



First Quarter 2022 Financial and Operating Results

April 26, 2022

TSX: CNR NYSE: CNI



Forward-looking statements



Certain statements included in this presentation constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and under Canadian securities laws, including statements based on management’s assessment and assumptions and publicly available information with respect to CN. By their nature, forward-looking statements involve risks, uncertainties and assumptions. CN cautions that its assumptions may not materialize and that current economic conditions render such assumptions, although reasonable at the time they were made, subject to greater uncertainty. Forward-looking statements may be identified by the use of terminology such as “believes,” “expects,” “anticipates,” “assumes,” “outlook,” “plans,” “targets,” or other similar words.

2022 Key Assumptions

CN has made a number of economic and market assumptions in preparing its 2022 outlook. The Company assumes that North American industrial production for the year will increase in the mid single-digit range, and assumes U.S. housing starts of approximately 1.6 million units, and U.S. motor vehicle sales of approximately 15.5 million units. For the 2021/2022 crop year, the grain crop in Canada was below its three-year average and the U.S. grain crop was in line with its three-year average. The Company now assumes that the 2022/2023 grain crop in Canada will be above its three-year average (compared to its January 25, 2022 assumption that it would be in line with its three-year average) and assumes that the 2022/2023 U.S. grain crop will be in line with its three-year average. CN assumes total RTMs in 2022 will increase in the low single-digit range versus 2021. CN assumes continued pricing above rail inflation. CN assumes that in 2022, the value of the Canadian dollar in U.S. currency will be approximately \$0.80, and now assumes that in 2022 the average price of crude oil (West Texas Intermediate) will be in the range of US\$90 - US\$100 per barrel (compared to its January 25, 2022 assumption of approximately US\$65 - US\$70 per barrel). In 2022, CN plans to invest approximately 17% of revenues in its capital program.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause actual results, performance or achievements of CN to be materially different from the outlook or any future results, performance or achievements implied by such statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Important risk factors that could affect the forward-looking statements in this presentation include, but are not limited to: the duration and effects of the COVID-19 pandemic, general economic and business conditions, particularly in the context of the COVID-19 pandemic; industry competition; inflation, currency and interest rate fluctuations; changes in fuel prices; legislative and/or regulatory developments; compliance with environmental laws and regulations; actions by regulators; increases in maintenance and operating costs; security threats; reliance on technology and related cybersecurity risk; trade restrictions or other changes to international trade arrangements; transportation of hazardous materials; various events which could disrupt operations, including illegal blockades of rail networks, and natural events such as severe weather, droughts, fires, floods and earthquakes; climate change; labor negotiations and disruptions; environmental claims; uncertainties of investigations, proceedings or other types of claims and litigation; risks and liabilities arising from derailments; timing and completion of capital programs; and other risks detailed from time to time in reports filed by CN with securities regulators in Canada and the United States. Reference should be made to Management’s Discussion and Analysis in CN’s annual and interim reports, Annual Information Form and Form 40-F, filed with Canadian and U.S. securities regulators and available on CN’s website, for a description of major risk factors relating to CN.

Forward-looking statements reflect information as of the date on which they are made. CN assumes no obligation to update or revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable securities laws. In the event CN does update any forward-looking statement, no inference should be made that CN will make additional updates with respect to that statement, related matters, or any other forward-looking statement.

Non-GAAP measures

CN reports its financial results in accordance with United States generally accepted accounting principles (GAAP). CN may also use non-GAAP measures in this presentation that do not have any standardized meaning prescribed by GAAP, including adjusted net income, adjusted earnings per share, adjusted operating income, and adjusted operating ratio (referred to as adjusted performance measures), free cash flow and return on invested capital (ROIC). These non-GAAP measures may not be comparable to similar measures presented by other companies. See the Q1 2022 Earnings Release filed on April 26th, 2022, which is incorporated by reference herein which may be found online on SEDAR at www.sedar.com, on the SEC’s website at www.sec.gov through EDGAR, and on the Company’s website at www.cn.ca in the Investors section.

This presentation also includes certain forward looking non-GAAP measures (adjusted diluted EPS, ROIC and free cash flow). It is not practicable to reconcile, without unreasonable efforts, these forward-looking measures to the most comparable GAAP measures, due to unknown variables and uncertainty related to future results. Please see note on Forward Looking Statements above for further discussion.

All amounts in this presentation are expressed in Canadian dollars, unless otherwise noted.

On the call today



Tracy Robinson

President and CEO



Rob Reilly

Chief Operating Officer



Doug MacDonald

Chief Marketing Officer



Ghislain Houle

Chief Financial Officer

Tracy Robinson

President and Chief Executive Officer



Unlocking CN's full potential



Running a
Scheduled Railroad
with a focus on
Velocity



Curating
our
Book of Business
with our **Customers**



Driving
Top Line Growth
to
The Bottom Line



Building the next generation of Railroaders



Updating 2022 financial outlook ⁽¹⁾

- Building operating momentum, starting in late March and through April
- Planning for full-year low single-digit volume growth and a normalized Canadian grain crop this fall
- Generating a full-year operating ratio below 60%
- Capex will remain at 17% of revenues



(1) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors underlying CN's financial outlook.

(2) CN's full-year adjusted diluted EPS outlook, ROIC outlook and free cash flow outlook exclude certain adjustments, which are expected to be comparable to adjustments made in prior years. However, management cannot individually quantify on a forward-looking basis the impact of these adjustments on its adjusted diluted EPS, ROIC or free cash flow because these items, which could be significant, are difficult to predict and may be highly variable. As a result, CN does not provide a corresponding GAAP measure for, or reconciliation to, its adjusted diluted EPS outlook, its ROIC outlook or its free cash flow outlook.



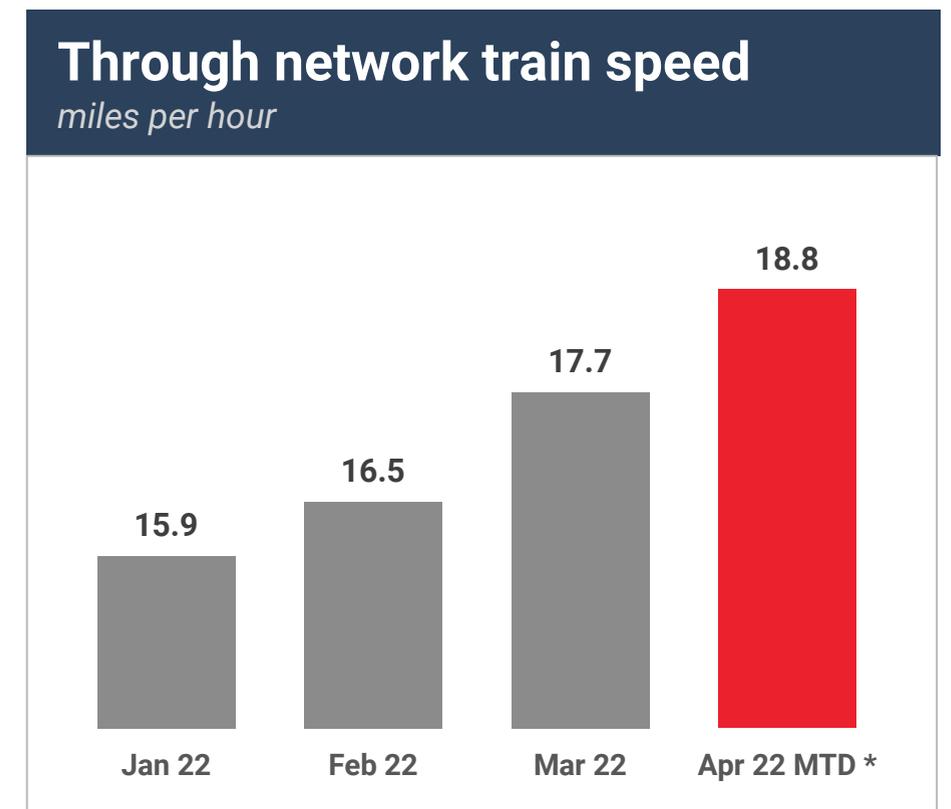
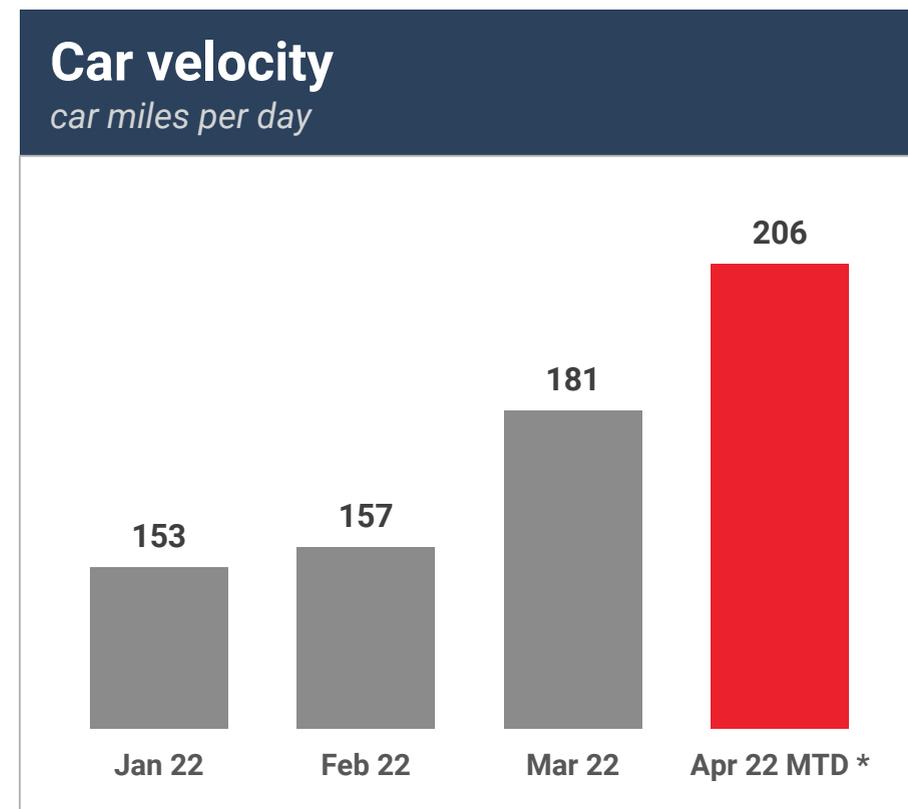
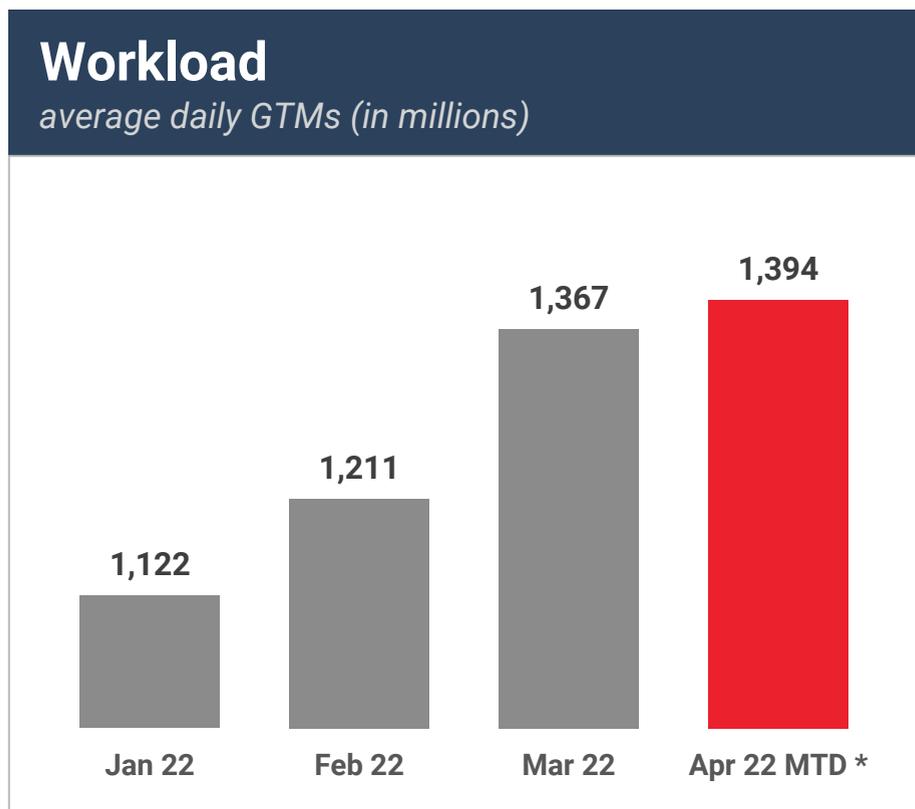
Rob Reilly

Chief Operating Officer

Recovering fluidity on the network



- Key operating metrics are improving following harsh winter conditions
- Operational fluidity driving improved customer service and lower operating costs
- Strengthening resource base to accommodate strong demand expected in second half of the year



* April month-to-date is through April 24



Doug MacDonald
Chief Marketing Officer

Demand Outlook – Broad-based growth supported by network fluidity



Merchandise

- ↑ Forest Products
- ↑ Metals and Minerals
- ↑↑ Petroleum Products
- ↑↑ Chemicals and Plastics



Bulk

- ↑ Western Canadian Coal
- ↑ U.S. Coal
- ↑ Grain
- ↔ Fertilizers



Consumer Products

- ↑ International Intermodal
- ↑↑ Domestic Intermodal
- ↑ Automotive

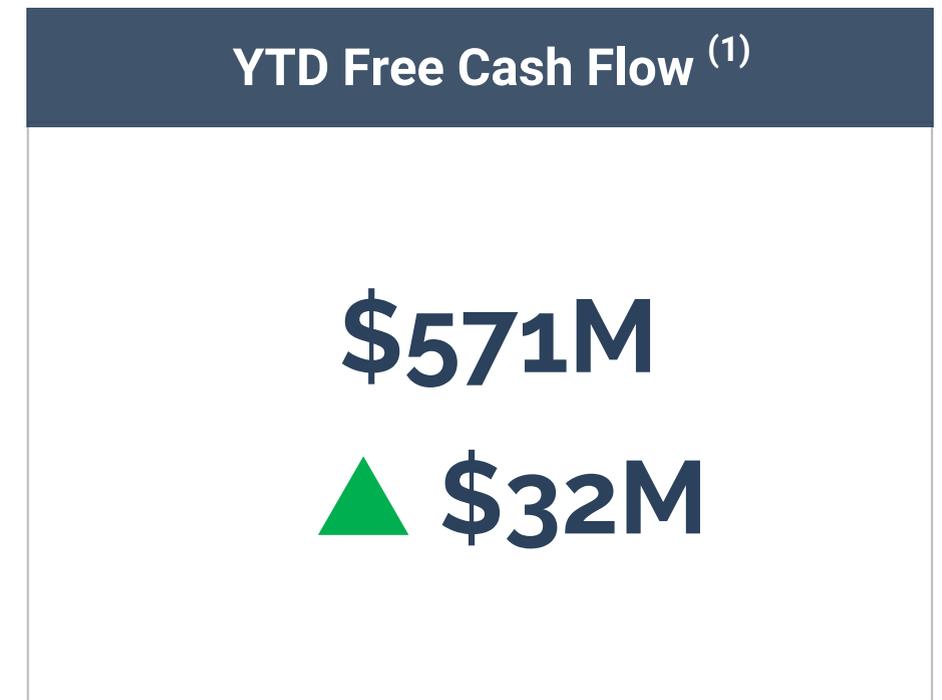
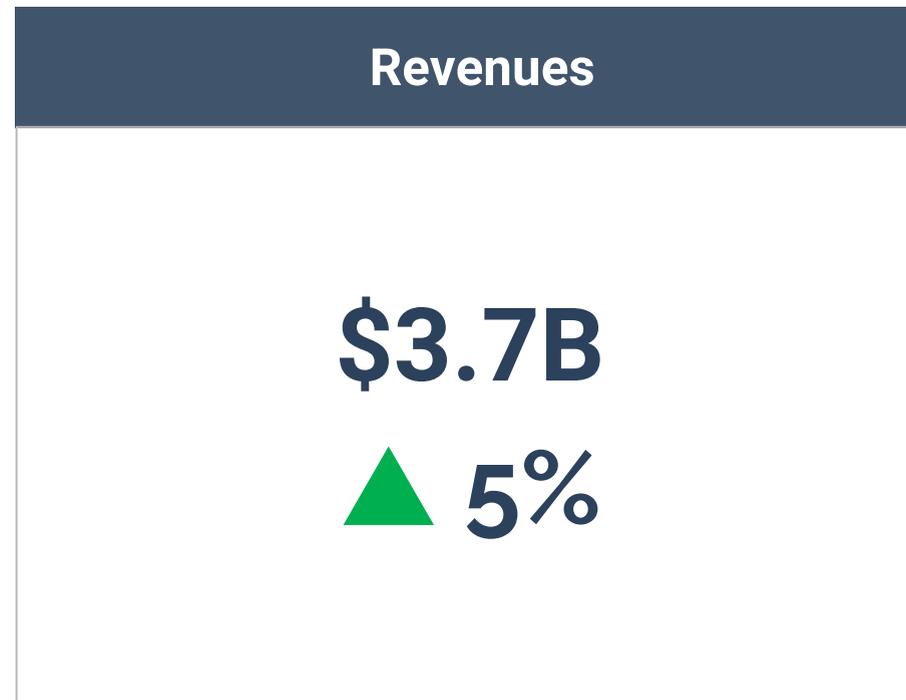
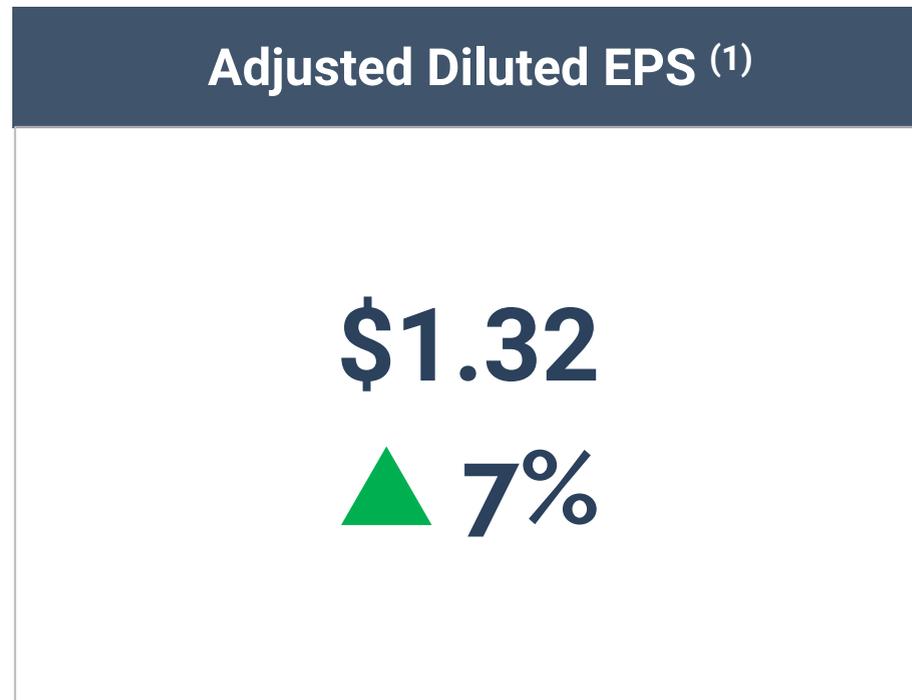
Ghislain Houle

Chief Financial Officer



Q1 performance driven by strong top-line growth

- Earnings growth of 7%, despite lower volumes and higher operating costs
- Revenue growth of 5%, despite lower volumes of 8%
- Free Cash Flow of \$571M, in line with our expectations and Q1 earnings



(1) These non-GAAP measures do not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. For adjusted diluted EPS, see the section entitled "Adjusted performance measures" and for free cash flow, see the section entitled "Free cash flow" in the Q1 2022 Quarterly Review filed on April 26th, 2022, which are incorporated by reference herein, for an explanation of these non-GAAP measures.

Tracy Robinson

President and Chief Executive Officer



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