



First Quarter 2024 Financial and Operating Results

April 23, 2024

TSX: CNR NYSE: CNI



Forward-looking statements

Certain statements included in this presentation are "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.

2024 Key Assumptions

CN has made a number of economic and market assumptions in preparing its 2024 outlook. The Company continues to assume slightly positive North American industrial production in 2024. For the 2023/2024 crop year, the grain crop in Canada was below its three-year average (also below when excluding the significantly lower 2021/2022 crop year) and the U.S. grain crop was above its three-year average. The Company continues to assume that the 2024/2025 grain crop in Canada will be in line with its three-year average (excluding the significantly lower 2021/2022 crop year) and the U.S. grain crop will also be in line with its three-year average. CN continues to assume RTM growth in mid-single digit range. CN assumes continued pricing above rail inflation upon contract renewals. CN also continues to assume that in 2024, the value of the Canadian dollar in U.S. currency will be approximately \$0.75, and now assumes that in 2024 the average price of crude oil (West Texas Intermediate) will be approximately in the US\$80 - US\$90 range per barrel (compared to its January 23, 2024 assumption of approximately US\$70 - US\$80 per barrel).

2024-2026 Key Assumptions

CN has made a number of economic and market assumptions in preparing its three-year financial perspective. CN assumes that the North American industrial production will increase by at least two percent CAGR over the next three years. CN assumes continued pricing above rail inflation. CN assumes that the value of the Canadian dollar in U.S. currency will be approximately \$0.75 and that the average price of crude oil (West Texas Intermediate) will be approximately US\$80 per barrel during this period.

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, general economic and business conditions, including factors impacting global supply chains such as pandemics and geopolitical conflicts and tensions; 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 and other types of claims and litigation; risks and liabilities arising from derailments; timing and completion of capital programs; the availability of and cost competitiveness of renewable fuels and the development of new locomotive propulsion technology; reputational risks; supplier concentration; pension funding requirements and volatility; and other risks detailed from time to time in reports filed by CN with securities regulators in Canada and the United States. Reference should also be made to Management's Discussion and Analysis (MD&A) 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. Information contained on, or accessible through, our website is not incorporated by reference into this presentation.

Non-GAAP measures

CN's full-year adjusted diluted EPS outlook excludes 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 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.

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

On the call today



Tracy Robinson

President and CEO



Pat Whitehead

Chief Network Operating Officer



Derek Taylor

Chief Field Operating Officer



Doug MacDonald

Chief Marketing Officer



Ghislain Houle

Chief Financial Officer



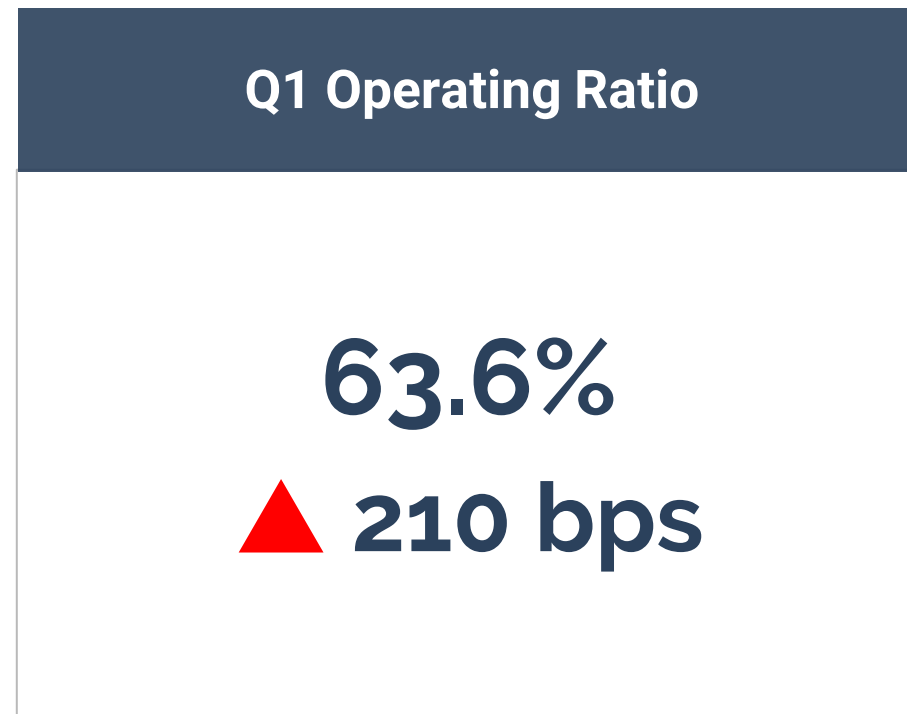
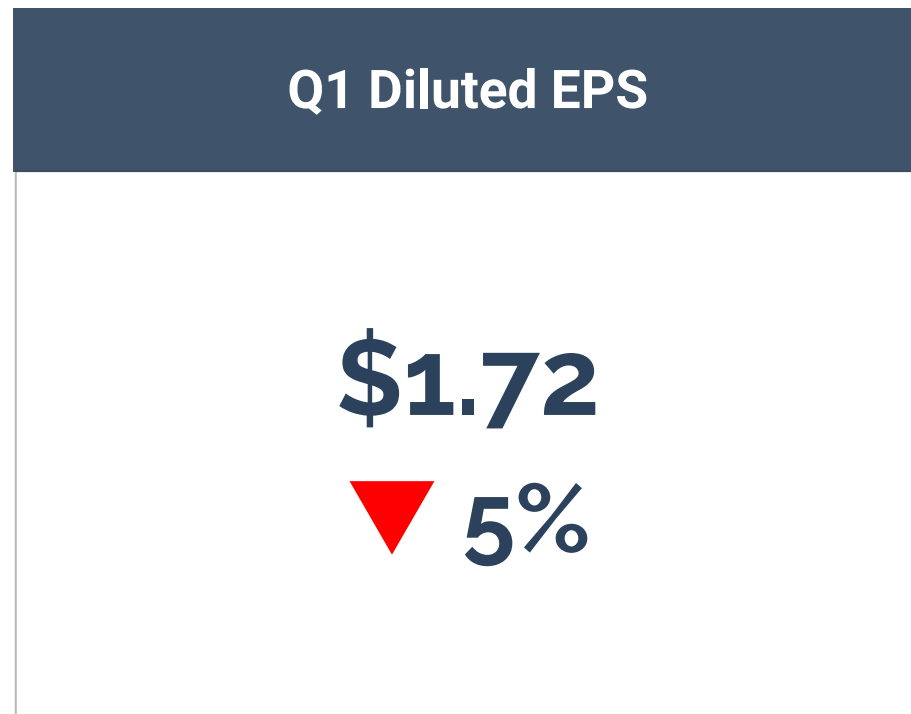
Tracy Robinson

President and Chief Executive Officer

Solid Q1 results – Confidence in financial outlook ⁽¹⁾



- Financial results in line with expectations for the first quarter
- ‘Make the Plan, Run the Plan, Sell the Plan’ model provides operating resiliency and underpins consistent customer service
- Volume outlook supported by an improving macro environment, with CN-specific growth initiatives providing added confidence in our mid-single-digit RTM growth assumption



(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.

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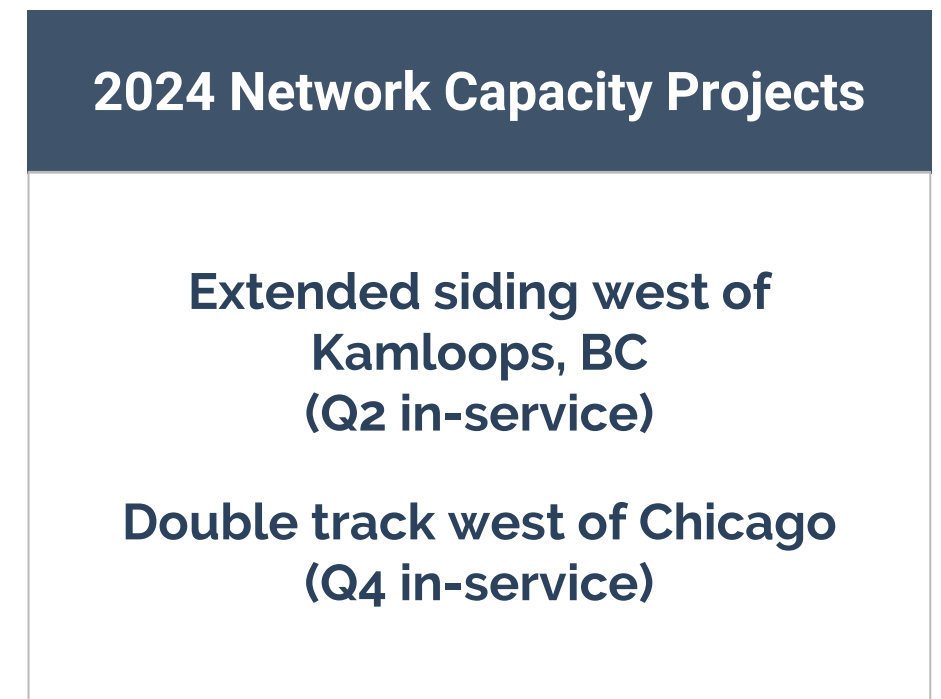
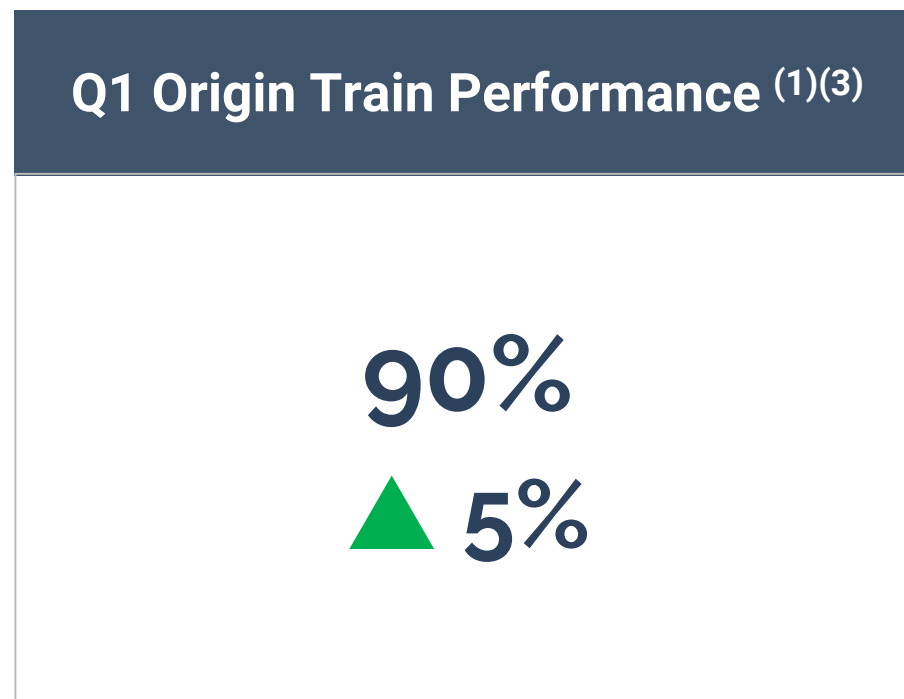
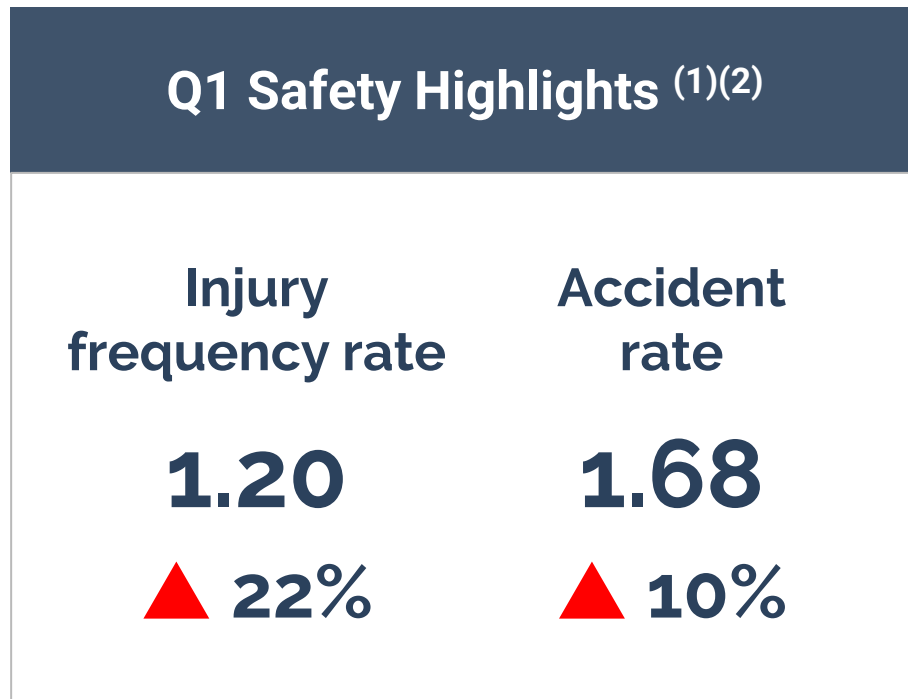


Pat Whitehead

Chief Network Operating Officer

The Plan is geared for growth

- Stepping up field engagement and leveraging technology to drive safety performance
- The Plan enables consistent and reliable customer service as demand rises
- Delivering new network capacity to accommodate growth



(1) Operating measures and safety indicators are unaudited and based on estimated data available at such time and are subject to change as more complete information becomes available.

(2) Based on Federal Railroad Administration (FRA) reporting criteria.

(3) Origin train performance, which is defined as the percentage of manifest, automotive, and domestic intermodal trains departing origin within allowance of the scheduled time, averaged 90% in Q1 2024, an improvement of 5% compared to 86% for the same period in 2023.

Derek Taylor

Chief Field Operating Officer



Serving our customers is our priority



- Car velocity and train speed essentially steady despite headwinds in the quarter
- Disciplined network execution and fluid yards are the cornerstone of consistent, reliable customer service
- Running the Plan will drive operating leverage, particularly in our Merchandise segment, as volumes ramp up

Q1 Car Velocity ⁽¹⁾

205 miles/day

▼ 3%

Q1 Through Dwell ⁽¹⁾

**7.1 hours
flat**

Q1 Local Service Commitment ⁽¹⁾⁽²⁾

**92%
▲ 6%**

(1) Operating measures are unaudited and based on estimated data available at such time and are subject to change as more complete information becomes available.

(2) Local Service Commitment, which is defined as the percentage of cars that successfully completed their Daily Operating Plan, averaged 92% in Q1 2024, an improvement of 6% compared to 87% for the same period in 2023.

Doug MacDonald

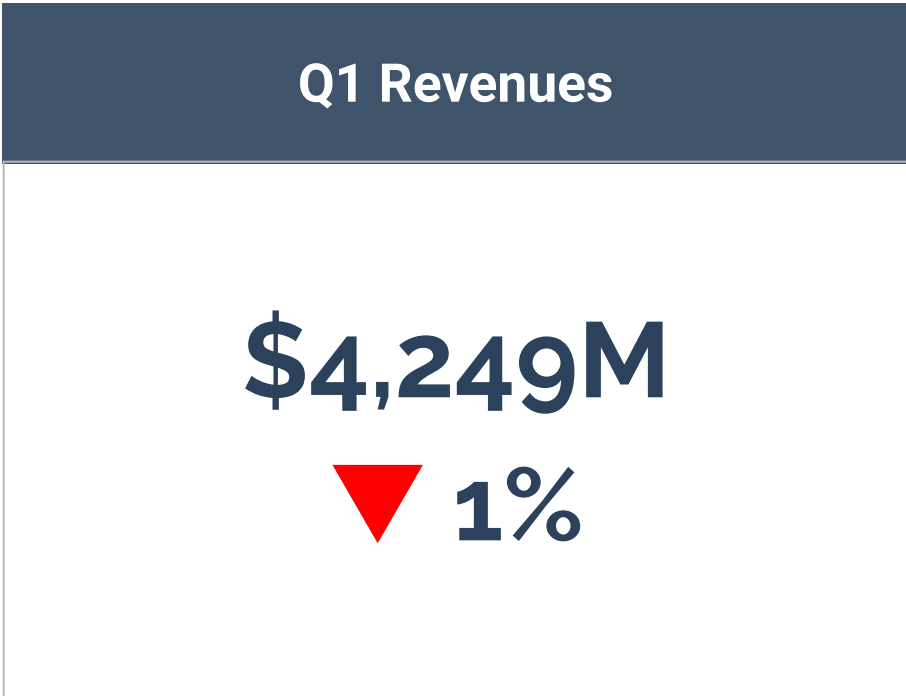
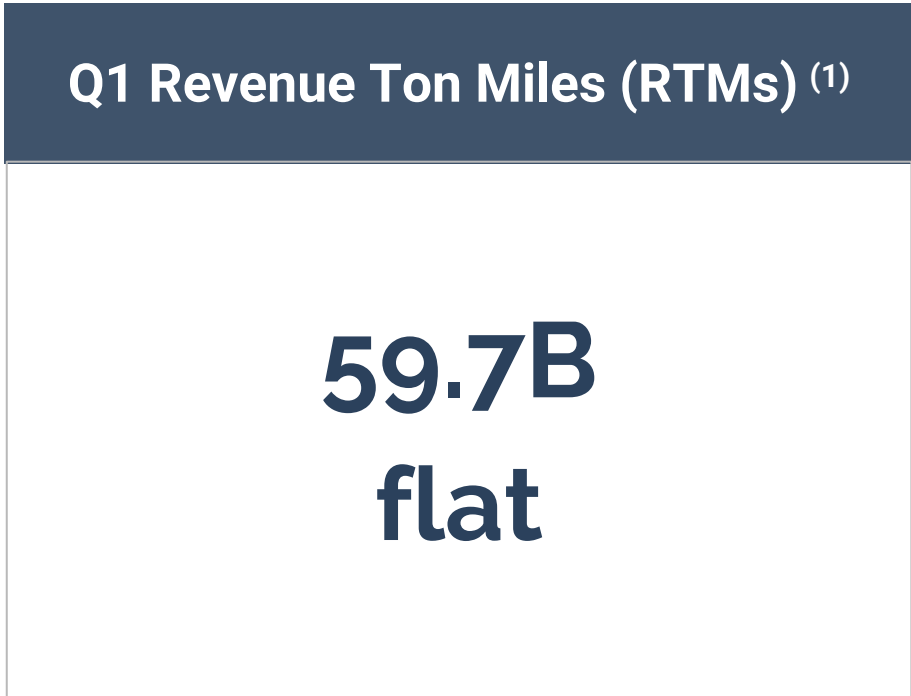
Chief Marketing Officer



Firming merchandise and intermodal segments driving growth



- Improving demand for international intermodal and strength in potash, refined petroleum products, and frac sand; offset by weaker crude oil, coal and grain segments
- Continued strong pricing above rail inflation helped offset lower fuel surcharge
- CN-specific initiatives are delivering carloads



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Demand momentum building in 2024



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



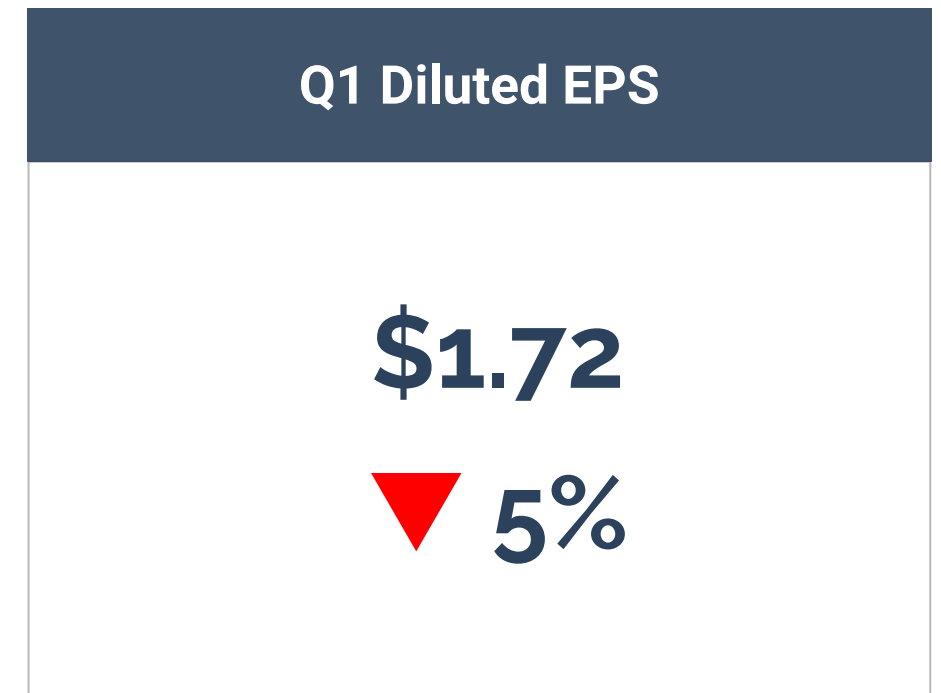
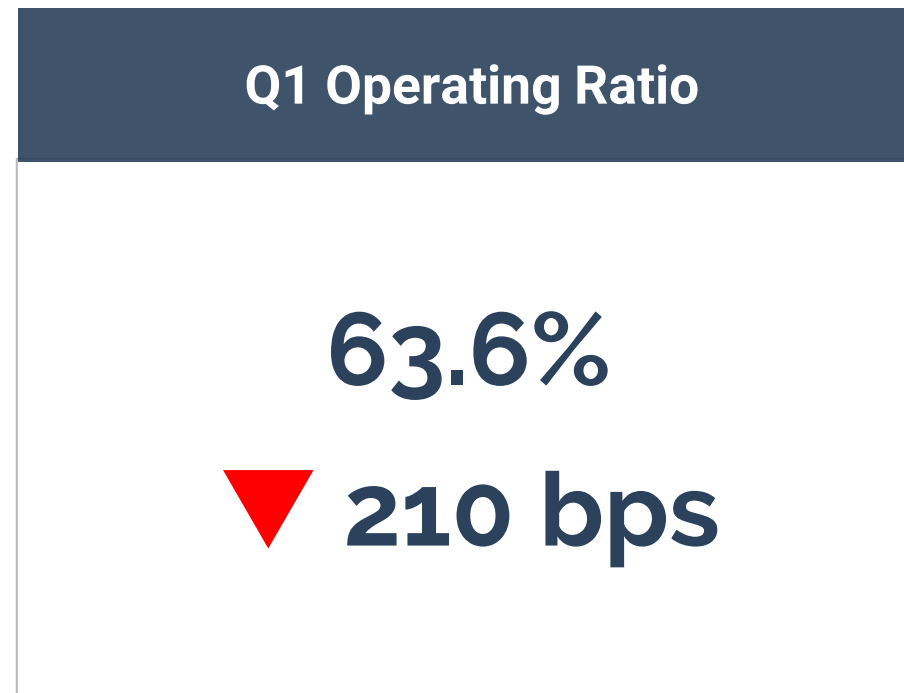
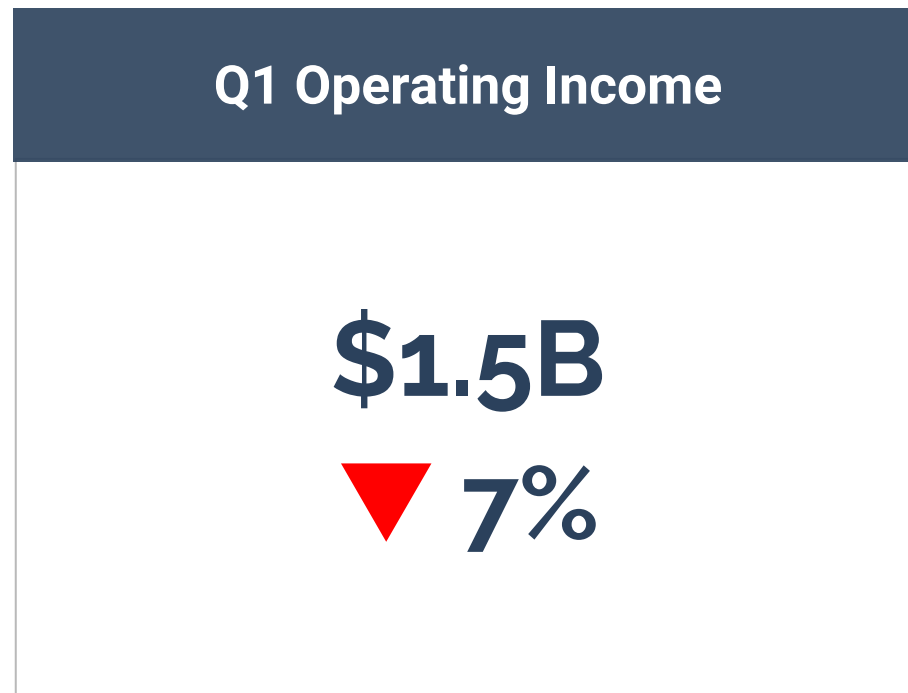
Ghislain Houle

Chief Financial Officer

Good results to start the year – in line with our expectations



- EPS of \$1.72 down 5% – a solid performance versus last year’s record Q1 performance, which included a 10-cent fuel lag tailwind
- Q1 operating ratio returned to a more winter-like OR



Advancing our strategy – reaffirming 2024 financial outlook ⁽¹⁾



- Reaffirming outlook for ~10% adjusted diluted EPS ⁽²⁾ growth over 2023
- CAPEX and ROIC on track with guidance
- Continuing to reward shareholders with 7% dividend growth, and executing on our share repurchase program in the range of \$4B

2024 Adjusted diluted EPS⁽²⁾ growth

 **~10%**

Disciplined Investment

CAPEX

\$3.5B

net of amounts
reimbursed by
customers

**Adjusted
ROIC⁽²⁾**

15%-17%

in line with
targeted range

Rewarding Shareholders

 **7% dividend growth**

**Share buyback of up to
32 million common
shares**

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(2) CN's full-year adjusted diluted EPS outlook and full-year adjusted ROIC 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 or its adjusted ROIC 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 or its adjusted ROIC outlook.



Tracy Robinson

President and Chief Executive Officer

Our Plan is working



- The team is coming together
- Scheduled operation is delivering for customers
- Ready for strong balance-of-year volumes