WE ARE Neighbours
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Except where otherwise indicated, all financial information reflected in this document is expressed in Canadian dollars.
A Backbone of the North American Economy

When we say CN is a true backbone of the economy, it is a reflection of the key role we play in fostering the prosperity of the markets we serve. With annual revenues of $12 billion, we transport over 300 million tonnes of cargo worth about $250 billion each year. Serving exporters, importers, retailers and manufacturers, we move raw materials, intermediate goods and finished products to market, touching the lives of millions of people every day.

CN has long been known as an essential link in the supply chain for natural resources like grain, coal and forest products. But CN is also a prime mover of consumer goods and industrial products. We move over two million intermodal containers a year, full of everything we use daily: clothes, furniture, food, toys, wine, and much more. From lumber and aluminum to electronics and cars, we transport many of the goods that help keep the North American economy moving.

Beyond the services we provide, CN makes a significant positive economic impact through our sizeable investments. We employ over 25,500 people, spend about $2.3 billion in capital infrastructure and $8.9 billion on goods and services from some 15,000 suppliers worldwide. We also made $18.3 million in donations and sponsorships and paid over $1.3 billion in cash federal, provincial, state, property, sales and other taxes last year.

At CN, we encourage each other to stay safe and work hard to foster a deep sense of caring about safety.

Focused on Safety

We believe that safety is the key to outstanding railroading. Our vision is to be the safest railroad in North America by establishing an uncompromising safety culture. Each year, we invest a significant percentage of revenues – 18 to 20 percent — in safety training, technology and infrastructure to ensure a safe and secure working environment and to deliver our customers’ shipments damage-free.

As critical as how we’re investing in safety is how we’re living it. Building a strong safety culture is an absolute priority for us. We have many safety procedures, guidelines and rules at CN and we do our utmost to follow them at all times. But staying safe is about going beyond compliance. At CN, we encourage each other to stay safe and work hard to foster a deep sense of caring about safety.

However, even with that commitment to safety, the risk of accidents can never be totally eliminated. So, when an accident does occur, we have a strong response capability that we can deploy quickly.
We Are Neighbours

Communities and neighbourhoods are the roots that anchor society. At CN, we are proud to be part of the fabric of the many cities, towns and villages across our entire 20,000-mile North American network.

And it’s a position of which we are most appreciative. As a true backbone of the economy, we transport hundreds of millions of tonnes of goods annually for a wide range of business sectors. Beyond the services we provide, CN has a positive economic impact through sizeable investments in employment, infrastructure, goods and services, donations and sponsorships as well as the corporate taxes we pay.

Beyond the impact of our business and operations, however, is our commitment to be engaged in the communities we serve. As your neighbours, we know we must continue to work together to address issues that matter most to you. CN strives for open and positive communications in our communities. Our Public & Government Affairs staff, working with their railroader colleagues, strive to stay connected with regional issues.

The safety of all our communities remains, as always, our top priority. We continue to provide information to first responders and civic leaders across our network about dangerous goods traffic and help them train on how to safely and effectively respond to incidents. We share information about CN’s safety programs and emergency response protocols to further our mutual goal of protecting public safety.

The CN Police Service is another example of our community involvement. Our dedicated constables and inspectors play an important role in protecting not only our assets, but also our neighbours through anti-trespassing and crossing safety education.

I encourage you to contact our Public Inquiry Line should you have questions or concerns about any aspect of CN’s business and operations. Our team will be pleased to provide you with available information. Thank you for your support.

Sean Finn

As your neighbours, we know we must continue to work together to address issues that matter most to you.
Committed to Keeping the Lines of Communication Open
**Total CN Network**

<table>
<thead>
<tr>
<th>CN IN NUMBERS</th>
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<tbody>
<tr>
<td>25,530 Railroaders employed</td>
<td>5,6M</td>
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<tr>
<td>19,572 Route-miles operated</td>
<td>$250B</td>
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<tr>
<td>5.6M Carloads</td>
<td>$32B</td>
</tr>
<tr>
<td>$250B Value of goods delivered</td>
<td>$12.1B</td>
</tr>
<tr>
<td>$32B Assets</td>
<td>$8.9B</td>
</tr>
<tr>
<td>$12.1B Revenues</td>
<td>$2.3B</td>
</tr>
<tr>
<td>$8.9B Local spending</td>
<td>$2.3B</td>
</tr>
<tr>
<td>$2.3B Capital investments</td>
<td>$1.3B</td>
</tr>
<tr>
<td>$2.3B Local spending</td>
<td>$1.3B</td>
</tr>
<tr>
<td>$1.3B Cash taxes paid *</td>
<td>$18.3M</td>
</tr>
<tr>
<td>$18.3M Community investments</td>
<td></td>
</tr>
</tbody>
</table>

As at December 31, 2014. Dollar figures in CDN$. *Includes federal, provincial, state, property, sales and other taxes.
CN is North America’s Railroad

In business for nearly 100 years, CN is a world-class transportation leader. Spanning Canada and Middle America, we’re the only transcontinental rail network in North America. We’re at the core of supply chains directly serving about 75 percent of the U.S. population and all major Canadian markets. Extending from the Atlantic and Pacific oceans to the Gulf of Mexico, we offer fully integrated rail service to ports on all three coasts as well as to key cities with connections to all points in North America and beyond.

At CN, we recognize our responsibility to the communities in which we operate – not only in our commitment to safety and environmental sustainability, but also in making our communities better places to live and work. We are proud of our employees and retirees who devote countless hours of their own time to volunteer for non-profit organizations in their neighbourhoods.

CN offers rail and other integrated transportation services, including trucking, freight forwarding, warehousing and distribution. CN’s freight revenues are derived from seven business groups representing a diversified and balanced portfolio of goods transported between a wide range of origins and destinations.

2014 Diversified Traffic Portfolio
% of revenues

2014 Geographic Distribution
% of revenues

- **23** Intermodal
- **19** Petroleum & Chemicals
- **16** Grain & Fertilizers
- **13** Forest Products
- **12** Metals & Minerals
- **6** Coal
- **5** Automotive
- **6** Other

- **17** United States domestic traffic
- **33** Transborder traffic
- **19** Canadian domestic traffic
- **31** Overseas traffic
CN is a true supply chain enabler. We work hard with our partners to innovate, create and implement solutions that drive sustainable long-term growth for our customers and the communities we serve. CN’s vast experience allows us to offer a wide range of integrated services:

**Port access:** CN directly serves seven port facilities on three coasts, providing easy access to close to 75 percent of the U.S. population and all major Canadian markets. We also ship bulk commodities like iron ore, limestone and coal to and from four ports on the Great Lakes.

**Automotive distribution facilities:** Through our extensive network of 22 automotive distribution facilities, CN moves finished vehicles and parts for dealers and assembly plants from origin to destination across North America. We also provide gateway services through the ports of Halifax and Vancouver for vehicles imported from Europe, Japan and Korea.

**Forest products transload facilities:** CN is the largest rail carrier of forest products in North America and we offer the industry’s first truly integrated supply-chain solution. Our network of 21 forest products transload centres consists of strategically positioned, state-of-the-art transfer, warehousing and reload facilities that extend our customers’ reach and reduce their costs.

**Cargoflo® bulk handling facilities:** CN has a network of 20 Cargoflo® bulk distribution terminals. These strategically located transload facilities are designed to handle our customers’ liquid and solid bulk commodities such as specialty grains – quickly, safely and contaminant-free.
Metals distribution centres: CN has it covered from A to Z… aluminum to zinc, and let’s not forget about iron ore, copper, lead and frac sand. Through our network of 19 metals and minerals distribution centres, CN is working closely with customers to develop innovative transportation solutions to make the entire supply chain more efficient.

Intermodal terminals: CN’s 23 intermodal terminals are located near major urban centres and port facilities, giving goods access to virtually every market in North America and overseas. Our intermodal service transports containerized consumer products, manufactured goods and natural resources, both domestically via train and truck and internationally via train and ship.

Logistics parks: Located in Calgary, Chicago, Memphis, Montreal and Toronto, CN’s logistics parks are multi-functional facilities connecting rail with trucks, vessels and barges, as well as offering warehousing and distribution services.
CN Public Inquiry Line

Your Portal to CN

CN is committed to maintaining a positive and proactive approach in the communities in which we operate. To keep the lines of communication open and deliver accurate, consistent information to the general public, we have established a public inquiry line to respond to the questions or issues that matter most to you. Staffed by CN personnel in Winnipeg, MB, CN’s Public Inquiry Line handles calls and emails about every aspect of CN’s business. The CN Public Inquiry Line is the central point of contact for the public with non-emergency concerns. Whether your question is about our physical plant or operations, CN Public Inquiry Line staff have the expertise to find the answer.

CN Public Inquiry Line Contact Information

Toll-free: 1.888.888.5909  
Email: contact@cn.ca  
CN Police: 1.800.465.9239  
Sales: 1.888.668.4626

CN is committed to maintaining a positive and proactive approach in the communities through which we operate.
Strengthening Rail Safety in Your Community

CN is committed to running a safe railway, complies fully with federal government regulations governing the transportation of dangerous goods, and employs a robust Safety Management System to ensure that safety is incorporated into daily operations.

CN has strongly supported the retrofitting or phase-out of the older DOT-111 model tank cars used to transport flammable liquids, as well as a reinforced standard for new tank cars that goes beyond the current CPC-1232 tank car design. CN welcomes the new tank car standards unveiled May 1, 2015, including the added thickness of tank car steel walls and other protection features. The new standards represent a clear advance in tank car safety, the last line of defense in the event of an incident. The vast majority of tank cars are owned by shippers or railcar leasing companies.

CN has also proactively taken steps on its own to reduce the speeds of dangerous goods trains in high-population areas and to conduct corridor risk assessments.

We believe that the rail industry can enhance safety by working more closely with communities. Toward that end, we have been reaching out to a large number of municipal officials and their emergency responders all along our rail network to review our comprehensive safety programs, share information on dangerous goods traffic, and discuss emergency response planning and training. This outreach program has involved almost 1,100 communities in Canada as well as some 870 communities and counties in the U.S.

Another important component of our community safety work is supporting TransCAER® (Transportation Community Awareness and Emergency Response), an outreach effort to train emergency response personnel situated in communities near rail lines where dangerous goods are transported.

Last year, CN conducted over 300 TransCAER® events in communities all along our network, bringing critical training to more than 6,800 participants.
Proud of our history in railway policing that dates back to the early 19th century, the CN Police service is committed to making CN the safest railway in North America by protecting its people, property and resources, and by ensuring the safety and security of the communities that CN serves.
## Canadian Network

<table>
<thead>
<tr>
<th>CANADA IN NUMBERS</th>
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<tbody>
<tr>
<td>17,732 Railroaders employed</td>
</tr>
<tr>
<td>13,435 Route-miles operated</td>
</tr>
<tr>
<td>$4.6B Local spending</td>
</tr>
<tr>
<td>$1.5B Capital investments</td>
</tr>
<tr>
<td>$787M Cash taxes paid *</td>
</tr>
<tr>
<td>$15.1M Community investments</td>
</tr>
</tbody>
</table>

As at December 31, 2014. Dollar figures in CDN$.  
* Includes federal, provincial, property, sales and other taxes
CN’s Canadian network extends from Halifax on the east coast to Vancouver and Prince Rupert on the west coast, with access to every major Canadian market. CN has long been an indispensable supplier for many key economic drivers, from grain and forest products to consumer goods and automobiles, moving raw materials, intermediate goods and finished products to market. And, with the endless variety of food products we carry, from animal feed and fertilizer to canned goods and fresh produce, chances are we helped transport a lot of what you eat at your kitchen table or in your favourite restaurant.

**In the Community**

CN contributed to the following national non-profit organizations in Canada in 2014:
- Operation Lifesaver
- Canadian Diabetes Association
- Canadian Red Cross Society
- Communities in Bloom
- Ducks Unlimited Canada
- Earth Day Canada
- Kidney Foundation of Canada
- Partners for Mental Health
- Partnership for a Drug-Free Canada
- Tree Canada
- United Way
- Canadian Blood Services
- Canadian Council for Aboriginal Business

In addition, CN is a member of provincial and city chambers of commerce all along our network.

**CN’s Canadian network extends… to every major Canadian market.**
CN’s network in Western Canada is extensive. From two ports on the Pacific in Vancouver and Prince Rupert, the rails push eastward through every major western Canadian city including Edmonton, Calgary, Saskatoon, Regina and Winnipeg, extending as far east as Thunder Bay. CN also reaches north to the resource-rich towns of Fort Nelson, B.C., and Hay River, N.W.T. CN is an increasingly important link to the Fort McMurray region.

CN is building for the future with large capital investments in long-term safety and capacity improvements to ensure we continue to play our role as a true backbone of the economy. We see significant long-term potential in our customer base located on our Western Canada feeder network. We want to provide our customers with the capacity for continued efficient freight transportation services that increase their competitiveness in North American and global markets, as well as ensure our rail infrastructure is as safe as possible. That’s why we’ll be investing approximately $500 million in infrastructure improvements to our Western Canada feeder rail lines in Alberta, Manitoba and Saskatchewan.

CN continues to see rising freight volumes of industrial products, natural resources and energy-related commodities in Western Canada, which have increased by more than 50 percent in the past five years. Given this growth, CN has also invested significantly in our Edmonton–Winnipeg and Winnipeg–Chicago main line corridors. In 2014, CN committed more than $100 million to improve yards and install sections of double track, crossovers and high-speed switches on main lines in the two corridors. That followed a $100-million program in 2013 to increase capacity on CN’s main line between Edmonton and Winnipeg and the parallel secondary Prairie North Line (PNL). The PNL can also serve as a “relief valve” for the main corridor, providing flexibility and resilience to the network.
<table>
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<th>WEST IN NUMBERS</th>
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<tr>
<td>8,908 Railroaders employed</td>
</tr>
<tr>
<td>8,027 Route-miles operated</td>
</tr>
<tr>
<td>$1.6B Local spending</td>
</tr>
<tr>
<td>$934M Capital investments</td>
</tr>
<tr>
<td>$182M Cash taxes paid *</td>
</tr>
<tr>
<td>$4.6M Community investments</td>
</tr>
</tbody>
</table>

As at December 31, 2014. Dollar figures in CDN$.  
* Includes provincial, property, sales and other taxes.
The bustling ports of Vancouver and Prince Rupert are dynamic gateways to international trade, offering shorter transit times to Asia. Keeping pace with growing imports and exports, CN has established numerous transload facilities to enable our customers to move a variety of goods on and off the rail system. At the Port of Vancouver, we have coal and intermodal terminals as well as forest product transload, automotive distribution and Cargoflo® bulk handling facilities. At the Port of Prince Rupert, we have another intermodal terminal. In Prince George, we have a forest products distribution facility as well as a third intermodal terminal. CN also maintains large employee and shop facilities at Vancouver’s Thornton Yard and at our Cargoflo® bulk handling facility in Kamloops.

In operation for over 50 years, CN’s Aquatrain is a unique rail-marine barge service that provides a vital link between Alaska and the rest of North America. Operating year-round between Prince Rupert and Whittier, AK, Aquatrain offers fast service over the shortest water route to Alaska. With one of the world’s largest railcar barges, carrying 45 railcars on eight tracks, shipments stay on the railcar from origin to destination.

While all this activity is good for the local and national economies, CN recognizes that increasing rail traffic also creates concerns about safety and proximity. CN staff from Corporate Services, Operations, Engineering and other colleagues meet regularly with community leaders in cities, towns, villages and Aboriginal communities across the province, as well as with their provincial and national associations, to foster understanding and exchange views.

In the Community

Forum for Women Entrepreneurs
FWE supports and mentors women venturing into new business opportunities or who are ready to ramp up and grow their existing business.

Pulling Together Canoe Society
Once again, a team of CN employees participated in the Pulling Together canoe trip to enhance understanding between Aboriginal peoples, communities and other groups.

Northern BC H.E.R.O.S
The Northern BC Helicopter Emergency Rescue Operations Society is dedicated to saving lives and improving medical outcomes for victims of serious trauma in northern B.C.

CN EcoConnexions - From the Ground Up 2015
Kwantlen Polytechnic University, Langley
Logan Creek Integrity Project
District of Chetwynd
Health Clinic and Wellness Centre Green Belt
City of Kamloops
Riverside Park Community Project
District of Barriere
Community Infrastructure Greening Project
City of Abbotsford
Getting Back on Track Project
Alberta generates rising volumes of forest and agricultural products as well as energy-related commodities. CN also handles growing amounts of intermodal container traffic through our Calgary Logistics Park and Edmonton Intermodal Terminal. In Calgary, you’ll also find automotive distribution and Cargoflo® bulk handling facilities. In Edmonton, we have automotive distribution and Cargoflo® bulk handling facilities as well as a metals distribution centre. There’s a second metals distribution centre in Fort Saskatchewan and a third in Fort McMurray. We also have another Cargoflo® bulk handling facility in Fort McMurray.

We are confident in the long-term potential of our Alberta customers. In 2015, CN will allocate approximately $100 million for work on northern Alberta branch lines, investing in infrastructure upgrades and safety improvements, including heavier rail, crushed rock ballast and new ties, to ensure the network can efficiently accommodate future freight volume growth in the Peace River region.

In the Community

Stollery Children’s Hospital Foundation
CN donated to the 2014 Tee Up for Tots event which supports Edmonton’s children and families by helping the Stollery Children’s Hospital provide the best care to future generations.

Alberta Council of Women’s Shelters
ACWS develops leading-edge support tools for women’s shelters and calls on the public to take action against domestic violence.

Alberta Emerald Foundation
The Alberta Emerald Foundation works to recognize, celebrate and inspire environmental excellence in the province.

CN EcoConnexions - From the Ground Up 2015
Camrose Wildlife Stewardship Society
Greening Camrose

Town of Mayerthorpe
Mayerthorpe Cemetery Towering Poplar Replacement Project

Town of Whitecourt
Dahl Drive Beautification Project

Communities in Bloom, Vermilion
East Point Green Belt

Town of Peace River
12 Foot Davis Events Park Project

Peers Area Community Group, Edson
Community Multiplex

Town of Vegreville
47 Street North Walking Trail Beautification Project

Town of Hay River, N.W.T.
Hay River Trail Project

ALBERTA IN NUMBERS

2,935 Railroaders employed
2,531 Route-miles operated
$816M Local spending
$278M Capital investments
$45M Cash taxes paid *
$1.6M Community investments

As at December 31, 2014. Dollar figures in CDN$. * Includes provincial, property, sales and other taxes
Grains and fertilizers, especially potash, make up the bulk of the traffic handled by CN in this prairie province, where our role as a backbone of the provincial resource economy is very evident. Our traffic also reflects the increasing diversification of the Saskatchewan economy by handling growing volumes of consumer goods and specialty crops through our intermodal terminal in Saskatoon. Both Saskatoon and Regina boast metals and automotive distribution facilities. Regina also has a Cargoflo® bulk handling facility.

During the 2013-14 crop year, CN helped Canada move its largest-ever crop – at 77 million tonnes – and set an all-time record for grain exports at 42 million tonnes. CN’s strong performance so far in 2014-15 is helping Canada’s grain supply chain to be on track for another banner year. We believe that the Canadian government’s action in 2014 to impose minimum grain volume requirements on the two main railways was unwarranted and undermined collaboration. As promised, once last year’s brutally cold winter abated, CN bounced back and moved a full 25 percent more grain than in an average year.

In the Community

The Children’s Hospital Foundation of Saskatchewan

Through CN Miracle Match, CN helped raise over $890,000 for children’s health in support of the CHFS’s programs.

Biggar & District Health Services Foundation

The organization conducts an annual campaign for funds to be distributed to various charitable organizations within the Town of Biggar and elsewhere.

Melville & District Donors Choice Appeal

Representatives of 19 charities get together with volunteers to canvass the City of Melville and surrounding area to raise funds to support various charities.

CN EcoConnexions - From the Ground Up 2015

Meewasin Valley Authority, Saskatoon
Meewasin Valley Tree Planting

City of Melfort
Shadd Drive Beautification

SASKATCHEWAN

SASKATCHEWAN IN NUMBERS

1,220 Railroaders employed
1,853 Route-miles operated
$126M Local spending
$196M Capital investments
$35M Cash taxes paid *
$622K Community investments

As at December 31, 2014. Dollar figures in CDN$.  
* Includes provincial, property, sales and other taxes.
Manitoba is a major hub of CN’s transcontinental rail network. The province’s central location means that much of our east-west and north-south traffic passes through Winnipeg’s Symington Yard, where 3,200 cars are moved every day. Winnipeg is also home to Transcona Shops, our main Canadian heavy car and locomotive repair facility, as well as to our rail plant, Cargoflo® bulk handling and automotive distribution facilities and an intermodal terminal. More than 2,000 CN employees are based in Winnipeg.

CN’s state-of-the-art Winnipeg Training Centre will deliver our enhanced railroader training program focused on instilling a strong safety culture in new employees and reinforcing it among current employees who are learning new skills or upgrading existing ones. The CN Campus opened in April 2014, and includes a modern training curriculum, key equipment such as locomotive simulators, outdoor training grounds and dedicated rolling stock. Some 350 CN employees from across Canada come to Winnipeg every week to train at the CN Campus. Their participation provides a major boost to the local economy.

In the Community

Canadian Mental Health Association of Winnipeg
The Canadian Mental Health Association’s Mental Health week is an annual national event that encourages people from all walks of life to learn, talk, reflect and engage with others on all issues relating to mental health.

Siloam Mission – Exit Up!
Exit Up! is a multi-faceted interdependent living program for Aboriginal young adults aged 18 to 25 who have exited Child and Family Services.

Envoi Literary Foundation
Through the PortAH!ge Poetry festival, the Foundation promotes poets and spoken word artists to the general public, including children, and highlights Aboriginal voices.

CN EcoConnexions - From the Ground Up 2015
Crocus Trail Inc., Roblin
Community Trail Enhancement
City of Brandon
Greener Parks and Pathways

MANITOBA IN NUMBERS

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<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
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<tr>
<td>Route-miles operated</td>
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<tr>
<td>Local spending</td>
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<tr>
<td>Capital investments</td>
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<tr>
<td>Cash taxes paid *</td>
<td>$29M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$737K</td>
</tr>
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</table>

As at December 31, 2014. Dollar figures in CDN$. * Includes provincial, property, sales and other taxes.
CN’s Eastern Region extends from Winnipeg eastwards and southwards, interconnecting with our U.S. network at several points in Ontario and south of the Port of Montreal. CN’s network extends deep into the mineral and timber producing regions of northern Quebec. The rails continue east into the Maritimes and the Port of Halifax.

Given expectations of solid freight volumes in the years ahead, CN is investing significantly in Eastern Canada to build for the future, increasing safety, capacity and fluidity across our networks in Ontario, Quebec and the Maritimes.

In early 2015, CN announced a plan to build a $250 million advanced intermodal and logistics facility in Milton, ON, to help us efficiently handle growing intermodal traffic. The new hub will benefit our customers and the regional economy by improving Central Canada’s access to the key transborder market as well as the Pacific and Atlantic coast trade gateways we serve, generating new supply chain efficiencies and creating well-paying local jobs.

CN plans to invest up to $95 million over 10 years to ensure the safety and long-term viability of the more than 100-year-old Quebec Bridge. This major rehabilitation project is being undertaken in partnership with the Quebec Ministry of Transport. CN is committed to preserving this strategic piece of infrastructure in Quebec City.

Be it passenger or freight, rail is a critical mode of transportation for communities and industries in northern New Brunswick. In 2014, CN, the provincial government and VIA joined forces to invest up to $60 million over 15 years to rehabilitate and operate two sections of rail line in this important region of the province.
<table>
<thead>
<tr>
<th><strong>EAST IN NUMBERS</strong></th>
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<tbody>
<tr>
<td>Railroaders employed</td>
<td>8,153</td>
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<td>Route-miles operated</td>
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<tr>
<td>Local spending</td>
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<tr>
<td>Capital investments</td>
<td>$585M</td>
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<tr>
<td>Cash taxes paid</td>
<td>$174M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$10.5M</td>
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As at December 31, 2014. Dollar figures in CDN$.  
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Ontario is Canada’s industrial heartland and large volumes of industrial, automotive and petrochemical traffic is handled across the province, much of it at the Toronto-area MacMillan Yard – CN’s largest rail classification facility. The fast-growing population of the Greater Toronto Area (GTA) fuels heavy demand for food and consumer products, largely handled in containers at our intermodal terminal in Brampton. The GTA also boasts two automotive distribution facilities as well as a forest products distribution centre, a Cargoflo® bulk handling facility and a metals distribution centre. In addition, CN has a metals distribution centre in Brockville.

With our intermodal terminal in Brampton nearing capacity and our intermodal traffic continuing to grow, CN plans to build a new $250 million intermodal and logistics satellite terminal in Milton. With ready access to major highways reaching key industrial and commercial areas in the GTA, this new hub will benefit our customers and the regional economy by generating new supply chain efficiencies and creating more than 1,000 direct and indirect jobs. CN has submitted a complete project description to the Canadian Environmental Assessment Agency for review. CN is also committed to a comprehensive consultation process with the community. We want to ensure that local residents know what our Milton hub project is all about and get their input on mitigation measures. These efforts include a public information centre staffed by knowledgeable CN employees and a dedicated web page at www.cnmilton.ca.

In the Community

Children’s Hospital of Eastern Ontario
CN Cycle is CHEO’s largest fundraising event for pediatric cancer, raising over $804,000 in 2014.

Milton District Hospital Foundation
MDHF works to raise funds for the purchase of vital medical equipment and to improve the facilities of the Milton District Hospital, site of Halton Healthcare Services.

Kids Safety Village Durham
The organization prevents accidents by teaching children the rules for safely riding their bicycles to prevent accidents involving vehicles and trains.

CN EcoConnexions - From the Ground Up 2015

Town of Essex
Heritage Gardens Park Development Project

City of Brantford
New Forest in the City

Township of Brock
Brock Greening Project

Township of Hornepayne
Beautify Me!

Town of Rainy River
Fourth Street Revitalization

Ontario is Canada’s industrial heartland and large volumes of industrial, automotive and petrochemical traffic is handled across the province, much of it at the Toronto-area MacMillan Yard – CN’s largest rail classification facility. The fast-growing population of the Greater Toronto Area (GTA) fuels heavy demand for food and consumer products, largely handled in containers at our intermodal terminal in Brampton. The GTA also boasts two automotive distribution facilities as well as a forest products distribution centre, a Cargoflo® bulk handling facility and a metals distribution centre. In addition, CN has a metals distribution centre in Brockville.

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Kids Safety Village Durham
The organization prevents accidents by teaching children the rules for safely riding their bicycles to prevent accidents involving vehicles and trains.

CN EcoConnexions - From the Ground Up 2015

Town of Essex
Heritage Gardens Park Development Project

City of Brantford
New Forest in the City

Township of Brock
Brock Greening Project

Township of Hornepayne
Beautify Me!

Town of Rainy River
Fourth Street Revitalization

As at December 31, 2014. Dollar figures in CDN$ * Includes provincial, property, sales and other taxes

ONTARIO IN NUMBERS

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
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</thead>
<tbody>
<tr>
<td>Railroaders employed</td>
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<tr>
<td>Route-miles operated</td>
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<tr>
<td>Local spending</td>
<td>$1.5B</td>
</tr>
<tr>
<td>Capital investments</td>
<td>$336M</td>
</tr>
<tr>
<td>Cash taxes paid *</td>
<td>$96M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$6.8M</td>
</tr>
</tbody>
</table>

* Includes provincial, property, sales and other taxes

CN in Your Community
Our extensive rail network stretches across Quebec where we have strong supply chain infrastructure to serve the needs of our customers. Montreal is home to CN’s headquarters and the Port of Montreal, where we handle growing numbers of import/export containers. We also have an intermodal terminal in St-Laurent. Other CN facilities in Montreal include automotive and metals distribution centres and a Cargoflo® bulk handling facility. Quebec City boasts access to a deep-water port as well as automotive and forest products distribution centres.

A national historic site, the Quebec Bridge has been a vital road and rail link over the St. Lawrence River between Quebec City and Lévis for more than a century. In partnership with the Quebec Ministry of Transport, CN will invest up to $95 million over 10 years to ensure the safety and long-term viability of this bridge.

In the Community

The Women’s Centre of Montreal
The Centre is an important resource to help women achieve self-sufficiency and lead productive and fulfilling lives.

Montreal Heart Institute Foundation
The Foundation allows the hospital to remain a leader in the care, research and prevention of heart disease.

Concordia University – John Molson School of Business
The CN Centre for Sustainable Studies in Supply Chain Operations Management supporting environmentally-focused social responsibility.

CN EcoConnexions - From the Ground Up 2015
Ville en vert, Borough of Ahuntsic-Cartierville, Montreal
Cool Alleys in Saint-Simon
Conseil régional environnement Mauricie, Saint-Tite
Greening Saint-Tite
Ville de Repentigny
Greening Notre Dame Street
Société Patrimoine, Matane
My City – My Tree
Ville de Saint-Hyacinthe
Lanscaping in Des Sociétaires Park
Les Amis des Jardins de Métis, Grand-Métis
Connecting People and Plants
Ville de Senneterre
Lanscaping in Downtown Senneterre
Centre de la Nature Mont Saint-Hilaire
Building a Forest One Tree at a Time
Ville de Saint-Basile-le-Grand
Lanscaping around La Dauphinelle and Des Cheminots Park

QUEBEC IN NUMBERS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Railroaders employed</td>
<td>3,658</td>
</tr>
<tr>
<td>Route-miles operated</td>
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<tr>
<td>Local spending</td>
<td>$1.5B</td>
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<tr>
<td>Capital investments</td>
<td>$190M</td>
</tr>
<tr>
<td>Cash taxes paid *</td>
<td>$74M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$3.4M</td>
</tr>
</tbody>
</table>

As at December 31, 2014. Dollar figures in CDN$. * Includes provincial, property, sales and other taxes.
Forest products and potash make up a significant part of the traffic originating or terminating in the province of New Brunswick. We also handle consumer goods and other intermodal traffic through our terminal in Moncton. Other CN facilities in Moncton include an automotive distribution centre and a Cargoflo® bulk handling facility. CN’s network extends to the Port of Saint John where we also have another Cargoflo® bulk handling facility.

In 2014, CN, the provincial government and VIA announced a $60 million joint investment program that resulted in the upgrading of the Newcastle Subdivision in northern New Brunswick. The investment preserves freight and passenger rail service in the region and ensures companies can continue to ship their goods to market efficiently and explore new opportunities for growth. CN also invested heavily in the overall NB rail network to accommodate increasing volumes of traffic headed to Saint John.

In the Community

Habitat for Humanity
Habitat for Humanity partnered with The Community College and CN to build a home for an Edmundston family in need and provide the students with real-life construction experience.

Moncton Headstart
Moncton Headstart is an early family intervention agency focused on building school readiness skills by focusing on building healthy relationships, improving self-esteem, developing and enhancing skills, and encouraging self-sufficiency.

CN EcoConnexions - From the Ground Up 2015
City of Saint John
Chown Field Revitalization

Bathurst Sustainable Development
An Acadian Forest Project for Northern New Brunswick

Ville de Dieppe
Greening Dieppe

Kennebecasis Watershed Restoration, Sussex
Connecting Riparian Communities

NEW BRUNSWICK IN NUMBERS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railroaders employed</td>
<td>368</td>
</tr>
<tr>
<td>Route-miles operated</td>
<td>598</td>
</tr>
<tr>
<td>Local spending</td>
<td>$68M</td>
</tr>
<tr>
<td>Capital investments</td>
<td>$52M</td>
</tr>
<tr>
<td>Cash taxes paid *</td>
<td>$2M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$161K</td>
</tr>
</tbody>
</table>

As at December 31, 2014. Dollar figures in CDN$. * Includes provincial, property, sales and other taxes.
Nova Scotia is home to the Port of Halifax, where CN handles all rail-served containers imported and exported through the marine facility. Halifax is the site of a major autoport, where automotive vehicles imported from overseas enter North America for distribution across the continent. One of our intermodal terminals and a forest products distribution centre are also located in Halifax.

In October 2014, CN and Saint Mary’s University in Halifax co-hosted the first International Safety Culture Symposium. Leaders looking to advance safety culture in their organization participated in sessions on employee engagement, assessing and improving safety culture, behavioural science and the role of regulators. Interest in the unique symposium was very strong, selling out months in advance of the event.

In the Community

Saint Mary’s University
The CN Professorship in Safety Culture is an evidence-based research initiative designed to develop practical safety interventions in training, policies, procedures and systems for use in the rail industry and beyond.

International Federation for Disabled Sailing
The 2014 IFDS Worlds hosted 100 disabled athletes from more than 20 countries competing in three Olympic-class yachts.

NOVA SCOTIA IN NUMBERS

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Railroaders employed</td>
<td>112</td>
</tr>
<tr>
<td>Route-miles operated</td>
<td>160</td>
</tr>
<tr>
<td>Local spending</td>
<td>$53M</td>
</tr>
<tr>
<td>Capital investments</td>
<td>$7M</td>
</tr>
<tr>
<td>Cash taxes paid *</td>
<td>$2M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$192K</td>
</tr>
</tbody>
</table>

* Includes provincial, property, sales and other taxes

As at December 31, 2014. Dollar figures in CDN$
United States Network

<table>
<thead>
<tr>
<th><strong>United States in Numbers</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Railroaders employed</td>
<td>7,798</td>
</tr>
<tr>
<td>Route-miles operated</td>
<td>6,137</td>
</tr>
<tr>
<td>Local spending</td>
<td>$3.96B</td>
</tr>
<tr>
<td>Capital investments</td>
<td>$698M</td>
</tr>
<tr>
<td>Cash taxes paid *</td>
<td>$482M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$3.2M</td>
</tr>
</tbody>
</table>

* Includes federal, state, property, sales and other taxes.
CN’s extensive network in the United States runs north-south from the northern border of Minnesota down to New Orleans, through the Chicago area, with lines extending west to Nebraska and east through Michigan. About one-third of our rail network and employees are located in the U.S. CN directly serves industrial, petrochemical, coal, grain, fertilizer, automotive and consumer goods markets in 16 states. Our resource-rich, manufacturing-intensive network reaches 75 percent of consumers across North America, and through our partners, the world.

CN has invested in the former Elgin, Joliet and Eastern (EJ&E) network that encircles Chicago. The acquisition of the EJ&E in 2009 allowed CN – for the first time – to link its five rail lines entering Chicago from all directions into one seamless system. The EJ&E enables CN to avoid congested inner-city rail corridors when connecting with its lines and principal interchange partners. These advantages drive network fluidity and greatly help CN recover from weather-related operational challenges such as those experienced last winter. In addition, CN’s use of the EJ&E frees up capacity for other carriers on the Belt Railway of Chicago and Indiana Harbor Belt – a clear benefit for the entire Greater Chicago rail network.

By the end of 2014, CN had spent more than US$145 million on infrastructure improvements to the former EJ&E network, such as improved connections, track extensions and signalling. CN has also invested more than US$100 million on upgrades to improve the capacity and efficiency of the former EJ&E’s Kirk Yard in Gary, IN, now CN’s principal rail car classification and interchange yard in the Chicago area.

In addition, CN has spent roughly US$60 million to date on environmental and safety mitigation, as well as fulfilling CN’s commitment in the Voluntary Mitigation Agreements CN reached with 28 EJ&E communities. CN will spend approximately US$50 million more in 2015-2016 to complete two grade separations in Illinois mandated by the Surface Transportation Board.

In the Community

CN contributed to the following national non-profit organizations in the United States in 2014:

- America in Bloom
- Ducks Unlimited
- Operation Lifesaver
- United Way

In addition, CN is a member of state and city chambers of commerce all along our network.
Minnesota is an important gateway from Canada into the United States via Ranier and then south to the port city of Duluth on Lake Superior. Major commodities for CN through this area are coal, iron ore and grain. Turning west near Longwood, WI, CN’s track heads west towards our intermodal terminal in Chippewa Falls, WI, east of the Twin Cities of Minneapolis-Saint Paul, the largest city in Minnesota and state capital, respectively, and one of the top 15 markets in the U.S.

The North Star State is home to CN’s Iron Ore Supply Chain which brings taconite pellets from the Minnesota Iron Range mines to the CN docks in Duluth and Two Harbors. There, the pellets are loaded onto Great Lakes ships for transport to the lower Great Lakes. CN’s major facilities in Minnesota include a rail classification yard and mechanical facility in Proctor, a yard near the Two Harbors iron ore dock, and the Duluth iron ore dock itself. There is also a yard in Ranier where CN trains cross the U.S.-Canadian border.

**In the Community**

**Community Action Duluth – Stream Corps**
CN continued its support of Stream Corps, which works with the City of Duluth to restore stream-side habitat after the record-breaking flood in 2012.

**Two Harbors Kayak Festival**
CN supported the 17th annual Two Harbors Kayak Festival held at Burlington Bay. The event runs three long-distance races for both kayaks and stand up paddle boards.

**Gary New Duluth Community Alliance**
CN contributed funds to renovate and expand a community center and recreation area in Duluth. The center’s theme is PLAY (Promoting Lifetime Activities for Youth) which encourages people of all ages to adopt an active lifestyle.

**MINNESOTA IN NUMBERS**

<table>
<thead>
<tr>
<th>485</th>
<th>Railroaders employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>424</td>
<td>Route-miles operated</td>
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<tr>
<td>$98M</td>
<td>Local spending</td>
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<tr>
<td>$110M</td>
<td>Capital investments</td>
</tr>
<tr>
<td>$15M</td>
<td>Cash taxes paid *</td>
</tr>
<tr>
<td>$255K</td>
<td>Community investments</td>
</tr>
</tbody>
</table>

*Includes state, property, sales and other taxes

As at December 31, 2014. Dollar figures in US$
Wisconsin is a central part of CN’s core route between Western Canada and Chicago, IL. CN serves a number of local forest product and general merchandise customers around the state, most notably from Milwaukee and Green Bay on Lake Michigan. We also have an intermodal terminal in Chippewa Falls. In recent years, Wisconsin has become a fast-growing source of frac sand which CN delivers to shale energy producers across North America.

CN’s rail operations in the Badger State are mainly made up of those of the former Wisconsin Central, acquired in 2001. Our two biggest rail facilities in the state are classification yards in Stevens Point and North Fond du Lac. Stevens Point is the heart of CN’s North Division and a key location on CN’s core route between the U.S.-Canadian border and Chicago. North Fond du Lac is a second major facility that serves as the gateway to Green Bay where CN has another rail yard. Additionally, the frac sand boom has led to significant reinvestment in two CN subdivisions: Barron and Whitehall.

**In the Community**

**Workforce Resources**

Workforce Resources works to align the needs of a diverse workforce with the needs of business for a strong, sustainable regional economy.

**Chippewa Valley Cultural Association**

The Association and the Heyde Center for the Arts have created a Youth and Family Arts Series that provides a wide variety of high-quality arts experiences at affordable cost for families.

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**WISCONSIN IN NUMBERS**

- **1,202** Railroaders employed
- **1,409** Route-miles operated
- **$171M** Local spending
- **$114M** Capital investments
- **$22M** Cash taxes paid *
- **$166K** Community investments

*As at December 31, 2014. Dollar figures in US$ * Includes state, property, sales and other taxes
CN is the largest of three Class I railroads operating in Michigan. CN’s operations cross the state’s Lower Peninsula with rail yards in Battle Creek, Flint, Port Huron and Flat Rock. CN also has a mechanical shop in Battle Creek. One in four finished automobiles built in Michigan is moved on a CN train. CN has four automotive transload facilities in the state, including at Cory Yard outside Lansing at the Delta Township General Motors plant. Michigan is home to the Port Huron–Sarnia tunnel which serves as the border crossing for CN train traffic moving between Eastern Canada and the U.S. Midwest. CN also has an intermodal facility in Ferndale, in suburban Detroit. CN hosts several Michigan Amtrak trains, including trains terminating in Port Huron and Pontiac. In the Upper Peninsula of the Wolverine State, CN has rail yards in Escanaba and Gladstone. CN has another international rail crossing at Sault Ste. Marie.

In the Community

**Michigan Youth Opportunities Initiative**
MYOI provides youth aged 14-24 with education and training to support their transition from foster care to independent living and adulthood.

**Michigan Technological University**
CN supports the Rail Transportation Program which provides funding for education, research and program development, including providing student funding to undergraduate and graduate students for rail-related projects and research.

**CN EcoConnexions - From the Ground Up 2015**

**City of Woodhaven**
The project will enable the City of Woodhaven, in partnership with the Woodhaven Downtown Authority, to properly complete the city’s Veterans Memorial Park.

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**MICHIGAN**

**MICHIGAN IN NUMBERS**

<table>
<thead>
<tr>
<th>Number</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>970</td>
<td>Railroaders employed</td>
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<tr>
<td>929</td>
<td>Route-miles operated</td>
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<tr>
<td>$77M</td>
<td>Local spending</td>
</tr>
<tr>
<td>$62M</td>
<td>Capital investments</td>
</tr>
<tr>
<td>$8M</td>
<td>Cash taxes paid *</td>
</tr>
<tr>
<td>$295K</td>
<td>Community investments</td>
</tr>
</tbody>
</table>

*Includes state, property, sales and other taxes

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As at December 31, 2014. Dollar figures in US$
Through our subsidiary, the Chicago, Central & Pacific Railroad, CN’s rails stretch the breadth of Iowa, from the Missouri River in the west to the Mississippi in the east. We carry a wide variety of manufactured and industrial products like food, machinery, electrical equipment, chemical products and primary metals. In addition to serving local businesses, CN’s ethanol franchise is centered in the Hawkeye State with several plants along the route between Dubuque and Sioux City and Council Bluffs. The largest rail yard and facility on CN’s Iowa network is located in Waterloo.

In the Community

Northeast Iowa Food Bank
Through its Perishable Program, NIFB provides nutritious foods, such as produce, dairy and meat, to families in need. On average, NIFB distributes 118,000 pounds of food per month.

Hospital Foundation of Crawford County
The Hospital Foundation of Crawford County aspires to provide resources to assist Crawford County Memorial Hospital in identifying and meeting the ever-changing health care needs of the communities it serves.

IOWA IN NUMBERS

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Value</th>
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<tbody>
<tr>
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<td>Route-miles operated</td>
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<tr>
<td>Local spending</td>
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<tr>
<td>Capital investments</td>
<td>$19M</td>
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<tr>
<td>Cash taxes paid</td>
<td>$4M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$137K</td>
</tr>
</tbody>
</table>

* Includes state, property, sales and other taxes
The home of Illinois Central, acquired by CN in 1998, Illinois is CN’s largest state in terms of operations and employees. CN has major rail switching yards in Markham and Joliet. Our routes from the north, west, south and east converge in the Chicago Terminal and link to the former Elgin, Joliet & Eastern railroad, acquired in 2009, which today forms CN’s core route around Chicago.

Homewood, a Chicago suburb, is home to CN’s U.S. corporate headquarters and a US$25-million state-of-the-art training centre which opened in 2014. This CN Campus will deliver our enhanced railroader training program focused on instilling a strong safety culture in new employees and reinforcing it among current employees who are learning new skills or upgrading existing ones. The facility features a consistent, modern training curriculum, key equipment such as locomotive simulators, outside training grounds and dedicated rolling stock to effectively train some 250 students a week from across the U.S.

Adjacent to Markham Yard and the CN Campus is the Woodcrest mechanical shop, the center of CN’s mechanical function in the U.S. We have significant facilities in Centralia as well. To the north is CN’s Chicago Intermodal Terminal which handles traffic from both the west and east coasts. A smaller intermodal facility is located in Joliet. South of the Chicago area, CN has a classification yard in Champaign-Urbana, the rail yard that handles traffic moving around Illinois and between Chicago and Memphis. CN’s Illinois network serves some of the state’s biggest cities with rail yards and operations in Carbondale, Decatur, Springfield, Rockford, near Peoria and suburban St. Louis. CN also hosts Amtrak intercity passenger trains in Illinois and Metra commuter trains in suburban Chicago.

In the Community

**Chicago Park District**

CN’s funding of the Burnham Centennial Prairie project allows the planting of 200,000 trees in the park. All the trees are being planted by volunteer citizens of Chicago. It is the largest tree planting project of its kind in the nation.

**Forest Park Community Center**

CN’s funding serves to enrich the lives of the community through health and wellness programs, workforce development training, GED/ESL classes, computer access and training, leadership development training for youth and adults, youth tutoring, mentorship programs, and scholarships.

**Restoration Ministries**

Restoration Ministries helps at-risk youth. The organization serves more than 5,000 individuals annually through 21 different programs including the Harvey Boxing Club, a component of Project Intercept.

**CN EcoConnexions - From the Ground Up 2015**

**Klehm Arboretum & Botanic Garden, Rockford**

The Klehm Arboretum & Botanic Garden will partner with Rockford’s Ethnic Heritage Museum for two garden projects designed to enhance the overall garden and landscaping appeal of both properties.
CN’s main line from the Detroit area to our main U.S. hub in Chicago passes through the north-west corner of Indiana. While the number of track-miles CN operates in Indiana is relatively small, the impact of the state could not be more significant. Gary is home to Kirk Yard, CN’s largest rail yard in the U.S. Located on the former Elgin, Joliet & Eastern railroad, CN is investing US$165 million to modernize and expand Kirk Yard. Track construction was completed in 2014 and some utility and demolition work will continue in 2015. Kirk Yard is one of two CN hump yards in the U.S. and one of only four on the CN network. In collaboration with the Indiana Railroad, CN opened an intermodal facility in Indianapolis in 2013.

In the Community

City Life Center
City Life provides a holistic model for reaching students in the inner city. Its programs are designed to help students with their education by addressing their spiritual, moral, health, safety, economic, and civic literacy.

Tri Town Safety Village
Tri Town Safety Village, in partnership with Operation Lifesaver, educates school age children about railroad safety, fire prevention and personal safety initiatives.

INDIANA IN NUMBERS

| 352  | Railroaders employed             |
| 102  | Route-miles operated             |
| $71M | Local spending                  |
| $48M | Capital investments             |
| $6M  | Cash taxes paid *               |
| $214K| Community investments           |

* Includes state, property, sales and other taxes.
Western Tennessee is CN’s gateway to the south. Harrison Yard in Memphis is a major CN freight handling yard and the centre of CN’s U.S. operations south of Chicago. It is one of only two hump yards in the U.S. and serves as an interchange point with four other Class I railroads. Harrison Yard is also the location of a major CN mechanical shop. An important CN intermodal yard is located in Memphis in the Frank Pigeon Industrial Park. CN also serves Presidents Island, a center of industry in Memphis. Amtrak’s City of New Orleans service operates on CN tracks and stops in Memphis. In the last decade CN has invested more than $140 million in our yards in Memphis.

In the Community

Le Bonheur Children’s Hospital Foundation
Through CN Miracle Match, CN helped raise over $780,000 for children’s health and to support Le Bonheur Children’s Hospital Foundation.

Habitat for Humanity of Greater Memphis
CN directly supports Memphis Habitat’s efforts to build safe, decent and affordable housing in partnership with local families who desperately need help.

TENNESSEE IN NUMBERS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railroaders employed</td>
<td>573</td>
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<tr>
<td>Route-miles operated</td>
<td>161</td>
</tr>
<tr>
<td>Local spending</td>
<td>$38M</td>
</tr>
<tr>
<td>Capital investments</td>
<td>$29M</td>
</tr>
<tr>
<td>Cash taxes paid *</td>
<td>$8M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$496K</td>
</tr>
</tbody>
</table>

* Includes state, property, sales and other taxes
CN’s rail network criss-crosses the state, with a major classification yard in Jackson serving as an important hub for petroleum headed to the western part of the state, coal moving east to Alabama, grain shipping south to the Gulf Coast for export, and chemical products headed north to the Midwest and beyond. Amtrak’s City of New Orleans service stops in Jackson at CN’s rail yard. CN also serves the Nissan assembly plant in Canton.

In the Community

Stewpot Community Services
Stewpot provides food, clothing, shelter and nurturing care to children, elderly, disabled and poor persons in the Jackson area.

Hinds Community College Foundation
Since the inception of CN’s scholarship program in 2003, Hinds has awarded over 200 CN scholarships to students who would not otherwise be able to pay for their education in the industrial trades (i.e., welding, electrical, mechanical, etc.).

MISSISSIPPI IN NUMBERS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Route-miles operated</td>
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<tr>
<td>Local spending</td>
<td>$64M</td>
</tr>
<tr>
<td>Capital investments</td>
<td>$68M</td>
</tr>
<tr>
<td>Cash taxes paid *</td>
<td>$15M</td>
</tr>
<tr>
<td>Community investments</td>
<td>$217K</td>
</tr>
</tbody>
</table>

At the southern terminus of CN’s North American network, Louisiana originates and terminates growing volumes of petrochemical, coal and grain rail traffic, most notably in the triangle formed by Hammond, Baton Rouge and New Orleans. CN’s major yards are in Baton Rouge, Geismar and Harrahan (Mays Yard) outside of New Orleans. At Mays Yard, CN connects to the New Orleans Public Belt Railroad which links the city’s six Class I railroads. New Orleans also has a modern intermodal facility that receives consumer goods via containers for distribution across North America. Amtrak’s City of New Orleans service terminates in New Orleans, south of Mays Yard. In Louisiana, CN has two bridges over the Bonnet Carré Spillway.

In the Community

Knock Knock Children’s Museum
The aim of the Knock Knock Children’s Museum is to deliver extraordinary play experiences and programs to inspire young children and promote their intellectual curiosity, self-expression and early literacy development.

CN EcoConnexions - From the Ground Up 2015

City of Hammond
The Trees for a Greener Hammond Project will plant trees along Morrison Boulevard (US 51) and in Mooney Park.

Town of Independence
The Independence in Bloom Project will enhance an area surrounding the historic old train station, now used as a police department and a senior citizens’ center.

LOUISIANA

LOUISIANA IN NUMBERS

<table>
<thead>
<tr>
<th>321</th>
<th>Railroaders employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>239</td>
<td>Route-miles operated</td>
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<tr>
<td>$32 M</td>
<td>Local spending</td>
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<td>$46 M</td>
<td>Capital investments</td>
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<tr>
<td>$5 M</td>
<td>Cash taxes paid *</td>
</tr>
<tr>
<td>$92 K</td>
<td>Community investments</td>
</tr>
</tbody>
</table>

* Includes state, property, sales and other taxes.
Extending Our Reach

CN has extensive facilities in several other U.S. states, including:

**Alabama**
In addition to access to the port, CN’s network connects to facilities in Mobile handling petroleum products from Western Canada and coal from the Midwest.

**Ohio**
CN’s track extends to a yard in Toledo for interchange with eastern railroads. With a focus on local interests and the ability to link industries, extending our reach and providing flexibility, we count on our subsidiaries, the Bessemer and Lake Erie Railroad (BLE) and Grand Trunk Western Railroad (GTW), to help us deliver in Ohio. The BLE connects at Conneaut docks.

**Pennsylvania**
CN’s main line runs from our marine bulk facilities in Conneaut, OH, on Lake Erie, moving iron ore to steel plants in the Pittsburgh area.

**Kentucky**
CN has two main line corridors running through Kentucky, linking CN’s network in Illinois to Tennessee and points south to the Gulf Coast.

Our resource-rich, manufacturing-intensive network reaches 75 percent of consumers across North America, and through our partners, the world.
CN Police provide important community outreach during Rail Safety Week.

CN in Your Community
At CN, we take pride in how we do our job of moving customers’ goods safely and efficiently. We are also proud of what the company stands for: a set of core beliefs that drive how we conduct our business every day and that support our continuing transformational journey.

CN recognizes our responsibility to the communities in which we operate – not only in our commitment to safety, but also in making communities better places to live and work. This spirit of caring is expressed in the CN Stronger Communities Fund, a community investment program that focuses on five core areas:

- Caring and Solidarity/United Way
- Safety and Sustainability
- Diversity
- Transportation Education
- CN Railroaders in the Community

**Caring and Solidarity/United Way**

We believe that one of the best ways to build stronger communities is to actively contribute to organizations, programs and initiatives that promote caring and solidarity.

**CN Miracle Match**

CN encourages individuals and corporations to make charitable donations in support of children’s hospitals by matching funds raised through the fundraising campaigns of three selected hospitals each year. CN has helped raise close to $12 million for pediatric care since CN Miracle Match was launched in London, ON, in 2006. Through Miracle Match, CN enables children’s hospitals to purchase much-needed equipment, expand their programs and facilities and continue to make an important difference to families and communities.

The following three foundations were selected in 2014 to each receive CN-matched contributions of up to $300,000:

- Le Bonheur Children’s Hospital, Memphis, TN
- The Children’s Hospital Foundation of Saskatchewan, Saskatoon, SK
- The Milton District Hospital Foundation, Milton, ON

**United Way**

CN donated over $1.2 million to the United Way in 2014 to support communities all along our network, in both Canada and the U.S.

**“We are all neighbours, CN and local citizens working together towards a sustainable future.”**

Claude Mongeau, CN President and Chief Executive Officer
Safety and Sustainability

We are focused on conducting our operations safely and in a manner that protects the natural environment.

**All Aboard for Safety Program**

All Aboard for Safety is our flagship community education program to help prevent accidents on or near railroad property. We promote safety to children using our safety train, Little Obie, and host safety blitzes and Safe Crossing weeks. These events actively engage CN Police and our employees in promoting safety, and involve partnerships with like-minded community groups such as Operation Lifesaver and Parachute.

**CN EcoConnexions - Customer Partnership Program**

In 2014, the EcoConnexions - Customer Partnership Program was launched to help customers reduce carbon emissions and increase energy efficiency. To date, CN has recognized 10 of our intermodal customers for their efficiency efforts. In 2015, we will plant 100,000 trees with those customers to celebrate their commitment to sustainable business practices.

**FCM/RAC Proximity Initiative**

CN works with the Federation of Canadian Municipalities (FCM) and the Railway Association of Canada (RAC) to prevent and resolve issues that may arise when people live and work in close proximity to railway operations. The FCM/RAC Proximity Initiative was established in 2003 and is co-chaired by Sean Finn, EVP of Corporate Services and Chief Legal Officer at CN and Jenelle Saskiw, Mayor of Marwayne, AB. By developing proximity guidelines, improving stakeholder awareness and promoting a dispute resolution protocol, the Initiative aims to address railway-community issues concerning noise, vibration, and safety.

In May 2013, the Initiative published *Guidelines for New Development in Proximity to Railway Operations* for use by municipalities, provincial governments, railways, developers and property owners when new developments close to rail operations are proposed. In January 2015, Montreal, QC, became the first major city in Canada to adopt these guidelines into its long-term development plan. The plan identifies requirements – such as setback distances, acoustic studies and mitigation – which must be met if sensitive land uses are proposed in proximity to a railway line or yard.

Major Canadian cities including Edmonton, Calgary, Ottawa and Toronto are also looking at how to implement best practices for land development in proximity to railways.

For more information, go to: [www.proximityissues.ca](http://www.proximityissues.ca)

Montreal’s Old Port includes an eclectic mix of industrial, residential and green spaces.

Tree planting event in Spruce Grove, AB.
In 2015, 85 Canadian communities passed resolutions supporting Rail Safety Week.

**Rail Safety Week – April 27 to May 3, 2015**

CN is proud to support Rail Safety Week, a collective effort of CN employees, stakeholders and communities, focussed on reducing accidents, injuries and damage caused by incidents involving trains and citizens. During the campaign, CN teams came out in full force, in partnership with Operation Lifesaver, conducting safety initiatives at commuter stations, public places, CN intermodal terminals and railway crossings across North America. They reminded the public that “when you see tracks, think trains!”

As rail safety is very much a shared responsibility with the public playing a big part, cities, towns and Aboriginal communities across Canada and the U.S. are powerful allies by promoting rail safety in their communities. In 2015, 85 Canadian communities passed resolutions supporting Rail Safety Week; these were:

**British Columbia**
- City of North Vancouver
- City of New Westminster
- District of Kitimat
- City of Prince George
- District of Squamish
- City of Surrey
- City of Port Moody
- Village of Ashcroft

**Alberta**
- Town of Edson
- Town of Peace River
- Municipal District of Big Lakes
- City of Grande Prairie

**Saskatchewan**
- City of Warman
- City of North Battleford
- City of Regina
- Rural Municipality of Corman Park #344

**Manitoba**
- Town of Ste. Anne
- Municipality of Ritchot
- City of Brandon
- Rural Municipality of Taché

**Ontario**
- City of Toronto
- Town of Whitby
- Corporation of the City of North Bay
- City of Woodstock
- Corporation of the City of Pickering
- Municipality of Port Hope
- Town of Ajax
- Town of Fort Frances
- Township of Severn
- City of Markham
- City of Oshawa
- City of Quinte West
- Corporation of the Town of Georgina
- Municipality of Clarington
- Municipality of Sioux Lookout
- Town of Fort Erie
- Town of Grimsby
- Town of Whitchurch-Stouffville
- Township of Leeds and the Thousand Islands
- City of Mississauga
- City of Cornwall
- City of Kenora

**City of Port Colborne**
- City of Thunder Bay
- Township of Cramahe
- Township of Edwardsburgh/Cardinal
- Township of Ramara
- City of Brockville
- City of St. Catharines
- City of Brantford
- City of Vaughan

**Quebec**
- RCM of Maskoutains
- Municipality of Sainte-Catherine-de-Hatley
- City of Sainte-Catherine
- RCM of Kamouraska
- Municipality of Deschambault-Grondines
- Municipality of Saint-Prosper-de-Champlain
- City of Vaudreuil-Dorion
- Borough of Lachine
- RCM of Vaudreuil-Soulanges
- RCM La Vallée-du-Richelieu
- City of Beloeil
- City of Brossard
- City of Joliette
- City of Saint-Lambert
- City of Salaberry-de-Valleyfield
- City of Westmount
- RCM of Montmagny
- Municipality of McMasterville
- City of Beaupré
- City of Cowansville
- City of Rimouski
- City of Saint-Basile-le-Grand
- City of Sainte-Anne-de-Bellevue
- City of Alma
- City of Magog
- City of Mont-Saint-Hilaire
- City of Saint-Jean-sur-Richelieu
- Municipality of Saint-Philippe
- Municipality of Saint-Apollinaire
- City of Delson
- City of Lévis
- City of Montréal

**New Brunswick**
- City of Fredericton

**Nova Scotia**
- Halifax Regional Municipality
Diversity
Creating a workplace that reflects the diversity of the wider world in which we operate just makes good sense. It’s the best way we know to use our people’s unique talents and perspectives to effectively serve our diverse customer base. CN’s policy of inclusion, diversity and tolerance, provides support to organizations that promote the advancement of women, Aboriginal communities and other groups through the CN Stronger Communities Fund and other programs.

Inspiring Women to Explore Non-traditional Careers
Since 2012, an innovative CN program called ASPIRE has reached thousands of female high school students across North America and inspired them to explore non-traditional careers. ASPIRE, which is run by CN’s Society of Women in Engineering, introduces girls to science, engineering and the railroad. This year, the ASPIRE team in Ontario participated in more than a dozen events, speaking to groups of high school guidance counsellors, teachers and students about CN and our exciting opportunities for young women. ASPIRE also invited groups of female students to visit MacMillan Yard in Vaughan, ON, where participants toured the facilities and heard from CN women in executive and other non-traditional roles, such as shift supervisor and trainmaster, who spoke about career opportunities for women at CN. Feedback was overwhelmingly positive.

Transportation Education
By supporting transportation education, CN is inspiring and helping today’s youth to become tomorrow’s railroaders – and leaders. We promote and support transportation-related education in the following areas:

- Trade and apprenticeship programs
- College and university programs
- Scholarship and bursary programs

CN Generation Scholarship Program
CN is proud to recognize and encourage educational excellence. Through our CN Generation scholarship program, we offer grants to support the post-secondary pursuits of the children of CN employees and pensioners. Eligible candidates are selected on the basis of their academic standing, references and extracurricular activities and must be enrolled in programs relevant to CN’s core business, including:

- Transportation
- Mechanical
- Engineering
- Logistics
- IT
CN Railroaders in the Community

We are proud of our employees, retirees and their families who volunteer their time to make their communities stronger and better places to live and work. The CN Railroaders in the Community program recognizes these acts of kindness by providing grants to the community-based charitable organizations they choose to support through their volunteer efforts.

Mark Stevens: Proud to Be on Call for His Community

Catching a concert or a hockey game in Montreal is welcome entertainment for most people, but for CN Railroader in the Community Mark Stevens, attending events has become a calling. Since 2011, Mark has volunteered as a First Responder for the St. John Ambulance Society (SJAS), donating more than 900 hours per year of his time providing first aid and CPR at events around the city.

“I became interested in first aid because of CN,” recalls Mark, a Senior Database Administrator for IT hired in 2009. “I took the eight-hour course. After that, my interest was sparked.” Mark then completed SJAS’ 40-hour intensive training course and has been signing on to cover minor-league hockey tournaments, carnivals and festivals.

Mark felt honoured that SJAS received a CN Railroaders in the Community grant because of his tireless efforts.

Traci Wardlaw: Mentoring Teens to Stay on Track

Seven years ago, Traci Wardlaw, Chief Clerk, Intermodal in Chicago, IL, decided to get involved in her church-based youth and family outreach program, Rescue Release and Restore. Since then, Traci has spent hundreds of hours mentoring teens, helping with food distribution, and whatever else needs doing. “I’m involved because I’ve been where some of these people are and I know how it feels,” says Traci, who has been with the railroad since 1997.

“Our group supports these young people so they can determine their worth and stand up for what they believe in,” she says. CN’s grant helps the organization’s day-to-day operations and allows kids to go to summer camp.

“I love this program! CN’s grant will purchase 10 new walkie-talkies.” - Mark Stevens

“It gives me so much joy, especially seeing the reactions on people’s faces when you are able to do something for them, or when the kids give you a hug,” explains Traci.

“I’m so proud that CN supports this program in the heart of my community.” - Traci Wardlaw
The CN Employees’ and Pensioners’ Community Fund 2014 CN Canadiens Alumni Challenge raised close to $400,000 for the benefit of local charities.
CN Employees’ and Pensioners’ Community Fund

The CN Christmas Express adventure took place in Edmonton last November. CN’s helpful and enthusiastic volunteers decorated the locomotives with Christmas lights and the lead engine’s lights were programmed to flash to the beat of Christmas music. A total of just over 1,150 passengers departed CN’s Walker Yard and enjoyed a 10-mile ride. Santa Claus made an appearance and handed out gifts to the children.

“Not only were we able to provide a fun trip for many CN employees and their families, but we were able to donate $15,090.52 to CHED Santas Anonymous, which provides Christmas gifts to less fortunate children in the Edmonton area.”

Brittany Rendell, Operations Analyst, Edmonton

CN Canadiens Alumni Challenge

Last November, CN’s hockey club suited up for the tenth edition of the CN Canadiens Alumni Challenge against former Canadiens legends. The Canadiens team was coached by hockey great Guy Lafleur and included players Guy Carbonneau, Patrice Brisebois, Stéphane Richer, and Chris Nilan. The crowd-pleasing game raised $398,555 for charitable organizations supported by the Fund, notably the Simple Plan Foundation, the Ted Nolan Foundation, L’appart à moi and The Cancer Support Center in Homewood, IL. Since its first edition in 2002, the CN Canadiens Alumni Challenge has raised $2,575,535 for charity.

“We are very proud to make a significant contribution that will help make a difference for the organizations selected this year.”

Olivier Chouc, CN Vice-President, Law, and Chairman of the Board of the CN Employees’ and Pensioners’ Community Fund
The following questions address the most frequently raised concerns across CN’s network. For information about any other aspect of CN’s business and operations, we encourage you to contact our Public Inquiry Line at 1.888.888.5909.

Trains blocking roadways for extended periods are a real concern in my community and residents find them inconvenient. What can be done to reduce the number of blocked crossings?

According to Canadian Rail Operating Rule (CROR) 103(d), no part of a train or engine may stand on any part of a public crossing for longer than five minutes when vehicular or pedestrian traffic requires passage. However, this does not apply to private crossings. When emergency vehicles require passage, railways must clear both public and private crossings as quickly as possible.

While CN makes every effort not to block crossings, there are unforeseen instances such as weather, mechanical failure or loss of air pressure that can cause a train to stop, which may result in a blocked crossing. CN crews are immediately aware when a train is blocking a road crossing and make every effort to clear the passage as soon as possible.

In case of emergency, motorists are encouraged to contact the CN Police Emergency Number – 1.800.465.9239 – which is posted at every public crossing on our network. In addition to the phone number, the sign includes the CN subdivision name and mileage point. This information may be used by emergency responders as well as the public to report an emergency. This phone number is staffed 24 hours a day, seven days a week.

For further rules surrounding blocked crossings, please visit the Transport Canada website where this information can be found under the Rail heading.

Railroads are federally regulated in the U.S., however the Federal Railroad Administration does not regulate the length of time a train may block an at-grade crossing.

The crossings in my community are in poor condition. What is CN doing to address this?

We recognize the importance of maintaining the condition of all crossings for which we are responsible and inspect our public crossings on a regular basis. Should you have any concerns about the condition of a particular crossing, please call our Public Inquiry Line at 1.888.888.5909. We will refer your call to the local track supervisors who will assess the crossing and make the necessary repairs. CN also works in partnership with road authorities to maintain crossings and brings to their attention those crossings that require maintenance for which they are responsible.

At CN, we believe the safest crossing is no crossing at all. As a rule of thumb, CN does not support the construction of new at-grade road/rail crossings. In fact, we strongly encourage crossing consolidation and, even better, closure.

Residents in my community are complaining about trains whistling at all hours. Can CN stop using whistles?

While we understand that whistling may be disturbing at times, CN is federally regulated and governed by Canadian Rail Operating Rules (CROR) which mandate whistling regulations.

Under CROR, Rule 14 (l), train crews are required to whistle at all public crossings. Train whistles are safety devices that alert motorists and pedestrians to the presence of an approaching train and warn trespassers away from the rail right-of-way. Locomotive engineers follow a detailed set of instructions under the CROR that outline when a whistle must be sounded and the whistling sequence to be used. Train crews will also use the whistle if there is a work project in the area to notify the work gang on or near the track that a train is approaching.
In certain circumstances, a particular crossing may be exempt from whistling requirements. In order to obtain this exemption, a municipality must take a number of steps:

1) The municipality needs to submit a request to the railway including a detailed crossing safety assessment on the conditions at the crossing by a qualified external consultant.

2) If it is determined that safety will not be compromised and that the crossing meets the prescribed conditions of Transport Canada, the municipality must then give public notice and notify each relevant association of its intent to pass a resolution declaring that whistles should not be used at the crossing.

3) Finally, the municipality must pass the resolution.

The complete application procedure to pursue anti-whistling measures may be found on the Transport Canada website (www.tc.gc.ca) under Rail Safety.

In the United States, CN is federally regulated and governed by the Train Horn Rule issued by the Federal Railroad Administration. Locomotive engineers must begin to sound train horns at least 15 seconds, and no more than 20 seconds, in advance of all public at-grade crossings. Further information on the process surrounding the establishment of Quiet Zones can be found on the Federal Railroad Administration website at: www.fra.dot.gov.

What can be done about idling trains?
My community has raised concerns about the noise and/or diesel fumes.

CN crews are trained on fuel conservation practices to reduce our carbon footprint, including locomotive shutdowns in our yards. However, locomotives may need to be left idling due to various operating requirements such as weather and maintaining air pressure for braking and starting systems.

Where possible, many CN locomotives make use of SmartStart technology, which is an Automatic Engine Start Stop (AESS) system for locomotives. Over half of the locomotives in our active fleet are equipped with SmartStart technology. This system automatically triggers the locomotive to either safely shut down or restart when certain parameters have been met.

Should you have concerns regarding idling or diesel fumes, please call our Public Inquiry Line at 1.888.888.5909. We will ensure our Operations personnel are aware of your concerns. They will assess the location to determine if options exist.

The CN property in my community is not being maintained adequately. Who should I contact?

CN makes every effort to maintain our property and is committed to business practices that protect the natural environment, prevent pollution, reduce our greenhouse gas (GHG) emissions and conserve natural resources. Waste management is important to us and we are addressing this issue with two key initiatives: removing old rail ties from our rights-of-way and establishing an aggressive waste reduction program for our buildings and yards. Should you have concerns regarding property maintenance, please call our Public Inquiry Line at 1.888.888.5909. A member of the team will communicate your concerns to our Engineering personnel.

How do I stay connected with CN?

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At CN, we take pride in how we do our jobs to move customers’ goods safely and efficiently. We are also proud of what our company stands for: a set of five core beliefs that drive how we conduct our business every day and support our commitment to be the best railway in North America.