



# THE PURPOSE OF ENGAGEMENT

WE HELP OUR CUSTOMERS  
BUILD A BETTER,  
MORE SUSTAINABLE  
WORLD.

2023 CATERPILLAR LOBBYING REPORT

**CATERPILLAR®**



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“We value Caterpillar shareholders’ input and their demonstrated interest in our political engagement strategy. We are providing greater transparency on our work with trade associations, our governance process and disclosures.”



## A Letter from Jim Umpleby

As a leading global manufacturer and U.S. exporter, Caterpillar actively participates in the public policy process, advocating for key issues that align with our purpose and the execution of our strategy. We value Caterpillar shareholders’ input and their demonstrated interest in our political engagement strategy. Our 2023 Lobbying Report, *The Purpose of Engagement*, outlines how we advocate for a policy and regulatory environment that supports our long-term success and provides value to shareholders.

We continue to be responsive to shareholder feedback, implementing changes to our reporting of lobbying activities, trade and industry association memberships, governance for our advocacy efforts and CATPAC oversight and disclosures. Based on shareholder feedback, in 2022, we lowered the reporting threshold of our U.S. trade and industry association memberships from \$50,000 to \$25,000 and provided additional information on the percentage of members’ dues used for federal lobbying. We have further enhanced our disclosures for 2023 to include a tiered reporting of the dollar amount of Caterpillar’s membership dues paid to all U.S. trade and industry associations and the percentage of those dues used for federal lobbying activities, as reported by each organization, on [page ten](#) of this report.

We have also strengthened internal controls by implementing new accounting procedures and systems and increased resources, which facilitates the ability to provide increased transparency of our work with trade associations at the federal, state and local levels. We also improved access to information about our political disclosures by providing direct links to our reports required by the Lobbying Disclosure Act (LDA). Additionally, we list association memberships and Caterpillar Political Action Committee (CATPAC) reports on our [corporate website](#).

Sustainability is a key focus of our enterprise strategy, reinforcing the importance of advocating for thoughtful policies that contribute to a reduced-carbon future. Our spotlight on climate lobbying includes examples of how we support customers as they transition to a lower-carbon future. We demonstrated this through our participation in the Association of Equipment Manufacturers’ (AEM) *Celebration of Construction on the National Mall*, which is featured in this report.

We strengthened our support for the builders of the world’s infrastructure throughout 2023 by advocating with the American Road and Transportation Builders Association (ARTBA) and others for timely implementation of the Infrastructure Investment and Jobs Act (IIJA) – legislation that is important for Caterpillar, our customers and Cat® dealers.

Our spotlight on competitiveness and workforce development advocacy reinforces our continued focus on policies that support U.S. manufacturing, exports and jobs as we work closely with organizations such as the National Association of Manufacturers (NAM) and the National Foreign Trade Council (NFTC).

Caterpillar has a bright future. Our continued success and ability to increase shareholder value requires advocacy for a favorable legislative and policy environment. Our bipartisan approach is focused on our business priorities and guided by [Our Values in Action](#), strong ethical standards and our commitment to helping our customers build a better, more sustainable world.

*Jim*  
**Jim Umpleby**  
 Chairman & CEO

## The Purpose of Engagement

Caterpillar participates in the public policy process, advocating for a range of issues that supports our corporate strategy and business objectives. The policy priorities below are driven by our enterprise strategy for profitable growth and reflect the value we provide to shareholders, customers and other stakeholders.

### Caterpillar's Priority Issues

#### Climate and Energy Transition

We continue to make investments in new products, technologies and services that facilitate fuel flexibility, increased operational efficiency and reduced emissions. We are increasing our investments in autonomy, alternative fuels, connectivity and digital and electrification (AACE) technologies. Read more about our efforts in our [Sustainability Report](#).



#### Infrastructure

Our customers around the world use our equipment to build and strengthen communities, supporting access to water, electricity, food, healthcare and education. A more modern and reliable infrastructure system is also crucial to customers' successful economic growth and job creation. We support initiatives that provide funding and efficient processes for building, repairing and upgrading infrastructure networks – from roads, rail and waterways to airports and broadband internet infrastructure. Caterpillar also supports the protection and restoration of natural infrastructure and local ecosystems.



#### Workforce Development

One of our key priorities is to identify, attract and maintain a diverse workforce, equipping them with skills for today and tomorrow. We advocate for initiatives and efforts that support talent development and training programs, as well as competitive pay and career opportunities within the advanced manufacturing industry. Learn more about our workforce efforts in our [Diversity and Inclusion Report](#).



#### Competitiveness

Legislation and regulations can have a significant impact on companies and their ability to compete, which is why we work closely with lawmakers and regulators to implement pro-growth policies that help ensure our company remains competitive both at home and abroad. We will continue our advocacy for tax and trade policies that lower tariffs, expand market access for our products and services and allow us to compete freely.





Cat® 966 XE wheel loader

## The Purpose of Engagement

### How and Why We Engage with U.S. Trade and Industry Associations

A favorable public policy and business environment helps us best serve many stakeholders, including our customers and shareholders. We maintain memberships with U.S. trade and industry associations as their work helps create an environment where companies from all industries – not just our own – can be successful. Being a member of these organizations provides Caterpillar with many benefits, including access to customers and other key stakeholders, research on the impact of proposed regulations and legislative action and advocacy to help promote informed dialogue and sound public policy.

We have historically disclosed our largest U.S. trade and industry association memberships. Beginning last year, we expanded our mid-year reporting to include all U.S. memberships. In this 2023 Lobbying Report, we made additional changes, including a tiered reporting of the dollar amount of Caterpillar’s membership dues paid to all U.S. trade and industry associations and the percentage of those dues used for federal lobbying activities, as reported by each organization. This information is listed in this report and on our [corporate website](#).

As we consider joining an association, we have an established process to determine if the organization aligns with our [Values in Action](#) and policy priorities. Caterpillar management and the board of directors’ Sustainability and other Public Policy Committee provide oversight of key trade and industry association relationships. We routinely review these processes to ensure the appropriateness of such memberships.

### How Caterpillar Evaluates U.S. Trade and Industry Association Memberships

- 1 **Ensure**  
alignment with Our Values in Action and priority issues
- 2 **Confirm**  
the organization is operationally sound with good governance procedures
- 3 **Commit**  
to ongoing vetting of the organization
- 4 **Review**  
membership annually



“We’ve been committed to our customers’ success and their evolving needs for nearly 100 years. Of tremendous importance today is the ever-changing energy landscape. We continue to work alongside our trade associations to advocate for policies and incentives that will help our customers meet their energy transition goals while maintaining high levels of power reliability and resiliency.”

**Jason Kaiser**  
Energy & Transportation  
Group President



## Spotlight: Climate and Energy Transition Lobbying

Caterpillar has been a leader in innovation for nearly a century. We are increasing our investments in autonomy, alternative fuels, connectivity and digital and electrification (AAE) technologies to help our customers achieve their climate-related objectives. Our commitment to a reduced-carbon future extends to our public policy efforts where we advocate for a thoughtful approach to identify and advance policies that support our customers during the energy transition.

This work is happening in the U.S. through projects that support hydrogen hubs, electric charging infrastructure and other zero-exhaust emission incentives. It also occurs globally through investments that support carbon capture and methane abatement technologies. Caterpillar is exploring several research and development (R&D) funding opportunities provided by the Infrastructure Investment and Jobs Act (IIJA), the Inflation Reduction Act (IRA) and similar state and international resources to support our customers through the energy transition.

In particular, the IRA includes several incentives that may help our customers invest in carbon capture and the adoption of Combined Heat and Power (CHP). For example, the tax credit for CHP systems was expanded to 30%, which is important for our customers. As we reported in our inaugural lobbying report in the [climate lobbying section](#), Caterpillar will continue to work with the Combined Heat and Power Alliance (CHP Alliance), the Business Roundtable (BRT), the National Association of Manufacturers (NAM)

and the National Mining Association (NMA) to advocate for incentives that will help our customers meet their climate-related objectives.

Throughout 2023, Caterpillar supported California’s successful hydrogen hub Department of Energy (DOE) application driven by an industry, labor and government coalition known as ARCHES (the Alliance for Renewable Clean Hydrogen Energy Systems). California was awarded \$1.2 billion from the DOE’s hydrogen hub incentive program toward 39 hydrogen infrastructure projects throughout the state.

An inefficient permitting process delays investment in new energy infrastructure projects. Reforms in the permitting processes for both alternative fuels and the mining of critical minerals are a priority for Caterpillar and many of our trade associations. The Fiscal Responsibility Act of 2023 included reforms to federal permitting processes that would set timelines for reviews by agencies and make several other changes. There is more work to be done to ensure that transportation and energy infrastructure projects can be completed quickly and efficiently. Caterpillar is working with the American Road and Transportation Builders Association (ARTBA), the NAM, BRT and the U.S. Chamber of Commerce to advocate for permitting reforms that will help our customers achieve their sustainability objectives.



*Leading national voice for the deployment of Combined Heat and Power (CHP) and Waste Heat to Power (WHP).*



*An association of more than 200 chief executive officers (CEOs) of America’s leading companies, representing every sector of the U.S. economy.*



*A strategic alliance of global businesses, academia and industry-specific trade associations supporting the entire remanufacturing industry through a combination of advocacy, collaboration and education. RIC members represent the broad sectors of the industry in areas such as Heavy Duty, Medical Equipment, Office Furniture and Aircraft.*

# Climate Lobbying

## Select Climate-Related Work by U.S. Trade and Industry Associations

### As reported by each organization

<p><b>National Association of Manufacturers (NAM)</b></p> <p><i>Represents 14,000 member companies in every industrial sector.</i></p>	<p>The NAM laid out a comprehensive roadmap for climate action in “The Promise Ahead,” which included sustainable permitting improvements, electric grid modernization, climate adaptation and resiliency programs, zero-carbon nuclear power, clean hydrogen, drinking water improvements, efficient manufacturing and new energy innovation programs. The NAM is updating their energy and environment policy language highlighting that manufacturers are committed to helping address climate change and reducing global emissions while increasing the global competitiveness of industries in the U.S. in a sustainable manner. The NAM supports domestic action and international cooperation to limit global temperature consistent with the Paris Agreement and the 2023 Intergovernmental Panel on Climate Change report.</p>
<p><b>Business Roundtable (BRT)</b></p> <p><i>Comprised of chief executives from leading American companies that represent every sector of the economy and support more than 37 million American jobs.</i></p>	<p>BRT supports policies that build on America’s strengths to provide reliable energy supplies while addressing climate change and maintaining a healthy environment. BRT supports policies and incentives that will accelerate the sourcing, manufacturing, deployment and scaling up of clean and advanced energy technologies and their associated infrastructure. BRT hosted a series of roundtables at COP 28 to discuss the importance of reliable clean energy and technology supply chains, the role of technology in reducing greenhouse gas (GHG) emissions, opportunities to enable the energy transition and reducing emissions through global cooperation.</p>
<p><b>U.S. Chamber of Commerce (Chamber)</b></p> <p><i>The world’s largest business organization, ranging from small businesses and local chambers of commerce to global corporations and leading industry organizations.</i></p>	<p>The Chamber supports market-based approaches to accelerate GHG emissions reductions across the U.S. economy and policies that embrace and catalyze technology and innovation to manage climate risks, while pursuing greater energy efficiency and promoting climate resilient infrastructure. The Chamber is committed to delivering the solutions needed to combat global climate change through their “GreenTech Business Missions.”</p>
<p><b>California Manufacturers and Technology Association (CMTA)</b></p> <p><i>Represents 400 businesses from the entire manufacturing community — an economic sector that generates more than \$300 billion every year and employs more than 1.3 million Californians.</i></p>	<p>CMTA works to improve and enhance a strong business climate for California’s manufacturing, processing and technology-based companies. CMTA advocates for climate change proposals that are cost-effective, implementable, technology-neutral and market-based. These policies must empower manufacturers, maintain U.S. competitiveness in the global market and continue economic growth. Environmental sustainability is key to the long-term viability of the manufacturing sector.</p>
<p><b>Consumer Energy Alliance (CEA)</b></p> <p><i>Leading advocacy group for families, farmers, small businesses and manufacturers who use energy.</i></p>	<p>The CEA strongly supports actions that thoughtfully advance the U.S. towards a cleaner, more environmentally responsible energy future, including emissions reductions that help meet the U.S. climate goals. CEA works to encourage communities across the nation to seek common-sense, realistic and responsible environmental solutions to meet the nation’s energy needs and supports energy in all its forms. By advocating for energy justice and sensible energy solutions, the CEA hopes to ensure that the people who need affordable energy the most have access to it. CEA supports increasing the U.S.’s energy supply while developing technological innovations, diversifying energy choices and creating efficiencies that lower emissions and achieve the goals set forth to meet the global climate challenges.</p>
<p><b>National Asphalt Pavement Association (NAPA)</b></p> <p><i>More than 1,100 member companies, representing asphalt contractors with the federal government and the broader business community.</i></p>	<p>NAPA leads an industry vision that aligns with the Paris Agreement to achieve net-zero carbon emissions during asphalt production and construction by 2050. NAPA promotes policies, processes and standards to achieve net-zero carbon emissions through incentivizing a more sustainable pavement structure, a net-zero materials supply chain and a transition to electricity from net-zero energy suppliers.</p>
<p><b>National Foreign Trade Council (NFTC)</b></p> <p><i>Premier association for leadership, expertise and influence on international tax and trade policy issues.</i></p>	<p>The NFTC believes in the importance of ensuring that trade policies support global efforts to move to a more environmentally friendly future. They seek opportunities to enhance trade in clean technologies through tariff elimination and enhanced export promotion, work to ensure that carbon border adjustment mechanisms, climate-related tax credits and global overcapacity in metal manufacturing do not result in the implementation of trade-restrictive measures and increase awareness of trade and climate efforts by other countries and International Organizations.</p>

## Spotlight: Infrastructure Lobbying

Caterpillar believes investments in infrastructure are vital to a vibrant U.S. economy, safe transportation system and efficient freight network. The American Road and Transportation Builders Association (ARTBA) is a leader in advocating for federal transportation infrastructure funding and policies. Working with trade associations such as ARTBA, Caterpillar is advocating for full implementation of the Infrastructure Investments and Jobs Act (IIJA). Further, discussions have begun with ARTBA, the National Association of Manufacturers (NAM) and the U.S. Chamber of Commerce about the future of the Highway Trust Fund and increasing revenue needed for long-term strategic infrastructure projects.

In addition to traditional road and bridge projects, we have worked to highlight opportunities for port infrastructure and electrification to ensure our dealers and customers are engaged in the entire IIJA investment spectrum. In conjunction with trade associations such as ARTBA and others referenced below, Caterpillar also engages on regulatory issues that could have a negative or disruptive impact on the efficiency of our operations and supply chain procurement.

In May 2023, Caterpillar had the opportunity to share our partnership with one of our key aggregate customers through a congressional visit coordinated by the National Stone, Sand & Gravel Association (NSSGA). A tour of the quarry helped demonstrate to key congressional staffers the importance of innovative technology and real-world implications of the policies driven by Congress and the administration.

Caterpillar was also involved in advocacy to support Congress' reauthorization of the Federal Aviation Administration (FAA), making significant progress in 2023. If finalized, the bill will include funding increases to the Airport Improvement Program, supporting airport construction projects many of our customers build.



Cat® 140 motor grader



“With Infrastructure Investment and Jobs Act (IIJA) funds committed to projects across the country, Caterpillar customers are hard at work building our country’s infrastructure. We depend on a modern transportation system to move our products quickly and efficiently and our trade associations, like ARTBA, help ensure the right policies are in place.”

**Tony Fassino**  
**Construction Industries • Group President**  
First Vice Chair, American Road & Transportation Builders Association



*Advances public policies that protect and expand the safe, environmentally responsible use of aggregates that build America’s infrastructure and economy. Its members are responsible for the essential raw materials found in every home, building, road, bridge and public works project in the U.S.*



*Brings together all facets of the transportation construction industry to responsibly advocate for infrastructure investment and policy that meet the nation’s need for the safe and efficient movement of people and goods.*



*An international trade association representing companies involved in the distribution, rental and support of equipment used in construction, mining, forestry, power generation, agriculture and industrial applications.*





“To elevate innovation in manufacturing, programs like the Manufacturing Institute’s Women MAKE America Initiative offer recognition, conduct research and provide mentorship to the next generation of leaders in our industry.”

**Denise Johnson**

**Resource Industries • Group President**

Member, National Association of Manufacturers Board of Directors  
 Member, Executive Committee  
 Vice Chair, Infrastructure, Innovation, Human Resource & Labor Policy  
 Member, National Mining Association Board of Directors  
 Member, U.S. Chamber of Commerce Board of Directors

## Spotlight: Workforce Development and Competitiveness Lobbying

Caterpillar works closely with manufacturers from all industries to engage government officials and other key stakeholders on policies that grow the economy, develop a strong and skilled workforce and promote exports. Working with the National Association of Manufacturers (NAM), the Business Roundtable (BRT), the National Foreign Trade Council (NFTC) and the U.S. Chamber of Commerce, Caterpillar also continues to advocate for free trade agreements and pro-growth tax policies.

According to the NAM, manufacturers fund more than half of all private-sector research and development, driving more innovation than any other sector. This is where Caterpillar’s engagement with the NAM is important – ensuring U.S. policies are considered and adopted to help create an environment that allows U.S. industries to compete globally. In 2023, we worked with our associations to help educate policymakers in Washington on the importance of sensible tax policy to ensure the global competitiveness of U.S. companies, with a focus on research and development and expensing. Our work also included advocacy to pursue a proactive U.S. trade agenda, including addressing market access barriers for our products abroad, promoting sound digital trade policy and supporting our exports from the U.S.

Many of our trade associations also provide opportunities to highlight the importance of building and maintaining a skilled and competitive workforce. We continually work with our dealers and customers on workforce development issues, communicating how our industry offers attractive and well-paying careers versus short-term jobs. An example of this is our work to advocate for policies that help attract and retain critically important service technicians through the Associated Equipment Distributors (AED).

Through their foundations and non-profit affiliates, several of our trade associations facilitate programs focused on building a competitive and trained workforce for U.S. manufacturing. These programs include efforts focused on hiring veterans and their spouses to help ensure their success by fostering an environment where their talents and skills learned in service can translate to the private sector. In 2023, we also supported the efforts of the Manufacturing Institute’s Women MAKE America Initiative, and Caterpillar will chair this year-long initiative in 2024. By highlighting women in manufacturing across all industries, we spotlight the manufacturing industry as a desirable career option for women nationwide.



*Represents 14,000 member companies—  
 from small businesses to global leaders—  
 in every industrial sector.*



*Premier association for leadership,  
 expertise and influence on international  
 tax and trade policy issues.*



U.S. Chamber of Commerce

*The world’s largest business organization  
 with members ranging from small businesses  
 and chambers of commerce across the country  
 to leading industry associations and global  
 corporations. Advocates for policies that help  
 businesses create jobs and grow our economy.*

## Spotlight: Celebration of Construction on the National Mall

Caterpillar participated in the first *Celebration of Construction on the National Mall* in Washington, D.C. in May 2023. The event was hosted by the Association of Equipment Manufacturers (AEM) and showcased to members of Congress and the administration how the equipment manufacturing industry contributes to a more sustainable world.

Set between the Washington Monument and Capitol Hill, Caterpillar's exhibit allowed visitors to experience the zero-exhaust emissions Cat® 301.9 electric mini excavator. Also featured was a Cat® 966 XE medium wheel loader with a Caterpillar-designed and manufactured continuous variable transmission that improves fuel efficiency and GHG versus the previous model.

A Cat® Reman C9 engine display demonstrated how remanufacturing contributes to a more sustainable, circular economy by reducing waste and giving new life to our iconic engines. Alongside our associations, Caterpillar advocated for language in the United States-Mexico-Canada Agreement (USMCA) ensuring fair treatment and movement of remanufactured goods and inputs. We continue to educate policymakers on the benefits of these provisions that help us meet our customers' needs and contribute to their sustainability goals.



Cat® C9 Reman



Cat® 301.9 battery electric mini excavator

“This week-long event provided us with a unique opportunity to showcase the importance of the construction industry and infrastructure investment alongside our trade association. Through AEM, we were able to highlight key innovations and policy areas that impact our business and our customers to stakeholders and policymakers.”

**Phil Kelliher**

**Cat Rental & Used • Senior Vice President**

Member, Association of Equipment Manufacturers Board of Directors



The leading organization in North America advancing construction and agriculture equipment manufacturers and their value chain partners in the global marketplace. In enabling growth together, AEM and its members build momentum for the equipment manufacturing industry and the markets it serves.

## 2023 U.S. Trade and Industry Association Memberships

In 2023, Caterpillar paid membership dues to the following U.S. trade and industry associations. The dollar amount of Caterpillar’s membership dues is represented in tiers with the percentage of those dues used for federal lobbying expenditures, as reported by each organization.

Annual Dues Ranges	Organization	Federal Lobbying Percentage
<b>\$1 million +</b>	None	
<b>\$500,000 - \$999,999</b>	U.S. Chamber of Commerce	20%
<b>\$100,000 - \$499,999</b>	American Road & Transportation Builders Association	85%
	Association of Equipment Manufacturers	40%
	Business Roundtable	28%
	Diesel Technology Forum	0%
	National Association of Manufacturers	28%
	Natural Allies Inc.	0%
	Truck and Engine Manufacturers Association	3%
	U.S. Chamber of Commerce - Institute of Legal Reform	15%
<b>\$50,000 - \$99,999</b>	Coalition for 21st Century Patent Reform	100%
	Consumer Technology Association	100%
	Illinois Manufacturers Association	0%
	National Mining Association	20%
	National Utilities Contractors Association	5%
	Texas Association of Manufacturers	0%
	United States Council for International Business	2%
<b>\$25,000 - \$49,999</b>	American Loggers Council	0%
	Business Council of Alabama	11%
	Coalition Against Bigger Trucks	3%
	Consumer Energy Alliance	10%
	Corporate Council on Africa	0%
	Energy Workforce & Technology Council	0%
	ERISA Industry Committee	10%
	Gas Turbine Association	51%
	greater: SATX	0%
	HR Policy Association	48%
	Illinois Chamber of Commerce	5%
	Institute for Supply Management	0%
	International Facility Management Association	0%
	National Minority Supplier Development Council Inc.	0%
	National Cattlemen’s Beef Association	10%
	National Center for Asia Pacific Economic Cooperation	0%
	National Foreign Trade Council	25%
	Pipeline Research Council International Inc.	0%
	Railway Supply Institute	7%
	San Diego Regional Economic Development Corporation	0%
	The INGAA Foundation Inc.	0%
	U.S.-ASEAN Business Council	1%
	U.S.-China Business Council	10%
	U.S.-Indonesia Society	0%
	U.S.-Russia Business Council	0%
	Washington International Business Council	0%
	Women’s Business Enterprise National Council	0%

2023 U.S. Trade and Industry Association Memberships – *continued*

Annual Dues Ranges	Organization	Federal Lobbying Percentage
<b>\$10,000 - \$24,999</b>	Association of American Railroads	11%
	American Gear Manufacturers Association	0%
	Associated Equipment Distributors	8%
	Billion Dollar Roundtable	0%
	Business Council for International Understanding	0%
	California Manufacturers and Technology Association	1%
	California Taxpayers Association	4%
	Cleantech San Diego	0%
	Council of the Americas	0%
	Dallas Regional Chamber	1%
	Decatur Regional Chamber of Commerce	0%
	Georgia Chamber of Commerce	0%
	Institute of the Americas	0%
	Mississippi Manufacturers Association	0%
	National Marine Manufacturers Association	25%
	National Veteran Business Development Council	0%
	National Waste and Recycling Association	9%
	North Carolina Chamber of Commerce	0%
	Remanufacturing Industries Council Inc.	0%
	Risk Management Association	0%
San Diego Regional Chamber of Commerce	8%	
Solid Waste Association of North America	3%	
U.S.-India Strategic Partnership Forum	0%	
<b>\$1,000 - \$9,999</b>	American Association of Exporters and Importers	3%
	American Benefits Council	27%
	American Public Power Association	0%
	American Uzbekistan Chamber of Commerce	0%
	Arizona Chamber of Commerce	3%
	Arkansas State Chamber of Commerce	0%
	Asphalt Recycling and Reclaiming Association	1%
	Associated Industries of Missouri	0%
	Association of Manufacturing Excellence	0%
	California Asphalt Paving Association	0%
	Chemical Industry Council of Illinois	0%
	Colorado Chamber of Commerce	2%
	Combined Heat and Power Alliance	0%
	DeSoto Chamber of Commerce	0%
	Distribution Contractors Association	0%
	Edison Electric Institute	0%
	Electrical Generating Systems Association	0%
	Energy Solutions Center	0%
	Georgia Transportation Alliance	5%
	GPSA Midstream Suppliers	0%
Greater San Antonio Chamber of Commerce	5%	
Growth Energy	9%	

2023 U.S. Trade and Industry Association Memberships – *continued*

Annual Dues Ranges	Organization	Federal Lobbying Percentage
<b>\$1,000 - \$9,999</b>	Indiana Manufacturers Association	0%
	International Association of Drilling Contractors	0%
	International Compressor Applications and Machinery Committee	0%
	International District Energy Association	2%
	Iowa Association of Business and Industry	0%
	Kansas Chamber of Commerce	3%
	Kentucky Association of Manufacturers	0%
	Michigan Manufacturers Association	0%
	Minnesota Chamber of Commerce	0%
	National Demolition Association	10%
	National Stone, Sand & Gravel Association	20%
	Nashville Area Chamber of Commerce	0%
	National Asphalt Pavement Association	9%
	National Association of Business PACs	16%
	National Business Aviation Association	50%
	National Cooperative Procurement Partners	2%
	National Defense Industrial Association	0%
	Nebraska Chamber of Commerce	0%
	New Jersey State Chamber of Commerce	0%
	Ohio Chamber of Commerce	0%
	Oregon Asphalt Paving Association	0%
	Pennsylvania Chamber of Business and Industry	0%
	Power and Communications Contractors Association	23%
	San Antonio Hispanic Chamber of Commerce	0%
	San Antonio Manufacturers Association	0%
	Schertz-Cibolo-Selma Chamber of Commerce	0%
	Seguin Chamber of Commerce	0%
	Society of American Military Engineers	0%
	South Carolina Manufacturers Alliance	0%
	South Dakota Chamber of Commerce	0%
	Southern Gas Association	0%
	Surface Navy Association	0%
Taxpayers' Federation of Illinois	0%	
Tennessee Chamber of Commerce and Industry	0%	
U.S.-Turkmenistan Business Council	0%	
Wisconsin Manufacturers and Commerce	0%	
Women's Business Development Council	0%	
<b>\$1 - \$999</b>	Broken Arrow Chamber of Commerce	0%
	Greater Waco Chamber of Commerce	0%
	National Railroad Construction and Maintenance Association	39%



“Our bipartisan advocacy on policies that support our corporate strategy will always be guided by Our Values in Action, strong ethical standards and our commitment to help our customers build a better, more sustainable world.”

**Kathryn D. Karol**  
Global Government & Corporate Affairs • Senior Vice President

## Oversight and Governance

A robust and rigorous governance framework creates long-term value for our shareholders, strengthens board and management accountability and builds trust in the company and our brand.

### Management Governance

The senior vice president (SVP) of Global Government and Corporate Affairs (GGCA) reviews policy priorities with relevant members of Caterpillar’s Executive Office and other business leaders to manage Caterpillar’s state, federal and international activities on legislative and regulatory issues significant to the company’s business. Our SVP of GGCA also reviews related advocacy activities including memberships with U.S. trade and industry associations. Any nomination of a Caterpillar employee for a leadership role in an association in which the company is a member is subject to leadership review and approval and requires education and diligence on the part of the employee.

To ensure alignment with our policy positions and priorities, enterprise procedures require Caterpillar business and government affairs leaders to review communications with government officials including government-sponsored surveys, visits to Cat facilities, letters of advocacy or support and policy position sign-on letters with industry associations. Our government affairs teams also receive regular training focused on compliance with applicable laws, regulations and policies related to interactions with U.S. and foreign government officials. Our SVP of GGCA also approves any political contributions made by Caterpillar. These contributions are intended to promote Caterpillar’s business interests and are made without regard for the private political preferences of any company personnel.

### Board Oversight

Our board of directors has direct oversight of political contributions and lobbying activities. To ensure appropriate oversight of political engagement activities, including lobbying, the Sustainability and other Public Policy Committee (SPPC) reviews the company’s political spending policy and its political activities at least annually, including:

- Corporate political contributions
- CATPAC’s political contribution activities
- U.S. trade and industry association participation and alignment with Caterpillar’s [Values in Action](#) and policy objectives
- Caterpillar’s significant lobbying priorities

### Approach to Misalignment

A U.S. trade and industry association’s goals or positions may conflict with Caterpillar’s priorities or strategy. When misalignments occur, we evaluate if continued membership in the association is warranted based on the overall value the membership provides to Caterpillar.

We typically address misalignment on specific topics through engagement with the associations, including trying to move the association’s position toward ours. In these instances, we may focus on supporting elements of the policy or position that are fundamental to moving our industry forward.

In addition, the SPPC and management would review any significant misalignment and the company’s plans to address it at the closest scheduled SPPC board meeting or, if requiring immediate attention, convene a special meeting.

## CATPAC

CATPAC is funded through voluntary contributions made by eligible individuals. A steering committee comprised of Caterpillar non-officer employees oversees all contributions made by CATPAC to ensure they promote the company's business interests. The committee is comprised of seven to twelve U.S.-based employees who represent a diverse mix of U.S. locations and business units. The SVP of GGCA appoints committee members and oversees setting CATPAC strategy and goals.

The steering committee regularly meets to discuss Caterpillar's legislative strategy and priorities. In addition, committee members receive legal training related to campaign finance laws and review a proposed disbursement budget from the state and federal government affairs teams. The steering committee also regularly meets during the election cycle to review the approved budget and offer updates. These meetings include an evaluation of all candidates on a case-by-case basis with a focus on our business priorities and guided by [Our Values in Action](#) and candidate criteria. CATPAC also considers third-party research and key insight analysis when selecting candidates.

### CATPAC Candidate Criteria



Candidates in **leadership positions** or on **key committees** of importance to Caterpillar, our dealers and customers



Candidates who **support our industry's legislative and regulatory agenda**



Candidates who have **demonstrated significant leadership** on issues and initiatives important to Caterpillar



Candidates **representing** a Caterpillar **facility** or significant number of Caterpillar **employees**

The SVP of GGCA presents a report to the SPPC annually, including CATPAC operational policies and a list of all candidates supported. Audits, which rotate between internal audit teams and an outside law firm with an independent political accounting and compliance auditor, are also conducted at the end of the federal election cycle.

CATPAC members are kept informed through newsletters, webinars and a thorough report issued after each federal election cycle that details financials, statistics on bipartisanship, governance and all CATPAC activities.

The most recent list of CATPAC contributions, updated on a biannual basis, can be found on our [corporate website](#).

CATPAC disclosures can be found on [page 16](#) of this report.



Cat® 966 XE wheel loader

## Disclosures

Our commitment to transparency and disclosure in our advocacy activities has long been recognized. In its [2023 CPA-Zicklin Index of Corporate Political Disclosure and Accountability](#), the independent and nonpartisan Center for Political Accountability again ranked Caterpillar within its first tier of S&P 500 and Russell 1000 companies, alongside or above many industry peers.

Caterpillar may make corporate political contributions in the U.S. when permitted by law. We may support political committees, political parties and measures that align with Caterpillar’s business interests. Caterpillar does not make independent expenditures on behalf of or in opposition to federal, state or local candidates and does not contribute to presidential campaigns or Super PACs.

Our ability to help our customers build a better, more sustainable world depends on working with associations and elected officials on both sides of the aisle. Our political giving reflects a bipartisan approach to policy and political engagement.

### Where to Find Past Disclosures

Caterpillar’s engagement, lobbying or contributions to an entity or candidate are guided by [Our Values in Action](#).

As part of Caterpillar’s commitment to transparency, our [corporate website](#) includes numerous voluntary disclosures and links to publicly available filings related to our political engagements for the last five years.

### U.S. Trade and Industry Association Memberships

Beginning in 2023, Caterpillar reported all U.S. trade and industry association memberships biannually. The full-year report includes the tiered dollar amount of Caterpillar’s membership dues paid to all U.S. trade and industry associations and the percentage of those dues used for federal lobbying activities, as reported by each organization. This report, along with other prior disclosures, can be found on our [corporate website](#) and the links below:

2023	2022	2021	2020	2019
<a href="#">Trade and Industry Association Memberships</a>	<a href="#">Trade and Industry Association Memberships</a>	<a href="#">Trade and Industry Association Memberships</a>	<a href="#">Trade and Industry Association Memberships</a>	<a href="#">Trade and Industry Association Memberships</a>





Cat® 299D3 compact track loader

## Disclosures – continued

### Lobbying Disclosures

Caterpillar reports the policy issues and expenses associated with lobbying the federal government quarterly, as required by the Lobbying Disclosure Act (LDA), in our LD-2. Beginning with our 2023 reports, we provide direct links on our [corporate website](#) for the last five years. These and additional records for prior years are available on the [U.S. Senate Office of Public Records website](#) or the [U.S. House of Representatives Office of the Clerk website](#).

As required by the LDA, Caterpillar reports certain contributions and payments on a biannual basis, including those made by CATPAC in our LD-203. Beginning with our 2023 reports, we provide direct links on our [corporate website](#) for the last five years. These and additional records for prior years are available on the [U.S. Senate Office of Public Records website](#) or the [U.S. House of Representatives Office of the Clerk website](#).

### Political Contributions

#### Corporate Political Contributions

Our corporate political contributions are posted biannually on our [corporate website](#) and the links below:

2023	2022	2021	2020	2019
<a href="#">Corporate Political Contributions</a>	<a href="#">Corporate Political Contributions</a>	<a href="#">Corporate Political Contributions</a>	<a href="#">Corporate Political Contributions</a>	<a href="#">Corporate Political Contributions</a>

#### CATPAC Contributions

In addition to regular CATPAC disclosures to the [Federal Election Commission](#) and appropriate state election authorities, CATPAC also voluntarily discloses our employee PAC contributions biannually on our [corporate website](#) and the links below:

2023	2022	2021	2020	2019
<a href="#">CATPAC Contributions</a>	<a href="#">CATPAC Contributions</a>	<a href="#">CATPAC Contributions</a>	<a href="#">CATPAC Contributions</a>	<a href="#">CATPAC Contributions</a>

Visit [caterpillar.com/politicalengagement](http://caterpillar.com/politicalengagement) to learn more about how we’re helping our customers build a better, more sustainable world.

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