

May 12, 2014



Cummins Chairman and CEO Unveils Comprehensive Global Plan to Reduce Environmental Footprint

COLUMBUS, IN -- (Marketwired) -- 05/12/14 -- Today, Cummins Inc. (NYSE: CMI) Chairman and CEO Tom Linebarger outlined the Company's most extensive plan to date for environmental sustainability, including specific goals for reducing waste, water and energy.

A core part of the Company's mission is demanding that everything Cummins does leads to a cleaner, healthier and safer environment, which has also proven to be a business advantage.

Cummins has been working hard to reduce its environmental footprint for years. Late in the 1990's Cummins began to view its technical expertise as a key competitive advantage to meet increasingly stringent regulations. This is playing out around the world as countries continue to implement stricter air pollution standards, and Cummins is able to deliver products that not only comply but also provide the renowned power and reliability that customers depend on.

"Customers depend on us to help them achieve success and improve their bottom line while consumers rely on us to power the trucks, trains and ships that deliver their goods and services," said Tom Linebarger, Cummins Chairman and CEO. "We also understand we have many stakeholders and we make every effort to deliver economic value to each of them. Equally important is delivering on our environmental mission and making a positive impact on communities around the world. Providing efficient and clean power is a win for our Company, a win for our customers, and a win for the environment."

The plan Linebarger discussed came together after nearly two years of study and builds on the positive work that the Company has accomplished over past decades. The plan for the first time brings together stakeholders from all corners of the Company to execute a coordinated approach to the environment. Cummins examined its environmental footprint, putting special focus on water, waste and energy and greenhouse gases (GHGs). It prioritizes actions for the Company to address its biggest environmental opportunities -- from the materials it buys to the emissions of its products.

A top priority for Cummins is its products. The Company will continue to develop innovative

designs for the efficient use of fuel and raw materials, building on successes like the Cummins-Peterbilt "SuperTruck," praised by the President of the United States in February for achieving a 75 percent improvement in fuel economy compared to a typical truck on the road today.

"With millions of engines and generators in service, and customers in 190 countries and territories, there's no question that Cummins has the global reach to make a positive impact on the environment," Linebarger continued. "And, as a company, this is the right thing to do."

The plan calls for the Company to expand its efforts and to work even more collaboratively with its customers, communities and others to make a positive impact.

One of the biggest environmental opportunities is to address Cummins products in use. Cummins has extensive experience in this area. For nearly 10 years, the Company has used Six Sigma, the business problem-solving tool, to help customers operate their Cummins equipment more efficiently, saving them more than \$3 billion since 2005. Ninety million gallons of fuel has been saved and about one million tons of carbon dioxide (CO₂) has been avoided.

The Company has also been engaged with communities on environmental issues for many years, from helping communities in India conserve water in their farms and access water for their homes to reducing air pollution in China caused by farmers burning waste in their fields.

Cummins must also work on its large and sophisticated worldwide supply chain. Through an improved transportation system, Cummins will reduce the total number of miles traveled to move shipments across the internal network. Additionally, the Company can have a positive impact by working with suppliers to efficiently use raw materials and packaging.

The plan lays out specific goals in the areas where the Company has the most control -- its facilities and operations. The goals include:

- Reducing energy use and GHGs by 25 percent and 27 percent respectively, adjusted to sales, by 2015.
- Reducing direct water use across Cummins by 33 percent, adjusted to hours worked, and achieving water neutrality at 15 manufacturing sites in priority water stressed countries by 2020.
- Increasing the Company's recycling rate from 89 percent to 95 percent and achieving zero disposal status at 30 sites by 2020.

"This is just the next step in our effort to reduce our footprint," said Linebarger. "Once we achieve these goals, we will continue to set and accomplish new ones."

About Cummins

Cummins Inc., a global power leader, is a corporation of complementary business units that design, manufacture, distribute and service diesel and natural gas engines and related technologies, including fuel systems, controls, air handling, filtration, emission solutions and electrical power generation systems. Headquartered in Columbus, Indiana, (USA) Cummins currently employs approximately 48,000 people worldwide and serves customers in

approximately 190 countries and territories through a network of approximately 600 company-owned and independent distributor locations and approximately 6,500 dealer locations. Cummins earned \$1.48 billion on sales of \$17.3 billion in 2013. Press releases can be found on the Web at www.cummins.com. Follow Cummins on Twitter at @Cummins and on YouTube at CumminsInc.

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