

California Voluntary Carbon Market Disclosures Act (AB 1305) Disclosure

Effective Date: January 1, 2026

Entity: Cummins Inc.

Introduction

Cummins Inc., a global leader in power solutions founded in 1919, operates across more than 190 countries through five business segments: Engine, Power Systems, Components, Distribution, and Accelerate by Cummins. The company designs, manufactures, and services advanced diesel, natural gas, hybrid, electric, fuel cell, and hydrogen-based power technologies. Cummins is committed to delivering innovative solutions that enable its customers to transition toward lower- and zero-emissions power while ensuring reliable performance.

Cummins' sustainability strategy, known as **Destination Zero**, aligns its business growth with decarbonization. The strategy targets **net-zero emissions across its operations and products by 2050**, consistent with limiting global warming to 1.5°C above pre-industrial levels.

Use or Sale of Voluntary Carbon Offsets (AB 1305, Section 44475.1)

Cummins does **not** rely on the purchase or sale of voluntary carbon offsets to meet its greenhouse gas (GHG) reduction claims. Instead, the company's approach centers on **direct emissions reductions** through technology innovation, renewable energy adoption, supplier engagement, and operational efficiency.

Claims of Carbon Neutrality or Emissions Reductions (AB 1305, Section 44475.2)

Cummins makes claims of GHG emissions reduction and net-zero alignment that are supported by science-based targets and verified reporting processes. The company's progress is measured against interim **2030 environmental sustainability goals** and **Destination Zero** strategy.

Targets and Interim Progress

- **Facilities (Scope 1 & 2):**
Reduce absolute GHG emissions by **50% by 2030**.
 - Achieved a **31.5% reduction as of 2024** (359,552 metric tons CO₂e avoided).
 - Over 500 facility projects completed in 2024, projected to save 34,000 metric tons CO₂e annually, including efficiency upgrades, compressed air reductions, manufacturing improvements, and 21 new on-site solar projects.
 - **Products (Scope 3, Category 11):**
Reduce absolute lifetime emissions from newly sold products by **25% by 2030**.
 - Delivered **38 million metric tons CO₂e avoided from 2014–2024** through fuel-efficiency projects with customers — ahead of its original 55 MMT target (achieved five years early).
 - Innovations include HELM™ fuel-agnostic engine platforms, hybrid and zero-emission mining solutions, battery-electric school buses, and new hydrogen internal combustion engines.
 - **Suppliers (Scope 3, Category 1):**
New goal to engage key suppliers in GHG reductions by 2030.
 - Pilot programs with 11 suppliers initiated to collect Scope 3 emissions data.
 - Supplier scorecards and industry collaborations (Cummins Environmental Consortium) launched to standardize reporting and accelerate reductions.
 - **2050 Net-Zero Commitment:**
Achieve **net-zero emissions across facilities and operations** and deliver low- and zero-carbon technologies in every market served.
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Methods, Data, and Verification

Cummins' GHG inventory is prepared in line with the **GHG Protocol Corporate Standards**, covering consolidated operations and joint ventures. Structural changes such as acquisitions are reflected through baseline adjustments. Data is subject to **limited assurance by Apex**, an independent verifier, covering more than 75% of Cummins' ESG data.

Progress is monitored through:

- Annual **Sustainability Progress Reports**
 - The **TCFD Report and Climate Transition Plan**
 - Third-party assurance statements
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Conclusion

Cummins' Destination Zero strategy demonstrates a **science-based, verifiable path** to net-zero by 2050 without reliance on voluntary carbon offsets. The company is making measurable progress toward its 2030 interim goals through direct emissions reductions, renewable energy projects, supplier engagement, and product innovations that reduce lifecycle emissions.

For more information, see:

- [2024–25 Cummins Sustainability Progress Report](#)
- [2024 Cummins TCFD Report](#)