Safety is a core principle at CN. Our goal is to help save lives and prevent injuries on the job, at highway crossings, and on or near our tracks and property.

Promoting safety internally and with our customers is integral to protecting employees, the community and your business.

We have an obligation to keep your goods moving...safely. Train accidents not only impact people personally but also professionally. It is in our best interest to work together in order to prevent derailments, injuries and fatalities.

FACT
CN plans to spend over $1 billion on track infrastructure this year.
2013 safety initiatives

People - Strengthen our culture of safety

Process - Ensure safety is a systematic part of all activities

Technology & Investments - Maintain our trains and tracks to high standards

Involvement - How you can participate in our safety first mission

FACT
CN led 85 safety summits for new employees in 2013.
strengthens our culture of safety

People are at the heart of everything we do at CN. We work hard to create not only a safe environment for our communities and employees, but to create a culture of safety.

In 2013, we focused on:
- Addressing top injury causes at a local level
- Training Excellence - a program that delivers modernized, technology-driven training
- Coaching and communications through SaFe programs, On Job Trainers, Safety Summits, campaigns, education and cause-finding investigations
- Further community education through the All Aboard for Safety program

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**CN FRA Employee Injury Ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>1.78</td>
</tr>
<tr>
<td>2010</td>
<td>1.71</td>
</tr>
<tr>
<td>2011</td>
<td>1.56</td>
</tr>
<tr>
<td>2012</td>
<td>1.42</td>
</tr>
<tr>
<td>2013</td>
<td>1.69</td>
</tr>
</tbody>
</table>

**Trespasser Accidents - U.S. & Canada**

<table>
<thead>
<tr>
<th>Year</th>
<th>Accidents</th>
<th>Fatalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>76</td>
<td>35</td>
</tr>
<tr>
<td>2010</td>
<td>88</td>
<td>46</td>
</tr>
<tr>
<td>2011</td>
<td>89</td>
<td>40</td>
</tr>
<tr>
<td>2012</td>
<td>67</td>
<td>45</td>
</tr>
<tr>
<td>2013</td>
<td>55</td>
<td>39</td>
</tr>
</tbody>
</table>

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*FRA injury ratio - FRA injuries per 200,000 work hours.
YTD Q4 results published 2009 to 2013

**FACT**

Since 2009 our FRA Employee Injury Ratio has improved by 5%.
ensure safety is a systematic part of all activities

Process initiatives build safety into the foundation of every step taken by our railroaders

In 2013, we focused on:

- “Expectations for Safety Leaders” which guides supervisors on implementing proactive safety measures
- Efficiency testing to improve the understanding and application of safety rules and procedures
- Monitoring employee performance and using the results to drive our training focus
- Having each division focus on seven critical switching rules to prevent non-main track accidents
- Leveraging our partnership with St-Mary’s University’s CN Centre for Occupational Health and Safety
- Our Integrated Audit process to drive and monitor the execution of our Safety Management System

FACT

CN’s safety initiatives have been recognized by Transport Canada.
New Technologies and Investments are targeted towards maintaining our trains and tracks each year. We know that this is integral to keeping our employees, you, and your shipments safe.

In 2013, we:

- Installed 379 miles of new rail, 139 miles of partly worn rail, replaced 1.55M wood track ties and 67K concrete ties
- Tested 212K miles of track using Ultrasonic Rail Flaw Detection, triple what we did 5 years ago
- Tested 66K miles of track with our Track Geometry cars
- Reduced the risk of main track accidents by equipping a 10th locomotive with a Vehicle Track Interaction Unit *
- Improved fuel efficiency and handling by having 526 locomotives equipped with Distributed Power capability
- Added 40 new Wayside Inspection System locations, and upgraded 52 locations
- Installed 10 brittle bar/derailment detectors in Western Canada, making for a total of 350 locations protecting key corridors and structures

* An accelerometer is mounted on a locomotive and identifies unusual movements or accelerations resulting from Track Geometry issues.
how you can participate in our safety first mission

Customers often ask us how they can help promote safety. In working together, you can help your employees pay attention to the following key points* which can contribute immensely to avoiding derailments:

- Inspect track condition periodically and ensure that it is properly maintained
- Ensure handbrakes are released before moving cars, failing to do so may cause wheel related incidents
- Make sure you have side and overhead clearances inside plants
- Notify CN in advance of any changes to structures, obstructions or clearances
- Remove any debris and vegetation on track
- Avoid overloading the cars
- Make sure the lading is secure when loading

* For more detailed information about working with dangerous goods, rail equipment, key railroad contacts, and safety resources, view our customer safety handbook at www.cn.ca/safetyhandbook.