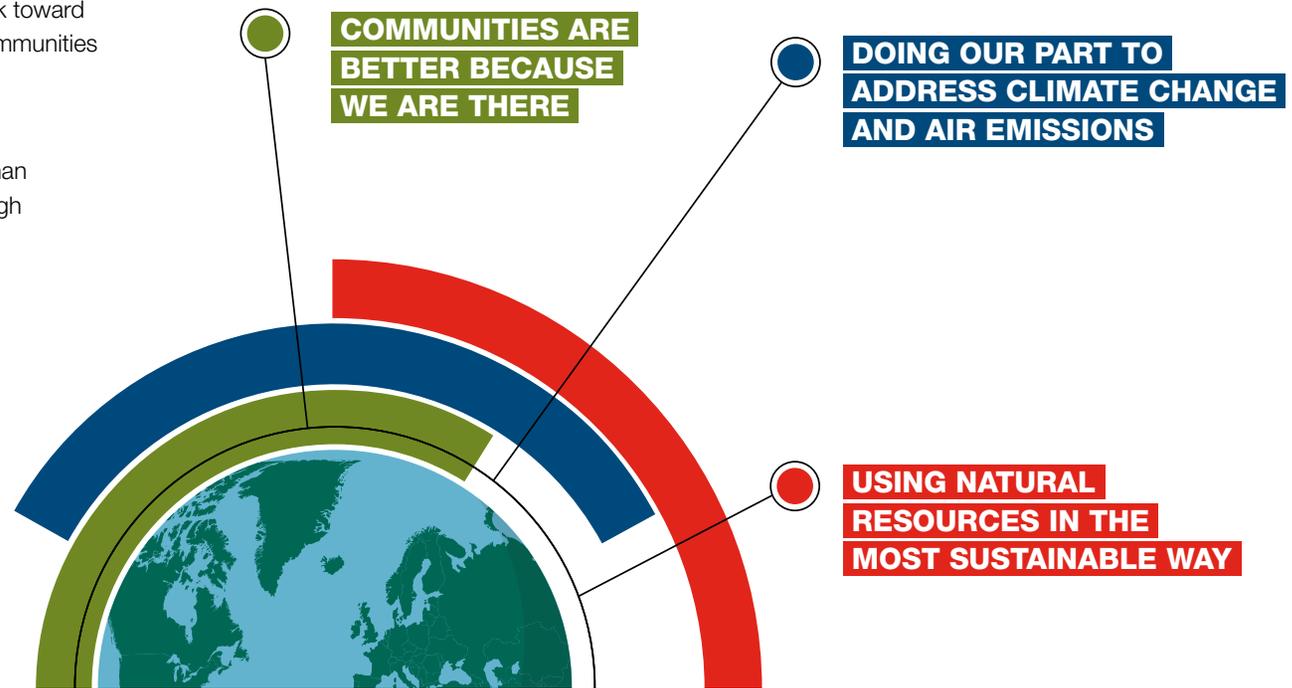
Our communities and business depend on a healthier planet, so we will take strong action on climate change and work toward a future where we waste nothing and ensure that our communities are better because we are there.

Cummins can have a global impact. We have more than 35,000 suppliers, more than 450 sites and are in more than 190 countries. We sold 1.5 million engines in 2018 through more than 600 distributors and 6,500 dealers.

**Cummins can make a difference.**

***"Our communities and our business depend on our collective response to improve the health of the planet while creating prosperity for all. It's clear that government, businesses, nongovernmental organizations, and communities must unite behind swift, decisive action to address the environmental threats we face."***

- CUMMINS CEO TOM LINEBARGER



# PLANET 2050

PROSPERITY | LEADERSHIP | ADVOCACY | NURTURE | ENVIRONMENT | TOGETHER™

