



2006 Annual Environmental Performance Report Form

Rockwell Collins

Name of corporation

400 Collins Rd

Street address (U.S. corporate headquarters)

Street address (continued)

Cedar Rapids, Iowa 52498

City/State/Zip code

Please give us information about your contact person for the
Performance Track Corporate Leader designation.

Name Vicki Fisher

Title Sr. Manager Enterprise ES&H

Phone 319-295-5738

Fax 319-295-3437

E-mail vlfisher@rockwellcollins.com

Company Website www.rockwellcollins.com

Annual Report #: 2nd

Membership Term: 1

Reporting Year: 2006

Due Date: July 31, 2007

Section A

Your environmental performance goals.

Please summarize your company's progress toward its environmental performance goals, relative to the baseline year.

Part 1

First goal

1	Category:	Energy use
	Indicator:	Total renewable energy used
	Baseline quantity (2004):	0
	2005 quantity:	10,000 MWhRs renewable energy certificates purchased; joined EPA's Green Power Partnership program
	2006 quantity (actual & normalized):	10,000 MWhRs renewable energy certificates purchased; continued EPA's Green Power Partnership program
	Goal (2009) quantity:	10,000 MWhRs of renewable energy certificates purchased per year; and Participation in EPA's Green Power Partnership program

- 2 Summarize how you achieved improvements for this indicator through 2006 or, if relevant, any circumstances that delayed progress.

In 2005, Rockwell Collins announced it is offsetting its carbon emissions by purchasing 10,000 MWhs of renewable energy annually for three years. 3 Phases Energy Services, a national provider of renewable energy solutions and services, is providing Rockwell Collins with Green-e certified tradable renewable certificates from new wind projects in Iowa and biomass facilities across the nation. Electricity production is the leading cause of industrial air pollution in the United States. Air pollution comes in the form of smog, soot, acid rain, carbon dioxide, mercury and particulate matter. Rockwell Collins' renewable energy commitment prevents the emission of 13,800,000 pounds of carbon dioxide, a key greenhouse gas, annually. This purchase will have the climate impact equivalent of taking 1,205 cars off the road for one year or planting 1,863 acres of trees.

Second goal

1	Category:	Material use
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Indicator:	Hazardous materials used
Baseline quantity (2004):	1,862,036 lbs, 3.41 lbs/dollar of output
2005 quantity:	2,223,481 lbs (19.4% increase), 3.46 lbs/dollar of output (1.5% increase)
2006 quantity (actual & normalized):	2,500,502 lbs (12.5% increase), 3.3 lbs/dollar of output (4.6% decrease)
Goal (2009) quantity:	1,213,312 lbs, 2.22 lbs/dollar of output

- 2 Summarize how you achieved improvements for this indicator through 2006 or, if relevant, any circumstances that delayed progress.

We believe this reduction is an outcome of the implementation of a chemical management services provider in 2005 in our Iowa and Melbourne, Florida locations. Through this implementation, efficiencies have been gained from improved shelf life management reducing the chemicals issued. This process has also been implemented at additional locations but is not reflected in these numbers since there is no accurate baseline for them and they did not come online until various times in 2006.

Part 2

List your facilities that newly joined Performance Track or similar state performance-based programs in 2006.

Rockwell Collins had one new facility join Performance Track in 2006. Our Service Center in Irving, Texas joined Performance Track after being accepted into the Clean Texas program at the Platinum level. This brings the number of Rockwell Collins sites in the Performance Track program to 11.

2006 was a year of focus on the development of a new integrated ES&H management system based on ISO 14001 and OHSAS 18001. All current ISO 14001 certified facilities will be going through the process of surveillance for ISO 14001 and certification to OHSAS 18001 over the course of 2007 and 2008. Sites who have not yet implemented the new system are scheduled for validation in 2009 and 2010.

Section B

Your value chain environmental performance goals.

Please summarize your company's progress toward its value chain environmental performance goals, relative to the baseline year.

First goal

- | | | |
|---|---------------------------|---|
| 1 | Category: | Supplier's environmental performance |
| | Indicator: | Depends on improvement areas and projects identified;
Join Green Suppliers Network |
| | Baseline quantity (2004): | 0 suppliers participating in Green Suppliers Network |
| | 2005 quantity: | 0 suppliers participating in Green Suppliers Network;
Joined Green Suppliers Network |
| | 2006 quantity: | 1 supplier piloted Green Suppliers Network. No improvement projects identified. |
| | Goal (2009) quantity: | 15 suppliers participating in Green Suppliers Network |

- 2 Summarize how you achieved improvements for this indicator through 2006 or, if relevant, any circumstances that delayed progress.

Rockwell Collins is looking at other avenues for improving the environmental performance of our suppliers. Our Lean Supply group developed a strategy to pilot the program and process with a key supplier which then could be used as a success story to encourage others to participate. One was selected, went through the process and ultimately did not select any projects to work on. They did not feel that they received additional benefit from the leaning feedback due to their previous work with Rockwell Collins Lean Supply. At this point, we are re-evaluating the value of pursuing this as compared to other options through our Supply Chain Quality Assurance group.

Second goal

- | | | |
|---|---------------------------|--|
| 1 | Category: | Suppliers environmental performance |
| | Indicator: | Completion of initial supplier survey |
| | Baseline quantity (2004): | ESH expectations are in 2004 supplier brochure but not used actively in evaluating suppliers;
No award exists |
| | 2005 quantity: | ESH expectations updated in 2005 supplier brochure;
Created draft of initial survey to obtain baseline information from top 100 suppliers |

2006 quantity: Initial survey distributed to 100 suppliers via the Supplier Web Portal with a 7% return. Performance evaluation criteria were established and were used to determine a top supplier to receive the first annual Supplier of the Year Green Award. The award was given at the 2007 Annual Supplier Conference.

Goal (2009) quantity: ESH expectations developed for supplier evaluation process in year one;
Existing suppliers evaluated for their ESH performance in subsequent years;
One environmental achievement award given each year

- 2 Summarize how you achieved improvements for this indicator through 2006 or, if relevant, any circumstances that delayed progress.

The enterprise environment, safety & health group worked closely with the lean supply group to develop a strategy to assess the top 100 suppliers. The top 100 suppliers are identified by three criteria; quality and delivery performance, technology, and alignment to the Rockwell Collins business roadmap. An annual survey was developed based on indicators of ESH performance and risk which was subsequently placed on the newly developed "Self Service" supplier portal. Some of the areas suppliers are asked about include if they have a management system in place, do they track legal and other requirements, do they do training, emergency planning and internal audits, set goals, have they had any violations of law, have policies and procedures. In addition, they are asked what key metrics they keep including what their injury and illness numbers are. The output of this survey coupled with other performance information provided by the lean supply group was used to evaluate and award the first annual Supplier of the Year Green Award. The survey will be evaluated for improvement for 2007 and more aggressively marketed for a higher rate of participation in subsequent years. As participation increases, trending data will be compiled and a summary of results written.

Section C

On behalf of Rockwell Collins

I certify that:

I have read and agree to the terms and conditions for Membership as a Performance Track Corporate Leader, as specified in the *Performance Track Corporate Leader Guide* and in the *Application Instructions*. The company, to the best of my knowledge, continues to meet the program criteria.

I have personally examined and am familiar with the information contained in this Annual Report. The information contained in this Report is, to the best of my knowledge and based on reasonable inquiry, true, accurate, and complete.

I agree that EPA's decision whether to accept companies into or remove them from the Performance Track Corporate Leader designation is wholly discretionary, and I waive any right to challenge EPA's acceptance or removal decision. I also understand that my company's membership in the program will not be considered to be legally relevant in any enforcement proceedings for violations of environmental requirements.

I am a senior executive of the company to whom the environmental function reports and am fully authorized to execute this statement on behalf of the company applying for the Performance Track Corporate Leader designation.

Signature / Date	_____
Printed Name / Title	Jeff Moore, Sr. Vice President Operations
Phone Number / E-mail	319-295-6669/jamoore2@rockwellcollins.com
Company Name	Rockwell Collins
Company Street Address	400 Collins Road
City / State / Zip Code	Cedar Rapids, Iowa 52498

The National Environmental Performance Track is a U.S. Environmental Protection Agency program. Please direct inquiries to Dan Fiorino, 202-566-2869, or e-mail fiorino.dan@epa.gov.

To submit your membership application:

- 1) E-mail the completed form to fiorino.dan@epa.gov,
- and
- 2) Fax the completed and signed participation statement (not the entire form) to 202-566-2985.

If you cannot e-mail the membership application, mail a hard copy of the entire completed form to:

Dan Fiorino
Director, Performance Track Program
U.S. Environmental Protection Agency
Office of Policy, Economics, and Innovation (1807T)
1200 Pennsylvania Avenue, NW
Washington, DC 20460