



# **CN Stakeholder and Indigenous Peoples Engagement Framework**

## **OUR COMPANY**

Essential to the economy, to the customers, and to the communities it serves, CN safely transports more than three hundred million tons of natural resources, manufactured products, and finished goods throughout North America every year. Our 18,600-mile (30,000-km) network spans Canada and America, connecting producers and receivers across the continent to domestic and global markets.

## **OUR COMMITMENT TO DELIVERING RESPONSIBLY**

CN is committed to moving our customer's goods safely and efficiently, doing so in a manner that minimizes the impact on the environment, attracting, retaining, and developing the best people, helping build safer, stronger communities, all while adhering to the highest governance standards.

## **OUR ENGAGEMENT OBJECTIVES**

Given the diverse mix of customers and geographies that we serve, our physical presence in communities across the continent, our 24/7 operation, our essential role in moving the economy, and our desire to grow, it is vital that we proactively engage our stakeholders and the Indigenous communities along our network.

We aim to protect our social license to operate, ensure a stable, supportive legislative and regulatory environment, enhance CN's brand and reputation, and enable growth. We do this by fostering lasting relationships with shareholders, employees, lawmakers, regulators, elected officials, industry partners, customers, suppliers, communities, and Indigenous peoples. We believe that adopting a structured approach to engagement will support collaboration, decision-making, and the development and nurturing of mutually beneficial relationships.

Our ambition is to systematically seek stakeholder's and Indigenous people's perspectives and expertise in order to understand and address their expectations. We define our key stakeholder groups as those who impact, directly or indirectly, our business or who are impacted by our operations. We aim to engage proactively, consistently, collaboratively, and authentically, and in doing so, hope to build trust and to deepen our relationships.



## **STAKEHOLDERS AND INDIGENOUS COMMUNITIES**

### **Employees**

CN directly employs over 25,000 people to fulfill its 24/7 North American operations. Our people power our success. They are our greatest asset. We aim to create a collaborative and inclusive environment where employees can grow and develop to their fullest potential, and where safety is a core value.

Nearly 80% of CN's employees are unionized. Worker's associations and unions play a key role in ensuring our employees' voices are heard at all levels of the company. CN is committed to consistent and constructive engagement with our employees, and with those who represent our employees.

We engage employees through various means, including:

- Regularly soliciting employee feedback and perspectives through engagement surveys, town hall meetings, joint union-management health and safety committee meetings, and other company forums
- A wide variety of employee communications and engagement opportunities including CN Spotlight newsletter, Viva Engage internal community engagement channel, network of digital signage boards, Family Day BBQs, and various activities supporting days of significance or cultural awareness events
- Indigenous culture sensitivity training
- Recognition programs including the annual People Awards for Excellence and annual photography Calendar Contest
- Employee-led resource groups (ERGs)
- EcoConnexions employee engagement around environmental sustainability topics
- Opportunities to get involved in the community by donating time (Railroaders in the Community) or money (Employee and Pensioner's Community Fund)
- Annual Code of Conduct training
- Confidential access to CN's ombudsman
- An Employee and Family Assistance program
- Diverse learning and training opportunities

### **Customers**



CN plays an essential role in moving the economy and enabling trade. We are a key link in our customer's supply chains. We aim to provide the service that our customers need and expect, and we seek to collaborate with our customers to enable their growth. When our customers win, we win.

We engage customers in a number of ways including:

- Regular face-to-face and virtual meetings
- Customer website / e-business tools
- Social media
- Direct customer communications including service updates, tariff changes, new products/services
- Seeking their feedback via our Voice of the Customer survey administered twice per year to evaluate satisfaction with CN's service and identify areas of improvement
- Annual customer Safe Handling Awards
- Annual EcoConnexions Customer Partnership Awards related to sustainability efforts

## **Communities**

We aim to be good neighbors by listening, learning, and doing our part to foster economic development, provide community support, improve safety, and to help make our communities great places to live, work and play.

We aim to keep our community stakeholders informed on topics such as community investments, economic development, employment opportunities, operational impacts, safety and environmental protection.

We engage communities through various means, including:

- Face-to-face and virtual meetings
- Dedicated personnel responsible for community engagement as well as receiving, tracking, analyzing and responding to potential community concerns
- CN Police Services engagement with community members, law enforcement agencies and community safety partners
- Our CN in Your Community website
- Communications and engagement on sustainability issues and topics, including community tree-planting programs
- Our CN Public Inquiries Line
- Direct participation in community activities and events
- Direct contribution to communities with donations and sponsorships



- Participation in North American industry-wide annual Rail Safety Week
- Participation in TransCAER® (Transportation Community Awareness Emergency Response), an outreach program focused on assisting communities and training emergency responders to prepare for and respond to hazardous material transportation incidents
- CN led emergency response training for First Responders
- The AskRail® app (a safety tool that provides first responders and Emergency Communications Centers immediate access to accurate, timely data about what type of hazardous materials/dangerous goods a railcar is carrying)
- Agricultural Advisory Council (Canada), a cross-section of agricultural industry leaders from communities across Western Canada that provide insights and advice on policy issues that affect the industry
- Regional Community Boards to maintain a closer connection to the region and to help inform our regional donations and sponsorship efforts

## Indigenous Communities

CN operates within or adjacent to nearly 230 reserve lands of more than 120 First Nations and Métis peoples. CN is in regular contact with Indigenous peoples across our network, developing respectful and mutually beneficial relationships. We aim to engage in open dialogue, identify and foster business opportunities, increase our employees' awareness and understanding of Indigenous culture, and enhance our ability to attract Indigenous talent.



We engage Indigenous communities through various means, including:

- Face-to-face and virtual meetings
- Dedicated personnel responsible for Indigenous community engagement as well as receiving, tracking, analyzing and responding to potential Indigenous community concerns
- Direct participation in community activities and events
- Purposeful identification of procurement opportunities and ways to develop business relationships
- Partnering with Indigenous organization to ensure Indigenous peoples have access to jobs, training, education and opportunities to help increase Indigenous representation at all levels of the Company.
- Indigenous Employee-led Resource Group



- Cultural awareness training for employees and our Board of Directors

### **Lawmakers, Regulators and Government Officials**

In Canada, CN's rail operations are subject to economic regulation by the Canadian Transportation Agency under the Canada Transportation Act and safety regulation by the Minister of Transport under the Railway Safety Act, as well as the rail portions of other safety-related statutes which are administered by Transport Canada, including the Transportation of Dangerous Goods Act. We are also subject to a wide array of additional legislative and regulatory policies such as labour regulations and environmental standards, amongst others.

In the U.S., CN's rail operations are subject to economic regulation by the Surface Transportation Board (STB) and safety regulation by the Federal Railroad Administration (FRA) under the Federal Railroad Safety Act, as well as rail portions of other safety statutes.

As a publicly traded corporation and a significant employer that invests billions in capital expenditures and pays considerable taxes, we are subject to a wide range of legislative proposals that could impart additional costs on our business.

We are also subject to a wide range of railroad-focused legislative proposals under consideration in Congress, Parliament, and at the State and Provincial levels.

We work closely with lawmakers, governments, and regulatory officials and in many cases, develop strong relationships with elected officials who represent our network, are members of key transportation committees or lead legislative bodies. We aim to be seen as a trusted source of information, analysis, and impact assessment to policy. We promote a stable and supportive regulatory environment that encourages investment, enables continuous safety improvement and environmental protection, and supports end-to-end supply chain efficiency.

We engage lawmakers, governments, and regulatory officials through various means, including:

- Regular face-to-face and virtual meetings
- Hosted site visits to CN yards, terminals, training centres with CN leaders and local employees
- Participation in parliamentary hearings and government-led tables
- Participation in industry associations (Railway Association of Canada, Association of American Railroads)
- Support of grassroots and industry organizations across the supply chain ecosystem
- Advocacy efforts (often in partnership with other railroads and supply chain partners)



- Various compliance and voluntary reporting
- Annual Winter Plan (Canada)
- Annual Grain Plan (Canada)
- Regular updates via briefings, letters, reports and other typical communications vehicles

## **Investors**

Our shareholder engagement program is overseen by our Investor Relations department, which is our first line of contact for both proactive shareholder outreach by CN and to appropriately address or, when warranted, redirect incoming shareholder engagement requests.

Our annual shareholder outreach program includes significant participation from members of senior management and independent members of our Board, who make themselves available for annual meetings with our large shareholders and, subject to availability, other shareholders, as appropriate.

We engage regularly with our shareholders and the broader investment community to share information and solicit feedback about our company strategy, financial and ESG performance, capital allocation, performance expectations, and business growth objectives.

We engage our shareholders and the broader investment community through various means, including:

- Quarterly financial results conference calls and analyst meetings
- Taking questions from shareholders at our annual shareholder meeting
- Distributing our annual management information circular, annual report, annual information form and quarterly reports, Climate Action Plan, as well as other ESG related disclosures
- Participation at investor and industry conferences
- One-on-one shareholder calls/meetings; group shareholder calls/meetings
- Non-deal roadshows
- Filings on SEDAR and with the SEC
- Company news releases
- Periodic investor days and/or facility tours
- Periodic investor sentiment surveys
- Investors and Delivering Responsibly sections of our website which includes access to quarterly and annual reports, regulatory filings, investor presentations, weekly volume and service metrics, contact information, and answers to frequently asked questions



Our shareholder engagement practices are regularly reviewed and enhanced by the Governance, Sustainability and Safety Committee of our Board, and by our Board of Directors, as part of our overall corporate governance program.

Shareholder feedback is regularly shared with our Board, its committees, and management, and is taken into account in our strategy and decision-making processes.

## **Contacting the Board**

We encourage shareholders to contact our Investor Relations department with any requests for engagement with CN as they are best equipped to either respond to shareholder feedback or, where needed, redirect the shareholder to the appropriate internal resource. Please contact:

### **CN Investor Relations**

Email: [investor.relations@cn.ca](mailto:investor.relations@cn.ca)

Phone: 514-399-0052

Address: 935 de la Gauchetiere St. W., Floor 16, Montreal, Quebec, H3B 2M9

The Board has also made available a method for interested parties to communicate directly with the Board Chair. These procedures are described on our website at [www.cn.ca](http://www.cn.ca) under Delivering Responsibly/Governance.

## **Suppliers**

Suppliers are an important part of CN's business. They help us serve our customers and support us in our efforts to maintain the safety and fluidity of our network, as well as to expand our network. Suppliers are also a key part of our decarbonization ecosystem.

We engage our suppliers through various means, including:

- Face-to-face and virtual meetings
- Business Reviews
- Onsite and desktop audits to support continuous improvement practices
- Site visits to supplier facilities and plants
- Communication, training and awareness sessions on sustainable procurement, which includes:
  - Contractor safety, leveraging ISN (a contractor safety management program)
  - ESG, through EcoVadis (a platform to measure suppliers' sustainability maturity)



- Indigenous procurement
  - Supplier risk management
  - Supplier diversity
- Training sessions on the use of procurement technology platforms such as SAP Fieldglass and SAP Ariba
- Collaboration sessions in the areas of decarbonization, ESG, and Indigenous Procurement
- CN's Supplier Portal
- Supplier Sustainability webpage
- Indigenous Procurement Guidelines on the Indigenous Relations webpage
- Annual EcoConnexions Partnership Award
- Annual supplier/industry conferences and events

At CN, we consider our suppliers as key partners and recognize that they play a pivotal role in creating a more sustainable future. We seek to 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. To make sure that our values and our standards are adhered to by all of our suppliers, we have developed and embedded into our relationships with them, our Supplier Code of Conduct

## **Public and Media**

We strive to be open about our business and to communicate clearly and in a timely manner. We recognize the important role that traditional and social media plays in disseminating information, and we acknowledge the importance of public opinion in the context of our reputation and social license to operate.

We engage the public and media through various means, including:

- Press releases and social media
- CN's Public Inquiries Line
- CN's website
- Rail Safety Week
- Participation in public events, forums, conferences



## **Other Important CN References and Channels**

CN Code of Conduct

<https://www.cn.ca/en/delivering-responsibly/governance/code-of-business-conduct/>

CN in Your Community

[www.cn.ca/en/delivering-responsibly/community/](http://www.cn.ca/en/delivering-responsibly/community/)

Emergency (CN Police)

1-800-465-9239

CN Public Inquiry Line

1-888-888-5909

[inquiries@cn.ca](mailto:inquiries@cn.ca)

CN Investor Relations

(514) 399-0052

[Investor.relations@cn.ca](mailto:Investor.relations@cn.ca)