Laura L. Jones, CEM
Director ECO Efficiency
Cummins Inc.

Laura received her BS in Mechanical Engineering from Purdue University. Her career has primarily focused on facilities and energy management. In 2015 she became a Certified Energy Manager, when her passion for energy efficiency led her into the world of sustainability. Laura has been with Cummins for 19 years in a variety of roles from site level facility engineer to business segment and regional facilities. Prior to her current role Laura was part of the Global Facilities Functional Excellence team, her primary responsibility was leading the regional and site teams in the implementation of energy projects that supported the company's 2020 energy reduction goal, as well as the management of the building standards and design review process. Laura joined the Environmental Center of Excellence team in 2021 in a role dedicated to supporting the PLANET 2050 Strategy and worked to develop roadmaps for projects focused on meeting the 2030 sustainability goals for facilities and operations. Currently as the Director of ECO Efficiency she leads a team driving the efforts to reduce the environmental impacts of energy, water and waste at Cummins operations worldwide. She also manages the Environmental Strategic Capital budget which funds ECO projects critical to meeting the goals. Laura lives in Columbus Indiana with her husband Scott and their two daughters, Emily who is starting a career as an Actuary and Addison, who is attending Purdue. Laura enjoys spending time with her family and their two dogs doing a variety of outdoor activities including camping, boating, and hiking.

BS Mechanical Engineering Purdue University
Certified Energy Manager Association of Energy Engineers
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Cummins Eco-Efficiency Journey: Sustainability Goals, Strategy and Tactics

Laura L. Jones, CEM
Director ECO Efficiency
Cummins Inc.

December 14, 2023

Cummins ECO Efficiency Journey

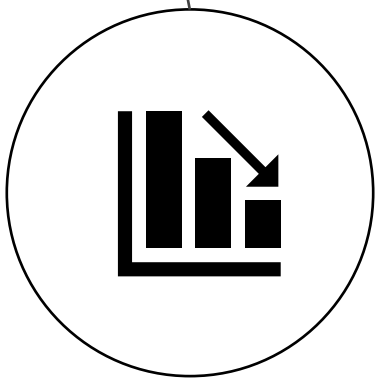
Set a goal

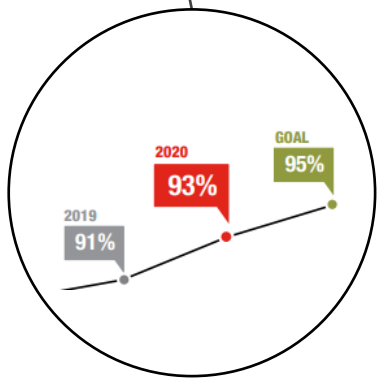
Quick wins

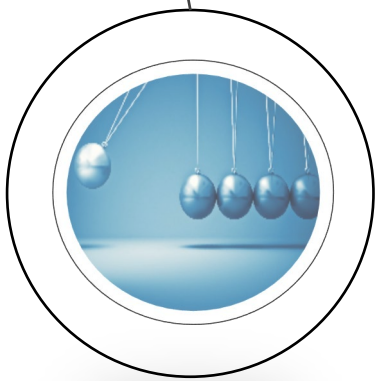
Report results

Engage & organize

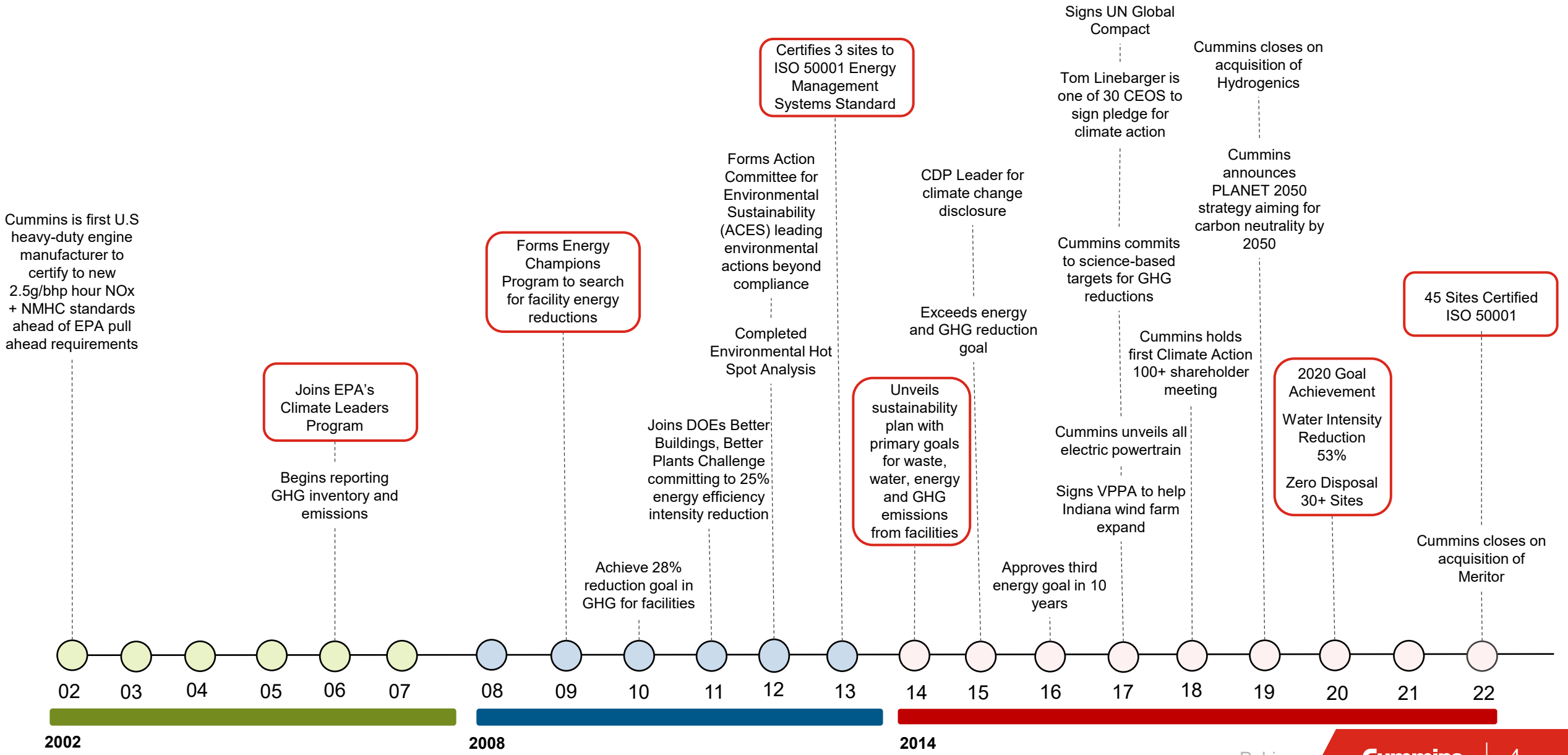
Leverage momentum







Path to Setting Goals and PLANET 2050



OUR ENVIRONMENTAL
SUSTAINABILITY STRATEGY

Making people's lives better by powering a more prosperous world requires a healthier planet.

PLANET 2050

Leveraging our unique skills, experiences, and stakeholder relationships, we are committed to addressing climate change and air emissions, using natural resources in the most sustainable way, and ensuring our communities are better because of our presence in them. We have quantifiable goals for 2030 and visionary longer-term aspirations for 2050.

DESTINATION ZERO

Our strategy to go further, faster to reduce the greenhouse gas and air quality impacts of our products in a way that is best for our customers and all stakeholders.

CUMMINS WATER WORKS

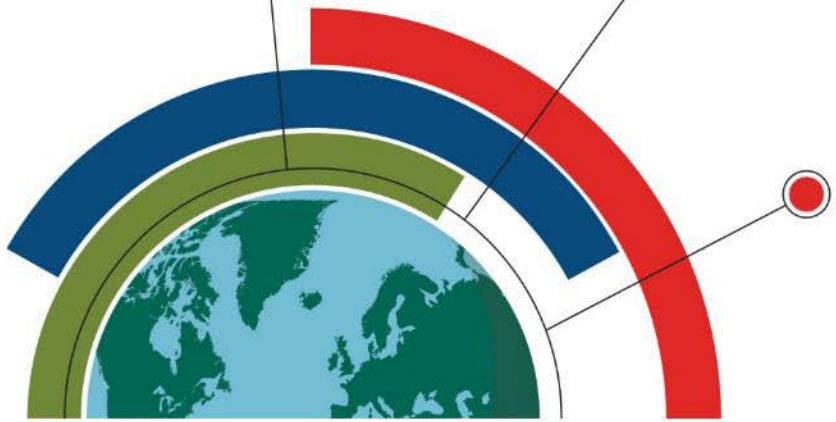
Our initiative to address the global water crisis by strengthening communities through access to sustainable water.

CUMMINS' 2050 ASPIRATIONAL TARGETS

COMMUNITIES ARE BETTER BECAUSE WE ARE THERE

2050 TARGETS:

- ☐ Net positive impact in every community where Cummins operates.
- ☐ Near zero local site environmental footprint.



DOING OUR PART TO ADDRESS CLIMATE CHANGE AND AIR EMISSIONS

2050 TARGETS:

- ☐ Customer success is 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:

- ☐ Design out waste in products and processes
- ☐ Use materials again for next life
- ☐ Reuse water and return clean to the community

NOTE: Company facilities include all consolidated operations and joint ventures that are part of the Cummins Enterprise Environmental Management System. The company's strategy also includes addressing environmental needs in communities where Cummins employees live and work and where the company does business. Those goals are under development.

NINE 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%.

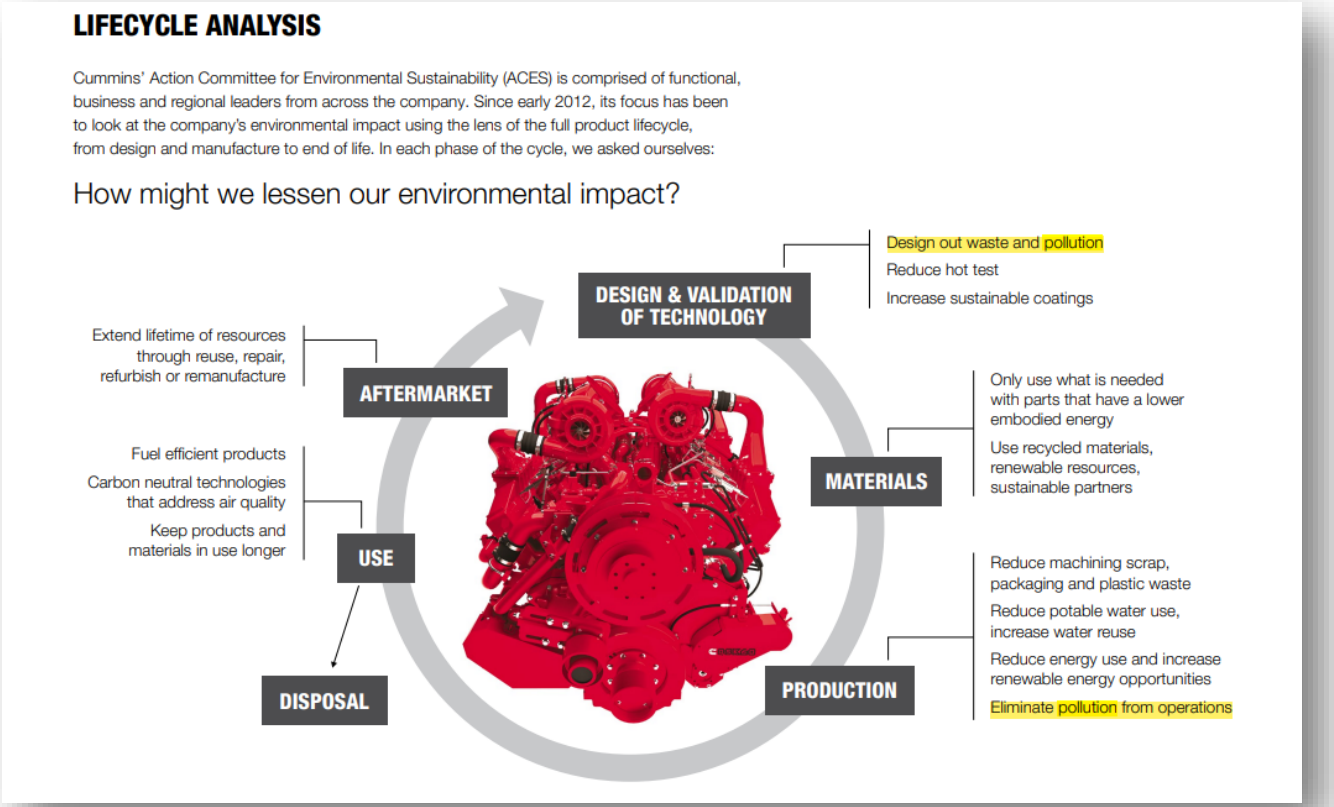
CIRCULAR ECONOMY

5. Create a circular life-cycle 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.

P2: A Principle behind PLANET 2050

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

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

Our Goals cover <u>three</u> major priorities:

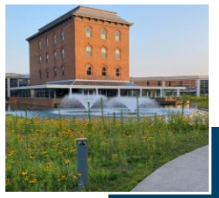
1. Addressing climate change and air emissions
2. Using natural resources sustainably
3. Partnering so that our communities are better because we are there

PLANET 2050
The Details

PLANET 2050 Critical Xs

GHG/ Energy

- Energy Efficiency
- Compressed Air Reduction
- Production EOL and Engineering Testing
- Manufacturing Technology
- Environmental Monitoring
- Renewables
- Fleet EVs



Water

- Wastewater Reuse
- Water Use Monitoring and Efficiency
- Fire Test Water Reuse
- Irrigation Reduction

Waste

- Returnable Packaging
- Manufacturing & Service Process Waste
- Circular Lifecycle Plan for Every Part
- Single Use Plastics elimination

Pollution Prevention

- Engineering Controls
- Secondary Containment
- Infrastructure Upgrades
- Underground to Aboveground
- Stormwater Engineering Controls
- Decommission Tanks

Paint & Coating VOC: Legacy and New Products

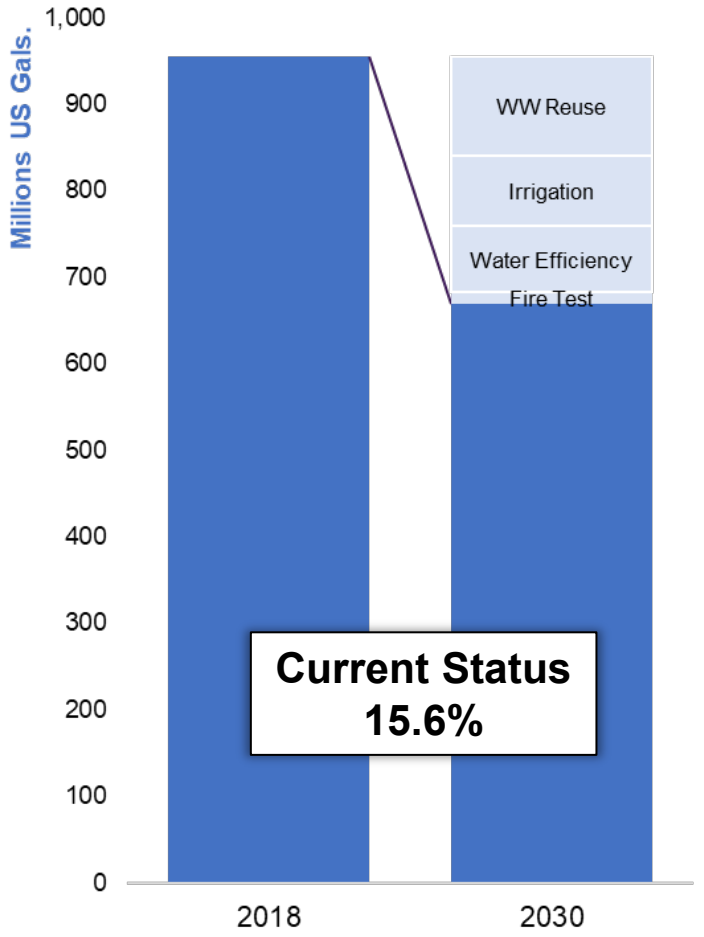
Facilities and Operations Water Reduction

30%

Reduction in absolute water consumption in facilities and operations

Water Critical X's

- Irrigation
- Fire System Test Water reuse
- Wastewater treatment and reuse
- General Efficiency



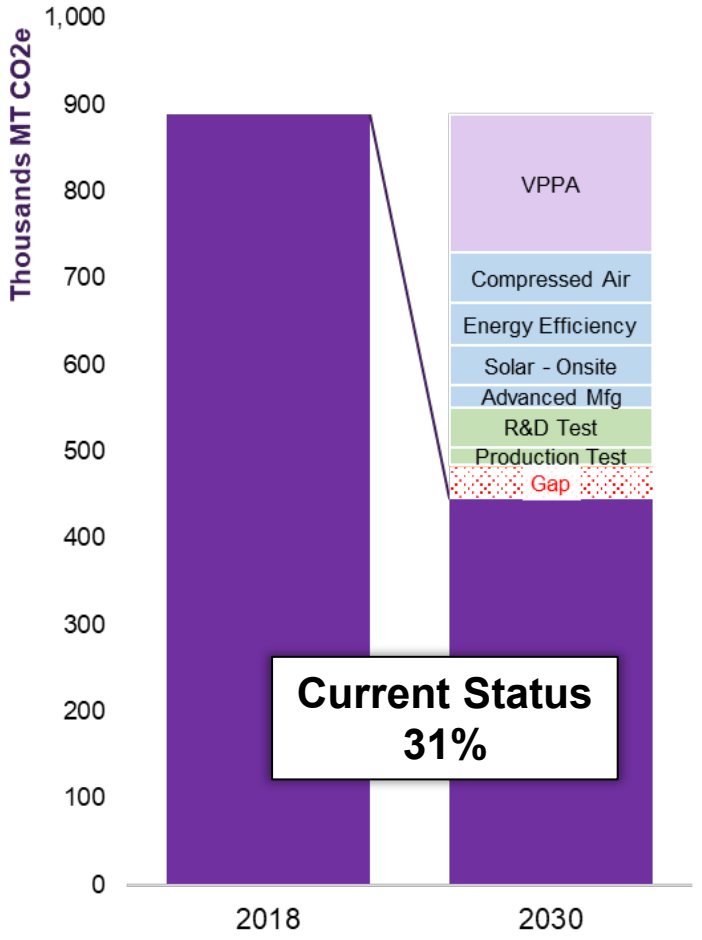
Facilities and Operations GHG Reduction

50%

Reduction in absolute GHG emissions from facilities and operations

GHG Critical X's

- Energy Efficiency
- Compressed Air
- Production EOL and Engineering Testing
- Advanced Manufacturing Technology
- Renewables (onsite, offsite)
- Environmental Monitoring
- Fleet EV



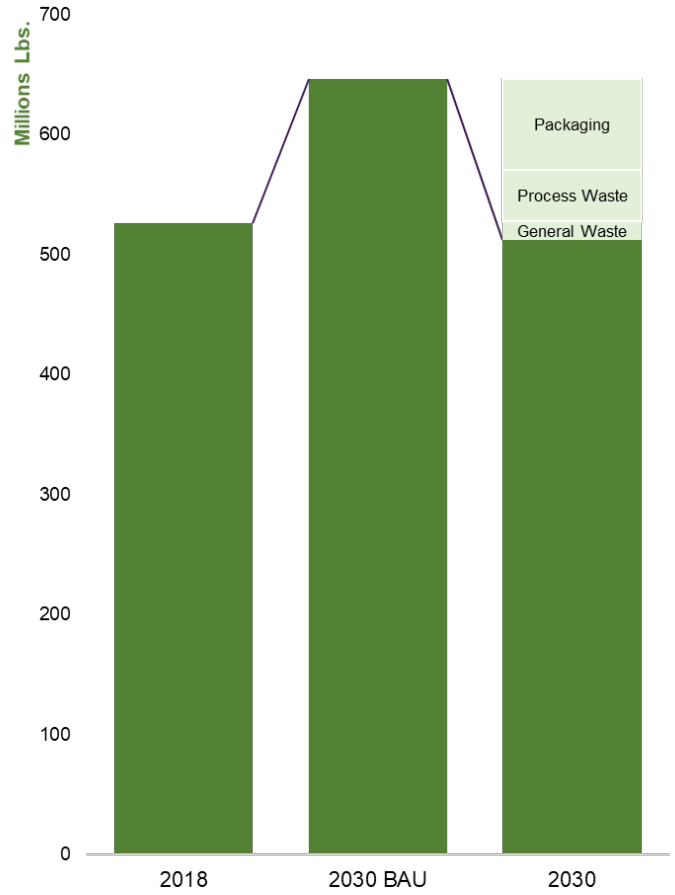
Facilities and Operations Waste Reduction

25%

Generate less waste in facilities and operations as part of revenue

Waste Critical X's

- Packaging
- Process Derived
- General Refuse
- Single-use Plastics



VOC Reduction Performance

50%

Reduction of volatile organic compounds emissions from paint and coating operations

- **2022 Status with acquisitions: -34%**
- Cummins has a mix of sites using solvent- and water-based paints and resins.
- Some sites have transitioned to water-based materials and/or installed air emission abatement systems to comply with stringent local regulations.
- Goal can only be achieved if major sites move to water-based paint.
- Work to resume to define feasibility plans with these sites to switch to low VOC paint.

Facilities and Operations Pollution Prevention (P2)

0

Near Zero Pollution

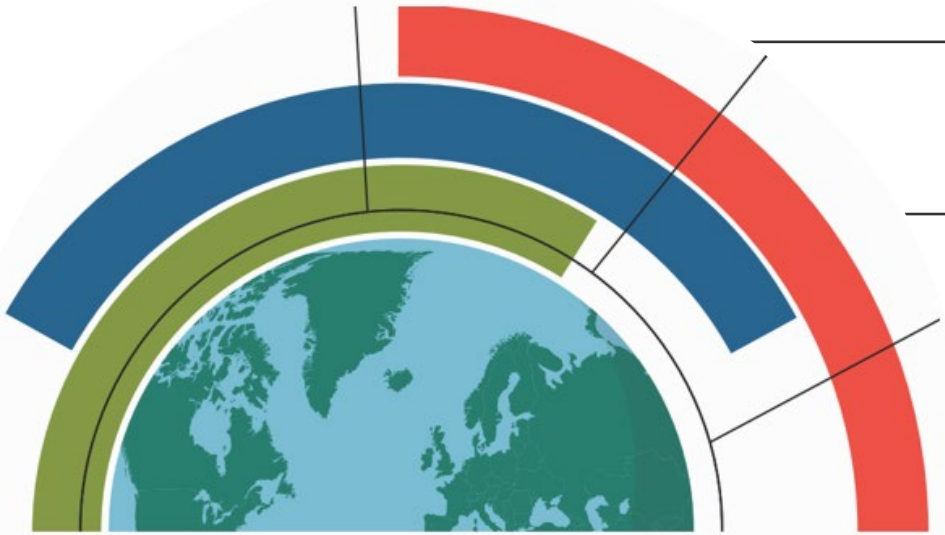
P2 Critical X's

- Bulk Fluids Management
  - Engineering Controls
  - Secondary Containment
  - Infrastructure / Asset Upgrades
  - Underground to Aboveground
  - Stormwater Engineering Controls
  - Decommission Tanks

Near Zero Pollution

The Path to Achieving PLANET 2050

The Path …



… to achieving
PLANET 2050

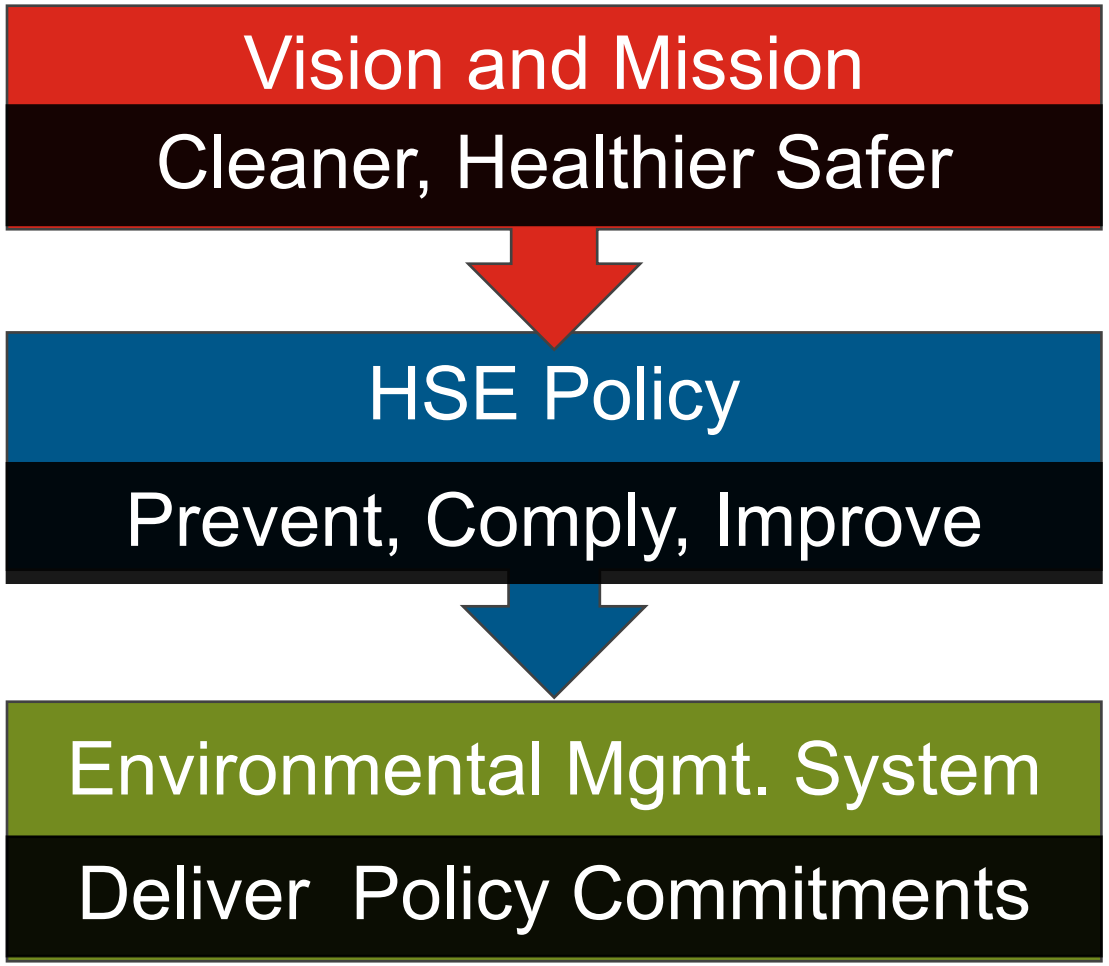
- Leverage HSEMS
- People & Programs / Cross Functional Collaboration
- Training / Awareness
- Tools / Processes
- CX Solutions Deep Dive Assessments (ECO/P2)
- Solutions Roadmap

Health, Safety and Environmental Management System:
Delivers on HSE Policy Commitments

HSE Policy Commitments

Cummins' leadership will facilitate this mission by providing the necessary resources and information to meet aggressive improvement targets in the areas of:

- illness and injury prevention;
- health and wellbeing promotion;
- pollution prevention;
- comply with legal requirements;
- commit to natural resources conservation.

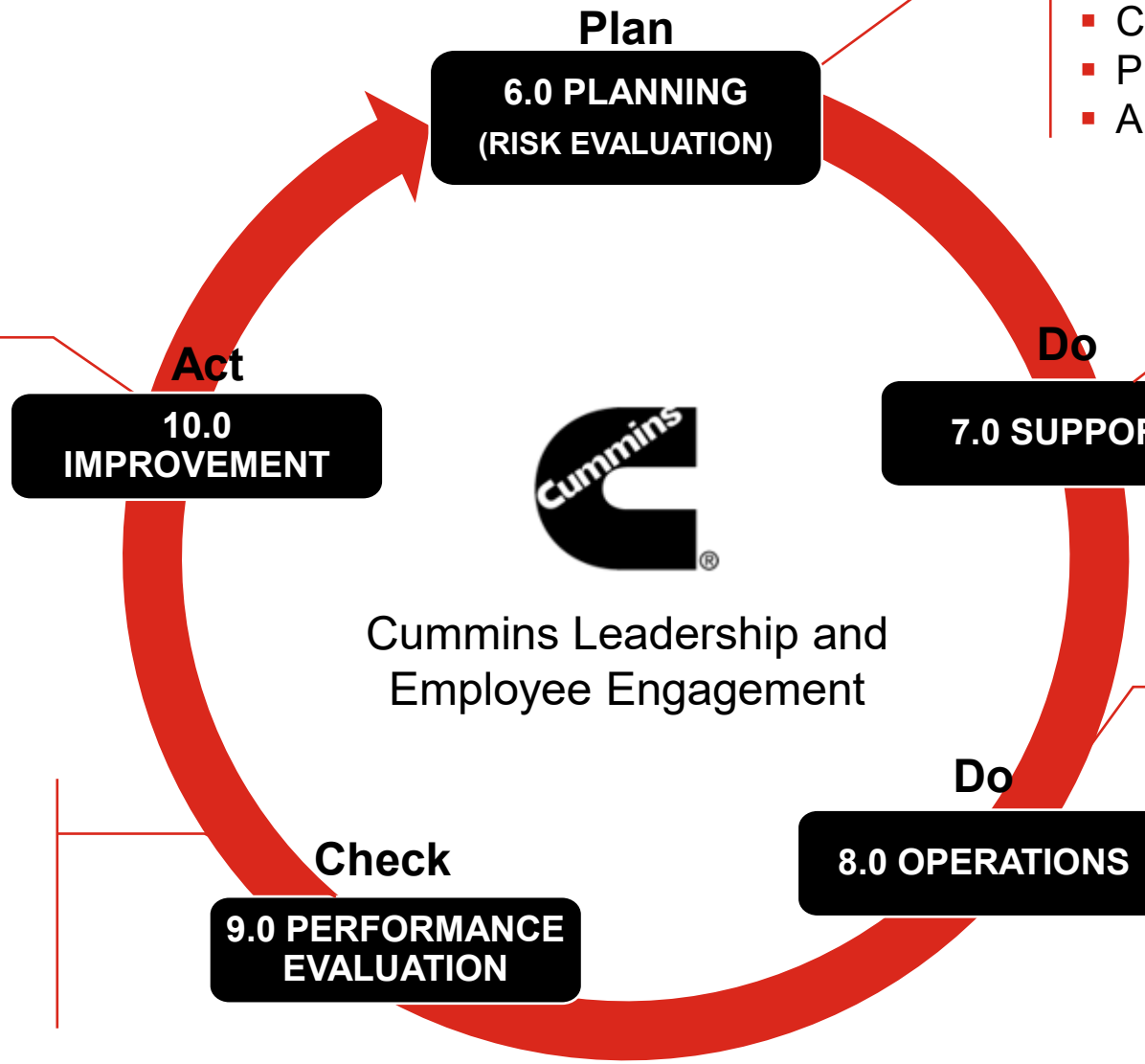


326 Sites
ISO 14001
Certification in 2004

323 Sites
ISO 45001
Certification in 2008 *(OHSAS 18001)*

40 / 9 Sites
ISO 50001
Superior Energy Performance
Certification in 2013

HSEEnMS: Framework to Manage Risk & HSE Work!



- Risk Assessment / ECO Tools
- Compliance Obligations
- PLANET 2050 Strategy
- Annual Objectives & Targets

- Cross Functional Resources
- Training & Consultancy
- Internal & External Communication

- Implementation of Controls
- Management of Change
- Procurement
- Emergency Response

- Goal Achievement
- HSE Metrics
- Incident Reporting
- Internal & External Audits
- Management Review

- Corrective Actions
- Continuous Improvement (e.g. Global Action Plan, Hopper, Best Practices)
- New Goals

Roles & Responsibilities / Collaboration

Site CFT

- CFT = Cross Functional Team
- Develops project list and support project leaders
- HSE + SME provide guidance

Site Project Leader

- Leads all aspects of a project
- Reports to Site Leadership and ROT on projet status

ROT P2 Leaders

- HSE + SME
- Support sites
- Track project status
- Attend monthly ECOE / ROT Forum

ECOE

- Collaboarte with ROTs and Key Stakeholders
- Supports with strategic funding

Key Stakeholders

- Various stakeholders (GIS, Finance, consulting parteners, etc.) Support Strategic Projects

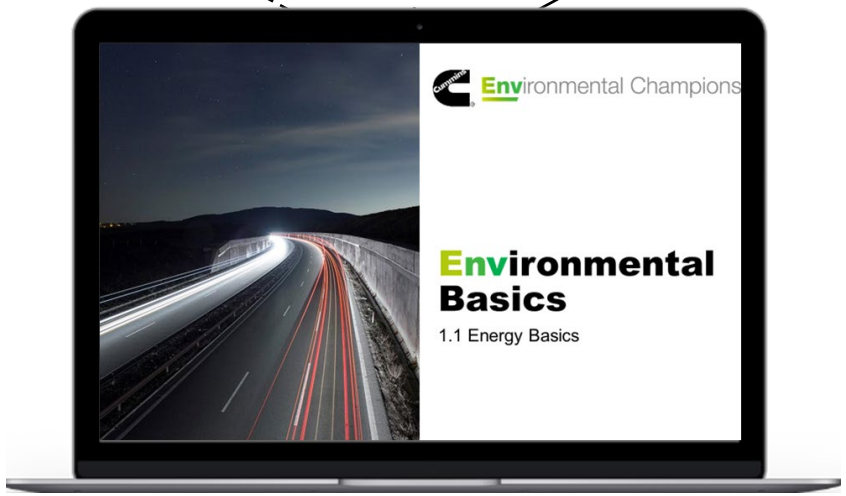
Leadership

- Understand business impact
- Highlight importance of work
- Remove roadblaocks

People and Programs / Training & Awareness

Environmental Champions

266 Trained Employees



June Environment Month

PLANET2050

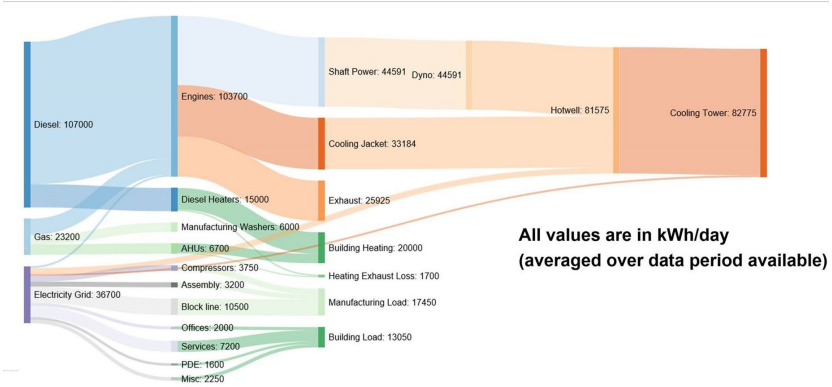
Influencer Program

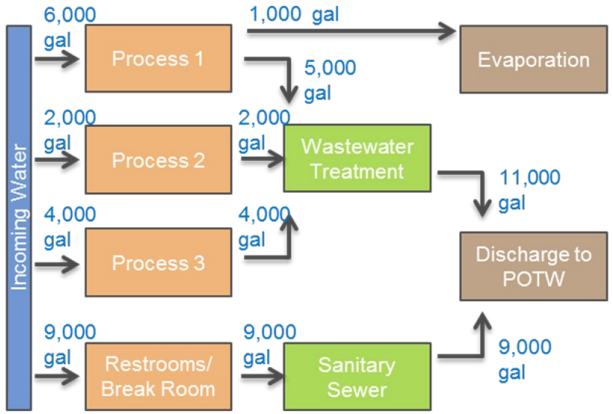
Globally Envolved

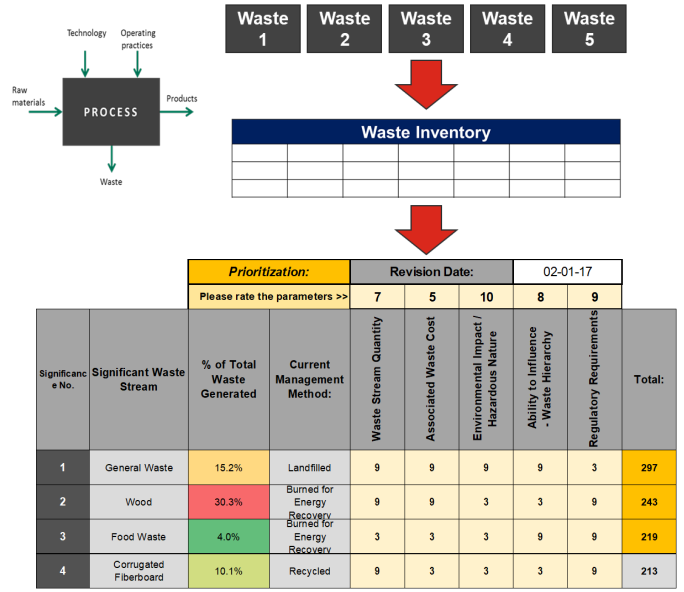
Cummins Environmental News

Innovation Gateway

Tools and Processes







Energy Review Tool | **Water Conservation & Performance Tool** | **Waste Review Tool**

Holistic View of our facility and operations environmental footprint

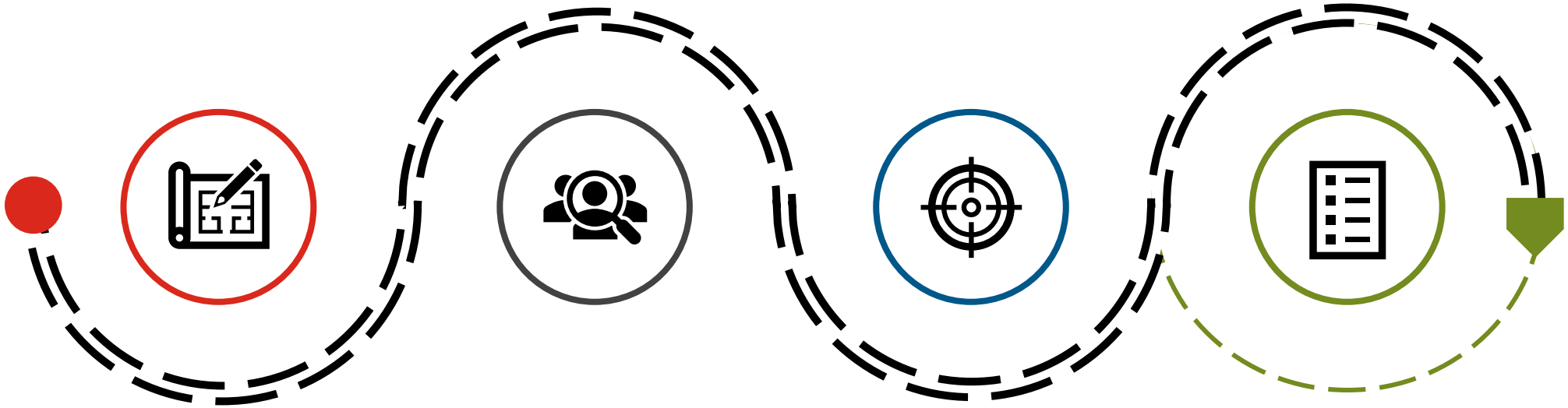
Site Environmental Balance
Sources vs Consumption. Determine Significant Users to drive corporate campaign approach

Project Identification
Prioritize Low – No cost and capital projects across medias

Engage with Workforce
Trainings, communications etc. for significant users

Identify trends and anomalies
Understand deviation causes and discover opportunity areas

Solution Roadmap Process



PLANNING (ECOE/ROT/BU)	DEEP-DIVE (ECOE+ROT)	ROADMAPPING	DELIVERY PLAN
• Priority site identification • Site data review/3-year plan mapping • Solution focus per site • Stakeholder matrixes	• On-site workshop • Solution review • Site risk log • Business growth / changes	Critical X's scope projects • Cost • Savings • Resource • Timeline • Risk Mitigation	• Planned projects implemented • Follow PLANET 2050 project execution process
Q1	**Q2 / Q3**	**Q3 / Q4**	**Annual Process**

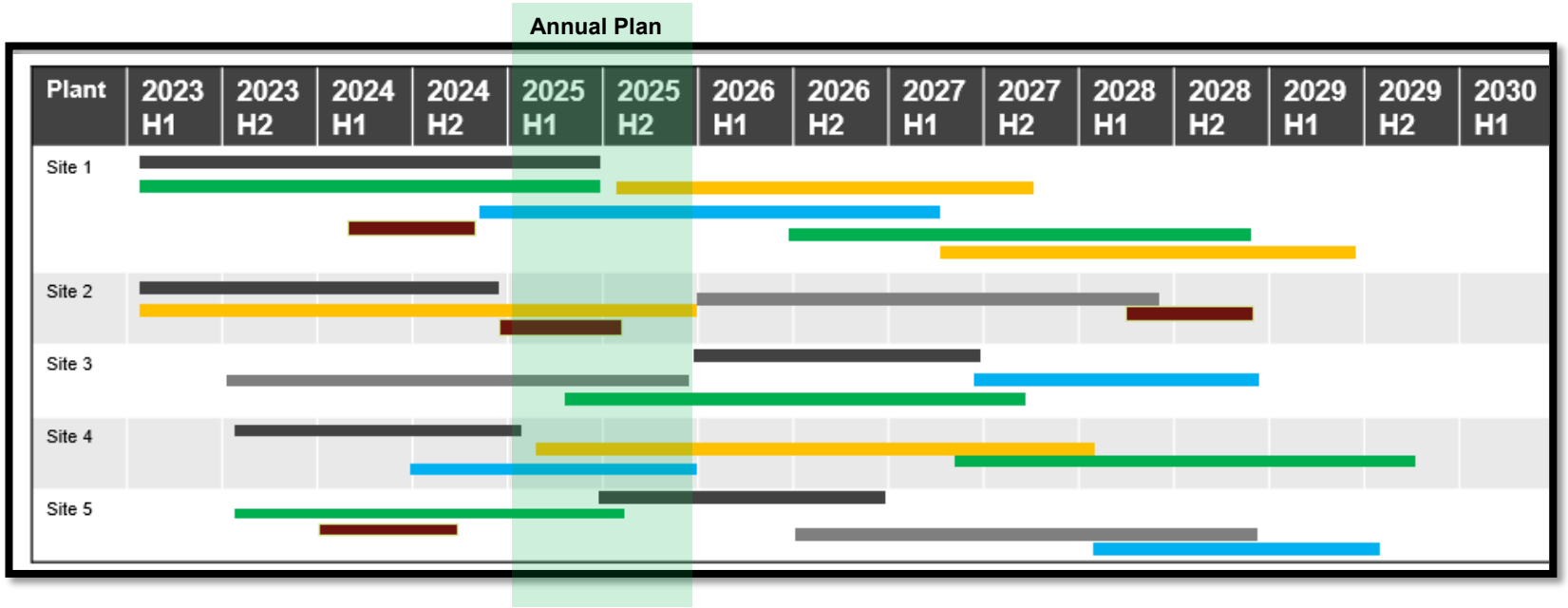
Critical X Solutions Roadmap Example

What's Included

- Defined Projects:
  - Solution applicability
  - Site specific projects
  - Site risk/priorities
  - Full CMI plan

- Defined Resources:
  - People/PMs
  - $ (Capital)
  - $ (Expense)

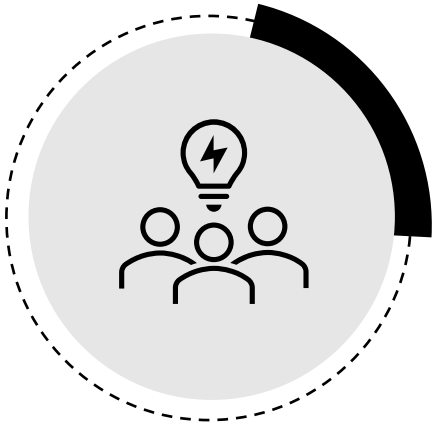
- Defined Savings
  - Energy/ GHG
  - Payback
  - $/ mt CO2e



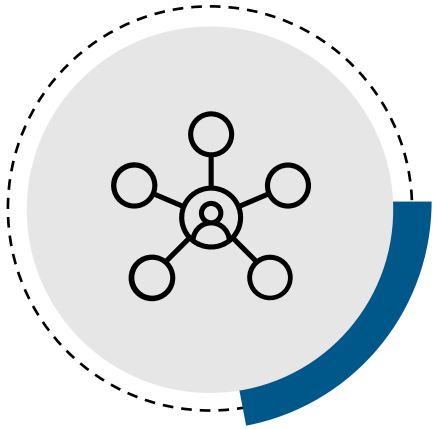
Solution Examples

- GHG: Compressed air elimination
- GHG: Process heating optimization and controls
- Water: Cooling tower process optimization
- Water: Process water reuse
- Waste: Returnable packaging
- P2: Overflow monitoring

ECO Efficiency Journey

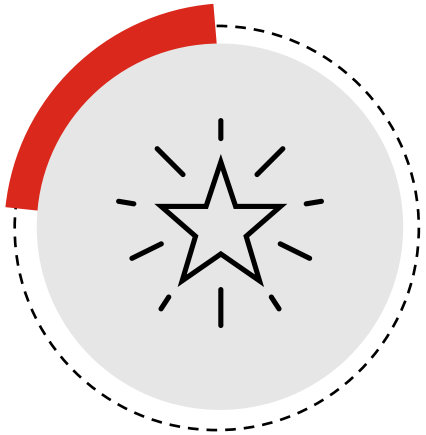


Vision



Communicate

Collaborate



Achievement

Q+A


Cummins