

**HUMAN RIGHTS POLICY
HARASSMENT FREE ENVIRONMENT**

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1. Objective

It is CN policy to ensure that all employees are treated fairly and equitably in a harassment-free environment.

2. Introduction

Harassment can endanger personal well-being, job performance, productivity and safety. Every employee is entitled to a work environment free from harassment. Similarly, members of the general public, which includes clients, are entitled to access to and to use the Company's goods, services, or facilities without harassment by Company employees or representatives while on Company business.

3. Policy

CN actively supports Human Rights as a matter of principle and in compliance with the Canadian Charter of Rights and Freedoms and the applicable Federal and Provincial Human Rights legislation. CN is committed to providing a safe and respectful work environment for all staff and customers. Harassment is considered employee misconduct and is not tolerated. No one, whether a manager, an employee, a contractor, or a member of the general public has to endure up with harassment at CN, for any reason, at any time. Likewise, no one has the right to harass anyone else, at work or in any situation related to employment . It is the responsibility of all employees to ensure that harassment or any other offensive or inappropriate behaviour does not occur.

Those in supervisory positions will be subject to more serious consequences due to the impact that these positions have on the employment conditions of employees and the reputation of the Company.

The Company will act promptly to investigate, resolve and remedy cases of harassment brought to its attention, whether they are made informally or formally. The Company undertakes to act on all complaints to ensure they are resolved quickly, confidentially, and fairly. Accordingly, the Company will impose sanctions on any employee, regardless of position, where harassment is evident up to and including dismissal. Investigation and discipline involving unionized employees will be consistent with the procedures of the applicable collective agreements.

4. Definition

Harassment includes any conduct, comment, gesture or contact which is likely to cause offense or humiliation to any employee, employment candidate, client or member of the

general public. It is an unacceptable behavior which denies individuals their dignity and respect. Such behavior threatens to adversely affect the work performance or the employment relationship of the individual and creates an intimidating, hostile or offensive work environment.

It includes harassment as described and defined in the Canadian Human Rights Act. That is, harassment based on the following prohibitive grounds of discrimination: Race, Religion, Sex, National or ethnic origin, Marital status, Family status, Sexual orientation, Colour, Age, Disability and Pardoned conviction.

Harassment can occur at or away from the workplace and during or outside working hours if individuals are in a work-related situation under the auspices of the Company.

Harassment can be verbal, physical, written (by use of computer, print, poster, handwriting), intentional or unintentional.

4.1 Sexual Harassment

For the purpose of this policy, sexual harassment is understood to include:

- Any conduct, comment, gesture or contact of a sexual nature that might, on reasonable grounds, be perceived by that employee as placing a condition of a sexual nature on employment or on any opportunity for training or promotion;
- Solicitation or requests, direct or indirect, intimidation or other comments or behavior which might reasonably be construed as a demand for sexual favours;
- unwanted sexual advances including derogatory comments, gestures, looks, unnecessary/unwanted physical contact, jokes, slurs, derogatory or demeaning posters, cartoons, graffiti, drawings or display of sexually suggestive pictures and / or objects;
- implied or expressed promises of reward or benefit for complying with a sexually oriented request; or
- implied or expressed threats of reprisal in the form of either actual reprisal or denial of opportunity for refusal to comply with a sexually oriented request.
- Verbal abuse such as derogatory personal remarks, jokes of questionable taste, innuendo or suggestive comments about a person's body, physical appearance or sexual orientation;

4.2 Racial/Ethnic Harassment

For the purpose of this policy, racial/ethnic harassment is understood to include:

- unwanted actions, derogatory comments, jokes, slurs, derogatory or demeaning posters, cartoons, graffiti, drawings, innuendoes or taunting about or motivated by a person's race, color, citizenship or national origin.

- Racial epithets, comments ridiculing individuals because of race related characteristics, or singling out an individual for humiliating or demeaning 'teasing' related to race, place of origin or ethnic origin;

4.3 Other Harassment

Can include:

- unwanted actions, derogatory comments, jokes, slurs, derogatory or demeaning posters, cartoons, graffiti, drawings, innuendoes or taunting about or motivated by a person's age, religion, creed, language, marital status, family status, pregnancy/childbirth, sexual orientation, disability/handicap or any other prohibited ground of discrimination.
- Threat, open or implied, of any violent action to be taken against an employee or his or her possessions;

4.4 Poisoned Environment

Furthermore, jokes, offensive literature (for example, pinups), derogatory comments or other activities based on sex or racial characteristics or any other prohibited ground of discrimination that intrude upon a person's dignity or that create an intimidating, hostile or offensive atmosphere constitute what is referred to as a *poisoned environment*. A poisoned environment is itself a form of harassment and is also prohibited by law. Anyone contributing to create this type of environment will be considered in violation of this policy.

5. Complaint Procedure

5.1 Employee's Responsibility

Employees have a responsibility to report incidents of harassment to their supervisor or manager and/or Human Resources. If you as an employee, client or visitor are subjected to harassment based on one of the prescribed grounds, you can use the internal procedures outlined below:

- Speak to the harasser as soon as the offensive behaviour happens and specifically request the harasser to stop.
- If this fails or if you feel too intimidated to confront the harasser and you need assistance, talk to your supervisor and/or Human Resources representative. You may also seek help under the Employee And Family Assistance Program.
- Keep a written record of dates, times, witnesses, if any, the nature of the harasser's behavior, as well as your behavior and actions.
- Inform the supervisor of the details if the harassment continues. Confirm the information in writing. A copy can also be sent to your department's Human Resources representative.
- If the supervisor is the harasser, or if the employee is not satisfied with the supervisor's response, the complaint should be taken to the next higher management level and/or submitted to the Human Resources representative for assistance to progress the complaint.
- In an effort to create a healthy and harassment-free workplace for all, employees are encouraged to bring legitimate complaints concerning harassment experienced by themselves or others to the Company and can do so without fear of reprisal.

5.2 Management's Responsibility

Management will respond quickly to complaints and to situations with potential for complaint. When a complaint is received or harassment observed, management will follow these steps:

- Review the allegations; consult with Human Resources representative.
- Notify the person identified as a harasser that a complaint has been made.
- Individually interview both the complainant and the alleged harasser as soon as possible. If a unionized employee is cited in the complaint, the investigation procedures will include the involvement of the union officer.

- Interview witnesses identified by employees involved or likely to have been present.
- Document the situation accurately and completely.
- Render a decision on the complaint as quickly as possible and advise the parties of resulting action.
- Ensure all the information concerning the case is kept confidential. If it is determined that the allegation is not founded, nothing will be recorded on the personal file of either the complainant or the alleged harasser. Neither the name of the complainant nor the alleged harasser, nor the circumstances related to the complaint, will be disclosed to anyone unless necessary for investigation or disciplinary measures related to the complaint.
- If it is determined that the complaint is both unfounded and frivolous or malicious, these facts will be noted in the complainant's personal file and appropriate disciplinary action may also be taken in such circumstances.
- If a complaint is determined as founded, the personal file of the harasser will be documented accordingly. The harasser will be requested to apologize and will be offered counseling under EFAP. As appropriate, discipline will be assessed up to and including dismissal.

Employees are encouraged to first use all avenues of recourse within CN. When an employee is not satisfied with the actions by management, union or Human Resources, a complaint may be lodged directly with the Canadian Human Rights Commission.

6. Scope

This policy applies to:

- all employees of the Company while working in Canada; Regardless of place or citizenship.
- all Canadian residents/citizens while working anywhere for the Company.

All other Regions and wholly-owned subsidiaries (those with headquarters outside of Canada) and their employees will be governed by the policies on harassment of their Region, subsidiary and department.

This policy also applies to the provisions by the Company of goods, services, facilities or accommodations for the general public.

Last revised December 2003