



Your 2025 Compensation

PANKAJ BALE
UM765

21 March, 2025

We are pleased to provide the details of your 2025 annual compensation package. The main purpose of this process is to inspire and motivate employees to achieve higher levels of contribution and performance. Cummins continues to focus on putting people at the center, and the work that employees do, both individually and collectively, matters and has purpose.

Our total rewards strategy and pay philosophy is aimed at:

- Enabling market competitiveness that allows us to attract and retain qualified employees throughout the world.
- Providing leverage for performance-based compensation through increased base salary.
- Creating an opportunity for increased total cash compensation through variable compensation, which we earn by meeting or exceeding our financial objectives as a company.
- Providing a positive, inclusive work environment, enabling all employees to reach their full potential.

Performance is a key input to the annual compensation review.

Your 2024 performance category is: **Exceeds Expectations**

Indicated below are your Guaranteed Cash Compensation (GCC), Target Variable Compensation & Total Compensation, effective 01-Apr-2025.

All figures expressed in INR.

Compensation Elements	Annual	Monthly
Current GCC post promotion (A)*	61,87,500	5,15,625
GCC increase amount (B)**	6,07,500	50,625
GCC increase percentage**	10.80% Merit	10.80% Merit
New GCC (A+B)	67,95,000	5,66,250
Variable compensation participation level	15%	
New Annual Total Compensation (GCC + Retirals +Target Variable compensation)	86,05,074	

*As reflected in MyHR post promotion
** Based on salary as of December 31, 2024: **56,25,000**
***Values rounded to the nearest INR

Your target variable compensation is listed at a 1.0 payout factor. This is the payout factor representing achievement of the Cummins-wide ROANA target. When Cummins exceeds its ROANA target, variable compensation increases; when it does not, variable compensation decreases. Payout factors are capped at 2.0.

Thank you for all your contributions to Cummins.

Sincerely,
RAKESH BHOSALE

CONFIDENTIAL



Total Compensation

ANNEXURE A (Detailed Salary Break-up)					
	Salary Grade	E-09		E-09	
	Name	Pankaj Bale			
	Division / Function	Supply Chain Management			
	WWID	UM765			
	Effective Date	15-Jan-25		01-Apr-25	
		Current BTE		Revised BTE	
		Per Month	Per Annum	Per Month	Per Annum
A	Guaranteed Cash				
	Basic	1,86,924	22,43,088	2,07,174	24,86,088
	House Rent Allowance (50% of Basic)	93,462	11,21,544	1,03,587	12,43,044
	Bonus / Ex -gratia	2,100	25,200	2,100	25,200
	Flexible Reimbursement Basket (FRB)	2,33,139	27,97,668	2,53,389	30,40,668
	Total A	5,15,625	61,87,500	5,66,250	67,95,000
B	Retirals				
	PF	22,431	2,69,172	24,861	2,98,332
	Gratuity (4.81% of Basic)	8,991	1,07,892	9,965	1,19,580
	Superannuation (15% of Basic)	28,039	3,36,468	31,076	3,72,912
	Total B	59,461	7,13,532	65,902	7,90,824
C	Variable Pay				
	Performance Pay (Average amount at payout factor of 1. The payout can vary between 0 and 2) Paid Annually	77,344	9,28,125	84,938	10,19,250
	Total C	77,344	9,28,125	84,938	10,19,250
	Total A+B+C (Benefit to Employee)	6,52,430	78,29,157	7,17,090	86,05,074

*Flexible pay components opted for during last enrollment cycle will continue till next enrollment window.