



# CUMMINS SUSTAINABILITY

Overview  
2019-2020

# POWERING A MORE PROSPEROUS WORLD





# **SUSTAINABILITY AT CUMMINS**

It has been a busy year.

In addition to building the cleanest, most efficient engines and power systems, the company introduced a strategy to address climate change in 2019, unveiled an electrified power platform for buses and created a concept hydrogen fuel cell truck as Cummins develops that concept.

The company helped the Clean Cruisers demonstrate low-carbon adventuring as they planted trees across Central America, powered by Cummins' crate engines using biodiesel. And to celebrate Cummins' 100th anniversary, employees used 3D printed parts to get the 1952 Cummins Diesel Special rolling for ceremonies at the 2019 Indianapolis 500.

Cummins is always looking ahead, even when it looks backward.

***The Cummins-supported expansion of a wind farm in northwest Indiana sends almost enough renewable power to the grid to off-set total power use at all of the company's plants and facilities in the state.***





# PROTECTING OUR PLANET

Chairman and CEO Tom Linebarger unveiled in 2019 PLANET 2050, an environmental strategy to guide the company as it reduces its environmental impact.

The strategy includes science-based goals that meet or exceed the climate goals in the United Nations Paris Agreement. Cummins aspires to be carbon neutral by 2050.

## CUMMINS LOW CARBON MINDSET

In addition to reducing the carbon footprint of its products and facilities, Cummins is adding renewables to the company's energy mix.



Cummins is making a significant investment in solar energy, with solar installations completed or underway at more than two dozen locations.



The company helped an Indiana wind farm expand, producing enough renewable energy to offset about 15.7% of the carbon footprint of the company's global facilities.



The Clean Cruisers used Cummins' crate engines running on biodiesel to plant trees across Central America.

## WHAT'S TO DO

# 300 million

Metric tons of CO<sub>2</sub> to be reduced through Cummins' 2030 goals.

## WHAT'S DONE

# 1 billion

Gallons of water use avoided since 2010 through Cummins' water conservation efforts.

# 31%

Energy intensity reduction achieved as part of Cummins' 2020 environmental goals.

# 4.0 MILLION

Tanker trucks full of gasoline equal to the amount of CO<sub>2</sub> to be removed under the company's 2030 goals.

# 4.3 million

Annual metric ton run rate reduction in carbon dioxide (CO<sub>2</sub>) achieved by partnering with customers to help them use Cummins' products more efficiently, which exceeded the company's 2020 environmental goal.

# 50%

New 2030 goal for reduction in volatile organic compounds from paint and coating operations.





A Cummins joint venture employee distributes reusable bags to community kindergartners to promote environmental knowledge in Xiangyang, China.

## IMPACT DRIVEN

The mission of Cummins' community work is to support employees as they volunteer in the company's communities around the world to help solve some of the most difficult societal problems.

### BY THE NUMBERS

**\$20.5 million**

Cummins grants to communities in 2019.

**6.5 MILLION**

Estimated number of people served in 2019 by Cummins' community engagement programs.

**100,000**

Lives impacted since the Cummins Powers Women initiative started in 2018.

## MAKING A DIFFERENCE

One of the company's chief metrics for community engagement is employee participation in Cummins' Every Employee Every Community (EEEC) program. For the fourth year in a row, more than 80% of Cummins employees participated in the program in 2019.

### EMPLOYEE PARTICIPATION

|      |     |
|------|-----|
| 2019 | 82% |
| 2018 | 83% |
| 2017 | 82% |
| 2016 | 81% |
| 2015 | 80% |
| 2014 | 73% |
| 2013 | 67% |
| 2012 | 63% |

## CUMMINS POWERS WOMEN

is an \$11 million effort (and growing) to accelerate large-scale change for women and girls in the company's global communities. Partnering with expert nonprofits in 13 countries to address gender inequality, the program has already impacted more than 100,000 lives since launching in 2018. Volunteering by Cummins employees with the program's partners is up more than 100%.

A Cummins employee mentors a girl as part of a program supported by Cummins Powers Women in Indianapolis, Indiana.



# EXPERTS IN INNOVATION

Innovation is critical to Cummins' sustainability strategy. The company must deliver products that help customers succeed while using fewer of the world's resources. Cummins' goal is to offer a range of power options, so customers can choose what works best for them.

*Cummins has a lab devoted to testing the latest technology in manufacturing.*



## 2019 HIGHLIGHTS



*Big Blue Bus in Santa Monica, California, unveiled its first-ever electric bus in 2019, a GILLIG battery electric bus powered by Cummins' first-ever electrified powertrain.*



*The 2020 X15 Efficiency Series diesel engine, which delivers up to 5% better fuel economy and reduces greenhouse gases, was brought to market a year ahead of regulatory requirements.*

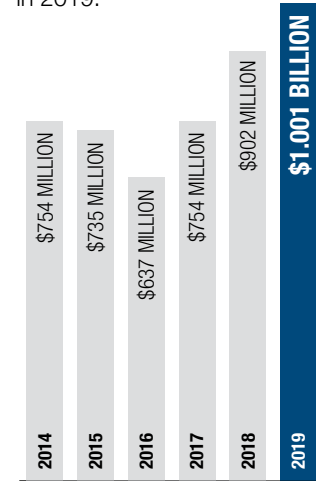


## WHAT COULD THEY HAVE IN COMMON?

Innovation was behind both the Cummins Diesel Special and the hydrogen-powered truck in 2019. Engineers used 3D printed parts to get the diesel-powered 1952 pole winner rolling again at Indy, and fuel cell technology to get the concept truck on the road in 2019 as the company studies that technology.

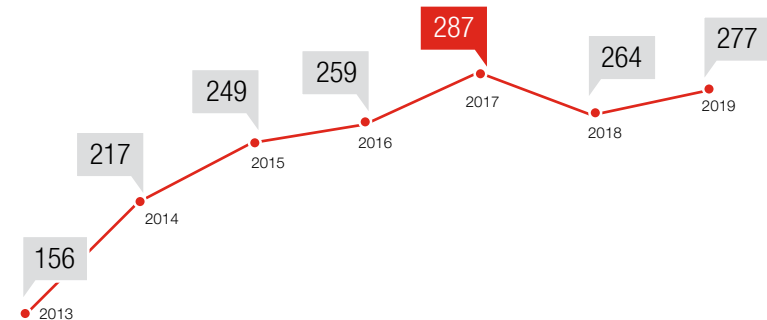
## RESEARCH AND DEVELOPMENT

Cummins for the first time topped \$1 billion in spending on research, development and engineering expenses in 2019.



## CREATIVE THINKERS

Cummins' technical staff recorded more than 250 global patents for a fourth consecutive year in 2019. It was the second highest year on record behind only 2017 when the company had 287 global patents.







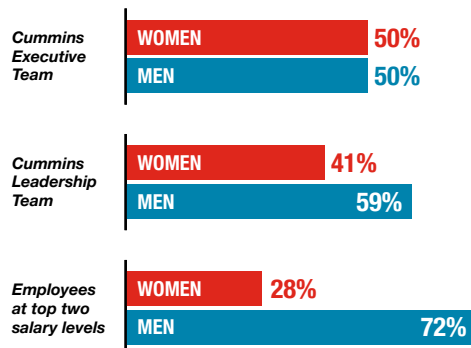
Employees in the company's New Power segment discuss electrified power.

## LEVERAGING THE POWER

Cummins builds prosperity through the power of diversity and inclusion. Diverse teams, leveraging the power of their differences, can arrive at more creative solutions to customers' challenges.

### GENDER DIVERSITY AT CUMMINS

Cummins is making a special effort to get women at the highest levels of the company.



### BY THE NUMBERS

**56%**

Employees at Cummins under 40 years old.

**3**

Number of ethnically diverse members of the 11-member Cummins Board of Directors.

**\$13 BILLION**

Global spending with suppliers who self-identify as diverse in their region since 2010, including a record \$2 billion in 2018.

**63%**

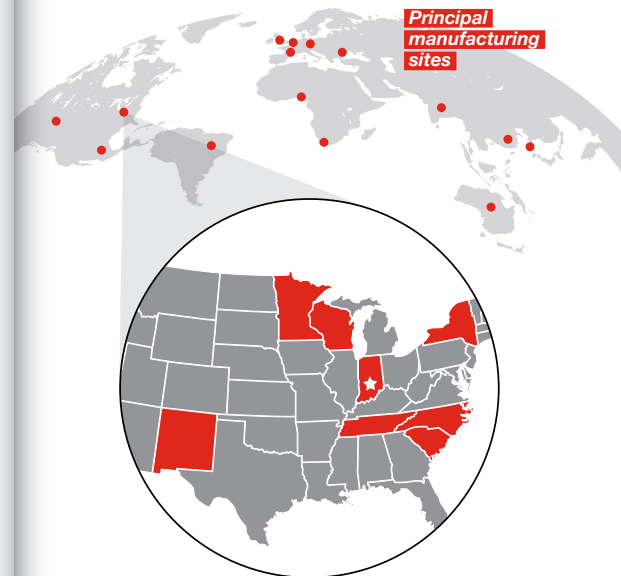
Employees at Cummins born outside the United States.

## POSITIONED FOR PROGRESS

Cummins is an Indiana-based company with the global reach to do big things. Cummins believes in free but fair trade, and tough, clear and enforceable regulations that promote innovation.

### HOME GROWN, GLOBALLY ENGAGED

Cummins has principal manufacturing locations in eight states and six of the seven continents. The company's international plants primarily serve regional markets. Cummins has developed doing business outside the U.S. for more than 60 years.



### THE IMPORTANCE OF TRADE

Trade can be beneficial for both parties. Here's a look at what trade means for the company's U.S. employees.

U.S. EXPORT SALES IN 2019\*

**\$3.02 BILLION**

\* Includes intercompany sales of \$1.83 billion

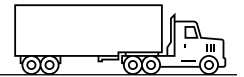
TOP BUYERS OF U.S. PRODUCTS

1. CANADA
2. MEXICO
3. UNITED KINGDOM
4. CHINA
5. JAPAN

### POWERING YOUR LIFE

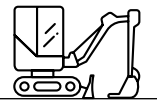
Cummins engines and generators power your life in many ways. Here are just a few:

#### ON THE MOVE



- On-highway trucks
- Municipal and school buses
- Recreational vehicles
- Boats
- Trains

#### AT WORK AND SCHOOL



- Backup power for schools
- Computer server backup power
- Construction and agricultural equipment
- Industrial backup power

#### WHEN YOU MOST NEED HELP



- Hospital backup power
- Home backup power
- Fire trucks

# WHO WE ARE

*Cummins Inc., a global technology leader, is a corporation of complementary business segments designing, manufacturing, distributing and servicing a broad portfolio of power solutions. The company's products range from diesel and natural gas engines to hybrid and electric platforms, as well as related technologies, including transmissions, battery systems, fuel systems, controls, air handling, filtration, emission solutions, and power generation systems.*

## WORLD HEADQUARTERS

500 Jackson St.  
Columbus, IN 47201

EST. 1919

# CMI

STOCK SYMBOL  
(New York Stock Exchange)

# www.cummins.com

# 61,615

## EMPLOYEES WORLDWIDE

(as of Dec. 31, 2019)

More than 50 percent of Cummins' employees live outside the United States.

## CUSTOMERS

Cummins serves customers online, through a network of company-owned and independent distributor locations, and through thousands of dealer locations worldwide.

## FORTUNE 500 RANKING (2019)

# 128

## SALES / EARNINGS

In 2019, Cummins earned \$2.3 billion (\$2.4 billion excluding restructuring), on revenues of

# \$23.6 BILLION

