

Canada Modern Slavery Report - 2023

This statement is intended to meet the requirements of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. This statement is made for the 2023 reporting period by the following reporting entity:

- Caterpillar of Canada Corporation

Caterpillar Inc., the ultimate parent company of the reporting entity in this Report, has policies that apply company-wide, including to its wholly owned subsidiaries and majority owned joint ventures, such as the reporting entity. Each reference in this statement to "Caterpillar" is a reference to the reporting entity, including their ultimate parent company, Caterpillar Inc., and all of their related entities.

Caterpillar is committed to respecting internationally recognized human rights throughout its global operations as noted in our [Human Rights Policy](#) and our [Supplier Code of Conduct](#). While uniquely our own, Caterpillar's Human Rights Policy is informed by the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights.

As part of its commitment, Caterpillar strives to eliminate modern slavery – including forced labor and child labor – from its global operations, as set forth in further detail in this Report.

Our Corporate Structure, Operations, and Supply Chains

Caterpillar of Canada Corporation is an Unlimited Liability Company incorporated in Nova Scotia and owned by Caterpillar SARL. Caterpillar of Canada has approximately 150 active employees with offices located in Alberta, Ontario and Quebec. The principal activities and operations of Caterpillar of Canada include the following:

- Provision of marketing support services to related parties for the Canada territory.
- Distribution of aftermarket parts to independent dealers in Canada.
- Provision of mining solutions and related services.
- Provision of engineering support and R&D services.

Caterpillar of Canada has approximately 140 suppliers (including service providers). A majority of those suppliers are located in Canada and, at a high level, fall predominately within the following general categories:

- manufacturing goods;
- IT hardware and services;
- engineering services;
- environmental, maintenance, security, utilities, catering and other facility services;
- office furniture and supplies;
- freight and logistics;
- human resource services;
- insurance; and
- financial and legal services.

Caterpillar Inc. is the ultimate parent company of the reporting entity. Caterpillar Inc. is a publicly owned United States company with over 100,000 employees employed by it and its subsidiaries world-wide. Caterpillar Inc. manufactures mining and construction equipment, diesel and natural gas engines, industrial gas turbines, and diesel-electric locomotives. Caterpillar Inc. is the parent company of several hundred subsidiary companies globally, many of which are wholly owned. We have more than 150 primary locations in over 25 countries.

We have a vast network of suppliers around the world to meet our purchasing needs for our manufacturing processes and other activities.

Modern Slavery Risks

Caterpillar has processes in place to track reports of any relevant concerns and, based on such data and the actions described below to assess and address modern slavery risks, Caterpillar believes the risk of modern slavery is low in its operations and those of its direct suppliers.

Caterpillar is taking the following actions to assess and address modern slavery risk where it may potentially exist.

Supplier Standards

We view our direct suppliers – i.e., those with whom we have contractual relationships – as an important part of our extended value chain. Caterpillar is committed to working with them to uphold the principles in [Our Values in Action](#), Supplier Code of Conduct and Human Rights Policy. Our standard purchase order terms and conditions require that direct suppliers comply with: (1) all applicable laws, including those prohibiting forced labor and child labor, and (2) our Supplier Code of Conduct, including an expectation that our direct suppliers conduct all business in a manner that respects human rights.

Supplier Self-Assessment & Verification

We assess potentially adverse human rights risks across our supply chain, including any risk of forced, compulsory, or child labor, slavery and human trafficking through our supplier code of conduct self-assessment program.

We instruct critical direct suppliers to complete a self-assessment. That assessment includes questions regarding the policies and procedures they have in place to tackle slavery and human trafficking in their own supply chain. The process generates for each supplier a risk score that takes into account their responses and the jurisdictions in which they operate.

In 2023 Caterpillar updated the self-assessment process. Among other things, we updated the questions included in the self-assessment to align more closely with current global conditions. We also enhanced the options available to suppliers in responding to each question to ensure more meaningful results. As a result, 2023 was a transitional year for the process and, in introducing these changes, Caterpillar required only a portion of its critical tier 1 suppliers to complete the self-assessment.

Caterpillar uses self-assessment response data to address supply chain risk through a collaborative approach with responding suppliers. In 2023, no significant human rights related concerns were identified based on the self-assessment response data we received.

Caterpillar currently does not utilize a third party in its verification process. We also do not currently perform on-site audits for social compliance or require that our direct suppliers certify that materials incorporated into products comply with laws regarding slavery and human trafficking in the countries in which they are doing business. However, Caterpillar reserves the right to verify that our direct suppliers comply with the Supplier Code of Conduct as needed.

Supplier Accountability & Remediation

In the event that Caterpillar becomes aware of any actions or conditions within its supply chain that are not in compliance with Caterpillar's Supplier Code of Conduct, Caterpillar reserves the right to require that the implicated direct supplier implement corrective measures. A direct supplier's continued non-compliance may lead to additional actions, up to and including termination of the business relationship.

In the reporting year, Caterpillar did not identify, nor was it alerted to, any instances of forced or child labor in its global operations. For this reason, there have not been any opportunities to provide remediation in the reporting year. Therefore, no steps have been taken that have resulted in vulnerable families experiencing loss of income.

Reporting Modern Slavery Concerns

We encourage any party to report situations in which they have a good faith belief that the entities or individuals covered under this Statement have taken actions that are inconsistent with the principles set forth in this Statement. We have dedicated the following confidential and anonymous means to encourage reporting by any party, maintained by our Office of Business Practices.

Online Reporting (can be submitted anonymously): <https://caterpillar.ethicspoint.com>

Direct Telephone: +1-309-675-8662 (English only)

Toll-free Helpline: Caterpillar maintains toll-free Helpline numbers in various countries. Inside Canada, the United States, and the U.S. Virgin Islands the number is 1-800-300-7898. Toll-free numbers currently in effect for other countries are posted at <https://codeofconduct.cat.com>. Language translation is available for those numbers. You may remain anonymous when you call from a country in which anonymous reporting is allowed.

Call Collect Helpline: +1-770-582-5275 (language translation available)

Email: BusinessPractices@cat.com

Caterpillar will not take any retaliatory action against any party as a result of raising an issue in good faith pursuant to this reporting process. Also, Caterpillar does not tolerate any reprisal by any individual against any party for raising a concern or making a report in good faith.

Policies & Training

Caterpillar's Code of Conduct helps Caterpillar employees every day by providing guidance on the behaviors that support Our Values in Action – Integrity, Excellence, Teamwork, Commitment and Sustainability. Consistent with those Values, we treat others with respect, and we do not tolerate intimidation, discrimination or harassment. We are committed to complying with applicable laws, regulations and reporting requirements everywhere we do business. Modern Slavery, including forced labor and child labor, are inconsistent with our Values and will not be tolerated at Caterpillar.


All Caterpillar employees are required to complete Code of Conduct training on an annual basis. This training includes a certification by each employee that they are not aware of any activities (including modern slavery issues) that violate the Code.

For purposes of complying with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act, this statement constitutes the requisite “annual report” for the financial year ending 31 December 2023, and applies to the following entity:

- Caterpillar of Canada Corporation

In accordance with the requirements of the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

- o Full name: Rebecca Dailey
- o Title: Director and President
- o Date: May 23, 2024



Signature

I have the authority to bind Caterpillar of Canada Corporation.