------------------------------------------------------------------------------------------------ Caterpillar Inc. 2012

I can describe Caterpillar’s strategy in one word — customers. We wake up thinking about our customers every day. What do they need? How can we add more value? What challenges do they face?

Of course each and every customer is unique, but there are a few needs that our customers share across the board. Whether a small contractor with a single machine, or a multinational mining company; whether in Brazil or India; just about every customer talks to me about how we can help them operate more efficiently. They want to move materials quickly, safely and efficiently — in short, they want to operate more sustainably.

When our customers talk, we listen. When they have a problem big or small, we are there to support them. But when our customers all agree, when they have a common concern, we focus the full power of the Caterpillar team to find solutions.

And the role technology plays is significant in finding those solutions.

You might be surprised to learn about all of the high-tech features in our products. Many of our large mining trucks can be customized to drive themselves, supervised from the comfort of a control room, and our dozers can be operated by remote control. Our internal combustion process is more difficult to simulate than the process that powers the space shuttle. Most of our machines and engines are designed to run 10,000 hours before overhaul — equivalent of 500,000 miles on your car. Our machines are designed to be rebuilt two or three times. We have designed engines that meet each new tier of emissions standards, the latest being Tier 4, which, in its final phase, will take particulate matter and NOx emissions to near-zero levels. This has been accomplished without sacrificing power or performance, and with a 5 to 20 percent decrease in fuel consumption. Our dealers and customers can watch many of their products working on their smartphones — Cat® Product LinkTM gives them real-time data on product health, performance, uptime and fuel consumption. I could go on and on, but you get the picture.

Being a world-class manufacturer requires excellence in innovation, but we rarely innovate simply for the sake of making something new. Instead, we use our technology to solve problems.

Sustainability and innovation at Caterpillar is a bit of a “chicken and the egg” dilemma. I don’t know which is first — whether innovation helps our customers be more sustainable, or the need to be more sustainable helps us become more innovative. Either way, it’s a good thing!

At Caterpillar, helping our customers operate in a more sustainable manner is one of our biggest drivers of innovation. In 2012, we invested $2.5 billion in research and development.

Our approximately 10,000 engineers and technologists worked on solutions involving natural gas and alternative fuels, advanced hybrid technology, electronics to enable autonomy, and remote control and advanced power trains to enable better fuel consumption, responsiveness and traction control.

All of these research themes have one thing in common — they are aimed at helping our customers operate more efficiently, often with less impact on people and the environment. And they all fit in with the three principles of sustainability we adopted in 2012.

You’ll read more about our sustainability principles later in this report, focusing on preventing waste, improving quality and developing better systems. You’ll see terrific examples of how these principles have been applied to improve the sustainability of our processes, products, services and solutions. What I like about the principles is that they are simple, yet effective, and they are relevant to all aspects of our operations, our supply chain and our customers’ needs, as well as the environment and the communities in which we live and work.

When I look at our sustainability principles and our technology efforts, it becomes clear we are making great strides in sustainability through our innovation efforts. We aren’t trying to be flashy. We aren’t trying to make headlines. We are simply working hard every day to help our customers and our communities succeed.

------------------------------------------------------------------------------------------------ Caterpillar Inc. 2013

The world’s resources support seven billion people today, and will need to support nine billion by 2050. As the world’s population increases, demand for resources and infrastructure will increase, too. Sustainable progress to meet these needs and support economic growth will remain absolutely necessary.

Caterpillar is uniquely positioned to be a leader in making this sustainable progress possible. Our commitment is longstanding because we know we can be profitable while also best serving our planet and its people by promoting the common good. This is not something we discovered recently; it can be traced back to the Caterpillar Worldwide Code of Conduct first published in 1974. For 40 years, our Code has provided a common ground for our business life values. Since 2005, these have been Our Values in Action:

• Integrity: The Power of Honesty

• Excellence: The Power of Quality

• Teamwork: The Power of Working Together

• Commitment: The Power of Responsibility

I’m proud that in early 2014 we honored our longstanding commitment and recognized sustainability as another value:

• Sustainability: The Power of Endurance.

Sustainability has been included for years as a part of our value of Commitment, clearly stating our responsibility to produce sustainable solutions. Raising sustainability to a stand-alone value acknowledges both what we have done in the past and will do in the future.

For Caterpillar, sustainability is an enterprise-wide approach we apply to our own operations, as well as a guide for our suppliers, dealers and customers.

We make sustainable progress possible by:

• Leveraging innovation and technology,

• Increasing productivity,

• Using resources more efficiently,

• Reducing environmental impacts and

• Contributing to the communities where we live and work.

We know that to endure, our company and operations must operate in a sustainable manner. What does this mean to our stakeholders?

To our customers, it means enduring products, services and solutions. Our brands represent long-lasting quality, and our products and solutions help our customers operate more efficiently. Through innovation, we focus on providing products that are more fuel-efficient and require less oil and fluids to operate. Our customers build the infrastructure, supply the power and transport the goods that support economic growth in developing and developed nations alike, and support Caterpillar’s efforts to help make that growth sustainable.

To our stockholders, it means sustainable development strategies and leading-edge products that promote customer loyalty and ensure Caterpillar prospers for another 90 years, and longer.

To our people, it means working for a company they can be proud of, for many reasons. We have a robust risk management process that includes anti-bribery, anti-corruption and other programs and training designed to support Our Values in Action. We’ve reduced our Recordable Injury Frequency to a world class 0.78 level in 2013. We have strong employee training and development programs, intentional efforts to find and retain the most qualified and diverse employees, and are dedicated to diversity and inclusion.

We also invest in and support the communities where we live and work through the United Way, and generous nonprofit gift matching and volunteer programs at our facilities worldwide. We support the Caterpillar Foundation, which has invested more than $550 million since 1952 to boost economic growth and quality of life around the world.

I encourage you to take the time to read the details presented in this report. I believe Caterpillar is second to none in our commitment to sustainable progress.

------------------------------------------------------------------------------------------------ Caterpillar Inc. 2014

Local Citizen: Making Sustainable Progress Possible One Community at a Time

Caterpillar is the world’s largest manufacturer of heavy equipment, so sometimes it’s hard for people to make the connection between our business and our commitment to sustainability. For me, it’s not hard at all. It’s who we are and what we do every day. We protect the health and safety of ourselves and others. We innovate to make our products more efficient and to prevent waste. We support infrastructure development and environmental responsibility.

We are a diverse global team striving to build a better world, one community at a time.

We elevated Sustainability to one of Our Values in Action in 2014, but sustainability is not new to us, not at all. “Making Sustainable Progress Possible” has long been a cornerstone commitment to our customers, stockholders and employees. We have also long known that sustainable progress requires balancing the economic, environmental and social aspects of our business.

This report presents example after example of how we are contributing to that progress and balance. Sustainability drives innovation at Caterpillar – through innovation and technology, we reduce resource consumption, emissions and their associated costs.

**Sustainability drives innovation.**

In these pages, you’ll learn about innovations like Solar Turbines’ new SoLoNOx™ technology that reduces NOx emissions from gas turbines; and innovations that combine the best attributes of existing solutions – like Caterpillar Marine’s new twin fin propulsion system that is robust, easy to maintain and, because it’s compact, doesn’t compromise maneuverability or cargo space. This report highlights innovations with the potential to transform an industry – like our Intelligent Compaction system that enables paving machines to achieve desired criteria on a new roadway in as little as a single pass. That increases productivity and safety, and reduces fuel consumption and CO2 emissions.

Sustainability drives innovation in our internal operations, too – like the transportation and packaging process improvements in Building Construction Products facilities around the world. These facilities and their suppliers have worked together closely, and now we have fewer, more efficient shipments. This has increased safety and reduced processing time, CO2 emissions and costs.

Wherever Caterpillar designs, develops, builds and sells, we recognize and respect our responsibility to build a better world. We envision a world in which people’s basic needs – including shelter, clean water, sanitation, food and reliable energy – are fulfilled in an environmentally sustainable way. Our facilities, products, services and solutions focus on using resources efficiently as we strive to achieve that vision.

And we do it, one community at a time.

**We reclaim, recycle and remanufacture.**

In greenhouses, our generator sets not only generate power efficiently; they also use CO2 beneficially to aid plant growth. This means many parts of the world have year-round access to food and flowers that they might not have otherwise. Mining reclamation sites use Cat® equipment to grade and restore land, returning it to its native state. You’ll read about a North Dakota site that I visited during the year, where a landscape that not long ago was producing vital mineral ore has transformed again, back into rolling hills, woods and grassy fields.

We are especially proud that, for more than 40 years, we have been remanufacturing our products and parts, restoring them to be as strong and useful to our customers as if they bought them brand new. Over the last 10 years, Caterpillar’s worldwide remanufacturing operations have recycled morethan 500,000 tons of materials, keeping them out of landfills or scrap heaps. Our remanufacturing work alone has kept over 1,000,000 tons of greenhouse gas out of the atmosphere. In June, I shared a detailed history of Caterpillar’s commitment to sustainability with our shareholders.

**Sustainability builds communities.**

In this report, you’ll also read about our continued safety record improvements. Our safety record is among the best of any industrial company today. In 2014, we decreased our Recordable Injury Frequency to 0.71. That’s a 9 percent reduction from 2013. I think about how lives are better when injuries are avoided. We started our intense journey to improve safety more than a decade ago, and we’ll never let up.

And our employees live in the communities near the Caterpillar facilities where they work, so we are personally interested in preserving and improving those communities. I think our people are proud of Caterpillar’s work in their neighborhoods, all over the world. We’ve included just a few examples in this report, including employees in Nashville, Tenn., who provide pro bono legal services and employees in Brazil who are preserving native plants.

The Caterpillar Foundation supports dozens and dozens of efforts like these through grants that are targeted to alleviate the root causes of poverty and provide paths to self-sufficiency and prosperity. Since its formation in 1952, the Caterpillar Foundation has given hundreds of millions of dollars to support sustainable progress for families and communities across the globe. Sustainable progress is not possible without access to reliable, clean and affordable energy, water, food and shelter. At Caterpillar, we support the development of all of these.

**Energy access is fundamental to prosperity.**

Caterpillar knows that energy is fundamental to higher living standards and economic growth. We support traditional fossil fuels and technology that will make those fuels burn more efficiently. We are also pursuing innovations that utilize alternative and renewable resources.

Whether it’s our industrial engines that support energy production; our machines that excavate and build new dams and power plants; our generator sets that power medical clinics; or our diesel-electric locomotives that transport food and materials across countries – Caterpillar actively leads the world in creating better conditions for economic growth and opportunity.

We are a company built on values; 2015 is our 90th anniversary as a company living and operating according to those values. We are a global team, the best there is, and we will continue to make sustainable progress possible one community at a time.