



# 2021 ESG AT CUMMINS

For more than a century, global power leader Cummins Inc. has worked to support customers and build stronger communities while protecting the environment. This handout looks at the company's performance on environmental, social and governance (ESG) matters.

The majority of the data included here comes from 2020. More information is available on Cummins' [sustainability website](#). The company's [Annual Report on Form 10-K](#) is the definitive source for Cummins' financial information.

## RECOGNITION

- » **DOW JONES SUSTAINABILITY INDEX FOR NORTH AMERICA** for 15 consecutive years
- » No. 24 on Newsweek's 2021 list of **AMERICA'S MOST RESPONSIBLE COMPANIES**
- » Named to **2021 WORLD'S MOST ETHICAL COMPANY** list by Ethisphere for 14 consecutive years
- » Silver Medal in recognition of sustainability achievement, **ECOVADIS**

## ENVIRONMENT

Cummins cares about the environment, delivering products meeting stringent emission standards around the world and reducing greenhouse gases.

The company also sets and meets aggressive facility goals for waste, water and energy.

### GOAL DRIVEN

Cummins' new 2030 environmental sustainability goals are the company's most ambitious ever.

We will do our part to:

- **ADDRESS CLIMATE CHANGE**
- **USE NATURAL RESOURCES SUSTAINABLY**
- **MAKE A POSITIVE ENVIRONMENTAL IMPACT IN OUR COMMUNITIES**

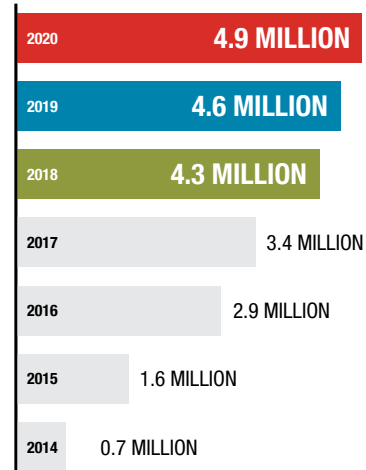
Cummins' work is governed and reviewed by senior leaders and the company's Board of Directors, with transparent reporting on the company's progress.

#### TO LEARN MORE:

See the Environment section on page 18 of the [2020 Sustainability Progress Report](#).

## REDUCING GREENHOUSE GASES

In 2020, Cummins partnered with customers to reach an annual run rate reduction of 4.9 million metric tons of carbon dioxide from the company's products in use. That surpassed Cummins' 2020 goal of a 3.5 million run rate reduction in the greenhouse gas for a third consecutive year.



## KEY NUMBERS IN 2020

# 93%

Record recycling rate set by the company in 2020.

# FORTY-FIVE

Cummins sites with solar power installations as part of the company's effort to use more renewable energy.

# 53%

Reduction in water use across Cummins in 2020, adjusted for hours worked, compared to 2010.

## PLANET 2050

Cummins in 2019 announced a new environmental sustainability strategy, **PLANET 2050**. It includes science-based goals that meet or exceed the goals in the United Nations' Paris Agreement on climate change. By 2050, Cummins is targeting net-zero emissions.



## SOCIAL

Cummins is committed to diversity and inclusion, the communities where it does business, and the belief that the company's employees are its most important asset.

### PHILANTHROPY

# \$22 MILLION

Record amount in Cummins community grants awarded in 2020, including \$2.7 million in emergency grants related to COVID-19.

### GENDER DIVERSITY



Women make up about 27% of Cummins' global workforce and 38.5% of the company's vice presidents and above. At the highest levels of the company, women make up 38.5% of the Cummins Operating Team, 44.4% of the Cummins Leadership Team and 55% of the Cummins Executive Team.



## CUMMINS POWERS WOMEN

*Cummins Powers Women* is a \$20 million global program to advance equity for women and girls.

The program partners with expert global non-profits to accelerate gender equality in educational attainment, economic empowerment, personal safety and legal rights.

# 17 MILLION

Women and girls impacted by the law and policy changes resulting from Cummins Powers Women since 2018.

#### TO LEARN MORE:

See the Social section starting on page 31 of Cummins' *2020 Sustainability Progress Report*.

## CUMMINS TARGETS SYSTEMIC RACISM

Cummins Advocating for Racial Equity is a U.S. strategic community initiative focused on dismantling institutional racism and creating systemic equity.

Launched in 2020, the initiative will advocate for and invest in evidence-based programs focused on building more equitable and inclusive communities.

## GOVERNANCE

Good governance is foundational to any successful company and at Cummins it starts with the 13-member Board of Directors. The board has:

### An independent LEAD DIRECTOR

### FIVE FEMALE DIRECTORS

### 5 BLACK AND LATINO DIRECTORS

### 92% INDEPENDENT DIRECTORS ON THE BOARD

## BOARD COMMITTEES

The Board of Directors' six committees include: Safety, Environment and Technology; Governance and Nominating; Audit; Talent Management & Compensation; Executive; and Finance.

## MAINTAINING AN ETHICAL CULTURE

Cummins takes many steps to maintain the company's ethical culture, including:

- » The company's Code of Business Conduct and Supplier Code of Conduct, which are organized around principles covering everything from diversity and inclusion to conflicts of interest and protecting Cummins' intellectual property.
- » A system of master investigators who investigate potential code violations.
- » Extensive training in areas ranging from anti-bribery to data privacy, export compliance and protecting human rights.

#### TO LEARN MORE:

See the Governance and Economics section starting on page 46 of the Cummins *2020 Sustainability Progress Report*.

## COVID-19

Cummins protected employee health, safety and job security despite COVID-19, while addressing key ESG priorities. Here's how:

### ENVIRONMENT

- » Maintained commitment to PLANET 2050 environmental strategy.
- » Continued research and development on low-carbon technologies.

### SOCIAL

- » Health screenings established at plants.
- » Reconfigured plants for social distancing. Produced 10 million masks for employees. Increased cleaning protocols.
- » Partnered to produce personal protective equipment for health care professionals.

### GOVERNANCE

- » Established a strong financial position.
- » Daily leadership meetings to manage crisis.
- » Frequent virtual board meetings for oversight.