

Indigenous Business Partners

CN has an Indigenous procurement strategy in place that aims to establish and develop business relationships with Indigenous communities and promote economic benefit within the communities in which CN operates. In 2018, CN became a "Champion of Indigenous Sourcing," an initiative launched by the CCAB, for its commitment to involve more Indigenous businesses in CN calls for proposals.



One of the ways we aim to uphold this recognition is through engaging meaningfully with Indigenous businesses and embedding Indigenous participation within procurement activities conducted by CN and our contractors.

Indigenous Participation

At CN, we recognize different forms of Indigenous inclusion within procurement activities. This includes participation such as:

- ✓ Ownership
 - At least 51% owned, controlled, and actively managed by Indigenous peoples
- ✓ Joint ventures or partnerships
 - o Consisting of minimum 1 supplier with Indigenous ownership
- ✓ Designated Indigenous Businesses
 - An Indigenous community may be invited to designate, in writing, its preferred businesses for specified goods and services (i.e., Supplier that partners with an Indigenous community to bring economic benefit to that community. For example: program for inclusion of Indigenous employees)
- ✓ Subcontracting
 - A CN supplier that subcontracts part of the work to Indigenous businesses

Indigenous Procurement Principles

To showcase how we embed Indigenous participation within the procurement process, we have defined six guiding principles for suppliers, contractors, and subcontractors of CN:

- 1. CN's qualifications, safety and performance standards must be met.
- 2. Commercial offer must be market competitive.
- 3. Subcontracting opportunities should be given to businesses with Indigenous participation.
- 4. If an Indigenous community has a Designated List of Suppliers, they must confirm such in writing.
- 5. When bidding on an award/project, Proponents will be evaluated on their level of effort in engaging and incorporating Indigenous participation as part of their services, whether

Indigenous Procurement Guidelines



through direct hiring, partnership, or sub-contracting opportunities with Indigenous businesses.

6. Reports and recurrent discussions will take place to monitor Indigenous inclusion activities.

Resources

We encourage Indigenous businesses or businesses with Indigenous participation who
desire to be added to our suppliers' list to get in touch with our Procurement and Supply
Management department through this <u>Form</u>