



2022-2023 SUSTAINABILITY OVERVIEW



COMMITTED TO EXCELLENCE

Cummins is an award-winning global power technology leader, committed to helping customers successfully transition to cleaner forms of energy.

With a broad portfolio of power solutions, the company can serve customers no matter where they are in their sustainability journey.

Cummins has been advancing more traditional power solutions for harder to decarbonize applications, and fuel cells, battery-electric and hybrid systems for applications further along in the energy transition.

And the company has the environmental, social and governance expertise necessary to support customers in their journey, developed over more than 100 years in the commercial power industry.

Cummins' technology powers trucks, buses, trains, much of the marine and rail industries, construction equipment and more.

REPORTING HIGHLIGHTS

Publicly reporting on our progress on environmental goals for two decades.

Demonstrated leadership on diversity, equity and inclusion for more than 50 years.

Longtime advocate for stakeholder model of corporate governance.



"Our business and environmental strategies are aligned to capture the growth opportunity decarbonization presents for Cummins and its stakeholders."

JENNIFER RUMSEY,
Chair and CEO

WHO WE ARE

Cummins Inc., a global power technology leader, is a corporation of complementary business segments that design, manufacture, distribute and service a broad portfolio of power solutions.

Our products range from internal combustion, electric and hybrid power solutions to aftertreatment, turbochargers, fuel systems, and automated transmissions, as well as electric power generation systems, batteries, electrolyzers, fuel cells and more.

WORLD HEADQUARTERS

Columbus, Indiana



ESTABLISHED

1919

STOCK SYMBOL (New York Stock Exchange)

CMI

FORTUNE 500 RANKING (2023)

146

NUMBER OF EMPLOYEES

(as of Dec.31, 2022)

73,600

CUSTOMERS

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

SALES / EARNINGS

Cummins earned **\$2.2 billion** on sales of **\$28.1 billion*** in 2022.

**Includes acquisition of Meritor Inc. in August 2022.*

WEBSITE

cummins.com



KEY MILESTONES

STRATEGIC ACQUISITIONS

Three acquisitions accelerate Cummins' development of viable decarbonized powertrain technology.

NEW ENGINE STRATEGY

Cummins' fuel agnostic engine strategy includes a high-degree of parts commonality that can be optimized for lower-carbon fuels.

EXPANDING PRODUCTION

Accelera by Cummins expands production capacity, including its first U.S. electrolyzer facility, drawing a 2023 presidential visit.

TRANSITION COMPLETED

Completed transition from Tom Linebarger to Chair and CEO Jennifer Rumsey, Cummins' first female chief executive.

ENVIRONMENT HIGHLIGHTS

Continued investment and progress toward reaching Cummins' 2030 environmental goals.

Critical research and development investment in low- and no-carbon technologies.

Alignment between community engagement initiatives and 2030 environmental goals.



The second largest solar installation at the company went on-line in 2022 at Cummins' engine plant in North Carolina.

ACTING ON THE ENVIRONMENT

Cummins has been working to reduce its environmental impact for more than two decades, setting public-facing goals to drive progress.

The company's **PLANET 2050** environmental sustainability strategy includes nine goals timed to 2030 and the aspiration to reach carbon neutrality in our operations and products in-use by 2050.

PLANET 2050 works with **Destination Zero**, Cummins' strategy to reduce the greenhouse gas and air quality impacts of our products, and **Cummins Water Works**, the company's initiative to address the global water crisis.

The first two PLANET 2050 goals timed to 2030 are science-based goals aligned to the Paris Climate Agreement limiting global temperature rise.

PLANET 2050'S NINE 2030 GOALS

PLANET 2050, Cummins' environmental sustainability strategy, is built around nine goals timed to 2030.

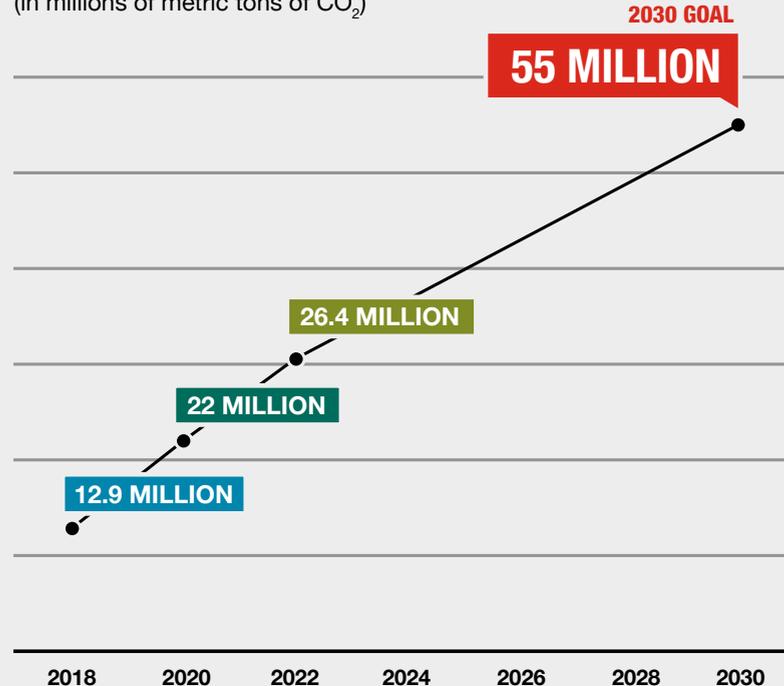
- | | |
|---------------------|---|
| SCIENCE-BASED GOALS | 1. Reduce absolute greenhouse gas (GHG) emissions from facilities and operations by 50%. |
| | 2. Reduce Scope 3 absolute lifetime GHG emissions from newly sold products by 25%. |
| | 3. Partner with customers to reduce Scope 3 GHG emissions from products in the field by 55 million metric tons. |
| CIRCULAR ECONOMY | 4. Reduce emissions of volatile organic compounds from paint and coating operations by 50%. |
| | 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, at employee events and as amenities. |
| | 8. Reduce absolute water consumption in facilities and operations by 30%. |
| | 9. Produce net water benefits that exceed Cummins' annual water use in all Cummins regions. |

PARTNERING TO CUT GHGs

PLANET 2050 sets a goal of partnering with customers to reduce GHGs from products in the field by 55 million metric tons. The company surpassed its 2020 goal for this same metric in 2018.

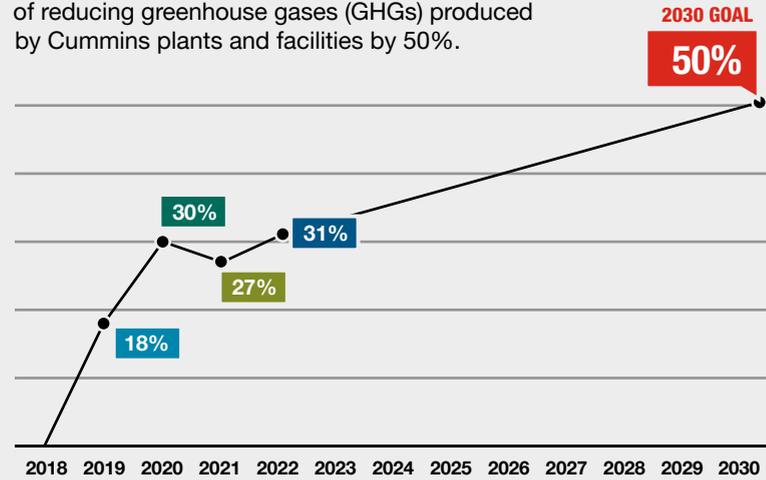
CUMULATIVE EMISSION REDUCTION

(in millions of metric tons of CO₂)



PLANTS AND FACILITIES REDUCE GHGs

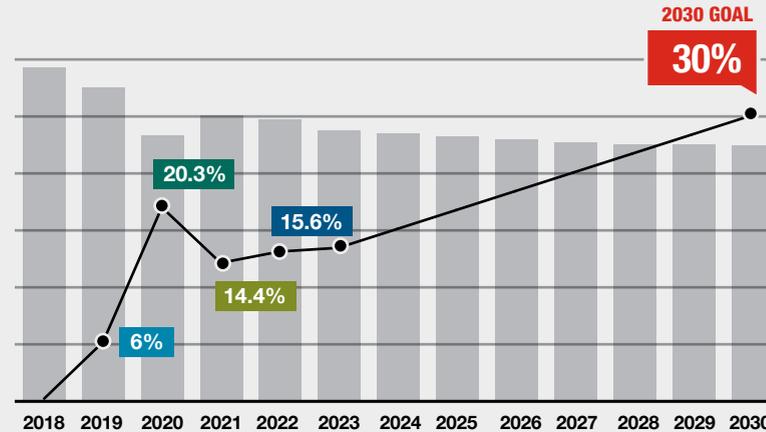
The company is making progress on its 2030 goal of reducing greenhouse gases (GHGs) produced by Cummins plants and facilities by 50%.



NOTE: Goal calculation uses market-based Scope 2 emissions.

WATER USE GOAL

PLANET 2050's water-use goal is an absolute reduction of 30% by 2030, based on scientific evidence suggesting a deficit in global water resources by 2040.



ENVIRONMENT PROGRESS

5.5%

Percentage reduction in generated waste at Cummins since 2018.

120,000

Metric tons of CO₂e reduced in 2022 through Cummins' support for an Indiana windfarm.

500,000+

People positively impacted by Cummins Water Works efforts on the global water crisis.

Cummins is using landscaping that requires little or no water at facilities like the Distribution Business segment headquarters in Indianapolis, Indiana.

BUILDING STRONGER COMMUNITIES

Cummins' corporate responsibility work aims to both build more prosperous communities and inspire company employees.

To accomplish this, the company focuses on employee-led volunteerism in communities, and four strategic community programs the company sponsors.

Cummins centers its engagement efforts on three focus areas where it believes the company can have the greatest impact: education, the environment and equality of opportunity.

COMMUNITY HIGHLIGHTS

Employee volunteering nears pre-pandemic levels.

Strategic community programs expand reach.

People served by company grants up for a second consecutive year after falling during the pandemic.



Cummins' engine plant in Columbus, Indiana, sponsors an annual day open to the public to gather hard to recycle items.

EDUCATION

Advocating for equitable educational systems and high-quality learning environments

High-quality education leads to strong social and economic outcomes for students, a skilled workforce for employers and vibrant, prosperous Cummins communities.

ENVIRONMENT

Creating a net-positive impact and near-zero footprint

By using our employees' skills and knowledge, we can partner with our communities to address their biggest environmental challenges and make a net-positive impact greater than our environmental footprint.

EQUALITY OF OPPORTUNITY

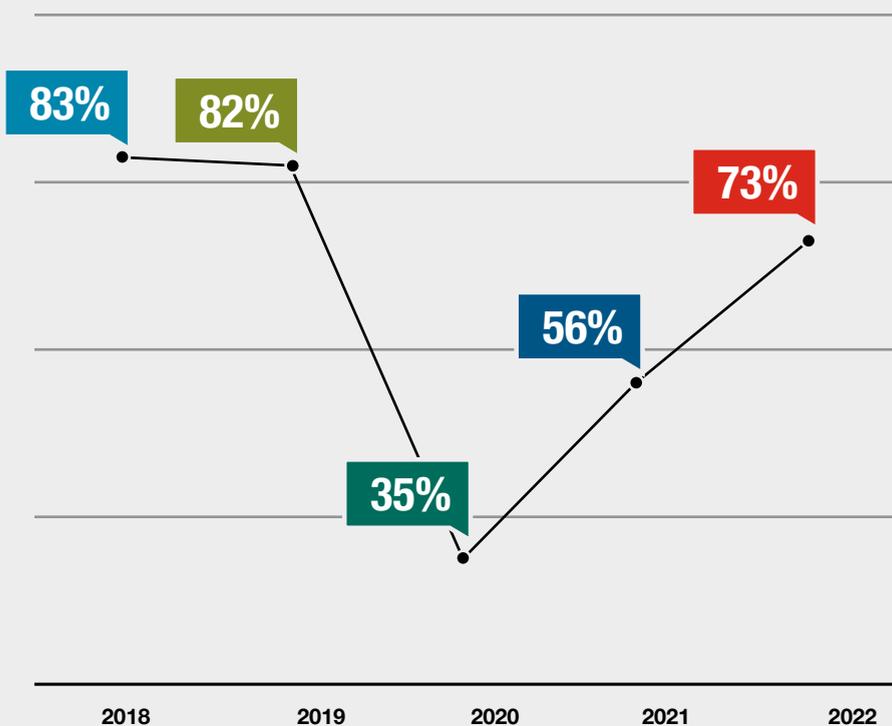
Increasing opportunity and equity

Cummins has a deep-rooted commitment to removing barriers for those denied access to opportunity, including racial and ethnic minorities, women, people with disabilities, immigrants and the LGBTQ+ community.

EMPLOYEE VOLUNTEERISM CONTINUES TO INCREASE

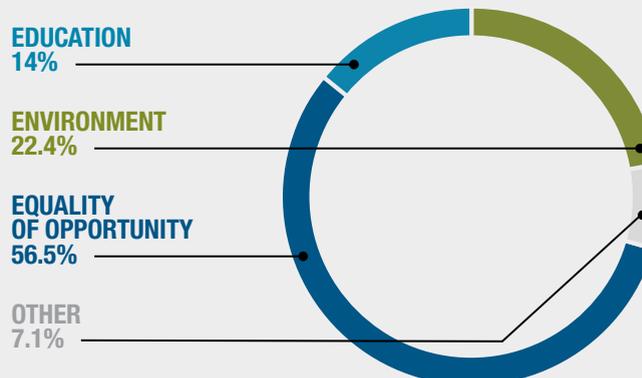
Employee participation in Cummins' Every Employee Every Community (EEEEC) program continued rising to near pre-pandemic levels.

**Participation rate doesn't include employees joining Cummins through 2022 acquisitions.*



GRANT MAKING

Global community giving in 2022 totaled \$33.9 million. A look at 2022 grantmaking by priority area:



IMPACT

People served directly or primarily by Cummins grants:

PEOPLE SERVED (BY YEAR)



COMMUNITY GRANTS (BY YEAR)



COMMUNITY PROGRESS

\$33.9 MILLION

Cummins' community giving in 2022.

56.5%

Percentage of community grants going toward Equality of Opportunity initiatives.

3.2 MILLION

People served primarily or directly by Cummins grants in 2022.

Cummins employees have a long history of engaging in their communities.



DE&I HIGHLIGHTS

Gender diversity continues steady growth.

U.S. race and ethnicity also makes gains.

Women near 50% on Cummins' top leadership team.



PUTTING OUR VALUES TO WORK

Cummins embraces diverse perspectives and skills from every employee. The company is committed to maintaining inclusive and accessible work environments where everyone feels a sense of belonging.

Diversity, equity and inclusion (DE&I) is one of Cummins' core values and business imperatives, critical to creating long-term value for all of the company's stakeholders.

Cummins' commitment to forward-thinking DE&I practices has contributed to innovation, profitability, community impact, and gender and racial diversity within the company.

*Participants in the 2023 Cummins
Black & Latino Leadership Summit
break for a little fun.*

GOAL DRIVEN ON OUR DE&I JOURNEY

Our goal regarding representation is to reflect the markets we serve. Specifically, Cummins' worldwide gender aspirational goal is 50%, and in the U.S., 12% and 18% for Black and Latino representation, respectively.

While we have more to do, we are making progress on our journey. Here are some highlights from 2022-2023:

- Cummins named its first female Chair and CEO.
- Almost 47% of the Cummins Leadership Team, the CEO's top leadership committee, consisted of women.
- Three of the company's five business segments were led by women.
- Just over 40% of the company's Vice Presidents were women at the conclusion of 2022.
- A quarter of the U.S.-based Vice Presidents and officers were Black or Latino as 2022 ended.

GENDER*

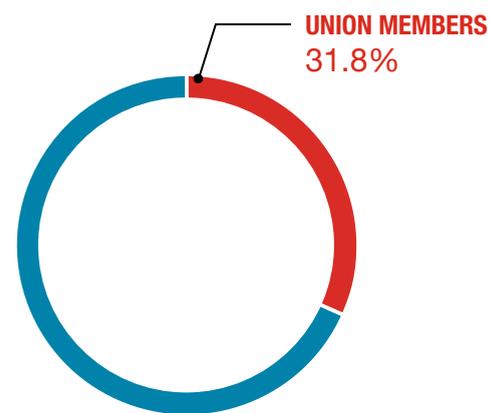
Cummins is steadily increasing the number of women within its ranks globally, especially among the company's senior leadership.

WOMEN IN CUMMINS WORKFORCE	2021	2022
OVERALL	27.8%	28.3%
Hourly	26.9%	27.4%
Salaried / exempt	29.1%	29.3%
Directors and Executive Directors	25.7%	27.2%
Vice President and above (officers)	40%	40.7%

NOTE: Based on workforce as of Dec. 31 in both years.

REPRESENTATION

About a third of Cummins employees were represented by a union as of Dec. 31, 2022.



COUNTRY OF BIRTH*

About two-thirds of Cummins' employees in 2022 were born outside the United States.

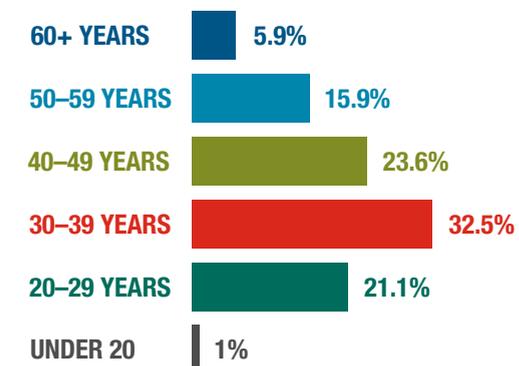
AUSTRALIA	2%	MEXICO	11%
BRAZIL	2.8%	REST OF WORLD	15.8%
CHINA	9.4%	UNITED KINGDOM	7%
INDIA	19.3%	UNITED STATES	32.7%



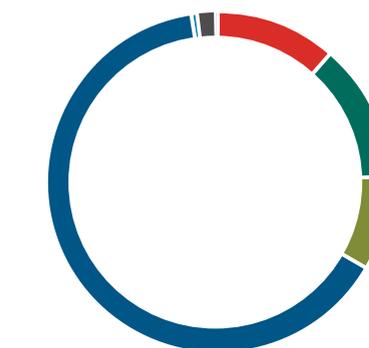
* Does not include employees joining Cummins through the 2022 acquisition of Meritor Inc.

AGE*

More than half of Cummins' workforce was under 40 as of Dec. 31, 2022.



CUMMINS U.S. WORKFORCE*



ASIAN	11.4%
BLACK	13.2%
LATINO	8.9%
WHITE	64%
OTHER	0.6%
2 OR MORE RACES	1.7%
DECLINED TO ANSWER	0.2%

INNOVATION FOR A CLEANER WORLD

Cummins is building on more than 100 years of innovation to support the company's PLANET 2050 and Destination Zero strategies to reduce carbon and other emissions from its products in-use.

The company believes it is critical to begin reducing carbon now, rather than wait for a perfect solution, if the world is to reach its climate goals. Cummins offers advanced internal combustion engine technology for harder-to-decarbonize applications while investing in and advancing low- and no-carbon-emitting solutions for those applications that are ready.

The past year included a flurry of acquisitions and upgrades as Cummins expanded and enhanced its product offerings to reach the company's 2030 carbon reduction goals. Cummins is counting on the spirit of innovation, which has been a part of the company since its earliest days, to play a critical role.

INNOVATION HIGHLIGHTS

Cummins introduces fuel-agnostic engines to help customers cut carbon.

Accelera by Cummins expands production of electrolyzers to advance hydrogen technology.

2022 acquisitions to accelerate economically viable decarbonized powertrain solutions.

Retail giant Walmart partnered with Cummins and Chevron in 2023 to incorporate Cummins' new X15N natural gas engine into its fleet to reduce emissions. (Photo courtesy of Chevron)

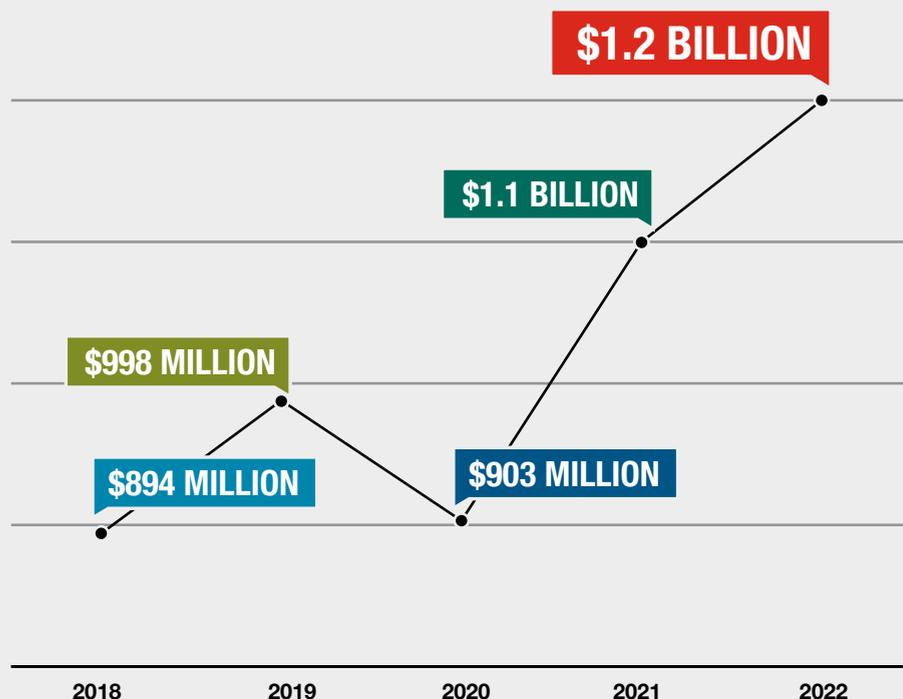


LEADING ON RESEARCH AND DEVELOPMENT

Cummins in 2022 devotes a record amount to research and development. The \$1.2 billion spent that year is up more than 30% over 2018.

INVESTMENT IN RESEARCH AND DEVELOPMENT

(in millions)



2022-2023 INNOVATION HIGHLIGHTS

ACQUISITIONS:

The acquisition of Meritor Inc. and two other companies in 2022 accelerates Cummins' development of decarbonized powertrain solutions. Meritor makes eAxles, a critical integration point for electrified drivetrains.

FUEL AGNOSTIC ENGINES:

Cummins introduces fuel-agnostic engines, reducing carbon emissions by enabling vehicles to run on a particular low- and no-carbon fuel using familiar internal combustion engine technology.

HYDROGEN FUEL CELLS:

Cummins' unveils its fourth-generation hydrogen fuel-cells, demonstrating the viability of hydrogen as a solution to reduce customer's carbon profile.

ELECTROLYZERS:

Cummins advances hydrogen as a low- and no-carbon fuel with its first U.S. electrolyzer manufacturing plant, joining production facilities for the technology in Belgium and Canada, with plants going up in China and Spain.

INNOVATION PROGRESS

623

Record number of Cummins' global patents in 2022.

\$1 BILLION+

Planned investment across Cummins' U.S. manufacturing network for upgrades to support industry first fuel agnostic engine platforms.

6+

Partnerships, collaborations and joint ventures in 2022 exploring the potential for Cummins' low- and no-carbon products in-use.

Cummins in March 2023 rebrands its New Power business segment *Accelera* by Cummins to better capture the segment's focus on battery-electric, fuel cells and electrolyzers.

GOVERNANCE HIGHLIGHTS

Cummins names first female CEO in 2022 and Board Chair in 2023. Three of five company business segments led by women.

Company board develops ESG dashboard in 2022 to help oversee Cummins' key ESG initiatives.

Cybersecurity expands employee training in 2022 and 2023 to help guard against threats.

ETHICS CRITICAL TO CUMMINS' SUCCESS

Ethical behavior on the part of every board member, employee, contractor, supplier and other business stakeholders is foundational to Cummins' sustainability.

The company's Code of Business Conduct revolves around 10 ethical principles starting with "We will follow the law, everywhere." The code links those principles to almost every aspect of working at Cummins, from treating fellow employees with dignity and respect, to striving for environmental excellence and protecting Cummins' data and information.

The company offers a host of ethics and compliance training, and leaders communicate frequently on the importance for employees to report potential violations to uphold the code.

Cummins' Corporate Office
Building in Columbus, Indiana.

BOARD OF DIRECTORS

The Cummins Board of Directors provides critical oversight of company operations including human capital management and ESG.

90.9%

Percentage of independent directors on the 11-member Cummins' Board of Directors as of Aug. 31, 2023.

45.4%

Percentage of women on the Cummins Board of Directors as of Aug. 31, 2023.

7 New directors added to the board since 2015 as of Aug. 31, 2023.

GOVERNANCE PROGRAMS – KEY FEATURES

86,903

Ethics and Compliance training completions in 2022.

30+

Core policies summarized for employees' easy comprehension by the company's Ethics and Compliance function.

1,714

Global Code of Business Conduct cases investigated in 2022 by Cummins' Master Investigators around the world.

25+

Enterprise risks, ranging from talent and supply chain management to climate change, followed by Cummins' Enterprise Risk Council, made up of key leaders at the company.

70,000+

Email accounts covered by Cummins' global cybersecurity upgrades, resulting in significant improvements in malicious emails stopped at the company's digital perimeter.

0

Corporate funds going in 2022 to candidates, political parties or independent expenditures, including advertisements supporting or opposing individual candidates.

27%

Percentage of Black and Latino members on the Cummins Board of Directors as of Aug. 31, 2023.

20

Separate policies governing aspects of Cummins' global cybersecurity initiatives.

CUMMINS' 10 ETHICAL PRINCIPLES

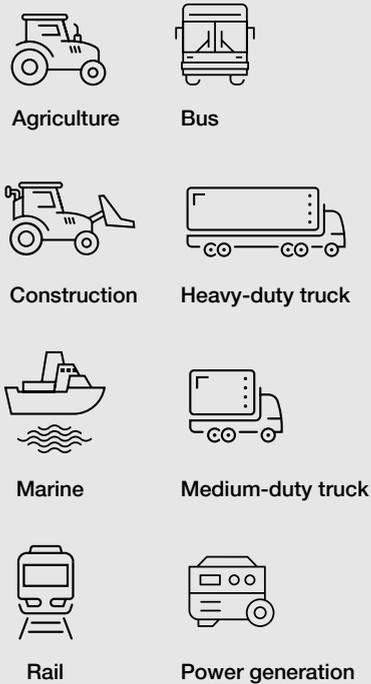
Cummins ethics and governance initiatives are built around the 10 Statements of Ethical Principles in the **Code of Business Conduct**:

- 01** *We will follow the law everywhere.*
- 02** *We will embrace diverse perspectives and backgrounds and treat all people with dignity and respect.*
- 03** *We will compete fairly and honestly.*
- 04** *We will avoid conflicts of interest.*
- 05** *We will demand that everything we do leads to a cleaner, healthier, and safer environment.*
- 06** *We will protect our technology, our information and our intellectual property.*
- 07** *We will demand that our financial records are accurate and that our reporting processes are clear and understandable.*
- 08** *We will strive to improve our communities.*
- 09** *We will communicate honestly and with integrity.*
- 10** *We will create a culture where employees take responsibility for ethical behavior.*

ABOUT CUMMINS

POSITIONED FOR PROGRESS

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



GLOBALLY ENGAGED

Cummins has manufacturing locations in 10 states and six of the seven continents. The company has been doing business internationally for more than 60 years and our plants outside the U.S. primarily serve international markets.

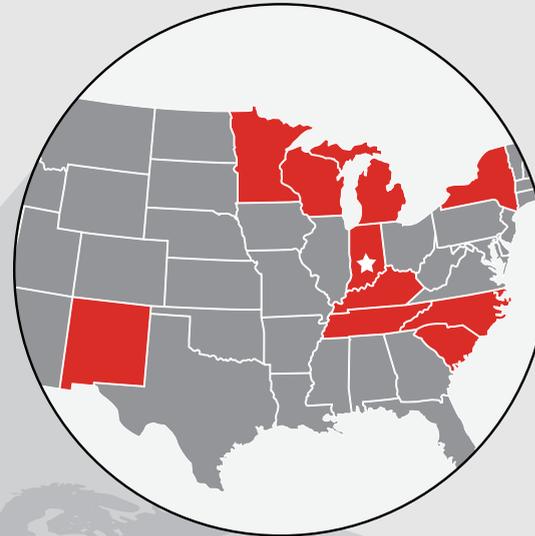
PRINCIPAL MANUFACTURING SITES

STATES

Indiana
Kentucky
Michigan
Minnesota
New York
New Mexico
North Carolina
South Carolina
Tennessee
Wisconsin

COUNTRIES

Australia
Belgium
Brazil
China
France
Germany
India
Mexico
Nigeria
Romania
South Korea
United States
United Kingdom



TO LEARN MORE

Cummins' *Sustainability Document Archive* includes sustainability reports back to 2003, reports to different ESG frameworks and key policies, statements, and letters.

AWARDS AND RECOGNITION

Cummins has received numerous awards and recognition for its leadership on sustainability. Here are a few examples:

Member of
Dow Jones Sustainability Indices

Powered by the S&P Global CSA



- Named to the **2022 S&P DOW JONES WORLD AND NORTH AMERICAN SUSTAINABILITY INDICES**. It was the company's second consecutive year on the world index and the 15th consecutive year on the North American index.
- Ranked No. 4 in Forbes magazine's list of **THE BEST EMPLOYERS FOR WOMEN 2023**, based on a survey of employees working for companies employing at least 1,000 people in the U.S.
- Received a **2023 NATIONAL ASSOCIATION OF CORPORATE DIRECTORS (NACD)** award recognizing exemplary board practices related to diversity, equity and inclusion. Cummins was honored for companies with market capitalizations of more than \$10 billion.
- Named a **2023 WORLD'S MOST ETHICAL COMPANY** for a 16th consecutive year by Ethisphere, which honors businesses demonstrating integrity through ethics, compliance and governance.

2022–2023 SUSTAINABILITY OVERVIEW



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