# Prohibited Harassment, Discrimination and Anti-Retaliation Policy – U.S.

Effective: August 13, 2007

### Scope

This policy applies to employees of the following companies, each of which operates as "CN" (hereinafter collectively referred to as the "Company"):

Bessemer and Lake Erie Railroad Co. Chicago, Central & Pacific Railroad Company Cedar River Railroad Company Duluth, Missabe and Iron Range Railway Co. Duluth, Winnipeg and Pacific Railway Company Grand Trunk Western Railroad Incorporated Illinois Central Railroad Company The Pittsburgh and Conneaut Dock Company Sault Ste. Marie Bridge Company Wisconsin Central Ltd.

### **Prohibited Harassment**

The Company is committed to providing a work environment free of harassment. The Company maintains a strict policy prohibiting sexual harassment and other forms of unlawful workplace harassment, including harassment based on race, color, sex, national origin, religion, disability, age, veteran status, or any other basis protected by federal, state or local law, ordinance or regulation, which may include marital status and sexual orientation. All such harassment is prohibited.

This policy applies to all persons involved in the operations of the Company and prohibits harassment by any employee of the Company, including managers and coworkers. This prohibition also applies to the Company's vendors, independent contractors, or customers. No employee is expected to tolerate any conduct prohibited by this policy from anyone at work or engaged in Company business.

### **Sexual Harassment Defined**

Federal law defines sexual harassment as unwanted sexual advances, requests for sexual favors, or visual, verbal or physical conduct of a sexual nature when:

- 1. submission to such conduct is made a term or condition of employment; or
- 2. submission to or rejection of such conduct is used as a basis for employment decisions affecting the individual; or
- 3. such conduct has the purpose or effect of unreasonably interfering with an employee's work performance *or* creating an intimidating, hostile or offensive working environment.

State and local law definitions of sexual harassment include various forms of offensive behavior. The following is a partial list:

- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct: leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons or posters.
- Verbal conduct: making or using derogatory comments, epithets, slurs, sexually explicit jokes, comments about an employee's body or dress.
- Verbal sexual advances or propositions.
- Verbal abuse of a sexual nature, graphic verbal commentary about an individual's body, sexually degrading words to describe an individual, suggestive or obscene letters, notes or invitations.
- Physical conduct: touching, assault, impeding or blocking movements.
- Retaliation for making harassment reports or threatening to report harassment.

It is unlawful for males to sexually harass females or other males, and for females to sexually harass males or other females.

This policy also protects employees from harassment by vendors or clients. If harassment occurs on the job by someone not employed by the Company, the procedures in this policy should be followed as if the harasser were a Company employee.

# **Other Types of Harassment**

Prohibited harassment on the basis of gender, race, color, national origin, ancestry, religion, creed, physical or mental disability, veteran status, age, or other protected basis, includes behavior similar to sexual harassment such as:

- Verbal conduct such as threats, epithets, derogatory comments, or slurs;
- Visual conduct such as derogatory posters, photography, cartoons, drawings, or gestures;
- Physical conduct such as assault, unwanted touching, or blocking normal movement;
- Retaliation for making harassment reports or threatening to report harassment.

# The Company's Complaint Procedure

The Company's reporting procedure provides for a prompt, thorough, and objective investigation of any claim of harassment and/or discrimination. If the Company determines that prohibited activity has occurred, it will take appropriate remedial action. The discipline will be commensurate with the severity of the offense. Appropriate action will also be taken to deter any future prohibited activity. All reported incidents of harassment or discrimination will be investigated. Designated representatives of the Company will promptly undertake an effective, thorough, and objective investigation of the allegations. When the investigation is completed, a determination regarding the allegations will be made and communicated to the person who filed the report as soon as practical.

1. An individual subjected to what he/she believes is sexual, racial, or other improper harassment should immediately tell the harasser to stop his/her unwanted behavior and/or immediately report that behavior, preferably in writing, to the Human Resources Director or Human Resources Manager in Homewood, Illinois. If any further incident(s) of

harassment occur, the incident(s) must be immediately reported. An employee can also call the Human Resources Center at 1-877-399-5421 to report an incident.

2. If an employee becomes aware of harassing or discriminatory conduct engaged in or suffered by a Company employee, regardless of whether such harassment directly affects that employee, the employee should immediately report that behavior, preferably in writing, to the Human Resources Director or Human Resources Manager in Homewood, Illinois. An employee can also call the Human Resources Center at 1-877-399-5421 to report an incident.

### **Retaliation Prohibited**

The Company strictly prohibits retaliation against any person by another employee or by the Company for using this complaint procedure, reporting harassment, or for filing, testifying, assisting, or participating in any manner in any investigation, proceeding, or hearing conducted by a governmental 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.

Any person who is found to have engaged in unlawful harassment is subject to disciplinary action up to and including discharge from employment. Any employee who engages in prohibited harassment or retaliation, including any Manager who knew about the harassment but took no action to stop it, may be held personally liable for monetary damages.

The Company does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, the Company reserves the right not to provide a defense or pay damages assessed against an employee for conduct that violates this policy.

### **Additional Enforcement Information**

The Company hopes that incidents or violations of this policy can be resolved through the internal process outlined above. The Company encourages employees to use the resources and complaint procedure provided, so that the company can investigate and remedy any problems as soon as possible. All employees, however, have the right to file a charge with the federal Equal Employment Opportunity Commission (EEOC) and, also, for Illinois employees, with the Illinois Department of Human Rights (IDHR), which investigate and prosecute complaints of harassment in employment. A charge with IDHR must be filed within 180 days of the incident of harassment. A charge with the EEOC must be filed within 300 days of the incident.

If you are in Illinois, the Illinois Department of Human Rights may be contacted as follows:

CHICAGO	312-814-6200
CHICAGO TDD	312-263-1579

SPRINGFIELD	217-785-5100
SPRINGFIELD TDD	217-785-5125

The United States Equal Employment Opportunity Commission can be contacted as follows:

CHICAGO	312-353-2713
	800-669-3362
TDD	800-800-3302