



SUPPLIER CODE OF CONDUCT

A MESSAGE FROM THE PRESIDENT AND CEO

“At CN, we consider our suppliers as key partners and recognize that they play a pivotal role in creating a more sustainable future. We hold all our suppliers to the same high standards we hold ourselves, especially to ensure safe and fair working conditions and promote responsible business practices. We are committed to building stronger relationships founded on trust, integrity, and transparency. As we embark on our sustainable procurement journey, we look to our suppliers for support – we cannot do this alone. In sharing our values, together, we can work towards not only shared business success, but also towards a more environmentally, socially, and ethically responsible supply chain.”



Tracy Robinson
President and CEO

ABOUT OUR SUPPLIER CODE

Canadian National Railway Company, together with its wholly owned subsidiaries, (“CN”) is focused on operating sustainably. *Doing the Right Thing* is the foundation of CN’s Code of Business Conduct, which reflects our commitment to engage with all our stakeholders with trust and integrity. This Supplier Code of Conduct (“Supplier Code”) is an extension of CN’s Code of Business Conduct and Human Rights Policy. CN strives to work with suppliers, agents, consultants, and other third parties and business partners, and their respective employees, directors, and officers (collectively “Suppliers”) who share our commitment to be socially, ethically, and environmentally responsible. The expectations set forth herein draw upon international standards, best practices, and applicable CN policies, and are designed to provide Suppliers with a clear understanding of how they can meet CN’s standards and conduct their business activities in compliance with the law.

APPLICABILITY OF THE SUPPLIER CODE

This Supplier Code sets standards of ethical conduct which CN requires from Suppliers when doing business with or on behalf of CN. CN requires its Suppliers to adhere to this Supplier Code and expects Suppliers to implement these requirements in a manner that is appropriate and proportional to the nature and scale of their activities, the goods that they supply and the services that they perform.

While CN recognizes that its Suppliers operate in different legal and cultural environments, the standards set forth in this Supplier Code operate as a benchmark for acceptable conduct. Where applicable local laws impose less restrictive obligations on a Supplier, the Supplier is expected to adhere to the standards of this Supplier Code. Where applicable local laws impose greater obligations on a Supplier, the Supplier must comply with such laws and regulations.

EXPECTATIONS OF SUPPLIERS

COMPLYING WITH LAWS AND ETHICAL STANDARDS

Suppliers are required to act in accordance with all laws and regulations applicable to their business and in the jurisdictions in which they operate. Suppliers are encouraged to support the principles of the United Nations Global Compact and the International Labour Organization (“ILO”) Core Standards and Declaration on Fundamental Principles and Rights at Work.

HUMAN RIGHTS

FORCED AND CHILD LABOUR

Use of forced, bonded, compulsory labour or any form of modern slavery by the Supplier is strictly prohibited. This includes work or services not voluntarily performed that is exacted or coerced from a person under threat, force, or penalty, or threatened abuse of law or legal process. Suppliers are prohibited from engaging in or benefitting from any form of human trafficking. Workers must not be required, as a condition of employment, to make a deposit of, or surrender any government-issued identification, passports, work permits or any other documents necessary for free movement and termination of employment.

Suppliers must not employ individuals below the minimum age permitted by local law and the core ILO standards, including ILO Convention 138. CN is committed to the elimination of the “worst forms of child labour” and Suppliers are strictly prohibited from using child labour in accordance with ILO Convention 182.

Suppliers must allow their workers the right to leave work and freely terminate their employment within legal notice period requirements.

WORKING HOURS AND COMPENSATION

Suppliers must abide by all local laws and mandatory industry standards and must respect any applicable collective bargaining agreements regarding work hours, overtime, rest period requirements, and paid vacation. Suppliers must provide work with pay and benefits in a timely manner and comply with minimum wage and overtime pay requirements.

Suppliers should provide all workers with clear and understandable employment documentation, outlining worker terms and conditions and their rights and responsibilities.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Suppliers must comply with local law regarding the activities of trade unions and work councils and their organizational activities. Suppliers must recognize and respect the rights of employees to freely associate, organize and bargain collectively, in accordance with local laws and core conventions of the ILO.

DIVERSITY AND INCLUSION

Inclusivity, diversity, and tolerance are important principles at CN and Suppliers should promote an inclusive work environment that celebrates the diversity of its employee base. Discrimination in employment means any distinction or exclusion made on the basis of the personal characteristics of an individual, such as age, race, colour, religion, gender, national or ethnic origin, sexual orientation, gender identity or inter-sex status, disability, marital or family status, pregnancy, pardoned conviction, veteran status, or any other characteristic protected by law, with no bearing on a worker's professional duties.

Harassment is behaviour or communications, whether written or verbal, which a reasonable person would consider causing offence or humiliation or affecting the dignity of a person and, in the context of employment, results in an intimidating, hostile or offensive atmosphere. Suppliers must not engage in physical, mental, verbal, sexual or any other abuse, inhumane or degrading treatment, corporal punishment, or any form of harassment.

HEALTH AND SAFETY

Suppliers must provide a safe, clean, and healthy work environment and abide by all applicable laws with respect to occupational health and safety. Suppliers should ensure that actual and potential risks to worker health and safety are identified, assessed, and eliminated or managed to mitigate their impacts and ensure preparedness. This includes implementing appropriate safety procedures and preventative maintenance, deploying training, and providing Personal Protective Equipment ("PPE"), as required.

Suppliers should strive for continuous improvement in safety performance and regularly review and update their safety programs and practices in a manner that ensures ongoing compliance with law and industry standards.

All Suppliers who perform work on CN property must and abide by CN's [Guide for Contractors and Suppliers Environmental Protection](#), Health and Safety to avoid injuries and incidents.

ENVIRONMENT AND CLIMATE CHANGE

Suppliers must conduct their operations with minimal environmental impact, respect applicable environmental laws and regulations and adopt procedures, contingency plans, emergency response measures and management systems, as appropriate for their business. CN also expects Suppliers to be aware of its [Environmental Policy](#). Suppliers should provide their employees with relevant environmental training.

Suppliers should also take the necessary measures to ensure the resiliency of their business to the impacts of climate change. Suppliers should implement measures to prevent pollution and reduce greenhouse gas emissions and other pollutants, including setting climate change objectives and targets.

Suppliers must implement appropriate procedures to identify, manage, reduce, and dispose of or recycle any identified hazardous substance and non-hazardous waste from their operations, in accordance with applicable laws and regulations.

Suppliers are encouraged to seek opportunities for biodiversity conservation, including the rational use of natural resources required for their operations and the promotion of conserving, recycling, or reusing materials.

SUPPORTING INDIGENOUS PEOPLES AND LOCAL COMMUNITIES

CN strives to support the communities in which we operate by building positive and sustainable relationships. CN seeks to have a diverse supplier base including businesses that are Indigenous owned. Suppliers are encouraged to identify, adopt, and integrate diverse suppliers into their supply chain so their own supplier base reflects the diversity of society.

Our vision is to develop mutually beneficial relationships with all Indigenous Peoples, and to be recognized by key stakeholders, including customers and governments, as having a sound approach in engaging with Indigenous communities. CN believes its Suppliers should, where applicable, have a similar approach and engage respectfully with Indigenous Peoples and local communities, promote local employment opportunities, increase their employee and stakeholder engagement practices, and identify and foster business opportunities that support Indigenous-owned businesses and their communities.

CONFIDENTIALITY AND DATA PROTECTION

Suppliers must safeguard and not improperly disclose any confidential, sensitive, and non-publicly available business information pertaining to CN, including but not limited to its employees, customers and suppliers, financial information, and intellectual property.

Suppliers must adhere to applicable information security, data protection and privacy laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and deleted. Suppliers must account for the need to protect the confidentiality, integrity, and accessibility of information.

Suppliers must comply with any contractual requirements on information security and data protection and destruction.

TRADE REGULATION, ANTI-BRIBERY AND ANTI-CORRUPTION

Suppliers must comply with all applicable international trade export control, economic sanctions or embargo laws, and customs laws and regulations. In addition, suppliers must comply with all applicable national and international anti-corruption and anti-bribery laws and regulations. Suppliers must not engage, directly or indirectly, in corruption, fraud, bribery, kickbacks, money laundering, embezzlement, extortion or any other form of corruption. Suppliers may not, directly or indirectly, give or receive improper business advantage or anything of value in exchange for preferential treatment. Suppliers must maintain financial records and reports as required by applicable laws and regulations.

CONFLICTS OF INTEREST

Suppliers must always avoid situations of real or perceived conflicts of interest and should have a company-wide code of conduct or other policies or processes to manage conflicts of interests.

CN recognizes that Suppliers may be involved in business relationships with other companies, including CN's competitors. These relationships must, however, never interfere, or appear to interfere, with the Supplier's ability to make an objective business decision regarding CN and to fulfil its contractual responsibilities towards CN.

Suppliers must not provide direct or indirect improper personal benefits to CN's employees, members of their families or persons with whom they share a close personal relationship. Some gifts and entertainment (i.e., a business courtesy such as a meal or an event that is attended with a CN employee) may be offered provided they are not of substantial value, cannot reasonably be interpreted as an improper payment and can be disclosed publicly without any embarrassment to CN. For greater certainty, no gifts or entertainment are permitted during a CN Request for Proposal ("RFP") process.

Any situation that may reasonably create even an appearance of, or potential conflict of interest must immediately be disclosed by the Supplier to CN.

COMPETITION

Competition and antitrust laws generally: (i) prohibit any type of agreement between competitors that is likely to undermine, restrict or lessen competition or affect prices and (ii) prohibit companies in a dominant or strong market position from abusing their market power by practicing anticompetitive or monopolistic behaviour by using predatory pricing practices, pricing below cost, or exclusionary practices such as tying services to eliminate or exclude competitors and thus threaten to create a monopoly position.

Suppliers must comply fully with all applicable antitrust and competition laws. Threats of retaliatory rate action against a competitor or suggestions of using predatory pricing are strictly prohibited. Joining with a competitor to arrange a boycott of a third party by refusing to buy its products or sell services to it is also not permitted under law.

MONITORING AND OVERSIGHT

MONITORING AND RECORD KEEPING

Suppliers agree to abide by the Supplier Code when doing business with CN. Suppliers are expected to maintain documentation to demonstrate their compliance with the Supplier Code in accordance with applicable law and the terms of their Supplier contract.

COMPLIANCE VERIFICATION

Suppliers will be expected to demonstrate compliance with this Supplier Code upon CN's request. CN reserves the right to verify compliance with this Supplier Code including through site visits and inspections by CN personnel or designated agents.

If a Supplier fails to comply with any aspect of this Supplier Code, immediate notice of the violation must be provided to CN. The Supplier is expected to implement corrective actions immediately to address any contraventions of this Supplier Code. In the event of non-compliance with the Supplier Code, CN may consider such event as a breach of contract.

REPORTING CONTRAVENTIONS OF THE CODE

Anyone who believes that a Supplier has engaged in illegal, unethical, or otherwise improper conduct, or conducted any other activity in violation of this Supplier Code is encouraged to speak up and report such conduct using one of the following avenues.

CN's Hotline	Tel: 1-800-925-5974 or online at http://www.reportanissue.com
CN's Ombudsman	Tel: 1-866-226-8968 or E-mail: ombudsman@cn.ca <i>The Office of the Ombudsman has a confidential voicemail available 24 hours a day on which you can leave a message.</i>

Suppliers must not retaliate against any person for reporting, in good faith, contraventions of this Supplier Code, or for filing a complaint, testifying, assisting, or participating in any manner in any investigation, proceeding, or hearing conducted by a government enforcement agency. Prohibited retaliation includes but is not limited to termination, demotion, suspension, failure to hire or consider for hire, failure to give equal consideration in making employment decisions, failure to make employment recommendations impartially, adversely affecting working conditions, or otherwise denying any employment benefit because an employee has reported alleged prohibited conduct or participated in an investigation.

AWARENESS

We expect our Suppliers to communicate to their management and workers CN's expectations, including the requirements of the Supplier Code of Conduct in order to achieve an appropriate level of understanding and knowledge.

NO THIRD-PARTY BENEFICIARY RIGHTS

This Supplier Code does not create any third-party beneficiary rights for the Supplier or any other third parties. The Supplier Code is in addition to and not in lieu of provisions of any legal agreement or contract between Suppliers and CN.