

## Modern Slavery Statement - 2021

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### **A Introduction**

This statement is intended to meet the requirements of the *Modern Slavery Act 2018* (Cth) for the 2021 reporting period and is made for the purposes of that Act jointly by each of the following reporting entities (“**Reporting Entities**”) in respect of the Reporting Entities and, where applicable, entities the Reporting Entities own or control:

- Caterpillar Financial Australia Limited
- Caterpillar Global Mining Expanded Products Pty Ltd
- Caterpillar Holdings Australia Pty Ltd
- Caterpillar of Australia Pty Ltd
- Caterpillar Underground Mining Pty Ltd
- Caterpillar Used Equipment Services, Inc.
- Progress Rail Australia Pty Ltd
- Solar Turbines International Company

Each reference in this statement to “Caterpillar” is a reference to the Reporting Entities 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.

### **B Our Corporate Structure, Operations, and Supply Chains**

Each of the Reporting Entities is ultimately owned by Caterpillar Inc. 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.

#### ***B – 1 Caterpillar Financial Australia Limited (“CFAL”)***

CFAL is a company incorporated in Australia. The staff supporting its operations are predominantly based within Australia. CFAL’s principal activity is the financing of Caterpillar equipment.

CFAL has one direct subsidiary in which it holds at least a majority stake: Caterpillar Financial Australia Leasing Pty Ltd.

CFAL has approximately 160 active suppliers (including service providers). An overwhelming majority of those suppliers are understood to be based in Australia and, at a high level, fall predominantly within the following general categories:

- third party funding;
- human resources services; and
- financial and legal services.

*B – 2 Caterpillar Global Mining Expanded Products Pty Ltd (“CGMEP”)*

CGMEP is a company incorporated in Australia. It has no employees. Its principal activities include the distribution of longwall mining systems and engineered-to-order parts, as well as certain dragline and room and pillar components, to related entities and third parties.

CGMEP does not have any direct subsidiaries.

CGMEP has approximately 230 active suppliers (including service providers). Approximately 75% of those suppliers are understood to be based in Australia and, at a high level, predominantly supply to CGMEP parts for equipment distributed by CGMEP.

*B – 3 Caterpillar Holdings Australia Pty Ltd (“CHA”)*

CHA is a company incorporated in Australia. It has no employees, and its principal activity is to act as a holding company for investments in certain Caterpillar entities in Australia.

CHA currently has the following direct subsidiaries in which it holds at least a majority stake:

- Bucyrus Australia Surface Pty Ltd;
- Bucyrus Mining Australia Pty Ltd;
- Caterpillar Global Mining Expanded Products Pty Ltd;
- Caterpillar Underground Mining Pty Ltd;
- Caterpillar of Australia Pty Ltd;
- Minetec Pty Ltd;
- Progress Rail Australia Pty Ltd.

Although during the reporting period CHA’s subsidiaries also included Caterpillar Commercial Australia Pty Ltd and Caterpillar Global Mining Pty Ltd, those entities were deregistered on 25 April 2022.

CHA may from time to time engage a very limited number and category of service providers, including financial and legal advisers (for example, in connection with its annual financial reporting obligations). Given its limited functions however, CHA does not engage in any significant supply chain activities.

*B – 4 Caterpillar of Australia Pty Ltd (“CofA”)*

CofA is a company incorporated in Australia. Its operations are supported by employees who are predominantly based within Australia. Its principal activities include:

- the provision of various supporting activities to a related party which is the distributor and marketing entity for Caterpillar parts and machines for the Asia Pacific region;
- the provision of autonomy related software and site services directly to customers in the mining industry, and
- the provision of contract research and development services to a related party relating to the development of the autonomy software.

CofA does not have any direct subsidiaries in which it holds at least a majority stake.

CofA has approximately 1,200 active suppliers (including service providers). Approximately 70% of those suppliers are understood to be based in Australia and, at a high level, fall predominantly within the following general categories:

- IT hardware and services;
- human resources services;
- engineering services;
- marketing services;
- environmental, maintenance, security, utilities, catering and other facility services;
- packaging material and services;
- office furniture and supplies;
- freight and logistics;
- insurance; and
- financial and legal services.

*B – 5 Caterpillar Underground Mining Pty Ltd (“CUGM”)*

CUGM is a company incorporated in Australia. Its operations are supported by employees who are predominantly based within Australia. Its principal activities include the manufacture and sale of, and research and development in connection with, underground mining equipment.

CUGM does not have any direct subsidiaries in which it holds at least a majority stake.

CUGM has approximately 170 suppliers (including service providers) registered on its supply chain systems. The majority of those suppliers are understood to be based in Australia and, at a high level, fall predominantly within the following general categories:

- IT hardware and services;
- environmental, maintenance, security, utilities and other facility services;
- office furniture and supplies;
- freight and logistics;
- insurance; and
- manufacturing goods.

*B – 6 Caterpillar Used Equipment Services, Inc. (“CUESI”)*

CUESI is incorporated in the State of Delaware in the United States. Its employees are based in Germany and the United States. CUESI’s principal activities include the wholesale of new and used Caterpillar equipment – namely, diesel and gas generator sets, engines, and related components – to the Cat® dealer network.

CUESI has the following direct subsidiaries in which it holds at least a majority stake:

- Caterpillar India Engineering Solutions Private Limited;
- Caterpillar Remanufacturing Drivetrain LLC; and
- Solar Turbines Slovakia s.r.o.

CUESI utilized approximately 29 suppliers (including services providers) in 2021. Nearly 80% of those suppliers are located in the United States, while approximately 7% are located in Australia. At a high level, CUESI’s suppliers fall predominantly within the following general categories:

- manufacturing goods;
- financial services;
- freight & logistics;
- warehouse services;
- insurance;
- software.

*B – 7 Progress Rail Australia Pty Ltd (“PRA”)*

PRA is a company incorporated in Australia. Its operations are supported by employees predominantly based in Australia. Its principal activities include:

- the manufacture, distribution, maintenance and servicing of railway track work and equipment; and
- the provision of engineering services, maintenance, sales and after-market service of rolling stock components and locomotives.

PRA currently owns a majority stake in Locomotive Demand Power Pty Ltd. Throughout 2021 it also held a majority stake in Traction & Mining Motor Repairs Pty Ltd, but this entity was deregistered on 15 December 2021.

PRA has approximately 1,400 active suppliers (including service providers). Approximately 90% of those suppliers are understood to be based in Australia and, at a high level, fall predominantly within the following general categories:

- human resources services;
- engineering services;
- manufacturing goods, tooling, equipment and consumables to support manufacturing, maintenance and servicing activities;
- freight and logistics;
- environmental, maintenance, security, utilities and other site services;
- insurance; and
- office furniture and personnel supplies.

*B – 8 Solar Turbines International Company (“STICO”)*

STICO is incorporated in the State of Delaware in the United States. It has a staff based in Australia to support its operations in the region. In addition, STICO also has employees in Singapore, Bolivia and Papua New Guinea. STICO has a number of branches registered around the world. For instance, in Australia STICO operates under the business name of Solar Turbines Australia and supports the sale of Solar Turbines products and services into Australia, New Zealand, Papua New Guinea and Timor-Leste. Its operations include:

- marketing, sale and distribution of service parts, new turbines and turbine packages, and repaired and refurbished turbines; and
- provision of repair, refurbishment, monitoring, training and field services.

STICO also performs similar activities as identified above in various other parts of the world.

STICO has the following direct subsidiaries in which it holds at least a majority stake:

- Caterpillar Power Generation Systems L.L.C.;
- P.T. Solar Services Indonesia;
- Solar Turbines (Thailand) Limited;
- Solar Turbines CIS Limited Liability Company;
- Solar Turbines Egypt Limited Liability Company;
- Solar Turbines Malaysia Sdn Bhd;
- Solar Turbines Services of Argentina S.R.L.;
- Solar Turbines Trinidad & Tobago Limited;
- Solar Turbines de Republica Dominicana, S.R.L.

STICO utilized approximately 577 suppliers in 2021. More than half those suppliers are understood to be located in the European Union, while approximately 24% are understood to be located in Australia. At a high level, STICO’s suppliers fall predominantly within the following general categories:

- freight and logistics;
- engineering services;
- human resources services;
- environmental, maintenance, security, utilities and other facility services;
- manufacturing goods, tooling, equipment and consumables to support refurbishment and repair services;
- office furniture and personnel supplies;
- insurance; and
- financial and legal services.

**C Modern Slavery Risks**

Caterpillar’s human rights team 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 suppliers 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 Supplier Code of Conduct includes an expectation that our suppliers conduct all business in a manner that respects human rights.

### ***Supplier Self-Assessment & Verification***

We assess potential human rights impacts across our supply chain, including any impact from forced, compulsory, or child labor, slavery and human trafficking through our supplier code of conduct self-assessment program.

We instruct critical tier 1 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. Caterpillar uses assessment response data to address supply chain risk through a collaborative approach with responding suppliers. In 2021, 96.4% of Caterpillar's priority supply base completed a self-assessment, and no significant human rights related concerns were identified. Based on that information, we consider our actions with respect to modern slavery to be effective.

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 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 may take action to verify that our suppliers comply with the Supplier Code of Conduct as needed.

### ***Supplier Accountability***

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's expectation is that the supplier implement corrective measures. A supplier's continued non-compliance may lead to additional actions, up to and including termination of the business relationship.

### ***Caterpillar Operations***

In addition to the Caterpillar Code of Conduct discussed further below, Caterpillar has robust documented human resources processes and standards across the enterprise to ensure that its employees around the world are compensated and managed in accordance with applicable laws. Subject to applicable local law, many of those processes and standards are set at a global or regional, rather than local, level to ensure transparency and consistent treatment. These processes and standards are supported by internal human resources and legal teams located around the world, including in Australia.

### ***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://codeofconduct.tnwreports.com>

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

**Toll-free Helpline:** Caterpillar maintains toll-free Helpline numbers in various countries. Inside Australia, the number is 1800 056 013. 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)

**Confidential Fax:** +1-309-494-4818

**Email:** [BusinessPractices@cat.com](mailto:BusinessPractices@cat.com)

Caterpillar will not take any 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.

In addition, Caterpillar has implemented an Australia-specific Whistleblower Procedure applicable to Caterpillar legal entities within Australia and their related bodies corporate that provides information on:

- how an individual can make a disclosure that qualifies for protection under Australian law;
- the protections available to eligible whistleblowers;
- support Caterpillar can provide to eligible whistleblowers;
- how Caterpillar may investigate eligible disclosures; and
- fair treatment of employees involved with the eligible disclosure.

### ***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. Slavery and Human Trafficking are inconsistent with our Values and will not be tolerated at Caterpillar, or anywhere in our supply chain.

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 human rights issues) that violate the Code.

#### **D Consultation**


Caterpillar consulted with key areas of our business to prepare this statement, including Accounting, Procurement, Legal and HR teams supporting the Reporting Entities. In many cases these teams operate across business functions for both Caterpillar and our subsidiary entities. The Board of Directors for each of the Reporting Entities also reviewed and approved the statement.

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*Approval*


In accordance with section 14(d) of the *Modern Slavery Act 2018* (Cth), this statement has been approved by the board of directors of each of the Reporting Entities, subject to the notes directly below.

Andrew Spears	 <small>96A832E1C673477...</small>	6/27/2022
_____	_____	_____
Name	Signature	Date
Director		
Caterpillar Financial Australia Limited		

*For clarity, Caterpillar Financial Australia Limited board approval did not extend to sections B-2, B-3, B-4, B-5, B-6, B-7 and B-8, which are relevant to the other Reporting Entities only.*

Jim Callahan	 <small>7A25D0265F69435...</small>	6/28/2022
_____	_____	_____
Name	Signature	Date
Director		
Caterpillar Global Mining Expanded Products Pty Ltd		

*For clarity, Caterpillar Global Mining Expanded Products Pty Ltd board approval did not extend to sections B-1, B-3, B-4, B-5, B-6, B-7 and B-8, which are relevant to the other Reporting Entities only.*

Jim Callahan	 <small>7A25D0265F69435...</small>	6/28/2022
_____	_____	_____
Name	Signature	Date
Director		
Caterpillar Holdings Australia Pty Ltd		

*For clarity, Caterpillar Holdings Australia Pty Ltd board approval did not extend to sections B-1, B-2, B-4, B-5, B-6, B-7 and B-8, which are relevant to the other Reporting Entities only.*

Jim Callahan

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*Jim Callahan*  
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6/28/2022

Name

Signature

Date

Director

Caterpillar of Australia Pty Ltd

*For clarity, Caterpillar of Australia Pty Ltd board approval did not extend to sections B-1, B-2, B-3, B-5, B-6, B-7 and B-8, which are relevant to the other Reporting Entities only.*

Jim Callahan

DocuSigned by:  
*Jim Callahan*  
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6/28/2022

Name

Signature

Date

Director

Caterpillar Underground Mining Pty Ltd

*For clarity, Caterpillar Underground Mining Pty Ltd board approval did not extend to sections B-1, B-2, B-3, B-4, B-6, B-7 and B-8, which are relevant to the other Reporting Entities only.*

Name

Signature

Date

Director

Caterpillar Used Equipment Services, Inc.

*For clarity, Caterpillar Used Equipment Services, Inc. board approval did not extend to sections B-1, B-2, B-3, B-4, B-5, B-7 and B-8, which are relevant to the other Reporting Entities only.*

Wes Vermaas

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*Wes Vermaas*  
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28/06/2022

Name

Signature

Date

Director

Progress Rail Australia Pty Ltd

*For clarity, Progress Rail Australia Pty Ltd board approval did not extend to sections B-1, B-2, B-3, B-4, B-5, B-6 and B-8, which are relevant to the other Reporting Entities only.*

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Name	Signature	Date
Director		
Caterpillar of Australia Pty Ltd		
<i>For clarity, Caterpillar of Australia Pty Ltd board approval did not extend to sections B-1, B-2, B-3, B-5, B-6, B-7 and B-8, which are relevant to the other Reporting Entities only.</i>		

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Name	Signature	Date
Director		
Caterpillar Underground Mining Pty Ltd		
<i>For clarity, Caterpillar Underground Mining Pty Ltd board approval did not extend to sections B-1, B-2, B-3, B-4, B-6, B-7 and B-8, which are relevant to the other Reporting Entities only.</i>		

<u>Chad Young</u>		<u>June 28, 2002</u>
Name	Signature	Date
Director		
Caterpillar Used Equipment Services, Inc.		
<i>For clarity, Caterpillar Used Equipment Services, Inc. board approval did not extend to sections B-1, B-2, B-3, B-4, B-5, B-7 and B-8, which are relevant to the other Reporting Entities only.</i>		

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Name	Signature	Date
Director		
Progress Rail Australia Pty Ltd		
<i>For clarity, Progress Rail Australia Pty Ltd board approval did not extend to sections B-1, B-2, B-3, B-4, B-5, B-6 and B-8, which are relevant to the other Reporting Entities only.</i>		

Daniel Campion

DC

June 28, 2022

Name

Signature

Date

Director

Solar Turbines International Company

*For clarity, Solar Turbines International Company board approval did not extend to sections B-1, B-2, B-3, B-4, B-5, B-6 and B-7, which are relevant to the other Reporting Entities only.*