

CATERPILLAR INC.

SUSTAINABILITY REPORT 2025



CATERPILLAR

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3	WIN WITH OUR PEOPLE	27	REPORTING, INDICES AND LEGAL STATEMENTS	55
About Caterpillar	4	Employee safety	28	About this report	56
Our strategy	5	Investing in people	31	Prioritization and management of ESG issues	57
A letter from our Chairman & CEO	6	Community engagement	35	ESG data tables	58
2025 sustainability highlights	7	RESPONSIBLE GOVERNANCE	39	SASB index	66
2030 sustainability goals and progress	8	Ethics and Our Values in Action	40	GRI index	67
A conversation with our Chief Sustainability and Strategy Officer	9	Corporate governance	41	TCFD index	74
SOLVING OUR CUSTOMERS' TOUGHEST CHALLENGES	10	Shareholder engagement	43	Climate scenarios	75
Customer driven	11	Risk management	44	Political engagement index	77
Sustainability in action	12	Human rights	46		
Supporting a circular economy	16	Strategic procurement	47		
Customer and product safety	19	Political engagement	48		
ENVIRONMENTAL STEWARDSHIP	21				
Our operations	22				
Scope 3 GHG emissions	26				



EXECUTIVE SUMMARY

About Caterpillar	4	2030 sustainability goals and progress	8
Our strategy	5	A conversation with our Chief Sustainability and Strategy Officer	9
A letter from our Chairman & CEO	6		
2025 sustainability highlights	7		

ABOUT CATERPILLAR

With 2025 sales and revenues of \$67.6 billion, Caterpillar Inc. is shaping the future as the world's leading manufacturer of construction and mining equipment, off-highway diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives. Backed by one of the largest independent global dealer networks and financing services through Cat Financial, the company's primary business segments: Power and Energy, Construction Industries and Resource Industries are solving customers' toughest challenges through commercial excellence and advanced technology, driven by a highly skilled, dedicated global team.

\$67.6B

sales and revenues

4M+

Cat® products at work
around the world¹

118K+

employees

~140 primary locations in

24

countries with operations

All numbers represent year-end 2025 data, unless otherwise noted.

¹ Includes discontinued products

OUR STRATEGY

In 2025, our company introduced a refreshed strategy for profitable growth, grounded in Our Purpose: We build a better, more sustainable world, and Our Mission: Solving our customers' toughest challenges. Our strategy is organized around three profitable growth pillars: Commercial Excellence, Advanced Technology Leader and Transform How We Work. These profitable growth pillars are built on a foundation of Operational Excellence and guided by Our Values in Action: Safety, Integrity, Teamwork, Excellence and Commitment.

Caterpillar supports the people who build the infrastructure of tomorrow, mine the materials that make it happen, and provide energy that shapes communities and connects people. We engage closely with our customers to gain a deeper understanding of their toughest challenges, working alongside our independent dealer network to provide tailored solutions across industries and regions.

By further integrating advanced technology, including connectivity, autonomy and tools enabled by artificial intelligence (AI), into our solutions, we help our customers improve productivity, safety and efficiency. Our solutions are designed with digital and technology integration from the start, helping customers achieve their objectives and build what's next.

Executing our strategy requires us to transform how we work. We are investing in our people, processes and technology to meet our customers' needs more quickly and more efficiently, while applying the same operational discipline to improve safety, reduce our environmental footprint and improve efficiency in our own operations.

As our world continues to evolve, Our Purpose: We build a better, more sustainable world, and Our Mission: Solving our customers' toughest challenges, connect our enterprise strategy to the progress and performance detailed throughout this report.



A LETTER FROM OUR CHAIRMAN & CEO

The world's demand for infrastructure, energy and critical minerals is accelerating, and our customers are at the center of meeting it. That is a tremendous opportunity for Caterpillar, but it is also a tremendous responsibility. The work our customers do must be done safely, efficiently and sustainably. Our job is to make sure they can.

At Caterpillar, our mission is solving our customers' toughest challenges. Our purpose is building a better, more sustainable world. Those are not separate ideas—they reinforce each other. The customers we serve face real and growing pressure to reduce emissions, improve energy efficiency, meet regulatory requirements and deliver results their communities can be proud of. Sustainability at Caterpillar starts with helping them do exactly that.

Meeting customers where they are

We know that sustainability progress must be practical, flexible and achievable. Requirements vary by industry, geography and operation, and so must our solutions. By partnering closely with customers, we design durable, reliable products and solutions built to be rebuilt or

remanufactured, helping ensure resources are used effectively over time. We are investing in next-generation powertrain solutions—including more efficient diesel, diesel-electric, battery electric, hybrid and alternative fuel systems—so customers can choose the right path for their operations and goals.

We are making measurable progress toward our 2030 sustainability goals. Compared to our 2018 baseline, we have reduced absolute greenhouse gas emissions from our operations by 34% and increased remanufactured sales and revenues by 41%.

Investing in people

Every improvement in how we work starts with our people. As part of our refreshed enterprise strategy, we elevated Safety as one of Our Values in Action, reflecting our belief that a safety-driven culture is foundational to everything we do. In 2025, we announced a \$100 million pledge over five years to help equip the workforce of the future with the skills needed for tomorrow's manufacturing and industrial jobs. And the Caterpillar Foundation reached a historic milestone, surpassing \$1 billion in global giving since its inception in 1952.

Built to last

Our refreshed enterprise strategy—organized around Commercial Excellence, Advanced Technology Leader and Transform How We Work—is built on a foundation of Operational Excellence and guided by Our Values in Action: Safety, Integrity, Teamwork, Excellence and Commitment.

Sustainability is core to how we execute the strategy, serve our customers and build a company that will be essential for the next 100 years, just as it has been for the first. Throughout this report, you will see how sustainability is embedded across our governance, our operations and our culture.



Joseph E. Creed
Chairman & CEO



2025 SUSTAINABILITY HIGHLIGHTS



IN 2025, CATERPILLAR ACHIEVED:

150M
LB

end-of-life material received by Cat® Reman

\$1B
global giving

since 1952, reached by the Caterpillar Foundation

34%
absolute reduction

in Scope 1 and Scope 2 GHG emissions compared to 2018

100%
of new products

introduced were more sustainable than previous generations

\$100M
pledged

by Caterpillar to equip the workforce of the future

2030 SUSTAINABILITY GOALS AND PROGRESS

For more context about progress toward each goal, refer to the respective topic discussions in this report.

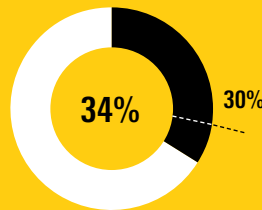
OPERATIONS ENERGY AND EMISSIONS

Goal

We have set a science-based Scope 1 and Scope 2 goal to reduce absolute GHG emissions from our operations by 30% from 2018 to 2030.

Progress

34% reduction in absolute GHG emissions from 2018.



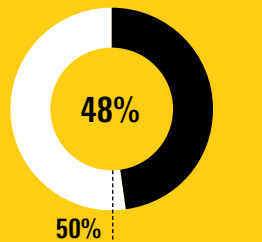
OPERATIONS WASTE

Goal

Reduce landfill intensity by 50% from 2018 to 2030.

Progress

48% reduction in landfill intensity from 2018.



REMANUFACTURING

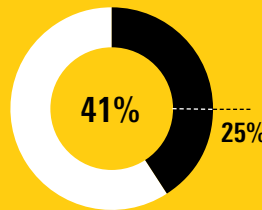
Goal

Increase sales and revenues from remanufacturing offerings by 25% from 2018 to 2030.

Progress

41% increase in sales and revenues from remanufacturing offerings from 2018.

Data includes remanufacturing offerings provided by Cat Reman, Progress Rail, Solar® Turbines, Caterpillar Energy Solutions, and Caterpillar Defense.



PRODUCT EMISSIONS AND ENERGY EFFICIENCY

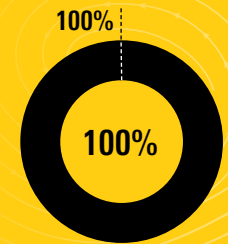
Goal

100% of Caterpillar's new products through 2030 will be more sustainable than the previous generation through collaborating with customers, reduced waste, improved design for rebuild and remanufacture, lower emissions, and improved efficiency.

Progress

100% of new products in 2025 were more sustainable than the previous generation.

For this goal, new products include new or improved prime product such as machines, engines, generator sets, upper powertrain, and other complete solutions sold directly to a customer, OEM, or dealer under any majority-owned brand. Exclusions from the goal include, but are not limited to, new source introduction programs, work tools, component development programs for prime product, defense products, aftermarket kits, or site solutions. Collaborating with customers is key to Caterpillar's identification of sustainability criteria. To meet the goal requirements, products must meet one or more of the four criteria in comparison to the previous generation: reduced waste, improved design for rebuild and remanufacture, lower emissions, or improved efficiency.



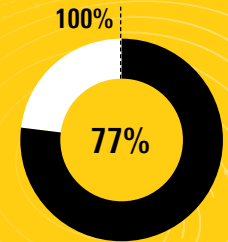
OPERATIONS WATER

Goal

Implement water management strategies at 100% of facilities located in water high-risk areas by 2030.

Progress

77% of facilities located in water high-risk areas achieved the goal of water strategy implementation.



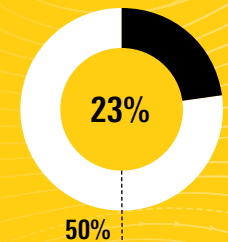
EMPLOYEE HEALTH AND SAFETY

Goal

We aspire to prevent all injuries and will further our industry-leading safety results by reducing recordable injury frequency (RIF) by 50% from 2018 to 2030.

Progress

23% improvement in RIF from 2018.



CUSTOMER SAFETY

Goal

Provide leadership in the safety of people who work in, on and around our products.

Progress

We are committed to customer safety. See [page 19](#) for examples of our progress.



A CONVERSATION WITH OUR CHIEF SUSTAINABILITY AND STRATEGY OFFICER

A discussion with Caterpillar's new Chief Sustainability and Strategy Officer, Ebban Clause.

As the new Chief Sustainability and Strategy Officer, please tell us more about yourself, your background and your connection to sustainability.

My career at Caterpillar has taken me through various commercial roles, all the while learning a great deal about the industries we serve and how our business enables the success of our customers. Sustainability has always been woven into the value we provide by focusing on how Caterpillar solutions help customers improve efficiency, extend asset life and support their sustainability objectives.

As I move forward in this role our focus will continue to be deeply understanding our customers so that we can work to solve their toughest challenges.

What are some of the tangible ways Caterpillar helps customers meet their sustainability objectives?

We know every customer is different, so our starting point is always a discussion to understand what success looks like to them. Their goals may be to use less fuel, extend machine life, lower maintenance and operating costs or reduce emissions, among others.

Once we understand the customer's priorities, we can tailor a solution that meets their goals.

That solution might be leveraging a hybrid diesel-electric machine or battery electric machine, rebuilding their existing fleet or using alternative fuels such as biodiesel, renewable diesel (HVO) or hydrogen blends in their genset, to name a few examples. The common thread is helping customers make tangible, practical progress toward their goals.

Can you tell us more about how Caterpillar is developing technology solutions to help customers operate more efficiently, use less fuel and maximize asset utilization?

Technology is one of the most powerful tools to help our customers improve their operations and drive advancements in productivity, fuel efficiency and jobsite safety.

For customers with connected assets, the VisionLink™ app delivers visibility into machine health and fuel consumption, enabling more informed customer decisions around maintenance and fleet management. Reducing fuel consumption and increasing efficiency leads to lower greenhouse gas emissions in customer operations, supporting both their operations and sustainability objectives.

As another example, analysts at our Fleet Monitoring Centers can look at information being sent back from connected assets and can spot indicators as subtle as slight changes in oil pressure. Along with other data, small changes like that can signal a developing engine problem. When those conditions are identified, we work with customers to act early, helping to prevent failures, extend component life and avoid unplanned downtime.

Caterpillar has been developing autonomy solutions for decades. In mining, autonomous hauling can drive productivity improvements of 20% or more by running equipment with greater consistency. Our machines have hauled more than 11 billion tonnes of material autonomously with no reported injuries.

But not everyone needs full autonomy, and there are significant gains in safety and productivity our customers can achieve from other technology solutions. For example, we have operator assist technologies, which are in-cab solutions that help customers drill, dig, load and grade with more confidence, speed and accuracy. One example of the efficiency that can be gained is time. In one test with an excavator finishing a grade project, the use of 3D grade control took the project completion time from approximately 35 minutes to 15 minutes.

Ultimately, leveraging technology helps us support customers in driving efficient, sustainable operations.

What concrete actions is Caterpillar taking in their own operations to bring sustainability to life?

Caterpillar's purpose is: We build a better, more sustainable world, and we take that seriously in our own operations. Across our global footprint, we're making targeted, site-level investments to reduce greenhouse gas emissions, manage water risks and reduce waste. These actions support our 2030 sustainability goals, but they're also ways to run our business better—by improving efficiency, managing costs and increasing resilience. We are also investing in technology to modernize our facilities along with efforts to use space more efficiently.

By doing business more efficiently and sustainably ourselves, we strengthen our ability to deliver the solutions our customers rely on.



SOLVING OUR CUSTOMERS' TOUGHEST CHALLENGES

Our legacy of sustainable innovation helps customers meet society's vital needs for infrastructure, from shelter and clean water to transportation and reliable energy. We are continuously advancing solutions that increase efficiency, reduce greenhouse gas (GHG) emissions, and minimize waste, supporting our customers to achieve their sustainability-related objectives.

Customer driven	11
Sustainability in action	12
Supporting a circular economy	16
Customer and product safety	19

CUSTOMER DRIVEN

We meet our customers where they are on their sustainability journey. Since every company has unique challenges, constraints and ambitions, Caterpillar offers innovative, flexible and practical pathways — not one-size-fits-all solutions. Our expansive portfolio of products, services and technologies is designed to deliver energy flexibility, improve efficiency and productivity, and help lower emissions, while maintaining the performance and reliability customers expect from Caterpillar.

Our drive for **commercial excellence** is built around customer needs and long-term success. We deliver value to customers through services such as preventive maintenance, rebuilds and repairs that extend asset life, improve uptime, and reduce total cost of ownership. By aligning innovation, technology and services, Caterpillar helps transform how work gets done — driving customer success today while supporting the transition to more resilient, sustainable operations for the future.

As an **advanced technology leader**, Caterpillar combines machine productivity solutions, an advanced power portfolio, and growing capabilities in autonomy and automation to help reshape the way our customers work. These technologies enable safer, more efficient and sustainable operations, helping customers to get more done with fewer resources and reduced environmental impact.

We are **transforming how we work** by improving the tools, processes and technologies we use across our factories and offices. By modernizing our operations — from advanced manufacturing technologies on the shop floor to digital productivity tools in our workplaces — we're creating a more agile, innovative and efficient organization. These internal improvements enable us to execute with excellence and deliver a higher-quality, seamless experience for our customers.

INNOVATING FOR CUSTOMER EFFICIENCY AND CHOICE. OUR SOLUTIONS PORTFOLIO INCLUDES:

Alternative fuel and fuel flexibility capabilities

We are expanding our customers' options to operate on a wider range of lower-carbon intensity fuels across both diesel and natural gas platforms. This includes biodiesel, renewable diesel (HVO), biogas, renewable natural gas, hydrogen blends, and alcohol-based fuels such as methanol and ethanol — giving customers more choices as fuel availability and infrastructure evolve.

High-efficiency diesel and natural gas engines

We continue to enhance the efficiency and performance of our diesel and natural gas engines and turbines through advancements in combustion, fuel systems and electronic controls. These improvements help customers reduce fuel consumption and lower GHG emissions across existing fleets and new equipment.

Digital and autonomous solutions

We continue to integrate digital tools and autonomy technologies that help customers use energy more efficiently — minimizing idle time, improving equipment utilization, and optimizing overall performance. These solutions also support safer operations and enhance ease of use for operators at all experience levels.

Battery electric and hybrid equipment

We are advancing battery electric and hybrid equipment across construction, mining, and energy applications. These solutions are supported by integrated charging, energy management systems, and high-density batteries designed to deliver reliable performance in demanding environments.



SUSTAINABILITY IN ACTION

Caterpillar has a long-standing commitment to sustainability, a core element of our purpose to build a better, more sustainable world. Our ability to provide innovative solutions reflects more than \$30 billion invested in research and development over the past 20 years to deliver best-in-class innovation for our customers. This work focuses on autonomy, alternative fuels, connectivity and digital, and electrification, helping customers reduce emissions, improve efficiency, and adapt to emerging technologies.

Pathways to Sustainability

This four-year educational program, launched in 2024, is designed to help mining, quarry and aggregate industry customers and Cat® dealers navigate the evolving energy landscape. It provides a holistic learning experience combining in-person and virtual training, along with project advisement and early access to sustainable technologies. The program's overarching goal is to support participants in achieving their sustainability-related objectives by sharing knowledge and tools across six key focus areas: strategy, people, product, process, technology and infrastructure.

Aligned with Caterpillar's 2030 sustainability goals, Pathways to Sustainability explores ways to help customers achieve their sustainability objectives through technology, waste reduction, fleet electrification, and efficiency improvements. Pathways fosters industry-wide collaboration so customers and dealers can learn and work together toward building a better, more sustainable world.

In its first two years, the program successfully established a collaborative platform for sustainable innovation in mining. This platform aligns with Caterpillar's mission of solving our customers' toughest challenges, by providing education, expert guidance, and early exposure to new technologies. Key achievements include participation of more than 70 customer groups, multiple in-person and virtual learning events with high engagement, and early tangible outcomes such as improved strategic planning and site-specific project advisement.

Advanced technology across industries

Caterpillar's latest technology developments are driving meaningful improvements across customer sites. Always looking for opportunities to enhance safety, Granite Construction is an early adopter of technology on the jobsite. As one of the first customers to test and implement the new Collision Warning System with motion inhibit on next-generation Cat medium wheel loaders, Granite Construction is taking advantage of technology that uses radar and cameras with people detection that alert operators to hazards faster and assist in preventing unintended machine movement—reducing the risk of a collision in tight jobsite conditions.

For Caterpillar's customer Kiewit, jobsite safety and minimizing unplanned downtime are essential when operating equipment across complex construction and mining projects in North America. Through ongoing collaboration, the Caterpillar and Kiewit teams determined that traditional maintenance programs and onboard machine technologies alone were not sufficient. Kiewit needed a more comprehensive solution, leading to the adoption of Caterpillar's Fleet Monitoring Center (FMC) for continuous, connected fleet condition monitoring.

FMC condition monitoring advisors continuously review equipment data to help prevent unplanned downtime and detect unsafe operating conditions before they impact jobsite productivity or safety. FMC is also helping reduce fuel consumption and GHG emissions by maintaining optimal engine and aftertreatment performance; detecting oil, coolant, and hydraulic issues early; and extending component and asset life through predictive maintenance. These efforts help enable Kiewit to make faster, data-driven decisions, strengthen operational resilience, and support long-term sustainability.

Autonomous hauling

Our expanded autonomy initiatives are also designed to enable more consistent, safer machine operation across industries, scaling proven autonomous haulage capabilities into new applications. Caterpillar and Luck Stone have a long-standing collaboration built on shared values and a mutual commitment to making their quarry operations safer and more productive. Together, we are advancing new technologies — including the first-ever deployment of autonomous systems on Cat 777 or 100-ton-class (90-tonne-class) off-highway trucks — to transform how work gets done. By the end of 2025, more than two million tons of material was safely moved, proving that autonomy can deliver consistent, reliable support while also improving safety through autonomous operations.



Blue lights on indicate our Cat® 938M small wheel loader is operating using semi-autonomous technology. This visual cue helps teams easily identify when autonomy is active and supports safe, coordinated operations on site.

Enduring efficiency

Caterpillar continues to demonstrate enduring efficiency through its electrification and mining solutions. Battery electric haul trucks such as the Cat 793 XE, part of the Early Learner Program, eliminate exhaust emissions and reduce noise and vibration while maintaining performance in demanding conditions.

In addition to two Early Learner trucks operating at customer sites in North America, Australia's first Caterpillar battery electric haul trucks arrived at a customer's iron ore mine in the Pilbara. These trials will help refine the technologies, infrastructure, and processes required for long-term, lower-GHG-emissions fleet performance.

Another solution we offer is Cat Dynamic Energy Transfer (DET), which transfers energy to diesel-electric and battery electric trucks while they work, enabling on-the-move energy transfer to support higher uptime, increased productivity, and long-term adaptability across varied mining conditions. The system is designed for rapid deployment and is modular and scalable across mature and developing sites.

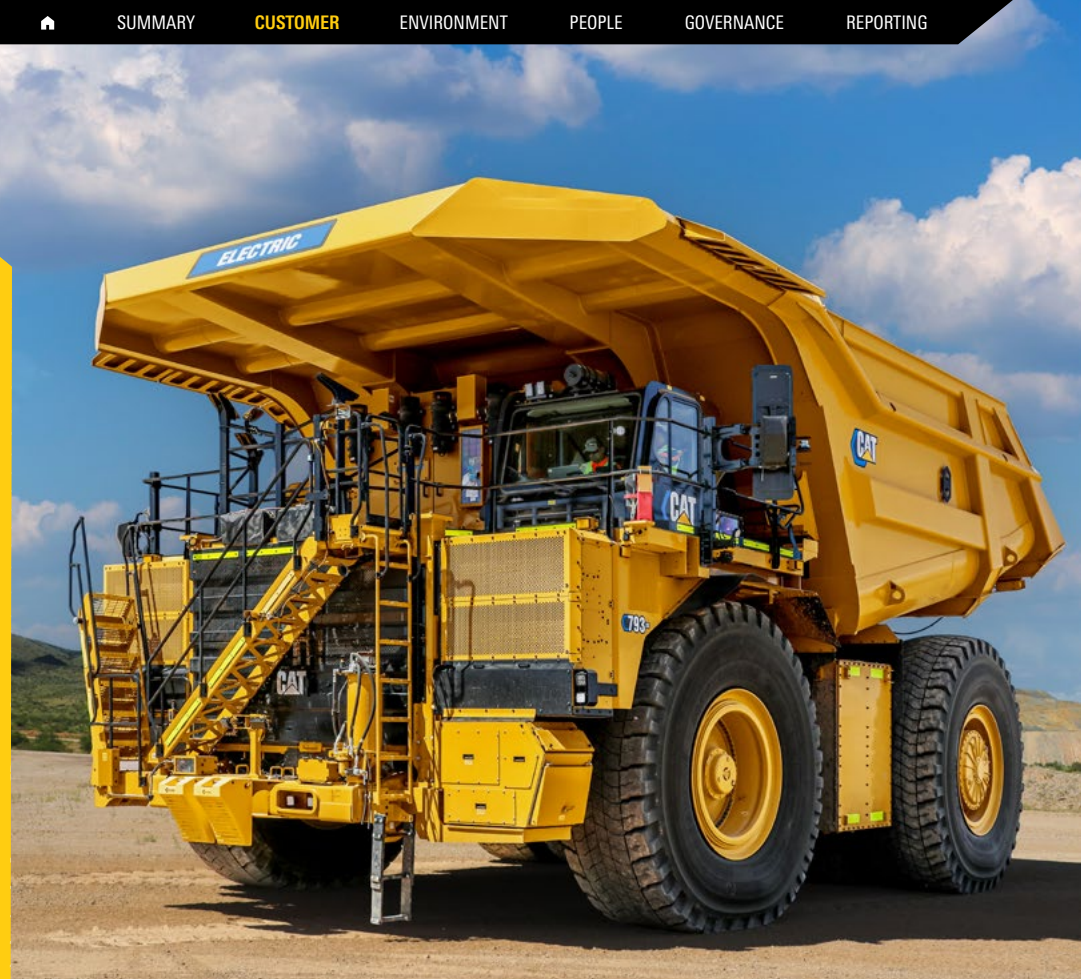
This work underscores Caterpillar's broader commitment to provide customers with high-performance, lower-emissions solutions that accelerate real-world progress on our customers' jobsites.

Sustainable mining

Vale and Caterpillar signed an agreement to expand the fleet of autonomous haul trucks in iron ore operations in the Carajás region, in Pará, northern Brazil. The technology will be gradually expanded over the next five years at the Serra Norte and Serra Sul units, further increasing the company's operational efficiency, safety standards, and sustainability. The implementation will be accompanied by a plan to develop employees, preparing them to perform strategic functions in the digital environment.

Currently, the Northern System operation has 14 autonomous haul trucks with a capacity to carry up to 320 tons. This new agreement expands the fleet to approximately 90 autonomous trucks in the region by 2028, operated by Cat® MineStar™ Command for hauling, including trucks with a capacity to carry up to 400 tons.

The initiative represents a transformational leap: autonomous trucks move workers from hazardous areas, enabling safer and more inclusive environments, and increasing operational efficiency.



Efficiency in design

Progress Rail, a Caterpillar company, made history in Western Australia by delivering two EMD® SD70JBBs in 2025 — the first battery electric locomotives accredited for operation in the country. These units, among the most powerful ever built, are designed to eliminate roughly one million liters of diesel each year through renewable electricity. Units also include regenerative braking, an innovative process that captures energy normally lost during slowing or stopping and sends it back into the system, helping extend operating range and improve overall efficiency.

Powered by renewable electricity, these locomotives demonstrate how heavy-haul rail can operate on battery while supporting demanding iron-ore operations. These initiatives directly support customer sustainability goals and accelerate the shift to renewable energy-powered mining.



Optimizing mechanical efficiency

Oilfield operators were facing high site-operation costs, complex systems, and rising diesel fuel expenses. To help address these challenges, Caterpillar developed the Gas Mechanical System (GMS), a fully integrated solution that operates on 100% natural gas. Built on Cat® 3,600-horsepower engine and transmission platforms, the GMS delivers increased power density and lower fuel consumption compared to previous operations and alternative fracturing methods.

The improved efficiency of the GMS helps cut GHG emissions through lower fuel consumption, while also reducing the amount of equipment required on location. During field testing in North America, the GMS demonstrated significant improvements in productivity and reliability compared with traditional solutions. The system also integrates easily with existing pumps on site, helping improve overall system effectiveness and operational efficiency.

Innovative fuel flexibility

Caterpillar is developing power solutions designed to operate on a range of fuels without sacrificing reliability or performance. Across industries, our teams are innovating to give customers more choice to improve operational efficiency, manage costs, and reduce lifecycle GHG emissions, depending on the fuel sources available.

In partnership with District Energy St. Paul in Minnesota, Caterpillar successfully demonstrated a major advancement in alternative fuels through a fuel-flexibility project featuring a combined heat and power (CHP) system powered by a Cat® G3516 gas generator set operating on 100% hydrogen fuel. District Energy St. Paul selected CHP as part of its long-standing commitment to efficiency and sustainability, supporting its goal of achieving carbon neutrality by 2050. The system delivered maximum efficiency consistent with high-performance generator sets running entirely on natural gas, underscoring hydrogen's potential as a viable alternative.

This demonstration highlights Caterpillar's capability to integrate alternative fuels into dependable energy solutions while delivering reliable power. By validating hydrogen operation in a real-world CHP configuration, the project illustrates how Caterpillar's fuel-flexible technologies can support customers' efforts to reduce exhaust emissions, while maintaining operational excellence.

Caterpillar's latest G3520K generator sets deliver power and advanced CHP production. This system delivers on world-class efficiency and is fuel-flexible, enabling customers to select from natural gas, propane, biogas, coal-mine methane, and up to 25% hydrogen blends, giving operators the ability to incorporate renewable and lower-carbon-intensity fuels in the future.

SUPPORTING A CIRCULAR ECONOMY

Caterpillar products are built to be rebuilt. As a global leader in remanufacturing, Caterpillar delivers value to customers by designing equipment and components for multiple life cycles. This helps lower the total cost of ownership, reducing GHG emissions and the need for new raw materials.

Remanufacturing

Through Cat® Reman offerings, customers have access to a growing portfolio of components, including engines, hydraulics, drivetrain and electronics, so they can select solutions aligned with their performance and repair needs. These components are available at a fraction of the cost of new parts, deliver like-new performance with a same-as-new warranty, and meet original equipment manufacturer (OEM) quality and performance specifications. Cat Reman products are broadly available through Cat dealers and digital channels to help reduce downtime and support reliable operations.

The lifecycle of a Caterpillar core

A core is a used Cat component that has reached the end of its current service life and can be remanufactured. The many Cat Reman offerings include complete engines, engine subcomponents, and diesel exhaust filters as well as drivetrain, hydraulic components, undercarriage solutions, and many electronic components—all designed to be remanufactured and extend service life.

Learn more about the [Cat Reman process](#).

REMANUFACTURING: OUR IMPACT

Increase of

41%

in sales and revenues from remanufacturing offerings since 2018¹

150M
pounds

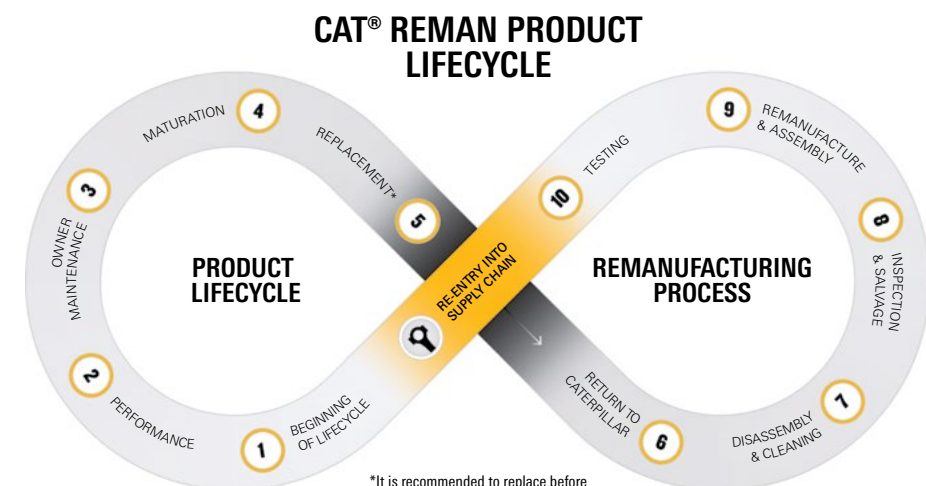
of end-of-life material received by Cat Reman in the past year

**65%-
87%**

less process energy and process GHG emissions when compared to manufacturing new parts²

¹ Data includes remanufacturing offerings provided by Cat Reman, Progress Rail, Solar Turbines, Caterpillar Energy Solutions, and Caterpillar Defense.

² Represents U.S. environmental impacts of gate-to-gate remanufacturing and remanufacturing processes for Cat engines and components, as defined in the 2018 United Nations Environment Programme report "Redefining Value—The Manufacturing Revolution." Does not include impacts elsewhere in our value chain.

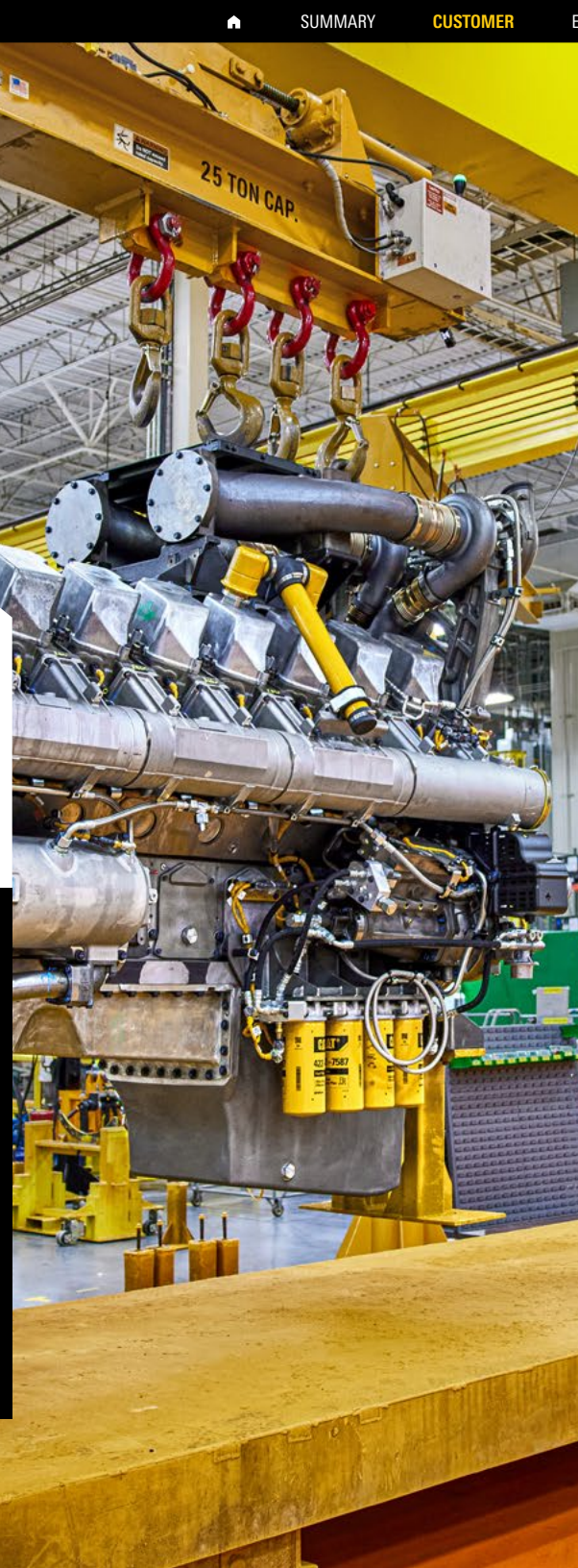


*It is recommended to replace before failure. Replacements after failure may result in partial credit.

As we work to continuously increase sales volume, we are expanding the Cat Reman portfolio across more applications and industries. By doing so, we're increasing the number of components that can be returned, remanufactured and kept in productive use, to include more than 8,000 offerings. Cat Reman engineers collaborate closely with new product development teams and leverage machine data and condition-monitoring insights to plan remanufacturing from the design stage. This collaboration helps prioritize the most in-demand aftermarket parts, ensuring that new offerings align with customer needs and keeping products, components and materials in use longer.

Giving 336 excavators a second life

When a customer's Cat® 336 excavators began nearing end-of-life after years of hard work, the owner worked with Caterpillar and their local dealer to pursue a different path using Cat Reman components. The machines were completely disassembled and worn systems like engines and hydraulics were exchanged for remanufactured components built to OEM specifications. Every remaining part was either rebuilt or replaced with genuine new Cat parts. Instead of starting over with new machines, the owner restored a proven fleet to peak performance and kept projects moving without disruption. Cat Reman delivered the quality, warranty, and value needed to keep their business running at full strength.



Our remanufacturing offerings

Cat Reman uses state-of-the-art, proprietary technologies to inspect, disassemble, clean, and salvage acceptable end-of-life cores before remanufacturing and assembling them to match OEM specifications of new Cat products with a same-as-new warranty.

Solar Turbines remanufactures turbine components to support the overhaul offerings.

Progress Rail extends the use of existing locomotives by providing rebuild, overhaul, and repower options.

Caterpillar Energy Solutions X-Change program is a parts replacement program for small, medium, and large MWM and Cat-branded engines.

Caterpillar Defense provides remanufacturing services for industrial military engines, components and transmissions.

Rebuilds and upgrades

Rebuild programs are a complementary part of Caterpillar's circular economy approach, working alongside Cat® Reman to extend the useful life of equipment in different ways. While Cat Reman focuses on remanufacturing individual components from returned cores, our rebuild programs restore whole machines and major systems to like-new performance using a combination of reused, reconditioned, remanufactured and new parts.

A Cat® Certified Rebuild includes required tests and inspections, automatic replacement or reconditioning of many parts, and a like-new machine warranty. Trained Cat dealer service professionals perform rebuild work using genuine parts while incorporating the latest engineering updates. Caterpillar provides information, data, training and service tools to help Cat dealers decide which parts to reuse to achieve the expected longevity of rebuilt components.

Along with Cat Certified Rebuilds, we offer upgrade kits that include the Cat parts and products needed to add features to existing machines. These kits enable customers to enhance comfort, safety, technology and performance without purchasing new equipment. Together, these offerings provide access to product enhancements introduced after the equipment was first manufactured, help reduce operating costs and improve efficiency at a lower price compared to new, and are supported by same-as-new dealer services and financing options through Cat Financial.

70%
less Scope 3
GHG emissions¹

A Cat Certified Rebuild machine reduces customer's Scope 3 greenhouse gas emissions by a minimum of 70% as compared to buying an equivalent new machine.

¹ Caterpillar conducted a globally representative study comparing the estimated "cradle-to-gate" GHG emissions of manufacturing a new product relative to performing a Cat® Certified Machine Rebuild for four products: 320 Medium Excavator, D6 Medium Dozer, 988 Large Wheel Loader, and 777 Off-Highway Truck. Caterpillar utilized life cycle assessment (LCA) guidance from the International Organization for Standardization (ISO) 14040/14044 and the Greenhouse Gas Protocol. Parts replaced in rebuild assumed purchased finished. Excluded were the estimated "gate-to-grave" GHG emissions, including use. "Gate" refers to when the product leaves a Caterpillar final manufacturing facility.





CUSTOMER AND PRODUCT SAFETY

Every day, Caterpillar empowers our customers with innovative products, services and digital solutions that put safety at the forefront. Safety is a core value that guides everything we design and build — helping protect people, equipment and the environment. Through advanced technology, we help customers optimize safety alongside productivity and efficiency. Our latest developments are driving meaningful safety improvements across multiple product categories, supporting those building the infrastructure of tomorrow, mining the materials that make it happen, and providing the energy that connects communities.

Safety technology

Caterpillar continues to advance jobsite safety through innovative technologies designed to reduce risk and help prevent incidents. For more than a decade, our Driver Safety System (DSS) solution has been supporting customers in addressing operator fatigue and distraction. In 2025, nearly 11,000 DSS-equipped machines and light vehicles were connected globally, extending safety protection across a wide range of applications.

In 2025, Caterpillar also established safety direct controls as foundational to our technology portfolio, embedding preventive features directly into machines. Initial factory and retrofit offerings include motion inhibit and automatic emergency braking for select medium wheel loaders. Cat® 2D E-fence, a technology leveraging advanced sensing and control systems, prevents or limits machine movement beyond the set boundaries — helps mitigate high-energy risks associated with heavy equipment and jobsite traffic. These technologies are available on most excavators.

As technology transforms the way the world works, safety remains at the heart of Caterpillar's innovation. We're developing smart systems and digital tools that empower customers to see more, respond faster, and create safer, more productive jobsites.

VisionLink exemplifies this approach. The cloud-based application helps give customers clear visibility into fleet performance and safety indicators — all from one easy-to-use platform. In 2025, Caterpillar expanded VisionLink's capabilities to provide deeper insight into leading safety metrics such as seatbelt compliance and near-miss detections, which enable proactive, fleetwide safety management. Caterpillar will continue expanding direct control technologies across its machine portfolio and introduce enhanced VisionLink safety metrics and event video capabilities in 2026.

Operator safety through comprehensive training

Caterpillar Equipment Training Solutions (ETS) strengthens customer safety performance through structured yet flexible, high-quality training that supports operators at every stage of their development. Combining extensive video resources, self-paced eLearning, detailed machine walkarounds, advanced simulator experiences, and expert-led hands-on instruction, ETS helps operators gain the knowledge and confidence needed to work safely and efficiently.

Our training programs are built to improve safety, boost productivity, and maximize equipment performance—helping customers reduce downtime, minimize wear, and deliver more consistent results. Scalable learning pathways address the needs of both new operators and seasoned professionals, covering foundational machine skills, advanced applications, and specialized technology training.

Through integrated training delivery at Caterpillar Demonstration and Learning Centers and close collaboration with Cat® dealers, ETS provides customers with cohesive, real-world learning experiences grounded in shared expertise and a commitment to excellence and safety.

In 2025, Caterpillar Safety Services deepened its partnership with customers worldwide through two major global events focused on advancing resilient safety cultures. In March, the Executive Safety Leadership Summit brought together more than 50 customers and dealers for an immersive experience of workshops, interactive presentations, and roundtable discussions. The event centered on strengthening organizational resiliency and cultivating leadership behaviors that drive lasting safety improvement.

Building on that momentum, the Second Annual Serious Injuries and Fatalities Prevention Summit brought together participants from five continents for three days dedicated to reducing serious injuries and fatalities across the mining industry. Customers, dealers and product teams collaborated through workshops, breakout sessions, and technology expos to exchange best practices and accelerate prevention solutions. Together, these events underscore Caterpillar's ongoing commitment to fostering safer outcomes and empowering organizations to lead with safety at every level.

Safety culture solutions

Caterpillar Safety Services partners with customers to build stronger, more resilient safety cultures that protect people and enhance performance. Through cultural transformation and leadership development, our team helps organizations move beyond compliance toward lasting safety excellence.

Drawing on deep expertise and a genuine commitment to people, our professionals work closely with customers to identify opportunities and challenges across the components of a resilient safety culture: System, Mindset, Leadership and Ownership. We work alongside customers and provide proven solutions to help them meet their objectives.



**LEARN MORE ABOUT
CATERPILLAR
SAFETY SERVICES.**



ENVIRONMENTAL STEWARDSHIP

Environmental stewardship is foundational to how we operate at Caterpillar. Our long-standing commitment to sustainability continues to guide the way we manage our facilities, reduce our environmental footprint, and advance efficiency across our global operations.

As we work toward achieving our enterprise sustainability goals, we remain focused on continuously improving how we operate — reducing Scope 1 and Scope 2 greenhouse gas (GHG) emissions, optimizing resource and energy use, and embedding sustainability into decision-making.

Our operations	22
Scope 1 and Scope 2 GHG emissions	23
Water management	24
Waste management	25
Scope 3 GHG emissions	26



OUR OPERATIONS

Caterpillar is committed to building a better, more sustainable world and remains dedicated to the belief that sustainability is part of who we are and what we do every single day. We maintain resilient, agile and sustainable operations to drive customer success.

We continue to make strides toward our 2030 sustainability goals across our facilities worldwide. We leverage advanced technologies to improve product performance and improve process efficiencies to reduce environmental impact. Caterpillar's efforts to reduce GHG emissions, water consumption, and waste generation go hand in hand with maximizing efficiency and becoming a leader in modern manufacturing.

CLIMATE AND ENERGY STATEMENT

We support the goals of the Paris Agreement to limit global temperature rise, and we are committed and contributing to a reduced-GHG-emissions future. Caterpillar demonstrates this commitment in many ways, including through significant progress in reducing GHG emissions from our operations.

Building on this foundation, we continue to advance our products and technologies to help customers meet their operational and sustainability goals. Through focused innovation, we are delivering solutions that provide the performance, efficiency, and reliability they expect from Caterpillar.



Scope 1 and Scope 2 GHG emissions

Our manufacturing facilities, the primary source of our Scope 1 and Scope 2 GHG emissions, proactively implement programs and projects to improve operational efficiency, reduce energy use, and lower GHG emissions. Across our global footprint, facilities advance energy-efficiency initiatives and expand renewable energy generation, all while continuing to produce a wide range of products and solutions for our customers.

Examples of 2025 initiatives included:

- At Caterpillar's Tucson Proving Ground in Green Valley, Arizona, the security operations building recently transitioned to a hybrid microgrid solution. It consists of 58 solar panels and a Caterpillar XES60 mobile battery energy storage system that now powers the site independently — covering the site's total power needs while lowering its fuel usage and GHG emissions. The building solution combines multiple Caterpillar technologies — solar, battery storage, and backup generator power — into a self-sufficient system that can be replicated since the equipment is commercially available. This technology offers an off-grid option for remote sites that are challenging and costly to energize.
- Air compressor leaks were a major focus for facility teams in 2025. Both the environmental teams in Peterborough, United Kingdom, and Lafayette, Indiana, performed rigorous air compressor audits to detect and repair air compressor leaks across their systems. By optimizing compressors and associated equipment, especially where on-site generation supports plant loads, these locations are reducing unnecessary energy loss, lowering fuel consumption, and contributing to reduced GHG emissions. These projects also demonstrate the power of global collaboration. The work in Peterborough and Lafayette shows how shared learnings and replicated practices help scale improvements across Caterpillar facilities worldwide.
- A solar array was installed at the Queensland, Australia, distribution center to increase on-site electricity generation and decrease the facility's grid-based electricity consumption. The roof-mounted array utilized collaborative efforts across Caterpillar to apply a hybrid energy solution that eliminates nearly 400 metric tons of GHG emissions.



ENERGY INTENSITY

In addition to our 2030 sustainability goal of reducing Scope 1 and Scope 2 absolute GHG emissions by 30%, we also measure our progress and improvement of energy intensity. Since 2021, we have reduced our energy intensity by 25%, measured in absolute million gigajoules of energy used/million dollars of sales and revenues.

Water management

Caterpillar's water management strategies, aligned with our operational water management sustainability goal, are grounded in rigorous, site-level analysis. Facilities conduct comprehensive studies and reviews to fully understand how water is used across operations and processes, identify areas of high consumption, and evaluate opportunities to optimize use and improve efficiency. This disciplined approach enables sites to make informed decisions that reduce water use, enhance operational performance, and strengthen long-term water stewardship.

- One of Caterpillar's divisions, Product Support and Logistics (PSLD), made progress in their pursuit of this goal, as it applies to their sites. All PSLD sites in high-risk water locations¹ implemented additional controls into their water strategy plans. This achievement supports the enterprise goal to implement water strategy plans at all facilities in high-risk water areas.
- The Grenoble, France, facility completed a two-phase project in 2025 designed to reduce total water consumption by air compressor cooling systems. The first phase installed a heat pump to recover waste heat from compressors, reusing the heat to preheat generators and produce hot water on site. The second phase transitioned compressor cooling from groundwater to a dry air cooler. This project yielded a 64% reduction in total water consumption between 2023 and 2025.

¹ As identified in the Aqueduct Water Risk Atlas

Environmental, health and safety management system

We maintain high standards for environmental, health and safety (EHS) throughout the company. Caterpillar's EHS management system establishes foundational requirements and management practices for all facilities globally, including those operated by majority-owned subsidiaries and joint ventures. EHS training for employees is provided to comply with regulations and Caterpillar requirements.

Our facilities assess compliance with regulatory and Caterpillar requirements annually. Our EHS assessment team reviews those self-assessments and conducts in-depth audits of select facilities each year to ensure compliance with regulatory requirements and conformance with the EHS Assurance Manual.

Beyond meeting enterprise expectations, facilities implement initiatives to enhance safety, improve energy efficiency, and reduce environmental impact. We encourage facilities to share EHS best practice activities through internal awards and recognition processes.

Learn more about Caterpillar EHS operations and standards.



Waste management

Key aspects of Caterpillar's sustainable operations involve waste prevention and using resources efficiently. Facilities across the enterprise completed projects aimed at reducing waste by identifying recycling streams or reuse projects.

- The EHS and paint operations teams in Decatur, Illinois, executed a solvent reclaim program designed to decrease waste generated and increase the reuse of solvents. The teams worked with a waste vendor to collect used paint, reclaim it, and return the solvent to the Decatur site for reuse. It resulted in a significant reduction in solvent waste, leading to an 80% year-over-year decrease. This program not only cuts down on the amount of waste generated, but the facility now fully utilizes reclaimed solvent in their operations, using virgin solvent only for back-up purposes. The Decatur facility is just one of the facilities to have executed solvent reclaim projects, reducing their waste while increasing the use of high-quality reclaimed materials.
- The Aurangabad Engine Center located in Chhatrapati Sambhajinagar, India, developed a sustainable logistics solution by introducing metal pallets, eliminating the need for single-use wooden skids. The site team also improved reusability by introducing returnable packaging for inbound parts. Through stakeholder engagement aimed at adopting reusable packaging and phasing out single-use products, the Caterpillar facility team successfully reduced waste generation across large power system division sites. This effort is being extended across Caterpillar sites, making an even greater impact in pursuit of our 2030 operations waste goal.

OPERATIONAL EXCELLENCE ENABLED BY EMPLOYEE ENGAGEMENT

Across the enterprise, employees are encouraged to be a part of Caterpillar's sustainability journey. When teams collaborate and share ideas, we accelerate our purpose to build a better, more sustainable world.

2025 highlights included:

- Environmental teams at our site in Lafayette, Indiana, piloted a sustainability treasure hunt, encouraging employees to use their expertise to identify projects around the facility that could reduce energy consumption or improve energy efficiency. The success of the 2025 treasure hunt has led to an expanded program engaging employees across the campus.
- Caterpillar employees in Peterborough, United Kingdom, are proving that sustainability is strongest when everyone contributes. This initiative invites employees to submit ideas to help make the facility more sustainable. Impactful suggestions include switching to reusable containers in the cafeteria, upgrading automatic light timer systems, and launching a reusable, durable cardboard program. These ideas reflect the creativity and commitment of employees who see opportunities every day to make a difference. The program empowers individuals and emphasizes sustainability as a shared responsibility.

SCOPE 3 GHG EMISSIONS

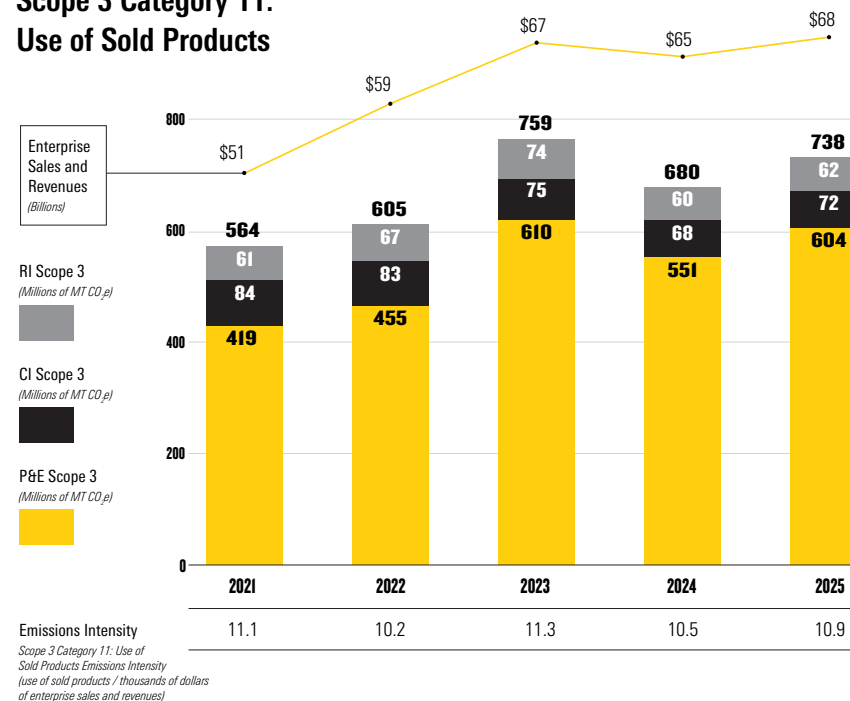
Given our large, global customer base across power generation, oil and gas, construction, mining, and other industrial applications, Category 11: Use of Sold Products is our largest Scope 3 category. The remaining 14 categories are either not relevant to our business or are immaterial, collectively accounting for less than 5% of total estimated Scope 3 GHG emissions. Caterpillar's estimated Scope 3 Category 11: Use of Sold Products, calculated using guidance from the GHG Protocol, illustrates annual GHG emissions at the enterprise level and by primary segment—Power and Energy (P&E), Construction Industries (CI), and Resource Industries (RI)—as well as GHG emissions intensity (metric tons (MT) CO₂e divided by enterprise sales and revenues). Our Scope 3 GHG emissions are estimated to be more than 95% of the company's total Scope 1, 2, and 3 GHG emissions inventory.

Scope 3 GHG emissions increased, reflecting strength of certain end markets, shifts in product and application mix, and our ongoing work to help meet growing global energy demand, particularly with continuous run applications. Many of our products operate with high utilization rates and substantial duty cycles. In some cases, product life can extend decades through service life extension activities, including rebuilds, remanufacturing and overhauls. Looking ahead, we estimate Scope 3 GHG emissions to increase to support customer demand and growing global energy needs.

Scope 3 Category 11: Use of Sold Products emissions are influenced by many factors, including customer applications, demand, product life extension, operating conditions, and more. Caterpillar's role is to provide products, services and solutions that support customers' near-, mid- and long-term objectives—whether that involves addressing total cost of ownership; improving efficiency, productivity, or safety; or reducing GHG emissions. We remain committed to 100% of Caterpillar's new products through 2030 being more sustainable than the previous generation.

Our company's total enterprise Scope 3 Category 11: Use of Sold Products calculation was verified by a third-party assurance firm (ERM CVS); see the [Independent Limited Assurance Report](#).

Scope 3 Category 11: Use of Sold Products



The annual estimates for lifetime Scope 3 Category 11: Use of Sold Products emissions are calculated from the GHG Protocol expression: $\sum (\text{total lifetime expected uses of product} \times \text{number of products sold in reporting period} \times \text{fuel or electricity consumed per use (kWh)} \times \text{emission factor for fuel/electricity (kg CO}_2\text{e/kWh)})$. The inputs to this equation are specific to construction machines, mining machines, off-highway diesel and natural gas engines, industrial gas turbines, diesel-electric locomotives, and others, applied at the product-level to calculate lifetime GHG emissions, then aggregated across the full enterprise portfolio. Included in the calculation are GHG emissions from combustion of fuels and / or use of electric power until the estimated point of final disposal covering rebuild, remanufacturing, and overhaul events that extend the service life of the product. While we continue to grow lower-carbon intensity, alternative fuel offerings, given the difficulty predicting customer fuel switching, all liquid fuel is assumed to be diesel and all gaseous fuel is assumed to be natural gas. Excluded from this calculation are GHG emissions from upstream production of fuel consumed in Caterpillar products, fuel efficiency and emission factor changes through the life of the product, refrigerant emissions, and others considered insignificant to Caterpillar's enterprise number. The inputs to perform this calculation were integrated from many data sources including but not limited to: Operation and Maintenance Manuals (OMM), product design data, telemetry data, public data sources (U.S. Environmental Protection Agency (EPA) and International Energy Agency (IEA)), and internal engineering, product, marketing, and other subject matter expertise. These inputs are refined yearly as needed based on telemetry data, product design data, and/or internal expertise, considering industry best practices, consistency and accuracy, data maturity, and regulatory/policy change.

Effective January 1, 2026, we realigned our organizational structure by moving our Rail division from the Power and Energy segment to the Resource Industries segment. For more information on the Rail organizational realignment, see our most recent Form 8-K, filed March 26, 2026. Scope 3 GHG emissions presented in this report have been prepared based on the organizational structure effective January 1, 2026.

WIN WITH OUR PEOPLE

At Caterpillar, we win with our people. Their talent, dedication and different perspectives fuel our ability to innovate, solve complex challenges, and deliver on our purpose of building a better, more sustainable world.

Our dedication to people extends beyond the workplace and into the communities we serve. Through direct community support and by funding the Caterpillar Foundation, we support initiatives that strengthen resilience, expand opportunity, and improve quality of life — reinforcing our belief that when communities are strong, our people and business thrive.

Employee safety	28
Investing in people	31
Developing our people	32
Health and well-being	33
Company culture	34
Community engagement	35

EMPLOYEE SAFETY

Safety is at the core of who we are at Caterpillar. We create a global workplace that values the safety of everyone working at or visiting our facilities, with strategic goals and visible support from our leadership team. We drive a culture of safety excellence by empowering each person and team to take ownership of their own well-being.

Building on this solid foundation, we elevated Safety to one of **Our Values in Action** in 2025, reflecting its long-standing history within our company and reinforcing its importance in every decision we make.

We believe the best way to drive a culture of safety excellence is to create an environment where our teams work to prevent serious injuries by learning, improving and demonstrating care for one another. We equip all employees, including new hires, with the knowledge they need to work safely, and our leaders are expected to model a strong safety culture.

SAFETY DRIVEN

Building on our past successes, we continuously evolve our safety culture and learn from other global companies and safety thought leaders. We developed our Safety Driven strategy, incorporating a new mindset centered around three key outcomes:

- 1 **Preventing Serious Injury Is Critical**
- 2 **Learning and Improving Is Vital**
- 3 **Demonstrating Care Is Our Foundation**





Recognizing Safety Driven behaviors

To recognize teams and individuals who bring our Safety Driven strategy to life, we introduced a Safety Driven Award that honors employees who demonstrate its three outcomes. Since launching the program in 2024, employees and leaders have submitted nominations throughout the year, resulting in more than 225 awards across the enterprise.

In 2025, we also created Caterpillar's first enterprise-level safety award. Our Victoria, Texas, Excavation Division facility was chosen as the inaugural recipient for shaping the Safety Driven strategy and pioneering the integration of Human and Organizational Performance (HOP) principles, which emphasize how people and systems interact to perform work. Victoria's leadership and frontline teams exemplified how learning, collaboration and prevention can transform safety culture — bringing together more than a dozen Learning Teams that delivered 70 actionable improvements, all of which were successfully implemented. Victoria's focus on serious injury prevention also led to the successful mitigation of risks for more than a dozen critical high-energy tasks and introduced engineering solutions that enhanced both safety and operational efficiency.

Preventing serious injury is critical

We work to prevent serious injuries by focusing more on controlling tasks with high energy — such as working around moving equipment, suspended loads, heavy rotating equipment, and working at heights — because they are most likely to result in serious injuries. We're shifting our focus by identifying such high-energy tasks and strengthening our safeguards. In some locations, we have introduced camera systems enabled by artificial intelligence (AI) that detect when a person enters a high-energy work cell, prevent tests from starting without an all-clear signal, and trigger soft stops if a controlled zone is breached.

Learning and improving is vital

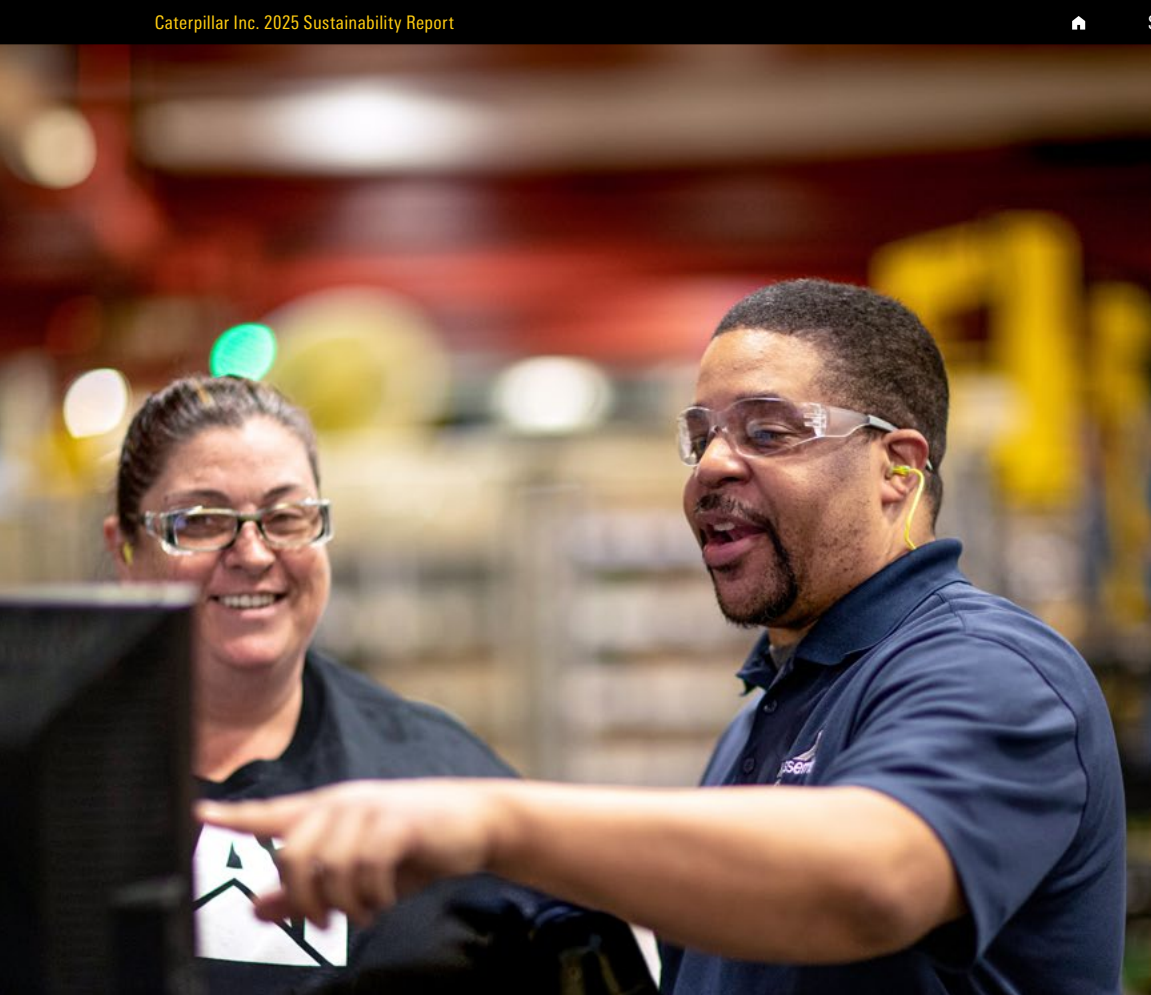
Learning and improving are central to the Safety Driven strategy, where we learn together from our mistakes and successes, share best practices, and celebrate achievements. This learning culture is grounded in HOP principles where we seek to understand the context when things go wrong rather than assign blame. Since our people closest to the work often have the best knowledge of how it can be performed successfully, we draw on their insights to strengthen our controls and safeguards.

Demonstrating care is our foundation

Demonstrating care means we build trust and respect with each other by actively listening, showing empathy, and staying curious to learn from those closest to the work. We recognize that how we respond matters: remaining humble and seeking to understand creates an environment where employees feel safe to speak up. Tools such as Learning Teams bring groups of employees together to talk about how work is really done, starting with open-ended questions and wide-ranging dialogue, which deepens understanding, surfaces risks, and reinforces that every voice matters in improving safety.

13K+
safety training
courses

We continue to invest heavily in competency and skill building, including a HOP safety course completed by more than 13,000 employees and leaders.



Contractor safety

We expect everyone to be safe when working at or visiting a Caterpillar facility, regardless of company affiliation. In alignment with our Safety Driven strategy, we strengthened our Contractor Safety Program by releasing an enhanced contractor safety playbook. This playbook elevates our expectations, programs and engagement through contractor selection, onboarding and management, ensuring Safety Driven practices while working on site. We set clear expectations with facility managers, environmental, health and safety (EHS) professionals, and procurement teams, who are working to embed these standards so our contractors are engaged in our Safety Driven culture.

Our safety performance

We maintain a rigorous system for recording and reporting enterprise safety metrics and targets. While consistent enterprise targets establish structure and accountability, business units focus on building a strong safety culture to drive continuous improvement. Our **EHS management system**, which sets expectations for each facility worldwide, drives clear accountability. For more than two decades, we have strengthened our safety performance, resulting in a 93% improvement in recordable injury frequency (RIF) since 2003. We're also expanding how we define success. It's not just about the absence of injuries; it's about the presence of strong safeguards to keep workers safe when the unexpected happens.

Learn more about [Caterpillar safety performance](#).

TEAMS ACROSS THE ENTERPRISE CONTINUE TO MAKE PROGRESS TO ACHIEVE OUR 2030 EMPLOYEE HEALTH AND SAFETY GOAL.

Seguin, Texas

This location is implementing AI-enabled camera systems to improve visibility around critical operations and help identify unsafe conditions in real time. These tools support supervisors and employees in determining high-risk areas and taking timely corrective action, strengthening the site's layered approach to preventing serious injuries.

Lafayette, Indiana

Caterpillar's facilities engineering team at this location is upgrading crane systems with smart features such as slack-rope prevention, side-pull prevention, and target positioning, among others, to support safer movements in busy production areas. The site pairs these technical upgrades with strong training and engagement, so team members are put in the best position to perform their high-energy tasks safely.

Queensland, Australia

The facility has strengthened work-at-heights safety by installing steel-mesh covers around skylights and adding permanent staircases to the roof, improving access and reducing fall risks for maintenance personnel. The distribution center is deploying pedestrian-detection cameras for forklifts that automatically slow the equipment when a person is detected, further reducing the potential for serious injuries.

INVESTING IN PEOPLE

We win with our people. To power our enterprise strategy, we continuously refine how we attract, develop and retain exceptional talent. Our environment fosters a culture where people feel valued and respected, and have a strong sense of belonging. We are proud to offer opportunities for employees to develop skills, grow their careers, and make meaningful contributions by:

- Welcoming new employees with tools, training and support structures to learn the Caterpillar culture and succeed in their roles.
- Reinforcing our culture through individual and shared responsibility for Our Behaviors: Customer-Back Mindset, Open and Direct Communication, Act With Urgency, Think Differently, and Accelerate Early Wins.
- Fostering current and future talent to contribute to business expansion and development.
- Preparing our talent pipeline for workforce readiness by offering training, education and upskilling in partnership with the Caterpillar Foundation.

DEVELOPING EARLY TALENT

More than 1,900 interns from over 500 colleges and universities worldwide joined our team in 2025 to gain hands-on experience across our business. U.S.-based interns gathered at the Edwards Demonstration Center in Edwards, Illinois, for an immersive orientation featuring dynamic activities and direct conversations with senior leaders. This cohort strengthened our emerging talent pipeline and contributed to meaningful solutions across the organization.



WINNING WITH OUR PEOPLE

2025 people highlights included:

118K+
employees

Our global workforce included 118,000 employees across all regions.

64.5K+
manufacturing employees

64,500 employees worked in our manufacturing sites.

1.2M
training courses

Employees cumulatively completed over 1.2 million training courses including professional, technical, personal development, and compliance topics, demonstrating strong workforce engagement and continued investment in building critical skills for the future.

2.3K+
leaders

Over 2,300 leaders completed a suite of global leadership development programs, designed to fuel Caterpillar's leadership pipeline. The programs enhanced cross-functional collaboration and equipped leaders with the tools to drive performance and model values-based leadership.



Developing our people

We are committed to building a culture of continuous learning. By investing in a robust portfolio of development programs, resources, and work experiences, we give our people every opportunity to grow. We are equally focused on sustaining a workplace where individuals feel supported and valued. Together, these efforts equip our employees with the capabilities they need to excel and advance at every stage of their careers.

We provide a variety of opportunities for learning and development:

- Onboarding to ensure new employees receive a thorough introduction to our business, enabling them to understand our operations and strategic direction.
- Formal classroom, virtual and on-demand courses that empower employees to develop the capabilities required to innovate, solve complex problems, and anticipate our customers' evolving expectations.
- Experiential learning opportunities that enable employees to build capability through direct, practical engagement with their work.
- Coaching and mentoring initiatives that support employee performance and development through structured skill building, continuous guidance and feedback, knowledge transfer, stronger professional relationships, and greater confidence.
- Leadership development programs designed for all levels of leadership, addressing core topics that include coaching, communication and providing impactful feedback.

Helping production leaders make the greatest impact

To improve the employee experience in our production facilities, we launched a comprehensive program to better understand the day-to-day challenges our frontline teams and their leaders face. We conducted interviews with frontline leaders across multiple facilities to gain direct insight into what employees need to feel supported, engaged and able to perform at their best. These learnings were used to create a customized action plan for each participating site, ensuring that every facility has clear priorities and practical tools tailored to its unique environment. This ongoing work fosters a more positive and inviting culture, enhances support for frontline production leaders, and equips them to focus their time and resources on areas of greatest impact.

Supporting connection and development

Our **14 Employee Resource Groups** (ERGs), open to all employees, strengthen how we work together and support our ability to deliver on Caterpillar's strategy for long-term profitable growth. ERGs provide opportunities for employees to build skills, expand their networks, and engage in programs that help us collaborate more effectively across the global regions where we operate. Our ERGs help put Our Values and Our Behaviors into practice through learning opportunities, professional development programs, and connections that support how teams solve problems and execute with excellence.

ERGs also contribute directly to business objectives. Many partner with recruiters and early-career programs to help strengthen the talent pipeline, support skills development, and offer programs that deepen employees' understanding of the industries and communities in which Caterpillar operates. Together, our ERGs help employees grow, build capability, and work more effectively across functions and regions—all of which support strong performance and business success.

Health and well-being

We recognize that caring for the whole person directly impacts how we work, engage, stay safe, and contribute every day. That understanding guided us to launch a redesigned Employee Assistance Program (EAP) offering convenient, confidential and wide-ranging support for employees and their families worldwide. This enhanced program makes it easier to access best-in-class technology and high-quality mental health resources so our people can get the support they need, when and where they need it. Since enhancing this program, we've seen greater utilization across our employee population and by their families.



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2025 ANNUAL EMPLOYEE ENGAGEMENT SURVEY INSIGHTS

88%

employee response rate

**“Challenging Work”
and “Impact”**
were identified by employees
as our greatest strengths

Company culture

We believe in the Power of Everyone to help us attract, develop and retain talent that reflects the communities and customers we serve. Having employees from different backgrounds and expertise areas enhances our ability to innovate and solve our customers' toughest challenges. We are a company that listens closely to our employees, values their feedback, and takes pride in turning those insights into meaningful action. By continually improving the employee experience, we enrich our culture and ensure it remains a place where all employees can contribute and thrive.



COMMUNITY ENGAGEMENT

Caterpillar's Corporate Social Responsibility approach is built on the belief that resilient communities are essential to building a stronger, more sustainable world. As a global enterprise with deep local roots, Caterpillar prioritizes contributions in the communities where our employees live and work — creating shared value by strengthening resilience and aligning social impact with purpose. We drive meaningful impact in two ways: by Caterpillar Inc. directly supporting community projects and funding the Caterpillar Foundation.

Social impact

Established in 2022, Caterpillar's Social Impact Fund was created to support community projects that align with the company's strategy. Caterpillar contributes funding directly to organizations on a project-by-project basis, which can vary by industry, and engages Caterpillar employees and leaders in the process.

In 2025, Caterpillar made a bold pledge to invest \$100 million over the next five years to equip the workforce of the future with the tech-forward skills needed for tomorrow's manufacturing jobs. The pledge, the first of its kind for Caterpillar, reflects the company's dedication to its people and

strengthening communities. In October 2025, Indiana became the first state to receive funding from the pledge, with Caterpillar committing up to \$5 million to train and upskill workers across the state.

Additional initiatives funded by the Social Impact Fund in 2025 included:

- **Assist International:** Off-grid electrification initiatives, including technical and development programs in communities across Africa and India.
- **The AED Foundation's VISION program:** Development of the next generation of skilled technicians in the U.S.





The Caterpillar Foundation

Funded by Caterpillar Inc., the Caterpillar Foundation collaborates with organizations worldwide to address critical community-wide needs—from disaster relief and sustainable infrastructure development to science, technology, engineering and math (STEM) education. By allocating resources to programs that build stronger, more sustainable communities, the Foundation helps create opportunities and improve the quality of life for millions of people globally.

Thanks to the generosity of Caterpillar employees—and a special matching program through which the Caterpillar Foundation matched employee contributions to eligible organizations at a 10:1 ratio—the Foundation reached a historic milestone in 2025: \$1 billion in global giving since its inception in 1952. In its more-than-70-year history, the Foundation's global initiatives, in collaboration with its grantees, have helped communities make sustainable progress and improved lives worldwide through these core pillars: workforce readiness and STEM education, sustainable natural infrastructure, disaster relief, and employee and community action.

In 2025, Caterpillar employees, retirees and the Caterpillar Foundation continued to demonstrate remarkable generosity, pledging more than \$15.2 million to United Way chapters and their partner agencies across the United States, Mexico, Canada and Panama. Through the Foundation's Matching Gifts and Volunteer Service Match programs, an additional \$26.6 million and more than 112,000 hours of volunteer time were contributed to thousands of nonprofits across the globe.

During times of crisis, Caterpillar employees, together with the Caterpillar Foundation, continued their tradition of swift response to global disasters, providing crucial support to emergency response organizations.

THE CATERPILLAR FOUNDATION HIGHLIGHTS

- \$55.8M contributed
- 5,621 organizations in 42 countries supported
- \$42.8M employee matching gifts¹, \$10.1M special 10:1 match
- \$750K volunteer service match
- \$3.9M disaster relief and response
- 107K individuals projected to gain industry-recognized credentials
- 87K acres projected to be restored
- 249 water systems projected to be installed
- 120K individuals projected to gain access to STEM education programs where they live and work

¹ This data represents employee and retiree donations, and the match payments made in the calendar year 2025. This also includes 10:1 Caterpillar employee donations made in 2025. The remaining Q4 match payments will occur in the 2026 calendar year.

Disaster relief and response

Disasters can significantly alter the course of people's lives. The Caterpillar Foundation is committed to supporting communities through vital funding that addresses immediate response and long-term resilience. Acknowledging the significance of preparedness and effective response, the Foundation allocated more than \$3.9 million in 2025 to advance these essential efforts.

Over the years, the Foundation has invested in initiatives such as the American Red Cross's Annual Disaster Giving Program (ADGP) to help communities prepare before a disaster strikes. This forward-thinking support ensures individuals have the resources they need to expedite recovery and rebuild with confidence.

To help strengthen disaster preparedness and resilience in global communities, the Foundation continued its collaboration with Myriad Alliance's DisasterLink. By investing in early warning systems, evacuation training and risk reduction strategies, DisasterLink equips vulnerable communities before crises occur. In addition, when disasters strike, pre-positioned partners and fiscal sponsorship enable donations to reach affected areas within 24 hours, ensuring rapid relief and long-term recovery. In 2025, the Caterpillar Foundation supported DisasterLink preparedness programs in Japan, Indonesia, Brazil, India and Nepal.

The Foundation's long-standing collaboration with the China Foundation for Rural Development enabled a rapid response to the January 2025 earthquake in Tibet, providing emergency relief kits to nearly 560 affected families in Shigatse. Through sustained investment in disaster preparedness since 2015, the program has strengthened community resilience across 22 provinces, supported 57 disasters and directly benefited more than 34,000 families.

In response to the July 2025 floods in Central Texas, the Caterpillar Foundation donated \$250,000 to the United Way of San Antonio Bexar County and the Community Foundation of the Texas Hill Country. The funding supported immediate needs and long-term rebuilding efforts in Kerr County and surrounding areas.



\$1M
annual investment

In 2025, the Foundation's \$1 million annual investment as an ADGP member supported recovery from domestic and international disasters such as the California wildfires and the Myanmar earthquake.

Learning Undefeated

The Caterpillar Foundation supports Learning Undefeated's Manufacture Your Path program, launched in January 2025, through the Breakout Box, a mobile lab that traveled to more than 30 schools and community events across Texas. Middle and high school students compete and collaborate in immersive design-and-build challenges that develop STEM and manufacturing skills. Teachers who complete training on classroom activities with Learning Undefeated also receive equipment and materials to implement these activities in their own classrooms year after year. An estimated 20,000 people will be positively impacted by the three-year Manufacture Your Path program.

Groundwork North East

Since 2021, the Caterpillar Foundation has supported Groundwork North East's Revitalising Our Estuaries program. The initiative aims to restore and enhance six estuaries across Northeast England using nature-based solutions. Program interventions are designed to restore natural infrastructure, remove invasive species, improve water quality, stabilize shorelines, and support disaster mitigation. Scientific monitoring measures the program's impact. Caterpillar Foundation funding has helped restore and improve 3,188 acres over the course of the collaboration.

Fab Foundation

The Caterpillar Foundation began supporting the Fab Foundation in 2022, driven by a shared vision of innovation and education. Through contributions to five programs totaling more than \$1.1 million, the collaboration is advancing industry 4.0-aligned STEM skills in four U.S. communities and one location in Australia. The initiative engages students in digital fabrication through hands-on learning with equipment like 3D printers, laser cutters, and prototyping materials, while empowering educators with professional development and coaching to create standards-aligned curriculum that incorporates these technologies.

Maker Labs in Rajasthan

In 2023, the Caterpillar Foundation funded the Vudhyalay Udhyam Association to implement the School Innovation and Entrepreneurship Program, which aims to equip students in rural Rajasthan, India, with hands-on STEM, design thinking, and entrepreneurship skills by creating Maker Labs in local schools. Since its launch, the program has grown from 10 to 15 labs and served more than 10,000 students, with participants winning prizes at national competitions.



RESPONSIBLE GOVERNANCE

At Caterpillar, robust governance creates long-term value for our shareholders, strengthens board and management accountability, and builds trust in the company and our brand. Caterpillar's **Code of Conduct** provides the framework to operate our business responsibly and with integrity to deliver long-term shareholder value.

Ethics and Our Values in Action	40
Corporate governance	41
Shareholder engagement	43
Risk management	44
Human rights	46
Strategic procurement	47
Political engagement	48

ETHICS AND OUR VALUES IN ACTION

While we operate within the framework of the laws and regulations that apply to our business, we hold ourselves to a higher standard. Our responsibility extends beyond compliance; Our Values — Safety, Integrity, Teamwork, Excellence and Commitment — guide everything we do. By following the Code, we create a work environment we all can take pride in, a company respected and admired by others, and a world made better by our actions.

OUR VALUES IN ACTION

Safety

Care. Learn. Prevent.

Integrity

Do the right thing

Teamwork

Win together

Excellence

Be the best

Commitment

Own the outcome

Our Code, refreshed in conjunction with our strategy, defines **Our Values in Action** — Safety, Integrity, Teamwork, Excellence and Commitment — and describes what we stand for as Caterpillar employees and how we conduct ourselves with customers, dealers, suppliers and one another.

The Code applies to the daily activities of employees, of Caterpillar Inc., its subsidiaries and affiliates worldwide, and members of its board of directors. The Code covers, but is not limited to, preventing serious injuries, avoiding conflicts of interest, fair competition, free trade, avoiding improper payments, non-harassment, non-discrimination, personal responsibility, personal privacy, sustainability, environmental responsibility, and human rights.

Reporting Rights and No Retaliation

Guided by Our Values, we hold ourselves and each other accountable to the highest standards, ensuring our decisions are consistently ethical and responsible. We encourage individuals to report situations in which they have a good-faith belief that any circumstance or action has violated our Code of Conduct, enterprise policy or procedure, or applicable law. Those who wish to report a concern can do so through internal and local channels or confidentially and anonymously report through resources maintained by our Office of Business Practices. These channels include:

- Online reporting at <http://caterpillar.ethicspoint.com>.
- Email reporting at BusinessPractices@cat.com.
- Telephone reporting with toll-free and call-collect dialing options that support reporting in multiple languages and from multiple countries.

Caterpillar has a zero-tolerance policy for retaliation. We strictly prohibit any form of retaliation — including unfair treatment, demotion, and exclusion from opportunities — against anyone who raises concerns or reports potential misconduct in good faith.

Code of Conduct training

All Caterpillar employees are required to complete Code of Conduct training annually. As part of this training, employees must certify that they have read, understand, and agree to comply with the Code of Conduct. Additional compliance training is provided to employees based on risks identified in their job roles.

Learn more about the [Caterpillar Code of Conduct](#).

CORPORATE GOVERNANCE

The Caterpillar Board of Directors directly oversees our climate and sustainability efforts. The Sustainability and other Public Policy Committee (SPPC) has explicit oversight for sustainability, social, and other public policy matters, including those related to the environment, climate change, human rights and lobbying. Our board is composed of nine directors, as of the date of this report, with a wide range of experiences across a wide variety of industries, including manufacturing, utilities, energy, transportation, automotive and agriculture, as well as notable experience and expertise in sustainability and climate.

Board oversight

The board is responsible for aligning our strategic priorities, including integrating sustainability objectives throughout the enterprise. It also oversees the management of risks and opportunities associated with climate change through four committees, each with its own responsibilities: the Sustainability and other Public Policy Committee, the Compensation and Human Resources Committee, the Audit Committee, and the Nominating and Governance Committee. The board considers committee recommendations on climate-related strategies, priorities, goals and performance when making decisions about Caterpillar's business strategy, risk management, financial planning, and performance.

The Sustainability and other Public Policy Committee

The SPPC has oversight over climate change, environmental and sustainability issues, and social and public policy matters relevant to Caterpillar's operations and performance. The SPPC identifies and monitors sustainability policies, programs and strategies; reviews the development and implementation of Caterpillar's sustainability goals, including the framework and initiatives that underpin progress; and monitors the company's performance against these goals. The committee reviews shareholder proposals related to sustainability, climate risk, climate resilience, and other public policy issues and recommends responses to the board.

Caterpillar Board of Directors

Sustainability
and other Public Policy Committee

Chief Executive Officer

Executive Office,
including Chief Sustainability
and Strategy Officer

**LEARN MORE ABOUT
CATERPILLAR CORPORATE
GOVERNANCE AND
LEADERSHIP.**



The Compensation and Human Resources Committee

The Compensation and Human Resources Committee (CHRC) is informed of sustainability-related issues through periodic reports from management and regular updates from the chair of the SPPC on sustainability issues, which inform the CHRC's design of incentive compensation for executives. Executive compensation is based on the company's strategic objectives, including sustainability issues. The board incorporates sustainability considerations into the incentive plan for executive officers. More information on executive compensation is available in our [Proxy Statement](#).

The Audit Committee

The Audit Committee (AC) reviews Caterpillar's Enterprise Risk Management (ERM) processes and outputs. Caterpillar's ERM program considers risks across many categories, including strategy, operational, financial and legal compliance risks. Sustainability and climate risks are considered with other risk categories. Every year, the AC discusses with management the company's risk assessment and management framework and reviews the most significant enterprise-wide risks from ERM, including sustainability and climate risks. Additionally, the AC oversees internal audits regarding the accuracy of the facts and data used in the company's environmental, social and governance (ESG)-related public reporting.

The Nominating and Governance Committee

The Nominating and Governance Committee (NGC) oversees matters related to corporate governance to ensure and maintain appropriate board governance, structure and composition necessary to oversee risks managed by the company, including those related to sustainability. The NGC also oversees director qualifications and ensures that directors possess the correct skill sets to effectively advise

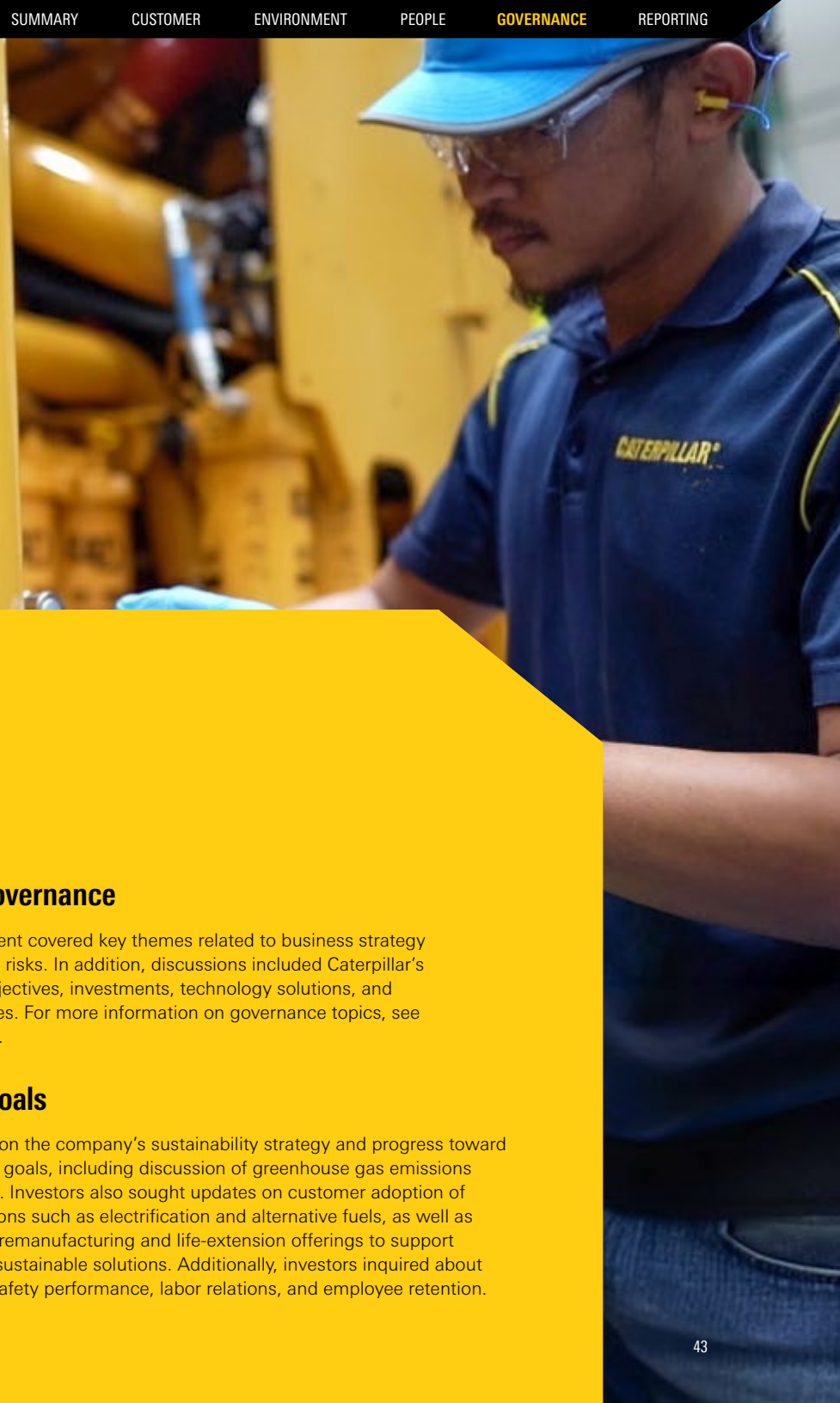
the company on all relevant risks, including those related to sustainability. The NGC also has oversight over all governance processes and ensures that the company has implemented effective governance processes, overseen by the board and its relevant committees, for all risks the company faces.

Management's role

Management-level sustainability governance includes our CEO, all executive officers, and the Chief Sustainability and Strategy Officer (CSSO). The CSSO reports directly to the CEO, underscoring our company's commitment to sustainability and strengthening management's role in assessing and managing climate-related risks and opportunities. The CSSO leads Caterpillar's climate and sustainability initiatives and works with the Executive Office to further integrate climate and sustainability considerations into our core business strategies. The CSSO also provides climate and sustainability updates at every regularly scheduled meeting of the SPPC.

Our enterprise sustainability team executes initiatives across Caterpillar's global footprint and coordinates efforts to achieve sustainability targets, including our 2030 sustainability goals. Local implementation of strategic objectives by business unit leaders includes considering climate-related issues when setting goals, developing forecasts, identifying relevant risks, and assessing industry opportunities. Our integrated approach across business units and enterprise functions supports the integration of sustainability, ranging from embedding sustainability in new product design to collaborating with customers to demonstrate alternative energy solutions in the marketplace.

At Caterpillar, our board and management are committed to a robust governance framework that enables the execution of our enterprise strategy, including effective management of climate-related risks and opportunities. This framework guides our commitment to developing innovative products, technologies and services to help our customers solve their toughest challenges and build a better, more sustainable world.



SHAREHOLDER ENGAGEMENT

In 2025, we maintained ongoing engagement with shareholders representing a broad range of investment perspectives. Through direct meetings, governance outreach, and topic-specific discussions, investors focused on how the company is managing sustainability priorities, social responsibility, governance oversight, and other long-term sustainability matters. These conversations provided insight into shareholder expectations and helped guide our disclosure approach and program development.

Strategy and governance

Shareholder engagement covered key themes related to business strategy and board oversight of risks. In addition, discussions included Caterpillar's long-term business objectives, investments, technology solutions, and innovation opportunities. For more information on governance topics, see our [Proxy Statement](#).

Sustainability goals

Shareholders focused on the company's sustainability strategy and progress toward the 2030 sustainability goals, including discussion of greenhouse gas emissions reductions and targets. Investors also sought updates on customer adoption of lower-emissions solutions such as electrification and alternative fuels, as well as continued progress in remanufacturing and life-extension offerings to support customers with more sustainable solutions. Additionally, investors inquired about workplace reporting, safety performance, labor relations, and employee retention.

RISK MANAGEMENT

At Caterpillar, risk management is embedded in how we work. Through robust enterprise functions, including Enterprise Risk Management (ERM); Law, Security and Public Policy; and Internal Audit and Advisory Services, we support our global team by engaging across Caterpillar to identify, prioritize and manage risks.

ERM and our enterprise strategy are linked. To better inform our decision-making, we evaluate risks at the business unit and enterprise levels, considering the likelihood and potential impact of each risk. The ERM process and risks are assessed annually by the Audit Committee. These evaluations guide our approach to risk management, allow us to understand the challenges these risks bring, and position our business to capture the opportunities they present. Enterprise risks are regularly discussed with the board.

We consider risks across many categories including strategic, operational, financial, compliance, hazard and sustainability, and update our risk universe annually by engaging with business unit leaders to understand the risks most relevant to their businesses. ERM also performs external analysis to ensure the risk universe captures key emerging risks.

Risk management culture

Our commitment to sustainability is reflected in our risk management practices as we strive to build a better, more sustainable world. The CEO, executives and senior leaders are heavily engaged in risk management, reflecting its fundamental importance to how we operate and grow. The company's officers manage business risks, and the board of directors oversees the enterprise process. The board and its committees are regularly updated by senior leaders on risk topics identified through the risk management process. Outputs from risk management drive strategic initiatives and disclosures.

Our risk management culture enables us to critically evaluate risks to our business and identify opportunities to create value for our employees, customers and shareholders.

**LEARN MORE ABOUT
CATERPILLAR RISK
MANAGEMENT.**



Cybersecurity

Cybersecurity is critical to advancing our overall objectives and enabling our digital acceleration. We maintain a comprehensive cybersecurity program, which is integrated into Caterpillar's ERM system and encompasses the corporate information technology and operational technology environments, as well as customer-facing products. Our cybersecurity program has implemented a governance structure and process to identify, assess, manage, mitigate, respond to, and report on cybersecurity risks.

We operate a third-party cybersecurity program with the goal of minimizing disruption to the Company's business and production operations, strengthening supply chain resilience, and supporting the integrity of components and systems used in its products and services. We rely heavily on our supply chain to deliver our products and services to our customers, and a cybersecurity incident at a supplier, subcontractor or joint venture partner could materially adversely impact us. We assess third-party cybersecurity controls through a cybersecurity third-party risk assessment process. Identified deficiencies are addressed through a risk remediation process. For select suppliers, we engage third-party cybersecurity monitoring and alerting services and seek to work directly with those suppliers to address potential deficiencies identified through a risk remediation process.

Sustainability and climate risks

Sustainability and climate risks are treated with the same priority and rigor as other risks across the business. Climate-related risks, incorporated into our risk taxonomy, are identified and assessed through these programs and reviewed and updated every year. In addition to the external analyses, additional insights inform the ERM risk process and our risk universe, including the global climate scenario analysis Caterpillar completed.

Examples of specific risks related to climate and sustainability include:

- Energy demand
- Climate and sustainability strategy
- Physical climate risks (extreme weather and natural disasters)
- Manufacturing and supply chain performance

**LEARN MORE
ABOUT
CATERPILLAR
CLIMATE
SCENARIOS.**





HUMAN RIGHTS

Caterpillar's **Code of Conduct** is the foundation of all that we do at Caterpillar. It establishes Caterpillar's commitment to respecting internationally recognized human rights principles throughout our global operations.

Our Human Rights Policy complements our Code of Conduct. Consistent with our commitment and in accordance with applicable law and practice, we:

- Do not condone and strive to eliminate all forms of forced labor, child labor, and discrimination in the workplace.
- Work to establish safe and healthy working conditions.
- Respect and value the different opinions, experiences and backgrounds that come from every member of our team.

- Seek to compensate our employees fairly and competitively where they work.
- Respect principles of freedom of association and the right to collective bargaining.

Our **Supplier Code of Conduct** includes expectations for our suppliers to adhere to our Human Rights Policy, conduct activities in a manner that reflects Caterpillar's Code of Conduct, comply with the law, and embrace sound business practices.

We expect our directors, officers, employees, business partners, and suppliers, including in conflict-affected areas, to comply with all applicable laws and conduct activities that respect human rights. This also applies to our subsidiaries and majority-owned joint ventures.

We encourage anyone to report situations where they have a good-faith belief that actions are inconsistent with our commitment to protecting and promoting human rights.

Learn more about the [Caterpillar Human Rights Policy and Program](#).

STRATEGIC PROCUREMENT

Our ability to manufacture and deliver world-class products is built on the strength, efficiency and resilience of our global supply network.

Supplier relationships play a critical role in maintaining product quality, manufacturing excellence, customer service, and financial performance. When sourcing components and materials that support Caterpillar's growth strategy, strong supplier relationships enable us to respond with greater speed and agility to evolving customer needs.

Collaborative engagement and alignment

We foster strong supplier relationships through ongoing, two-way engagement focused on collaboration and shared progress. In 2025, we hosted supplier summits around the world to align on strategic priorities, exchange best practices and innovations, and discuss emerging challenges and opportunities across our industry. These forums support open dialogue and enable us to work more closely with suppliers as customer needs and market conditions evolve.

Recognition and performance excellence

We complement this engagement with formal recognition of exceptional supplier performance. In 2025, we hosted our fourth annual Supplier Excellence Recognition event, attended by executive leadership, to honor top-performing suppliers that achieved world-class certification levels under

our Supplier Excellence program. This event underscores the importance we place on performance, accountability, and continuous improvement across our supply base.

Responsible sourcing

We pursue suppliers and business allies who demonstrate strong values and commit to the ethical principles outlined in the [Caterpillar Supplier Code of Conduct](#), which is available in 18 languages. We expect suppliers to comply with the sound business practices we embrace, follow the law, and conduct activities that respect human rights. Caterpillar asks priority suppliers to complete a self-assessment to confirm their alignment with the Supplier Code of Conduct. Suppliers are provided access to the same ethics reporting channels as employees and are encouraged to report any concerns or behaviors violating our Supplier Code of Conduct.

Our Conflict Minerals Position Statement clearly outlines our expectations for our suppliers regarding their sourcing of these materials. We have established a process that identifies areas of risk and corrective action plans to mitigate or remediate such risks relating to conflict minerals. A supplier's failure to take corrective action when required may lead to additional action, including terminating our business relationship. Caterpillar supports the Responsible Minerals Initiative to help influence smelters' engagement to support supply chain transparency and use industry collaboration toward greater business intelligence.



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ABOUT THE
CATERPILLAR
CONFLICT MINERALS
STATEMENT AND
COMPLIANCE.**

POLITICAL ENGAGEMENT

As a leading global manufacturer and U.S. net exporter, Caterpillar actively participates in the public policy process, advocating for issues that align with our purpose, mission and execution of our strategy. We appreciate Caterpillar shareholders' input and their interest in our political engagement strategy. Our bipartisan approach is focused on our business priorities and guided by **Our Values in Action**, strong ethical standards, and our commitment to building a better, more sustainable world.



The purpose of engagement

Caterpillar's priority issues

Energy

Our commitment to our customers' success involves navigating the evolving energy landscape and increasing energy demand worldwide. Our customers rely on our broad portfolio of solutions to produce energy, power AI infrastructure growth, stabilize the grid, support critical minerals mining, and improve efficiency. We advocate for policies that strengthen power supply, advance energy innovation and infrastructure, streamline permitting, and promote reliable, affordable energy.

Infrastructure

Our global customers use our equipment to build and strengthen communities, supporting safer access to water, electricity, food, healthcare and education. A more modern and reliable infrastructure system is also crucial to economic growth and job creation. We support initiatives that provide funding, efficient processes, and permitting reform for building, repairing and upgrading infrastructure networks—from roads, rail and waterways to airports and communications and critical infrastructure. Caterpillar also supports the protection and restoration of natural infrastructure and local ecosystems. Work began in 2025 to reauthorize federal surface transportation programs that will expire on September 30, 2026. Through several trade association leadership positions, Caterpillar is well-positioned to support the efforts to reauthorize these critically important programs.

Competitiveness

Legislation and regulations can significantly impact companies and their ability to compete, which is why we work closely with lawmakers and regulators to implement pro-growth policies that help ensure Caterpillar remains competitive at home and abroad. We will continue advocating for tax and trade policies that remove barriers, expand markets, and strengthen our global competitiveness as a U.S. net exporter.

Workforce development

Long-term workforce development is a top priority for the company, and we support policies that help to identify, attract and develop skilled talent to support current and future needs for manufacturers, equipment dealers, and customers. We work closely with several trade associations to advocate for workforce development policies that address the future of work, including the service technician shortage and the need for stronger education in science, technology, engineering and math, as well as digital skills. Recent updates to tax-advantaged savings accounts for education and non-repayable grants for undergraduate students in financial need will also support education and training in workforce programs and trades.

How and why we engage with U.S. trade and industry associations

A supportive public policy environment enables us to operate responsibly and create long-term value for our customers, shareholders and communities. We choose to join U.S. trade and industry associations that work to create the conditions for Caterpillar and other businesses to compete, succeed and grow. However, we may not always agree with each organization's position on every issue. These memberships also provide opportunities to collaborate with customers and other stakeholders and stay informed on key regulatory and legislative developments.

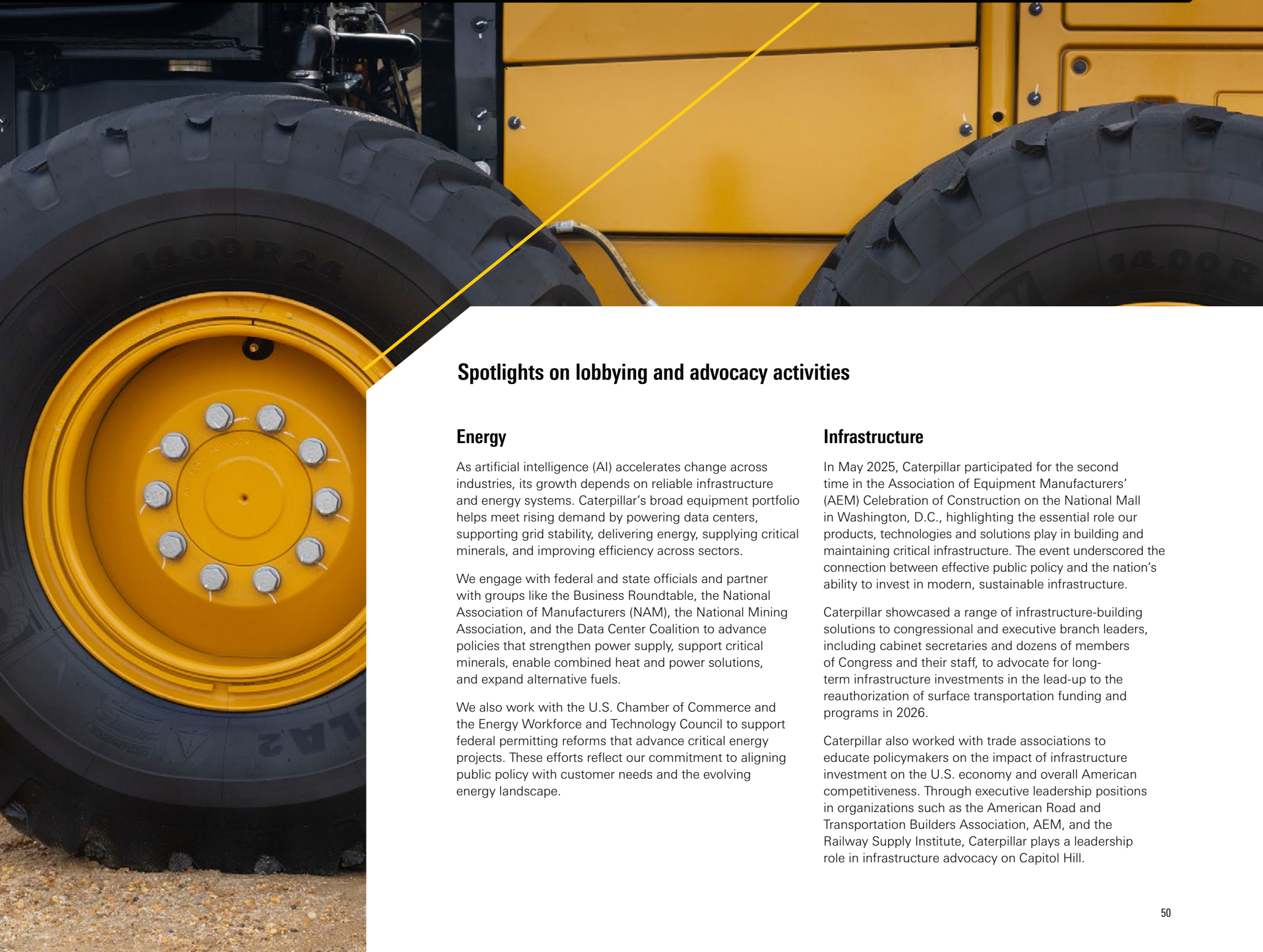
We disclose a tiered reporting of the dollar amount of Caterpillar's membership dues paid to all U.S. trade and industry associations and the percentage of those dues used for federal lobbying activities, as reported by each organization. This information can be found [on the political engagement section of our corporate website](#).

When considering or reviewing memberships, we use an established process to assess alignment with [Our Values in Action](#) and our policy priorities. Caterpillar management and the board of directors' Sustainability and other Public Policy Committee provide oversight to help ensure our memberships remain appropriate and aligned with our business objectives.

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.





Spotlights on lobbying and advocacy activities

Energy

As artificial intelligence (AI) accelerates change across industries, its growth depends on reliable infrastructure and energy systems. Caterpillar's broad equipment portfolio helps meet rising demand by powering data centers, supporting grid stability, delivering energy, supplying critical minerals, and improving efficiency across sectors.

We engage with federal and state officials and partner with groups like the Business Roundtable, the National Association of Manufacturers (NAM), the National Mining Association, and the Data Center Coalition to advance policies that strengthen power supply, support critical minerals, enable combined heat and power solutions, and expand alternative fuels.

We also work with the U.S. Chamber of Commerce and the Energy Workforce and Technology Council to support federal permitting reforms that advance critical energy projects. These efforts reflect our commitment to aligning public policy with customer needs and the evolving energy landscape.

Infrastructure

In May 2025, Caterpillar participated for the second time in the Association of Equipment Manufacturers' (AEM) Celebration of Construction on the National Mall in Washington, D.C., highlighting the essential role our products, technologies and solutions play in building and maintaining critical infrastructure. The event underscored the connection between effective public policy and the nation's ability to invest in modern, sustainable infrastructure.

Caterpillar showcased a range of infrastructure-building solutions to congressional and executive branch leaders, including cabinet secretaries and dozens of members of Congress and their staff, to advocate for long-term infrastructure investments in the lead-up to the reauthorization of surface transportation funding and programs in 2026.

Caterpillar also worked with trade associations to educate policymakers on the impact of infrastructure investment on the U.S. economy and overall American competitiveness. Through executive leadership positions in organizations such as the American Road and Transportation Builders Association, AEM, and the Railway Supply Institute, Caterpillar plays a leadership role in infrastructure advocacy on Capitol Hill.

Tax reform

In 2025, Congress and the Administration focused on addressing the pending expiration of key provisions in the Tax Cuts and Jobs Act (TCJA). Since its enactment in 2017, the TCJA has helped modernize the U.S. tax code, supporting a more competitive environment for American manufacturers and strengthening incentives for capital investment in domestic operations. Without congressional action in 2025, many of these provisions would no longer apply, resulting in significant tax increases for Caterpillar, our dealers, and the customers and industries we serve.

Throughout the year, Caterpillar worked alongside leading trade associations to underscore the importance of maintaining a stable, pro-growth tax system that supports long-term investment, innovation and competitiveness in the U.S. The NAM commissioned research to illustrate the economic implications of allowing TCJA provisions to lapse, while organizations such as the Alliance for Competitive Taxation and the National Foreign Trade Council advocated for international tax rules that preserve U.S. companies' ability to compete globally.

Through our grassroots efforts, our U.S. employees sent messages to their members of Congress on the importance of competitive tax policy to support U.S. manufacturing and exports, research and development (R&D) investment, and job creation.

In July 2025, the new tax law was enacted, maintaining the pro-growth tax policies of TCJA and adding important changes to U.S. tax rules that support U.S. manufacturing competitiveness.

Workforce development

As part of our Centennial celebration, Caterpillar announced a five-year, \$100 million workforce pledge to grow interest in advanced manufacturing careers and help equip U.S. workers with skills and resources needed for the jobsite of the future. We announced that Indiana was among the first states to receive funding from this pledge and committed up to \$5 million to training and upskilling programs in the state. The pledge was made during a kick-off event with the Governor at the company's large-engine facility in Lafayette, Indiana, which is undergoing a \$725 million capital expansion. The project—one of the largest manufacturing investments in Caterpillar's history—aims to boost engine production and meet rising power demands driven by data centers, AI and other critical infrastructure sectors.

Through our partnerships with trade associations like the Associated Equipment Distributors (AED), we advocate for policies that address the national service technician shortage. We also collaborate with our dealers and customers on workforce development strategies to attract and retain skilled employees in the long term.

Many of our trade associations support initiatives that expand access to training and employment opportunities, promote manufacturing as a strong and viable career path and equip individuals with the skills needed to build sustainable careers in the industry.



A photograph of three employees in a meeting. On the left, a blonde woman in a black blazer with a yellow stripe is smiling. In the center, a woman with dark hair and glasses on her head is smiling and holding a blue cup. On the right, a man with glasses is seen in profile, also smiling. In the background, a large sign reads "SERVING OUR CUSTOMERS BETTER" and "An Unmatched Dealer Network".

SERVING OUR CUSTOMERS BETTER

An Unmatched Dealer Network

Employee engagement in advocacy initiatives

Our Political Action Committee — CATPAC

Eligible employees and shareholders can make voluntary contributions to the Caterpillar Inc. Political Action Committee (CATPAC). CATPAC bolsters Caterpillar's public policy efforts, supporting the election of lawmakers who promote and influence policies that enable Caterpillar to build a better, more sustainable world. CATPAC contributes to candidates in U.S. federal and state elections only. These candidates are evaluated on a case-by-case basis, guided by **Our Values in Action** and business priorities. We have established stringent criteria in this evaluation, which can be found **on the political engagement section of our corporate website**.

Like Caterpillar, CATPAC 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.

Grassroots and GOTV

Caterpillar has its greatest number of employees in the United States. The actions of government and elected officials in these locations can significantly impact Caterpillar, our dealers, customers and employees. Therefore, we encourage employees to participate in the U.S. political process through grassroots campaigns, Get-Out-the-Vote efforts, and the CATPAC. **These fact sheets** provide an overview of Caterpillar's presence and engagement in each state.

Political engagement 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 of Global Government and Corporate Affairs (SVP of 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 Caterpillar 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, the SPPC reviews the company's political engagement activities, including lobbying, at least annually, including:

- Corporate political contributions
- U.S. trade and industry association participation and alignment with Caterpillar's **Our 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.



Political engagement and lobbying disclosures

Our commitment to transparency and disclosure in our advocacy activities has long been recognized. In its 2025 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, ballot measure committees, and other measures or initiatives that align with Caterpillar's business interests. Our corporate political contributions are posted biannually. 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 our lobbying disclosures, corporate political contributions, and CATPAC contributions

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, [the political engagement section of our corporate website](#) includes voluntary disclosures and links to publicly available filings related to our political engagement activities for the last five years.

Corporate political contributions

Our corporate political contributions are posted biannually on [the political engagement section of our corporate website](#) along with other prior disclosures for the last five years.

[2025 Corporate Political Contributions](#)

[2024 Corporate Political Contributions](#)

[2023 Corporate Political Contributions](#)

[2022 Corporate Political Contributions](#)

[2021 Corporate Political Contributions](#)

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 the political engagement section of our corporate website](#) along with other prior disclosures for the last five years.

[2025 CATPAC Contributions](#)

[2024 CATPAC Contributions](#)

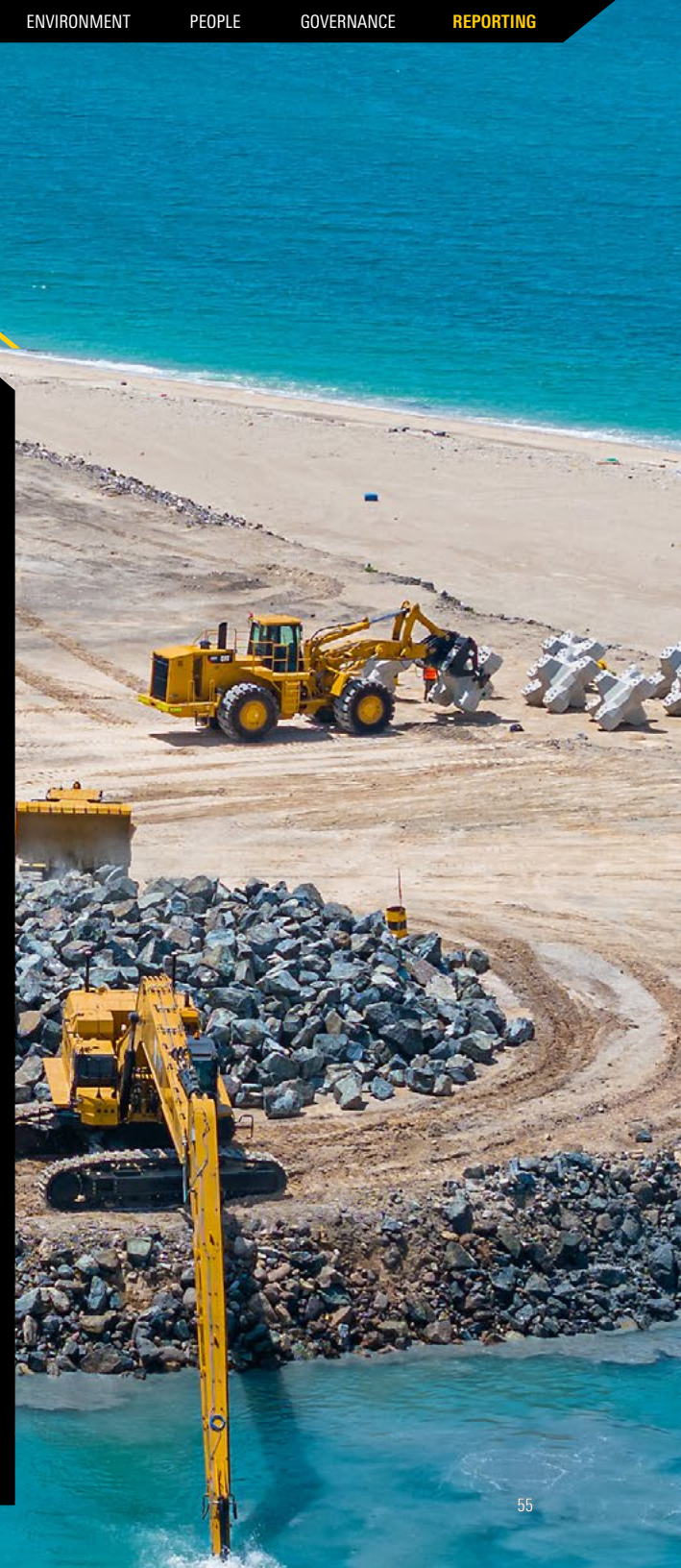
[2023 CATPAC Contributions](#)

[2022 CATPAC Contributions](#)

[2021 CATPAC Contributions](#)

REPORTING, INDICES AND LEGAL STATEMENTS

About this report	56
Prioritization and management of ESG issues	57
ESG data tables	58
SASB index	66
GRI index	67
TCFD index	74
Climate scenarios	75
Political engagement index	77



ABOUT THIS REPORT

The reporting period is the 2025 calendar year, also Caterpillar's fiscal year. Caterpillar is headquartered in Irving, Texas.

This report has been prepared with reference to the Sustainability Accounting Standards Board (SASB), with reference to the Global Reporting Initiative (GRI) Universal Standards and in alignment with the 11 recommended disclosures of the Task Force on Climate-related Financial Disclosures (TCFD). Our sustainability efforts and approach are consistent with the United Nations Sustainable Development Goals (SDGs).

The contents of this report represent the products and operations of Caterpillar Inc. and its wholly owned subsidiaries. Where noted, certain information relates to Caterpillar's independent dealer network and supplier network. Caterpillar and subsidiary brands are listed on our website. Caterpillar's environmental and safety metrics for operations are consolidated based on the Greenhouse Gas Protocol "operational control" approach. Environmental data excludes office locations with fewer than 500 employees and minor operations with fewer than 50 employees, which will not significantly impact reported metrics. Safety data includes employees and agency workers.

ERM Certification and Verification Services, Inc. (ERM CVS) has conducted independent limited assurance of selected environmental and safety data, including Scope 3 greenhouse gas emissions. To understand the scope, activities and conclusions of the assurance process, see the [ERM CVS Independent Limited Assurance Report](#).

[Contact us](#)



PRIORITIZATION AND MANAGEMENT OF ESG ISSUES

We have assessed and prioritized environmental, social and governance (ESG) topics by examining the external industry landscape to understand evolving trends and expectations of leading ESG standards, frameworks and guidelines and aligning expectations with Caterpillar's enterprise strategies, risks and plans.

We prioritized topics through interviews with Caterpillar leadership, external research, third-party review, and benchmarking of industry peers, including:

- Potential impact the topic may have on Caterpillar's business.
- Level of awareness and concern about the topic by business stakeholders (e.g., customers, dealers, suppliers, investors, nongovernmental organizations, and others).
- Degree to which Caterpillar influences the topic.

Our final step was to select the highest-priority issues. These issues guide our initiatives and decision-making throughout our global operations and are influenced by topics covered by the SASB Industrial Machinery and Goods industry.

We continue to analyze and update these topics periodically as the ESG landscape and our business evolve.

Issue	Relevance
Customer health and safety	Our commitment to safety includes people who work in, on and around our products, from designing products for safe operations to providing safety services for our customers.
Employee health and safety	The health and safety of our employees is at the core of who we are at Caterpillar, and we relentlessly strive to ensure our workforce returns home safely every day.
Human capital management	We attract and recruit the best talent to develop advanced technologies, meet customer needs, and grow our business. The unique thinking and decision-making of our people in an inviting work environment strengthens us and drives our progress.
Material sourcing	We source raw materials and manufactured components from a global network of suppliers across broad categories and technologies for aftermarket and production parts — approximately 29,000 suppliers in total. Our Supplier Code of Conduct and supporting initiatives help us to responsibly source the raw materials used to build our products.
Operations energy and efficiency	Operations within our manufacturing facilities are energy-intensive and account for most of our Scope 1 and Scope 2 GHG emissions.
Operations waste	We strive to eliminate waste in our processes where possible and to recycle the materials that remain to reduce materials sent to landfills around the world.
Operations water	While less water-intensive than some industries, we are focused on ensuring good water management practices, particularly in areas determined to be the most at-risk for water scarcity or quality concerns.
Product emissions and energy efficiency	We continue to invest in new products, technologies and services to help our customers achieve their sustainability-related objectives.
Remanufacturing	Through our remanufacturing offerings, we help keep materials in circulation for continued use, reducing waste, extending equipment life, and providing lower-cost options for our customers.

ESG DATA TABLES

Learn more about Caterpillar's [operations](#), [greenhouse gas \(GHG\) emissions](#), [water management](#), and [waste management](#).

OUR OPERATIONS

GHG Emissions and Energy

Goal: We have set a science-based Scope 1 and Scope 2 goal to reduce absolute GHG emissions from our operations by 30% from 2018 to 2030.

	2018 Baseline (2030 Sustainability Goals)	2021	2022	2023	2024	2025
Scope 1 and Scope 2 Absolute GHG emissions¹ million metric tons CO ₂ e	2.08	1.52	1.49	1.44	1.37	1.38 ✓
Scope 1 and Scope 2 GHG intensity^{1,2} absolute metric tons of CO ₂ e/million dollars of sales and revenues	29.8	25.1	21.5	21.1	20.4	20.4 ✓
Scope 1 Direct GHG emissions million metric tons CO ₂ e	0.74	0.74	0.69	0.68	0.74	0.74 ✓
Scope 2 Market-based indirect GHG emissions from purchased electricity, heat, or steam² million metric tons CO ₂ e	0.78	0.75	0.75	0.69	0.64	0.64 ✓
Scope 2 Location-based indirect GHG emissions² million metric tons CO ₂ e	0.86	0.80	0.81	0.77	0.73	0.73 ✓
Total energy use million gigajoules	20.4	20.7	19.5	19.1	20.3	20.3 ✓
Total electricity million MWh	2.26	2.30	2.21	2.15	2.22	2.22 ✓
Grid electricity³ %	86.7%	87.6%	88.9%	89.5%	87.0%	87.0%
Renewable energy^{4,5} %	24.0%	28.2%	27.7%	31.5%	32.0%	32.0%
Energy intensity absolute million gigajoules energy use/million dollars of sales and revenues	400	348	291	295	300	300 ✓

Water Management

Goal: Implement water management strategies at 100% of facilities located in water high-risk areas by 2030. The water management strategies goal's data collection began in 2021.

	2018 Baseline (2030 Sustainability Goals)	2021	2022	2023	2024	2025
Water management strategies⁶ % of in-scope facilities that meet all nine management elements	N/A	11%	14%	57%	61%	77%
Water management strategies⁶ % of management elements completed by in-scope facilities		27%	41%	76%	76%	91%
Total water billion U.S. gallons		3.74	4.14	4.57	4.20	4.27 ✓
Total water consumption by source⁷						
Cooling water from foundry operations		37.0%	40.9%	53.5%	53.2%	53.7%
Municipal water		29.0%	25.7%	24.1%	25.1%	24.7%
Surface water		19.2%	20.3%	10.7%	9.7%	8.9%
Other water		1.1%	1.3%	1.3%	1.6%	1.8%
Groundwater		13.8%	11.8%	10.4%	10.4%	10.8%
Water consumption intensity absolute thousand gallons of water/million dollars of sales and revenues		73.4	69.7	68.1	64.8	63.2 ✓

✓ Data assured by ERM CVS. See the [Independent Limited Assurance Report](#).

N/A = Not Applicable

ESG DATA TABLES

(continued)

OUR OPERATIONS (CONTINUED)

Waste Management

Goal: Reduce landfill intensity by 50% from 2018 to 2030.

	2018 Baseline (2030 Sustainability Goals)	2021	2022	2023	2024	2025
Landfill intensity absolute metric tons of landfill waste/million dollars of sales and revenues	1.49	0.98	0.96	0.83	0.83	0.78
Total waste metric tons		567,000	575,000	620,000	594,000	733,000
Waste intensity absolute metric tons of waste/million dollars of sales and revenues		11.1	9.7	9.2	9.2	10.8
Waste recycled %		90.8%	89.6%	91.0%	90.7%	92.4%

PRODUCT SUSTAINABILITY

Goal: 100% of Caterpillar's new products through 2030 will be more sustainable than the previous generation through collaborating with customers, reduced waste, improved design for rebuild and remanufacture, lower emissions, and improved efficiency.

	2018 Baseline (2030 Sustainability Goals)	2021	2022	2023	2024	2025
New products more sustainable than the previous generation^a %	89%	100%	100%	100%	100%	100%
Scope 3 GHG Emissions Enterprise^a use of sold products emissions, million metric tons CO ₂ e		564	606	759	680	738 ✓
Scope 3 GHG Emissions Intensity Enterprise^a use of sold products emissions/ thousands of dollars of sales and revenues		11.1	10.2	11.3	10.5	10.9 ✓
Scope 3 GHG Emissions Power and Energy Segment^a use of sold products emissions, million metric tons CO ₂ e		419	455	610	551	604
Scope 3 GHG Emissions Construction Industries Segment^a use of sold products emissions, million metric tons CO ₂ e		84	83	75	68	72
Scope 3 GHG Emissions Resource Industries Segment^a use of sold products emissions, million metric tons CO ₂ e		61	67	74	60	62

✓ Data assured by ERM CVS. See the [Independent Limited Assurance Report](#).

ESG DATA TABLES

(continued)

Learn more about [Caterpillar's people, safety strategy and community engagement](#).

PEOPLE

Workforce

	Men	Women	Racial/Ethnic Diversity	Other
Board of directors ¹	55%	45%	33%	67%
	White Women	U.S. Racial/Ethnic Diversity Men	White Men	
Executive office	25%	12%	63%	

Caterpillar has publicly disclosed its consolidated EEO-1 Report since 2021. This practice aligns with U.S. Department of Labor (DOL) best practice guidance encouraging employers to make their EEO-1 filings publicly accessible. The workforce demographic table in this Sustainability Report reflects the [Caterpillar U.S. Equal Employment Opportunity Commission \(EEOC\) 2024 Employer Information Report \(EEO-1 Component 1\)](#).

Caterpillar will file the 2025 EEO-1 Report following the timeline established by the DOL and the U.S. EEOC and make publicly available soon after.

Job Category	Hispanic		Not Hispanic or Latino												Row Total
			Male						Female						
	Male	Female	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	2 or More Races	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	2 or More Races	
Executive/Senior level officials and managers	9	2	124	5	9	0	0	0	44	4	4	0	0	0	201
First/Mid-level officials and managers	365	123	4,591	242	390	4	15	32	1,349	120	121	5	5	14	7,376
Professionals	911	358	8,841	414	1,735	22	38	98	2,679	263	653	3	10	43	16,068
Technicians	373	123	1,475	215	106	6	14	28	775	149	65	1	5	20	3,355
Sales workers	3	1	26	0	0	0	0	0	12	0	0	0	0	0	42
Administrative support workers	104	132	333	88	18	2	1	4	434	91	21	0	6	10	1,244
Craft workers	691	67	2,078	457	195	17	39	29	334	187	21	4	5	6	4,130
Operatives	1,911	777	8,915	2,803	293	26	133	200	2,325	1,319	68	6	29	76	18,881
Laborers and helpers	15	3	22	7	4	0	2	2	11	0	2	0	0	0	68
Service workers	0	0	12	0	0	0	0	0	7	1	0	0	0	0	20

1. Board demographic information as of May 1, 2026.

ESG DATA TABLES

(continued)

PEOPLE (CONTINUED)

Safety

Goal: We aspire to prevent all injuries and will further our industry-leading safety results by reducing recordable injury frequency (RIF) by 50% from 2018 to 2030.

	2018 Baseline (2030 Sustainability Goals)	2021	2022	2023	2024	2025
RIF recordable injuries per 200,000 hours worked	0.53	0.41	0.44	0.40	0.43	0.41 ✓
Lost-time case frequency rate (LTCFR) worker-related injuries resulting in lost time per 200,000 hours worked		0.18	0.18	0.14	0.17	0.15 ✓
Employee fatalities		0	1	0	1	0
Contractor fatalities		1	0	0	1	0

Community Engagement

	2018 Baseline (2030 Sustainability Goals)	2021	2022	2023	2024	2025
Community investments¹⁰ millions of dollars		\$41.0	\$42.3	\$49.1	\$49.4	\$59.8
Matching gifts¹¹ millions of dollars		\$22.6	\$21.1	\$23.3	\$29.1	\$42.8
United Way¹² millions of dollars		\$12.9	\$13.8	\$14.8	\$15.2	\$15.2

Learn more about Caterpillar [Remanufacturing](#).

REMANUFACTURING

Goal: Increase sales and revenues from remanufacturing offerings by 25% from 2018 to 2030.

	2018 Baseline (2030 Sustainability Goals)	2021	2022	2023	2024	2025
Growth in remanufacturing business¹³ % sales and revenues growth since 2018	N/A	-3%	19%	31%	42%	41%
Product received by weight millions of pounds of end-of-life material received by Cat Reman		127	140	147	157	150
Product received by %¹⁴ % of end-of-life material received by Cat Reman		88%	89%	88%	84%	85%

✓ Data assured by ERM CVS. See the [Independent Limited Assurance Report](#).

N/A = Not Applicable

ESG DATA ENDNOTES

1. GHG emissions intensity is based on our combined Scope 1 (direct) and Scope 2 (indirect, market-based) GHG emissions. Likewise, total absolute GHG emissions are a sum of Scope 1 and Scope 2 (market-based) GHG emissions.
2. Location-based Scope 2 GHG emissions are provided in accordance with the GHG Protocol Scope 2 guidance (2015). Our market-based Scope 2 GHG emissions are calculated using the Scope 2 Quality Criteria. The following instruments were used in calculating our market-based Scope 2 GHG emissions: Renewable Energy Guarantees of Origin, energy contracts, supplier-specific emission rates, and, for the remainder of our facilities, grid average emission factors from USEPA's eGRID (eGRID2023 rev2, released on June 12, 2025; state annual CO₂ equivalent total output mission rate (lb/MWh)), and the International Energy Agency's data (IEA CO₂ emissions factors for 2025 were obtained from IEA's Emission Factors 2024 Database, 2022 emission factors for CO₂, CH₄, and N₂O; does not account for trade adjustments due to imported electricity to the country nor for losses in transmission and delivery). For 2025 calculations, Caterpillar did not use residual mix factors.
3. Represents percentage of grid electricity as compared to total electricity.
4. Renewable energy percentage includes purchased and on-site generated renewable energy, as well as calculating the percentage of renewable energy from grid-purchased electricity using data obtained from the International Energy Agency.
5. Caterpillar defines renewable energy as energy resources that are naturally replenishing over a short period of time and virtually inexhaustible. Power generation examples include wind, solar, hydro, geothermal, tidal, wave, biomass, and biogas from anaerobic digestion.
6. High-risk locations are identified using World Resources Institute's Water Risk Atlas 3.0. The nine criteria for facilities to incorporate in their water management strategies include a compliance plan, business continuity planning, developing a water consumption inventory identifying opportunities for improvement, setting a water consumption goal, employee education and involvement, and annual management review of the entire strategy.
7. Results may not add to the total due to rounding.
8. For this goal, new products include new or improved prime product such as machines, engines, generator sets, upper powertrain and other complete solutions sold directly to a customer, OEM, or dealer under any majority-owned brand. Exclusions from the goal include, but are not limited to, new source introduction programs, work tools, component development programs for prime product, defense products, aftermarket kits, or site solutions. Collaborating with customers is key to Caterpillar's identification of sustainability criteria. To meet the goal requirements, products must meet one or more of the four criteria in comparison to the previous generation: reduced waste, improved design for rebuild and remanufacture, lower GHG emissions, or improved efficiency.
9. The annual estimates for lifetime Scope 3 Category 11: Use of Sold Products emissions are calculated from the GHG Protocol expression: $\sum (\text{total lifetime expected uses of product} \times \text{number of products sold in reporting period} \times \text{fuel or electricity consumed per use (kWh)} \times \text{emission factor for fuel/electricity (kg CO}_2\text{e/kWh)})$. The inputs to this equation are specific to construction machines, mining machines, off-highway diesel and natural gas engines, industrial gas turbines, diesel-electric locomotives, and others, applied at the product-level to calculate lifetime emissions, then aggregated across the full enterprise portfolio. Included in the calculation are GHG emissions from combustion of fuels and / or use of electric power until the estimated point of final disposal covering rebuild, remanufacturing, and overhaul events that extend the service life of the product. While we continue to grow lower-carbon intensity, alternative fuel offerings, given the difficulty predicting customer fuel switching, all liquid fuel is assumed to be diesel and all gaseous fuel is assumed to be natural gas. Excluded from this calculation are GHG emissions from upstream production of fuel consumed in Caterpillar products, fuel efficiency and emission factor changes through the life of the product, refrigerant emissions, and others considered insignificant to Caterpillar's enterprise number. The inputs to perform this calculation were integrated from many data sources including but not limited to: Operation and Maintenance Manuals (OMM), product design data, telemetry data, public data sources (U.S. Environmental Protection Agency (EPA) and International Energy Agency (IEA)), and internal engineering, product, marketing, and other subject matter expertise. These inputs are refined yearly as needed based on telemetry data, product design data, and/or internal expertise, considering industry best practices, consistency and accuracy, data maturity, and regulatory/policy change. Effective January 1, 2026, we realigned our organizational structure by moving our Rail division from the Power and Energy segment to the Resource Industries segment. For more information on the Rail organizational realignment, see our most recent Form 8-K, filed March 26, 2026. Scope 3 GHG emissions presented in this report have been prepared based on the organizational structure effective January 1, 2026.
10. Caterpillar directly and its philanthropic organization, Caterpillar Foundation, contribute to helping make sustainable progress possible around the world.
11. This data represents employee and retiree donations and the match payments made in the calendar year 2025. The remaining Q4 match payments will be made in 2026.
12. This includes employee and retiree pledges during the 2025 campaign, and the Foundation match for the campaigns in the United States, Canada, Panama and Mexico paid in 2025.
13. Data includes remanufacturing offerings provided by Cat Reman, Progress Rail, Solar Turbines, Caterpillar Energy Solutions, and Caterpillar Defense.
14. Represents Cat Reman customers' end-of-life components ("core") returned to Caterpillar by dealers, as a percentage of core returned plus unreturned core eligible for credit no later than 2025.



Independent Limited Assurance Report

ERM Certification & Verification Services Incorporated ("ERM CVS") was engaged by Caterpillar Inc. ("Caterpillar") to provide limited assurance in relation to the Selected Information set out below and presented in the Caterpillar 2025 Sustainability Report (the "Report").

ENGAGEMENT SUMMARY

Scope of our assurance engagement	<p>Whether the following Selected Information for 2025 are fairly presented in the Report, in all material respects, in accordance with the reporting criteria.</p> <p>Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.</p>
Selected Information	<p><u>Environmental Data</u></p> <ul style="list-style-type: none"> • Scope 1 Direct GHG emissions [million metric tons CO₂e] • Scope 2 Indirect GHG emissions (location-based) [million metric tons CO₂e] • Scope 2 Indirect GHG emissions (market-based) [million metric tons CO₂e] • Total Scope 1 and Scope 2 GHG emissions [million metric tons CO₂e] • Total Scope 1 and Scope 2 GHG emissions intensity [metric tons CO₂e/million dollars of sales and revenues*] • Total energy consumption [million GJ] • Total energy consumption intensity [million GJ/million dollars of sales and revenues*] • Total electricity [MWH] • Scope 3 Enterprise GHG emissions Category 11 (Use of Sold Products) [million metric tons CO₂e] • Scope 3 Enterprise GHG emissions Category 11 (Use of Sold Products) intensity [metric tons CO₂e/thousand dollars of sales and revenues*] • Total water consumption [billion imperial gallons] • Total water consumption intensity [thousand gallons of water/million dollars of sales and revenues*] <p><u>Safety Indicators</u></p> <ul style="list-style-type: none"> • Lost Time Case Frequency Rate (LTCFR); • Recordable Injury Frequency rate (RIF) per 200,000 hours worked. <p>* We place reliance on the financial assurance conducted on dollars of sales and revenues as they are presented in the 2025 10-K filing.</p>
Reporting period	<p>1 January 2025 – 31 December 2025</p>
Reporting criteria	<ul style="list-style-type: none"> • WBCSD/WRI GHG Protocol: A Corporate Accounting Standard (2004, as updated January 2015) • The WBCSD/WRI GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) • Caterpillar's Basis of Reporting (as described in 'About this Report' on page 56 and endnotes on page 62 of the Report)

Assurance standard and level of assurance	<p>We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.</p> <p>The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.</p>
Respective responsibilities	<p>Caterpillar is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Report.</p> <p>ERM CVS' responsibility is to provide a conclusion to Caterpillar on the agreed assurance scope based on our engagement terms with Caterpillar, the assurance activities performed and exercising our professional judgement.</p>

OUR CONCLUSION

Based on our activities, as described below, nothing has come to our attention to indicate that the Selected Information for 2025 is not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

OUR ASSURANCE ACTIVITIES

Considering the level of assurance and our assessment of the risk of material misstatement of the Report a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating the appropriateness of the reporting criteria for the Report;
- Interviewing management representatives responsible for managing the Selected Information;
- Interviewing relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the Selected Information;
- Reviewing of a sample of qualitative and quantitative evidence supporting the Selected Information at a corporate and site level;
- Performing an analytical review of the year-end data submitted by all locations included in the consolidated 2025 group data for the Selected Information which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary;
- Conducting virtual visits to four Caterpillar sites to review source data and local reporting systems and controls;
- Evaluating the conversion and emission factors and assumptions used; and
- Reviewing the presentation of information relevant to the assurance scope in the Report to ensure consistency with our findings.

THE LIMITATIONS OF OUR ENGAGEMENT

The reliability of the Selected Information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

OUR INDEPENDENCE, INTEGRITY AND QUALITY CONTROL

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Caterpillar in any respect.



March 24, 2026
Malvern, PA

ERM Certification & Verification Services Incorporated

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SASB INDEX

Topics	SASB Code	Metric	Unit of Measure	Response 2025
Accounting Metrics	RT-IG-000.A	Number of units produced by product category	Number	Sales data is provided in Caterpillar's Annual Report to shareholders on 2025 Form 10-K .
Accounting Metrics	RT-IG-000.B	Number of employees	Number	118,000 global employees
Energy Management	RT-IG-130a.1	(1) Total energy consumed	Million gigajoules (mGJ)	Total energy consumed in million GJ for 2025 is 20.3.
Energy Management	RT-IG-130a.1	(2) Percentage grid electricity	%	87.0% ¹
Energy Management	RT-IG-130a.1	(3) Percentage renewable	%	32.0% ²
Employee Health and Safety	RT-IG-320a.1	(1) Total recordable incident rate (TRIR)	Rate	0.41
Employee Health and Safety	RT-IG-320a.1	(2) Fatality rate	Rate	0 employee, 0 contractor
Employee Health and Safety	RT-IG-320a.1	(3) Near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Rate	Caterpillar emphasizes the importance of reviewing all work-related environmental, health and safety incidents, including near misses. Near misses are communicated and managed locally. Near misses involving high energy are further reported at a company level to highlight those incidents that are most likely to result in a serious injury.
Fuel Economy and Emissions in Use - Phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Litres per 100 tonne-kilometres	Read more about our focus on product emissions in the Customer Driven section of the report. Given the wide array of our products and applications in which our products are used, as well as the lack of industry standards to estimate on a per-unit-of-work basis, Caterpillar does not calculate sales-weighted fuel efficiency or emissions in this manner.
Fuel Economy and Emissions in Use - Phase	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	Litres per hour	
Fuel Economy and Emissions in Use - Phase	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Kilojoules per litre	
Fuel Economy and Emissions in Use - Phase	RT-IG-410a.4	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines and (d) other non-road diesel engines	Grammes per kilojoule	
Materials Sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	N/A	Caterpillar responsibly sources the raw materials used to build our products. See the Strategic Procurement section of this report.
Remanufacturing Design and Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Presentation currency	41% increase in sales and revenues from 2018 ³

1. Represents percentage of grid electricity as compared to total electricity.

2. Renewable energy percentage includes purchased and on-site generated renewable energy, as well as calculating the percentage of renewable energy from grid-purchased electricity using data obtained from the International Energy Agency.

3. Data includes remanufacturing offerings provided by Cat Reman, Progress Rail, Solar Turbines, Caterpillar Energy Solutions, and Caterpillar Defense.

GRI INDEX

GENERAL DISCLOSURES

Disclosure Number	Disclosure	Location/Response
GRI 2: GENERAL DISCLOSURES		
The Organization and Its Reporting		
2-1	Organizational details: Legal name and location of headquarters	Caterpillar Inc. Irving, Texas, USA
2-2	Entities included in the organization's sustainability reporting: List all its entities discussed in sustainability reporting	2025 Form 10-K, pgs. 1-9
2-3	Reporting period, frequency and contact point: Specify the reporting period for its financial reporting, if it does not align with the period explain reason and add a point of contact	Annually Year end: December 31, 2025 CATir@CAT.com
2-4	Restatements of information: Reason and effect of restatements, restatement of information when it has learned that the previously reported information needs to be revised	Restatements are noted as footnotes in the ESG Data Tables in the Reporting section of this report. No restatements in 2025
2-5	External assurance: Describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved	ERM Certification and Verification Services, Inc. (ERM CVS) was engaged by Caterpillar Inc. to provide independent limited assurance in relation to the information presented in the Caterpillar 2025 Sustainability Report.
Activities and Workers		
2-6	Activities, value chain and other business relationships: Describe value chain	2025 Form 10-K, pgs. 6-7
Governance		
2-9	Governance structure and composition: Describe the governance structure, list the committees of the highest governance body that are responsible for decision making on and overseeing the management of the organization's impacts on the economy, environment and people.	2026 Proxy Statement > Board Election, p. 27 2026 Proxy Statement > Leadership Structure and Chair Succession, p. 28 2026 Proxy Statement > Board Committees, p. 31
2-10	Nomination and selection of the highest governance body: Describe the criteria used for nominating and selecting highest governance body members, views of stakeholders, diversity, independence and competencies relevant to the impacts of the organization.	2026 Proxy Statement > Director Nominations and Evaluations, p. 14
2-11	Chair of the highest governance body: Report whether the chair of the highest governance body is also a senior executive in the organization, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	2026 Proxy Statement > Board Election, p. 27 2026 Proxy Statement > Leadership Structure and Chair Succession, p. 28 2026 Proxy Statement > Board Committees, p. 31
2-12	Role of the highest governance body in overseeing the management of impacts: Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies and goals related to sustainable development.	2026 Proxy Statement > Board's Role in Risk Oversight, p. 14

GRI INDEX

(continued)

Disclosure Number	Disclosure	Location/Response
2-13	Delegation of responsibility for managing impacts: Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment and people.	2026 Proxy Statement > Board Committees, p. 31
2-14	Role of the highest governance body in sustainability reporting: Responsible for reviewing and approving the reported information, including the organization's material topics. Describe the process for reviewing and approving.	2026 Proxy Statement > Board Committees, p. 31
2-15	Conflicts of interest: Processes to ensure that conflicts of interest are prevented and mitigated.	2026 Proxy Statement > Anonymous Reporting of Accounting and Other Concerns, p. 38 Caterpillar's Code of Conduct, p. 10
2-16	Communication of critical concerns: How concerns are communicated to the highest governance body, report the total number and the nature of critical concerns during the reporting period.	2026 Proxy Statement > Communication with the Board, p. 33
2-17	Collective knowledge of the highest governance body: Measures taken to advance collective knowledge and skills for the highest governance body on sustainable development.	2026 Proxy Statement > Diversity of Skills and Expertise, p. 11 2026 Proxy Statement > Director Continuous Education and Development, p. 13
2-18	Evaluation of the performance of the highest governance body: Overseeing the management of the organization's impacts on the economy, environment and people.	2026 Proxy Statement > Director Nominations and Evaluations, p. 14
2-19	Remuneration policies: Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment and people.	2026 Proxy Statement > Director Compensation, p. 26
2-20	Process to determine remuneration: Process for designing its remuneration policies and for determining remuneration.	2026 Proxy Statement > Director Compensation, p. 26
2-21	Annual total compensation ratio: Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees, ratio of the percentage increase.	2026 Proxy Statement > CEO Pay Ratio, p. 69
Strategy, Policies and Practices		
2-22	Statement on sustainable development strategy: CEO letter or message	2025 Sustainability Report > Executive Summary > A Letter from Our Chairman & CEO
2-23	Policy commitments: List of all policy commitments for business conduct	Examples of relevant policies include: Caterpillar's Code of Conduct Climate and Energy Statement Supplier Code of Conduct Human Rights Policy Slavery and Human Trafficking Statement Global Data Privacy Statement Conflict Minerals Statement and Compliance
2-24	Embedding policy commitments: How is it allocated or integrated responsibility to the commitments across different levels within the organization	2025 Sustainability Report > Executive Summary 2025 Sustainability Report > Environmental Stewardship 2025 Sustainability Report > Responsible Governance > Human Rights 2025 Sustainability Report > Responsible Governance > Strategic Procurement

GRI INDEX

(continued)

Disclosure Number	Disclosure	Location/Response
2-25	Processes to remediate negative impacts: Identify and address grievances	2025 Sustainability Report > Responsible Governance > Ethics and Our Values in Action
2-26	Mechanisms for seeking advice and raising concerns: Process in raising concerns about the organization's code of conduct	2025 Sustainability Report > Responsible Governance > Ethics and Our Values in Action
2-27	Compliance with laws and regulations: Report the total number of non-compliance instances with laws and regulations	2025 Form 10-K > Environmental Matters p. 8-9
2-28	Membership associations: List of membership associations	2025 Sustainability Report > Responsible Governance > Political Engagement
Stakeholder Engagement		
2-29	Approach to stakeholder engagement: Describe how to engage and identify stakeholders	2025 Sustainability Report > Responsible Governance > Shareholder Engagement 2025 Sustainability Report > Win With Our People > Investing in People > Company Culture 2025 Sustainability Report > Environmental Stewardship
2-30	Collective bargaining agreements: How the organization engages in collective bargaining with its employees	We respect the right of our employees to form, join, or not to join any lawful organization of their choice without fear of reprisal, interference, intimidation, or harassment. We believe it is important for individuals to exercise that right with the benefit of available information.

GRI 3: MATERIAL TOPICS

GRI 3: Material Topics

3-1	Process to determine material topics: Process in how to determine material topics	2025 Sustainability Report > Reporting, Indices and Legal Statements > Prioritization and Management of ESG Issues
3-2	List of material topics: List of organization's material topics, i.e., Materiality Matrix	2025 Sustainability Report > Reporting, Indices and Legal Statements > Prioritization and Management of ESG Issues

GRI 300: ENVIRONMENTAL

GRI 301: Materials

3-3	Management of material topic	2025 Sustainability Report > Solving Our Customers' Toughest Challenges > Supporting a Circular Economy
301-2	Recycled input materials used: Percentage of recycled input materials used for products and services	2025 Sustainability Report > Solving Our Customers' Toughest Challenges > Supporting a Circular Economy
301-3	Reclaimed products and their packaging materials: Percentage of reclaimed products and their packaging materials	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Remanufacturing

GRI INDEX

(continued)

Disclosure Number	Disclosure	Location/Response
GRI 302: Energy		
3-3	Management of material topic	2025 Sustainability Report > Environmental Stewardship
302-1	Energy consumption within the organization: Total fuel consumption within the organization from non-renewable and renewable sources	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > GHG Emissions and Energy
302-2	Energy consumption outside of the organization: Upstream and downstream categories and activities from the GHG Protocol Corporate Value Chain (Scope 3)	2025 Sustainability Report > Environmental Stewardship > Scope 3 GHG Emissions
302-3	Energy intensity: Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam or all	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > GHG Emissions and Energy
302-4	Reduction of energy consumption: Reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	2025 Sustainability Report > Executive Summary > 2030 Sustainability Goals and Progress
302-5	Reductions in energy requirements of products and services: Example, the energy requirements of a car or a computer	2025 Sustainability Report > Executive Summary > 2030 Sustainability Goals and Progress
GRI 303: Water and Effluents		
3-3	Management of material topic	2025 Sustainability Report > Executive Summary > 2030 Sustainability Goals and Progress 2025 Sustainability Report > Environmental Stewardship
303-1	Interactions with water as a shared resource: Interactions with water, how and where water is withdrawn, consumed, and discharged and the water-related impacts	2025 Sustainability Report > Executive Summary > 2030 Sustainability Goals and Progress 2025 Sustainability Report > Environmental Stewardship 2025 Sustainability Report > Win With Our People > Community Engagement 2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > Water Management
303-3	Water withdrawal: Surface water; Groundwater; Seawater; Produced water; Third-party water	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > Water Management
303-5	Water consumption: Water consumption measures water used by an organization such that it is no longer available for use by the ecosystem or local community	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > Water Management

GRI INDEX

(continued)

Disclosure Number	Disclosure	Location/Response
GRI 305: Emissions		
3-3	Management of material topic	2025 Sustainability Report > Environmental Stewardship 2025 Sustainability Report > Executive Summary > 2030 Sustainability Goals and Progress
305-1	Direct (Scope 1) GHG emissions	2025 Sustainability Report > Environmental Stewardship > Our Operations > Scope 1 and Scope 2 GHG Emissions 2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > GHG Emissions and Energy
305-2	Energy indirect (Scope 2) GHG emissions	2025 Sustainability Report > Environmental Stewardship > Our Operations > Scope 1 and Scope 2 GHG Emissions 2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > GHG Emissions and Energy
305-3	Other indirect (Scope 3) GHG emissions	2025 Sustainability Report > Environmental Stewardship > Scope 3 GHG Emissions
305-4	GHG emissions intensity: Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2) and/or other indirect (Scope 3)	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > GHG Emissions and Energy 2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Product Sustainability
305-5	Reduction of GHG emissions: Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2) and/or other indirect (Scope 3)	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > GHG Emissions and Energy 2025 Sustainability Report > Environmental Stewardship 2025 Sustainability Report > Executive Summary > 2030 Sustainability Goals and Progress
GRI 306: Waste		
3-3	Management of material topic	2025 Sustainability Report > Environmental Stewardship > Our Operations > Scope 1 and Scope 2 GHG Emissions 2025 Sustainability Report > Solving Our Customers' Toughest Challenges > Supporting a Circular Economy 2025 Sustainability Report > Executive Summary > 2030 Sustainability Goals and Progress
306-1	Waste generation and significant waste-related impacts: Impacts relate to waste generated in the organization's own activities or to waste generated upstream or downstream in its value chain. Types of inputs and outputs can include raw materials, process and manufacturing materials, leaks and losses, waste, by-products, products or packaging.	2025 Sustainability Report > Solving Our Customers' Toughest Challenges > Supporting a Circular Economy
306-2	Management of significant waste-related impacts: Circularity measures, taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain	2025 Sustainability Report > Environmental Stewardship > Our Operations > Waste Management 2025 Sustainability Report > Solving Our Customers' Toughest Challenges > Supporting a Circular Economy

GRI INDEX

(continued)

Disclosure Number	Disclosure	Location/Response
306-3	Waste generated	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > Waste Management
306-4	Waste diverted from disposal	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > Waste Management
306-5	Waste directed to disposal	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > Our Operations > Waste Management

GRI 400: SOCIAL

GRI 401: Employment

3-3	Management of material topic	2025 Sustainability Report > Reporting, Indices and Legal Statements > Prioritization and Management of ESG Issues 2025 Sustainability Report > Win With Our People
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	2025 Sustainability Report > Win With Our People > Investing in People > Health and Well-being
401-3	Parental leave	2025 Sustainability Report > Win With Our People > Investing in People > Health and Well-being

GRI 403: Occupational Health and Safety

3-3	Management of material topic	2025 Sustainability Report > Win With Our People > Employee Safety
403-1	Occupational health and safety management system: A description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities or workplaces are not covered	2025 Sustainability Report > Win With Our People > Employee Safety 2025 Sustainability Report > Environmental Stewardship > Our Operations > EHS Management System
403-2	Hazard identification, risk assessment, and incident investigation: A description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals	2025 Sustainability Report > Win With Our People > Employee Safety
403-3	Occupational health services: A description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimization of risks	2025 Sustainability Report > Win With Our People > Employee Safety
403-4	Worker participation, consultation, and communication on occupational health and safety: Participation in the occupational health and safety management system	2025 Sustainability Report > Win With Our People > Employee Safety
403-5	Worker training on occupational health and safety: Occupational health and safety training provided to workers	2025 Sustainability Report > Win With Our People > Employee Safety
403-6	Promotion of worker health: How the organization maintains the confidentiality of workers' personal health-related information	Caterpillar Global Data Privacy Statement

GRI INDEX

(continued)

Disclosure Number	Disclosure	Location/Response
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships: A description of the organization's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products or services	2025 Sustainability Report > Win With Our People > Employee Safety
403-8	Workers covered by an occupational health and safety management system: The number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system	100% of Caterpillar employees and workers at Caterpillar who are not employees but whose workplace is directed by Caterpillar are covered by an occupational health and safety management system.
403-9	Work-related injuries	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > People > Safety
403-10	Work-related ill health	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables > People > Safety¹
GRI 404: Training and Education		
3-3	Management of material topic	2025 Sustainability Report > Win With Our People > Investing in People > Developing Our People
404-2	Programs for upgrading employee skills and transition assistance programs: Programs implemented and assistance provided to upgrade employee skills	2025 Sustainability Report > Win With Our People > Investing in People > Developing Our People
404-3	Percentage of employees receiving regular performance and career development reviews: Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period	Our talent processes guide us to provide 100% of employees with performance and development feedback informally and/or formally, throughout the course of the year. In addition to receiving performance feedback from leaders and/or colleagues, employees are encouraged to share performance feedback as well. Employees use performance feedback as one of the inputs to inform career and development conversations, which they're encouraged to have on an ongoing basis with their leaders.
GRI 416: Customer Health and Safety		
3-3	Management of material topic	2025 Sustainability Report > Solving Our Customers' Toughest Challenges > Customer and Product Safety
416-1	Assessment of the health and safety impacts of product and service categories: Efforts to address health and safety across the life cycle of a product or service	2025 Sustainability Report > Solving Our Customers' Toughest Challenges > Customer and Product Safety

1. Ill-health incidents are represented in overall injury data.

TCFD INDEX

TCFD Category	Disclosure Item	Response 2025
Governance Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities.	2025 Sustainability Report > Responsible Governance > Corporate Governance
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	2025 Sustainability Report > Responsible Governance > Corporate Governance
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long terms.	2025 Sustainability Report > Reporting, Indices and Legal Statements > Climate Scenarios
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	2025 Sustainability Report > Reporting, Indices and Legal Statements > Climate Scenarios
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2025 Sustainability Report > Reporting, Indices and Legal Statements > Climate Scenarios
Risk Management Disclose how the organization identifies, assesses and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	2025 Sustainability Report > Reporting, Indices and Legal Statements > Climate Scenarios 2025 Sustainability Report > Responsible Governance > Risk Management > Sustainability and Climate Risks
	b) Describe the organization's processes for managing climate-related risks.	2025 Sustainability Report > Responsible Governance > Risk Management > Sustainability and Climate Risks
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	2025 Sustainability Report > Responsible Governance > Risk Management > Sustainability and Climate Risks
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2025 Sustainability Report > Reporting, Indices and Legal Statements > ESG Data Tables

CLIMATE SCENARIOS

We completed a climate risk and opportunity assessment to better understand how climate change could affect our business. Using scenario analysis aligned with TCFD principles—and informed by third-party expertise, industry research, and insights from Caterpillar specialists—the assessment evaluated potential short-, medium- and long-term impacts across three climate scenarios. The work helped identify and prioritize climate-related risks and opportunities relevant to our industry and operating model, including areas that could be influenced by long-term shifts in energy demand.

Climate-related physical issues¹

Caterpillar recognizes that under future climate scenarios identified by the Intergovernmental Panel on Climate Change (IPCC), the leading scientific authority on the topic, climate change may generate physical impacts on physical infrastructure and natural habitats. Relying on IPCC findings, our climate scenario analysis evaluated potential impacts of possible acute and chronic physical risks at Caterpillar facilities by assessing underlying climate hazards such as extreme heat, wildfires and floods. Drawing on scientific consensus on future climate scenarios from the IPCC, the physical climate scenario analysis also projected potential physical climate impacts on our operations. We estimated the percentage of key Caterpillar manufacturing sites and facilities exposed to relevant physical climate hazards under different future scenarios. Applying this methodology, these facilities may experience physical damage, operational disruptions, higher insurance premiums, and/or impacts on our workforce's health and safety.

The associated table structures the results of our analysis, highlighting specific details from TCFD guidance such as risk type, time horizon, and potential impacts. The analysis identified geographies that may be most impacted by physical climate risk, principally in Asia and North America. Although the magnitude of these risks is medium-high for impacted facilities, Caterpillar's global manufacturing footprint, with sites across each continent, is an inherent

source of resilience to physical climate risks. Facilities also maintain robust contingency plans to cope with natural disasters, including how to migrate the facility's operations to another site if required. Furthermore, our primary insurance provider helps us identify and manage physical risks by highlighting facilities with the potential for an extreme weather event.

The evolving energy landscape represents an opportunity for Caterpillar to help solve complex engineering and technical challenges for the benefit of our customers. This includes supporting society in addressing physical climate impacts such as extreme weather. Caterpillar will continue offering solutions and services to support customers impacted by acute and chronic physical risks. Our products can also support rebuilding efforts after natural disasters such as hurricanes and wildfires. Our strategy positions us to respond to potential physical climate risks and underlying climate hazards while supporting our customers as they respond to the changing climate.

Climate-related transition issues

Caterpillar expects customers to adopt new solutions at substantially different rates, depending on their segment, application, reporting requirements, stakeholder interest, and geography. To gain a comprehensive view of potential climate-related transition risks and opportunities, our transition climate scenario analysis blended quantitative estimates from a third-party consultant with qualitative insights from internal subject-matter experts and business leaders. The analysis has enabled us to begin mapping out potential impacts on our business and engage with customers to help solve their sustainability objectives both near- and long-term.

Changes in demand for products and services

The evolving energy landscape may impact demand for our products and services. For instance, demand for lower-GHG-emitting products and services, such as fuel-flexible and electrified machinery, equipment, and engines, and related services such as battery replacement, as well as traditionally powered products and services, may increase as global energy demand grows. Rising demand for higher-efficiency, lower-GHG-emitting products and services may increase Caterpillar's incremental revenues from expanded offerings to meet the evolving needs of new or existing customers.

This could include construction equipment for physical and energy infrastructure, mining equipment for critical metals, and products powered by alternative fuels.

However, we recognize that evolving customer expectations on alternative power solutions could also decrease demand for our products and services. For instance, increased adoption of alternative technologies in industries we serve might reduce demand for products that consume fossil fuels, such as diesel engines. More stringent climate-related regulations might accelerate this trend. Our competitive landscape might also change as both established competitors and new market entrants adapt to these evolving expectations.

These potential impacts to demand relate to several TCFD categories of climate-related risks and opportunities, including products and services, technology, and markets, which could have a high impact on our business and would occur over a long-term time horizon.

Caterpillar recognizes uncertainty in the pace of customer adoption and regulatory changes for lower-GHG-emissions solutions, which may influence the timing of these impacts on demand for our products and services. Despite these uncertainties, we remain committed to offering unique solutions that cater to our customers' sustainability and business objectives. Our enterprise strategy and legacy of

¹ Climate-related issues refers collectively to both climate-related risks and opportunities as defined in TCFD's 2021 Implementation Guidance.

Physical Risks		
Risk	Acute Physical Risk	Chronic Physical Risk
Risk Type(s)	Acute	Chronic
Description	Relying on IPCC projections, potential increases in the frequency and intensity of acute physical risks, such as extreme heat, flood, extreme precipitation and wildfire, may cause operational and financial impacts. Such impacts may include physical damage, loss or degradation of facilities or equipment, operational disruptions, decreased manufacturing productivity, supply chain disruptions, increased workforce health and safety concerns, and higher insurance premiums or retentions. Under IPCC projections, Caterpillar operations in some locations are potentially exposed to a wide range of acute physical risks and their associated impacts.	Relying on IPCC projections, potential longer-term, incremental changes to climate patterns, such as projected increases in annual average temperature or changes in total annual precipitation, may impact aspects of Caterpillar's business through disruptions to ongoing operations and productivity, and increased operating expenses.
Impact	<p>Time horizon: Medium- to long-term</p> <p>Primary potential financial impact: Increased operating expenses and decreased revenue</p> <p>Potential impact: Medium-High¹</p>	<p>Time horizon: Long-term</p> <p>Primary potential financial impact: Increased operating expenses and decreased revenue</p> <p>Potential impact: Medium-High¹</p>

¹ Medium-High is the rating result of the impact assessment performed by our third-party consultant using their methodology to assess the percentage of key Caterpillar manufacturing sites and facilities exposed to relevant physical climate hazards under future climate scenarios.

innovation position us to capture climate-related growth opportunities while managing potential risks associated with changing customer demands. The growing global energy demand is expected to expand Caterpillar's total opportunity.

Regardless of the speed at which the energy landscape evolves, Caterpillar is well-positioned to profitably grow our company while supporting our customers in achieving their sustainability-related objectives. As part of our ongoing commitment to sustainability and strategic growth, we continue to assess the potential impacts of relevant climate-related risks and opportunities on our business strategy, focusing on how to best integrate these considerations into our strategic planning and decision-making processes.

Changes in production costs

The transition to electrification and alternative power sources may require changes in manufacturing, the development of new production methods, maintenance and storage, and new supply chains for raw materials. These shifts could potentially impact our manufacturing costs.

However, our dedication to operational excellence includes a strategic focus on maintaining a competitive and flexible cost structure.

Furthermore, we continuously strive to enhance our operations by reducing waste, lowering GHG emissions, minimizing energy consumption, and controlling costs. This comprehensive strategy not only prepares us to effectively respond to the potential climate-related risk of increased production costs but also enables us to leverage opportunities for increased efficiencies and cost reductions.

The evolving energy landscape may lead to improved efficiency and cost reductions through technological advancements in manufacturing and remanufacturing. However, costs may increase in connection with adopting new technologies to meet evolving customer and regulatory expectations. Production delays may also drive cost increases due to the availability of raw materials and essential manufacturing components. These potential impacts align with several TCFD categories of climate-related risks and opportunities, including resource efficiency, energy source, and resilience, which could occur over the medium- or long-term time horizon. The potential impact

is assessed as medium, and may include increased or decreased direct costs, indirect operating expenses, or capital expenditures.

Resilience of our strategy

The results of our climate scenario analysis also provided insights into the resiliency of our enterprise strategy. Three climate scenarios were utilized to assess resiliency to climate change risks and opportunities:

The **current climate action** scenario leverages IPCC SSP5-8.5 and the International Energy Agency (IEA) Stated Policies Scenario (SPS). In this scenario, GHG emissions are curbed based on existing policies, commitments, and Nationally Determined Contributions (NDCs), but fall short of meeting the Paris Agreement targets. This scenario projects the continued use of fossil fuels and energy-intensive activities. Climate-related physical risks are present and require significant investments in adaptation measures to protect assets, infrastructure and communities.

The **moderate climate action** scenario leverages IPCC SSP2-4.5 and the IEA Announced Pledges Scenario. In this scenario, governments meet announced climate targets, including NDCs, and achieve GHG emissions reductions. Moderate reductions in GHG emissions are achieved economy-wide, with moderate climate-related transition and physical risks present.

The **aggressive climate action** scenario leverages IPCC SSP1-2.6 and the IEA Net Zero Emissions by 2050 (NZE2050) scenario. In this scenario, there are aggressive emissions reductions to meet the Paris Agreement, marked by global collaboration among governments, society, and industry to lead steep reductions in GHG emissions toward NZE2050. Transition risks and opportunities are highly present in this scenario, with an accelerated transition to renewables and electrification. This scenario also features aggressive regulations limiting the extraction and use of fossil fuels in many sectors and economies.

Caterpillar's enterprise strategy shows resilience under a range of climate scenarios—including a low-emissions scenario and a high-emissions scenario—and puts us in a good position to capture opportunities and mitigate risks from the evolving energy landscape.

POLITICAL ENGAGEMENT INDEX

Caterpillar's engagement, lobbying or contributions to an entity or candidate are guided by **Our Values in Action**.¹

As part of Caterpillar's commitment to transparency, **the political engagement section of our corporate website** includes voluntary disclosures and links to publicly available filings related to our political engagement activities for the last five years.

Topic Category	Topics Covered	Associated Page(s) of the Report, Links to Material
The Purpose of Engagement	Caterpillar's Priority Issues	48
	How and Why We Engage With U.S. Trade and Industry Associations, How Caterpillar Evaluates U.S. Trade and Industry Association Memberships	49
Spotlights on Lobbying and Advocacy Activities	Energy, Infrastructure, Tax Reform, Workforce Development	50
Employee Engagement in Advocacy Initiatives — CATPAC	Our Political Action Committee — CATPAC; Grassroots and GOTV	52
Political Engagement Oversight and Governance	Management Governance, Board Oversight, Approach to Misalignment	53
Lobbying Disclosures	Caterpillar's engagement, lobbying, or contributions to an entity or candidate are guided by Our Values in Action.	54
Corporate Political Contributions	Voluntary disclosures and publicly available filings related to our political engagement activities for the last five years.	2025 , 2024 , 2023 , 2022 , 2021
CATPAC Contributions	CATPAC regularly discloses to the Federal Election Commission and appropriate state election authorities.	Federal Election Commission
	CATPAC voluntarily discloses our employee PAC contributions biannually and makes public other prior disclosures for the last five years.	2025 , 2024 , 2023 , 2022 , 2021

¹ Caterpillar may make corporate political contributions in the U.S. when permitted by law. We may support political committees, political parties, ballot measure committees, and other measures or initiatives that align with Caterpillar's business interests. Our corporate political contributions are posted, biannually and available through the links that follow. 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.



Visit caterpillar.com/sustainability to learn more about how we build a better, more sustainable world.



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