

Independent Limited Assurance Statement to Caterpillar Inc.

ERM Certification and Verification Services, Inc. (ERM CVS) was engaged by Caterpillar Inc. to provide limited assurance in relation to the selected information set out below and presented in the 2022 Sustainability Report and Task Force on Climate-related Financial Disclosures (TCFD) Report (the “Reports”).

Engagement summary

Scope of our assurance engagement	<p>Whether the 2022 information and data for the following selected disclosures are fairly presented in the Reports, in all material respects, in accordance with the reporting criteria.</p> <p><u>Environmental Data</u></p> <ul style="list-style-type: none"> • Facilities located in water high risk areas with implemented water management strategies [%] • Scope 3 GHG emissions as a percentage of Total Scope 1, Scope 2 and Scope 3 GHG emissions [%] <p>Absolute and intensity</p> <ul style="list-style-type: none"> • Scope 1 GHG emissions [million metric tons CO2e, and million metric tons CO2e/million dollars of sales and revenues*] • Scope 2 GHG emissions (by market-based method) [million metric tons CO2e, and million metric tons CO2e/million dollars of sales and revenues*] • Total GHG emissions [million metric tons CO2e, and million metric tons CO2e/million dollars of sales and revenues*] • Total energy consumption [GJ, and GJ/million dollars of sales and revenues*] • Total water consumption [billion gallons, and absolute thousand gallons of water/million dollars of sales and revenues*] <p>Absolute only</p> <ul style="list-style-type: none"> • Scope 2 GHG emissions (by location based method) [million metric tons CO2e] • Scope 3 GHG emissions: Category 11 (Use of Sold Products) [metric tons CO2e] • Total electricity [MWH] • Total water consumption by source [%]: <ul style="list-style-type: none"> ▪ Cooling water from foundry operations ▪ Municipal water ▪ Surface water ▪ Groundwater <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 2022 10-K filing.</p>
Reporting periods	<p>January 1, 2022 –December 31, 2022 (all metrics in scope)</p> <p>January 1, 2018 – December 31, 2022 (Scope 3 Category 11 (Use of Sold Products))</p>
Reporting criteria	<ul style="list-style-type: none"> • The WBCSD/WRI GHG Protocol Corporate Accounting and Reporting Standard (revised 2015) • The WBCSD/WRI GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) • Caterpillar’s Basis of Reporting
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’ issued by the International Auditing and Standards Board.</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 Reports 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 Reports.</p> <p>ERM CVS’ responsibility is to provide conclusions to Caterpillar on the agreed scope based on our engagement terms with Caterpillar, the assurance activities performed and exercising our professional judgement. We accept no responsibility, and deny any liability, to any party other than Caterpillar for the conclusions we have reached.</p>

Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the data and information for the disclosures listed under 'Scope' above are not fairly presented in the Reports, 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 Reports a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Assessing the appropriateness of the reporting criteria for the Reports.
- Interviews with relevant staff to understand and evaluate the relevant management systems and processes (including internal review and control processes) used for collecting and reporting the selected environmental and safety disclosures.
- A review at corporate level of a sample of qualitative and quantitative evidence supporting the reported information.
- An analytical review of the year-end data submitted by all locations included in the consolidated 2022 group data for the selected disclosures which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary.
- Virtual visits to four Caterpillar sites to review local reporting processes and consistency of reported annual data with selected underlying source data for select environmental and safety indicators. We interviewed relevant staff, reviewed site data capture and reporting methods, checked calculations and assessed the local internal quality assurance processes.
- Desk-based review of source data for the significant contributing sites and products to each key corporate EHS metric (e.g. energy, water, hours worked) including a sample of invoices and local incident logs, among others.
- Confirming conversion and emission factors and assumptions used.

The limitations of our engagement

The reliability of the assured 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 Parts A & B of the IESBA Code relating to assurance engagements.

The team that has undertaken this assurance engagement 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.



Beth Wyke
Head of Corporate Assurance Services
Malvern, PA

April 25, 2023

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