

CUMMINS CLIMATE CHAI PRINCIPL



Climate change is a complex issue that demands comprehensive action. Systematic and substantial reductions in greenhouse gas emissions can only come about through both public and private measures. Cummins Inc. is partnering with government and industry to meet this challenge head-on.

Cummins – A Global Presence

With our worldwide presence and breadth of products, Cummins is committed to play an integral role in developing and implementing solutions to the issue of climate change. Our complementary business units design, manufacture, distribute and service engines and related technologies. Our products are used in a wide variety of applications from trucks and boats to construction equipment and power generators. We serve customers in more than 190 countries through a global manufacturing and distribution network. Perhaps most importantly, we have a major presence in many of the countries that will play a critical role in responding to the threat of climate change. While head-quartered in the United States, Cummins is the largest foreign diesel engine maker in both China and India and is a market leader or has growing businesses in Brazil, Russia, the Middle East and many other areas. Sixty percent of our sales are outside of the U.S.

A Culture of Responsibility

Our commitment to corporate responsibility shapes our business decisions. Since our founding in 1919, we have made it our obligation to meet the needs of both our customers and the communities where we work and live. The ultimate goal is always the same: create sustainable wealth and well-being for all our stakeholders.

- Cummins was the first to certify to U.S. EPA's 2010 emissions standards, a full three years ahead of schedule
- Through Cummins Diesel Recon, we reuse and recycle more than 48 million pounds of material each year
- Using Six Sigma process improvement tools, we work with our customers to reduce the fuel consumption of their fleets and with our suppliers to develop more environmentally-friendly components for our products
- Cummins certifies the use of biodiesel blends up to B20 in our new on- and off-highway engines
- Cummins powers 100 percent of new natural gas urban transit buses in the U.S. as well as more than 3,000 buses in Beijing, China and 4,200 in New Delhi, India
- Cummins is reducing facility greenhouse gas emissions 25 percent below 2005 levels by 2010 as part of the U.S. EPA's Climate Leaders program.

Cummins Climate Change Principles

Consistent with our past practices and shared values, Cummins has developed 10 principles to serve as our framework to meet the challenges of climate change. Six of our principles direct company actions for our products, businesses, employees and communities:

- **Improve Product Efficiency** We will be a leader in developing new power technologies and products to meet the needs of a carbon constrained economy.
- **Grow and Develop New Businesses** We will identify opportunities to grow current businesses and develop new ones to deliver products and services that meet global power needs with less carbon usage.
- **Collaborate with Suppliers and Customers** We will work with our suppliers, customers and end-users to help reduce their carbon footprint and learn from them.
- **Make Work Spaces Green Spaces** We will reduce the greenhouse gas emissions of our facilities globally.
- Harness the Energy of Employees We will build an awareness of climate change with our employees, draw on their energy and ingenuity and empower them to make a difference at work and home.
- **Support Community Efforts** We will support communities as they reduce their greenhouse gas emissions and transition to a carbon constrained economy.

Climate Change Principles for Public Policy

Four of our principles shape our partnerships with legislative and regulatory entities to develop sound public policy to address climate change.

Develop Responsible Regulations We support regulations that meet the needs of the environment, allow appropriate time for technology development and provide for the transition to a carbon constrained economy.

Promote Technology Development We support policies to develop the right technologies and products to meet short and long-term goals for greenhouse gas reductions.

Accelerate Progress through Incentives We support incentives to encourage the commercialization and adoption of greenhouse gas reducing technologies, products and processes.

Create a Balanced Global Approach We support an international framework for climate change that reduces emissions without leading to trade inequities or barriers to global commerce.

The Cummins mission states that we will "demand that everything we do leads to a cleaner, healthier, safer environment," a vision sustained through our long history of partnering with industry and government. There has never been a greater environmental challenge than climate change.

Depend on Cummins to be part of the solution.



A Legacy of Responsibility

"...we believe that our survival in the very long run is as dependent upon responsible citizenship in our communities and the society, as it is on responsible technological, financial and production performance."

J. Irwin Miller, former chairman of Cummins, 1972



Cummins Inc. Box 3005 Columbus, IN 47202-3005 U.S.A.

cummins.com ©2009 Cummins Inc. Printed in U.S.A. 05/09 Bulletin No. 4986083



