

A photograph of a modern, light-colored building facade. The word "CATERPILLAR" is mounted on the wall in large, dark, three-dimensional letters. The letter 'A' is replaced by a yellow triangle pointing upwards. The building has a series of windows on the lower level, and the foreground is filled with out-of-focus green foliage.

CATERPILLAR

CATERPILLAR'S SUPPLIER CODE OF CONDUCT

CATERPILLAR[®]

SUPPLIER EXPECTATIONS

While Caterpillar conducts its business within the framework of applicable laws and regulations, for us, compliance with the law is not enough. We strive for more than that. Through our Code of Conduct, we envision a work environment all can take pride in, a company others respect and admire and a world made better by our actions.

We view our suppliers as extensions of our company and an essential part of our extended value chain and commitment to quality. We look for suppliers who demonstrate strong values and commit to the ethical principles outlined in this Supplier Code of Conduct. We expect suppliers to comply with the sound business practices we embrace, follow the law and conduct activities in a manner that respects human rights.





KEY PROVISIONS

CONFLICTS OF INTEREST

Suppliers must not engage in activities that create, or even appear to create, conflict between the Supplier's interests and the interests of Caterpillar. Caterpillar employees will not accept gifts, favors or entertainment that have a value greater than we could reasonably reciprocate or that obligate or appear to obligate them to act in any way contrary to the law, Caterpillar business interests or Caterpillar's ethical business practices.

FAIR COMPETITION

We expect suppliers to observe antitrust and competition laws where they do business. In relationships with suppliers, Caterpillar avoids arrangements that restrict our ability to compete with others.

INTERNATIONAL TRADE LAWS

We expect suppliers to follow applicable international trade laws including import and export controls regulations, and compliance with sanctions and anti-boycott laws. Our suppliers have a responsibility to ensure they comply with trade laws and regulations in any country where they do business.



IMPROPER PAYMENTS

Suppliers must not seek to influence others, either directly or indirectly, by paying bribes or kickbacks or by any other measure that is unethical or that would tarnish Caterpillar's reputation for honesty and integrity. Even the appearance of such conduct must be avoided.



DIVERSITY & INCLUSION

We expect suppliers to embrace diversity and inclusion. Suppliers must value the diversity of unique talents, skills, abilities, cultures and experiences that enable people to achieve superior business results.

FAIRNESS AND NON-DISCRIMINATION

We expect suppliers to select and place employees and sub-suppliers on the basis of their qualifications for the work to be performed, considering accommodations as appropriate and needed – without regard to race, religion, national origin, color, gender, gender identity, sexual orientation, age and/or physical or mental disability. We expect our suppliers to support and obey laws that prohibit discrimination everywhere they do business.

CONFIDENTIAL INFORMATION

We consider information Caterpillar owns to be an asset and protect it accordingly. Some information we communicate publicly, including advertising, product documentation, news releases and public financial reporting. Everything else – including trade secrets, confidential financial information, new product or service development plans and other corporate and personal information – we protect through appropriate and reasonable safeguards and where applicable, legally enforceable agreements. We expect our suppliers to do the same.



PROTECTION OF ASSETS

We expect our suppliers to preserve, protect and responsibly use all Caterpillar assets they have access to. This includes tangible as well as intangible assets, such as our brands, technology, business information and intellectual capital. Suppliers must not make unauthorized disclosures of trade secrets or other sensitive information belonging to the company, our customers or dealers – either during their contract with our company or thereafter. When sharing Caterpillar information with others such as sub-suppliers, the supplier must ensure appropriate controls are in place to protect Caterpillar interests.



HEALTH AND SAFETY

We expect suppliers to put safety first with an aspirational goal to prevent all injuries, occupational illnesses and safety incidents. Our suppliers must actively promote the health and safety of everyone on their property with policies and practical programs that help individuals safeguard themselves, their co-workers and Caterpillar employees. Our commitment to safe practices extends throughout our value chain – from suppliers to end users. We expect suppliers to provide Caterpillar with products and services that are safe and reliable.

HUMAN RIGHTS

Caterpillar is committed to respecting internationally recognized human rights throughout our global operations. We are currently developing an enterprise human rights program that, while uniquely our own, takes into consideration principles described in the United Nations Declaration of Human Rights (UNDHR) and the International Labor Organization's (ILO) 1998 Declaration on Fundamental Principles and Rights at Work. Caterpillar's program will include a commitment to assess human rights issues, conduct relevant human rights training and integrate the results of due diligence into our policies and internal systems. We are committed to working with our business partners and suppliers to uphold these principles as they undertake similar assessments of their own business and to develop their own approach to respecting human rights.

CONFLICT-FREE SOURCING

Caterpillar encourages its suppliers that manufacture components, parts, or products containing Conflict Minerals to procure those materials from conflict-free sources. We expect our suppliers to adopt, implement and communicate to sub-suppliers their positions and policies regarding Conflict Minerals, and where possible, require their down-stream suppliers to adopt and implement similar positions and policies. Suppliers are expected to work with sub-suppliers to trace conflict materials at least to the smelter level and encourage the use of a standard reporting process (e.g. the EICC-GeSI Minerals Reporting Template). Caterpillar reserves the right to request its suppliers provide further evidence of their conflict mineral supply chain, including down to the mine level. We expect suppliers to maintain such traceability data for five years and provide this information to Caterpillar upon request.



Additional information is available at:

<http://www.caterpillar.com/en/company/dealers-customers/conflict-minerals.html>

INNOVATION

We expect suppliers to leverage technology and customer insight to improve product performance, promote remanufacturing to extend product life and make job sites more productive, safer and more efficient.

ENVIRONMENTAL RESPONSIBILITY

We expect suppliers to focus on improving the quality and efficiency of their operations while reducing their environmental impact. We expect them to support environmental stewardship by utilizing business processes that enable waste prevention, improve quality and promote the efficient use of resources in their locations. Caterpillar will work with suppliers to improve the processes and systems used throughout the manufacturing and delivery of our products. Suppliers are required to comply with environmental laws and regulations.



WATER CONSERVATION STEWARDSHIP

Caterpillar acknowledges scarcity of water resources is an issue that crosses cultures, geographies and industries with far reaching economic, social and environmental implications. Our suppliers are expected to implement policies and procedures to ensure water discharges are minimized or eliminated and reduce water consumption in water scarce regions.

EMISSIONS REDUCTION

Caterpillar recognizes energy is a key requirement for sustainable progress and development around the world and is foundational to economic and social development. Greenhouse gases have the potential to affect climate patterns. Our suppliers are expected to implement policies and procedures to reduce greenhouse gas emissions, work towards minimizing or eliminating emissions to the air, improve energy efficiency and increase use of co-generation and alternative or renewable energy sources.

WASTE REDUCTION

Caterpillar works to minimize waste as a good environmental steward and as an important strategy for competing in today's markets. Our suppliers are expected to develop policies and procedures to reduce by-product materials, minimize or eliminate hazardous waste, increase the recycling of waste streams, ensure proper disposal and recycling methods are employed, and improve overall efficiency of products, processes, services and solutions.





REPORTING RIGHTS & RESPONSIBILITIES

If you become aware of a circumstance or action that violates, or appears to violate, this Supplier Code of Conduct or *Our Values in Action – Caterpillar’s Code of Conduct* contact the Office of Business Practices:

DIRECT TELEPHONE:

+1-309-675-8662
(English only)

CALL COLLECT HELPLINE:

+1-770-582-5275
(language translation available)

CONFIDENTIAL FAX:

+1-309-494-4818

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.

E-MAIL:

BusinessPractices@cat.com

