

SUPPLIER GUIDE

CREATING PARTNERSHIPS FOR THE FUTURE



THE BNSF / SUPPLIER RELATIONSHIP

At BNSF Railway Company, we are committed to high standards of ethical behavior and legal compliance. This brochure describes the ethical, legal and procurement standards that BNSF expects in our business relationships with suppliers. You should understand and comply with these standards. Failure to do so or causing an employee to violate the standards could result in a loss of business with BNSF.

CODE OF CONDUCT

The BNSF Code of Conduct defines the ethical and legal standards for employees when conducting business. This code fosters a standard of conduct that will reflect positively on the company and the individual as well as protect the well-being of BNSF.

Listed below are several components of the code that could impact the relationships between BNSF employees and suppliers. The entire Code of Conduct can be found on our website at <http://www.bnsf.com/about-bnsf/pdf/code-of-conduct.pdf>

- **Gifts of Business Entertainment:**

Employees cannot accept anything that might impair, or appear to impair, the employee's ability to perform company duties or exercise judgment in a fair and unbiased manner.

- **Conflict of Interest:**

No employee should enter into a transaction or engage in a practice that would influence him or her to act other than in the best interest of the company.



- **Social Media:**

Suppliers must not post in any format of social media about BNSF business unless specifically authorized by BNSF's Corporate Relations Department to do so. Suppliers are not to make public announcements regarding the provision of goods or services, share information regarding projects, or circulate photos or descriptions of any work being performed.

- **Environmental Compliance and Safety:**

The company is committed to operate in a sustainable business manner that will protect the environment, as well as human health and safety. Further, BNSF requires employees to take a responsible, safe approach to their duties in safeguarding the public and corporate trust.

- **Harassment in the Workplace:**

BNSF is committed to maintaining a workplace free from harassment. This includes verbal, physical and written conduct.

- **Reciprocity:**

No purchases are contingent upon the supplier's patronage of BNSF or the purchase of another product or service.

- **BNSF Hotline:**

If a BNSF employee suggests that a supplier may obtain business in return for personal benefit (financial or otherwise) or if you suspect other fraud by an employee or third party, immediately report the incident to the Associate General Counsel & Chief Compliance Officer at 817-352-2352, Chief Sourcing Officer 817-352-2600 or BNSF Hotline at 800-533-BNSF. Callers to the hotline may remain anonymous if desired.

PROCUREMENT STANDARDS

BNSF Purchasing Standards are the proper business practices expected of suppliers and employees when procuring goods and services:

They include the following:

- The value of each purchasing decision is based on total cost of ownership (including quality, service, administration and price). This also includes sustainability components (i.e., innovative products/services, end-of-life impact, life cycle assessment).
- Suppliers must comply with all applicable laws, including data-privacy laws, and regulations and must document compliance with regulatory requirements and service-level agreements.
- Employees must seek competitive bids whenever possible to procure goods and services for BNSF. Suppliers must develop their bids independently without consulting other bidders.
- Supplier diversity is an integral part of BNSF's overall commitment to diversity. Our Diverse Business Enterprise program seeks to develop mutually beneficial, long-term partnerships with certified women-, minority-owned and historically underutilized businesses.
- Auctions, bids and catalogs will be processed electronically whenever possible. Purchase orders and invoices must be submitted electronically.
- Suppliers who perform work on BNSF property are required to have a contract in place for the work being performed and are responsible for complying with all applicable BNSF safety rules, regulations and policies.

Contractors may also be required to submit a Safety Action Plan and complete safety training.

ACQUIRING VITAL RESOURCES

Our procurement process is organized around five key phases:

- **Planning:** Understand what it takes to do business with BNSF.
- **Sourcing:** Access tools and processes needed to pursue a business relationship with BNSF.
- **Managing:** Arrange and handle transactions.
- **Paying:** Invoice and receive payment for these transactions.
- **Sustainability:** Consider future implications of our actions by assessing economic, community and environmental components.

Please take the time to understand how this five-step method works and what is needed to create successful supplier relationships.



FOR MORE INFORMATION

See www.bnsf.com/suppliers for more information about:

- The sourcing process
- Contacts
- Billing
- Web tools

A MESSAGE TO OUR SUPPLIERS

FROM CARL ICE
BNSF PRESIDENT AND CHIEF EXECUTIVE OFFICER

We value the important contributions our suppliers make to BNSF. You play a crucial role in ensuring the safety, reliability and efficiency of our network and ultimately, the service we provide to customers. As always, we expect our suppliers to deliver high quality products and services and demonstrate integrity and a commitment to the highest level and ethical standards.

BNSF AT A GLANCE

BNSF Railway Company, headquartered in Fort Worth, Texas, is one of the largest railroad networks in North America, with more than 32,500 route miles it operates in 28 states and three Canadian provinces.

BNSF VISION AND VALUES

Our vision is to realize the tremendous potential of BNSF by providing transportation services that consistently meet our customer's expectations.