

Caterpillar Named on DiversityInc's Top 25 Noteworthy Companies for Diversity List for 2014

DiversityInc announced that Caterpillar was included in their Top 25 Noteworthy Companies for Diversity and Top Ten Companies for Employee Resource Groups (ERGs). More than a thousand public and privately held companies competed for spots on the coveted list. Caterpillar also ranked No. 10 Company for ERGs.

"With increasing emphasis on talent development and exceptional employee resource groups, Caterpillar is making significant diversity-management efforts under the guidance of Latasha Gillespie, Director, Global Diversity & Inclusion," said DiversityInc founder and CEO, Luke Visconti.

The rankings are determined by an objective methodology that calculates factors such as Talent Pipeline, Equitable Talent Development (including commitments to mentorship and philanthropy), CEO/Leadership Commitment, and Supplier Diversity.

"I am very proud of Caterpillar's placement on the Top 25 Noteworthy list and Top 10 list for Employee Resource Groups," said Latasha Gillespie, Global Diversity & Inclusion director. "The diversity of our people and inclusiveness of our environment is what makes Caterpillar unique and helps us to be the recognized leader in our services and industries around the world. I would also like to congratulate our ERGs on reaching the Top 10 list—Caterpillar is a stronger, more innovative and exciting place to work because of your efforts."

DiversityInc also announced a number of Specialty Lists, all of which can be viewed in their entirety at DiversityInc.com.

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DiversityInc's 25 Noteworthy Companies (in alphabetical order)

- AIG
- Altria Group
- Baxter International
- Boehringer Ingelheim
- Bristol-Myers Squibb
- Brown-Forman
- Capital One
- **Caterpillar**
- Chrysler Group
- CVS Caremark
- DuPont
- Forest City Enterprises
- General Motors
- The Hartford Financial Services Group
- Hilton Worldwide
- Humana
- MassMutual Financial Group
- MetLife
- Microsoft
- Nissan North America
- Novo Nordisk
- Pfizer
- Southern Company
- Time Warner Cable
- Travelers

MESSAGE FROM DOUG

EXCITING FIRST HALF OF 2014

We're halfway through the year and well on our way across many exciting fronts. The first quarter gave us a solid financial start to the year—thanks to your hard work—but there's still a lot of economic uncertainty out there, so we need to stay focused on our customers, on quality and where we can improve.

I've visited a number of facilities since January, and it's great to get out and talk to as many employees as I can. I always come away full of energy and new ideas, and reminded that it's our people who make Caterpillar one of the world's most admired companies.

Let me give you highlights of some of the exciting things going on. In February, we

launched the Across the Table initiative to work with Cat® dealers to transform our distribution model. Our dealer network is one of our greatest competitive advantages and the dealer relationship is based on long-standing principles that will never change. But over time, our customers' needs have changed. This transformation will ensure we keep providing unmatched local support and also meet our customers' increasingly global business needs.

We also announced a refreshed Enterprise Strategy, which recognized Sustainability as one of Our Values in Action. Our strategy continues to be about renewing our strengths, capturing the limitless opportunities that lay ahead, and it continues to drive us toward Vision 2020.



Sustainability has long been a part of our focus as a company. By elevating it to a value we're promising to keep improving. I hope you'll take the time to read more about the strategy—because we can't succeed without you—on Cat @work (catatwork.cat.com/wps/myportal/empcat/valuesAndStrategy).

The strategy refresh also added achieving Enterprise Excellence as a Big Imperative. We must focus even more on customer needs from order-to-delivery, and work together—across all functions—to meet those needs. We're "engineering the chain, not the links," so we deliver end to end quality, and deliver it on time.

We've got so much to do, but because we have the best team in the world I don't doubt we'll accomplish it. Thanks!

Doug

Caterpillar Employees Volunteer to Educate, Improve Environment

Caterpillar is committed to making sustainable progress possible and encourages our employees to get involved in sustainability efforts in their facilities and communities, which is what Caterpillar employees did in Texas and Illinois in April. Employees spent time volunteering to help educate others and improve the environment for Earth Day.

Caterpillar Global Mining employees in Denison, Texas, and Van Alstyne, Texas, spent time educating event goers at the sixth annual Earth Day Texoma Festival. The festival is an educational and awareness event that focuses on efforts to protect and sustain the planet and engages the community. Caterpillar volunteers greeted participants at the recycle area and handed out sustainability brochures, coloring books, book marks and other information on corporate sustainability efforts at the Caterpillar tent.

In Peoria, Illinois, more than 30 Caterpillar employees and family members planted trees with the environmental organization Living Lands & Waters (LL&W). The organization, invested in by the Caterpillar Foundation, aids in the protection, preservation and restoration of the environment, expands awareness of environmental issues and responsibility and creates volunteer opportunities. Through the MillionTrees project with LL&W, Caterpillar volunteers were able to plant about 600 trees in just a few hours outside of Peoria.



Antonio Banegas from Caterpillar's Global Diversity & Inclusion office and his son, Joseph, plant trees with other Caterpillar volunteers and family members for the annual Tree Planting event with Living Lands & Waters.

Several Caterpillar employees also volunteered their time to assist with the Keep Peoria Beautiful Great American Cleanup in April. This event had over 200 volunteers who helped keep Peoria, Illinois, clean, green and beautiful by collecting litter. Participants were volunteers from local neighborhood associations, schools, businesses, churches and other service groups.



Keep Peoria Clean: Caterpillar Global Facilities employees volunteered with Keep Peoria Beautiful Great American Cleanup in April, collecting litter with schools, businesses, churches and other service groups.

The efforts of those involved helped make the 16th annual cleanup a true success. The slogan for the event was "Pride in Peoria is picking up. Put litter in its place." Several of our Caterpillar team members whose efforts reflect this slogan were captured on tape.

These examples are just a couple ways Caterpillar employees have embraced sustainability in their

communities. Caterpillar is working to further embed sustainability into our culture and make it an integral part of our DNA, and making Sustainability a value at Caterpillar is a way to do just that. For more information on the value of Sustainability, please visit the 2013 Sustainability Report.



Stacy Melton, left, from the Van Alstyne distribution Center, and Debra Hapiuk, right, from the Denison aftermarket parts order processing, volunteer in the Caterpillar tent at the sixth annual Earth Day Texoma Festival.

CATERPILLAR'S CODE OF CONDUCT ASSESSMENT & QUESTIONNAIRE

Every Caterpillar employee is required to complete the annual Code of Conduct Awareness and Understanding Assessment & Questionnaire. The assessment is designed to help employees understand their obligations to follow the ethical principles, behaviors and expectations contained in Our Values in Action.

OPTION 1 Employees with computer access and an active CWS ID & Password should visit: <https://fedlogin.cat.com/idp/startSSO.ping?PartnerSpId=KeneXaCodeofConduct14> and use their CWS ID credentials to access the Assessment & Questionnaire.

OPTION 2 Employees with computer access with an effective start date of April 1, 2014 or do not have an active CWS ID & Password should contact their human resources department for a generic username and password.

OPTION 3 Employees in the production environment or without computer access will participate in facilitator-led sessions (available in 18 languages) scheduled by each Business Unit beginning May 12 through July 31.

OUR VALUES IN ACTION

Caterpillar's Worldwide Code of Conduct

2014 Awareness and Understanding Assessment

Online participation: May 12 – June 30

Thank you for your commitment to protect and preserve Caterpillar's strong reputation and global leadership. Learn more about Our Values in Action at codeofconduct.cat.com.

CAT CREW ON THE MOVE



Hundreds of Caterpillar employees hit the streets of Chicago for the annual JPMorgan Corporate Challenge.

Near-perfect running weather helped energize 319 Caterpillar employees and 25,000 other participants at the JPMorgan Corporate Challenge in downtown Chicago.

Employees from 21 facilities joined the Cat Crew for a 3.5-mile road race on May 22. The annual Chicago run/walk attracts teams from approximately 600 global companies.

"Caterpillar was very well represented again this year," said Amy Manwaring, Cat Crew event co-coordinator. "Our 319 participants made us the fifth largest team at the Chicago event. Thank you to the dedicated runners and walkers, our many volunteers and Corporate Wellness Services, who kept us healthy and hydrated."

Caterpillar has participated in the Chicago portion of the Corporate Challenge

since 1985. The Cat Crew's best male and female finishers for 2014 were Daniel Sotiroff (20:39) from Aurora and Kat Dudaryk (25:11) from LaGrange.

"The Corporate Challenge is a great event for all fitness levels," said Dudaryk, who also served as LaGrange site coordinator. "This year LaGrange brought 52 participants to the Cat Crew, and I'm hoping we can continue to grow in the future. Group activities like this are a great way to get people together and get motivated. It's nice to have an event outside of work where we can all come together."



Labeled "the world's most popular sporting event for the full-time business community," the Corporate Challenge began 38 years ago in New York City. Today, the event spans seven countries and five continents, with more than 265,000 combined runners

and walkers. The annual road races serve as fundraisers for various charities in participating cities.

The Cat Crew's participation in the Corporate Challenge is coordinated by Caterpillar Social Activities. For more information on the Cat Crew and the Chicago event, please visit socialactivities.cat.com.

Caterpillar Undercarriage (Xuzhou) Ltd. Celebrates Grand Opening

The Reman, Components and Work Tools facility will continue to help Undercarriage Win in China.

Confetti rained down on the floor of Caterpillar Undercarriage (Xuzhou) Ltd. (CUXL) in late March, marking the grand opening of the CUXL facility in the Jiangsu Province in China. Chairman and CEO Doug Oberhelman and Vice President with responsibility for Reman, Components and Work Tools Greg Folley attended the event along with dozens of other leaders from Caterpillar and key suppliers and contractors.

With the creation of CUXL, Caterpillar now has 13 facilities manufacturing parts for undercarriage worldwide, serving our customers closer to where they work and supporting our Enterprise Strategy Big Imperative to **Win in China and Expand Our Leadership in Other Growth Markets**.



The CUXL grand opening ceremony was held in conjunction with the 20th anniversary celebration of Caterpillar Xuzhou Ltd. (CXL) and expansion of a large excavator facility.

CUXL was established in 2012 to serve the expanding excavator business more efficiently, with CXL (Caterpillar Xuzhou Ltd.) becoming Caterpillar's largest excavator facility. CUXL has already helped reduce CXL's transportation costs, and it is expected to help save CXL more than \$1 million this year.

CUXL is now offering a full line of Undercarriage products, ranging from 12 to 49 tons, in China. Our new product introduction projects this year will further support CXL and Caterpillar's commitment to delivering to our customers. Caterpillar is the very first company that is capable of offering a full line of Undercarriage products in China.

Impacting the Business and Community with Diversity & Inclusion

At Caterpillar, our Diversity & Inclusion efforts are focused on making the business succeed. According to our Enterprise Strategy, 'As an enterprise we will develop the Best Team to build innovative solutions for our global customers, deliver superior results for our stockholders and positively impact our people and the communities we serve.'

How do we do this? Here are two recent, outstanding examples of our Best Team in action:

- **Celebrating Supplier Diversity in Milwaukee:** A new Global Mining learning series was developed by the Milwaukee chapter of the Caterpillar African American Network (MKE CAAN) Employee Resource Group (ERG) and featured a presentation by a diverse Caterpillar supplier, Ted Gary, president of AMG Engineering & Machining. Gary opened up about his business, partnership with Caterpillar as well as his success and experience as a diverse supplier. It was a terrific educational opportunity that demonstrated a practical view on how diversity at all levels makes Caterpillar stronger. Charly Ugorji, manager of Caterpillar Diverse Supplier Relationships, said, "We have many success stories on how Caterpillar's commitment to supplier diversity has resulted in innovation and better business results. Our relationship with



AMG Engineering is a great example of how the Caterpillar commitment to the power of diversity extends to our supplier relationships. Beyond this, Gary's presentation shows how ERGs help improve both our business and our culture."

- **Helping raise \$50,000 for Children's Hospital:** Recently, the Young Professionals (YP) ERG hosted the Fight to the Finish kid's extreme obstacle course race to benefit Children's Hospital of Illinois. More than 100 kids participated in the race and more than \$50,000 was raised to support the care patients receive at the Children's Hospital.

For more information about Inclusion and the Best Team strategy, go to inclusion.cat.com.

CATERPILLAR UNITED WAY APPEAL

Every year Caterpillar employees and retirees have an opportunity to demonstrate community support and leadership by taking part in the Caterpillar United Way Appeal. United Way contributions, combined with the Caterpillar Foundation dollar-for-dollar match, makes a difference in the lives of many people who utilize United Way funded services each day.

How to Pledge:

EMPLOYEES: If interested in contributing, employees will receive an email or other communication on **August 18** and can make a donation in the Caterpillar Foundation online pledging system through **September 12, 2014**.

RETIREES: If interested in contributing, can pledge via www.caterpillar.com/unitedway **between August 18 and September 12, 2013**. Click the retiree link and register or sign in with your log in information from the previous year. You will be asked to create a user ID and password, and to enter your Caterpillar PeopleSoft ID.

Donors have the option to designate to any United Way or United Way funded agency. Once you log into the site, search for the agency and/or United Way of your choice across the U.S.

If you have questions, please contact Erika Kempf at 309-675-1475 or via email: Kempf_Erika_C@cat.com

The generosity of our employees and retirees continues to help make this campaign a great success. The lives of many people will be positively affected by your kindness. **Thank you for your time and generosity!**



CATERPILLAR EMPLOYEE UNITED WAY APPEAL
LIVE UNITED 

*To be eligible to receive the Foundation match, all employees and retirees must pledge via the website **August 18 - September 12, 2014**.*

Contact Us

Cat Folks is published quarterly by Corporate Affairs. Please send comments, questions and story ideas to cat_folks@cat.com. You can visit us online at caterpillar.com/company/employees-and-retirees. We always appreciate your feedback!

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