A Leading North American Transportation and Logistics Company

INVESTOR PRESENTATION
NOVEMBER 2019
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 but not limited to, statements with respect to CN’s operations, business opportunities and anticipated financial performance, including diluted earnings per share (EPS) and adjusted diluted EPS growth, operating ratio, adjusted return on invested capital (ROIC), free cash flow, dividends per share growth, and the related key assumptions. By their nature, forward-looking statements involve risks, uncertainties and assumptions. The Company 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.

2019 key assumptions
CN has made a number of economic and market assumptions in preparing its 2019 outlook. The Company assumes that North American industrial production for the year will increase in the range of 0.5 to one per cent, and assumes U.S. housing starts of approximately 1.25 million units and U.S. motor vehicle sales of approximately 17 million units. For the 2018/2019 crop year, the grain crops in both Canada and the United States were in line with their respective three-year averages. The Company assumes that the 2019/2020 grain crop in Canada will be in line with the three-year average and that the 2019/2020 grain crop in the United States will be below the three-year average. CN assumes RTM volume growth in 2019 will be slightly negative compared to 2018. CN assumes continued pricing above rail inflation. CN assumes that in 2019, the value of the Canadian dollar in U.S. currency will be approximately $0.75, and assumes that in 2019 the average price of crude oil (West Texas Intermediate) will be in the range of US$55 to US$60 per barrel. In 2019, CN plans to invest approximately $3.9 billion in its capital program, of which $1.6 billion is targeted toward track and railway infrastructure maintenance.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause the actual results or performance of the Company to be materially different from the outlook or any future results or performance 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 include, but are not limited to, the effects of general economic and business conditions; changes in business strategies; 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 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 on SEDAR at www.sedar.com as well as on the U.S. Securities and Exchange Commission’s website at www.sec.gov through EDGAR and available on CN’s website at www.cn.ca/en/investor, for a description of major risk factors.

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 also uses non-GAAP measures in this presentation that do not have any standardized meaning prescribed by GAAP, including adjusted performance measures, free cash flow, adjusted debt-to-adjusted EBITDA multiple, adjusted dividend payout ratio, return on invested capital (ROIC) and adjusted ROIC. These non-GAAP measures may not be comparable to similar measures presented by other companies. For an explanation of adjusted dividend payout ratio, ROIC and adjusted ROIC, refer to the Appendix to this presentation. For further details of the other non-GAAP measures, including a reconciliation to the most directly comparable GAAP financial measures, refer to the supplementary schedules entitled Non-GAAP Measures for the 2019 Third Quarter Results and for the years 2013 to 2018, as well as the Company’s 2012 Q4 Financial Statements, available at [www.cn.ca/financial-results](http://www.cn.ca/financial-results).

CN’s full-year adjusted earnings per share (EPS) outlook excludes the expected impact of certain income and expense items. However, management cannot individually quantify on a forward-looking basis the impact of these items on its EPS 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 EPS outlook.

All amounts in this presentation are expressed in Canadian dollars, unless otherwise noted.
North American Rail Industry Landscape

Seven Class 1 railways in North America

• A backbone of the North American economy and an enabler of trade
  • US, Canada and Mexico represent ~500M in population and GDP of US$24.3 Trillion

• Very high barriers to entry
  • Significant capital cost to replicate rail network
  • Infrastructure owned by the railroads, except in Mexico

• Current trends favoring rails
  • Trucking regulations and driver shortage
  • Growing environmental pressure
  • Highway congestion and aging public infrastructure

• Safety as a core value
  • More than 99.999% of all hazmat moved by rail reaches its destination without a release cause by an incident (1)

• Sustainable way to move goods
  • A freight train on average moves one ton of freight more than 470 miles on one gallon (200km on one liter) of fuel

(1) Source: Association of American Railroads (AAR)
CN at a Glance

TSX: CNR   NYSE: CNI

- Backbone of the economy and enabler of trade transporting goods for a wide range of business sectors, ranging from resource products to manufactured products to consumer goods, across a rail network of approximately 20,000 route-miles (32,000 km) spanning Canada and mid-America

- Regarded internationally as one of the best-performing transportation and logistics companies; our commitment is to create value for both customers and shareholders by deepening customer engagement, leveraging the strength of our franchise and delivering Operational and Service Excellence

- 5 out of 6 CN employees participate in the Company’s Employee Share Investment Plan (ESIP) and collectively own over $600 million worth of shares

Note: As at or for the year ending December 31, 2018.

(1) As at October 28, 2019.

(2) Please see the Appendix for an explanation of this non-GAAP measure.

(3) Please see website, Financial Results, www.cn.ca/financial-results, for an explanation of this non-GAAP measure.
CN’s Strengths and Competitive Advantages

- Unique franchise with 3-coast access
- Strategic and accretive acquisition track record
- Network fluidity advantage around Chicago
- Pioneers of Scheduled Railroading
- Solid growth profile / consistent pricing above rail inflation, disciplined and balanced approach to capital allocation

- West Coast trade benefitting from Canada Transpacific partnership, East Coast trade from Comprehensive Economic and Trade Agreement (CETA)
- High-quality management team with proven track record
- Best-in-class supply chain enabler
- Transformative diverse talent
- Strong balance sheet

Consistently Outpacing the Market
(cumulative total return over last 10 years)

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 years</th>
<th>10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11%</td>
<td>63%</td>
<td>447%</td>
</tr>
</tbody>
</table>

Source: Bloomberg
Index: Closing price October 2009 = 100
Assumes reinvestments of dividends
Executing our Strategic Game Plan
To deliver long-term profitable growth and create shareholder value

Driving shareholder value creation
Consistent capital allocation strategy with financial discipline and flexibility to drive strong and sustainable ROIC

Implementing advanced technologies to modernize Scheduled Railroading
At forefront of industry further enhancing safety, reliability and efficiency

Industry-leading long-term profitable growth
Multiple levers with solid pipeline to continue growing faster than the economy at low incremental cost

Right talent to win
Action-oriented, deep bench with strong track record and focus on continuous improvement

Our foundation
Service and operational excellence driven by culture of continuous improvement and social responsibility; pioneers of Scheduled Railroading with unique network
Our Foundation
Building blocks of our success

• Unparalleled three-coast network built through accretive acquisitions
  • Well diversified portfolio, customer base and geographic exposure

• Pioneered Scheduled Railroading over 15 years ago
  • Optimizing network to move customer goods quicker — balancing operational and service excellence

• Delivering responsibly with a strong focus on ESG
  • Culture of safety, efficiency, integrity and diversity; part of the climate solution
Unparalleled Network Built Through Acquisitions

Solid track record of accretive inorganic growth

2019
FURTHER EXPANDING OUR REACH
TransX
H&R (subject to closing conditions)
Massena rail line (subject to regulatory review)

2009
STRUCTURAL ADVANTAGE IN CHICAGO
Elgin, Joliet and Eastern Railway

2006–2008
SOLIDIFYING OUR REACH
Savage Alberta Railway
Mackenzie Northern Railway
Lakeland & Waterways Railway
Central Western Railway
Athabasca Northern Railway
Chemin de fer de la Matapédia et du Golfe
Ottawa Central Railway
New Brunswick East Coast Railway
Compagnie de Gestion de Matane

1998–2004
BUILDING A THREE COAST ACCESS
Illinois Central Railway
Wisconsin Central Railway
B.C. Railway
Great Lakes Transportation

1995
SOLID CANADIAN FOOTPRINT
CN Network at privatization
Well-Diversified Portfolio and Customer Base
Unique three coast network

Well-diversified portfolio

- Intermodal: 25%
- Petroleum and Chemicals: 20%
- Grain and Fertilizers: 16%
- Forest Products: 12%
- Metals and Minerals: 11%
- Automotive: 6%
- Coal: 5%
- Other Revenues: 5%

Based on 2019 Q3 YTD revenues

TRAFFIC DENSITY LEGEND (1)

- Over 100 million GTMs per route mile
- 50-100 million GTMs per route mile
- 30-50 million GTMs per route mile
- 10-30 million GTMs per route mile
- Up to 10 million GTMs per route mile

(1) The map refers to traffic density based on annualized rates of Q3 2019 gross ton mile (GTM) production (million GTMs per route mile).

For more information on CN’s network, please visit www.cn.ca/en/our-services/maps-and-network.
Scheduled Railroading is Our Foundation

• CN pioneered Scheduled Railroading over 15 years ago
  • Optimizing the rail network to transport more freight with the same amount of railcars and locomotives
  • Moving customer goods more efficiently by increasing train lengths, speed and reducing dwell time at yards

• Driving safety, service, productivity, asset utilization and cost control

• Deploying technology – next strategic driver of value
  • Continuing to further advance our operational model to the next level

• Continuing to be nimble on resource allocation
  • Rightsizing the railcars, locomotives and crews according to the customer demand
Balancing Operational and Service Excellence

<table>
<thead>
<tr>
<th>Operational Excellence – Adding capacity by running heavier and longer trains</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Starts with an unwavering commitment to safety</td>
</tr>
<tr>
<td>• Fosters enhanced employee engagement</td>
</tr>
<tr>
<td>• Targets continuous productivity improvement</td>
</tr>
<tr>
<td>• Anchored on data, fact-based dialogue and a culture of execution</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Excellence - Delivering superior service by leveraging our supply chain approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Customer-centric metrics</td>
</tr>
<tr>
<td>• Level of service agreements with ports and terminal operators</td>
</tr>
<tr>
<td>• CustomerFIRST initiatives including a greater focus on first-mile/last-mile service</td>
</tr>
<tr>
<td>• Visibility tools and enhanced communication channels</td>
</tr>
</tbody>
</table>

- Adding capacity by running heavier and longer trains
- Service Excellence - Delivering superior service by leveraging our supply chain approach

Balancing Operational and Service Excellence
Track Record of Profitable Growth Over the Years

**Industry Revenue Ton Miles (RTMs)**
*(Index – 2012=100)*

- **RTM CAGR (1)**
  - CN: 3.5%
  - CP: 2.2%
  - CSX: 1.7%
  - KSU: -1.5%
  - UP: -1.6%
  - NSC: 1.0%

- **OR (2)**
  - CN: 56.1%
  - CP: 56.8%
  - CSX: 57.9%
  - KSU: 59.5%
  - UP: 62.3%
  - NSC: 64.9%

**Industry leading in volume growth and amongst the leaders in operating ratio**

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(1) RTM CAGR is calculated from 2012 to 2018.
(2) Operating Ratio (OR) as reported for Q3 2019 and based on the companies’ financial statements.
Delivering Responsibly for a Sustainable Future

CN supports the United Nations Sustainable Development Goals (SDGs), which align with our vision for a sustainable world. Our five sustainability pillars are aligned with the SDGs where we have the potential to make the greatest contribution. We are committed to reporting our progress on these goals as we continue to evolve, transform and innovate our business.

**Environment**
Conduct our operations with minimal environmental impact, while providing cleaner, more sustainable transportation services to our customers.

**Safety**
Be the safest railroad in North America by establishing an uncompromising safety culture and implementing a management system designed to minimize risk and drive continuous improvement.

**People**
Provide a safe, supportive and diverse work environment where our employees can grow to their full potential and be recognized for their contributions to our success.

**Community**
Build safer, stronger communities by investing in community development, creating positive socio-economic benefits and ensuring open lines of communication.

**Governance**
Continuously improve our culture of integrity and ethical business, building trust and confidence with all our stakeholders.

- **13 Climate Action**: Take urgent action to combat climate change and its impacts.
- **9 Industry, Innovation and Infrastructure**: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- **8 Decent Work and Economic Growth**: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- **11 Sustainable Cities and Communities**: Make cities and human settlements inclusive, safe, resilient and sustainable.
- **5 Gender Equality**: Achieve gender equality and empower all women and girls.
ESG Priorities

Delivering responsibly is at the heart of how CN is building for a sustainable future. It means moving customers’ goods safely, being environmentally responsible, attracting and developing the best railroaders, helping build stronger communities and adhering to the highest governance standards.

<table>
<thead>
<tr>
<th>Environmental Protection</th>
<th>Social Responsibility</th>
<th>Strong Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Conduct our operations with minimal environmental impact</td>
<td>• Run a safe operation with an uncompromising safety culture</td>
<td>• Continuously improve our culture of integrity and ethical business conduct</td>
</tr>
<tr>
<td>• Drive emissions and energy efficiency - reduced Greenhouse Gas (GHG) emission intensity by 40% over the past 25 years</td>
<td>• Provide a safe, supportive and diverse work environment where our people can grow to their full potential</td>
<td>• Align executive compensation with shareholders</td>
</tr>
<tr>
<td>• Work with our customers to measure and help them reduce their transportation supply chain GHG emissions by leveraging rail for the long haul and trucking over shorter distances.</td>
<td>• Build stronger communities across our network</td>
<td>• Committed to diversity; signatory to the Catalyst Accord; member of 30% Club</td>
</tr>
</tbody>
</table>

Recent recognitions

![CDP A List 2018](image)
![Progressive Aboriginal Relations](image)
![Dow Jones Sustainability Indices](image)
![BEST 50 CORPORATE CITIZENS](image)
A Strong Track Record of Fuel and Carbon Efficiency

CN is approximately 15% more carbon efficient than the industry average.

Rail locomotive carbon emissions intensity vs Gross Ton Miles (GTMs)

CN has set a science-based target for carbon emissions, it reflects a 29% reduction in emissions per tonne kilometers by 2030 vs 2015.
Continuing to Reduce Our Carbon Footprint

Fuel Efficiency GTMs (1)

(1) Fuel consumed per 1,000 GTMs as reported for Q3 2019 and based on the companies’ financial statements.
Right Talent to Win
Action-oriented, deep bench with strong track record

• Seasoned leadership team with an average of 20+ years
• Onboarding experienced, external talent to drive next wave of innovation
• Leveraging existing employee base with new talent to value methodology
Highly Experienced Leadership Team

**JJ Ruest**  
President & Chief Executive Officer  
- 23 years with CN  
- Served as CMO for 8 years

**Rob Reilly**  
Executive VP & Chief Operating Officer  
- 30 years of experience in the rail industry  
- Deep understanding of the intermodal business at major ports & large terminals

**Ghislain Houle**  
Executive VP & Chief Financial Officer  
- 22 years with CN  
- Qualified conductor and engineer

**Sean Finn**  
Executive VP Corporate Services & Chief Legal Officer  
- 26 years with CN  
- 11 years in current role

**Keith Reardon**  
Senior VP Consumer Product Supply Chain  
- 19 years with CN  
- 7 years leading Intermodal at CN

**James Cairns**  
Senior VP Rail Centric Supply Chain  
- 31 years with CN  
- Over 20 years in carload markets  
- Operational experience

**Michael Foster**  
Executive VP & Chief Information and Technology Officer  
- 23 years of experience in IT & logistics  
- Joined CN in 2018 from FedEx

**Kim Madigan**  
Senior VP Human Resources  
- 20 years with CN  
- 10 years in current role

**Paul Butcher**  
VP Investor Relations  
- 26 years with CN  
- 10 years in investor relations

For more information on CN’s company officers, please visit [www.cn.ca/company-officers](http://www.cn.ca/company-officers).
Leveraging Strong Talent Pool
First railroad to implement talent to value methodology

Empowering internal talent
• Seasoned scheduled railroaders and proven market makers each with over 20 years of experience

Embracing external talent
• Challenging the art of what is possible
• Bringing best in class ideas from other industries to further enhance our world class model
Developing the Best Railroaders

Continuous learning and development

1.9 million hours in 2018, covering skills, re-certification, and various leadership development programs as well as entry-level training

Ensuring continuous learning for our employees is critical to having a skilled, safe and engaged labor force

<table>
<thead>
<tr>
<th>Position</th>
<th>Number of employees (1)</th>
<th>Expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conductors and yard coordinators</td>
<td>3,630</td>
<td>July 22, 2019 (2)</td>
</tr>
<tr>
<td>Track forces</td>
<td>2,772</td>
<td>December 31, 2023</td>
</tr>
<tr>
<td>Shopcraft</td>
<td>2,043</td>
<td>December 31, 2023</td>
</tr>
<tr>
<td>Locomotive engineers</td>
<td>2,094</td>
<td>December 31, 2022</td>
</tr>
<tr>
<td>Clerical and Intermodal</td>
<td>1,789</td>
<td>December 31, 2022</td>
</tr>
<tr>
<td>Signals and communications</td>
<td>733</td>
<td>December 31, 2021</td>
</tr>
</tbody>
</table>

Labour stability

Canadian unionized workforce

U.S. unionized workforce

CN is part of a national labor relation council which works in collaboration with all the railroads to provide a stable landscape to operate in the U.S.

(1) As at December 31, 2018. Excludes rail traffic controllers, special agents and other.
(2) Currently in negotiations, agreement still effective until it is renewed and is following usual process.
## Creating a Diverse and Inclusive Work Environment

### Strengthening our diversity commitment
- Focus on minorities, women, persons with disabilities as well as Aboriginal peoples’
- Looking to increase diversity at more senior levels within our Company, as our workforce continues to turnover due to many retirements

### Partnerships driving our diversity objectives
- Partnered with PGNAETA (1) and BCIT (2) to train Aboriginal railway workers, hiring 70% of the graduates in 2018
- Working closely with POWE (3), women in engineering and women building futures to promote opportunities for women in non-traditional roles

### Promoting cultural awareness
- Created a Diversity Task Force and implemented a number of diversity initiatives
- Provided cultural awareness training and employee sensitivity on Aboriginal issues, and held discussions on diversity at our “Working Together” initiative, enabling employees to candidly discuss diversity and the need for inclusion and teamwork

### Statistics
- **38%** Of our directors are women; meeting CN’s policy of minimum Board representation of 1/3 women
- **40%** New employees in Canada and 29% in U.S. represented by diversity groups
- **30%** Increase of diversity hiring in Canada, and doubled the number of women hired in both Canada and the U.S.

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(1) Prince George Nechako Aboriginal Employment Training Association (PGNAETA).
(2) British Columbia Institute of Technology (BCIT).
(3) Promoting Opportunities for Women in Engineering (POWE).
Targeting Industry-Leading Long-Term Profitable Growth

Solid pipeline of growth opportunities

• Focused on consumer product and rail-centric supply chain organic opportunities

• Disciplined acquisitions and strategic partnerships

• Aiming to deliver compounded pricing above rail inflation
Consumer Product Supply Chain Growth

**Intermodal**

- Multiple gateways and 3-coast access to 15 port terminals
- Extensive network reach with 23 intermodal terminals
- Best gateways in North America
  - Port of Prince Rupert; exclusively served by CN and two days sailing advantage vs Los Angeles or Long Beach; plans to increase capacity from 1.35M TEU (1) to 1.8M TEU by 2022
  - Port of Vancouver; planned expansions from 2.75M TEU to 4.5M TEU by 2022
  - Port of Halifax; exclusively served by CN and shortest sailing time from Europe; working closely with PSA to enable growth on our underutilized Eastern Network
- Focused on road-to-rail conversion, with partnership to reach further markets

**Automotive**

- 18 strategically located auto compounds covering 15 major metropolitan dealer markets across North America
- New plant expansion plans/future product investments from Ford and Fiat Chrysler Automobiles (FCA)
- Largest mover of Tesla’s in Canada

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(1) TEU stands for Twenty-Foot Equivalent Unit which can be used to measure a ship’s cargo carrying capacity. The dimensions of one TEU are equal to that of a standard 20’ shipping container. 20 feet long, 8 feet tall. Usually 9-11 pallets are able to fit in one TEU.
Rail Centric Supply Chain Growth

**Energy**

- Significant investments by various stakeholders in Prince Rupert and Vancouver to expand bulk capacity
- New NGL (propane) export terminal capacity in Prince Rupert
- Clean energy segments growing (e.g. wind turbines, wood pellets, solar panels, lithium)

**Non-Energy**

- 20 out of 21 new grain elevators built exclusively on CN’s network
- Solid CN franchise for forest product origination
- Reaching most important aluminum and steel production areas in North America
- Own and operate a fully integrated iron ore supply chain
Canadian West Coast Port Strategy

Vancouver – Investing to accommodate future growth

Customer investments – Over $1B in private sector investments

1. Centerm – Planned increase in capacity from 600k TEU to 1.5M TEU (early 2022)
   Vanterm - Planned increase in capacity from 850k TEU to 1.1M TEU (2020)

2. Neptune – Coal capacity from 12.2MT to 18.5MT (2021) and Potash capacity from 6MT to 11.5MT (completed)
   Fibreco (Grain / wood pellets) – added grain
   Kinder Morgan – increased agriculture products through terminal
   Cargill (Grain) – added third dumper
   Richardson International Ltd (Grain) – Increased storage and throughput 4-5MT capacity
   G3 (Grain) – New grain terminal with 8MT capacity in 2020

3. Fraser Surrey Docks – DPW proposed acquisition of terminal

4. Deltaport – increased capacity from 1.3M TEU to 1.9M TEU (completed) and plan to increase to 2.4M TEU

Rail investments (close to $300M jointly funded by CN, Port of Vancouver and Canadian Federal Government)

A. 4.3 KM extension of double track (Q4-2021)

B. Improving rail access to North Shore
   • 5.8 km staging track, and tunnel ventilation improvements (Q4 2020)
   • Grade separation (Q1 2024)

C. 5.6 km double track (Q2 2021)

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
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Canadian East Coast Port Strategy
Emulating the success of our Prince Rupert model

Leveraging our underutilized Eastern network

- East Coast port developments aim to capture growth from ultra large container vessels
- Canadian East Coast ports offer competitive gateways for European and Asian cargo
- Partnering with Eastern Canadian port operators to develop market competitive end-to-end service to the U.S. Midwest

Recent developments

- **Halifax** – working closely and strategically with PSA, new operator of Halterm Terminal
- **Quebec City** – potential development of new container terminal port in collaboration with Hutchison Ports

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
## 2019 Market Outlook – Weakening Demand Environment For the Rail Industry

### Consumer Product Supply Chain

- **International intermodal market – focused on 2020 and beyond**
  - Prince Rupert currently running at nameplate capacity (1.3-1.4 M TEUs) with expansions planned for 2021 (250K TEUs) and 2022 (200k TEUs)
  - Additional Cosco Vancouver business (started mid Q3) and The ONE returning to CN (effective June 2020)
  - Enhancing export capabilities - new grain source-load export terminal in Regina (Nov 2019) and new plastic transload facility in Prince Rupert (Sept 2019). Phase 2 expansion in progress
  - New CN-CSXT agreement for containers from NY/NJ/Philadelphia to Montreal and Toronto (Q3 2019)

- **Excess truck capacity impacting domestic intermodal volumes**
  - CargoCool and EMP growth outpacing the market substantially
  - Stronger E-commerce volumes now moving by rail
  - Leverage TransX product suites to convert truck to rail intermodal

- **Automotive**
  - Vancouver autoport operational October 2019
  - Positive carload trend at CN-served OEM locations in Michigan and Ontario
  - New autoport facility near Minneapolis scheduled to open in Q3 2020

### Rail Centric Supply Chain

- **Coal**
  - Strong growth in Canada - ramp up of Coalspur’s new mine
  - Weak U.S. thermal coal exports. Volumes well below 2018 levels

- **Grain**
  - Canadian grain harvest delayed due to poor weather conditions - volumes pushed to 2020 as the harvest is quite late

- **Forest Product**
  - Lumber in a secular shift in British Columbia. Several saw mills curtailed production given low lumber price and high stumpage fees

- **Petroleum and chemicals**
  - Propane volume ramp up at the Altagas export facility in Prince Rupert
  - Uncertainty around crude by rail volumes. Difficult comps in Q4 2019
  - Solid market reach in refined petroleum. Connecting Alberta production with desirable end markets
  - Prince Rupert plastic export transload facility sold out the first month of operation

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*Rail Centric Supply Chain is comprised of the following: Petroleum and Chemicals, Metals and Minerals, Forest Products, Coal, and Grain and Fertilizers.*  
*Consumer Product Supply Chain is comprised of the following: Intermodal and Automotive.*

*Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors underlying CN’s 2019 outlook.*
Leveraging our Unique Network

Key capacity expansions across our network

- Expansion of terminals
  - Success of the supply chain and collaboration with our partners to compete in a global environment
  - Consistent service provides customers ability to grow their business
  - Investing in our inland terminals supporting continued growth in key consumer growth markets

- New terminals
  - To accommodate greater anticipated demand

- New automotive storefronts
  - Strengthening and growing our relationships with our new Vancouver compound (operational)
  - Extending our reach into new markets; Minneapolis compound expected to be completed in late 2020

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
International Intermodal – Prince Rupert

Long term opportunity from ongoing capacity expansion

• Currently operating at nameplate capacity of 1.35M TEUs

• Best West Coast gateway to North America
  • 1-2 days closer sailing time
  • Favorable roundtrip economics supported by export balance
  • Close partnership between terminal and rail operations driving efficiency and premium customer service
  • 9 out of 10 major steamship lines now leveraging Prince Rupert’s unique advantages

• Planned investments for Prince Rupert, jointly funded by CN, Prince Rupert Port Authority (PRPA) and the Canadian Federal government
  • Additional 450,000 TEU capacity by 2022
  • Including bulk expansions

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
International Intermodal – Vancouver
Joint investments by all supply chain stakeholders

- Significant terminal investments increasing available capacity
- Rail-related investments in Vancouver, funded by CN, Port of Vancouver and Federal Government, aligned to ensure gateway fluidity

Deltaport
- 600K TEU capacity expansion completed in 2018
  - CN well-positioned to drive growth

Centerm
- Expansion project started Q3 2019
  - Plan to increase annual container throughput capacity by 600K TEUs to 1.5M TEUs by early 2022

Vanterm
- Planned expansion by 2020
  - Plan to increase annual container throughput capacity by 215K TEUs to 1.1M TEUs

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
International Intermodal – Port of Halifax
Feeding the eastern network

• Halterm Terminal now operated by PSA – a leading global port terminal operator
• Current capacity of 750K TEUs (utilized at around 20%)
• $250M of investments in the past 10 years:
  • Longer and deeper piers
  • Upgraded gates and marshalling areas
• 2019 investments - Super Post-Panamax ship-to-shore crane scheduled to be in service June 2020 and able to handle today’s largest vessels
• Additional investments in 2020 – Berth extension

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
Recent Capacity Investments Enabling Service Improvements in Domestic Intermodal

**Wholesale**
- Strengthening position through strong partnerships with industry leaders
- Courier traffic now back on CN
- Full membership in Equipment Management Pool (EMP) program reducing empty container movements and extending our reach
- Integration of TransX best practices/cross-pollination:
  - Efficient dispatching for better asset utilization
  - Hands-on, personal customer service

**Retail**
- Strengthening position through door-to-door and CargoCool services
- Solid customer base and extensive network reach

**Terminals**
- Technology tools to improve asset utilization and productivity
- Vancouver Intermodal Terminal (VIT) returning capacity to domestic intermodal now that Deltaport rail expansion is completed

*Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.*
Automotive
New storefronts and capacity expansions

• New auto compound in Vancouver providing ability to drive growth in the area
• New auto compound in New Richmond, WI to access Minnesota market with direct, single-line CN service
• New plant expansion plans/future product investments from Ford and Fiat Chrysler Automobiles (FCA)
• Renewed and expanded agreement with GM
  • First customer at the new automotive compounds in Vancouver (October 2019) and New Richmond, WI (opening in Q3 2020)
• AutoMobile International Terminal (2H 2020) – Roll-on/Roll-off (RORO) terminal for imports and short sea shipping from Mexico, conducive to CN rail network to/from Canada and Midwest markets

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
Crude Oil

Best-in-class network from Western Canada to U.S. Gulf Coast

- Lack of U.S. Gulf Coast pipeline access and growing production increases demand for crude-by-rail

- Mindful of risk related to crude price differentials and government interventions

- Working to create long term crude-by-rail demand by promoting diluent recovery capacity, bringing rail transportation costs in line with new pipelines

- Advancing partnerships for CanaPux™ pilot and eventual full-scale deployment
  - CanaPux™ is a safe and innovative process for transporting bitumen, formed by blending and coating bitumen with polymer

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
Frac Sand and NGLs

Benefitting from our solid origin franchise in Wisconsin

• Great origination and termination frac sand franchise
  • Single-line efficient hook-and-haul operation with long length of haul from Wisconsin to Western Canada

• Mindful of risk related to local sourcing of frac sand and demand volatility

• New Altagas propane export facility at Prince Rupert (opened May 2019) – first and only Canadian propane export facilities, potential for others
  • Providing Western Canadian propane access to Asian markets

• CN direct access to NGL fractionation capacity in Edmonton area
  • Generating additional product that must move by rail due to lack of pipeline capacity
Coal & Petroleum Coke
CN exclusive export supply chains

• Unique single access to Ridley and Convent Terminals, offering opportunities for strong growth in export coal

• Ramp-up of new Coal Spur (Vista) coal mine (started in May 2019) with plan for 3M tonnes annualized; potential to eventually increase to the 6M to 10M tonnes range

• Heavy Canadian crude processes creating increased petroleum coke volumes to offshore markets through West Coast and Gulf Coast gateways

• Sale of Ridely Terminal to the private sector is positive for CN’s bulk export opportunities and potential for commodity diversification

• Planned investments at Port of Prince Rupert jointly funded by CN, PRPA and the Canadian Federal government, supporting continued expansion of this growing gateway

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
Refined Petroleum Products & Sulphur

Market disruption creating opportunities

- Growing demand for refined petroleum products in Southern Ontario creating opportunities to source refined petroleum products from Alberta
  - Unique CN reach from Alberta to Southern Ontario

- Alberta oil sands production generating increased sulphur volumes
  - Unique CN reach from origin to export facilities in Vancouver and the St. Lawrence Seaway

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
CN Serving the Majority of New Grain Elevators Built in Canada since 2015

CN grain revenues originating from Canada (1) 67%  
Increased car spotting per week for the 2019/2020 crop year 150  
Increased customer participation in CN’s Western Canada fleet integration program

21 new grain elevators built on CN lines:

<table>
<thead>
<tr>
<th>In operation</th>
<th>Announced</th>
<th>Shared</th>
<th>Other railroad</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>6</td>
<td>1</td>
<td>4</td>
</tr>
</tbody>
</table>

20 CN exclusive

(1) Based on Q3 2019 revenues.

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
Strategic Acquisitions and Partnerships

Building on our acquisition track record

Rail Centric

Intermodal and Logistics

Port Partnerships

Pursuing targets that help our customers get their products to market more efficiently, extend our reach, and increase volume on our network

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
Disciplined Target Selection

Right Target to Feed the Network
- Creates incremental rail volume
- Onboards talent
- Enables modal options & complementary services
- Extends physical & commercial reach

Financially Compelling and Executable
- Determine standalone ROIC
- Identify revenue and cost synergies
- Consider required regulatory approvals

Proven Track Record of Integration
- Deliver on expected standalone return
- Realize synergies
- Cross-pollinate best practices

ONE Goal
- Driving shareholder value

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
TransX – Recent Intermodal Transaction

Creating Incremental Rail Volume
Shifting over-the-road moves to rail and leveraging additional services to increase rail volumes

Onboarding Talent
Strong entrepreneurial management team with deep expertise in logistics, operations, dispatch and temperature-controlled supply chain

Enabling Complementary Services
Enhancing CN’s existing intermodal supply chain solutions

Extending Physical and Commercial Reach
Deepening the temperature-controlled service offering

Broadening our intermodal services and solidifying our leadership as an end-to-end transportation and logistics company

Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
Implementing Advanced Technologies
Our next strategic driver of value

- Increasing speed to market, repeatable and reusable
- Focused on key projects – from pilot to implementation
  - Autonomous track inspection program
  - Automated inspection portals
  - Handheld devices for mechanics and crew
  - Enterprise automation
  - Smart network (digital twin)
Information & Technology
Deploying advanced technologies to drive value

1. Targeting cumulative savings of $200–$400M (1) (2) over 2020–2022

2. Implementing technology as a driver for safety, customer and shareholder value

3. Using advanced information technology to take Scheduled Railroading to the next level


(2) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
Autonomous Track Inspection Program

Specially equipped railcars in regular train service at track speed with the latest sensor and AI technology to fully automate track inspections

- Two geometry equipped inspection cars are now in service and gathering data on CN’s network
- Avoids slow speed hi-rail vehicles on the tracks performing manual/automated inspections
- Increases inspection frequency, quality and more accurate preventative maintenance to support our safety agenda
- Unlocks capacity and improves service reliability by reducing track disruptions
Automated Inspection Portals

High resolution imaging hardware coupled with powerful machine learning software is changing how we inspect our fleet

- Immediate benefits from reduction of mechanical manual roll-by inspections at train departure from the yard, reducing initial train start delays and improving yard capacity
- Future benefits from elimination of time consuming manual Certified Car Inspections (CCI) assuming regulatory approval
- Contributing to improved border fluidity for intermodal trains by ensuring manifest accuracy ahead of border crossing
- Increased frequency and improved quality of inspections, especially on difficult parts of the railcar, including the undercarriage, supporting our safety agenda
Handheld Technology
A mobile foundation starting with 3 applications

Mobile Device for Mechanics (500 devices deployed)
• Increase data accuracy and scope of work billed
• Improve supervisors’ visibility of work progression and efficiency with remote communication of instructions

Mobile Device for Train Crews (8,500 devices deployed)
• Speed up information flow to customers and increase accuracy and completeness in reporting work performed
• Enable dynamic planning and work assignment, staying current on progress

Documentation on Mobile Devices
• Improve safety and productivity with easier navigation and access to operating rules, customization of content and more robust update process

Full deployment of Car Repair Billing application  Q4 2019
Full deployment of Electronic Operating Manual and the first phase of Mobile Reporting Services  Q3 2019
Enable digital reporting on services to customers  2020

Digitization of manual processes driving standardization, improved productivity, reduced costs and better revenue capture
Enterprise Automation

Using technology to automate and eliminate manual and time consuming tasks

- Leveraging a variety of tools, such as Robotic Process Automation (RPA), smart data capture, conversational interfaces (chatbots), cognitive automation and agile orchestration technologies
- Scalability at low incremental cost
- Enables employees to focus on value added tasks
- New Chief Digital Officer scaling up RPA digital lab, accelerating digitization of labor intensive repetitive work process

Assessing enterprise-wide opportunities and prioritizing use cases

Q2 2019

Deploying RPA in Service Delivery

Q3 2019

Automating 10-15 processes across the network through a variety of automation tools

Q4 2019
Smart Network (Digital Twin)

An integrated digital scenario analysis and simulation tool to improve insight and enhance capacity planning relative to changing demand

- Simulates train movements on the network to gain insight on capacity, cost and operational fluidity
- Anchored on simulation and a holistic view of network operations
- Stress testing scenario analysis will help identify options/trade-offs to handle forecasted volume, including identification of specific pinch points, on a more timely basis
  - Particularly important given long lead times to bring new capacity online, such as infrastructure construction, crews, and locomotives

Scenario capability for main corridors

- **Q3 2019**: Integrated with modernized simulator engine
- **Q4 2019**: Locomotive and crew planning model in place
- **2020**: Full integrated network simulator
- **2021**:
Driving Shareholder Value Creation

Aiming for continued strong earnings growth translating into solid Free Cash Flow (FCF) generation

• Strong financial performance with industry-leading margins and revenue growth

• Strong balance sheet and disciplined capital allocation

• Solid historical Total Shareholder Return (TSR)
## Strong Track Record of Delivering Solid Results

### Revenues

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Q3 YTD 18</th>
<th>Q3 YTD 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues ($)M</td>
<td>▲8% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Revenues ($)M</td>
<td>▲5% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Revenues ($)M</td>
<td>▼20% Q3 YTD 19 vs Q3 YTD 18</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>12,611</td>
<td>12,037</td>
<td>13,041</td>
<td>14,321</td>
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<td></td>
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<tr>
<td>2016</td>
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<td>2018</td>
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<tr>
<td>CAGR 4%</td>
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### Net Income

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<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Q3 YTD 18</th>
<th>Q3 YTD 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income ($)M</td>
<td>▲5% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Net Income ($)M</td>
<td>▲5% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Net Income ($)M</td>
<td>▼20% Q3 YTD 19 vs Q3 YTD 18</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>3,538</td>
<td>3,640</td>
<td>4,328</td>
<td>3,185</td>
<td></td>
<td></td>
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<tr>
<td>2016</td>
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<td>2017</td>
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<td>2018</td>
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<tr>
<td>CAGR 7%</td>
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</table>

### Free Cash Flow (1)

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<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Q3 YTD 18</th>
<th>Q3 YTD 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Cash Flow ($)M</td>
<td>▼20% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Free Cash Flow ($)M</td>
<td>▼20% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Free Cash Flow ($)M</td>
<td>▼20% Q3 YTD 19 vs Q3 YTD 18</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>2,373</td>
<td>2,520</td>
<td>2,778</td>
<td>2,514</td>
<td></td>
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<tr>
<td>2016</td>
<td></td>
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<td>2017</td>
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<td>2018</td>
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<tr>
<td>CAGR 2%</td>
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</table>

### Diluted EPS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Q3 YTD 18</th>
<th>Q3 YTD 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diluted EPS $ per share</td>
<td>▲7% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Diluted EPS $ per share</td>
<td>▲7% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Diluted EPS $ per share</td>
<td>▲14% Q3 YTD 19 vs Q3 YTD 18</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>4.39</td>
<td>4.67</td>
<td>5.87</td>
<td>4.31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td>4.62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
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<tr>
<td>2018</td>
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<tr>
<td>CAGR 10%</td>
<td></td>
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</tr>
</tbody>
</table>

### Adjusted Diluted EPS (1)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Q3 YTD 18</th>
<th>Q3 YTD 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Diluted EPS $ per share</td>
<td>▲14% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Adjusted Diluted EPS $ per share</td>
<td>▲14% Q3 YTD 19 vs Q3 YTD 18</td>
<td>Adjusted Diluted EPS $ per share</td>
<td>▲14% Q3 YTD 19 vs Q3 YTD 18</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>4.44</td>
<td>4.59</td>
<td>4.99</td>
<td>5.50</td>
<td></td>
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<tr>
<td>2016</td>
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<td>2017</td>
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<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>CAGR 7%</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### Adjusted ROIC (2)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted ROIC (%)</td>
<td>17.0%</td>
<td>15.8%</td>
<td>15.9%</td>
<td>15.7%</td>
</tr>
</tbody>
</table>

(1) Please see website, Financial Results, [www.cn.ca/financial-results](http://www.cn.ca/financial-results), for an explanation of this non-GAAP measure.

(2) Please see the Appendix for an explanation of this non-GAAP measure.

For more financial information, please visit [www.cn.ca/en/investors](http://www.cn.ca/en/investors).
Disciplined Approach to Capital Investments
Investing to support our business and committed to investing for the long-term

Capital Investments and Adjusted ROIC (1)
in $M & % respectively

Capital investments as a percentage of revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Investments as a % of Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>16.0%</td>
</tr>
<tr>
<td>2013</td>
<td>15.2%</td>
</tr>
<tr>
<td>2014</td>
<td>16.2%</td>
</tr>
<tr>
<td>2015</td>
<td>17.0%</td>
</tr>
<tr>
<td>2016</td>
<td>15.8%</td>
</tr>
<tr>
<td>2017</td>
<td>15.9%</td>
</tr>
<tr>
<td>2018</td>
<td>15.7%</td>
</tr>
<tr>
<td>2019F</td>
<td>21%</td>
</tr>
</tbody>
</table>

Adjusted ROIC (1) used to measure efficiency of CN’s long-term capital investment

(1) Please see the Appendix for an explanation of this non-GAAP measure.
(2) Positive Train Control.
(3) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.
2019 Network Infrastructure and High Horsepower Locomotive Additions

New locomotive deliveries:

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Quantity</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>63</td>
<td>✔</td>
</tr>
<tr>
<td>Q2</td>
<td>61</td>
<td>✔</td>
</tr>
<tr>
<td>Q3</td>
<td>11</td>
<td>✔</td>
</tr>
<tr>
<td>Q4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>140 (~$500M)</strong></td>
<td></td>
</tr>
</tbody>
</table>

(1) Estimated cost to purchase 140 locomotives in 2019.
(2) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors.

Supporting our solid pipeline of growth opportunities in diverse markets.

Legend:
- New long siding / track
- Double track
- Double track completed

- Taverna – Prince Rupert
  - 3 miles double track
  - 1 new siding

- Winnipeg – Edmonton
  - 49 miles double track
  - 34 miles completed

- Edmonton – Vancouver
  - 18 miles double track

- Chicago - Winnipeg
  - 8 miles double track
  - 1 new siding
Rewarding Shareholders

Over $3.3B or ~82% of adjusted net income \(^{(1)}\) returned to shareholders in 2018

Consistently increasing dividends

- Dividend increased every year since 1995 IPO
- Targeting 35% adjusted dividend payout ratio (31% in 2018) \(^{(2)}\) \(^{(3)}\)

Annual dividend payout ($ per share)
(adjusted for stock splits)

![Graph showing annual dividend payout growth with CAGR 16%](image)

Opportunistic share repurchases

- Over $22B of share repurchases since 2000
- Normal Course Issuer Bid (NCIB) of up to 22 million common shares from February 1, 2019 to January 31, 2020

Amount spent on share repurchases (in $M)

![Bar chart showing amount spent on share repurchases](image)

---

\(^{(1)}\) Please see website, Financial Results, [www.cn.ca/financial-results](http://www.cn.ca/financial-results), for an explanation of this non-GAAP measure.

\(^{(2)}\) Please see the Appendix for an explanation of this measure.

\(^{(3)}\) Please see Forward-Looking Statements at the beginning of the presentation.
Maintaining a Strong Balance Sheet
Prudent financial management

Adjusted debt-to-adjusted EBITDA multiple (1)

2012 2013 2014 2015 2016 2017 2018
1.71 1.74 1.63 1.77 1.85 1.75 1.94
LTM (2) ended Sep 18
LTM (2) ended Sep 19
1.90 1.96

Investment Grade Credit Ratings

<table>
<thead>
<tr>
<th></th>
<th>Moody’s</th>
<th>Dominion Bond Rating Service</th>
<th>Standard &amp; Poor’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>A2</td>
<td></td>
<td>A</td>
<td>A</td>
</tr>
</tbody>
</table>

(1) Please see website, Financial Results, [www.cn.ca/financial-results](http://www.cn.ca/financial-results), for an explanation of this non-GAAP measure.

(2) LTM - Last 12 months.
Latest 2019 Financial Outlook

• Targeting to deliver adjusted diluted EPS growth in the high single-digit range versus 2018 adjusted diluted EPS of $5.50 based on (1) (2):
  • Slightly negative volume growth in terms of RTMs
  • Overall pricing above rail inflation
  • Canadian to U.S. dollar exchange rate of approximately 75 cents

• Aiming for a capital envelope at approximately $3.9B for 2019

• Targeting an adjusted dividend payout ratio of 35% (3)

(1) Please see website, Third Quarter Results, www.cn.ca/financial-results, for an explanation of this non-GAAP measure.

(2) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors underlying CN’s 2019 financial outlook.

(3) Please see Appendix for an explanation of this non-GAAP measure. Please see Forward-Looking Statements at the beginning of the presentation.
Executing our Strategic Game Plan
To deliver long-term profitable growth and create shareholder value

Our foundation
Service and operational excellence driven by culture of continuous improvement and social responsibility; pioneers of Scheduled Railroading with unique network

Right talent to win
Action-oriented, deep bench with strong track record and focus on continuous improvement

Driving shareholder value creation
Consistent capital allocation strategy with financial discipline and flexibility to drive strong and sustainable ROIC

Implementing advanced technologies to modernize Scheduled Railroading
At forefront of industry further enhancing safety, reliability and efficiency

Industry-leading long-term profitable growth
Multiple levers with solid pipeline to continue growing faster than the economy at low incremental cost
Appendix
## Appendix: Financial Highlights

Consistently delivered **15%+ ROIC since 2012**

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</tr>
</thead>
<tbody>
<tr>
<td><strong>Total revenues ($M)</strong></td>
<td>9,920</td>
<td>10,575</td>
<td>12,134</td>
<td>12,611</td>
<td>13,037</td>
<td>13,431</td>
<td>14,321</td>
<td>6%</td>
<td>11,333</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Operating income ($M)</strong></td>
<td>3,552</td>
<td>3,819</td>
<td>4,498</td>
<td>5,155</td>
<td>5,243</td>
<td>5,493</td>
<td>5,493</td>
<td>8%</td>
<td>4,375</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Diluted earnings per share ($)</strong></td>
<td>3.06</td>
<td>3.09</td>
<td>3.85</td>
<td>4.39</td>
<td>4.67</td>
<td>7.24</td>
<td>5.87</td>
<td>11%</td>
<td>4.62</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Adjusted diluted earnings per share ($) (2)</strong></td>
<td>2.81</td>
<td>3.06</td>
<td>3.76</td>
<td>4.44</td>
<td>4.59</td>
<td>4.99</td>
<td>5.50</td>
<td>12%</td>
<td>4.56</td>
<td>14%</td>
</tr>
<tr>
<td><strong>Free cash flow ($M) (2)</strong></td>
<td>1,661</td>
<td>1,623</td>
<td>2,220</td>
<td>2,373</td>
<td>2,520</td>
<td>2,778</td>
<td>2,514</td>
<td>7%</td>
<td>1,499</td>
<td>(20%)</td>
</tr>
<tr>
<td><strong>Operating ratio (%)</strong></td>
<td>64.2</td>
<td>63.9</td>
<td>62.9</td>
<td>59.1</td>
<td>58.2</td>
<td>59.8</td>
<td>61.6</td>
<td>61.4</td>
<td>20 bps</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted operating ratio (2)</strong></td>
<td>64.2</td>
<td>63.9</td>
<td>62.9</td>
<td>59.1</td>
<td>58.2</td>
<td>59.8</td>
<td>61.5</td>
<td>60.7</td>
<td>90 bps</td>
<td></td>
</tr>
<tr>
<td><strong>Share repurchases ($M)</strong></td>
<td>1,400</td>
<td>1,400</td>
<td>1,505</td>
<td>1,750</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>6%</td>
<td>1,271</td>
<td></td>
</tr>
<tr>
<td><strong>Dividends per share ($)</strong></td>
<td>0.75</td>
<td>0.86</td>
<td>1.00</td>
<td>1.25</td>
<td>1.50</td>
<td>1.65</td>
<td>1.82</td>
<td>16%</td>
<td>1.6125</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Adjusted debt-to-adjusted EBITDA multiple (times) (2)</strong></td>
<td>1.71</td>
<td>1.74</td>
<td>1.63</td>
<td>1.77</td>
<td>1.85</td>
<td>1.75</td>
<td>1.94</td>
<td>1.96</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Return on Invested Capital (ROIC) (%) (3)</strong></td>
<td>17.3</td>
<td>15.4</td>
<td>16.6</td>
<td>16.8</td>
<td>16.0</td>
<td>22.4</td>
<td>16.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted ROIC (%) (3)</strong></td>
<td>16.0</td>
<td>15.2</td>
<td>16.2</td>
<td>17.0</td>
<td>15.8</td>
<td>15.9</td>
<td>15.7</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Q3 YTD 2019 vs Q3 YTD 2018.
(2) Please see website, Financial Results, [www.cn.ca/financial-results](http://www.cn.ca/financial-results), for an explanation of these non-GAAP measures.
(3) Please see the Appendix – Non-GAAP measures for an explanation of these non-GAAP measures.
Appendix: Non-GAAP Measures

This presentation makes reference to non-GAAP measures that do not have any standardized meaning prescribed by GAAP, including adjusted dividend payout ratio, ROIC and adjusted ROIC. These non-GAAP measures may not be comparable to similar measures presented by other companies. These non-GAAP measures should not be considered in isolation or as a substitute for financial measures prepared in accordance with GAAP.

Adjusted Dividend Payout Ratio

Management believes that the adjusted dividend payout ratio is a useful measure of the Company’s financial strength as it demonstrates the sustainability of the Company’s dividend payments. The Company calculates the dividend payout ratio as dividends divided by net income. The Company calculates the adjusted dividend payout ratio as dividends divided by adjusted net income.

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends</td>
<td>652</td>
<td>724</td>
<td>818</td>
<td>996</td>
<td>1,159</td>
<td>1,239</td>
<td>1,333</td>
</tr>
<tr>
<td>Net income</td>
<td>2,680</td>
<td>2,612</td>
<td>3,167</td>
<td>3,538</td>
<td>3,640</td>
<td>5,484</td>
<td>4,328</td>
</tr>
<tr>
<td>Dividend payout ratio (%)</td>
<td>24.3</td>
<td>27.7</td>
<td>25.8</td>
<td>28.2</td>
<td>31.8</td>
<td>22.6</td>
<td>30.8</td>
</tr>
<tr>
<td>Adjusted net income</td>
<td>2,456</td>
<td>2,582</td>
<td>3,095</td>
<td>3,580</td>
<td>3,581</td>
<td>3,778</td>
<td>4,056</td>
</tr>
<tr>
<td>Adjusted dividend payout ratio (%)</td>
<td>26.5</td>
<td>28.0</td>
<td>26.4</td>
<td>27.8</td>
<td>32.4</td>
<td>32.8</td>
<td>32.9</td>
</tr>
</tbody>
</table>

(1) Please see website, Financial Results, [www.cn.ca/financial-results](http://www.cn.ca/financial-results), for an explanation of this non-GAAP measure.
Appendix: Non-GAAP Measures (Continued)

**ROIC and Adjusted ROIC**

Management believes that ROIC and adjusted ROIC are useful measures of the efficiency in the use of capital funds. The Company calculates ROIC as return divided by average invested capital. Return is defined as net income plus interest expense after-tax, calculated using the Company’s effective tax rate. Average invested capital is defined as the sum of total shareholders’ equity, long-term debt and current portion of long-term debt less cash and cash equivalents, and restricted cash and cash equivalents, averaged between the beginning and ending balance over a twelve-month period. The Company calculates adjusted ROIC as adjusted return divided by average invested capital. Adjusted return is defined as adjusted net income plus interest expense after-tax, calculated using the Company’s effective tax rate, excluding the tax effect of adjustments used to determine adjusted net income.

<table>
<thead>
<tr>
<th>In $M, unless otherwise indicated</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>2,680</td>
<td>2,612</td>
<td>3,167</td>
<td>3,538</td>
<td>3,640</td>
<td>5,484</td>
<td>4,328</td>
</tr>
<tr>
<td>Interest expense</td>
<td>342</td>
<td>357</td>
<td>371</td>
<td>439</td>
<td>480</td>
<td>481</td>
<td>489</td>
</tr>
<tr>
<td>Tax on interest expense (1)</td>
<td>(91)</td>
<td>(97)</td>
<td>(102)</td>
<td>(120)</td>
<td>(125)</td>
<td>(124)</td>
<td>(116)</td>
</tr>
<tr>
<td>Return</td>
<td>2,931</td>
<td>2,872</td>
<td>3,436</td>
<td>3,857</td>
<td>3,995</td>
<td>5,841</td>
<td>4,701</td>
</tr>
<tr>
<td>Average invested capital</td>
<td>16,913</td>
<td>18,650</td>
<td>20,711</td>
<td>23,014</td>
<td>24,905</td>
<td>26,019</td>
<td>28,192</td>
</tr>
<tr>
<td>ROIC (%)</td>
<td>17.3</td>
<td>15.4</td>
<td>16.6</td>
<td>16.8</td>
<td>16.0</td>
<td>22.4</td>
<td>16.7</td>
</tr>
<tr>
<td>Adjusted net income (2)</td>
<td>2,456</td>
<td>2,582</td>
<td>3,095</td>
<td>3,580</td>
<td>3,581</td>
<td>3,778</td>
<td>4,056</td>
</tr>
<tr>
<td>Interest expense</td>
<td>342</td>
<td>357</td>
<td>371</td>
<td>439</td>
<td>480</td>
<td>481</td>
<td>489</td>
</tr>
<tr>
<td>Adjusted tax on interest expense (3)</td>
<td>(93)</td>
<td>(95)</td>
<td>(103)</td>
<td>(116)</td>
<td>(126)</td>
<td>(124)</td>
<td>(120)</td>
</tr>
<tr>
<td>Adjusted return</td>
<td>2,705</td>
<td>2,844</td>
<td>3,363</td>
<td>3,903</td>
<td>3,935</td>
<td>4,135</td>
<td>4,425</td>
</tr>
<tr>
<td>Average invested capital</td>
<td>16,913</td>
<td>18,650</td>
<td>20,711</td>
<td>23,014</td>
<td>24,905</td>
<td>26,019</td>
<td>28,192</td>
</tr>
<tr>
<td>Adjusted ROIC (%)</td>
<td>16.0</td>
<td>15.2</td>
<td>16.2</td>
<td>17.0</td>
<td>15.8</td>
<td>15.9</td>
<td>15.7</td>
</tr>
</tbody>
</table>

(1) The effective tax rates from 2012 to 2018 used to calculate the tax on interest expense are 26.7%, 27.2%, 27.4%, 27.4%, 26.1%, 25.8% and 23.8%, respectively. Due to the negative effective tax rate reported by the Company in 2017, tax on interest expense for 2017 periods was calculated using an adjusted effective tax rate.

(2) Please see website, Financial Results, [www.cn.ca/financial-results](http://www.cn.ca/financial-results), for an explanation of this non-GAAP measure.

(3) The adjusted effective tax rates from 2012 to 2018 used to calculate the adjusted tax on interest expense are 27.3%, 26.6%, 27.7%, 26.5%, 26.2%, 25.8% and 24.5%, respectively.
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