

Reach Farther

An Overview of CN

Presentation for RICA Clearance Panel Savannah Jun 13th 2024



CN by the numbers

486 train starts and

15,650 shipments moving each day (6 M shipments/year)

1,557 high HP locomotives and

115,000 active cars online on any given day

7 major port connections

10 main yards

18 automotive facilities

23 intermodal terminals

31 transload facilities

200 interchange locations

10,030 origin/destination pairs

3,440 active customers



All working together to enable \$250 billion worth of trade every year.



Dimensional Classification

- General guideline
- •Other factors length, swingout, excessive weight

• D1	10' 8" to 11' 0" wide	Regular Train Service
• D2	11' 1" to 11' 6" wide	Regular Train Service
• D3	11' 7" to 12' 0" wide	Regular Train Service

• D4	12' 1" to 12' 6" wide	Dimensional Train Service
• D5	12' 7" to 13' 0" wide	Dimensional Train Service
• D6	13' 1" to 13' 6" wide	Dimensional Train Service

• D7	13' 7" to 14' 0" wide	Special Train
• D8	14' 1" to 14' 6" wide	Special Train
• D9	14' 7" wide and over	Special Train



Group	Planning	Execution	Post Shipment	
Machinery and Dimensional dimensionals@cn.ca	-Commercial arrangements – price, ROE, SI issues -Coordinates use of track – Operations and Engineering -Special Train Service	Service escalation Project management Monitor billing	Creates invoice Disputes	
Hi-Wide hiwide@cn.ca	Clearances – coordinates with other carriers, EngineeringCar orders	Issues Load clearance File	N/A	
Car Management Flats gondolas@cn.ca Service Delivery cndimcanada@cn.ca	Manages delivery of empty cars, idler cars	Arranges mechanical inspection. Deals with service issues	Manages Optional Services. Returns empty cars	
Engineering	Reviews when required – gross weight > track capacity	Track protection	N/A	
Operations	Reviews when required – D7 or higher	Executes	Pulls empties	
Dimensional Team Overview				

Clearance Bureau Team:

Jason KawaharaManager DimensionalTrent ArnoldOfficer Dimensional

best way to contact them is via email:

Hiwide@cn.ca



Clearance Delays - Causes

Volume - workload

Other carriers/stakeholders in the clearance process

- carriers in the routing
- running rights agreements
- mass transit carriers (Metrolinx, EXO)
- switching carriers (e.g. Chicago)
- Ports and third party locations

Very heavy, very wide freight

- loads exceeding track capacity require engineering review
- high centre of gravity (exceeding 98" ATR) requires engineering approval
 - track engineering evaluation of sidings (track geometry, condition, curvature)
- specialty equipment (shiftable cars, riders)
- Data acquisition to locations where data is not up to date



Clearance Delays - Changes

Changes to load characteristics

- updated drawings (dimensions, weight)
- changes in equipment

Changes in route

Changes in our network – infrastructure degradation or upgrades (forest fires, flooding, inspection results, new data).

Changes in Operating rules - often seasonal, impact is usually localized

When some of the route occurs on "light rail"



Clearance Process – Shipper Responsibility

Submit clearance request with complete and accurate information, in a timely manner

Submit Shipping drawings (engineered)

Know where you are going to load and offload in advance

- provide address
- proper railway station name
- ensure that there is functional track for loading/offloading

Be aware the clearance is valid for a <u>6 month</u> period, and resubmit clearance requests to be updated accordingly



Clearance Bureau - evolution

Targeted Use of technology to reduce risk and improve accessibility

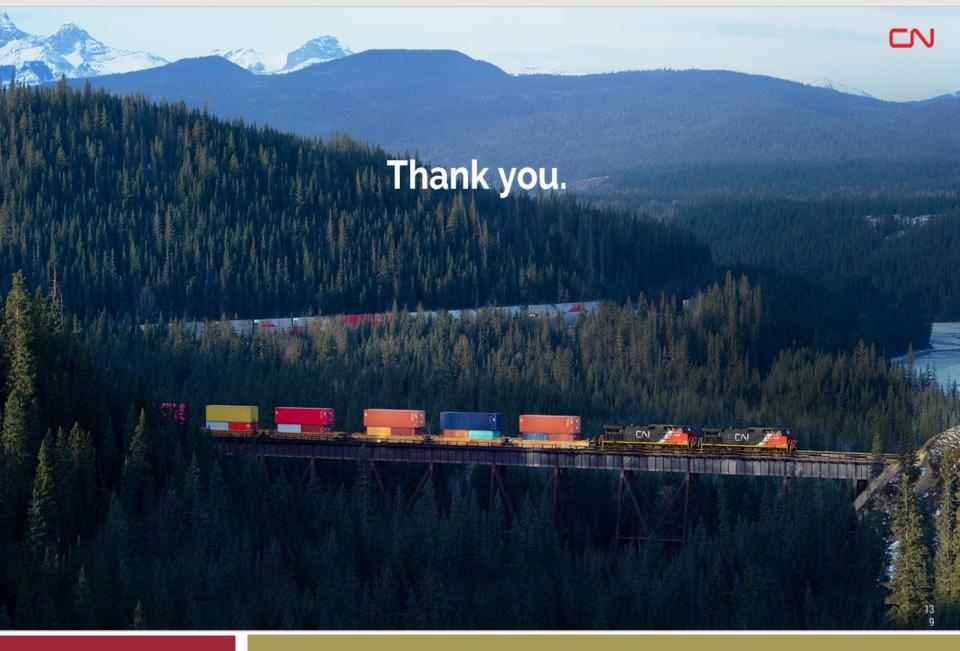
Re-scan of the entire network: 98% complete.

- mainline has been completed
- smaller, less used branch lines and spurs are underway

New Clearance software has been in use for almost a year, extending capability beyond 8 ft from centre of rail.

Improved capability for clearing bolstered loads – testing in 3 dimensions







Thank you for your Attention



Reach Farther

An Overview of CN

RICA – Commercial Presentation
June 14th 2024 - Savannah



CN at a glance

CN is a world-class transportation leader and trade-enabler. Essential to the economy, to the customers, and to the communities it serves, CN safely transports more than 300 million tons of natural resources, manufactured products and finished goods throughout North America every year

CN is committed to creating value for customers and shareholders by deepening customer engagement, leveraging the strength of our franchise and delivering operational and service excellence



2022 HIGHLIGHTS (1)

23,900+

employees (at end of year)

\$109B

market capitalization

18,600

route miles

5.7M

carloads

\$17.1B

total revenues

\$50.7B

total assets

\$2.75B

capital investments

\$4.3B

free cash flow (2)

⁽¹⁾ Data is as at or for the year ending December 31, 2022, unless otherwise indicated.

⁽²⁾ This non-GAAP measure does not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. See the section entitled "Free cash flow" in the Q4 2022 Quarterly Review filed on January 24th, 2023, which are incorporated by reference herein, for an explanation of this non-GAAP measure.

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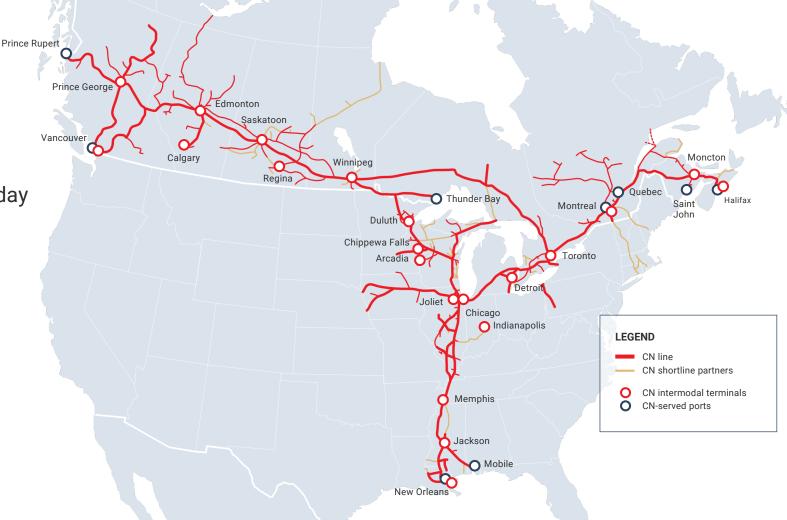
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Distribution services and new CN Certified Rail Ready Sites

Getting closer to your customers

Our distribution centers

 Connect rail supply chains with last mile delivery - 100 mile radius reach from each DC

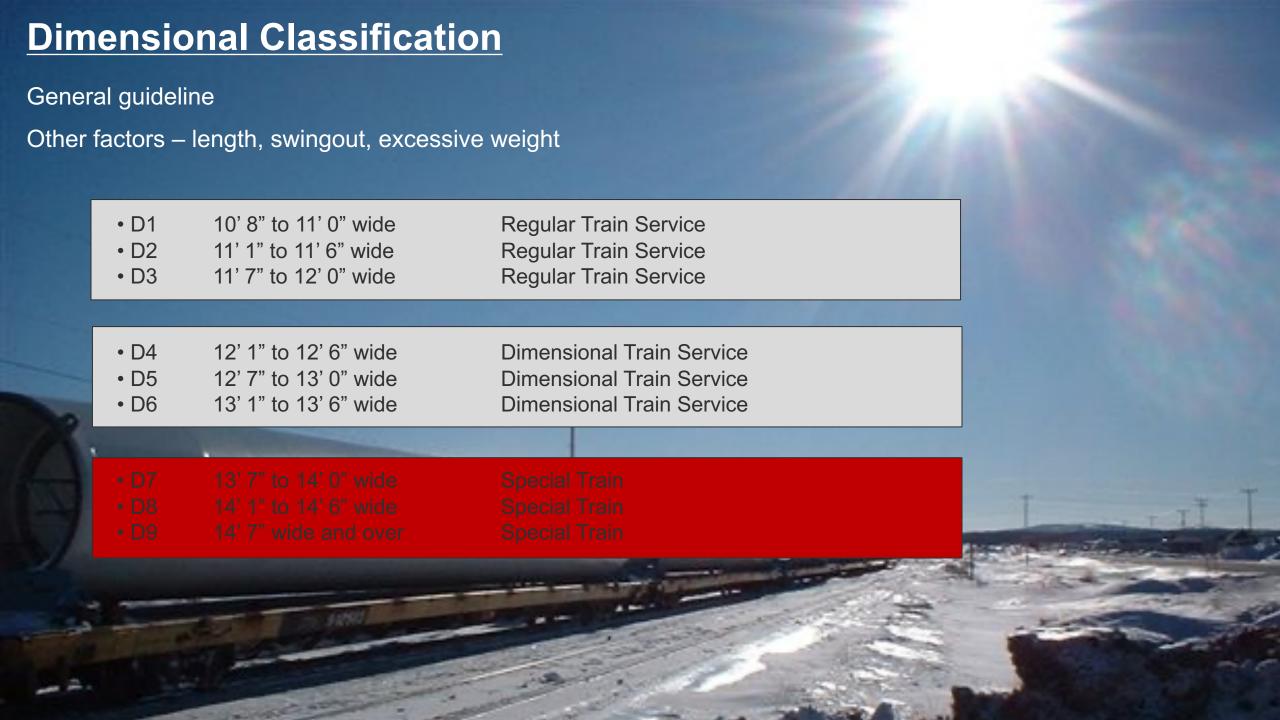
New CN Certified Rail Ready Sites

- Connects rail-served sites with customers in need of property to access the benefits of rail, mitigating risk for the customers
- Provides direct access to CN's 32,000 km/ 20,000 mile network
- Mitigates risk by having a pre-evaluated site
- Reduces time from site selection to construction

Fort McMurray Prince George Vancouver **RAIL READY LEGEND** Memphis CN shortline partners CN distribution centres CN Certified Rail Ready Site

LEARN MORE:

www.cn.ca/our-services/business-development



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Car Management Flats gondolas@cn.ca Service Delivery cndimcanada@cn.ca	Manages delivery of empty cars, idler cars	Arranges mechanical inspection. Deals with service issues	Manages Optional Services. Returns empty cars
Engineering – Mechanical Open_Top_load_Assistance@ cn.ca	Load pattern approvals. Excessive CCOG	N/A	N/A
Operations	Reviews when required – D7 or higher	Executes	Pulls empties
	Dimensional Team Overview		

-Commercial arrangements -

price, ROE, SI issues

Execution

Project

Service escalation

Post Shipment

Creates invoice

Disputes

Planning

Group

Machinery and Dimensional

dimensionals@cn.ca



Commercial Team: <u>Dimensionals@cn.ca</u>

Iris Thornton



Colan McCrum

Gaston Riquero









Interactive Network Map

- Rail stations and Terminals
- Distribution Centres
- Rail Capacity Map
- Tariffs Fuel Surcharge, Optional Services, etc
- Dimensional Info page

Registered Users:

- Rail freight rates (no longer available for Machinery and Dimensional)
- Mileage, routing
- Carbon Emissions Tool

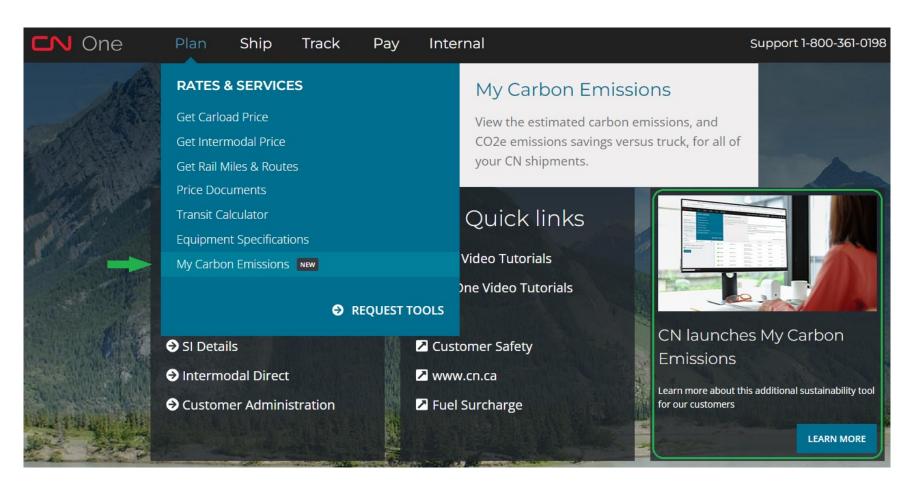




My Carbon Emissions tool

New tool to help customers calculate greenhouse gas emissions

- Available on the CN One eBusiness platform 24/7 for all registered customers
- Uses customer's actual shipment information
- Provides customers with a detailed report of:
 - their estimated GHG emissions based on all their loaded shipments moved on CN (up to 2 yrs in the past)
 - the emissions avoided by choosing rail over truck



These insights into the environmental benefits of shipping via CN's network empowers customers to make data driven decisions that support their climate objectives.

