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## CATERPILLAR HAS <u>NOT</u> ADOPTED THE RUGGIE PRINCIPLES

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The United Methodist Church's General Board of Pension and Health Benefits issued a <u>press</u> release on April 18 saying Caterpillar Corporation has acted "in alignment" with the UN Guiding Principles on Business and Human Rights. Yet no evidence of Caterpillar's alignment has been made public, a key requirement for compliance. The <u>Guiding Principles</u>, also known as the Ruggie Principles, are a very specific set of guidelines that companies are asked to adopt at all levels of their organizations. Their author, Professor John Ruggie, told United Methodists for Kairos Response on April 21 that "the Guiding Principles are very clear on what is required of companies. If they don't do those things then they're not aligned with the GPs."

Anticipating attempts to pass off alternate actions as compliance, the document's preface states: "Business enterprises may undertake other commitments or activities to support and promote human rights, which may contribute to the enjoyment of rights. But this does not offset a failure to respect human rights throughout their operations."

Caterpillar continues to provide its equipment to entities it knows are using them to destroy civilian homes and property, claiming it has no control over how its products are used. It also provides 60-ton military machines that the Israeli army uses against Palestinians in the occupied territories. The Guiding Principles state, "The responsibility to respect human rights requires that business enterprises....seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, *products* or services by their business relationships, *even if they have not contributed to those impacts*" (emphasis added).

The Pension Board's <u>website</u> states the company took steps toward alignment with the Guiding Principles in 2015, but a review of all Caterpillar <u>press releases</u> in the past two years shows no title that mentions human rights. Even the company's celebrated <u>sustainability report</u> refers to "human rights" only once, in mid-sentence. Caterpillar's announcement was certainly not public, and the Principles require "open, external and accessible reporting on the company's responses to human rights impacts, especially in contexts where risks of severe human rights impacts exist."

UMKR would welcome evidence that Caterpillar has embraced these principles in their entirety and that the company is taking steps to implement them throughout its organization. In the absence of that, we urge all parties to avoid the suggestion that Caterpillar's practices are in alignment with the UN Guiding Principles. The 2012 General Conference <u>asked</u> all boards and agencies to prayerfully consider economic sanctions when companies fail to adopt these specific human rights standards.

United Methodists for Kairos Response is a global grassroots group within the United Methodist Church seeking to respond to the urgent call of Palestinian Christians for actions that can end the Israeli occupation of their land. For more information, visit <u>www.kairosresponse.org</u>

Dec. 2016 – Please note that this press release has been updated with UMKR's new name: United Methodists for Kairos Response.