

DELIVERING RESPONSIBLY

2024 Sustainability Report



CN is focused on building a sustainable future by ***Delivering Responsibly***: moving customer goods safely and efficiently; being environmentally responsible; attracting and developing talented railroaders; and helping build safer, stronger communities, all while adhering to the highest standards of governance and supporting shareholder value.

BUILDING A SUSTAINABLE FUTURE TOGETHER

PICTURED:
(Above) **Stephanie Proulx**, Conductor, **Kalin Rehaluk**, Terminal Manager
(Cover) Intermodal train, Skeena, BC, Photo by CN employee **Tim Stevens**

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MESSAGE FROM OUR CHAIR

DEDICATED TO DELIVERING RESPONSIBLY

At CN, our purpose is to power the economy. As the Board of Directors, we are committed to advancing our three strategic priorities: sustain and build on our reliable, safe and efficient customer service; grow our business by helping our customers win in their markets; and develop our people who are the engine for our success. Underpinning these priorities is our overall ambition to create shareholder value by sustainably growing the business and delivering responsibly.



Shauneen Bruder
Chair of the Board of Directors

Building Resiliency through Good Governance

As a Board, we are dedicated to ensuring leading governance practices and we take very seriously our obligations to oversee enterprise risks. We work diligently and collaboratively with management to ensure appropriate actions are taken to deliver strong customer service and business performance while building

resiliency. In 2024, we restructured our Board committees to prioritize CN's business objectives and ensure clear mandates, including the safety and efficiency of our operations.

Part of our obligation is in overseeing CN's enterprise risk assessment process and rigorously testing it to help us identify, assess and manage significant

risks, including climate risks and emerging risks, and seize opportunities. This dynamic focus enables the Board's planning and prioritization practices to anticipate and mitigate potential risks, while being ready to be nimble and supportive of our customers in a shifting business environment.

Supporting Sustainability

CN's Board is focused on ensuring our sustainability initiatives are in line with our strategy and corporate responsibilities as we strive to deliver on our sustainability commitments in a constantly evolving landscape.

Safety is our core value. We're committed to providing the leadership, training, and resources necessary to support continuous improvement in safety.

For the environment, while rail is already the most sustainable form of land transportation for shipping heavy freight over long distances, we're taking steps to further minimize the environmental impact of our operations.

Our people are our greatest advantage, and we are focused on talent development and succession planning that continues to identify, attract, develop, and retain the next generation of railroaders.

We want to be good neighbours to the stakeholders and Indigenous communities along our network. In 2024, we released our first Indigenous Reconciliation Action Plan to outline our approach to supporting Indigenous communities.

On behalf of the Board, thank you to our employees, customers, shareholders, and communities for their ongoing collaboration and feedback.

Shauneen Bruder

SELECTED 2024-2025 MEMBERSHIPS AND RECOGNITION

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Listed on the Dow Jones Best-in-Class World Index for the 13th consecutive year and the Dow Jones Best-in-Class North America Index for the 16th consecutive year.

S&P Global
Sustainability Yearbook Member
Corporate Sustainability Assessment 2024

Recognized as one of the top sustainability performers in the transportation industry by the 2025 S&P Global Yearbook.

THE GLOBE AND MAIL

Earned a 1st place ranking among 215 companies listed on the S&P/TSX Composite Index in 2024 with a score of 99% based on a rigorous set of governance criteria.

BEST 50 2025
CANADA'S BEST CORPORATE CITIZENS

Ranked among the Best 50 Corporate Citizens in Canada by Corporate Knights for the 17th consecutive year, an annual ranking of corporate sustainability performance.

MESSAGE FROM OUR PRESIDENT AND CEO

CHARTING THE COURSE FOR A SUSTAINABLE FUTURE

Welcome to CN’s latest *Delivering Responsibly* report – marking 20 years of our steadfast commitment to building a more sustainable future. This year’s report reflects our ongoing efforts to operate responsibly, stay transparent, and remain accountable on our sustainability journey.

Delivering Responsibly Today and Tomorrow

For more than two decades, delivering responsibly has guided every decision we make and shaped our commitments, investments, and daily operations as we work toward a more sustainable future. We are dedicated in our focus to provide safe, efficient, and reliable service to our customers, while taking steps to minimize our environmental footprint, build the next generation of railroaders, be a good neighbour, and uphold leading standards of governance.

In 2024, we continued to strengthen our operational excellence by further tying sustainability to the core of our business strategy. Our efforts to reduce locomotive greenhouse gas emissions, elevate customer experience, and foster employee engagement are not just aspirations – they are embedded in our performance goals and in the incentive plans for senior leaders.

Our strategy drives measurable progress: we achieved a 4% improvement in Scope 1 and 2 emissions intensity compared to 2023, alongside a 91% overall service rating, up from 88% the previous year. This alignment ensures that our drive for service excellence goes hand-in-hand with our sustainability ambitions.

Our people remain at the heart of our success. In 2024, employee engagement meaningfully increased, highlighting our ongoing efforts to build trust, strengthen communication, and develop our teams. Increased management presence in the field and across the organization has fostered a culture of collaboration and empowerment, ensuring our workforce is equipped and motivated to deliver for our customers and communities. Reflecting this commitment, employees collectively recorded over 1 million hours of training in 2024, reinforcing our focus on safety, skills development, and continuous improvement.

Our Sustainability Goals in Action

Guided by the core principles of our sustainability vision – Environment, Safety, People, Community, and Governance – every action we take shapes our approach to responsible operations. Safety remains at the heart of everything we do. In 2024, we improved our accident rate by 8% from 2023 and recorded the second-best injury performance in CN’s history. Never satisfied, we continue to prioritize safety because nothing is more important than ensuring every team member returns home safely. We work toward this goal by fostering a strong safety culture, engaging in ongoing training, and investing in cutting-edge technologies. Our approach to people and operations is grounded in CN’s guiding principles, ensuring every decision supports our broader ambition: to create long-term shareholder value by growing our business responsibly and sustainably.

As we transition to a lower-carbon economy, we invest in equipping our locomotives with technologies to improve train performance, and overall fuel efficiency. We are continuing to modernize existing locomotives with the latest technology to increase reliability, enhance fuel efficiency, and extend their life as part of our fleet renewal program. In addition, we’re working with partners to increase our use of biofuels in different classes of locomotives, which is a key enabler for meeting our 2030 greenhouse gas emission intensity reduction target. And, in 2024, we significantly increased our use of renewable fuels, which represented close to 10% of our locomotive fuel in the year.

As we move forward, our focus remains on delivering responsibly through an unwavering commitment to safety and service excellence, customer-centric growth, and a rewarding work environment. To all our railroaders and stakeholders, thank you for your continued commitment and support.



Tracy Robinson



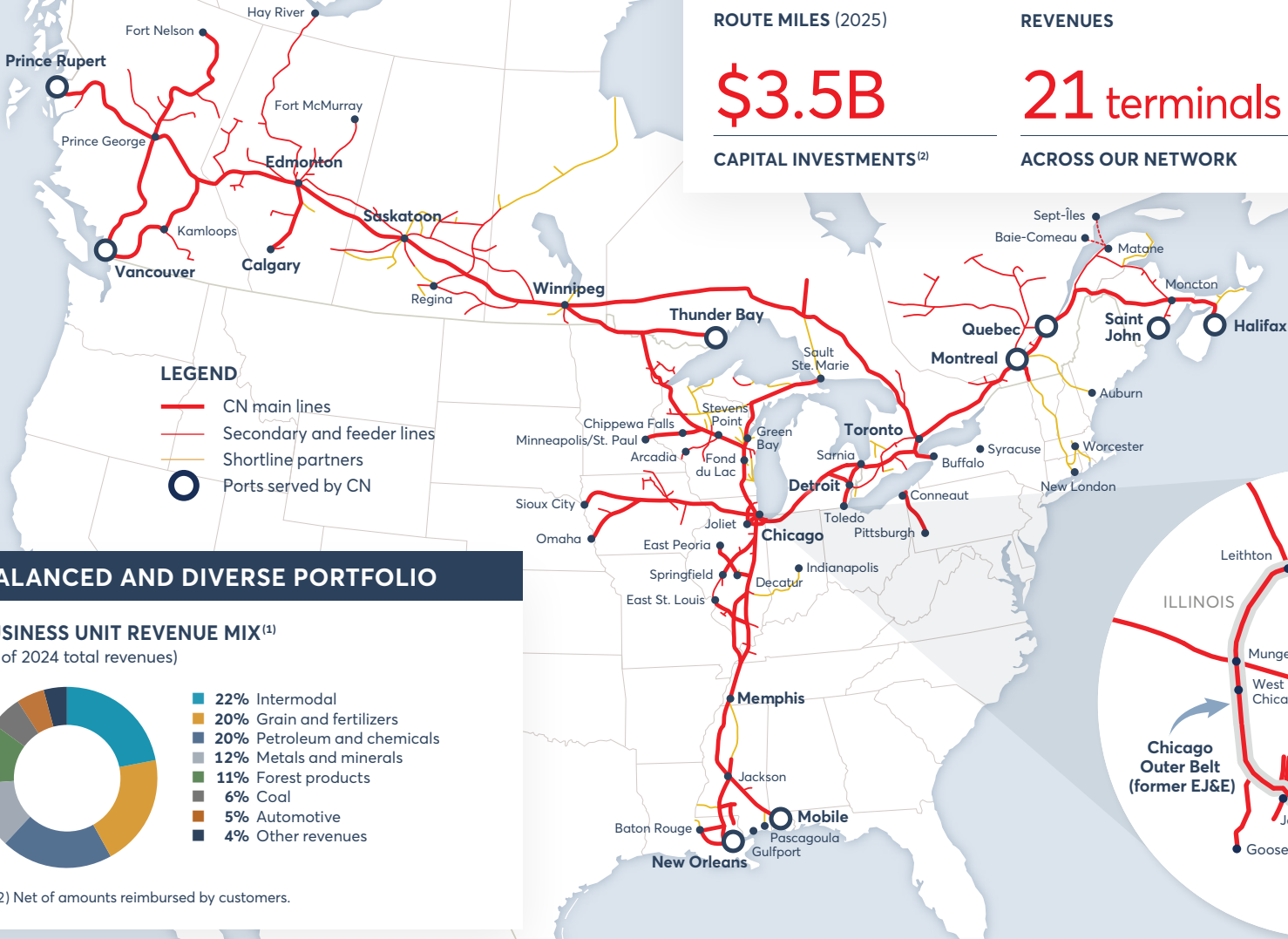
Tracy Robinson
President and Chief Executive Officer

“CN continues to relentlessly focus on building and sustaining service excellence, growing our business, and developing our people.”

OUR BUSINESS AT A GLANCE

STRONG NETWORK DELIVERS OPPORTUNITIES

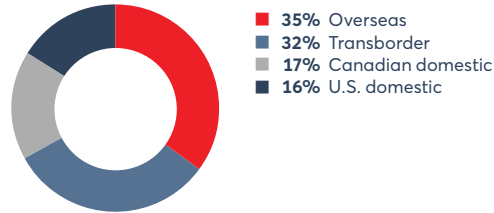
CN powers the economy by safely transporting more than 300 million tons of natural resources, manufactured products and finished goods throughout North America every year for our customers. With our nearly 20,000 mile rail network and related transportation services, CN connects Canada's Eastern and Western coasts with the U.S. Midwest and U.S. Gulf Coast, contributing to sustainable trade and the prosperity of the communities in which it operates since 1919.



2024 KEY STATISTICS ⁽¹⁾		
18,900	\$17B	~25,000
ROUTE MILES (2025)	REVENUES	EMPLOYEES (end of year)
\$3.5B	21 terminals	7 major ports
CAPITAL INVESTMENTS ⁽²⁾	ACROSS OUR NETWORK	SERVED ON THREE COASTS

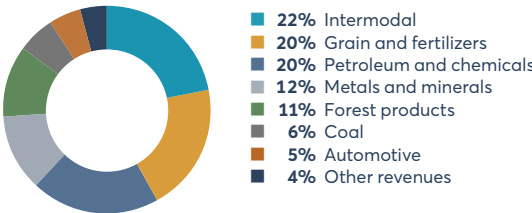
BROAD GEOGRAPHIC EXPOSURE

TRAFFIC BY GEOGRAPHY⁽¹⁾
(% of 2024 freight revenues)



BALANCED AND DIVERSE PORTFOLIO

BUSINESS UNIT REVENUE MIX⁽¹⁾
(% of 2024 total revenues)



(1) As at or for the year ending December 31, 2024, unless otherwise noted. (2) Net of amounts reimbursed by customers.

MOVING THE ECONOMY

POWERING SUSTAINABLE ECONOMIC GROWTH

Our three-coast network is a distinct strength in powering sustainable economic growth. We deliver safe, reliable, and efficient service to move a diverse portfolio of goods and enable global supply chains.

Our nearly 20,000-mile transcontinental rail network provides customers with access to seven major ports in Canada and the U.S. Our supply chain services include rail, intermodal, trucking, marine services, bulk handling, transloading, and customs brokerage – offering various options for transporting more than 300 million tons of natural resources, manufactured products, and finished goods.

PICTURED:
 Elma, MB
 Photo by CN employee Ildar Noureev



> INTERMODAL

Intermodal containers harness the global reach of vessels, the speed and efficiency of trains, and the local adaptability of trucks. We offer seamless supply chain solutions with flexible door-to-door market reach in Canada, the U.S., and Mexico through 21 intermodal terminals located near ports and large urban centres.



> GRAIN AND FERTILIZERS

Each year, we move millions of tonnes of Western Canadian grain for export via three ports: Vancouver, Prince Rupert, and Thunder Bay. We also serve the U.S. grain market from the Midwest to the Gulf Coast. Fertilizers (mainly potash) are transported throughout North America and to/from ports on Canada's West and East coasts.



> PETROLEUM AND CHEMICALS

We provide single-line access to refineries in the Alberta Industrial Heartland, Eastern Canada, as well as the U.S. Midwest and Gulf Coast. Our 20 transload facilities as well as export terminals in Prince Rupert, Vancouver, Montreal, and Mobile offers gateways to international markets for propane, plastics, renewable fuels, and others.



> METALS AND MINERALS

Our rail network reaches deep into mining regions rich in metals, minerals, iron ore, and frac sand, as well as key aluminum- and steel-producing areas. Our 14 distribution centres and fully integrated supply chains make CN among the top transporters of aluminum and iron ore in North America.



> FOREST PRODUCTS

Our network reaches Canadian and U.S. fibre-producing regions to move forest products across North America and to overseas markets. With the help of 13 distribution centres and the largest railcar fleet, we move more forest products than any other rail carrier in North America.



> COAL

Export demand for Canada's high-quality, low-sulfur metallurgical coal, notably to supply Asian steelmaking plants, is growing. Our network offers a competitive advantage for producers with time-saving and cost-efficient services to transport the metallurgical coal from mines to export terminals on Canada's West Coast.



> AUTOMOTIVE

We serve 11 assembly plants across Michigan, Ontario, and Mississippi via 18 distribution centres. The Autoport in Halifax is the only facility in Eastern Canada with exclusive CN rail access. Our access to the Port of Vancouver offers efficient connections to/from Asian markets.

Our freight revenues are derived from seven main commodity groups representing a balanced, diversified portfolio of 180 product types. This diversity gives us better resilience through market fluctuations and economic downturns.

CONTRIBUTING VALUE

CN'S ECONOMIC IMPACT IN 2024⁽¹⁾

CN is a vital enabler of commodity flow and cross-border trade, fostering economic interconnectivity across the United States and Canada. CN's integration into national and international supply chains facilitates trade-based growth and investments.⁽²⁾

CANADA



\$15B

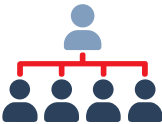
CONTRIBUTED TO GDP BY CN'S OPERATIONS IN 2024

\$4.5B

GENERATED IN TAXES THROUGH CN'S OPERATIONS AND CAPITAL SPENDING

73,000+

JOBS SUPPORTED BY CN'S OPERATIONS IN CANADA⁽⁴⁾

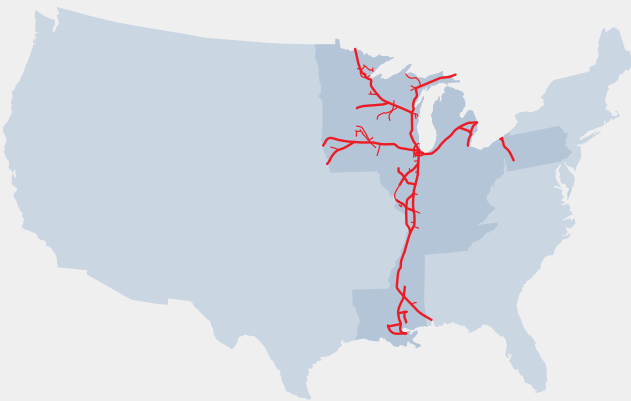


For every direct CN job, **4.1 jobs** are supported throughout Canada.

Top impacts of CN's activities across Canada

Province	GDP	Jobs
Quebec	\$2.8B	14,167
Ontario	\$2.6B	12,948
British Columbia	\$2.3B	9,587
Manitoba	\$1.3B	6,074

UNITED STATES⁽³⁾



\$4.1B

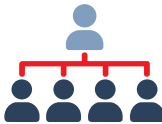
CONTRIBUTED TO GDP BY CN'S OPERATIONS IN 2024

\$1.7B

GENERATED IN TAXES THROUGH CN'S OPERATIONS AND CAPITAL SPENDING

25,000+

JOBS SUPPORTED BY CN'S OPERATIONS IN THE U.S.⁽⁴⁾



For every direct CN job, **3.7 jobs** are supported throughout the 14 states in which CN operates.

Top impacts of CN's activities in the U.S.

State	GDP	Jobs
Illinois	\$1.4B	8,314
Wisconsin	\$561M	3,596
Minnesota	\$470M	2,782
Michigan	\$395M	3,195

(1) The economic impacts are based on CN's expenditures in the U.S. and Canada that include labour expenses, community partnerships, operating expenditures, and capital expenditures. The expenditures were categorized by IMPLAN industry sector. IMPLAN is a software and data platform used for economic impact analysis that uses input-output modeling to assess the effects of changes in one sector of an economy on other sectors and on the overall economy.

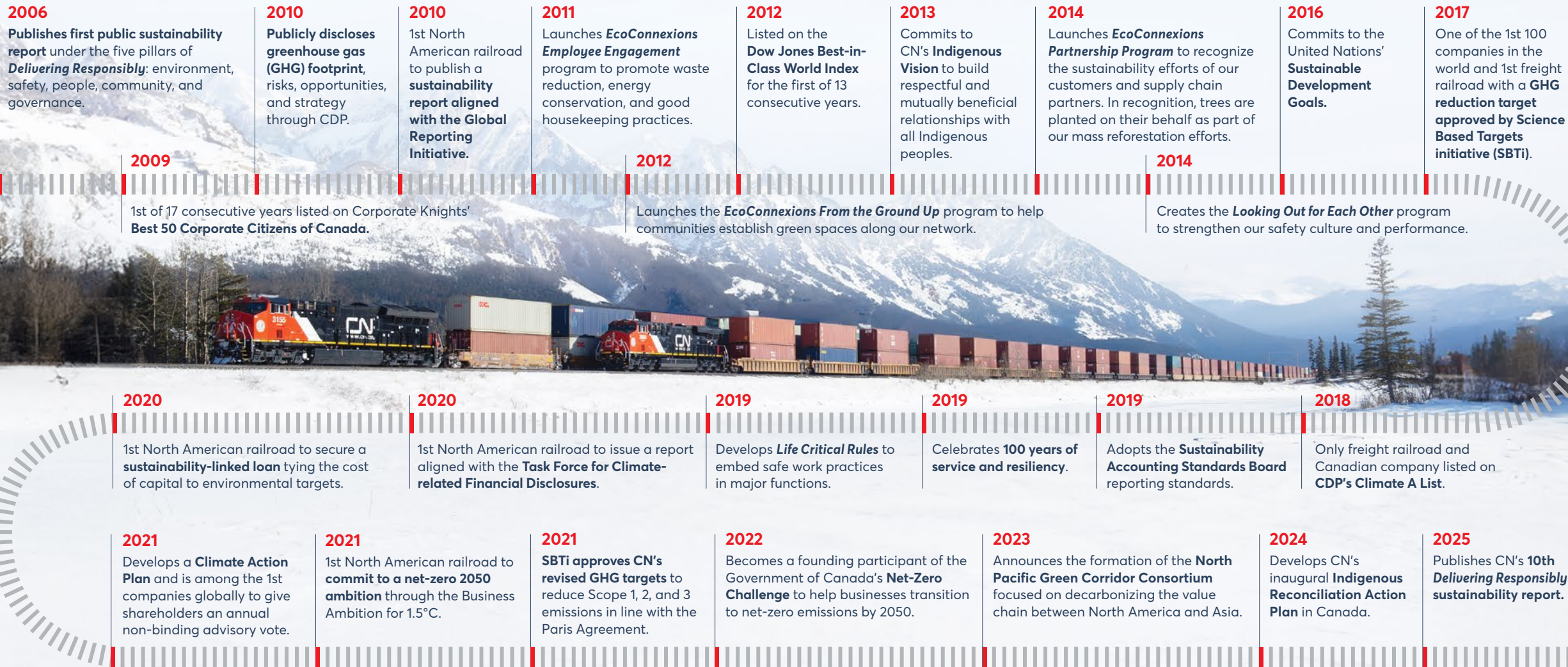
(2) The economic impact analysis quantifies the economic and fiscal impacts of CN's operations and capital investments in 2024.

(3) The economic impact analysis quantifies the economic and fiscal impacts of CN's operations and capital investments in the states where CN has significant operations. Because CN does not have operations throughout the entire U.S., it is not possible to estimate the economic impact for the whole country. As a result, U.S. network-wide impacts are shown specifically for CN's U.S. operations.

(4) Total jobs is the sum of direct, indirect, and induced jobs, which are defined as, i) Direct Impact is economic activity in CN itself. ii) Indirect impact is economic activity in the full supply chain of the rail industry. iii) Induced impact is economic activity resulting from direct and indirect workers spending their wages in the broader economy.

MILESTONES ON OUR SUSTAINABILITY JOURNEY

LOOKING BACK, MOVING FORWARD



REFINING OUR PRIORITIES

PRIORITIZING THE TOPICS THAT MATTER MOST

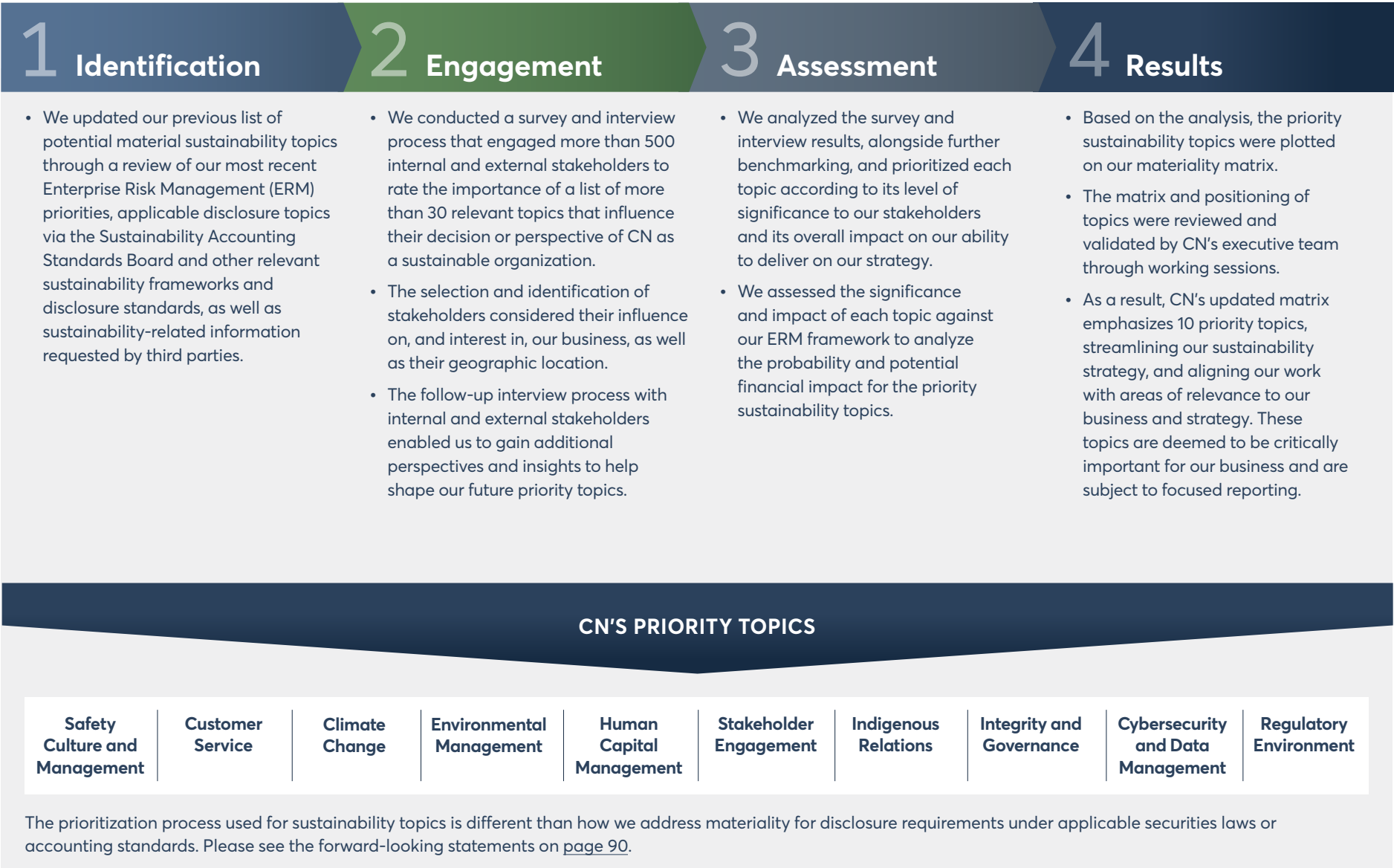
For nearly two decades, our commitment to *Delivering Responsibly* has guided us – placing environmental stewardship, safety, people, being a good neighbour, and governance at the core of how we build towards a sustainable future. As our sustainability journey has evolved, so too has our approach to understanding the sustainability topics of greatest importance to our business and our stakeholders.

Our Step-by-Step Process

Every two years, we conduct a materiality assessment to refine our priority sustainability topics, evaluate whether they reflect the expectations of our stakeholders, identify potential risks or opportunities for CN, and align with our business strategy.

Our last assessment began at the end of 2024 and helped focus our strategic priorities, refined our reporting, and informed the evolution of our sustainability programs. We also leveraged the expertise of a third-party consultant.

See section Priority Topics Defined on [page 89](#) for definitions of CN's priority topics.



OUR APPROACH TO SUSTAINABILITY

COMMITTED TO BUILDING A BETTER WORLD

At CN, our vision is to be the safest and most carbon-efficient, operationally effective, and customer-centric railroad in North America. *Delivering Responsibly* is at the heart of all CN's decisions, commitments and investments to help build a sustainable future. Our five commitments guide all our actions as we move forward together toward a better world.

Connecting Our Commitments

CN contributes directly and indirectly to all 17 of the United Nations' Sustainable Development Goals (SDGs). Through a detailed review of the indicators and metrics that comprise the UN's SDG framework, we identified eight which we believe we can have the greatest impact and align most to our business and our stakeholders.

OUR SUSTAINABILITY COMMITMENTS

Environment

Conduct our operations in a manner that seeks to minimize our environmental impact, while providing cleaner, more sustainable transportation services to our customers.

Safety

Strive to 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 inclusive 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 development, creating socioeconomic benefits, and ensuring open dialogue with all stakeholders and Indigenous peoples.

Governance

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

SDG	Our Ambition	Progress	SDG	Our Ambition	Progress
	Health and safety are core to CN's operations. Our commitment to leading with safety includes fostering a strong safety culture, caring for one another, and engaging in ongoing training.	<ul style="list-style-type: none">• Safety Culture and Management• Human Capital Management		CN collaborates with stakeholders to support the development of safe, sustainable, and disaster-resilient cities.	<ul style="list-style-type: none">• Customer Service• Stakeholder Engagement• Indigenous Relations• Cybersecurity and Data Management
	CN develops strategies to attract and retain women in the rail transportation sector, and provide opportunities for them to lead.	<ul style="list-style-type: none">• Human Capital Management• Integrity and Governance		CN works collaboratively across the value chain to support sustainable production and consumption. We continually look for ways to optimize materials and equipment to minimize waste.	<ul style="list-style-type: none">• Customer Service• Climate Change• Environmental Management
	CN invests in education and skills development to provide a safe, secure, and inclusive work environment for all employees.	<ul style="list-style-type: none">• Safety Culture and Management• Human Capital Management• Stakeholder Engagement• Indigenous Relations• Integrity and Governance		CN invests in efficient, low-carbon, and climate-resilient rail transportation infrastructure and technology. We engage with our value chain to encourage deeper decarbonization.	<ul style="list-style-type: none">• Climate Change• Environmental Management
	CN builds, maintains, and operates safe, efficient, and resilient rail infrastructure across North America, supported by innovative technology.	<ul style="list-style-type: none">• Safety Culture and Management• Customer Service• Cybersecurity and Data Management		Protecting biodiversity and effective land management are essential to responsible rail operations. We aim to minimize environmental disturbance while creating positive enhancements.	<ul style="list-style-type: none">• Environmental Management

PROGRESS TOWARD OUR AMBITIONS

Principle	Topic	Goal	2024 Performance	Total Progress Toward Goal
ENVIRONMENT	GHG Emissions ^(a)	Net-zero GHG emissions across the value chain by 2050: a reduction in absolute Scope 1, 2, and 3 GHG emissions of 90% by 2050 based on 2019 ^(b)	Decreased our total absolute Scope 1, 2, and 3 GHG emissions by approximately 4% from 2023 ^(c)	<div><div>20.9%</div></div>
		43% Scope 1 and 2 GHG emission intensity reduction by 2030 based on 2019 ^{(b)(d)}	Decreased our Scope 1 and 2 GHG emission intensity by approximately 4% from 2023	<div><div>27.0%</div></div>
		40% Scope 3 GHG emission intensity reduction for fuel- and energy-related activities by 2030 based on 2019 ^{(b)(e)}	Decreased our Scope 3 GHG emission intensity for fuel- and energy-related activities by approximately 6% from 2023	<div><div>44.2%</div></div>
	Waste	95% Waste diverted from landfill annually	Diverted approximately 95% of our waste from landfill	<div><div>100%</div></div>
	Biodiversity	3 million Trees planted across our network by 2030 ^(f)	Planted approximately 112,000 trees in 2024, for a total of 2.6 million trees since 2012	<div><div>87%</div></div>
SAFETY	Personal Safety	55% Reduction in personal injury frequency rate (per 200,000 person hours) by 2030 based on 2019	Injury frequency rate of 1.06 (per 200,000 person hours), an increase of 8% from 2023 ^(g)	<div><div>84%</div></div>
	Operational Safety	45% Reduction in accident rate (per million train miles) by 2030 based on 2019	Accident rate of 1.66 (per million train miles), an improvement of nearly 8% from 2023 ^(g)	<div><div>57%</div></div>
PEOPLE	Executive Management	35% Women in executive management positions by 2027 (all vice-president and more senior positions) ^{(h)(i)}	10 of the 32 executive management members (31%) identified as women ⁽ⁱ⁾	<div><div>89%</div></div>
GOVERNANCE	Board of Directors	At least 40% Independent directors represented by each of men and women ^{(h)(i)}	5 of the 10 independent directors (50%) identified as women ⁽ⁱ⁾	<div><div>100%</div></div>
		At least 2 Independent directors from broader under-represented groups, beyond gender ^{(h)(i)}	2 of the 10 independent directors (20%) identified as visible minorities ⁽ⁱ⁾	<div><div>100%</div></div>

(a) CN's pathway to net-zero and other GHG emissions reduction targets may not be linear as we transition to a low-carbon future. CN provides an update on our progress toward our emission targets in CN's Climate Action Plan, which is included in our management information circular and updated on an annual basis.

(b) The target boundary includes land-related emissions and removals from bioenergy feedstocks.

(c) The target with respect to GHG emissions across our value chain was first approved in 2024.

(d) Under the former commitment model of the Science Based Targets initiative (SBTi), a subset of companies committed to setting near-term science-based targets aligned with well-below 2° C over an interim period as part of their wider net-zero commitment. There is a strictly enforced timeline for these companies to ratchet ambition to 1.5° C for their near-term targets within a maximum of five years from the time of near-term target validation. At this point, they will be expected to decarbonize in line with their 1.5° C aligned long-term science-based targets.

(e) CN commits to reduce Scope 3 GHG emissions covering fuel- and energy-related activities from locomotive, truck and vessel fleets by 40% per gross ton miles by 2030 from a 2019 base year. CN also commits to reduce all other absolute Scope 3 GHG emissions from fuel- and energy-related activities by 27.5% by 2030 from a 2019 base year.

(f) In 2024, we reviewed our methodology to include projects that were previously unaccounted for in our reported progress. These initiatives included CN's contribution to Operation ReLeaf projects through Tree Canada and donations that were doubled through the 2 Billion Trees Program (2BT). As trees and shrubs are planted together, the reported number of trees planted may include shrubs. Accordingly, we have updated our total planting figure from 2012 to 2023.

(g) Safety statistics are based on estimated data and continue to be restated as actuals settle.

(h) Data disclosed is derived from self-reported information provided by the directors and executive management. In accordance with privacy legislation, such information was collected on a voluntary basis, and where a particular individual chose not to respond, CN did not make any assumptions or otherwise assign data to that individual.

(i) In line with our commitment to strong governance practices, in January 2024, we revised our aspirational goals for the representation of under-represented groups (representing women, visible minorities, Indigenous peoples [being persons who are First Nations, Inuit or Métis] and persons with disabilities) in Board and executive management positions.

(j) Data with respect to representation of under-represented groups in executive management and Board positions is given as at March 10, 2025.

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SAFETY CULTURE AND MANAGEMENT



2024 Performance Highlights

- Achieved our lowest accident frequency rate, down 26% compared to our 2019 baseline.⁽¹⁾
- Achieved our second-lowest injury frequency rate, down 46% compared to our 2019 baseline.⁽¹⁾
- Allocated \$2.1 billion of our \$3.5 billion capital program to maintaining the safety and integrity of our rail network.
- Added two new firefighting trains to our wildfire mitigation and suppression fleet.
- For the 15th consecutive year, earned the TRANSCAER® National Achievement Award for training nearly 5,000 first responders.
- Initiated a Safety Culture Assessment to evaluate and enhance safety practices across key operational areas.
- Developed a new incident response training program for CN managers.

⁽¹⁾ For further details, please review CN's [2024 Data Supplement Report](#).

PICTURED: Chance Unrau, Freight Car Mechanic, follows CN's Life Critical Rules as he applies a hand brake on a railcar at Walker Yard in Edmonton, AB.

FOSTERING A CULTURE OF SAFETY

INSTILLING A STRONG SAFETY MINDSET

Railroading is a demanding job that requires constant vigilance. CN employees make hundreds of decisions every day to keep each other and our customers' goods safe. We continue to invest in training and tools to help employees stay safe and to prevent injuries and accidents.

Safety Training Programs

Our *Looking Out For Each Other* peer-to-peer engagement program focuses on raising employee awareness of the top causes of incidents and injuries. The program centres on identifying and reviewing safe work procedures, training employees to be aware of their surroundings, recognizing potential at-risk work practices, teaching employees how to provide constructive feedback to their peers, and learning from past incidents.

All field operations employees are taught how to follow CN's *Life Critical Rules* for their job function. These address the day-to-day activities that have the potential to cause serious harm or even loss of life. The rules are based on past incidents and are designed to help ensure they do not happen again.

CN's behaviour-based safety training emphasizes leading with safety by reinforcing the foundational principles that guide our actions: controlling exposure for self and others, understanding how culture directly influences the level of exposure, and demonstrating leadership behaviours that shape the culture. Employees are encouraged to recognize hazards, understand the exposures that are created when behaviours and conditions intersect, and engage one another to review these vulnerabilities. This process helps gradually shift attitudes and beliefs, shaping a stronger safety culture through leadership engagements.

 Learn more at: www.cn.ca/en/safety/employee-safety

Safety Campaigns

Our *Train Tube* initiative enhances peer-to-peer engagement by providing employees with over 700 short videos that demonstrate procedural tasks and serve as practical guides for safe and correct completion. To date, these videos – created by railroaders for railroaders – have garnered over 244,000 views.

Building on this, our *Your Actions Matter* campaign takes a dramatic approach to highlight the serious consequences of inattention, reinforcing the importance of vigilance and adherence to safety protocols. These impactful videos reinforce procedural knowledge and empower employees to prioritize safety in every action they take.

At CN, every shift, meeting, or event begins with a *Safety Moment*, a briefing to specify the applicable safety procedures in case of emergency. The practice also includes authentic discussions on daily safety best practices such as defensive driving or prevention of frostbite. These discussions provide concrete learning experiences and represent opportunities to enhance a culture of safety.

Continuous Learning about Safety


CN's safety culture is an integral part of every step of an employee's career, from hiring and onboarding, through training and coaching, to ongoing mentorship and leadership development. Ensuring continuous learning for our employees is critical to having a skilled, safe, and engaged labour force.

In 2024, CN initiated a *Safety Culture Assessment* to evaluate and enhance safety practices across key operational areas. The assessment employed control tests and surveys distributed during engagement sessions with union-represented and management employees to gather insights on perceptions of safety culture and areas for improvement. The findings will help identify gaps and guide actionable steps to enhance safety culture.

Partnering with Our Customers and Suppliers on Safety

CN collaborates with customers and suppliers to ensure adherence to *Life Critical Rules* and promote a shared safety culture. A newly developed handbook guides them on essential safety practices, winter hazard management, and emergency protocols. This is reinforced by *Train Tube*-style videos that offer accessible visual guides for safety protocols.

We strive to ensure our suppliers achieve the same safety standards we expect of ourselves. That is the mindset behind *eRailSafe*, a certification program specifically designed for CN consultants, contractors, and sub-contractors. We use a third-party specialist to pre-screen all our vendors to ensure they have the required training and credentials and comply with local and federal regulatory requirements.

 Learn more at: www.cn.ca/en/safety/supplier-safety

Heavyweight Champions of Safety

To recognize undisputed Heavyweight Champions of Safety among Engineering employees at Symington Yard in Winnipeg, MB, a replica of a wrestling belt is awarded to one employee every month for their commitment to safety, teamwork, and looking out for each other. After a month, the reigning champ tags in a new title holder during a job safety briefing. The new champion stands ready to defend the team's winning streak of keeping safety first.

PICTURED: Matthew Combot, one of CN's Heavyweight Champions of Safety



Behaviour-based Safety Platform: Teaching Leaders How to Lead Safely

As part of our ongoing safety leadership efforts, we have deployed enhanced Behaviour-based Safety Leadership training to frontline supervisors (FLS) as well as to all newly hired or promoted managers since 2020.

The training reinforces the crucial mindset and actions required to identify and control workplace safety risks. The goal is a work environment where all employees feel empowered to conduct operations safely, regardless of the urgency of the job. FLS are trained to ask themselves: Were the risks understood? Is more coaching required? Do procedures need adjustment? The program reinforces the behaviour-based safety leadership principles for participants by providing leader-to-leader engagements and feedback with most of their time being spent in the field.

The program is credited with improving CN's overall safety culture with a focus on quality two-way engagements with employees.

The "toolkit" available to FLS includes:

- Training and development (e.g., classroom instruction, boot camps, qualification periods)
- Regular two-way safety engagement with employees (e.g., exposure reduction discussions/workshops, field verification of *Life Critical Rules*)
- Daily job safety briefings
- Safety and Regulatory Affairs websites
- Health and Safety Committees
- Safety Summits, Safety Surveys and Town Halls
- Public Affairs Communications (e.g., *CN Spotlight*)
- Digital signage
- Safety flashes/bulletins
- Senior leadership messages



PICTURED: CN's Behaviour-based Safety platform interface

1,200

FLS AND MANAGERS WERE TRAINED IN 2024 ON BEHAVIOUR-BASED EXPOSURE REDUCTION TECHNIQUES

PICTURED: Ryan Beaulieu, Track Maintenance Foreman with field employees in Prince George, BC, participate in a daily job safety briefing.

SPOTLIGHT

CN Safety Week: Making ZERO Possible

CN's third annual Safety Week was held from June 9 to 13, 2025, with special gatherings across the entire network to remind employees that nothing is more important than returning home safely.

Field visits by all work groups and members of CN's senior leadership team connected with employees in terminals and stations at 31 official stops along CN's network as well as at many other safety events along the way. Thousands of employees joined in discussions about running a safe and disciplined railroad and what more we can do to work safely. During Safety Week, CN brought nearly 150 guests together at the CN's Homewood Campus to recognize both current and retired employees for their achievements as safety leaders in 2024. Awards included:

- **CN Lifetime Leaders in Safety:** retirees who remained injury-free their entire careers in field operations of 30 years or more.
- **CN Leaders in Safety:** teams who set the bar with record-low injury ratios.
- **Heroic Act Leaders:** employees who have gone above and beyond in critical situations to keep their colleagues or communities safe.
- **Top Health & Safety Committee:** the top groups making measurable improvements in their local safety environments.
- **Extra Mile Champion:** a colleague who went above and beyond in exemplifying daily leadership, mentorship, and care in building a strong safety culture.

▶ Watch a video and learn more: vimeo.com/1105870675

31

OFFICIAL STOPS ON THE WHISTLE
STOP TOUR



CN's 2025 Lifetime Leaders in Safety Award winners

CN Leader in Safety Award



Signing a commitment to ZERO

At CN, nothing matters more than making it home safely to our loved ones, so every decision, every action, and every conversation counts as we work to build a stronger and safer CN."

Mark Grubbs, Vice-President, Safety and Environment



Employees gather in Saskatoon, SK to join in the discussion about "Making ZERO Possible"

WORKPLACE HEALTH AND SAFETY

PLACING SAFETY AT THE CENTRE OF DAILY PRACTICES

Our teams are empowered to voice safety concerns, collaborate effectively, reflect on past incidents, and recognize positive outcomes. We actively reduce the risk of injuries and accidents through prevention, shared learning, and continued improvement.

Formal Safety Framework
CN's culture and commitment to safety is supported by our comprehensive focus on training, leadership, and technology. CN's Safety Management System (SMS) is our formal framework for putting safety at the centre of our daily operations throughout the network. This proactive plan is designed to minimize risk, drive continuous improvement in the reduction of injuries and accidents, and engage employees at all levels of the organization.

Through our structured SMS, we investigate workplace incidents and injuries using established procedures where we review data surrounding incidents, identify possible trends, and create detailed corrective action plans. This allows us to identify focus areas to further reduce occurrences in all our operations. Our SMS applies to all CN employees and governs our relationship with contractors and other stakeholders while on Company property. CN complies with all applicable regulations to maintain a safe, secure,

and healthy workplace. Employees are responsible for complying with CN's SMS policies and procedures as well as ensuring a workplace free from violence and harassment.

CN's SMS describes direct employee involvement in concrete safety initiatives, risk assessments and audits to identify remedial actions to reduce the risk. We conduct risk assessments in a structured and systematic way prior to changes in operations and address activities that may pose a significant risk. These enable our people to understand the potential safety hazards of their job and to ensure mitigations are undertaken in order to minimize the risk of an injury or accident.

As well, Transport Canada requires risk assessments whenever we make changes to our operations. These could include new movements of dangerous goods

or other changes that may impact the health and safety of the public, environment, or CN personnel or property.

Targeted audits are focused on topics with the highest potential for a serious impact, providing meaningful information on health and safety as well as opportunities for network-wide corrective actions. The audits are also designed to gauge the effectiveness of corrective actions as well as compliance with safety rules and procedures.

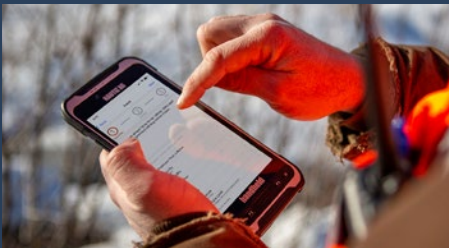
Comprehensive Safety Management plans and detailed job descriptions help supervisors understand the specific components of the SMS they are responsible for implementing and/or communicating at the local level. Open and overdue action items are sent weekly to senior leaders, providing opportunities for action and follow-up.

CN'S SAFETY MANAGEMENT SYSTEM

People	Process	Technology and Investment	
<ul style="list-style-type: none">• Training (e.g., <i>Looking Out for Each Other</i> and <i>Life Critical Rules</i>)• Job Safety Briefings• Safety Summits• Safety engagement and leadership training• Exposure reduction discussions and workshops• Field Verification of <i>Life Critical Rules</i>• Three-level inspections• Fatigue management• Telemedicine• Employee and Family Assistance Program	<ul style="list-style-type: none">• Accountability• Safety Policy• Complying with rules and regulations• Managing incidents• Identifying concerns• Assessing risk• Implementing and evaluating remedial actions• Establishing targets and developing initiatives• Reporting contraventions and safety hazards• Continuous improvement	<ul style="list-style-type: none">• <i>Enablon Go</i>• Electronic Track Authority Verification• Safety Leader Dashboard• Autonomous Track Inspection Program• Automated Inspection Portals• Positive Train Control• Track Evaluation Systems Cars• Vehicle Track Interaction Units• Track Geometry Testing and Joint Bar Inspection• Tie Rating Technology• Optical Track Inspection System	<ul style="list-style-type: none">• Bridge Testing System• Slide Detection/Roadbed Stability Detection• Hot Bearing Detectors• Dragging Equipment Detectors• Hot and Cold Wheel Detectors• Wheel Impact Load Detectors• Truck Hunting Detectors• Wheel Dimension and Profile Detectors• Image Detection System• Locomotive Digital Video Recorders and Telemetry• Distributed Power

Improving Personal Safety with Technology

Advanced innovations present exciting opportunities to layer technology into all aspects of our operations to help prevent injuries to our personnel.



> REPORTING NEAR MISSES

Deployed in 2023, our industry-leading *Enablon Go* app allows employees to voluntarily and confidentially report detailed information about near misses and safety hazards while onsite, in real time, on their mobile devices. *Enablon Go* automatically captures GPS coordinates. Photos, videos, and audio files can also be uploaded. Employees can choose to report near misses anonymously or to receive feedback on the actions taken to correct the reported hazard. Field managers receive daily reports of hazards in their work area that can be shared with their employees. Other features include Health, Safety and Environment audits, Health and Safety Committee monthly inspections, corrective actions tracking, and in Q3 2025, injury and accident reporting.



> TRACK AUTHORIZATION

CN's *Electronic Track Authority Verification* (ETAV) tool monitors the precise location of hi-rail operators in real time and sends them auditory and visual alerts if they approach the limits of their track authority. ETAV complements existing processes that hi-rail operators use to get permission from rail traffic controllers to work on tracks.



> SLACK SIMULATION

CN was the first Class I railroad to develop an indoor slack simulator, which earned a 2024 Railway Association of Canada Safety Award. It allows employees to experience the uneasy slack sensation when riding a railcar in a safe environment. The slack simulator reinforces the crucial safety rule of always maintaining three points of contact while riding railcars, such as both feet and a firm hand grip.



> SAFETY DASHBOARD

CN's new Safety Leadership dashboard creates a one-stop shop for all safety data, enabling leaders to have an overview of their safety performance. It increases managers' self-reliance by offering analytics and the ability to easily view information on specific incidents. The new online tool is proving very useful. In one 30-day period, 200 managers viewed the dashboard 1,500 times.

IN DEVELOPMENT > ARTIFICIAL INTELLIGENCE SAFETY ENGAGEMENT MOBILE APP

Safety engagement is a key leading indicator of a strong safety culture. It diminishes at-risk behaviours and leads to a reduction in the number and severity of injuries and accidents. By the end of 2025, CN's new artificial intelligence (AI) app will help safety leaders improve safety engagement by using safety data analytics, injury and accident trend analysis, and engagement history. This mobile app will allow our safety leaders to spend less time planning and documenting engagements and more time in the field.



PICTURED:
Glen Davidge,
Locomotive Engineer, Kamloops, BC

Addressing Safety Issues

CN has almost 80 joint union-management Health and Safety Committees in Canada that are helping to address the main causes of accidents and injuries and improve our safety culture. These committees review safety issues at the local level and connect with our people in the field to identify solutions. They also conduct monthly site inspections to identify potential hazards in the workplace. The committees record their inspections in *Enablon Go* (see [page 15](#)) and create action plans for the repair or removal of any hazards.

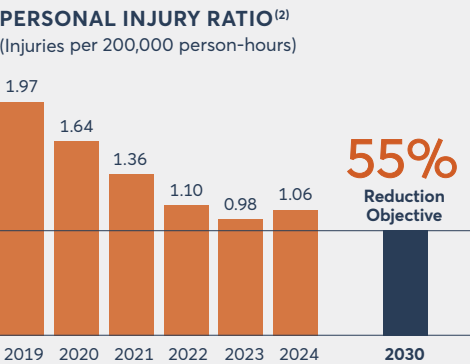
Safety Summits are held regularly throughout the year and across the network. These in-person sessions engage employees and managers in two-way discussions on safety-related questions and concerns, with the goal of continuously improving relationships and safety processes in the workplace.

CN’s Exposure Reduction workshops focus on incidents that have the potential to cause fatalities or serious injuries and are prioritized based on injury and accident data. By working with subject matter experts across the Company and referencing leading and lagging safety indicators, workshop participants develop potential mitigation strategies for specific high-risk situations. These workshops help to eliminate or control exposures whenever feasible.

Quarterly Safety Reporting

At CN, we track the injury and accident frequency rates for our entire operation, defined according to the criteria of the Federal Railroad Administration (FRA), and publicly disclose them on a quarterly basis. We also set annual targets for the reduction of these rates, the attainment of which is a component of management’s annual incentive bonus plan.

REDUCING PERSONAL INJURIES⁽¹⁾



In 2024, CN’s personal injury ratio was at its second-lowest level ever, down 46% compared to 2019, achieving 84% of our 2030 target.

(1) Safety indicators are unaudited and based on estimated data available at the time and are subject to change as more complete information becomes available.
(2) Based on FRA reporting criteria.



CN employees taking part in annual ride for cancer research.

CN Health and Wellness Programs: Strengthening Employees’ Commitment to Healthy Lifestyles

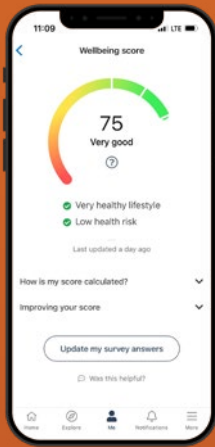
We are integrating engagement and connection objectives into our training programs to strengthen workplace culture and community. These cover topics such as managing job-related stress, nutrition, and accessing support services like telemedicine, our Employee and Family Assistance Program, and Employee Resource Groups.

Trainees are assessed not only on their technical skills but also on key wellness areas. Fatigue management is a central focus, with training officers providing coaching on sleep hygiene, practical strategies, and access to resources. Trainees are also asked to reflect on safety and what motivates them to work safely. This adds meaning to the training, reinforces a culture of safety, and fosters pride and professionalism in their role.

CN offers monthly behavioural health awareness seminars on subjects such as autism, eating disorders, substance use, and children’s issues. These virtual seminars are live and available free of charge to all CN employees. CN also offers free information on general health and wellness topics such as fitness and exercise, family health and parenting, as well as health topics for diverse groups including veterans, LGBTQ+, and seniors.

CN’s mobile wellness platform called “Sprout” helps employees strengthen their commitment to a healthy lifestyle. Employees are encouraged to download the app to begin tracking their daily activities and unlock quarterly rewards. *Sprout* tracks healthy activities like walking, hydration, and nutrition, and awards points. The more points earned, the more rewards can be claimed.

Together, these initiatives and many others aim to build a well-supported, safety-focused workforce that feels connected to CN’s values and community.



CN’s mobile wellness platform ‘Sprout’ tracks healthy activities and awards points.

EMERGENCY PREPAREDNESS

STRENGTHENING OUR EMERGENCY RESPONSE

Every year, we take steps to enhance our emergency preparedness by focusing on safety, regulatory compliance, and effective emergency response. The key is advance planning and training to have the people and equipment in place to respond as quickly as possible to an emergency.

Dangerous Goods

Our specially trained Dangerous Goods Officers (DGOs) and Environmental Officers, strategically located at major terminals across our network, are equipped with tools and resources to provide 24/7 emergency response and hazmat expertise to CN personnel and local first responders. The DGOs collaborate with industry response partners and an international network of emergency response contractors who provide additional personnel and resources.

CN's two training campuses also provide safety programs for regulators and community first responders. A mock derailment site – with a locomotive, rolling stock and multiple tank cars, as well as gas and fuel leak simulators – supports CN's safety and emergency preparedness training. In 2024, CN Campus developed a new incident response training program for CN managers.

As part of our safety preparedness work and commitment, CN performs specific risk assessments on railway lines carrying

certain amounts of dangerous goods as specified in Transport Canada's Rules Respecting Key Trains and Key Routes, looking at factors such as population and emergency response capabilities. Under these rules, CN reaches out to Canadian municipalities to seek input on safety and security concerns on key route risk assessments. The rules limit the speed of certain trains carrying dangerous goods depending on the ambient temperature. The rules include an option for railways to submit a Winter Operations Risk Plan for Higher Risk Key Trains, which provides for different speed thresholds for sections of track that meet specific safety requirements. CN has developed and implemented a Winter Operations Risk Plan that allows for more flexible winter operations.

 Learn more at:
www.cn.ca/en/safety/moving-dangerous-goods

Safety Regulation

CN's rail operations in Canada are subject to safety regulation under the *Railway Safety Act* as well as the rail portions of other safety-related statutes, which are administered and enforced by Transport Canada. In addition, CN is legally required to transport dangerous goods and hazardous materials because of our common carrier obligations. As such, CN is subject to the *Transportation of Dangerous Goods Act* (TDGA). The TDGA sets the requirements for the safe transportation of dangerous goods as well as for security training and screening of personnel working with dangerous goods. The TDGA also requires the tracking of dangerous goods during transport and the development of an emergency response plan.

CN's U.S. rail operations are subject to safety regulation by the FRA under the *Federal Railroad Safety Act* as well as rail portions of other safety statutes, including those of the Pipeline and Hazardous Materials Safety Administration. In addition, the Transportation Security Administration (TSA) requires rail carriers to provide, upon request, the location and shipping information on cars on their network containing toxic inhalation hazard materials and certain radioactive or explosive materials. The TSA also specifies that carriers ensure the secure transfer of all such cars to/from shippers, receivers and other carriers that will move to/from/through designated high-threat urban areas.



CN's firefighting trains, Jasper, AB

CN's Firefighting Trains Support Safety and Protect Supply Chains

During the summer of 2024, wildfires across Canada forced evacuations of tens of thousands of people, including from Jasper, AB, a major hub of CN's operations. As extreme weather events have increased in recent years, CN is taking proactive measures to safeguard our people, operations and communities, while protecting supply chains to ensure the safety, security and fluidity of customer goods on our network.

In 2024, CN added two new firefighting trains and two railcars to our fire mitigation and suppression fleet, which is purpose-built to strengthen the resiliency of our rail network and local communities against the impact of wildfires. In Jasper, this fleet and specially trained crews supported local fire departments in reaching and containing fires near our right-of-way, bringing a significant amount of water and fire suppression capacity to isolated areas.

SPOTLIGHT

Emergency Preparedness in Action

CN's Dangerous Goods team offers comprehensive training focusing on emergency preparedness and response to railway incidents. The team coordinates hundreds of first responder training courses and public events every year to ensure the safety of our employees and the communities along our network. The team also supports best practices for incident management, regulatory compliance, and other emergency preparedness programs.

~5,000

FIRST RESPONDERS TRAINED
IN 2024

> PARTNERING FOR EMERGENCY PLANNING

In October 2024, the Dangerous Goods team hosted a tabletop exercise at CN Campus in Homewood, IL, in partnership with the South Cook County Local Emergency Planning Committee and the U.S. Environmental Protection Agency. The large interactive event brought together 84 individuals from 44 agencies to discuss their respective roles in a hypothetical train derailment involving the release of dangerous goods. Participants also toured the Homewood Campus as part of the full day of activities.



(Left to right): **Shawn Will**, Corporate Security Chief, **Matthew McClaren**, then Vice-President Safety and Environment, now Vice-President, Transportation, Southern Region, and **Michelle Papas**, Senior Manager, Organizational Resilience, Business Continuity and Crisis Management.

> ONGOING SIMULATION EXERCISES

In 2024, local firefighters and first responders were invited to CN's Harrison Yard in Memphis, TN, the second largest CN yard in the U.S. They were there to learn more about safety protocols, emergency preparedness, and how they can work together with CN to keep our employees, facilities and the community safe if any incidents arise. During the training, they received a hands-on tour of two locomotives, fuel storage areas, and the railcar and locomotive repair shops. They also learned about the safe operations of a rail yard, including how refueling and used oil recovery work.



CN Campus, Homewood, IL

< SECURITY CRISIS MANAGEMENT

In spring 2025, more than 60 CN colleagues participated in the Company's first Full-Scale Corporate Security Crisis Management Exercise. The exercise challenged the three teams with:

- 1) Bomb threats on two CN dangerous goods trains at the U.S.-Canada border stops rail traffic at the crossings.
- 2) A video showing CN's CEO instructing employees to bypass critical security measures creates public outrage.
- 3) Although both bombs and the video turn out to be fake, government officials call for an independent review of CN's security policies. Key customers threaten to cancel contracts, citing loss of confidence.

This landmark exercise enhanced CN's crisis preparedness in a secure but pressurized learning environment. It strengthened cross-functional collaboration and helped participants think on their feet, adapt quickly, and deliver an effective, decisive response.



Dangerous goods training at Harrison Yard, Memphis, TN

OPERATIONAL SAFETY

INVESTING FOR A SAFE AND EFFICIENT NETWORK

CN’s long-term safety improvement is driven by ongoing investments in infrastructure. We continue to innovate with advanced technologies and data analytics to improve safety outcomes. Our systems and data help us predict potential issues and take proactive action.

Investing in Safety
CN’s success depends on a steady stream of capital investments that align with and support our business strategy. These investments cover a wide range of areas, from track infrastructure to information technology, as well as other assets to improve the safety, efficiency, capacity, and reliability of CN’s service. Investments in track infrastructure are designed to enhance the safety and integrity of the physical plant, as well as increase the capacity and fluidity of the network. New locomotives equipped with distributed

power improve train handling and safety. CN is also investing in various technologies to digitize or automate certain functions that will improve safety and productivity.

In 2024, CN invested approximately \$3.5 billion in our capital program, with about \$2.1 billion allocated to maintain the safety and integrity of our network. Projects included replacing 4.1 million feet of rail and 1.8 million ties (sometimes using our new 3D tie-rating system). We also refurbished 345 level crossings and did maintenance work on bridges, culverts, signals, and other track infrastructure. Our Bridges and Structures personnel use uncrewed aerial vehicles to inspect hard-to-reach areas. Also in 2024, we eliminated over 9,900 rail joints from core routes. Replacing jointed track with continuously welded rail provides for stronger and safer track, which reduces the potential for accidents.

~\$2.1B

INVESTED TO MAINTAIN THE SAFETY AND INTEGRITY OF OUR NETWORK IN 2024



Autonomous Track Inspection Program

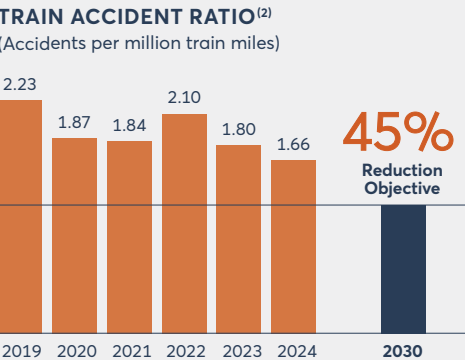
CN is increasing the frequency and quality of track inspections with state-of-the-art sensing technologies, AI, and advanced analytics in our Autonomous Track Inspection Program (ATIP) railcars.

Our 10 self-sufficient ATIP railcars enable real-time measurement of track geometry, cross level, and gauge, as well as roadbed condition at normal track speed. They cover hundreds of thousands of miles a year without interrupting network operations and without introducing additional safety exposures to on-track employees. ATIP railcars are playing an essential role in improving safety by using wireless communications to prompt repairs before issues arise.

In 2024, we began deploying the fourth generation of our ATIP railcars, which use ground-penetrating radar to provide detailed assessments of ballast and subgrade conditions.

PICTURED: One of CN’s ATIP cars inspecting track in Oshkosh, WI.

REDUCING TRAIN ACCIDENTS⁽¹⁾



CN’s accident rate in 2024 was down 8% compared to the previous year and 26% compared to 2019, achieving 58% of our 2030 target.

(1) Safety indicators are unaudited and based on estimated data available at the time and are subject to change as more complete information becomes available.
(2) Based on FRA reporting criteria, includes only accidents with a cost in excess of US\$11,300.

Leveraging Advanced Technologies to Prevent Train Accidents

Through our extensive wayside detector technologies, data analytics, and ongoing preventative maintenance, we focus on safe train operations all along our network in Canada and the U.S. These proactive measures help keep trains on the tracks and safely reaching their destinations.

7 automated inspection portals

STRATEGICALLY LOCATED ACROSS OUR NETWORK



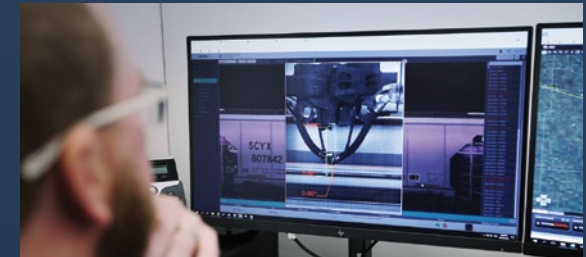
> AUTOMATED INSPECTIONS

Our seven Automated Inspection Portals are an important element of our wayside SMS that provide real-time inspections. The portals feature ultra-high-definition panoramic cameras and high-intensity LED lighting that capture a 360° view of a train and undercarriage as it travels at track speed through a portal. AI then helps experienced railcar mechanics identify any necessary repairs.



> WAYSIDE DETECTION

We have over 2,800 detectors on our right-of-way to measure bearing temperature, unusual noises, wheel impacts, dragging equipment, and more. These wayside detection systems identify potential problems earlier and reduce the risk of accidents by generating alarms and notifications that allow us to proactively address potential problems.



> DATA ANALYTICS

Our safety technologies produce over 24 million data points every day, allowing us to engage AI, machine-learning algorithms, and trend analysis to provide early identification of difficult-to-visually-inspect components. Innovative data analytics allow us to build preventative maintenance schedules that address locomotive and railcar mechanical problems before they cause more serious safety issues.



PICTURED:

The Trackside Acoustic Detection System is part of our broad wayside detection system designed to monitor railcars as they pass and identify any internal defects.

IN THIS SECTION:

22 Operational Excellence

24 Network Resiliency

26 Enabling Customers and
Supply Chain Partners

CUSTOMER SERVICE



2024 Performance Highlights

- › Invested \$3.5 billion to support the safety, efficiency and resiliency of the network, including adding sidings and sections of double track, as well as high-capacity rolling stock and more fuel-efficient high-horsepower locomotives.
- › Car velocity averaged 209 car miles per day, a decrease of only 2% from 2023 despite external challenges.
- › Dwell time across all yards was 7 hours, on par with 2023.
- › 94% of railcars were delivered as per our local service commitments to customers.
- › Achieved an overall service rating of 91% in 2024, an increase from 88% in 2023.
- › Continued to consume about 15% less locomotive fuel per gross ton mile (GTM) than the industry average.

PICTURED: Amalia Raichiciz, Rail Traffic Controller, coordinates safe and efficient train traffic across the U.S. portion of CN's rail network from Gary, IN.

OPERATIONAL EXCELLENCE

MAKE THE PLAN, RUN THE PLAN, SELL THE PLAN

Our railroaders are committed to our scheduled operating plan, enabling us to optimize our network, rolling stock, and crews to align our volumes with existing and future capacity to serve customers. Our operating model – “Make the Plan, Run the Plan, Sell the Plan” – unlocks collaboration between our Operations team and Commercial team, which sells into our operating plan and available capacity.

Evolving Scheduled Railroading

We evolved our Operations team structure around our scheduled railroading approach to align the distinct capabilities required to create the plan with the daily demands to safely execute it. The operating model and supporting organizational structure are embedded into how we run our railroad. We develop a plan to move each day’s volumes efficiently while keeping a longer-term view toward ensuring future resources, assets, and infrastructure projects can support potential growth.

Our day-to-day execution of the plan focuses on ensuring trains depart on time and make their scheduled connections with the correct blocks of cars.

Embracing the Operating Plan to Drive Solid Execution

Our railroaders have embraced the operating plan and their roles within that plan. Teams work together to optimize the plan for the entire network to support daily demands and to be better aligned and ready for future needs. We have added

more rigor into our planning for network expansion projects and continued to focus on the utilization of our rolling stock and crews to enable continuous improvement. The Engineering team, for example, refined our long-term plan for where and when to upgrade CN’s track, signal systems and bridges, creating a more predictable schedule to guide related investments and staffing in alignment with growth strategies.

Safely Delivering for Our Customers

The foundation of our scheduled operating model prioritizes safety for our customers, employees, and the communities in which we operate. In 2024, we experienced labour interruptions and destructive wildfires. With our teams working in lockstep to execute our scheduled operating plan, our network was more resilient in managing shocks across the supply chain, allowing us to efficiently and safely recover.

Car velocity — the best measure of efficient operations — was solid for the year, averaging 209 miles per day, a decrease of only 2% from 2023 despite the external challenges. Dwell time — an indicator of yard fluidity — was 7 hours, on par with the prior year. We also delivered efficient and reliable local service to our customers, with 94% of railcars received within the committed switch window. Our customers also rewarded us with an increased overall service rating of 91%, up from 88% in 2023.

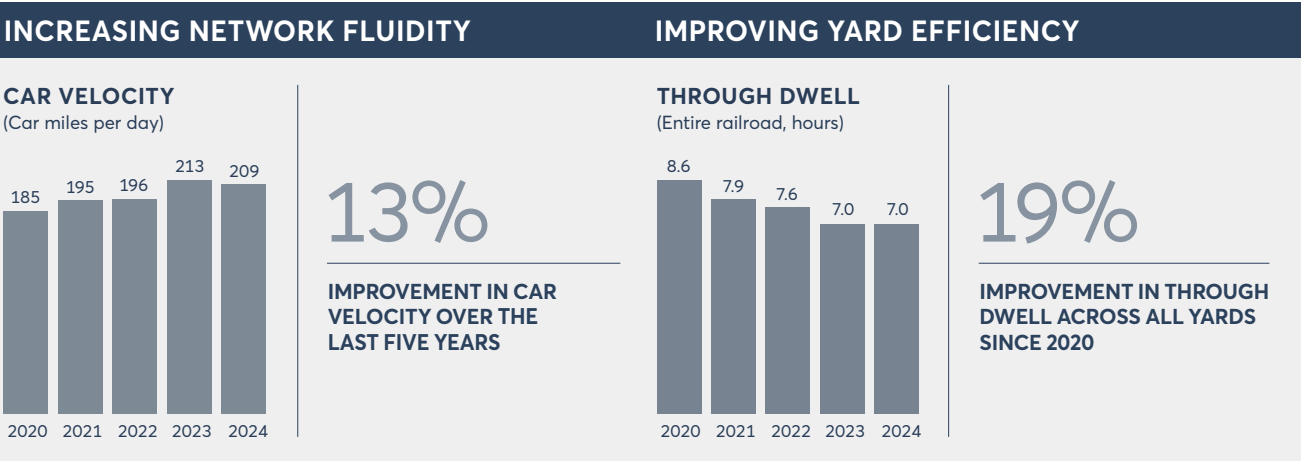


Growing with Iowa Northern Railway

In March 2025, CN and the Iowa Northern Railway (IANR) officially joined operations. With the closing of this transaction, CN and IANR are integrating their two railroads to better serve customers, the Iowa economy and communities along the network. IANR serves upper Midwest agricultural and industrial markets with 175 route miles and about 100 employees to deliver many goods, including grain, biofuels and fertilizers. This transaction supports the growth of local business by creating single-line service to North American destinations, while preserving access to existing carrier options. Our acquisition of the IANR is one example of how we are extending our reach to better serve our customers and enable incremental growth.

175 route miles

ACQUIRED TO SERVE THE U.S. UPPER MIDWEST MARKET



Investing for Safety, Efficiency, and Growth

We continue to invest in our network to build new capabilities that match the evolving needs of our customers and supply chain partners. Our capital program also creates optionality and resiliency to better respond to the unexpected.



> EXPANSION

We continue to make significant investments in our busiest corridors, mainly in Western Canada, with the construction of new and extended sidings as well as double tracking sections of our mainline to grow capacity in line with our customers' needs.

~25% capacity increase

ESTIMATED FROM DOUBLE-TRACK PROJECTS IN EDSON SUBDIVISION



> MAINTENANCE

About 44% of CN's capital investments in 2024 were dedicated to track maintenance, including the replacement of rail and ties, bridge improvements, plus upkeep of level crossings, culverts, signals, and other track infrastructure.

\$1.7B

SPENT TO MAINTAIN SAFETY AND INTEGRITY OF NETWORK IN 2024



> LOCOMOTIVES

We continue to renew our fleet to the most fuel-efficient high-horsepower locomotives currently available. In 2024, we received 83 units through a multiyear modernization program enhancing existing locomotives with the latest technology, improving their lifespan and fuel efficiency.

1,950+

MID- AND HIGH-HORSEPOWER LOCOMOTIVES IN OUR FLEET



> RAILCARS

In 2024, CN added 500 new high-capacity boxcars, 750 high-efficiency grain hopper cars, 600 iron ore gondolas, and 150 bi-level autoracks to continue meeting customer demand and moving goods efficiently and safely.

4,250

HIGH-CAPACITY GRAIN HOPPER CARS ADDED SINCE 2018



> INSPECTION

Our extensive wayside network of automated detection/inspection systems monitors the mechanical health of our trains as they pass by at normal speeds. These systems generate alarms and AI analytics allow CN to proactively address potential problems.

2,800+

WAYSIDE DETECTORS INCLUDING SEVEN PORTALS ACROSS THE NETWORK



> AUTOMATION

We are deploying the fourth generation of our Autonomous Track Inspection Program (ATIP) railcars, which assess the condition of vast amounts of track, ballast, and subgrade annually. Then, AI and trend analysis are used to prompt repairs before issues arise.

10 ATIP cars

PROVIDING CONTINUOUS TRACK ASSESSMENT ACROSS THE NETWORK

PICTURED:
Intermodal and grain trains moving through CN's busy Western Canada corridor. Photo by CN employee **Tim Stevens**

NETWORK RESILIENCY

HELPING TO MANAGE SHOCKS ACROSS THE SUPPLY CHAIN

CN’s disciplined approach to scheduled railroading is driving greater resilience and flexibility needed to seize opportunities and confront the challenges that arise from time to time.

Managing Supply Chain Shocks

In 2024, our operating plan was rigorously tested by unexpected disruptions, including rail and port labour interruptions and supply chain constraints, as well as destructive wildfires across Canada. While these challenges impacted our results, we remained agile and recovered quickly and safely. The resiliency of our operations confirmed that we have the right model and the right strategy for long-term success.

Protecting Mainline Fluidity

We provide our customers with optionality and resilience in a world of increasingly shifting trade patterns through our distinct footprint that spans the continent – east-west and north-south. Since railcars are ordered by our customers for delivery to/ from their respective facilities, matching feeder traffic to the capacity of the mainline is paramount to protect overall traffic movement. CN ensures local rail service matches the capacity of the whole rail network, including locations at destination, to accept traffic, especially during periods of extreme weather, wildfires, or other service interruptions. This allows network productivity to recover much more quickly after a disruption.

\$3.5B

IN OUR 2024 CAPITAL PROGRAM WITH \$1.7B ALLOCATED TO MAINTAINING THE SAFETY AND INTEGRITY OF OUR NETWORK

Building and Maintaining Resilient Infrastructure

CN has a disciplined approach to capital allocation, which is to support the safety of our network, improve efficiency and resilience, and enable growth. In 2024, we invested approximately \$3.5 billion in our capital program, with \$1.7 billion allocated to maintaining the safety and integrity of our network. These projects focused on the replacement of rail and ties, maintenance of crossings, bridges, culverts, signals, and other track infrastructure. Among the infrastructure projects completed last year:

WESTERN REGION: In the Vancouver area we started the multi-year Holdom Overpass project, made enhancements to Thornton Tunnel as well as to the Lulu Island and Fraser River bridges. We also completed a siding extension west of Kamloops, BC.

SOUTHERN REGION: We completed four miles of double track near Chicago, boosting train throughput to support our service to customers and be ready for future growth. And this initiative has already resulted in a 30% increase in area speed and a 17% boost in capacity.

EASTERN REGION: We completed Phase 1 and advanced Phase 2 of the new high-efficiency fuel terminal at our MacMillan Yard in Vaughan, ON.

In addition, we continued to invest in information technology, with a focus on automation and digitization. These investments help us create more resilient service for our customers.

Empowering Our Customers to Supply Grain to the World

In 2024, CN continued to move grain safely and efficiently on behalf of farmers, grain companies and supply chain partners. In fact, last year, we transported more Canadian grain than ever before, displaying resilience in the face of extended labour disruptions and significant weather-related operating restrictions.

CN’s ongoing network investments and collaboration with supply chain partners help ensure the capacity and fluidity required to efficiently transport future crops for our grain customers and meet forecast grain production. In Canada, this also includes working with the government to address challenges that pose risks to successfully moving grain, including labour regulations, port operations and infrastructure investments.

Download [CN’s 2025-2026 Grain Plan](#)



Building for a Resilient Future at Prince Rupert

At CN, we’re investing today to meet the demands of tomorrow. The Port of Prince Rupert is a strategic gateway connecting North America and Asia. To unlock its full potential, CN is advancing a bold investment strategy focused on long-term rail capacity – with the Zanardi Rapids Bridge Project at its core.

Located at the port’s entrance, the Zanardi Rapids present a natural bottleneck for rail traffic. A new 1,600-foot bridge will span this key waterway, extend several miles of track in both directions, and connect a new three-track crossing.

The existing bridge can accommodate up to 24 trains per day – but demand is expected to grow within the next decade. This project will not only expand capacity but also future-proof the entire corridor for decades ahead.

Learn more: www.cn.ca/en/stories/20250730-cn-investment-future-port-of-prince-rupert

Keeping the Economy Moving In Winter

Whether it is extreme cold, ice, heavy snow or rain, winter weather fundamentally affects what we do and how we do it. Each year, CN takes many steps to prepare for the challenges of operating a railway in a northern climate. Our objective is clear: to deliver the safest and most reliable service possible for our customers, and to keep the economy moving.

[Download CN's 2025-2026 Winter Plan](#)

> DEMAND

Although extreme weather reduces supply chain capacity, customer demand for many commodities – grain, forest products, propane – is often at its annual peak during winter. The result is greater pressure on the rail network and ports. The longer and more frequently severe cold or heavy rain persist, the more they erode our ability to recover efficiently. CN remains committed to strengthening our resilience to severe weather events.

> COLLABORATION

CN railroaders operate the most northerly Class I railway. As outlined in our annual Winter Plan, we develop and implement a wide range of processes and innovations to prepare for and mitigate potential winter challenges. Together with our customers and supply chain partners, we find ways to address the issues we face head on by identifying opportunities to strengthen the entire supply chain.

> OPERATIONS

An integral part of our scheduled operating model, we prepare for winter year-round and take action to make our operations more resilient well ahead of time. Our strategic infrastructure investments proactively reinforce our network against harsh winter conditions. When temperatures dip below -25°C (-13°F), we shorten trains to maintain safety, which increases our need for locomotives and crews.

> AIR CARS

CN was the first, and so far only, North American railway to equip specialized railcars with power and control systems to supplement a train's air brakes during extreme cold. Distributed air braking cars can reduce the need to shorten trains, improving service reliability and protecting capacity. Since their conception in 2006, CN has invested over \$60 million to build and operate more than 100 air cars.



PICTURED:
Mixed freight trains, Jasper, AB
Photo by CN employee Tim Stevens

ENABLING CUSTOMERS AND SUPPLY CHAIN PARTNERS

WHEN OUR CUSTOMERS GROW, WE GROW, AND THE ECONOMY GROWS

We aim to provide the quality service our customers need and expect to win in their markets. To accomplish this ambition, we leverage the advantages of our extensive tri-coastal network and closely collaborate with our customers and supply chain partners.

Close Supply Chain Collaboration
CN collaborates with supply chain partners to help customers efficiently access new or additional markets. We work closely with our customers to understand their business cycles and market dynamics. This helps us plan our capacity and services to unlock opportunities and grow with them. We have developed specific initiatives that leverage our unique network to support our customers' business plans. These projects are already delivering results for our customers and our business, and we have more in the pipeline.

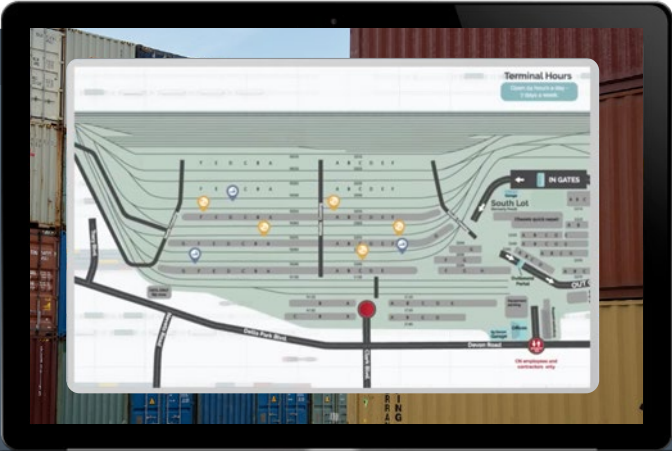
Enhancing Customer Relationships
We are improving our customer centricity by providing greater access to information and enhanced self-service tools. Our *CN One* eBusiness platform and its related mobile application provide customers with consolidated, real-time information about their carload and intermodal shipments, among other data. We have implemented a solution that centralizes customer inquiries and automates processes to expedite resolution. For added supply chain visibility, CN is expanding the data available, through Application

Programming Interfaces, to give customers the flexibility and convenience of automatically and securely pulling the specific track, trace, payment and sustainability-related information they need, directly into their systems.

Our Network Advantage
CN covers nearly 20,000 miles of track in two countries, five time zones, eight provinces and 16 states. Our network connects to seven major ports on three coasts in Canada and the U.S. to help facilitate seamless global trade. We also provide service through 21 intermodal terminals. Our Chicago bypass loop saves up to 48 hours of transit time by avoiding that city's densest area. We access energy and natural resources, agricultural and forest products, minerals, metals, and more. Our diversified portfolio helps us weather market fluctuations and gives customers more options to grow their business.

Extending Our Reach through Partnerships
CN offers customers more options via interline partnerships. Our joint intermodal service with Norfolk Southern works through interchanges in Detroit and Chicago to convert long-haul truck traffic to/from Kansas City and Atlanta to rail. For Mexico-U.S.-Canada route options, Falcon Premium continues to deliver fast and reliable intermodal service by combining the advantages of our partners, Union Pacific and Ferromex.

In addition, CN has 142 connections to shortlines across the U.S. and Canada. This extends our reach by about 13,000 route miles, allowing us to penetrate markets that would otherwise be inaccessible. Customers can also look to CN for integrated services via TransX and CNTL, pairing the efficiency of rail with the flexibility of trucks to better serve our local and non-rail-served customers.



Leveraging Technology: CN's Smart Terminal Program

Other technology investments have transformed our intermodal terminal operations and related logistics systems to better serve key stakeholders and improve operational capacity. CN's Smart Terminal program, launched in 2019, is a suite of new applications, yard designs and Internet-enabled hardware that together unlock future capabilities at CN intermodal terminals. Now implemented at multiple terminals, the program improves inventory accuracy, enhances real-time visibility of resources, streamlines loading and unloading operations to ensure safer, more efficient operations, and leverages advanced data analytics to drive business improvements to meet customer needs.

Learn more at: www.cn.ca/en/our-services/intermodal/smart-terminal-program

91%

VOICE OF THE CUSTOMER RATING IN 2024
MEASURING CUSTOMER SATISFACTION
AND EXPERIENCE, UP FROM 88% IN 2023

SPOTLIGHT



Providing Support Where Customers Need to Grow

Companies seeking to grow their business and ship by rail can turn to CN for ready-made solutions. CN's *Certified Rail Ready Site* program makes it easier for customers to find a location to build a new facility in strategic markets in Canada and the U.S.

Each site is situated along our network, guaranteed to be rail accessible by CN, and third-party certified to be ready for industrial development, thus helping customers reduce costs, time and risks.

Among customers benefiting from the program is Pivotal Energy Partners, which sought to build a liquid petroleum gas processing facility in Western Canada and needed access to a rail line, natural gas pipeline, provincial highway, potable water and power connections, and workers. A 114-acre CN Certified Rail Ready Site in Edson, AB, adjacent to our Edson Yard, checked off all the boxes. The fractionation facility, which was commissioned in April 2024, is a win-win-win for Pivotal, the community and CN.

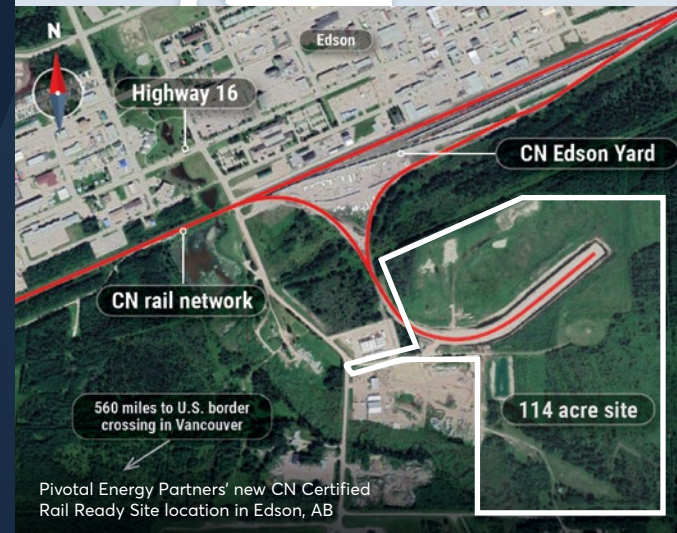
"As a CN Certified Rail Ready Site, this location enabled us to accelerate development while maintaining the flexibility to access diverse markets for our customers. We are excited about the long-term opportunities this facility creates, not only for Pivotal Energy Partners but also for the growth of the Town of Edson and our valued partnership with CN." – **Brent Kostler**, Vice-President Facilities, Logistics and Operations, Pivotal Energy Partners

Learn more at: www.cn.ca/en/our-services/business-development



The CN Certified Rail Ready Site program gets customers set up on rail faster, helps customers win and grow in their markets, attracts more carloads, and highlights our great network."

Karen Jensen
Senior Manager, Business Development



CN and Pivotal Energy Partners team members, at the new Edson, AB, terminal opening.

IN THIS SECTION:

29	Our Climate Commitments
31	Decarbonizing Our Business
34	Enabling the Transition to a Low-Carbon Future
35	Collaborating with Stakeholders



CLIMATE CHANGE



2024 Performance Highlights

- Received approval of our science-based net-zero 2050 goal from the Science Based Targets initiative (SBTi).
- Decreased our total Scope 1, 2, and 3 GHG emissions by approximately 4% from 2023, achieving 21% of our 2050 target.
- Decreased our Scope 1 and 2 GHG emission intensity by approximately 4% from 2023, achieving 27% of our 2030 target.
- Decreased our Scope 3 GHG emission intensity for fuel- and energy-related activities by approximately 6% from 2023, achieving 44% of our 2030 target.
- Reached close to 10% use of renewable fuels in our locomotives across our network.
- Helped found the North Pacific Green Corridor Consortium (NPGCC) to decarbonize the value chain for commodities between North America and Asia.

PICTURED: Redpass, BC on route to the Port of Prince Rupert. Photo by CN employee **Tim Stevens**

OUR CLIMATE COMMITMENTS

BUILDING MOMENTUM ON CLIMATE LEADERSHIP

Our climate strategy aims to ensure CN’s long-term response to climate change is meaningful, measurable, and focused on identifying specific actions we can take to achieve internationally recognized science-based targets. We are focused on making a positive contribution in the fight against climate change and playing a key role in the transition to a lower-carbon economy.

OUR CLIMATE CHANGE STRATEGY

At CN, we are proactively identifying opportunities to reduce our own carbon footprint and across our entire value chain. Our strategy to manage the impacts of climate change is guided through a four-pillar framework:

↓ Learn more about CN’s approach to climate disclosures: [CDP 2024 with TCFD Index](#)

Decarbonize Our Business

As we prepare for the future, we are committed to reducing GHG emissions and improving our GHG emissions intensity consistent with stabilizing global temperatures. In 2021, we announced our commitment to setting a net-zero 2050 GHG emission ambition aligned to a 1.5-degree scenario. In 2024, CN’s 2050 target was approved by the SBTi and seeks to have CN reduce our absolute Scope 1, 2, and 3 GHG emissions by 90% by the year 2050 from 2019. Our 2030 target and 2050 ambition informs our low-carbon transition plan. We are reducing our carbon footprint by renewing our locomotive fleet, leveraging innovative technologies and data analytics, streamlining our operating practices, integrating renewable fuels, upgrading our non-rail fleet, and retrofitting yards and buildings.

Enable the Transition to a Low-Carbon Future

We are committed to building a sustainable future. As part of this, CN continues to contribute to the transition to a lower carbon economy, while aiming to provide cleaner, more sustainable transportation services to our customers. We believe rail has a tremendous potential to reduce the environmental impact of transportation and we are actively working with many of our customers and supply chain partners to help them reduce their emissions. We ensure CN’s continued role in the energy transition by transporting cleaner energy products as well as providing shipments of wood chips and wood pellets to meet the growing demand for a more renewable fuel solution for residential, institutional, or industrial heating.

Build Resiliency and Biodiversity

CN’s success depends on our ability to operate our railroad efficiently. Annually, we invest hundreds of millions of dollars to improve the safety and reliability of our network, support our customers growth, and digitize our processes to enable us to continue to compete. We also build resiliency through our climate risk process by undertaking climate change scenario analysis to explore climate vulnerabilities to enhance our resilience to climate change. We recognize the importance of biodiversity and protecting natural capital. Working together with our partners, we have planted over 2.6 million trees since 2012 – improving air quality and the national landscape for future generations to enjoy.

Collaborate with Stakeholders

CN is dedicated to achieving net-zero emissions by 2050. Our position in the supply chain enables us to lead change towards decarbonizing North America’s transportation sector by leveraging and stimulating the development of low-carbon fuels and technologies. We are actively engaging with governments, supply chain partners, universities, cleantech, fuel producers and locomotive/engine manufacturers to achieve an effective transition to a low-carbon future. We are actively engaging with other rail companies directly and through trade associations to accelerate decarbonizing the rail transportation industry. For example, in 2024, CN was a founding member of the NPGCC, a collective of organizations working together to decarbonize the value chain between North America and Asia.

Measuring Progress Toward Our Climate Targets

As we prepare for the future, we are committed to reducing GHG emissions through science-based targets and improving our GHG emissions intensity consistent with stabilizing global temperatures. We are seeking a 43% reduction in Scope 1 and 2 GHG emissions intensity, and a 40% reduction in Scope 3 GHG emissions intensity⁽¹⁾ by 2030 from a 2019 base year. In 2024, the SBTi approved CN's 1.5°C-aligned 2050 ambition to reduce our absolute Scope 1, 2, and 3 GHG emissions by 90% by 2050 from a 2019 base year.

OUR CARBON FOOTPRINT

2024 TOTAL SCOPE 1, 2, AND 3 GHG EMISSIONS
(% of total metric tonnes of CO₂e)

31%

SCOPE 3
Value Chain

68%

SCOPE 1
Own Operations

1%

SCOPE 2
Purchased Electricity

7,091,464
Metric tonnes of CO₂e

85% of Scope 1

GHG EMISSIONS ARE DERIVED FROM THE FUEL THAT POWERS OUR LOCOMOTIVES

Locomotive emissions represent CN's largest source of Scope 1 emissions. Scope 2 emissions come exclusively from purchased electricity. Our largest source of Scope 3 emissions is the production of fuel used for our activities. In 2024, our total Scope 1 and 2 emissions intensity was 4% less than in 2023, and Scope 3 GHG emissions intensity from fuel- and energy-related activities was 6% less than in 2023.

PROGRESS TOWARD OUR 2030 TARGETS

SCOPE 1 AND 2 GHG EMISSIONS INTENSITY
(Metric tonnes of CO₂e per million GTMs)

11.61	11.24	10.91	10.60	10.67	10.25
2019	2020	2021	2022	2023	2024

↓ **43%**

2030 TARGET

SCOPE 3 GHG EMISSIONS INTENSITY⁽¹⁾
(Metric tonnes of CO₂e per million GTMs)

3.61	3.30	3.28	3.16	3.16	2.97
2019	2020	2021	2022	2023	2024

↓ **40%**

2030 TARGET

27% progress

TOWARD OUR SCOPE 1 AND 2 GHG EMISSIONS TARGET IN 2024

Our SBTi-approved emissions reduction target is consistent with levels required to meet the goals of the Paris Agreement. CN is committed to reduce Scope 1 and 2 GHG emissions by 43% per million GTMs by 2030 from a 2019 base year. At the end of 2024, CN achieved 27% progress toward our 2030 target for Scope 1 and 2 GHG emissions.

44% progress

TOWARD OUR SCOPE 3 GHG EMISSIONS⁽¹⁾ TARGET IN 2024

In alignment with the SBTi framework for the transportation sector, CN is committed to reduce Scope 3 GHG emissions from fuel- and energy-related activities from locomotive, truck, and vessel fleets by 40% per million GTMs by 2030 from a 2019 base year. At the end of 2024, CN achieved 44% progress toward the 2030 target for Scope 3 GHG emissions.⁽¹⁾

(1) From fuel- and energy-related activities from locomotive, truck, and vessel fleets.

PROGRESS TOWARD OUR 2050 AMBITION

GHG EMISSIONS ACROSS THE VALUE CHAIN
(Millions metric tonnes of CO₂e)

8.74

7.64

7.52

7.29

7.38

7.09

2019

2020

2021

2022

2023

2024

↓ **90%**

2050 AMBITION

21% progress

TOWARD OUR NET-ZERO AMBITION IN 2050

Using a science-based approach to our climate commitments, CN's net-zero ambition was validated by the SBTi in 2024. CN's net-zero ambition is to reduce Scope 1, 2, and 3 GHG emissions by 90% from a 2019 base year. At the end of 2024, CN achieved 21% progress toward our 2050 ambition.

DECARBONIZING OUR BUSINESS

COMMITTED TO REDUCING GHG EMISSIONS IN OUR OPERATIONS

Reducing Our Rail Carbon Footprint

With 85% of our Scope 1 GHG emissions generated from rail operations, the best way to reduce our carbon footprint is by improving our rail efficiency. As such, our 2030 target informs our low-carbon transition plan and business strategy.

We focus on five key strategies to achieve our 2030 target:

FLEET RENEWAL: We continue to renew our fleet with the most fuel-efficient high-horsepower locomotives currently available, with the purchase of more than 300 new units since 2018. In 2024, we also received 83 units out of a multiyear modernization program, where existing locomotives from the CN fleet are upgraded with the latest technology, extending their life, and enhancing fuel efficiency.

INNOVATIVE TECHNOLOGY AND BIG DATA: We continue to explore and invest in innovative technologies to improve our carbon efficiency. We equip our locomotives with energy management and data telemetry systems as well as distributed power functionality to help us continuously improve train handling, braking performance, and overall fuel efficiency. Through our locomotive telemetry systems, we collect enormous amounts of data to help improve train performance and fuel

conservation. In addition, our in-house Horsepower Tonnage Analyzer uses the data from the systems to optimize a locomotive's horsepower-to-tonnage ratio, further reducing fuel consumption.

OPERATING PRACTICES: CN continues to leverage real-time information on train operations, enabling on-the-job guidance on practices that reduce fuel consumption. In parallel, CN's disciplined approach to capital allocation supports the safety of our network, improves efficiency and resilience, and enables growth. Capacity upgrades, including lengthening sidings and doubling sections of mainline track, allow us to drive fluidity in our busiest corridors, improving fuel and carbon efficiency. Investments in new equipment such as higher-capacity hopper cars also save fuel as such cars can carry more volume per train.

In 2024, CN took delivery of 750 new high-efficiency grain hopper cars bringing our investment in hopper car fleet renewal to 4,250 new cars since 2018.

CLEANER FUELS: The increased usage of biodiesel and renewable diesel is the key strategic enabler for meeting our 2030 target. Canada's Federal Clean Fuel Regulations and other renewable and low-carbon fuel standards in jurisdictions where CN operates will continue to present an important opportunity for us to further reduce our emissions.

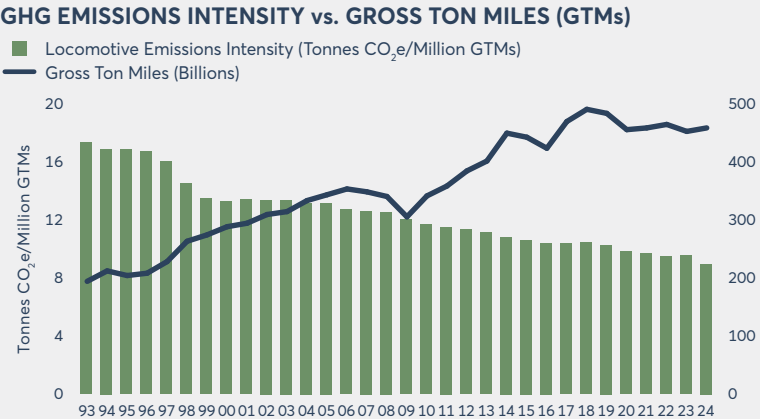
Trials and qualifications of up to 100% renewable fuel blends continued to progress in 2024. CN expects that these trials will allow CN and the industry to better understand the long-term durability and operational impacts of renewable fuels on locomotives, especially in cold weather, and plan needed modifications, if need be, to leverage their increased usage over the next decade. In 2024, CN significantly increased our use of renewable fuels, which represented close to 10% of our locomotive fuel in the year.

Read more about CN's Climate Action Plan in our [2025 Management Information Circular](#).



Recently modernized CN Progress Rail SD75 that was converted from DC to AC traction.

DECOUPLING GHG EMISSIONS FROM GROWTH



48% reduction

IN GHG EMISSIONS INTENSITY SINCE 1993

CN has made significant progress in decoupling GHG emissions from volume growth, reducing our locomotive emissions intensity by 48% since 1993, while consuming approximately 15% less locomotive fuel per GTM than the industry average.

~10%

OF FUEL USED IN OUR LOCOMOTIVES
IN 2024 WAS RENEWABLE

Reducing Our Non-Rail Carbon Footprint

Operating an efficient railroad extends to our non-rail operations, enabling further carbon reductions in our ground and vessel fleets, buildings and yards, through best practice initiatives, new equipment, and technologies.

We are taking concrete steps to reduce our non-rail carbon footprint, which comprises 15% of our Scope 1 and 2 GHG emissions, through best practice initiatives, new equipment, and technologies.

DRIVING GROUND FLEET UPGRADES:
Our non-rail ground fleet, comprised of CNTL and TransX trucks, intermodal equipment, and OCS vehicles, represents 6% of our Scope 1 and 2 GHG emissions. Over the past few years, we have focused on improving the fuel efficiency of this equipment and increasing our use of renewable fuels. We have purchased

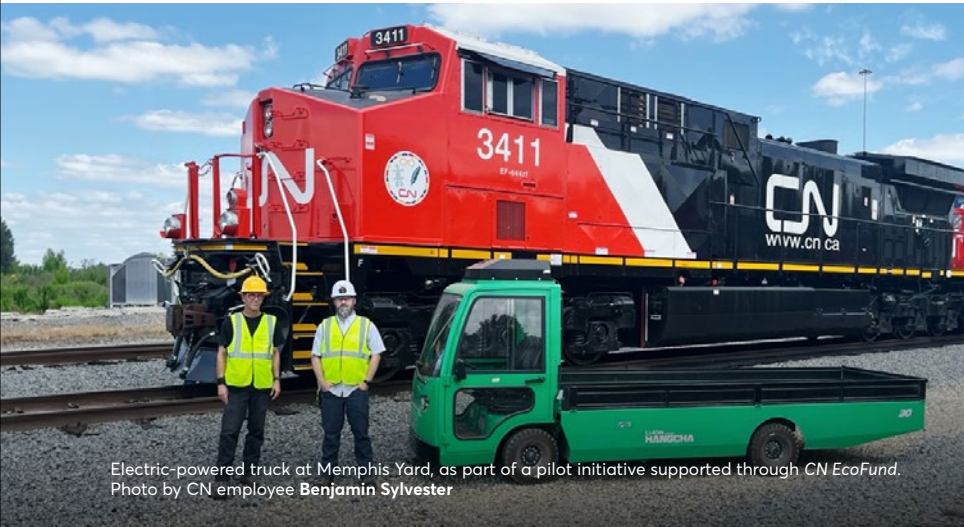
electric vehicles – including five Ford F-150 Lightning trucks – in our OCS fleet.

In our intermodal operations, we are exploring the use of renewable fuels and electrification to decarbonize mobile handling equipment, generators, and refrigerated units. In 2024, we received electric shunt trucks at our Brampton, ON, and Vancouver terminals and piloted the use of 100% renewable diesel at our Vancouver terminal. The results of these pilots will inform future expansion to other parts of CN's intermodal operations.

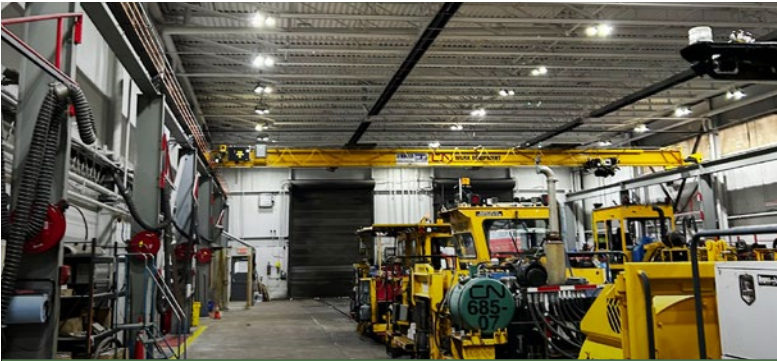
RETROFITTING YARDS AND BUILDINGS:
Our annual *CN EcoFund* continues to drive energy-efficient upgrades in our buildings and yards. We invest in retrofits to boilers, air compressors, HVAC systems, and LED lighting, enabling us to improve our carbon efficiency and reduce costs. In 2024, we continued to deploy the energy-as-a-service business model, a comprehensive approach to reduce energy consumption without incurring upfront investments. Having realized energy savings on prior investments, CN is continuing to explore opportunities to expand the model beyond lighting to achieve additional efficiencies.

DECARBONIZING OUR VESSEL FLEET:
Our marine services extend beyond where track and trucks stop, offering marine shipping in regions like the Great Lakes. Our shipping fleets offer safe, and highly fuel-efficient fleet transportation services. Ship operators are trained on fuel conservation practices, including strict speed protocols and operating parameters resulting in further GHG emission reductions, and we are exploring the use of biodiesel.

~6%
OF CN'S SCOPE 1 AND 2 EMISSIONS IS
PRODUCED BY NON-RAIL GROUND FLEET



Electric-powered truck at Memphis Yard, as part of a pilot initiative supported through *CN EcoFund*. Photo by CN employee Benjamin Sylvester



Energy Management: Advancing Our Climate Goals

CN's Energy Management team continues to drive innovation and efficiency across the organization, guided by ISO 50001 principles. Ongoing collaboration with internal and external partners ensures alignment between energy initiatives and CN's broader sustainability and business goals. Over the past decade, the team has made significant strides toward a cleaner, more resilient future.

A core pillar of the program is the strategic focus on energy efficiency across CN yards and buildings. Through retrofits such as high-performance insulation, LED lighting, and smart building management systems, the team is helping meet ambitious energy targets, reducing operating costs, and advancing CN's sustainability commitments.

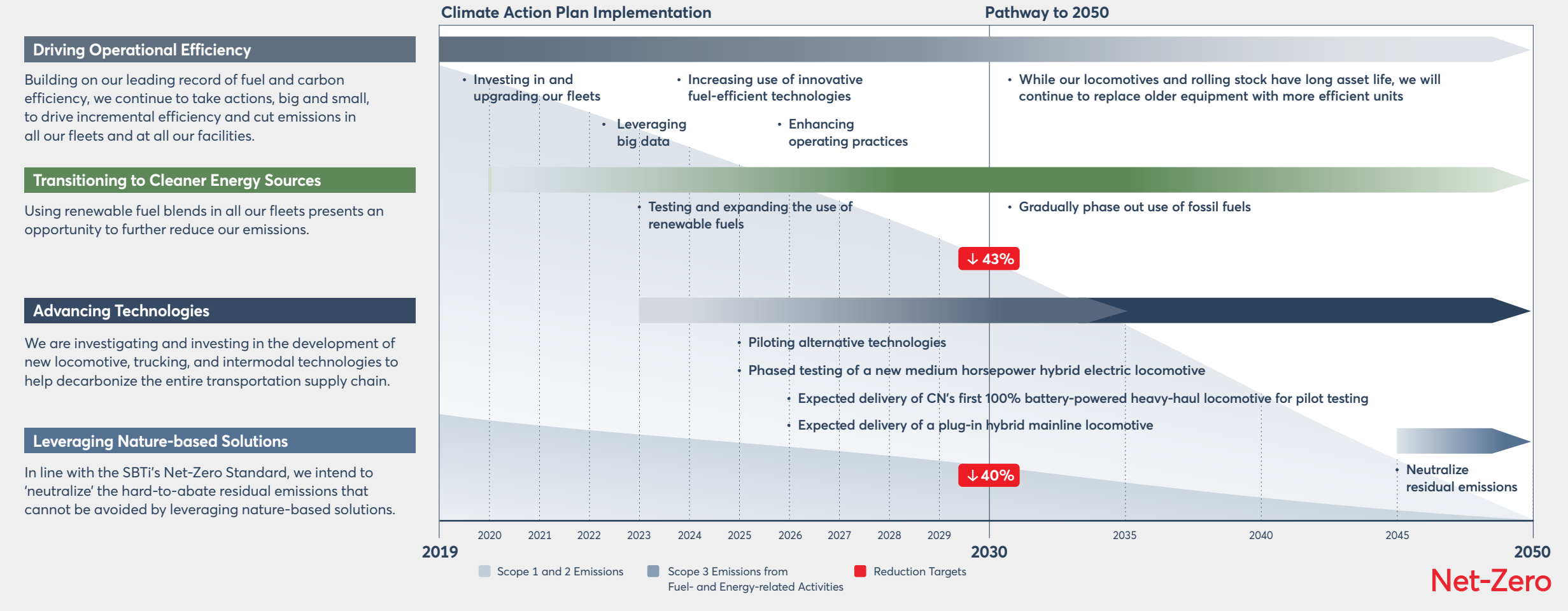
Recently, advanced meters were installed at over 100 locations across the network, enabling real-time insights and rapid response to energy anomalies. The team has also conducted comprehensive audits at more than 10 major yards to evaluate the potential for transitioning to renewable energy, including renewable fuels. For instance, a detailed audit at a major U.S. yard led to upgrades in lighting, compressed air, and HVAC systems, resulting in an estimated 23% reduction in energy consumption.

PICTURED:
Energy efficient lighting upgrade at Joffre Yard, in Charny, QC. Photo by CN employee, Jean-François Bissonnette

Decarbonization Trajectory

CN is committed to net-zero emissions by 2050. To achieve our decarbonization goals, we will need to continue improving the fuel efficiency of our fleets and increase our use of renewable fuels. Achieving our target will also be dependent on collaboration between the rail industry, locomotive manufacturers, and fuel producers to continue to develop innovative technologies, as well as make available enough cost-competitive renewable fuels in future years.

OUR PHASED APPROACH TO DECARBONIZE OUR ACTIVITIES



ENABLING THE TRANSITION TO A LOW-CARBON FUTURE

PLAYING A KEY ROLE IN THE TRANSITION

Our position in the supply chain enables us to lead change toward decarbonizing North America’s transportation sector. Leveraging and stimulating the development of low-carbon fuels, which represent the key strategic enabler for meeting our 2030 target.

Driving Decarbonization Through Renewable Fuels

CN is working with the industry on testing and exploring the greater use of renewable fuel blends, beyond regulated amounts, in our locomotives. With Progress Rail and Chevron Renewable Energy Group, we completed a pilot to assess high-level blends for both biodiesel and renewable diesel. Another pilot, in partnership with Union Pacific, evaluated high-level blends on two classes of locomotives. These pilots are a key lever to help us decarbonize our business and the result of a network of aligned partners. Our ecosystem of collaboration helped us increase our use of renewable fuels in our locomotives. In 2024, renewable fuels represented nearly 10% of our fuel used in our locomotives.

In 2024, CN became a member of the Clean Fuels Alliance America, a national trade association representing the biodiesel, renewable diesel, and sustainable aviation fuel industries, in line with our commitment to promote the use of renewable fuels in our operations.

A Path Toward Low-Carbon Transportation

In 2021, we announced the purchase of a Wabtec battery-electric freight locomotive, the first 100% battery heavy-haul locomotive. The anticipated efficiencies and emission reductions from this technology should be significant as they will open the door to new alternatives beyond the diesel-powered locomotives used today. We expect to receive the locomotive in 2026.

In 2024, we announced the purchase of a plug-in hybrid mainline locomotive, a first of its kind in North America, which we will evaluate on our mainline in northern British Columbia. Testing of this locomotive will increase CN’s knowledge of battery technology, which is used in different alternative propulsion options, such as hydrogen fuel cells, under varying operational and weather conditions. We expect to receive the locomotive in 2026.

In early 2025, we announced the launch of a new medium-horsepower hybrid-electric locomotive developed in collaboration with Knoxville Locomotive Works. We plan to deploy the hybrid locomotive in phases across several CN yards and branch lines, including locations in Tennessee, Mississippi, Louisiana, and in Western Canada. The phased approach will enable CN to evaluate the efficiency and operating protocols for the hybrid-electric locomotive.

Environmental Benefits of Shipping by Rail

Reduces GHG Emissions

75%
MOVING FREIGHT BY RAIL INSTEAD OF TRUCK REDUCES GHG EMISSIONS BY UP TO 75% ⁽¹⁾

More Fuel Efficient

up to 4X
TRAINS ARE UP TO FOUR TIMES MORE FUEL EFFICIENT THAN TRUCKS ⁽¹⁾

Moves Farther with Less

480 miles
ONE TRAIN CAN MOVE A TON OF FREIGHT 480 MILES ON ONE GALLON OF FUEL ⁽¹⁾

Avoids Congestion

300 trucks
ONE FREIGHT TRAIN CAN TAKE OVER 300 TRUCKS OFF THE ROAD ⁽²⁾

(1) Association of American Railroads
(2) Railway Association of Canada

PICTURED:
Intermodal freight train moving through Jasper, AB
Photo by CN employee Tim Stevens

COLLABORATING WITH STAKEHOLDERS

WORKING TOGETHER TO FIND MORE SUSTAINABLE PATHS FORWARD

As the first North American railroad to formally commit to a net-zero 2050 target, we recognize the importance of collaborating with governments, industry, customers, partners, suppliers, and other stakeholders to effectively transition to a low-carbon future.

Governments
Since 1995, through the Railway Association of Canada, CN has been actively working with the Government of Canada to address the impacts of rail activities on the environment. In 2023, the parties agreed to a shared vision of working toward net-zero emissions by 2050 by advancing low-carbon fuel use, moving more goods by rail where possible, and accelerating the development of advanced net-zero solutions for locomotives.

In the U.S., CN is a member of the Association of American Railroads and leads the Decarbonization Working Group. We want to contribute to, and support, future policy developments

in a manner that will foster low-carbon economic growth while ensuring significant GHG emission reductions. As such, we engage with various Canadian and U.S. federal, state, and provincial governments on their programs to position rail freight as a viable low-carbon transportation solution.

Suppliers
Achieving our net-zero target will be dependent, in part, on continuing collaboration with locomotive manufacturers and fuel producers to successfully develop and test renewable fuel blends as well as other innovative technologies. Fuel suppliers will also need to make available enough cost-competitive renewable fuels in the years to come.

Customers
Our goal is to provide cleaner, more sustainable transportation services for our customers. Shipping heavy freight by rail can reduce GHG emissions by up to 75% compared to trucks and has tremendous potential to help fight climate change. We are collaborating with our customers to help them reduce their transportation supply chain emissions and meet their Scope 3 climate targets. We are also supporting growth in sustainable markets by transporting sustainable products.

Supply Chain Partners
As we look to 2030 and beyond, we believe decarbonizing transportation will require designing innovative low-emission supply chain solutions through investment and collaboration. Our experience as operators of trains, trucks, and vessels, as well as our position in the supply chain will enable us to lead a step change toward decarbonizing North America’s freight sector.

Decarbonizing Trade Corridors

In 2023, CN announced participation in a global agreement to establish a green shipping corridor between Canada and the United Arab Emirates. The following year, CN became a founding member of the NPGCC, a collaboration of members and partners from diverse sections of the value chain, including bulk commodity producers, railway and intermodal transportation providers, marine vessel owners and operators, port facilities and authorities, and clean technology providers. The NPGCC is committed to exploring new markets for low-carbon fuels in North America and Asia, exploring propulsion options, and showcasing how carbon reduction initiatives can strengthen commercial partnerships.

PICTURED:
Port of Prince Rupert, BC. CN’s supply chain partner and fellow member of NPGCC.

An ecosystem of collaboration across the value chain is key in achieving an effective transition to a low-carbon future. CN is committed to playing a key role in the transition to a low-carbon economy as our strategy to reduce our emissions contributes to reducing the Scope 3 emissions of our customers.”

François Bélanger, Senior Director, Sustainability

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ENVIRONMENTAL MANAGEMENT



2024 Performance Highlights

- Restructured the committees of CN's Board of Directors to establish the Safety and Environment (SE) Committee, responsible for assessing and monitoring the Company's Environmental Policy.
- Recognized 73 customers, suppliers and supply chain partners for their leadership and commitment to sustainability by planting 100,000 trees in seven communities.
- Awarded a total of 55 community projects through the EcoConnexions - From the Ground Up program.
- Diverted approximately 95% of our operational waste from landfill, achieving our annual waste management target.
- Updated our geographical information system and supporting biodiversity layers, including species at risk and critical habitat along our right of way and adjacent properties.
- Completed 77 detailed biodiversity assessments.

PICTURED: Sioux Lookout, ON. Photo by CN employee **Steven Roberts**

ENVIRONMENTAL STEWARDSHIP

THINKING AND ACTING IN THE INTEREST OF FUTURE GENERATIONS

We aim to minimize the environmental impact of our operations by working with stakeholders and rightsholders to conserve resources, manage waste, and protect/restore natural ecosystems. Together, we embed a culture of continuous improvement and operationalize our approach across the network.

Leading Environmental Governance

The SE Committee is responsible for:

- Reviewing our Environmental Policy, strategic plans, performance, and opportunities to align with our objectives.
- Overseeing our key environmental metrics and monitoring progress against established targets, including our public goals related to GHG emissions, operational waste, and tree planting.
- Reviewing our scope of annual disclosures regarding environmental and climate change matters.

Our President and Chief Executive Officer, our Executive Vice-President and Chief Financial Officer, our Executive Vice-President and Chief Network Operating Officer, as well as our Executive Operations Committee cascade environmental objectives and targets to functional vice-presidents and senior managers through standing working groups, annual business summits, and team meetings.

Comprehensive Environmental Policy

Our Environmental Policy recognizes the importance of adapting our business to changing environmental conditions while complying with all applicable legal and regulatory requirements. We are committed to working with stakeholders and rightsholders to avoid, minimize, and offset potential environmental impacts from our operations. When we do impact the environment, we will work to restore it.

Our Environmental Policy drives our commitment to:

- Fostering a culture of leadership, collaboration and innovation to strengthen CN's role as an industry leader in environmental performance.
- Setting clear and measurable policies, standards and targets, and evaluating performance.
- Conducting annual management reviews to forecast, prevent, and mitigate environmental risks and potential impacts.
- Training thousands of employees each year, including new hires, through our general environmental awareness classes at CN Campus.
- Sharing results to reinforce internal policies and best practices.

Our suppliers and contractors are also subject to our Environmental Policy, which is embedded in master service agreements and our [Supplier Code of Conduct](#). Policy commitments are reinforced through vendor selection processes, business reviews at bi-annual Environmental Supplier Summits, bringing together key external stakeholders to support the awareness and adoption of our Environmental Policy.

 Review CN's Environment Policy on our website at: www.cn.ca/en/delivering-responsibly/environment

Effective Environmental Management Program

Our Environmental Policy is operationalized through CN's Environmental Management System (EMS) and supporting programs. Focused on continuous improvement, they drive leadership and compliance requirements across activities having a potential impact on the environment. In addition to demonstrating our commitment, they also reinforce legal and business requirements, clarify roles and responsibilities, strengthen and progress targets, and assess our performance through audits and management reviews.



Certified as a Responsible Care® partner for the 28th consecutive year, reinforcing our dedication to health, safety, security and environmental stewardship.



Edmundston, NB. Photo by CN employee **Maxime Larouche**

SPOTLIGHT

Advanced Coordination Strengthens Preparedness

With a commitment to environmental stewardship and safety, we partner with local communities and first responders along our network to proactively plan and prepare for emergencies.

In August 2024, CN led a large-scale emergency response drill near the Bulkley River in Smithers, BC. The two-day exercise simulated the derailment of 24 tank railcars, testing the coordination of over 60 CN employees and key stakeholders, including local Indigenous communities, Transport Canada, the provincial government, local municipalities, and emergency response partners.

In addition to improving emergency preparedness, the drill also aimed to strengthen relationships with Indigenous communities along the Bulkley River, in line with CN's Indigenous Reconciliation Action Plan. The river, called "Wet'sinkwha" (blue and green river) by the Wet'suwet'en people, holds significant cultural and environmental significance.

"The river is incredibly important to our culture. It is our way of feeding our people. Being part of this exercise will help me train and teach others on my team. Building relationships is essential for advancing emergency services in our community." Randi Lee Morgan, Emergency Services Coordinator and Assistant Chief, Gitwangak Fire Department

"It's beneficial that CN is conducting this exercise to understand who everyone is and how we can fit together. We can't do it alone; we need different levels of expertise." Rodney Harris of the Gitxsan Watershed Authorities

By working together in a non-emergency environment, CN and its partners are better equipped to protect both the environment and the communities along the network.

▶ Watch a video and learn more: vimeo.com/1025245311



CN team with community and emergency response partners in Smithers, BC.



(from left) Ray Hollenberg of NorthWest Response, and Randi Lee Morgan, Emergency Services Coordinator and Assistant Chief, Gitwangak Fire Dept.

"The main goal was to ensure we are prepared in the event of an incident and that everyone understands their role in the emergency response."

Stella Karnis, Senior Director, Environment



Rodney Harris of the Gitxsan Watershed Authorities and other first responders at table top exercise.

WASTE MANAGEMENT AND THE CIRCULAR ECONOMY

PREVENTING AND REDUCING WASTE TO MINIMIZE OUR IMPACT

Lessening the environmental impact of resource consumption is a priority for CN as we work toward a more sustainable economy. Responsible material stewardship and waste management also reduces costs, increases productivity, and contributes to a greener future.

Responsible Procurement

We are committed to limiting waste at the source by pursuing responsible procurement solutions and sourcing environmentally friendly products and services. We know that managing our resources efficiently requires collaboration with our suppliers to consider more sustainable alternatives across the product life cycle.

In 2024, CN's Waste and Resource Conservation team completed a network-wide vendor transition project across mixed solid waste and hazardous/industrial waste contracts. As a result, the team

deployed a refreshed strategy focused on field engagement, supplier services, and operationalized upstream and downstream solutions to drive reduce-reuse-recycle opportunities.

Investments in Innovation

Supporting our vendor transition, cross-functional teams leveraged technology to improve data aggregation, quality assurance, and document management across our operational waste programs. By leveraging business information dashboards, we can assess historical and real-time service data, improving

our ability to proactively optimize our waste volumes, management plans, and reduction opportunities.

Compliance is a critical pillar of CN's waste management strategy. Our local teams ensure waste is properly packaged and stored as well as collaborate with our waste management vendors to ensure waste does not accumulate onsite. We have also incorporated various waste containerization, accumulation, and inspection standards into our *Enablon Go* system (see [page 15](#)). The digital inspections support our culture of compliance and help local teams understand, manage and reduce their waste footprint.

Waste Reduction Training

To advance our EMS strategy, operational waste management is a core element of our annual training curriculum. Training efforts on compliance, services, and opportunities to reduce-reuse-recycle are included in onboarding awareness training at CN Campus for all new hires. Training also helps CN's Mechanical employees reduce contaminants and mixed debris in locomotive service bays.

Waste management is a key focus of annual campaigns such as *Operation Clean Sweep*, which engages transload employees, operators, and terminal managers to reduce the likelihood of plastics entering the natural environment. Cross-functional teams also participate in annual leadership summits to increase the visibility of our environmental programs and align priorities, including waste management.

Waste Audits

CN invests considerable resources to conduct desktop and field audits to validate our operational waste management processes, service plans, and documented information, including compliance records and data reports. Field audits were completed in 2024 across major yards in partnership with service providers and cross-functional waste generators. The field audits focused on compliance, high-risk and high-volume generators, and assessment of opportunities to support onsite waste reduction, segregation, containerization, and accumulation efforts.

Waste management standards are also assessed through CN's Environmental Health and Safety Audit program, with protocols tailored to operational departments and waste byproducts. Auditors are provided with information on local waste service plans and waste reports, including type, volume, and disposal method. CN's Environment team also conducts annual waste audits.



Diverting Rail Ties from Landfill

We work with suppliers to safely extend the service life of our rail ties. When they do eventually wear out, we keep most of those rail ties out of landfill by sending them for use as a low-carbon fuel through various partnerships. These agreements play an important role in supporting our supply chain partners in their efforts to decarbonize. For example, our partnerships with Omaha and Kruger, enable them to transform used rail ties into renewable energy.

~95%

OF OUR OPERATIONAL WASTE DIVERTED FROM LANDFILL IN 2024

Advancing the Circular Economy

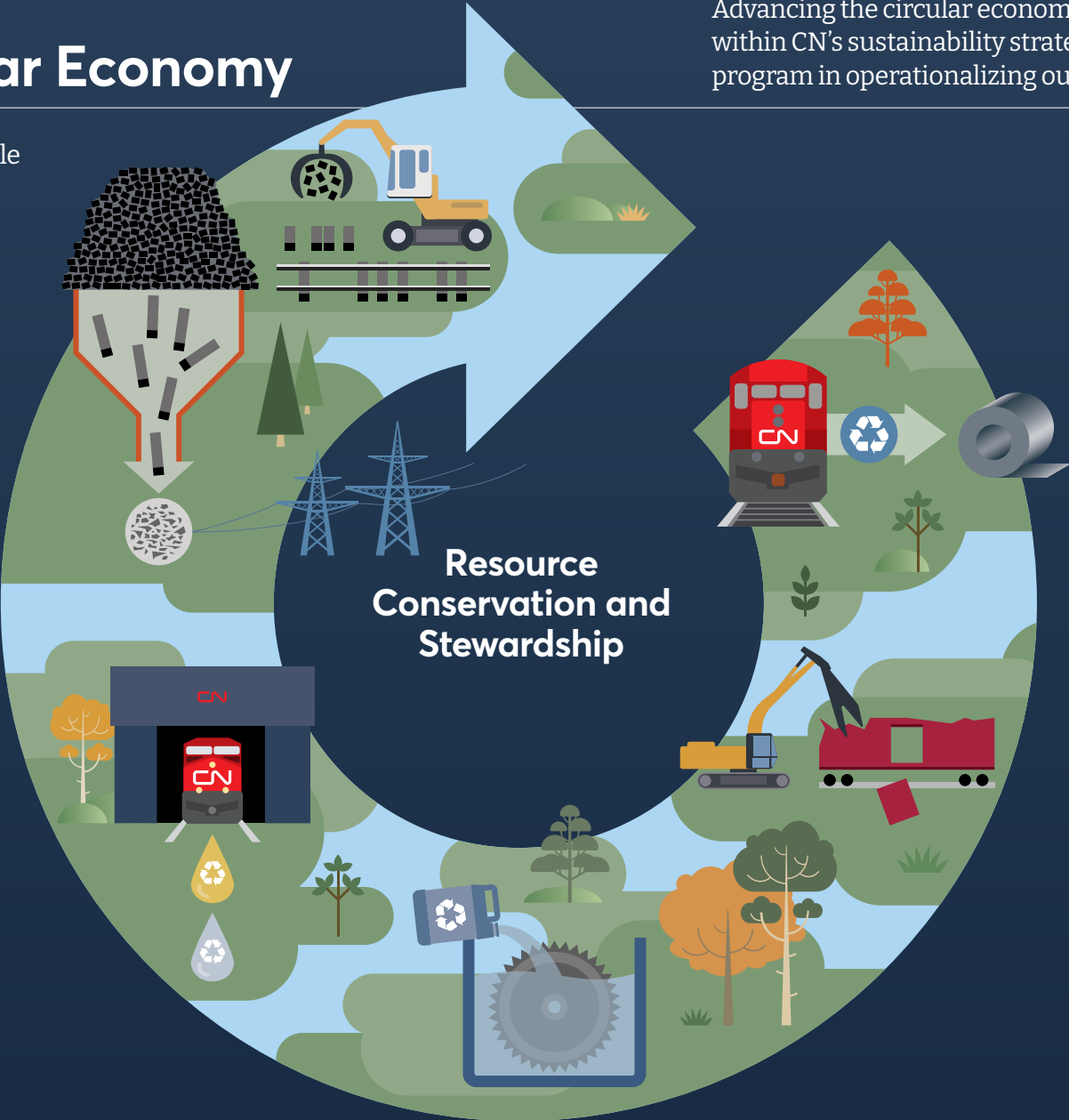
For CN, a circular economy is about using valuable resources wisely, thinking about waste as a resource instead of a cost, and recovering as much value as possible from those resources by reusing, repairing, refurbishing, remanufacturing, repurposing, or recycling them.

> INDUSTRIAL SYMBIOSIS

Rather than sending our used ties to landfill, we collect, chip, and ship them to some of our customers, providing a mutually beneficial input for use as biomass to power their cogeneration plants.

> REUSING MATERIALS

Locomotive lead-acid batteries are recertified and safely put back into service until they reach their specified end of life. Used oil, engine coolants, and wastewater are also reused.



Advancing the circular economy remains a longstanding commitment within CN’s sustainability strategy and Environmental Policy, and a key program in operationalizing our EMS framework.

> EXTENDING LIFESPAN

Our locomotive modernization program extends their useful life. In addition, worn mainline rail is reused on our secondary lines, then at our yards, and finally sold to be recycled into new steel products.

> RECYCLING

Locomotives, railcars, and heavy machinery are used and refurbished until they reach their end-of-life when they are sent for recycling. We recover and recycle 165,000-215,000 tonnes of scrap metal each year.

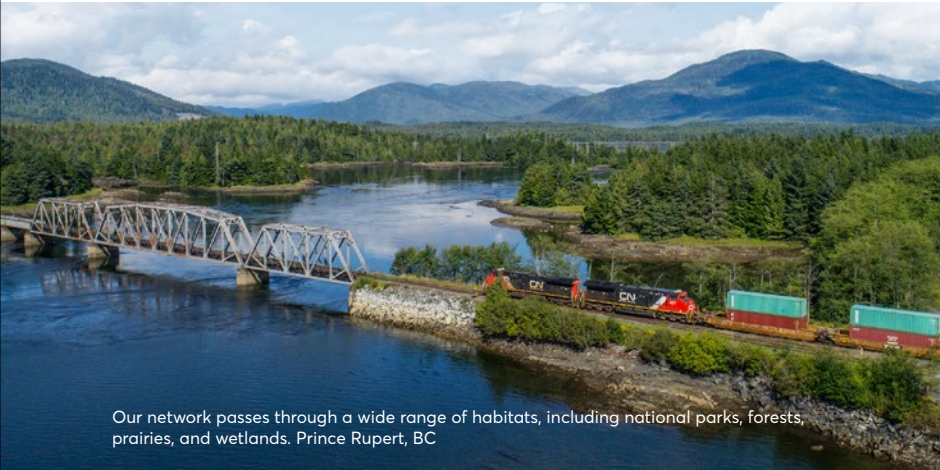
> REDUCING AT SOURCE

We purchase innovative products, such as aqueous-based parts washers. We also collaborate with suppliers on recycled packaging and optimization such as boomerang boxes and pallets as well as bulk purchasing.

BIODIVERSITY AND LAND MANAGEMENT

SAFEGUARDING THE NATURAL ENVIRONMENT ALONG OUR RAIL LINES

Our network passes through a wide range of habitats, including national parks, forests, prairies, and wetlands. We are committed to working collaboratively with key stakeholders and rightsholders to identify opportunities to implement measures using the biodiversity mitigation hierarchy to avoid, reduce, regenerate, restore, and transform our environmental impact.



Our network passes through a wide range of habitats, including national parks, forests, prairies, and wetlands. Prince Rupert, BC

Biodiversity Risk Assessment

In 2023, we began a process to reevaluate our relationship with nature, and we are actively working with stakeholders and rightsholders to strengthen our approach. A team of internal experts and external partners has made considerable gains in redeveloping and operationalizing our biodiversity risk assessment.

Process

At the enterprise level, CN is building from the LEAP approach, a tool developed by the Taskforce on Nature-related Financial Disclosures to assess our relationship with nature. We completed a high-level assessment of biodiversity risks across our network, including train operations, construction, maintenance, emergency response, and remediation activities. With the support of external experts, CN completed workshops to:

- LOCATE** our environmental assets, including atmospheric systems, land geomorphology, habitats, soils, sediments, ecosystems, resources, and water.
- EVALUATE** the scope of our dependencies, risks, opportunities, and interactions.
- ASSESS** the impacts, pressures, and priority areas based on frequency and severity, including land use changes, pollution, invasive species, and freshwater use.
- PREPARE** short-, medium- and long-term actions, including soil and sediment retention, flood mitigation, water flow regulation, soil quality regulation, and storm mitigation.

We incorporated the main areas of risk outlined in the workshops into our 2024 Environmental risk management assessment. A key action identified was the need to update our geographical information system (GIS) and its supporting biodiversity layers. The system is currently being enhanced to include species at risk and critical habitat along our right-of-way and adjacent properties.

At the project level, CN is implementing biodiversity risk assessments through our EMS framework based on site-specific knowledge and our GIS system. During construction projects and emergency response events, cross-functional CN teams adhere to standard processes to identify and assess potential biodiversity impacts.

These assessments are done with input from regulators, technical experts, local municipalities, and Indigenous communities to inventory critical habitat, species at risk, sensitive areas, as well as archaeological, and heritage features. Our systematic approach ensures we consider the ecosystem-specific risks, impacts, regulatory requirements, and mitigations using the biodiversity mitigation hierarchy.

At the yard level, CN's Health, Safety and Environment audit program has incorporated key areas of biodiversity risk and exposure into its annual audits.






Key Findings: 2024 Risk Assessment

Key findings in the risk assessment process include:



- > **CONSTRUCTION PROJECTS**
Highest area of biodiversity risk, with strong controls in place to avoid, reduce, regenerate, restore, and/or transform.
- > **DERAILMENTS AND SPILLS**
High area of biodiversity risk, with strong controls in place to avoid, using proactive inspection, maintenance, and operating protocols. Although immediate impacts from accidents cannot be entirely avoided, we have processes in place for minimization, restoration, and/or transformation of affected areas.

PICTURED:
Emergency response exercise in Skeena River, BC

Biodiversity Mitigation Approach and Case Studies

Mitigation	Approach	Case Study	
AVOID	We invest hundreds of millions of dollars annually to keep our network well maintained. Prior to starting any maintenance, growth, remediation, and/or emergency response project, we engage our Environmental Management Plan's construction compliance assurance process to systematically identify potential environmental and/or regulatory risks. Working externally with regulators, experts, local municipalities, and Indigenous communities, we inventory critical habitat, species at risk, sensitive areas, as well as archaeological and heritage features. We then work together to identify opportunities to avoid potential impacts.	AVOIDING INFILLING OF WATERWAYS: The Glen Valley-to-Abrahamson double-track project expands capacity to/from the Port of Vancouver. The track was originally planned to be built on infills in the Fraser River and the Crescent Island channel. However, these waterways were identified as high-quality white sturgeon habitat that supports a large nursery. Avoidance opportunities were identified by the local Indigenous community and the Department of Fisheries and Oceans. After extensive geotechnical and hydrological review of the slopes, the track configuration was modified to avoid infilling what would have impacted the white sturgeon.	
REDUCE	When our projects have the potential to disturb nearby environments, we make best efforts to minimize our impact. We introduce fit-for-purpose mitigation measures identified during the assessment process to protect fisheries, wetlands, and species at risk, as well as reduce noise and light pollution. To limit the potential environmental impact, CN engages with stakeholders and rightsholders through emergency preparedness exercises. These events provide opportunities to assess, coordinate, and educate local first responders, municipal officials, and Indigenous leaders on emergency response measures to reduce impacts to nature. We also minimize our impact on the environment by maximizing the useful life of our assets.	NOISE REDUCTION AT OUR FACILITIES: To reduce noise levels at the CN CargoFlo® facility at Stuart Yard in Hamilton, ON, numerous acoustic measurements were taken to determine the type, level, and source of the noise. The source was identified to be the blower systems on the contracted transfer trucks as they serviced the facility. To reduce the level of noise, CN purchased silencers that are picked up by the trucks when they enter the facility, installed in a matter of seconds, and then dropped off on departure.	
REGENERATE	We provide a low-carbon mode of transportation and work with our customers and supply chain partners to reduce their emissions. We also strengthen the sustainable economy by moving cleaner energy alternatives, such as biofuels, wood pellets, solar panels, and wind turbines, as well as green products like electric vehicles. Through innovative collaboration with industry partners and communities, we aim to play an important role for greater resource conservation with an emphasis on the circular economy and regenerative systems.	REGENERATING NATURAL HABITATS: In 2021, CN agreed to set aside in perpetuity 16.5 hectares (Ha) of biologically important dune and swale habitat at Kirk Yard in Gary, IN. Over the course of 2022, 2023 and 2024, numerous efforts were undertaken with the Indiana Department of Natural Resources to improve, enhance, and regenerate this habitat back to natural conditions. Work involved fencing to physically protect the area, extensive invasive species control and clean-up of debris. Specifically, invasive species control was completed on 7.5 Ha in 2024.	

Biodiversity Mitigation Approach and Case Studies (cont.)

Mitigation	Approach	Case Study	
RESTORE	When we do have a direct impact on the environment, our goal is to restore it through long-term monitoring and restoration efforts. We have a broad range of programs for ecosystems close to the railway, such as restoring fish habitats and wetlands, as well as managing invasive species. For example, fish habitat is restored by removing blockages and enhancing features for rearing, including large woody debris structures. We also help municipalities and Indigenous communities enhance their natural environments, improve social well-being, and engage residents who value green spaces by planting trees.	RESTORING LAND DISTURBED DURING CONSTRUCTION: In 2024, CN completed 77 detailed biodiversity assessments following the LEAP framework (see page 41). A total of 71.3 Ha of habitat was restored, involving mainly grasslands, shrub lands, streams, rivers, lakes and wetlands. The <i>EcoConnexions – From the Ground Up</i> program awarded a total of 55 community projects. In 2024, restoration efforts were completed involving the installation of rock weir step pools at Lyon Creek in British Columbia to enable spawning coho salmon to access historic spawning grounds.	
TRANSFORM	Our Environmental Policy, environmental management program, and training programs focus our efforts on ensuring environmental leadership and performance are firmly embedded in CN's culture. They also ensure we comply with all applicable legal and regulatory requirements. Our commitment to continuously improving our biodiversity strategy, supported by our Board of Directors and executive leadership team, helped transform how we think about how our operations, customers, and supply chains interact with nature. From considering impacts for each project or activity to determining mitigation measures to avoid, minimize, restore, or offset, our teams have transformed how we are working toward shared goals in support of nature.	TRANSFORMING TOGETHER TO DRIVE MEANINGFUL CHANGE: In 2024, through our <i>EcoConnexions Partnership Program</i> , we recognized 73 customers, suppliers, and supply chain partners for their leadership and commitment to building a more sustainable future. These companies are supporting climate action, reducing their environmental impact, promoting biodiversity, and implementing more sustainable and ethical business practices. Sustainability is a journey that requires collaboration across the supply chain. Together, we are working to drive meaningful change, and this program is an example of our progress. In recognition of this commitment, CN planted 100,000 trees in seven communities.	

Water Management

We manage water responsibly by reducing consumption, improving wastewater practices, and ensuring regulatory compliance. In addition, we work to minimize our impact by identifying and implementing diversion, reduction, and recycling solutions.

Our water-related management practices are aligned with our EMS framework and lean on insights gained from standards such as the LEAP approach. Our main use of water in our daily operations is to wash our equipment and vehicles. We also use water for our Vegetation Management program and in our facilities.

Water Use Assessments

To better understand our water consumption, we completed usage and diversion assessments in 2023 and 2024 across certain aspects of our operations, including in our Locomotive Reliability Centres:

- Inventoried day-to-day shop activities and equipment using domestic water and identified contaminants interacting with the water.
- Assessed containment, storage and treatment equipment and solutions.
- Analyzed annual water volumes captured, treated and discharged.

Improving Wastewater Practices

CN developed a Wastewater Management program to ensure the effective treatment of industrial wastewater. The program operationalizes processes, equipment, as well as maintenance and inspection activities across our wastewater assets. These include 104 standalone oil-water separators, 30 fuelling system oil-water separators, 22 interceptors and weirs, 19 lagoon treatment systems, 9 wastewater treatment plants and a stormwater treatment plant at CN docks.

We installed programmable logic controllers in our wastewater treatment plants to provide consolidated performance data through a centralized information management system. In 2024, CN treated 95.8 million litres at our nine wastewater treatment plants and 775.4 million litres at our stormwater treatment plant. All wastewater treatment plants and standalone oil-water separators discharges are sampled routinely based on regulatory requirements.

Reducing Water Consumption

At the facility level, CN works to reduce unnecessary water consumption at the design phase of every new build. For example, the CN Milton Logistics Hub in Ontario, which is currently under construction, is designed to reduce domestic water consumption with a rainwater collection and distribution system. Rainwater will be used for equipment washing and to irrigate landscaping.

In our rail yards:

- To avoid unnecessary treatment of stormwater, we recently installed diversion solutions at three of our major yards.
- Major water line projects completed at Saskatoon Yard, in Saskatoon, SK, Symington Yard in Winnipeg, MB, and MacMillan Yard near Toronto.
- We are filtering water using granulated activated carbon, saving almost 870,000 litres of water at Symington Yard and 85,500 litres at Prince George Yard.



Engaging Employees Via Awareness Training

Through our Upstream Wastewater Generator training program, we are proactively engaging employees on water efficiency management protocols to improve wastewater quality and reduce water consumption. The program also educates Locomotive Reliability Centre employees on how they use and potentially contaminate water. The training aims to improve downstream wastewater quality and treatment processes and promote measures to reduce water consumption at source.

Between 2024 and 2025, 525 employees participated in the Upstream Wastewater Generator training program.

PICTURED:
Wastewater training session



Locomotive washing station at Thornton Yard in Surrey, BC


525
EMPLOYEES PARTICIPATED IN OUR
WASTEWATER TRAINING PROGRAM

ECOCONNEXIONS: ENGAGING EMPLOYEES



EMPOWERING EMPLOYEES TO CONSERVE ENERGY, MINIMIZE WASTE, AND IMPROVE HOUSEKEEPING PRACTICES

CN’s *EcoConnexions Employee Engagement* program focuses on embedding environmental sustainability into our corporate culture. Since 2011, *EcoConnexions* has empowered employees to work collaboratively to reduce energy consumption, minimize waste, and improve housekeeping practices. Our employees’ initiatives often have the added benefit of improving safety.

CONSERVING ENERGY	REDUCING WASTE	IMPROVING HOUSEKEEPING
<p>Extending Service Life and Saving Fuel</p> <p>EcoChampion Jules Chalifoux and his Intermodal Maintenance team collaborated to overhaul 30 aging CargoCool® gensets. Each genset brings power to 17 refrigerated containers used to carry products that must be kept at controlled temperatures. Instead of purchasing new gensets, Jules devised a plan to extend the life of the gensets and avoid waste by replacing the engine, generator, wiring, and fire suppression system. The containers also underwent cleaning and some body repair. Each genset is now 30% more fuel efficient. The team also recovered 150,000 litres of fuel from the old tanks. <i>“The refurbished gensets are safer and more reliable,”</i> says Jules. <i>“This project was a source of pride for everyone involved.”</i></p>	<p>Diverting PPE from Landfill</p> <p>EcoChampion Colette Disbrowe, Logistics Coordinator at CN Campus in Winnipeg, MB, noticed many articles of personal protective equipment (PPE) – like safety vests, gloves, safety glasses, earplugs – were being thrown in the garbage after class. Colette reached out to Heritage Interactive, a best-in-class waste management company, for collection bins. <i>“Now, when our janitorial staff clean up,”</i> explains Colette, <i>“they put any PPE left behind into a designated bin.”</i> When the bin is full, Colette’s team contacts the company, and they pick it up. Much of the material can be broken down and reused for other purposes. Colette and her team are delighted that so much PPE from CN Campus has been diverted from landfill.</p>	<p>Clearing the Air</p> <p>At the Mechanical Wheel Shop in Prince George, BC, the vent hood over the station where employees clean, inspect, and repair railcar wheels and axles lacked sufficient suction to remove dust from the air. Manager and EcoChampion Andrew Rice brought in an engineer and consulted with his team to brainstorm ideas. Together, they designed a much better system. A new, more powerful fan improves air quality, so respirators are no longer needed. Adding outlets to the hood allows power cables to hang from above rather than run along the floor where they were a tripping hazard. Built-in lighting improves visibility. Encasing the fan has made it virtually silent. <i>“The work environment has improved immensely,”</i> says Andrew.</p>
		

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HUMAN CAPITAL MANAGEMENT

2024 Performance Highlights



- > Received nearly 216,000 job applications via CN's website.
- > Introduced several strategies aimed at attracting, engaging and retaining new conductors.
- > Expanded our online Learning and Development Hub to include curated playlists and more accessible curricula.
- > Launched our Frontline Supervisor Leadership Program as a pilot.
- > Recorded 200 million steps by all participants during the 2024 Wellness Challenge.
- > Began designing CN's new headquarters building in Montreal with accessibility in mind.
- > Upgraded at least 32 facilities across Canada with accessibility improvements.

PICTURED (from left): **Brian Arbic**, Terminal Coordinator, Intermodal, **Thomas Kelly**, Conductor, **Crystal Monteiro**, Lead Hand Operations

WORKFORCE PLANNING AND LABOUR RELATIONS

ENSURING WE HAVE THE RIGHT WORKFORCE AND LEADERSHIP

We are focused on cultivating a workforce of skilled and talented railroaders who will drive CN’s future success. We continue to evolve and improve our relationship with our union-represented employees and union leadership.

Attracting New Employees

Our talent acquisition program is a critical component of our strategic plan. Building for the future requires attracting talent with the right competencies to support CN’s vision. CN continues to focus on onboarding new hires successfully, supporting all employees to grow and develop, while deepening our commitment to build resiliency and deliver scheduled railroading.

When considering the workforce available to move rail traffic, we assess our operating crew requirements down to the individual terminal level. The operating crew base in each of the locations the traffic will move through must be sufficient to facilitate efficient rail movement. The ability to resource individual terminals is dependent on labour and economic dynamics in those regions, including proximity of the region to major population centres, cost of living, availability and affordability of housing, education, and other services.

It is comparatively more difficult to recruit and retain crews in remote areas than in other parts of the CN network. Remote regions also often correspond to some of the heaviest CN rail network traffic density and demand pressure across multiple rail traffic segments.

CN uses a variety of measures to attract potential new employees at the local level. These include hiring bonuses in hard-to-recruit areas, targeted recruitment sessions at job fairs, working with post secondary and technical schools to recruit graduates, and implementing new online recruitment and interview tools to accelerate the hiring process.

Our robust early career strategy with partner universities, technical schools, colleges, and other organizations across Canada and the U.S., has helped create strong visibility of our job opportunities. CN also continues to offer students the opportunity to develop their skills and knowledge through hands-on experience in CN’s Internship program. Key trade schools and organizations play an important role in feeding CN’s talent pipeline by recruiting candidates that are a strong fit for many CN jobs.

Our focus on talent development and succession planning continues to help ensure CN is well positioned to identify, attract, develop, and retain the next generation of leaders who can maintain operational efficiency and customer service excellence, enabling sustainable, profitable growth.

Fostering Positive Labour Relations

Unions play a key role in ensuring our employees’ voices are heard at all levels of the Company. We aim to maintain positive relationships with our employees’ unions. Regular and ongoing dialogue with union leaders enables us to collaborate on issues of mutual interest. We strive to reach consensus whenever we can. When we cannot, we use traditional and alternative forms of dispute resolution to successfully resolve our differences. We are committed to maintaining a strong and consistent engagement with those that represent our employees and recognize that this dialogue is essential to ensure fair working conditions.

CN’s [Human Rights Policy](#) affirms our commitment to respecting the freedom of association for which employees should never fear retaliation. CN is committed to maintaining a strong and consistent engagement with those that represent our employees and recognizes that this dialogue is essential to ensure fair work conditions.



Every year, over 100 interns bring fresh ideas to our Company, through CN’s Internship Program.

216,000

EMPLOYMENT APPLICATIONS RECEIVED IN 2024 VIA CN’S WEBSITE

SPOTLIGHT

Attracting and Supporting New Conductors

In 2024, CN introduced several engagement strategies aimed at attracting and retaining new conductors. These ongoing efforts include an improved onboarding experience featuring a newly developed recruitment video, improved hiring communications, and enhanced program information. In addition, we launched four new programs to support new conductors:

- > **TRAINEE RECOGNITION PROGRAM**

To acknowledge top performers and safety leaders in each class of new conductors and foster a sense of belonging.
- > **EXERCISE PROGRAMS**

To support newly hired conductors who may struggle with the physical requirements of training, CN introduced exercise programs in collaboration with a kinesiologist.
- > **FEMALE MENTORSHIP PROGRAM**

To further support inclusivity at CN, female managers mentor newly hired female conductors through structured engagements, promoting a supportive, and empowering environment.
- > **SCENARIO-BASED TRAINING PROGRAM**

To strengthen training programs for newly hired conductors, CN implemented a Scenario-based Training Program to reinforce *Life Critical Rules* in a controlled environment. Using our locomotive simulators, we create various train trips for conductor trainees to experience many challenging scenarios. Studies have shown that scenario-based training improves knowledge retention by 17% on induction training.



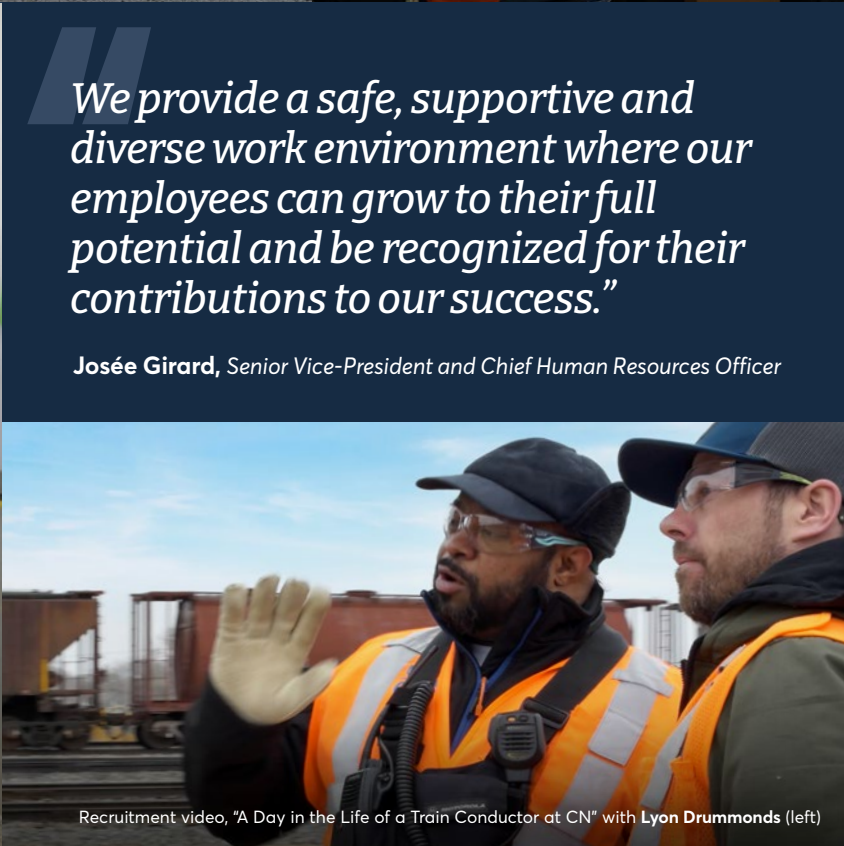
Recently graduated conductors from CN Campus Homewood, IL



Locomotive simulator, CN Campus Winnipeg, MB



Conductor in training demonstrating knuckle carry



We 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."

Josée Girard, Senior Vice-President and Chief Human Resources Officer

Recruitment video, "A Day in the Life of a Train Conductor at CN" with **Lyon Drummonds** (left)

▶ Watch our latest recruitment video: vimeo.com/887291436

TALENT AND DEVELOPMENT

PROVIDING LEARNING RESOURCES TO DEVELOP TOP SKILLED TALENT

We want CN to be a company where our people have opportunities to grow and build meaningful careers. We aim to provide the best onboarding experience, ongoing learning opportunities, and resources for developing our employees’ skills.

Welcoming New Railroaders
Our onboarding program is designed to welcome, orient and integrate new railroaders joining the Company. When a new employee joins CN, it is a unique opportunity to build strong ties with them and help them connect with our business, our purpose, our strategic priorities, and the values that guide us. We want to reinforce that they have made the right decision in joining CN. Our onboarding process begins as soon as candidates accept their employment offer and continues through the first 12 months of their career.

Through our comprehensive onboarding program, we ensure employees are equipped with the necessary skills to operate safely and efficiently, while also gaining the right knowledge about the Company. By building a strong foundation, employees can recognize where they fit into the overall game plan and contribute meaningfully to CN’s objectives.

 Learn more: www.cn.ca/en/careers/

Employee Engagement

We believe in the power of employee engagement and continuous feedback. We engage and recognize our employees through various means, including engagement surveys, employee communication, quarterly townhalls, and a structured performance management process.

Through our twice-yearly all-employee surveys, we actively listen to our workforce, gathering insights that shape actions to enhance our workplace and drive engagement across our network. We show employees their voices matter by communicating the actions we take in response to their feedback.

Our Core Competencies

CN’s strategic plan sets the foundation for what we need to accomplish. At the beginning of each year, non-unionized employees set performance goals for the year that align with CN’s business strategy and objectives. Our performance management system assesses employee behaviours against CN’s *Core Competency Model*. Our core competencies convey our desired culture and define key behaviours that help us build a collaborative, engaging, respectful, and safe workplace. Leaders review progress against strategic goals as well as how they were achieved mid-year and at year-end through formal discussions. Throughout the year, employees and their managers are encouraged to review priorities, goals, and achievements. Feedback is provided on a regular basis and include discussions on how to adapt objectives and adjust behaviours as business strategies evolve.

Continuous Learning Opportunities

In 2023, CN launched a new online Learning and Development Hub, where employees can access self-directed courses, videos, podcasts, and other resources tailored to their career development plans. In 2024, we expanded our offering to include curated playlists and curricula that allow development tools to be available when it is most convenient for the employee.

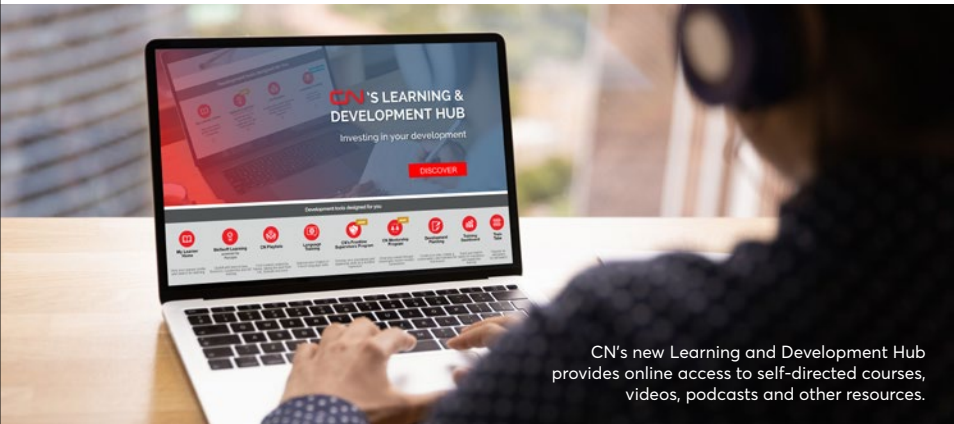
CN’s Learning and Development team strives to design and implement impactful learning solutions that support employees to effectively digest, retain,

and apply new knowledge and skills. Our Hub is accessible to all management employees, contractual employees, as well as interns. Learning methods offered to employees include:

- **PERSONALIZED LEARNING:** Tailored content recommendations aligned with individual skills and job roles to support targeted growth.
- **SKILL BENCHMARKS:** Assessments to identify knowledge gaps and guide focused and continuous learning growth.
- **CERTIFICATION PREPARATION:** Structured training for over 100 certifications to enhance professional qualifications.
- **INTERACTIVE TRAINING:** Instructor-led sessions and custom online courses designed to meet employee needs and support professional growth.
- **DIGITAL TRANSFORMATION:** CN leverages *Percipio* to offer targeted courses – such as *Generative AI Literacy* and *Collaborating with Online Tools* – that equip employees to adopt new technologies, driving efficient adaptation, and improved productivity.

Over
1 million hours

OF TRAINING COMPLETED BY
CN EMPLOYEES IN 2024



CN’s new Learning and Development Hub provides online access to self-directed courses, videos, podcasts and other resources.

Developing Our Leaders

At CN, some training programs address specific capabilities and roles, including our frontline supervisors (FLS) who lead our largest group of employees. CN's workplace culture is shaped by their example to lead with care, collaboration, and safety.

> FRONTLINE SUPERVISOR LEADERSHIP PROGRAM

Our FLS Leadership program was redesigned to support these managers and create an environment where their teams can address business demands today and in the future. In late 2024, the new FLS Leadership program launched as a pilot, bringing together best practices in safety, technical and people leadership through a combination of formal classroom training and hands-on experiential learning. This 10-day immersive and interactive pilot course brought together participants from diverse operational backgrounds, encouraging a better understanding of each other's work and breaking down silos between teams.

The redesign of the FLS Leadership program focused on four critical components to help build their skills and effectiveness: foundational, technical, safety, and people leadership. Through a comprehensive, collaborative approach, superintendents and senior managers from Operations, Human Resources, and CN Campus worked together to identify the core competencies, critical experiences, technical knowledge, communication, and leadership skills necessary for the role.

CN continues to offer various differentiated development journeys for our talent cohorts to accelerate readiness, enhance skills, and foster a culture of safety across the Company.

> ON-TRACK TO ZERO

On-TRACK to ZERO is a comprehensive training program designed to equip CN leaders with the necessary skills in emergency response, accident investigation, human performance, event learning, root-cause analysis, and effective corrective actions. It provides our leaders with the knowledge to effectively manage and respond to incidents, ensuring the highest standards of safety and operational efficiency. It focuses on behaviour-based safety training with an emphasis on hazards, exposures, and controls, while delving into brain-centred hazards such as fatigue, distractions, and using the fast brain vs. the slow brain.



Learn more about our safety leadership programs in the Safety section of this report on [page 11](#).

PICTURED:
CN's Frontline Supervisors participate in the FLS Leadership Program's pilot course held at CN Campus in Winnipeg, MB.

SPOTLIGHT

Listening, Learning, and Leading to ZERO

When CN Campus threw open its doors in 2014, it was described as “an essential part of CN’s future...the right thing to do in the right place to do it.” Fast forward 10 years, and the bustling training centres in Winnipeg, MB, and Homewood, IL, continue to play a critical role in helping CN instill a strong safety culture and ensure safer operations as we aspire to ZERO serious injuries, ZERO fatalities, and ZERO harm in the workplace.

In the last few years, the centres’ centralized training program instructed an average of 450 new hires and existing employees from across Canada and the U.S. each week. They offer theoretical and hands-on training for all key railway jobs, including freight train operations, as well as rolling stock, track and signals maintenance.

The state-of-the-art indoor learning labs are provided with a range of equipment, including locomotive simulators, Signals and Communications equipment and crane simulators. Outdoor training areas accommodate dedicated rolling stock, tracks, work and welding equipment, fall protection, track inspection tools, and emergency response gear.

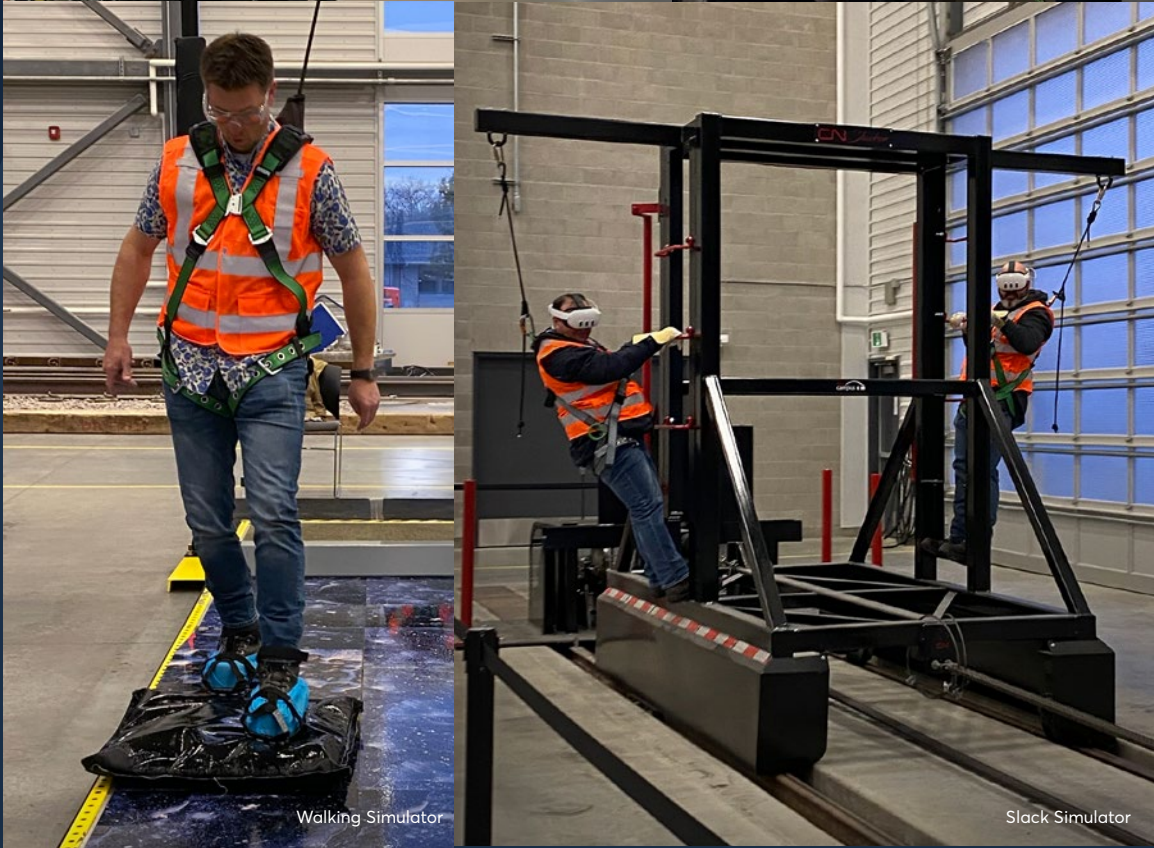
CN was the first Class I railroad to develop a slack simulator (see [page 15](#)), allowing employees to experience the sensation of slack while riding railcars in a safe and controlled environment prior to being introduced to these conditions in the field. As CN operates in challenging winter conditions, the centres added a walking simulator to each facility to simulate icy conditions and teach employees how to walk safely as slips and falls are common in the winter.

120,000+

EMPLOYEES HOSTED IN THE LAST 10 YEARS

7,500

EMPLOYEES TRAINED IN 2024 FOR ALL KEY RAILWAY JOBS



SUPPORTING EMPLOYEE WELL-BEING

PROTECTING HEALTH, WELLNESS AND IMPROVING RESILIENCE

Our focus is on employee wellness – physical, mental, and financial. Our innovative wellness resources provide both union-represented and management employees with easy and flexible access to a wide variety of programs and benefits.

Wellness Programs

CN's extensive range of programs outlined below reflects our commitment to looking out for each other.

CN FLEX BENEFITS PLAN: Through our comprehensive CN Flex Plan, management and a large portion of union-represented employees can adapt their benefits, such as medical and dental, according to what suits them and their family best. Some groups have access to health care spending accounts, which can be used to pay for a variety of additional health and dental expenses not covered under the group benefits program.

VIRTUAL CARE SERVICES: Virtual care services are available to all CN employees and their immediate families, providing easy, convenient, and confidential online access to healthcare professionals for a variety of issues. These include pediatric concerns, stress and mental health, prescription renewals, and chronic disease management. Employees can access these services on their device 24/7 in English and French.

HEALTH AND WELLNESS: CN's health and wellness program, *CN Traction*, encourages employees to adopt healthy habits and

maintain an active lifestyle. *CN Traction* creates challenges and awareness campaigns throughout the year, touching on various health-related topics and helpful activities that may benefit employees and their families. Our annual May Wellness Challenge encourages movement, camaraderie, and overall wellness. In 2024, the Challenge emphasized activities and strategies to benefit both mental and physical health. CN also provides access to free on-site fitness facilities at many terminals and offices, as well as discounts at partner fitness facilities. Employees who actively participate in *CN Traction*, can earn wellness dollars which are then used to purchase a variety of wellness and lifestyle items.

CHILDCARE: Employees working at CN's headquarters in Montreal also benefit from on-site daycare services.

EMPLOYEE AND FAMILY ASSISTANCE PROGRAM (EFAP): The EFAP is an avenue for employees and their families to seek help on a wide range of personal issues. The program is free, confidential and voluntary, provided by an independent third-party, and available 24/7 over the phone, in person, or online. Employees can

access services such as family/relationship support, work/career counseling, financial/legal support, stress management, retirement planning, nutrition, eldercare/childcare, psychological counseling, substance abuse resources, and more.

EFAP PEER NETWORK: The EFAP Peer Network is an internal support system that provides individual assistance and guidance to those needing help. It is colleagues helping colleagues navigate the challenges of both workplace and personal problems.

CN Mental Wellness Strategy

Our Mental Wellness Strategy focuses on building compassion, acknowledging concern for one another, and allowing employees to access timely support. Since mental wellness is an integral part of overall employee well-being and productivity, CN launched a Mental Wellness website in 2025. Our strategy

to promote mental well-being aims to ensure CN workers are protected from psychological harm in the workplace. All employees should feel empowered to raise safety or any other concerns with their leader, contributing to a safe, respectful, and supportive work environment. Equally important, the website provides access to tools and resources that enable employees to cope well psychologically with the everyday stressors of life, especially the ones related to the workplace.

For example, CN employees can connect with Wellness Ambassadors – employee volunteers in both Canada and the U.S. who promote wellness and inclusion at CN. Wellness Ambassadors serve as role models, bridge communication gaps between employees and leadership, and support the implementation of mental wellness initiatives.

1,390+ employees

AND 260+ FAMILY MEMBERS IN CANADA USED EFAP SERVICES IN 2024

175+ employees

IN CANADA VOLUNTEERED AS EFAP PEERS IN 2024

CN'S MENTAL WELLNESS STRATEGY: GUIDING PRINCIPLES



Creates a culture of compassion, inclusion and concern for one another



Acknowledges wellness issues early and understand how they can be addressed



Employee wellness improves safety and long-term productivity

AN INCLUSIVE WORKPLACE

BUILDING A RESPECTFUL, INCLUSIVE AND SUPPORTIVE CULTURE

We believe our people are our greatest asset, and we recognize the importance of creating a safe and rewarding work environment that welcomes the uniqueness of every employee. CN is undertaking various initiatives aimed at building an inclusive workforce, while creating value for stakeholders.

Inclusive Work Environment

We believe inclusion and respect are critical to creating an environment where we can attract and retain the best talent – a key to making us more innovative and productive. Our success is built on the collective strength of our dedicated railroaders, whose varied backgrounds and unique perspectives fuel our innovation and accomplishments.

 Learn more: www.cn.ca/careers/inclusion

Culture of Empowerment

Building a strong workplace culture is an ongoing priority, ensuring every team member is empowered to contribute to CN's success. Our leaders are mandated to maintain a workplace where employees feel comfortable voicing their concerns. To support our leaders, we are undertaking various initiatives to better promote the value and contributions of an inclusive workforce, including training on unconscious bias and inclusive leadership.

CN has adopted an Inclusion and Diversity Policy with Respect to Director and Executive Management Positions, which sets out the Company's goals and strategy for providing equal access to opportunities in an inclusive working environment for all, including Board members and employees, throughout the various stages of their career.

We implement a variety of initiatives to recognize the achievements of our employees, including the *CN People Awards for Excellence*. The Awards are a peer-nominated program that celebrates small teams or individuals for exceptional contributions in safety, innovation, service, excellence, teamwork and community involvement.



CN People Awards for Excellence highlight achievements that align with CN's values and business priorities, celebrating collaboration, inclusion, and impactful results.



Connecting through Employee Networks

CN's Employee Resource Groups (ERGs) are an opportunity to help propel innovation by bringing together different perspectives, experiences and ideas from employees at all levels. ERGs create an open forum and safe space for employees with common interests to meet, share experiences, and support one another. They are also a valuable resource regarding employee and community interests, needs, and policies, as well as to advance a respectful and caring corporate culture. We have several ERGs across CN, including:

- A.D.A.P.T (Allies Of Diverse Ability Partnering Together)
- Indigenous
- Latinos CN
- P.A.C.E (Pan-Asian Community Engagement)
- Pride (LGBTQ2+)
- R.I.S.E (Black/African American)
- Veterans at CN
- WE (Women Employees)

Employees are invited to become members of any of CN's ERGs at any time. Employees are also empowered to recommend new resource groups from which CN employees could benefit.

PICTURED:
Members of the R.I.S.E. ERG honour Black History Month in Memphis, TN.

SPOTLIGHT

Accessibility at CN: 2024–2025 Highlights

We are deeply committed to creating an environment that is open, welcoming and accessible to everyone. We recognize that the unique nature of our industry can sometimes create challenges for our employees and customers, and we are dedicated to removing these barriers whenever possible.

In 2023, we published our first Accessibility Plan under the *Accessible Canada Act*, aiming to remove existing barriers to accessibility at CN and prevent new ones from being created.

To develop our Accessibility Plan, we examined seven key areas of our Company to identify how we could enhance accessibility. We then conducted a survey and a focus group with our employees and individuals with disabilities to identify existing barriers. Based on their feedback, we identified solutions to eliminate these barriers and established specific goals for the next three years.

We recognize accessibility is an ongoing journey, and we are committed to continuously improving to ensure an inclusive experience for everyone.

Learn more:
www.cn.ca/en/about-cn/accessibility-plan

> INCLUSIVE RECRUITMENT

In line with our Accessibility Plan, in 2024 and 2025, our recruitment campaigns have made strides in including under-represented groups, such as veterans, strengthening our commitment to accessible and inclusive advertising. In 2025, we launched a career recruitment page for military veterans, highlighting our commitment to build a workforce that reflects the communities we serve.



Master Sergeant Jason Elm (right) and his son Captain Dave Elm (left) proudly serve in the military and work at CN.

< SUPPORT FOR VETERANS

CN was a proud partner of the 2025 Invictus Games held in Vancouver, BC. The 2025 Invictus Games, an event of competitive adaptive sport to aid recovery for international wounded, injured and sick service personnel and veterans, featured up to 550 competitors from 25 nations.



Jeremiah Thomas, Senior Director, Enterprise Safety Strategy and co-chair of CN's Veterans ERG at the 2025 Invictus Games.

> FACILITY UPGRADES

Since the launch of our Accessibility Plan, more than 30 facilities across Canada, including restrooms and change rooms, were upgraded with accessibility improvements. These upgrades include wheelchair-accessible restrooms with spacious stalls and grab bars, ramps and automatic doors for easier access, and clear pathways for emergency exits.



Rendering of CN's new headquarters in Montreal, QC.

^ ACCESSIBLE DESIGN

In 2024, we announced the relocation of CN's headquarters in Montreal. The design of our new building is keeping accessibility in mind with considerations such as larger accessible washrooms, touchless technology, braille and tactile signage in elevators, adjustable desks and workstations, and evacuation plans that consider people with reduced mobility.

IN THIS SECTION:

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- 60 Sustainable Procurement
- 62 Community Investment



STAKEHOLDER ENGAGEMENT



2024 Performance Highlights

- Contributed approximately \$20 million to local nonprofit organizations that support people, safety and the environment.
- Continued to invest in health and research for major diseases through initiatives such as CN Cycle for Children's Hospital of Eastern Ontario and the Terry Fox Foundation.
- Built new partnerships with national organizations supporting the victims of gender-based violence, including Shelter Movers and the YWCA.
- Announced a commitment of \$10 million over 10 years to support natural disaster relief and recovery efforts through the Red Cross and Team Rubicon.
- 98% of CN's Critical Suppliers were screened on ESG issues.
- 97% CN's Procurement and Supply Management team participated in sustainable procurement training.

PICTURED: CN employees informed participants at the Federation of Canadian Municipalities' Annual Conference and Trade Show about our stakeholder relations programs.

ENGAGING WITH OUR STAKEHOLDERS AND RIGHTSHOLDERS

COMMITTED TO FOSTERING OPEN DIALOGUE AND BUILDING TRUST

We are committed to building and maintaining strong, lasting relationships with all our stakeholders and rightsholders. Through our engagement activities, we seek to understand their concerns and interests, and in doing so, build trust and deepen our relationships.

Our Engagement Objectives

We enhanced our stakeholder and rightsholder engagement approach with an aim to protect our social license to operate, ensure a stable, supportive legislative and regulatory environment, enhance CN's brand and reputation, and enable growth. We do this by fostering lasting relationships with employees, communities, customers, Indigenous communities, lawmakers and regulators, suppliers, shareholders and the public.

Our Stakeholder and Indigenous Peoples Engagement Framework, overseen by CN's Board through its Governance and Sustainability (GS) Committee, guides our approach to proactive, consistent, collaborative, and authentic engagement. CN's Stakeholder Relations team is key to fostering strong ties with regional communities. They help us stay informed on local priorities and ensure we engage in and champion community programs that reflect our values and address local needs.

The Stakeholder Relations team represents CN at various events and conferences, such as the Federation of Canadian Municipalities' Annual Conference and Trade Show, where they engage directly with key stakeholders along our network. CN partners with communities to enhance railway safety and engage with municipal officers, Indigenous leaders, and their emergency responders to assist them in their emergency response planning. CN annually conducts hundreds of training events for thousands of emergency responders, totaling over 135,000 first responders since 1988. Learn more about CN's approach to emergency preparedness on [page 17](#).

We believe by adopting a structured approach to relationship-building, our engagement will support collaboration, decision-making, and the development and nurturing of mutually beneficial relationships. Through our efforts, we focus on systematically seeking stakeholders' and Indigenous people's perspectives and expertise to better understand and address their expectations.



Engaging with the Agricultural Community for the Effective Movement of Grain

CN continues to move grain safely and efficiently on behalf of farmers, grain companies and supply chain partners. While grain production volumes vary in any given year, the long-term trendline for grain production is increasing. During the 2024-2025 crop year, CN moved about 31 million metric tonnes of Canadian grain, roughly one million metric tonnes more than during any previous crop year.

CN's [2025-2026 Grain Plan](#) reflects an integrated, end-to-end approach to supply chain planning that supports sustainable agricultural growth, efficient transportation, and long-term economic development. To prepare our Grain Plan, we consult with our customers and other stakeholders, including our Agricultural Advisory Council (AAC). Members of the AAC represent a cross-section of industry leaders rooted in communities along our network. They provide insights and advice on policy issues that affect the agricultural industry and help improve CN's ability to service this essential sector. CN created the AAC in 2019, a first for a Canadian railway.

Comprehensive monthly updates to the current and prior years' Grain Plans are available on CN's website at: www.cn.ca/en/your-industry/grain/grain-plan

PICTURED:
High-capacity hopper cars and loop tracks at inland terminals help move more grain for the agricultural community. St-Adolphe, MB

Learn more: [CN's Stakeholder and Indigenous Peoples Engagement Framework](#)

Stakeholder Engagement Activities

CN is fully integrated with the communities we serve. Our reputation is one of our most valuable assets, and we continuously strive to be good neighbours who listen, learn, and do our part to help build safer, stronger, more prosperous communities. As such, we engage externally across a wide spectrum of initiatives with the aim of fostering two-way communication with community members and ensuring respectful and beneficial exchanges. The table below details the stakeholders, focus areas and outcomes of our engagement activities in 2024.

Stakeholder Expectations	Examples of Key Engagement Channels		How Stakeholder/Rightsholder Input is Used
EMPLOYEES Look to CN for a workplace that prioritizes safety, inclusivity, and personal growth. Seek for CN to foster an environment where employees can thrive and feel valued through consistent communication, recognition, and development opportunities.	<ul style="list-style-type: none">Employee engagement surveys two times per yearQuarterly town hall meetingsJoint union-management health and safety committee meetings, and other company forumsCN Spotlight newsletters featuring employeesSprout company-wide wellness challengesViva Engage internal community engagement channel	<ul style="list-style-type: none">Recognition programs such as <i>CN People Awards for Excellence</i>Annual photography calendar contestEmployee-led resource groupsEcoConnexions employee engagement activitiesParticipation in CN community-sponsored events like Terry Fox Run, Hockey Helps the Homeless and the CN Employees and Pensioners Community Fund	Helps CN continue to develop into a highly collaborative, engaging, and inclusive work environment where employees can reach their full potential. Feedback from surveys helps to determine where to prioritize communications or take actions to improve practices where needed to drive culture and engagement.
COMMUNITIES Expect CN to act as a responsible and engaged neighbour as CN contributes to community well-being through open dialogue, safety initiatives, local investments, and active participation in community life.	<ul style="list-style-type: none">20 CN fact sheets for each state and province we operate in to inform about our community and economic contributionsOver 1,000 CN Public Inquiries line interactions managed via email or phone call each week and approximately 56,000 annuallyParticipation in approximately 30 public events, forums, conferences, and sponsorships	<ul style="list-style-type: none">Approximately 100,000 stakeholders reached in nearly 400 communities involved during 2024 Rail Safety CampaignCN employees and pensioners volunteered over 100,000 hours in communitiesOver 680 donations made to various charitable organizations in CN communities	Feedback from community stakeholders helps CN identify local priorities, address concerns proactively, and strengthen relationships at the grassroots level. Input received through public inquiries, community events, and direct engagement informs CN's approach to safety initiatives, environmental programs, and targeted community investment decisions that reflect the unique needs of each region CN operates in.
CUSTOMERS Rely on CN to be a dependable and innovative partner in their supply chains. Expect CN to build strong relationships through collaboration, service excellence, and continuous feedback to support mutual growth.	<ul style="list-style-type: none">Approximately 500 direct emails to customers via our customer platformCustomer website and e-business toolsApproximately 100 social media ads directed at customersRegular face-to-face and virtual meetings	<ul style="list-style-type: none">Voice of the Customer survey administered two times per year to evaluate satisfaction with CN's service213 customer Safe Handling Awards given in 2024 recognizing customer safety practices73 <i>EcoConnexions</i> Partnership Awards in 2024 related to sustainability efforts	When customers grow, CN grows. We collaborate deeply to enable success and build trust with our customers so that they will recommend our services, work with us and our partners to help shape policies and regulations affecting our industry. Our consultation processes with customers and industry associations help improve key documents like our annual Grain Plan and Winter Plan.
INVESTORS Expect CN to deliver strategic clarity, financial performance, and long-term value. Through regular engagement, transparent reporting, and governance oversight, CN ensures investor perspectives inform corporate decisions.	<ul style="list-style-type: none">Distributing and website availability of our annual management information circular, annual report, annual information form and quarterly reports, Climate Action Plan, as well as other sustainability-related disclosuresParticipation at seven investor and industry conferences	<ul style="list-style-type: none">One-on-one shareholder calls/meetings; group shareholder calls/meetingsPeriodic investor days and/or facility toursPeriodic investor sentiment surveysOver 95 news releases	Feedback helps us understand how CN is perceived in comparison to other investment opportunities and allows us to plan for future reports and interactions.

Stakeholder Engagement Activities (cont.)

Stakeholder Expectations	Examples of Key Engagement Channels		How Stakeholder/Rightsholder Input is Used
INDIGENOUS COMMUNITIES Expect CN to engage in respectful, transparent, and sustained relationships that support economic opportunities, cultural recognition, environmental stewardship, and genuine reconciliation.	<ul style="list-style-type: none">Over 500 meetings per year with Indigenous partners – both face-to-face and virtualApproximately eight formal consultations process in 2024 (e.g. bore holes, road realignment)Outreach to all communities across CN's network for Indigenous Reconciliation Action Plan consultationsOver 240 Indigenous community events attended	<ul style="list-style-type: none">18 in-person trainings (rail safety, spill drills, emergency response)Over 180 sponsorships and donations to Indigenous communities/organizations31 Indigenous suppliers contracted in 2024Ongoing identification of procurement opportunities and relationship-building	Our proactive engagement with Indigenous communities helps CN better understand their expectations, needs, perspectives, and expertise. Guided by our commitment to strengthening ties, cultivating relationships, and creating economic opportunities, this input shapes engagement strategies, informs operational decisions, and builds long-term relationships rooted in respect, collaboration, and recognition of Indigenous realities.
SUPPLIERS View CN as a collaborative and accountable business partner. Seek CN to engage suppliers through audits, training, and sustainability initiatives, ensuring shared responsibility and high standards across the supply chain.	<ul style="list-style-type: none">CN Supplier web portalFace-to-face and virtual meetings for business reviewsSupplier Code of ConductSite visits to supplier facilities and plants	<ul style="list-style-type: none">Onsite and desktop audits to support continuous improvement practicesCommunication, training and awareness sessions, including topics on sustainable procurement	We aim to hold all our suppliers to the same high standards we hold ourselves, especially to ensure safe and fair working conditions and promote responsible business practices.
LAWMAKERS, REGULATORS AND GOVERNMENT Trust CN to operate with integrity and transparency in the existing regulatory landscape. Look to CN to provide insights, foster policy dialogue, and support a legislative environment that promotes safety, sustainability, and investment.	<ul style="list-style-type: none">Approximately 280 Rail Safety Week official proclamationsDedicated team of CN government affairs liaisons conduct face-to-face and virtual meetings daily across all levels of governmentHosted approximately 10 site visits to CN yards, terminals and training centres	<ul style="list-style-type: none">Participation in industry associations like the Railway Association of Canada, Association of American Railroads, and Clean Fuel Alliance AmericaAdvocacy efforts – often in partnership with other railroads and supply chain partnersParticipation in parliamentary hearings and government-led tables	Lawmakers and government view CN as an industry leader, an economic growth partner and help to meet key policy objectives. We use their feedback to help power the economy. Provinces, states, and municipalities are proactive in their desire to build good relations with CN because they view CN as a partner in creating economic opportunity.
PUBLIC AND MEDIA Depend on CN for timely, clear, and open communication. Rely on CN to maintain transparency through media outreach, public forums, and accessible information channels to uphold its reputation and social license to operate.	<ul style="list-style-type: none">Approximately 13.5 million website viewsOver 95 news releases and over 2,200 social media postsApproximately 2,000 media inquiries	<ul style="list-style-type: none">Over 1,000 CN Public Inquiries line interactions managed via email or phone call each week and approximately 56,000 annually	We recognize the important role that traditional and social media plays in disseminating information, and acknowledge the importance of public opinion in the context of our reputation and social license to operate. Our Public Inquiry forum allows us to hear from community members and direct their questions or concerns to the appropriate CN team for handling. Listening to feedback helps guide future communications outputs such as improved FAQs on our website.

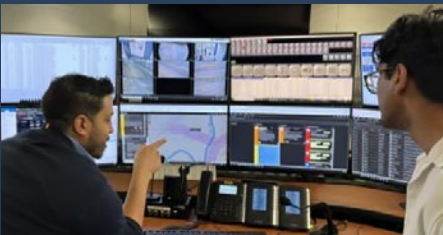
Structured Engagement to Help Keep Our Communities Safe

At CN, our core value is ensuring the safety of our employees, the customers we serve, and the communities and ecosystems in which we operate. We are engaged with municipal and Indigenous leaders as well as emergency responders.



> **RAIL SAFETY**

As part of our year-round efforts to promote safe behaviour around railroad infrastructure, the CN Police Service (CNPS) actively works in communities across our network. CNPS conducts enforcement initiatives with external agencies at locations prone to incidents and delivering safety presentations to high-risk groups such as youth and commercial drivers.



> **COMMUNICATION**

We inform communities about what dangerous goods and hazardous materials are transported through their area to help emergency response agencies prepare for a potential incident. We perform risk assessments on key routes carrying specified amounts of dangerous goods, looking at factors such as population and emergency response capabilities.



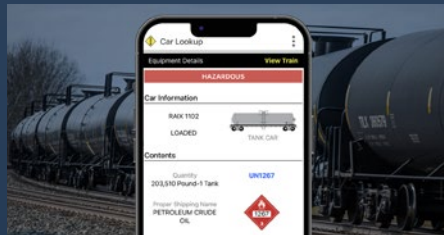
> **EDUCATION**

All Aboard for Safety is CN's flagship community education program. Every year, CN employees make hundreds of presentations and talk to thousands of children and adults at schools and community events in Canada and the U.S. about the importance of rail safety and the dangers of walking or playing on or near railway tracks.



> **OUTREACH**

We engage with thousands of first responders annually to support emergency response planning. This outreach builds on our long-standing involvement in TRANSCAER®, through which we have helped communities in Canada and the U.S. understand hazardous materials transportation and incident preparedness since 1988.



> **TECHNOLOGY**

The AskRail® app is an online tool that gives first responders and Emergency Communication Centres immediate access to accurate data on the hazardous materials a railcar is carrying. This helps them make informed decisions during a rail emergency. AskRail® serves as a backup if information from the train conductor or consist is unavailable.

PICTURED:
CN Police Constables actively engage with communities across our network to help prevent railway crossing and trespassing accidents.



SUSTAINABLE PROCUREMENT

FOSTERING A RESPONSIBLE, INCLUSIVE, AND RESILIENT SUPPLY CHAIN

Building strong, collaborative relationships with our suppliers is essential to our business, enabling us to foster a responsible, inclusive, and resilient supply chain that supports long-term value creation.

Our Approach

CN's Sustainable Procurement program is a cross-functional initiative led by our Procurement and Supply Management (P&SM) team, under the supervision of CN's Vice-President of P&SM. The Board of Directors, through the Governance and Sustainability Committee, is responsible for reviewing and monitoring human rights matters that may impact CN and its supply chain.

Our expectations of suppliers are outlined in CN's [Supplier Code of Conduct](#), which builds upon our [Code of Business Conduct](#) and [Human Rights Policy](#). It affirms our commitment to partnering with suppliers who share our values and strive to be socially, ethically and environmentally responsible.

To embed these expectations into our daily operations, we rely on our internal Procurement Policy, which defines the key principles, roles and responsibilities that guide purchasing activities across CN. The P&SM team collaborates with other CN teams through meetings and trainings to promote awareness and integration of our sustainable procurement practices.

Supplier Capacity Building

Collaboration with our suppliers is essential for driving continuous improvement and responsible sourcing. By embedding sustainability principles, fostering supplier collaboration, and promoting inclusion, we aim to create a more sustainable and inclusive supply chain.

In 2023, we extended our EcoConnexions Partnership Program (EPP) to our suppliers to recognize their efforts in embedding sustainability within their operations and supply chains, with a particular focus on climate action, resource efficiency, and biodiversity. Suppliers recognized through the EPP were also invited to debrief sessions with P&SM staff, who discussed their achievements and offered support along their sustainability journey. Among these suppliers, we engaged with 68 Tier 1 Suppliers in 2024, to support improvement and further collaboration. For example, to enable a better understanding of risks within the supply chain, we hold sustainability performance discussions as part of recurring supplier reviews with a phased roll out to specific Significant Tier 1 Suppliers.

Through these discussions, we set expectations on CN's Sustainable Procurement program and requirements, provide guidance to suppliers on improvement areas, and learn more about our suppliers' sustainability journeys, enabling an opportunity for collaboration.

 Learn more: www.cn.ca/en/delivering-responsibly/supplier-sustainability

97%

OF CN'S P&SM TEAM PARTICIPATED IN SUSTAINABLE PROCUREMENT TRAINING IN 2024



Supporting Our Suppliers' Sustainability Journey – Top Lift

In 2024, we held our initial annual sustainability discussion with Top Lift, a supplier of construction, intermodal, and container handling equipment, to introduce CN's sustainability expectations and priorities. During this discussion, CN's P&SM team provided Top Lift with guidance on key focus areas, including their Sustainable Procurement program and Environment Policy, to ensure alignment with CN's strategic objectives. Following this, our P&SM team worked with internal CN stakeholders to review and provide feedback on the sustainability policies developed by Top Lift, supporting the supplier in furthering their alignment with CN's Sustainable Procurement program.

PICTURED:
A container stacker supplied by Top Lift helps keep the supply chain moving.



CN actively works with our suppliers such as with Progress Rail and Chevron Renewable Energy Group to test high-level renewable fuel blends. In partnership with Union Pacific, CN is sharing costs and resources to test a blend of renewable fuels on two different classes of locomotives.

Managing Supply Chain Opportunities and Risks

We understand that having a robust supply chain involves identifying risks and opportunities, implementing risk mitigation strategies, and managing relationships throughout the entire procurement and sourcing process. We adopt a multi-pronged approach to manage opportunities and risks in our supply chain, specifically targeting our Significant Tier 1 Suppliers. We aim to collaborate with businesses sharing our commitment to sustainability. We strategically manage procurement spend to meet operational needs while promoting fairness and competition.

1 Supplier Selection

CN procures goods and services from a broad range of industries, both domestically and internationally. Given the breadth of our supplier network, we recognize that risks may exist within our extended supply chain. To address this, we take a multi-pronged approach to managing supply chain opportunities and risks – starting with how we select our suppliers.

Through our Request for Proposal process, we gain deeper insights into suppliers’ views, commitments and approach to sustainability through a customized questionnaire. The questionnaire includes criteria on sector- and commodity-specific risk areas when relevant, as well as certain sustainability topics.

2 Ongoing Performance Assessments

SAFETY
We support suppliers to achieve the same safety standards we expect of ourselves.
To manage on-site safety risks at our yards and facilities, we use a risk matrix to identify supplier requirements based on applicable safety standards. Suppliers identified as having elevated safety exposure are engaged and mandated to report safety statistics and relevant documentation through an external platform. Suppliers must meet and maintain an acceptable score on the platform to perform work on-site. Our P&SM team monitors compliance with safety requirements through an internal dashboard to flag issues of non-compliance. Safety-related Corrective Action Requests (CARs) can be assigned to suppliers through on-site or desktop audits, which are tracked and reviewed monthly.

3 Supplier Audits

SUSTAINABILITY
We use an external system to help assess, identify, manage, and monitor the sustainability performance of our suppliers.
The assessment includes country- and industry-specific risks across four dimensions: environment, labour and human rights, ethics, and sustainable procurement. In 2024, Critical Suppliers representing approximately 40% of CN’s addressable spend were monitored by the third-party platform. Both Critical and High Spend Suppliers are required to subscribe to the sustainability assessment platform within 30 days of receiving an invitation, as outlined in their contracts. Suppliers have access to peer benchmarks to help them compare their sustainability performance within their relative industries. Suppliers that do not meet a minimum threshold are sent CARs requiring performance improvement actions be taken within their next assessment period. In 2024, 98% of CN’s Critical Suppliers were assessed on sustainability issues.

4 Discussions and Development

Ongoing engagement is key to responsible sourcing and driving improvements with our suppliers. We have started including sustainability performance discussions as part of our regular supplier performance reviews for select suppliers. These discussions help clarify our expectations, identify risks and strengths, while supporting supplier improvements. We provide guidance to suppliers while learning more about their sustainability journey. In 2024, 36 Significant Suppliers were engaged through these focused performance discussions.

SUPPLY CHAIN RISK MANAGEMENT PROCESS

Learn more: www.cn.ca/en/delivering-responsibly/supplier-sustainability

COMMUNITY INVESTMENT

CREATING LASTING AND POSITIVE IMPACTS ACROSS OUR NETWORK

We aim to be good neighbours by listening, learning, and doing our part to foster economic development, provide community support, improve safety, and help make our communities great places to live, work, and play.

Our Vision

Every community is unique, and CN strives to reflect the distinct needs and priorities of each one, ensuring meaningful support reaches the people and places that need it most. CN's Stakeholder Relations, Strategic Partnerships, and Indigenous Relations teams play integral roles in keeping CN connected to regional issues and ensuring we participate in and support impactful community partnership programs that align with our values and local needs.

As of 2025, CN's donation process follows two annual application cycles, allowing for thorough evaluation and fair distribution of funds. To be considered, applicants must submit detailed forms outlining their mission, location, and community impact. Internally, all applications undergo a rigorous multi-tiered review process, starting with the Strategic Partnerships team. Further evaluation is conducted by subject matter experts across key departments.

Helping Build Safer, Stronger Communities

Safety is a core value and our foremost priority, encompassing our people, our customers, and the communities and environments in which we operate. Safety is embedded in everything we do, and we strive to be the safest railroad in North America. Through funding organizations that advance mental health initiatives, injury prevention, emergency response training, and research into major diseases, we strengthen our dedication to protecting the safety and well-being of our neighbours. By supporting safety innovation and cultural safety programs, CN continues to drive meaningful improvements in public health and workplace protection.

Giving Back to Our Communities

In 2024, we invested approximately \$20 million in organizations and initiatives that directly impact the communities across our network, contribute to protecting people's physical and mental safety, and support sustainable development and nature conservation. CN invests in programs that support education, workforce development, cultural initiatives, and essential resources to ensure individuals and families have the tools to thrive.

CN EMPLOYEES' AND PENSIONERS' COMMUNITY FUND

The *CN Employees' and Pensioners' Community Fund* is run by CN employees and pensioners acting on behalf of their colleagues, giving every dollar donated directly to the designated charities. For over 56 years, the Community Fund has planned and organized fundraising activities and annual campaigns in support of many registered Canadian and U.S. charities. Over the past 10 years, the Community Fund has raised \$20 million, supporting over 680 charities focusing on humanitarian aid, child support, health and research, and community well-being.

 Learn more: www.cn.ca/en/delivering-responsibly/community/community-fund

CN RAILROADERS IN THE COMMUNITY PROGRAM

We take immense pride in our employees, retirees, and their families who volunteer to make their communities better places to live, work and play. The *CN Railroaders in the Community* program recognizes these efforts by providing grants to community-based non-profit organizations supported by our volunteers. Through our program, participants earn a \$15 donation for every hour volunteered with an eligible non-profit organization.

In 2024, over 1,000 CN employees, retirees, and their families devoted countless hours to volunteering for 689 organizations, making a tangible impact nationwide as CN contributed over \$1.8 million to the organizations where CN railroaders volunteer.

 Learn more: www.cn.ca/en/delivering-responsibly/community/cn-railroaders-community

CN'S CORPORATE GIVING PROGRAM



100,000+

VOLUNTEER HOURS BY CN EMPLOYEES, RETIREES, AND FAMILIES IN SUPPORT OF 689 ORGANIZATIONS

SPOTLIGHT

CN's Impact in 2024

Each year, through the CN Community Investment program, CN contributes millions of dollars to organizations and initiatives that promote people, safety, and the environment. From youth education in skilled trades to cultural institutions and emergency disaster relief, CN is committed to funding initiatives that enhance accessibility, promote education, and address food insecurity.

The strategic renewal of CN's corporate community investment programs is ongoing in 2025.

Learn more: www.cn.ca/en/delivering-responsibly/community/community-investments

> SUPPORTING CANCER RESEARCH

CN proudly supports the Terry Fox Run, a cause deeply connected to the Company's history. Rolly Fox, Terry Fox's father, worked at CN for 36 years, strengthening the bond between CN and the Fox family. The Terry Fox Foundation directs its funds primarily toward cancer research, supporting top-tier scientists working in labs, clinics, and hospitals across Canada.

Building on this legacy, CN has committed \$1 million over three years to support Terry Fox runs across Canada. On September 15, 2024, nearly 300 CN employees, retirees, and their families joined six runs nationwide, raising over \$16,500 for cancer research.



> HELPING THE HOMELESS THROUGH HOCKEY

In 2024, CN became the National Presenting Sponsor of 21 hockey tournaments across Canada. CN railroaders responded enthusiastically to this new partnership, forming 12 teams and joining dozens of employees and retirees who volunteered for their local tournament.

Hockey Helps the Homeless (HHTH) harnesses Canada's passion for hockey to raise millions for local support agencies. Creating lasting change in communities across Canada, 100% of net proceeds fund organizations providing housing, food, and essential services.

< PROVIDING VETERAN-LED DISASTER RELIEF

CN committed \$10 million to four organizations over ten years to support disaster response efforts across North America, helping communities affected by wildfires, floods, and other extreme weather events. One of the organizations is Team Rubicon Canada, a veteran-led disaster relief organization that mobilizes veterans and volunteers—known as Greyshirts—to provide rapid response, clear debris, rebuild homes, and restore hope. Members of CN's Veterans Employee Resource Group volunteer with Team Rubicon.

One of the most devastating disasters of 2024 was the Alberta wildfires. CN's partnership with Team Rubicon Canada made a tangible impact on Jasper residents as they faced widespread destruction of homes, businesses, and infrastructure. Over five weeks, five teams of 40 Greyshirts worked tirelessly to provide relief and recovery support.



IN THIS SECTION:

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- 66 Engaging with Indigenous Communities
- 68 Indigenous Reconciliation Action Plan
- 69 Indigenous Procurement Strategy

INDIGENOUS RELATIONS



2024 Performance Highlights

- Published our first Indigenous Relations Policy.
- Adopted and published our first Indigenous Reconciliation Action Plan.
- Contracted with 31 Indigenous suppliers (+63% vs. 2023) in Canada.
- Advanced our commitment to community safety and Indigenous engagement by supporting the delivery of firefighting equipment to remote Indigenous communities.
- Expanded our partnership with Canada's Sports Hall of Fame in support of Indigenous athletes and sport builders to promote a greater understanding of their impact on Canadian sports and culture.
- Participated in emergency response drills alongside Indigenous and other first responders.

PICTURED: Opening reception at the First Nations Major Projects Coalition Annual Conference, where CN was proud to be a major sponsor.

Acknowledgement of Railways' Role in Colonial Policies

At CN, we respectfully acknowledge that our railway was built and continues to operate across many traditional territories and Treaty areas of Indigenous Peoples throughout Canada.

In Canada, CN's network operates within or adjacent to more than 220 reserve lands of nearly 130 First Nations and Métis communities.

We are grateful for the privilege of working and residing on these lands and recognize and honour their original People who have served as the traditional stewards of the land and the water that runs through it.

As noted in Canada's Truth and Reconciliation Commission final report: "[...] reconciliation is about establishing and maintaining a mutually respectful relationship between Aboriginal and non-Aboriginal Peoples in this country. In order for that to happen, there has to be awareness of the past, acknowledgement of the harm that has been inflicted, atonement for the causes, and action to change behaviour."

CN acknowledges the past and present-day injustices that Indigenous Peoples have faced and continue to face. We also acknowledge the complex history of railways and the role they played as instruments of colonial policies, as well as the intergenerational economic, cultural, and social effects that these policies have had on Indigenous communities. The construction and operation of the railways in Canada have affected the land and its original People, their cultures, traditions, and ways of life.

That reality inspires and grounds our commitment to reconciliation. Today, we offer this acknowledgment to affirm our commitment to engage and foster strong, respectful, and mutually beneficial relationships and to improve our own understanding of local Indigenous Peoples and their unique cultures.

PICTURED:
Prince George Subdivision, BC
Photo by CN employee, Jim Lucas

ENGAGING WITH INDIGENOUS COMMUNITIES

BUILDING RESPECTFUL, MEANINGFUL RELATIONSHIPS

CN proactively fosters positive relationships with Indigenous communities. We engage in open dialogue to learn more about Indigenous communities and increase our involvement. CN participates in many Indigenous events to help build stronger ties while promoting available jobs, business opportunities, and our commitment to inclusion.

Indigenous Engagement Framework

CN has a dedicated team of Indigenous Relations personnel responsible for Indigenous community engagement in Canada, as well as for receiving, tracking, analyzing, and responding to potential Indigenous community concerns. They engage with Indigenous communities through various means, including:

- Face-to-face and virtual meetings.
- Direct participation in community activities and events.
- Partnering with Indigenous organizations to ensure Indigenous Peoples have access to jobs, training, education, and opportunities to help increase Indigenous representation at all levels of the Company.

- Identification of procurement opportunities and development of business relationships.

We make it a priority to develop respectful and mutually beneficial relationships with all Indigenous Peoples, while ensuring service to our customers. We aim to engage in open dialogue, increase our employees’ awareness and understanding of Indigenous cultures, and enhance our ability to attract Indigenous talent.

Community Partnerships

As a good neighbour, we look to partner with Indigenous communities near our network through sponsorships and donations. In 2024, CN contributed to Indigenous causes across Canada.

Some of our partnerships include:

- The First Nations Emergency Services Society of B.C., where CN helped with the acquisition of a fire services trailer.
- MacEwan University’s pimâcihisowin Foundation Program, which is intended primarily for Indigenous students and offers culturally appropriate education.
- The Little Bear Child Care Centres of Saskatchewan, an Indigenous led and inclusive network of early learning centres, where CN helped with the acquisition of therapy equipment.
- Mountain View School Division’s Indigenous Land Based Education program in Manitoba’s Parkland Region.
- Outland Youth Employment Program, a six-week summer training program that collaborates with local Indigenous communities and consults with elders to ensure youth feel culturally and spiritually supported in the workplace.
- The National Indigenous Fire Marshal Service where CN financially supported the installation of smoke detectors in Indigenous communities throughout Canada.
- Saturviit Inuit Women’s Association of Nunavik, an organization that advocates for Inuit women and children and supports positive and healthy communities.



Empowering Indigenous First Responders

Fire can ravage a community in short order – especially if it is in a remote area with few resources. With the collaboration of Firefighters Without Borders, CN Indigenous Relations Managers **Steven Santelli** (pictured above), and **Brie Ferguson**, as well as Track Supervisor **Kevin Douglas** gathered much-needed firefighting safety gear and helped deliver it to Indigenous communities to help them protect their loved ones.

The team also reached out to fire departments across the country to source donated rescue and hazmat gear, ropes, bunker gear, and other protective equipment. “In our first few weeks, we’ve already filled one 40-foot intermodal container full of PPE, boots, hardhats, nozzle hoses, and more, that went from Ontario to Northern Saskatchewan,” reports Steven.



CN'S INDIGENOUS VISION SINCE 2013

Our vision is to develop respectful and mutually beneficial relationships with all Indigenous Peoples, while ensuring service to our customers. In addition, we want to be recognized by key stakeholders, including customers and governments, as having a sound approach to engaging with Indigenous communities and having a respectful and sustainable relationship with Indigenous Peoples across the CN network.

SPOTLIGHT

Promoting Indigenous Inclusion and Awareness

CN makes it a priority to strengthen ties between our employees and Indigenous communities. We seek open and proactive engagement with Indigenous communities and aim to foster effective two-way communications that ensure a respectful and beneficial exchange.

~26,000

EMPLOYEES HAVE RECEIVED CULTURAL AWARENESS TRAINING SINCE THE PROGRAM BEGAN IN 2014

> CULTURAL AWARENESS TRAINING

As part of CN's Indigenous vision, we actively encourage employee sensitivity to Indigenous cultures and realities. CN has provided cultural awareness training (CAT) on Indigenous cultures, beliefs, and history since 2014. CN launched an eLearning version of the training in 2017, providing access to a greater number of employees. In 2018, this training received a President's Award in the CN Values category, indicating its importance for CN. In 2019, this training became mandatory for all employees in Canada, both management and union-represented. Building on this foundation, CN is now advancing our efforts by delivering in-person CAT sessions specifically designed for Board members and senior executives.



Cultural Awareness Training with members of CN's senior executive team



Indspire event targeted at Indigenous youth

< RECRUITING INDIGENOUS TALENT

We partner with Indigenous organizations to promote CN as an employer of choice and ensure Indigenous People have access to jobs, training, education, and opportunities to join our workforce. We partner with AMIK, an organization that provides professional Indigenous engagement services to support our recruitment activities with pre-selection and interview preparation for Indigenous candidates. CN also supports and participates in Indspire events geared to Indigenous youth. Indspire is a national Indigenous-registered charity that invests in the education of First Nations, Inuit, and Métis People for the long-term benefit of these individuals, their families, and communities. As a new step toward transforming recruitment and education, CN teamed up with ORIGIN, an Indigenous-owned technology firm, to launch an innovative virtual reality initiative to give potential recruits an insider's look at what working for CN really entails.



CN employees and members of the Indigenous ERG participate in 2025 National Orange Shirt Day

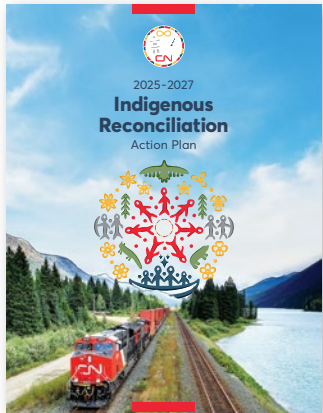
> INDIGENOUS EMPLOYEE RESOURCE GROUP

CN's Indigenous Employee Resource Group (ERG) provides a safe space for Indigenous and non-Indigenous employees to share, learn, and grow together through a working environment that is culturally sensitive and supportive of all. The Indigenous ERG provides opportunities for reconciliation and shared learning by engaging in dialogue across the Company and exploring the unique experiences, cultures, and histories of Indigenous Peoples. The Indigenous ERG supports many Indigenous organizations, including Indigenous Disability Canada, Indian Residential School Survivors, Clan Mothers Healing Village, and the Manitoba Métis Heritage Fund.

INDIGENOUS RECONCILIATION ACTION PLAN

SETTING A CLEAR PATHWAY TO RECONCILIATION

In 2024, we introduced our first Indigenous Reconciliation Action Plan (IRAP), which reasserts our genuine commitment to reconciliation and building a future where our Company and Indigenous communities can thrive together.



Learn more:
www.cn.ca/indigenous-relations

Governance and Accountability

With the adoption of our first Indigenous Relations Policy applicable to Canadian employees, also in 2024, we solidified our approach to engagement with Indigenous communities across our network in Canada. And it aligns with the United Nations Declaration on the Rights of Indigenous Peoples and the Truth and Reconciliation Commission’s Calls to Action.

For CN, the Indigenous Relations Policy embeds reconciliation into our operations, enhances relationships with Indigenous communities, and creates shared economic, environmental, and cultural value.

A Milestone in CN’s Journey

CN reaffirmed our commitment to building sustainable, respectful, and long-term partnerships with Indigenous Peoples by introducing our first IRAP. This landmark document is the result of CN’s earnest efforts to recognize, acknowledge, and address the impacts of our railway operations on Indigenous communities.

CN’s IRAP outlines actionable steps, measurable goals, and a clear vision for ongoing engagement and partnership with Indigenous communities in Canada over the next three years (2025-2027). The IRAP will guide our journey to reconciliation and is based on the same five pillars as our Indigenous Relations Policy.

The pillars were developed and informed by comments and insight received from Indigenous communities.

Cross-functional groups of CN employees — led by the Indigenous Relations team — convened bi-weekly for several months to explore opportunities and actions to advance reconciliation for each pillar. Open conversations with, and valuable feedback from, Indigenous communities across our network helped refine the plan.

Within the five pillars, there are 16 commitments. Examples include:

- 1. Enhancing our cultural awareness training for CN employees.
- 2. Supporting the attraction and hiring of Indigenous talent.
- 3. Investigating the potential of returning CN-owned lands to First Nation communities.
- 4. Furthering safety training for Indigenous first responders and community partners.
- 5. Developing a community investment strategy to support Indigenous organizations and causes.



This IRAP represents a significant milestone for CN as it is our first endeavour of this kind. We acknowledge that there is much for us to learn and understand, and we are committed to continuously evolving and improving our approach.”

Mélanie Allaire
CN Head of Indigenous Relations

THE FIVE PILLARS OF OUR INDIGENOUS RELATIONS POLICY

Cultural Awareness and Employee Engagement	People and Employment	Economic Reconciliation	Community Engagement and Relationships	Environmental Stewardship, Safety, and Sustainability

INDIGENOUS PROCUREMENT STRATEGY

DEEPENING PARTNERSHIPS WITH INDIGENOUS SUPPLIERS

CN aims to deliver economic benefits to Indigenous Peoples and communities in Canada by establishing and developing long-term relationships with Indigenous businesses.

Advancing Economic Reconciliation

In 2024, CN continued to advance economic reconciliation by deepening partnerships with Indigenous and non-Indigenous suppliers across our network.

As part of our Indigenous Reconciliation Action Plan, we focused on increasing Indigenous participation in our supply chain through direct engagement,

subcontracting, and supplier collaboration. Our Indigenous-owned suppliers bring unique strengths to the table.

We've helped drive measurable impacts by working with key partners like Lodgelink, Remcan, CBS, Apex Rail, ORIGIN, and Davey Tree to support Indigenous employment, procurement, and reporting. These efforts are creating lasting value in communities and across the supply chain.

In Canada, CN has committed to increasing Indigenous participation in our procurement spend by 40% over the 2024 reference year by 2027, building a more inclusive, resilient, and sustainable supply network. When a tangible target is set, the pathway becomes clear and opportunities open.

Indigenous Inclusion Criteria

CN engages with Indigenous businesses and embeds Indigenous participation within our procurement activities. CN strives to ensure that economic reconciliation is woven into the foundation of our growth strategy, creating sustainable and mutually beneficial partnerships. We aim to create opportunities for Indigenous businesses to enable economic reconciliation and form synergies where possible. We recognize various forms of Indigenous inclusion, such as:

- **OWNERSHIP:** At least 51% owned, controlled, and actively managed by Indigenous People.
- **JOINT VENTURES OR PARTNERSHIPS:** Consisting of at least one supplier with Indigenous ownership.
- **DESIGNATED INDIGENOUS BUSINESSES:** Preferred businesses designated by Indigenous communities that partner with them.
- **SUBCONTRACTING:** CN suppliers that subcontract part of the work to Indigenous-owned businesses.

Indigenous Procurement Principles

To embed Indigenous participation within CN's procurement process, we have six guiding principles for suppliers, contractors, and subcontractors:

- Proposals must meet CN's safety and performance standards.
- Proposals must be market competitive.
- Any subcontracting opportunities should prioritize businesses with Indigenous participation.
- Indigenous communities must provide any list of designated suppliers in writing.
- All proposals are evaluated on their level of effort to incorporate Indigenous participation in their services, whether through direct hiring, partnership, or subcontracting opportunities.
- Reports and recurrent discussions are required to monitor Indigenous inclusion activities.

 Learn more: www.cn.ca/indigenous-relations

First Nations Major Projects Coalition (FNMPC)

In 2025, CN was proud to be a major sponsor of the FNMPC Annual Conference, an influential gathering focused on Indigenous participation in major infrastructure and resource projects. CN hosted a booth to engage directly with attendees and showcase our commitment to economic reconciliation. A highlight of the event was a fireside chat featuring Tracy Robinson, CN's President and CEO, who shared insights on advancing economic reconciliation in collaboration with Indigenous communities. The conference provided a valuable platform for meaningful dialogue, reinforcing CN's role as a trusted partner in fostering inclusive, long-term economic development. *"Reconciliation isn't a destination. It's a responsibility and a collaborative journey we must walk with humility and determination."* said Tracy.



IN THIS SECTION:

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- 76 Business Continuity

INTEGRITY AND GOVERNANCE



2024 Performance Highlights

- Restructured our Board committees with the view of further aligning our committee structure with our enhanced focus on strategic topics and enterprise risks.
- Adopted our first Indigenous Relations Policy and Indigenous Reconciliation Action Plan in Canada.
- Updated our director competency matrix to ensure the Board of Directors continues to reflect the skills and experience required to further the Company's strategy.
- Updated our Code of Business Conduct to ensure continued alignment with best governance practices and with the Company's values.
- Restructured CN's Enterprise Risk Management program to provide better integration across the Company.
- Earned a 1st place ranking by the Globe and Mail among 215 companies listed on the S&P/TSX Composite Index, with a score of 99% based on a rigorous set of governance criteria.

PICTURED: Rendering of CN's new head office located in Montreal, QC.

ETHICS AND COMPLIANCE

COMMITTED TO DOING THE RIGHT THING EVERY DAY

Responsible governance is a fundamental part of our business practices and culture. We believe an ethical business is a sustainable business.

Leading Corporate Governance

A strong governance structure is the foundation of an effective framework that supports our *Delivering Responsibly* philosophy and provides clear guidance on how authority is exercised at CN.

CN's Board of Directors has oversight responsibility for the stewardship of the Company and its business. The Board is steadfast in its commitment to ensuring leading governance practices and takes

very seriously its obligation to oversee enterprise risks.

The Board supervises the management of CN with the objective of creating value for shareholders and considering the interests of other stakeholders. It also ensures management is taking the appropriate actions to address strategic and business performance, as well as current and emerging risks, and is building the necessary resilience.

Disciplined Compensation

Our executive compensation program aims to appropriately incentivize sustainable performance. It has been designed to encourage the right behaviours, mitigate risks, and align with our shareholders' long-term interests. For example, risk mitigation strategies include capped incentive payout with no minimum guaranteed payout, clawback policies, and stock ownership guidelines. Our executive compensation program is made up of a base salary, annual incentive bonus, long-term incentives, and pension benefits. The annual bonus is tied to financial and sustainability factors, specifically through our locomotive greenhouse gas emission intensity, safety, and employee engagement performance expectations.

2025 BOARD HIGHLIGHTS

99.3%

AVERAGE PERCENTAGE OF VOTES IN FAVOUR OF OUR DIRECTORS AT THE 2025 ANNUAL GENERAL MEETING

14 years

TERM LIMIT FOR DIRECTORS

Zero

CN BOARD MEMBERS SIT TOGETHER ON THE BOARD OF ANOTHER COMPANY

GOVERNANCE BEST PRACTICES

Board Independence and Structure	Board Refreshment and Succession Planning	Accountability and Evaluation	Ethics and Conduct	Stakeholder and Indigenous Engagement	Director Education and Development	Safety and Culture
<ul style="list-style-type: none">All directors (including our Board Chair) are independent, except for our President and CEO.Board interlock guidelines strengthen directors' independence.Separate roles and responsibilities for our Board Chair and President and CEO.	<ul style="list-style-type: none">Director term limit of 14 years and retirement age of 72 years favour Board refreshment.Term limits for Board and Committee Chairs to favour refreshment in leadership positions.	<ul style="list-style-type: none">Share ownership guidelines for directors, including requirements that continue for two years after directors leave the Board.Robust annual Board director evaluation process, which incorporates feedback from management and peer reviews.	<ul style="list-style-type: none">The Board and each Board Committee meet in camera at or after every meeting, including special meetings.Solid ethics program and written Code of Business Conduct sets forth our values, mission, and principles, and applies to all directors, officers, and employees of CN.	<ul style="list-style-type: none">Written Stakeholder and Indigenous Peoples Engagement Framework solidifies our commitment to engagement with our stakeholders and rightsholders across our network in Canada.	<ul style="list-style-type: none">Comprehensive orientation program for new directors and continuing education program for existing directors, which includes key topics such as:<ul style="list-style-type: none">SafetyTechnology, artificial intelligence, cybersecuritySustainabilityClimate change	<ul style="list-style-type: none">Management share safety moments with the Board before meetings, in line with CN's safety culture.

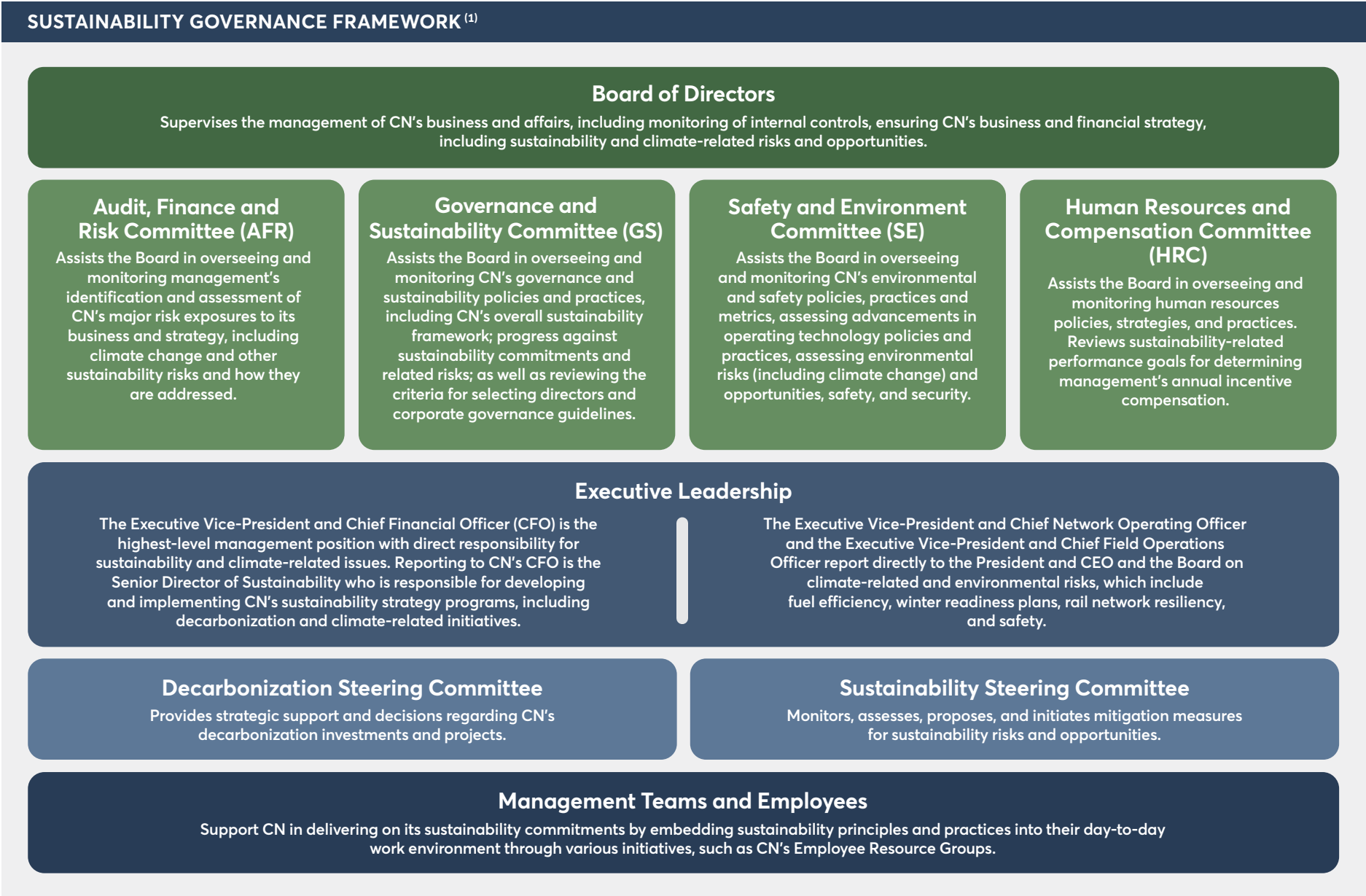
Board Governance Structure

Our Corporate Governance Manual describes the roles, mandates, and expectations of the Board and its committees. The Board revises the Corporate Governance Manual regularly to consider evolving best practices and changing circumstances, as well as to ensure it continues to align with our values and strategy.

In 2024, the Board restructured its standing committees by disbanding and reallocating the responsibilities of the Pension and Investment Committee and establishing the Safety and Environment Committee. The aim was to strengthen the alignment of our committee structure with CN's core values and ensure the Board is focusing on the right strategic topics and enterprise risks. These include the development and implementation of our environment and climate change strategy, as well as the safety and efficiency of our operations.

The new committee structure, aligned with corporate governance best practices, has enhanced the Board's focus on current and emerging risks. Additionally, it ensures the breadth of experience and expertise of our Board is drawn upon effectively for CN to be best positioned to execute its strategy.

Learn more: Corporate Governance Manual



(1) Framework and executive leadership as of the end of 2024.

Principled Policies Guide Our Daily Decisions

In addition to complying with applicable laws and regulations, we have established company-wide policies that define how we operate. Through training, awareness, and on-the-job coaching, we empower employees and business partners to uphold the highest standards across all operations.

Code of Business Conduct

Our Code of Business Conduct establishes the values and expectations that underpin our ethical approach to business. It applies to and details the standard of behaviour expected of all employees, directors, and officers of the Company. The Code of Business Conduct outlines our objective of ensuring everyone working on our behalf adheres to the highest ethical standards. It also outlines the key responsibilities of our leaders to foster a culture that reflects the Code's goals and standards. In 2024, the Code of Business Conduct was updated to address our commitment to the protection of human rights within our operations and supply chains.

 Learn more: www.cn.ca/en/delivering-responsibly/governance/code-of-business-conduct

Supplier Code of Conduct

Sustainability is an integral part of our procurement framework. We expect everyone working on CN's behalf, including consultants, agents, suppliers, and business partners, to obey the law and adhere to the same exacting standards we hold ourselves. Our Supplier Code of Conduct, which is an extension of our Code of Business Conduct, outlines our commitment to trust and integrity, health and safety, labour and human rights, as well as environmental and business ethics.

Other Formal Policies and Guidelines

CN employees adhere to, and are protected by, sound employment fairness and human rights policies. The GS Committee oversees development and implementation of CN's

global sustainability policies and practices. In 2024, CN maintained the following policies and guidelines through its Board Committees:

- **ACCOMMODATION GUIDELINES:** Ensure working conditions with respect to disability, religion, or family status are not a barrier to employment.
- **ANTI-CORRUPTION POLICY:** Ensures legal compliance and prevents illicit activities counter to CN's ethical culture and would harm CN's reputation and business.
- **HUMAN RIGHTS POLICY:** Supports human rights as a matter of principle and in compliance with the Canadian Human Rights Act, as well as international standards and best practices (see [page 86](#) for more information).

- **POLICY TO PREVENT WORKPLACE ALCOHOL AND DRUG PROBLEMS:** A vital component of CN's safety culture, the policy states that employees have a responsibility to maintain a safe workplace, free from the negative effects of alcohol and other drugs.
- **WORKPLACE HARASSMENT AND VIOLENCE PREVENTION POLICY:** Ensures all employees have a safe, healthy, and inclusive workplace where everyone is treated with respect and dignity.

The above policies are reinforced by various other established company-wide policies, including:

- [Safety Policy](#)
- [Anti-Fraud Policy](#)
- [Environmental Policy](#)
- [Indigenous Relations Policy](#)
- [Information Security Policy](#)
- [Procurement Policy](#)
- [Protection of Personal Information Policy](#)

Reporting Concerns

Consistent with the belief that ethical conduct goes beyond compliance and resides in a comprehensive governance culture, CN maintains several channels for employees, suppliers, and others to anonymously report concerns or potential misconduct. These include our Law Department, Human Resources Centre, CN Police Service, and CN Ombudsperson. We also have a confidential CN telephone hotline: 1-800-925-5974.

 Learn more: www.cn.ca/en/delivering-responsibly/governance/reporting-violations



PICTURED:
Peterson, BC

RISK MANAGEMENT

STRUCTURED PROCESS AND OVERSIGHT TO MINIMIZE EXPOSURE

Risk management is essential to protecting and creating shareholder value, operating efficiently, as well as providing a safe and healthy environment for employees, customers, suppliers, and other stakeholders.

Governing Risk

At CN, the Board ensures that appropriate risk assessment processes are in place to identify significant business risks and implement programs to manage them. The Board performs this oversight through strategic reviews of significant risks and issues, as well as business updates with the President and CEO and other members of the executive management team.

The reviews may cover, among others, risks related to:

- General economic conditions
- Environment, including climate change and regulations
- Human capital
- Foreign currency and interest rates
- Capital investments
- Information technology and cybersecurity
- Operations, including labour disputes and blockades
- Tax and safety regulations

The AFR Committee oversees CN's Enterprise Risk Management (ERM) program, monitoring management's assessment of major risk exposures and their potential impact on the Company's ability to achieve its business and financial objectives.

Learn more:
[2025 Management Information Circular](#)

RISK MANAGEMENT PROCESS

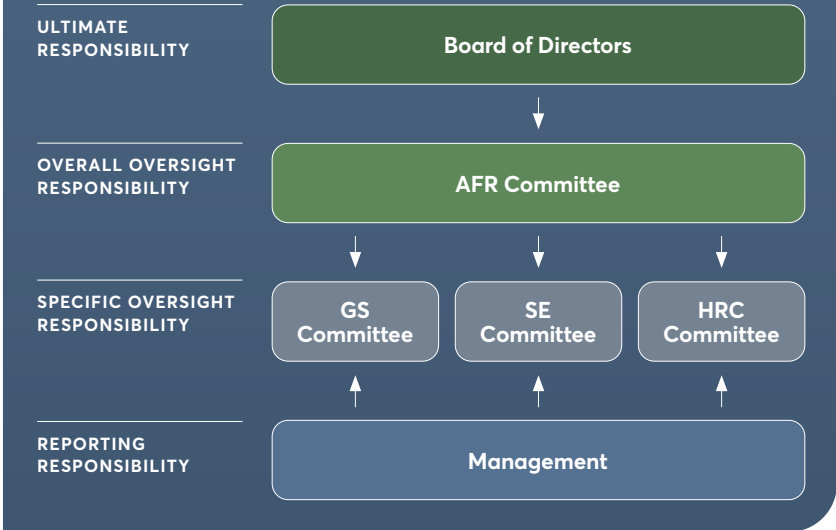


Enterprise Risk Management: Identifying, Assessing and Mitigating Risks

Each year, CN conducts its ERM survey, engaging senior leadership to evaluate the likelihood and impact of key enterprise risks across the organization.

This structured assessment is followed by risk workshops designed to review and calibrate the results, ensuring alignment among stakeholders and accurate identification of the most significant risks. A significant risk is generally defined as an exposure that has the potential to materially impact CN's ability to meet or support its business objectives. The risk assessment covers internal and external trends impacting our business.

The survey also incorporates a forward-looking component, capturing emerging risks. The insights generated through this process play a vital role in informing strategic priorities, guiding risk mitigation planning, and supporting enterprise-level decision-making.



Our identification and assessment of risk is based on the Chartered Professional Accountants of Canada’s Framework for Board Oversight of Enterprise Risk and the Committee of Sponsoring Organizations’ (COSO) ERM framework. The delegation of risk management oversight among the Board and Board Committees has been designed with a view to bring the right committees to bear on individual risks while also ensuring that there is a holistic view of the overall risk profile of the Company.

RISK MANAGEMENT FRAMEWORK

1 Senior Management

2 Enterprise Risk Management

3 Board Oversight

- CN's senior management is responsible for managing risk in day-to-day operations.
 - Quarterly, CN's senior management is responsible for identifying significant risks that have the potential to affect CN's business strategy within their business units.
 - Annually, risks are rated based on an assessment of residual risk, after considering mitigating processes and controls in place.
- As part of CN's second line of defense, the ERM function facilitates the annual identification and assessment of top risks.
 - These risks, once validated, are assigned to members of the CN executive management team, who are responsible for implementing appropriate internal controls and ensuring the adequacy of mitigation measures.
- The executive team reports on major risk exposures to the relevant board-level committee. Regular ERM reports are reviewed by the AFR Committee, which engages with management to discuss key enterprise risks and the actions taken to monitor, control, and mitigate those exposures.
- CN's internal audit team reports directly to the AFR Committee and is responsible for developing an internal audit plan annually.
 - The AFR Committee maintains direct communication with internal and external auditors and holds quarterly meetings without management.
 - The Board delegates overall enterprise risk monitoring to the AFR Committee and specific risk oversight to other Board Committees as appropriate.

Board and Committee Responsibilities

Entity	Responsibility	Reporting/Review Frequency
Senior Management	Identify and assess risks in daily operations, evaluate residual risk.	Ongoing
Executive Management	Own top risks, set controls, report to committees.	Every board meeting
AFR Committee	Reviews exposures, approves audit plans, oversees management’s mitigation plans.	Quarterly and as needed
HRC and SE Committees	Oversees compensation, environment, safety, and climate-related risks.	Periodic updates
GS Committee	Oversees sustainability-related risks, such as regulatory and reporting risks.	Periodic updates

↓ To learn more about CN's Committees of the Board, download CN's [Corporate Governance Manual](#)

BUSINESS CONTINUITY

EMBEDDING FLEXIBILITY AND RESILIENCY PLANNING

We understand our crucial role in keeping the economy running smoothly, and the importance of preparing for the unexpected. Our goal is to have the right plans, processes, and measures in place to continue to meet the needs of our customers safely.

Preparing for Climate-related Risks

An important aspect of our continuity and resiliency planning involves climate scenario analysis to identify and understand how climate-related risks may impact our business. We assess the resiliency of our strategy by modeling the impacts of climate change under multiple scenarios and integrate physical and transitional risks into our strategic planning. We leverage the best available information, including from the International Energy Agency, to improve our

understanding of potential climate change impacts for our customers, supply chain partners, and regions where we operate. Through our analysis, we identify potential climate vulnerabilities that we translate into tangible actions to mitigate climate-related risks and take advantage of opportunities.

Extreme temperatures can present a risk to our network operations and infrastructure. For example, thermal expansion can lead to rail misalignment and track buckling. On the other hand, extreme cold can result in broken rails, frozen switches, and wheel damage. Further, heavy rain can lead to damaging flash floods, landslides, and mudslides. Weather can also disrupt supply chain operations, leading to network congestion and delays.

To manage these risks, we have several programs to respond to the physical impacts of climate change, including extreme weather readiness plans, an emergency response planning program, inspection programs, and strategies to deploy non-rail modes of transport. For example, we have established rapid-deployment teams to rework train schedules and dispatch needed equipment and repair crews to restore operations quickly.

Readying for Extreme Weather

While winter comes every year, the frequency, severity, and exact location where operational challenges may occur can vary from one winter to the next. Whether it is extreme cold, ice, heavy snow, or rain, winter weather fundamentally affects what we do and how we do it. Each year, CN takes various measures to plan and prepare for the challenges of operating a railway in a northern climate. While winter conditions have the potential to increase the risk of network congestion and delays, the resilience and determination needed to overcome the inevitable challenges have become ingrained in how we keep our railway running.

Learn more at: [CN Winter Plan 2025–2026](#)

Business Continuity Management Plan

Our Business Continuity Management Plan enables us to protect against and recover from incidents in a timely manner, while ensuring the health and safety of employees, customers, and the public. It ensures we have the organizational resilience to restore, manage, and maintain critical operations in the event of a natural disaster, wildfire, cyberattack, or other business disruption.

We continue to invest in security initiatives, information technology, cyber incident response, business continuity and disaster recovery plans, and other mitigation programs to meet evolving operational expectations and regulations. The development and maintenance of these measures requires ongoing monitoring and updating as technologies change and efforts to overcome security measures become increasingly frequent, intense, and sophisticated.

CN'S INCIDENT RESPONSE PROCESS

ENGAGED FOR:
Medium-High to High level incidents

CN Board

Provides oversight and strategic guidance to CLG as required. Fulfills a critical challenge and support function but is not directly involved in crisis response. Ensures the CEO has the necessary support.

ACTIVATED FOR:
Medium-High to High level incidents

Crisis Leadership Group (CLG)

Damage that would have a major impact to CN and be challenging to manage must be addressed promptly and professionally, as it can affect CN's reputation and/or ability to carry out its business. Such incidents require the involvement of CN's senior executives.

ACTIVATED FOR:
Medium level incidents

Corporate Emergency Operations Centre (CEOC)

Damage that would have a clear impact to CN and is manageable with care, with other resources engaged as required to help coordinate the response. Such incidents require briefing CN's senior executives.

ACTIVATED FOR:
Low to Medium-Low level incidents

Net Ops Emergency Response Team (NOERT) Tactical Incident Response Teams

Damage that would have no to little impact to CN's reputation and/or ability to carry out its business. Addressed by day-to-day tactical teams with other resources available as required.

IN THIS SECTION:

78 Cybersecurity

80 Privacy and Confidential Information

CYBERSECURITY AND DATA MANAGEMENT



2024 Performance Highlights

- Implemented a comprehensive orientation program for new Board directors and continuing education program for existing directors, which includes information on cybersecurity.
- Reviewed CN's risk assessment process, including as it relates to information technology, cybersecurity, and data risk management.
- Continued incorporating cybersecurity training into new employee onboarding program to emphasize cybersecurity awareness.
- CN's Chief Information Security Officer was inducted into the CSO Hall of Fame, a prestigious honour for security leaders who have demonstrated exceptional vision, leadership, and influence throughout their careers.
- Continued participating in the Association of American Railroads (AAR) Rail Information Security Committee (RISC).
- Conducted awareness campaigns and proactive communications to employees on cybersecurity.

PICTURED: Dominic Leblanc, Specialist, Solution and System Integration, works to provide a solid cybersecurity foundation. Montreal, QC

CYBERSECURITY

STRONG OVERSIGHT, PROGRAMS AND POLICIES FOR DATA SECURITY

We seek to align information security with business objectives by guiding risk management, defining governance requirements, fostering awareness, and reporting on measured performance and compliance for CN, our subsidiaries, and third-party partners.

Oversight
We actively monitor and manage cybersecurity and privacy risks through oversight and governance of digital technology. Cybersecurity is a formal component of CN's overall risk management framework.
CN's Board of Directors is responsible for considering evolving business conditions, including opportunities and risks arising from emerging technologies.

The Board – through the Audit, Finance, and Risk (AFR) Committee – regularly reviews, monitors, and evaluates technological advancements and initiatives. Specifically, the AFR Committee is responsible for overseeing the management of cybersecurity risks and ensuring our cybersecurity programs and initiatives are appropriately resourced and managed by qualified leadership. The Board has several directors with experience in managing and mitigating cybersecurity risks.

In 2024, the Board received updates on cybersecurity risk management and on CN's cybersecurity strategy. Our internal audit team, which reports to the AFR Committee, plans and implements internal audits that cover cybersecurity-related topics.

Chief Information Security Office
At CN, we aim to continuously improve and optimize the protection of CN I&T assets and sensitive information against cyber threats and breaches.

CN's Chief Information Security Office is responsible for the protection of the organization's digital assets and data through the implementation of cybersecurity strategies, risk management, compliance, and incident response.

Our cybersecurity program is under the direction of the Chief Information Security Officer (CISO), supported by professional staff and aligned to the National Institute of Standards and Technology (NIST) Cybersecurity Framework. The CISO reports to the Executive Vice-President and Chief Information and Technology Officer.

Real-time Monitoring
The Cyber Security Operations Centre (CSOC) is responsible for continuously protecting, strengthening the organization's security posture, and ensuring resilience against an ever-changing digital landscape. Through real-time monitoring, advanced security tools, and proactive measures, the CSOC quickly identifies potential security incidents and takes immediate action to mitigate them. Our program is also further supported by our Incident Response team, who are trained to coordinate a rapid response to contain threats, eradicate causes and recover affected systems. We seek to ensure all our security practices are continuously improved by analyzing lessons learned and adapting to evolving threats.

Policies and Controls
CN's has three overarching cybersecurity policies that guide the processes and available to employees and relevant third parties on CN's Intranet. The core commitments of these policies include continuous improvement, data integrity, threat monitoring, workforce responsibility, and third-party requirements.

- All authorized users of CN I&T assets – including employees, contractors, and consultants – must adhere to the following policies, as applicable:
- **I&T CYBERSECURITY POLICY** provides requirements and principles for cybersecurity controls to protect the confidentiality, integrity, and availability of CN's I&T assets.
 - **END-USER CYBERSECURITY POLICY** which is incorporated in CN's Code of Business Conduct, sets the acceptable use of and access to CN's I&T assets.
 - **THIRD-PARTY INFORMATION SECURITY RISK MANAGEMENT POLICY** outlines the requirements for the effective management of information protection risks associated with implementing third-party information and operational technology products and services.

CN's Vulnerability Management framework to help identify vulnerabilities in our information systems and prioritize mitigation efforts. The process aims to eliminate known and exploitable vulnerabilities, while focusing resources on the highest priority risks.

Learn more: [2024 Annual Report and 2025 Management Information Circular](#)



In 2024, **Vaughn Hazen**, CN's Chief Information Security Officer (right), was inducted into the CSO Hall of Fame, recognizing his outstanding contribution to the practice of information risk management and security.

Effective Risk Management

CN's cybersecurity risk management program is an integral part of our overall risk management strategy.

We have adopted a risk-based cybersecurity plan consistent with industry standards and regulatory requirements as guided by the NIST Cybersecurity Framework. The program uses robust policies, controls, and guidelines, supported by regular internal and external reviews and training to mitigate cybersecurity risks.

CN also conducts periodic risk assessments, threat research, and penetration testing by third-party consultants. Regular drills are another key component of our cybersecurity program. These include exercising incident response plans and auditing our program to identify opportunities for improvement. We emphasize cybersecurity awareness through frequent employee communications and by requiring employees to complete cybersecurity training at least annually.

PRIVACY AND CONFIDENTIAL INFORMATION

KEEPING PERSONAL INFORMATION SAFE AND SECURE

We are committed to respecting privacy and protecting the confidentiality of the information we collect about individuals and organizations that we interact with during our business activities.

Respecting and Protecting Private Information

We make information technology and electronic communications resources widely available to employees, consultants, contractors, and suppliers to increase productivity and share information. All are responsible for preventing disruptions or misusing these resources, as well as supporting our compliance with privacy laws and regulations.

We design our privacy training to provide employees with the skills and knowledge they need to protect personal information, understand their privacy obligations, and conduct day-to-day business activities accordingly. We implement a privacy framework governing the protection of confidential information through its lifecycle. This framework defines the roles and responsibilities of CN personnel, provides a process for dealing with complaints regarding the protection of the information, and addresses the retention and destruction of personal information.

Oversight

CN's Law Department is responsible for our statutory, regulatory, and contractual obligations regarding data security and privacy. CN's Senior Vice-President and Chief Legal Officer, in collaboration with other functions, oversees our privacy program.

Policies and Procedures

CN has established appropriate policies, procedures, and systems for handling personal information.

CN's Protection of Personal Information Policy explains how CN employees should handle personal information and comply with related CN practices and procedures. This policy applies to all CN employees who handle personal information or contribute to the processes and systems for managing it. All CN employees are required to read and be familiar with this policy, and to handle personal information in accordance with this policy.

To support this, CN requires employees to complete training on the Protection of Personal Information Policy for employees to understand the policy and their role in ensuring the protection of personal information. CN's Corporate Privacy Coordinator is the established point of contact for any privacy-related questions, issues, or suspected security breaches. Violations of the policy are subject to the same disciplinary actions articulated in CN's Code of Conduct.

CN is committed to maintaining a safe and respectful working environment for third parties accessing its premises and information systems. Third parties are required to comply with CN's corporate information security policies and security controls when accessing CN's I&T assets.

CN's Third-party Information Security Risk Management Policy contains the requirements for CN conducting third-party information security due diligence, available in CN's internal site.

This policy is supplemented by CN's Third Party Information Security guideline, which outlines the high-level information security requirements that third parties should respect to protect CN's Information and I&T Assets, publicly available on the CN website.

CN also has a formal [Confidentiality Notice and Commitment](#) available on our website that describes our policies and practices with respect to the collection, use, disclosure, and the measures taken to ensure the continued protection of confidential information. CN's Commitment applies to any individual, or business, enterprise, or other organization that interacts with CN.

CN's Information and Technology Cybersecurity Policy provides overall requirements and principles for cybersecurity controls to protect the confidentiality, integrity, and availability of CN data, including confidential information.

Privacy Protection: Policies and Guidelines

- [Confidentiality Notice and Commitment](#)
- [Third Party Security Guidelines](#)
- [Code of Business Conduct: Safeguarding What's Ours](#)
- [Protection of Personal Information Policy](#)
- [Privacy Notice for CN Employees](#)



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- 86 Human Rights

REGULATORY ENVIRONMENT



2024 Performance Highlights

- › Participated in a Sustainable Freight Workshop organized in collaboration with industry, environmental organizations, and U.S. federal government agencies and departments.
- › Worked with the Association of American Railroads (AAR) to update and maintain an extensive industry-wide security plan.
- › Updated our Human Rights Policy to clarify that it applies to all our employees in Canada and the U.S., and we expect all third parties we work with to uphold high ethical standards and respect human rights.
- › Updated our Code of Business Conduct to incorporate our commitment to the protection of human rights within our operations and supply chains.
- › Trained approximately 4,400 management employees on human rights issues, including forced and child labour.

PICTURED: CN's high-capacity hopper cars help move more grain for the agricultural community. Winnipeg, MB

WORKING WITH GOVERNMENT

SUPPORTING REGULATORY AND GOVERNMENTAL POLICY

We work closely with elected representatives and government officials at all levels to develop strong relationships and be seen as a trusted source of information. We also collaborate with regulators to promote a consistent, balanced approach.

Engaging with Government
We recognize the importance of collaborating with all our stakeholders, including governments and agencies. CN's long-term economic viability depends on a supportive regulatory and government policy environment that stimulates investment and innovation. Consequently, we have enhanced our engagement approach, with the aim of ensuring a stable and encouraging legislative and regulatory environment.

This includes working with governments and agencies to address challenges that pose risks to successfully moving goods, including labour regulations, port operations, and infrastructure investments.

Government Relations
The Governance and Sustainability Committee of CN's Board of Directors is responsible for overseeing the Company's compliance with laws and regulations, government and public affairs, human rights, lobbying, corporate memberships, and political donations.

For instance, through the Railway Association of Canada (RAC), we have been actively working with the Government of Canada to address the impacts of rail activities on the environment. In 2023, we announced a shared vision of working toward net-zero emissions by 2050. Transport Canada and RAC members agreed to work together to advance low-carbon fuel use, move more goods by rail where possible, and accelerate the development of zero-emission locomotives. Additionally, in 2024, Janet Drysdale was appointed as the chair of the RAC's Board of Directors, driving forward initiatives that enhance the sustainability, efficiency, and safety of the railroad industry.

In the U.S., in 2024, CN participated in a Sustainable Freight Workshop organized in collaboration with industry, environmental organizations, and the federal government, including the Department of Energy, the Environmental Protection Agency, and the Department of Transportation.

Regulatory Environment
Our operations are regulated by many government departments and agencies. In Canada, CN's rail operations are subject to economic regulation by the Canadian Transportation Agency under the *Canada Transportation Act*. Safety is regulated by the Minister of Transport under the *Railway Safety Act*, as well as the rail portions of other safety-related statutes that are administered by Transport Canada, including the *Transportation of Dangerous Goods Act*. We are also subject to a wide array of other legislative and regulatory policies such as labour regulations and environmental standards.

In the U.S., CN's rail operations are subject to economic regulation by the Surface Transportation Board. Safety is regulated by the Federal Railroad Administration under the *Federal Railroad Safety Act*, as well as rail portions of other safety statutes.

Encouraging and Supporting Government Policy

We recognize the value of engaging with governments regarding the development of various policy initiatives that impact our industry. We do this by fostering positive and lasting relationships with administrators, regulators, and elected officials. These efforts are designed to encourage governments to:

- Support improved productivity and competitiveness by ensuring labour and regulatory stability across supply chains.
- Ensure a level playing field by implementing a balanced tax regime.
- Make gateways more competitive by investing in necessary technology and infrastructure.
- Encourage economic growth by creating the right conditions for private sector investment, including faster and more predictable permitting processes.
- Promote resilient and efficient supply chains by facilitating seamless collaboration across the end-to-end supply chain.



Tracy Robinson, President and CEO of CN, met with U.S. Secretary of Transportation Sean Duffy in Washington, D.C., to discuss CN's commitment to safety, investment in U.S. rail infrastructure, and ongoing support for the growing American economy.

CN Second Narrows Rail Bridge

The success of global trade relies on seamless coordination among supply chain partners. A great example can be seen in the combined efforts of CN and the Vancouver Fraser Port Authority (VFPA) to optimize the flow of freight to the North Shore of Vancouver via the CN Second Narrows Rail Bridge. Almost one third of all cargo that moves through the Port of Vancouver relies on this critical rail bridge.

Second Narrows is a vertical lift bridge that must be raised several times a day to allow marine traffic to pass through Burrard Inlet. During these lift periods, CN trains cannot move over the bridge. CN and VFPA work together to minimize bottlenecks and improve the coordination of vessels and trains crossing Burrard Inlet using advanced technology, infrastructure improvements, and strategic planning.

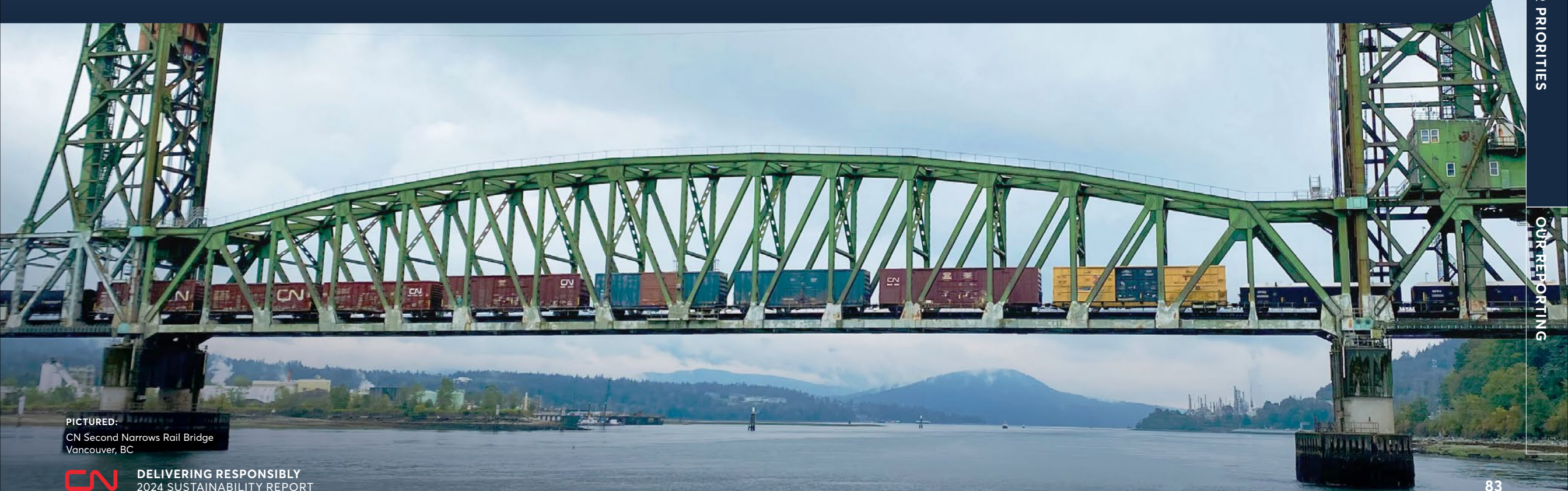
The continued partnership and collaboration between CN and the Port of Vancouver ensure that both rail and marine operations operate as seamlessly as possible, meeting the growing demands of international trade and contributing to the region’s economic success.

VFPA recently implemented two new systems, including the Active Vessel Traffic Management (AVTM) program, to enhance the coordination, safety, and real-time tracking of marine traffic through this shared trade corridor. Thanks to these systems, CN can better anticipate when the bridge will need to be lifted for vessels and adjust train movements accordingly.

This reduces congestion, minimizes wait times and ensures a more predictable flow of freight.

10% increase

IN THE AVERAGE WEEKLY TRAIN COUNT MOVING TO/FROM NORTH VANCOUVER SINCE AVTM WAS IMPLEMENTED



PICTURED:
CN Second Narrows Rail Bridge
Vancouver, BC

PUBLIC POLICY AND ADVOCACY

ENCOURAGING A STEADY AND RECEPTIVE REGULATORY ENVIRONMENT

We promote a stable and supportive regulatory environment that encourages investment and network resilience, enables continuous safety improvement and environmental protection, and supports end-to-end supply chain efficiency.

Monitoring the Regulatory Environment

Government policy and regulatory stability play critical roles in our operating environment. Governments on both sides of the border can unlock private infrastructure funding by encouraging investment through competitive tax measures, such as accelerated capital depreciation, and avoiding disincentives that hinder progress. A shared vision for a resilient, efficient, and competitive

supply chain will benefit everyone. However, regulatory uncertainty has increased recently. We continue to proactively monitor industry, regulatory, and legislative developments, and assess their potential impacts on our business.

CN is committed to working collaboratively with government and industry partners to ensure supply chains remain strong, efficient, and globally competitive. To achieve this, CN is focused on five key areas:

Leadership is About Stepping Forward



In January 2025, **Tracy Robinson**, President and Chief Executive Officer of CN, was elected Chair of the Business Council of Canada (BCC). Drawing on the experiences and expertise of its members, the BCC provides unique insights, data-driven policy recommendations, and in-depth analysis across a broad range of economic and social issues. In broad terms, the BCC's objective is to help strengthen the country's economy, social fabric, and democratic institutions.

"Our country stands at a pivotal moment, with challenges that also present great opportunities. Now is the time for leaders across the public and private sectors to work together to unlock Canada's full potential," said Tracy. "Members of the BCC provide millions of high-paying jobs to Canadian workers and inject billions of dollars into the economy. When we collaborate, there is much we can do as a country to strengthen our economic position on the world stage."

POLICY AND REGULATORY FOCUS AREAS

1 Supporting Workforce Readiness

CN is adapting to new federal labour regulations by investing in workforce planning and training. These efforts aim to ensure sufficient crew availability and maintain high service levels, even as operational demands evolve.

2 Prioritizing Efficient Freight Movement

CN continues to advocate for policies that maximize the efficient use of rail resources. Direct freight movement to markets helps reduce cycle times and increase overall supply chain capacity.

3 Improving Supply Chain Transparency

CN supports expanding the scope of supply chain data reporting. Enhanced visibility across the full logistics network will empower better decision-making and improve responsiveness to market needs.

4 Advancing Labour Stability

CN welcomes the recommendations of the federal Industrial Inquiry Commission on longshoring labour disputes. These findings offer a clear path toward long-term labour stability, which is essential for economic resilience and uninterrupted freight movement.

5 Encouraging Strategic Investment

CN believes that coordinated investment across the supply chain is vital to meeting future demand. By collaborating with governments, railways, shippers, and investors, as well as supporting investment policies, we can unlock new capacity and drive economic growth.

Advocating for Consistent and Supportive Policies

CN is a publicly traded corporation and a significant employer that invests billions in capital expenditures and pays considerable taxes. As such, our business can be significantly impacted by government actions, laws, and regulations.

Engaging with Government

We work continuously to build and maintain positive and constructive relationships with government officials at all levels. This allows us to continue to earn the trust and respect of the public sector, obtain government support for our activities and initiatives, and collaborate with the communities where we operate.

 See the Contributing Value section on [page 05](#) for CN's economic impact in 2024.

Our engagement with government focuses on supporting the advancement of our business strategy, which is underpinned by our commitment to *Delivering Responsibly*. Therefore, we develop relationships with elected officials who represent constituencies along our network, are members of key transportation committees, and those who lead legislative bodies.

We work alongside government through various means to ensure the rail sector continues to be safe, competitive, and sustainable, including:

- Participating in regular face-to-face and virtual meetings.
- Hosting visits to CN yards, terminals, and training centres.
- Participating in legislative hearings and government-led tables.
- Participating in industry associations (e.g., RAC, AAR).
- Supporting grassroots and industry organizations across the supply chain.
- Advocating, often in partnership with industry associations and other railroads.

Lobbying and Political Donations

CN prides itself on being a company that our stakeholders can count on to do the right thing. We have several policies pertaining to lobbying activities and political contributions, each of which applies to all directors, officers, employees and contractors of CN. The following are two examples:

ANTI-CORRUPTION POLICY: CN prohibits the payment of bribes and kickbacks. This includes the provision of gifts, entertainment, or anything else of value to government officials to improperly influence them in the performance of their duties. This policy outlines CN's expectations regarding integrity-based business practices to avoid the occurrence or appearance of improper or illegal conduct.

CODE OF BUSINESS CONDUCT: CN's [Code of Business Conduct](#) provides expected standards of conduct to ensure our reputation for honesty, integrity and reliability is maintained. The Code states that we respect the political process and only make political contributions and engage in lobbying activities that are legal and transparent.

At CN, we feel we have a responsibility to participate in public debate on certain policy matters that may impact our business goals and/or affect the communities where we operate. Our participation in political matters, including making contributions to political parties or their representatives, is undertaken only as permitted by law. Our in-house lobbyists are registered in various jurisdictions in Canada and the U.S. where required by law.



Railroad Day on Capitol Hill – Advocating for Policies that Support Freight Rail

In May 2025, CN colleagues from across the network participated in the American Short Line and Regional Railroad Association's Railroad Day on Capitol Hill, an annual lobby day in Washington, DC.

This year, the event convened over 300 representatives from Class I railroads, shortlines, suppliers, contractors, and rail associations. CN joined participants in meetings with congressional leaders to underscore the rail industry's contributions to economic growth, supply chain resilience, and safety.

PICTURED: CN colleagues met with U.S. Congressman Tom Barrett, who represents Lansing, MI, where CN has operations, during their visit to Washington, D.C., for the 2025 Railroad Day on Capitol Hill.

- In support of our industry, we called on Congress to:
- Maintain and extend tax policies that incentivize private investment in infrastructure.
 - Restore the Highway Trust Fund to a true user-based system.
 - Oppose increases to truck size and weight limits.
 - Advance permitting reforms that provide greater transparency and timeliness of environmental reviews.
 - Guarantee full and consistent funding for safety-enhancing rail grant programs.

HUMAN RIGHTS

RECOGNIZING THE IMPORTANCE OF HUMAN DIGNITY AND EQUALITY

We believe that economic growth and social progress go hand in hand. As such, we strive to provide a workplace that reflects these values. This is not only critical to the sustainability of our operations and the well-being of our people, it is also the right thing to do.

Human Rights Policy

We are committed to protecting human rights throughout our operations and business relationships. This commitment is reinforced by our [Human Rights Policy](#), which draws on international standards and best practices. These include the International Bill of Human Rights, the Declaration on Fundamental Principles and Rights at Work by the International Labour Organization, and the United

Nations’ Guiding Principles on Business and Human Rights.

Our Human Rights Policy outlines the key principles by which CN is committed to supporting human rights. These principles include fostering a strong safety culture, creating an inclusive and non-discriminatory work environment, providing fair working conditions, ensuring the right to associate, and maintaining open lines of communication.

CN’s Human Rights Policy was amended in 2024 to make it clear that it applies to all our employees in Canada and the U.S., as well as every third-party we do business with, including consultants, agents, suppliers, and contractors. We expect all our employees and third parties to obey the law and adhere to high ethical standards, including respecting human rights.

We monitor compliance with our Human Rights Policy, in accordance with applicable internal assessment mechanisms, which we periodically review. External audits by independent third parties may be commissioned where required.

~4,400

MANAGERS TRAINED IN HUMAN RIGHTS, INCLUDING THE ISSUES OF FORCED LABOUR AND CHILD LABOUR IN 2024

Learn more: [Human Rights Policy](#)

CN’S HUMAN RIGHTS PRINCIPLES

Safety Culture

Embracing an uncompromising safety culture and implementation of a safety management system designed to minimize risk and drive continuous improvement.

Inclusion

Recognizing the importance of creating a safe work environment that welcomes the contributions and uniqueness of every employee to drive business success.

Non-discrimination

Committing to providing a non-discriminatory, harassment-free work environment that extends to our dealings with suppliers and contractors.

Competitive Work

Providing competitive working conditions, in conformity with the applicable requirements under local law and individual or collective employment agreements.

Right to Associate

Respecting the fundamental right of employees to associate with workers’ associations and unions without fear of retaliation to ensure our employees’ voices are heard at all levels of the Company.

Communication

Striving to support local communities, including Indigenous rightsholders, as well as other groups and areas, by maintaining open communications and being responsive to feedback.

Fighting Against Forced Labour and Child Labour in Supply Chains

We are committed to protecting human rights and preventing forced labour and child labour in our business and supply chains. This commitment is underpinned by appropriate policies, as we believe ethical conduct goes beyond compliance and resides in a comprehensive governance culture.

In addition to regular reviews of our Code of Business Conduct and onboarding integrity training, we publish and enforce our Corporate Governance Manual, Supplier Code of Conduct, Procurement Policy, and Human Rights Policy. We also provide whistleblower protections and maintain several methods for employees and third parties to anonymously report any concerns.

Our Human Rights Policy specifically prohibits the use of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, modern forms of slavery, and any form of human trafficking. Employment of individuals below the minimum age permitted by local law is also strictly prohibited.

Each year, we conduct high-level due diligence assessments across CN's value chain to proactively identify, address, and mitigate potential human rights issues. We publicly report annually on our performance. Learn more at www.cn.ca/en/delivering-responsibly/governance

At CN, building on our existing human rights and supply chain due diligence practices, we are taking action to identify and mitigate risks associated with forced labour and child labour.”

Olivier Chouc, Senior Vice-President and Chief Legal Officer

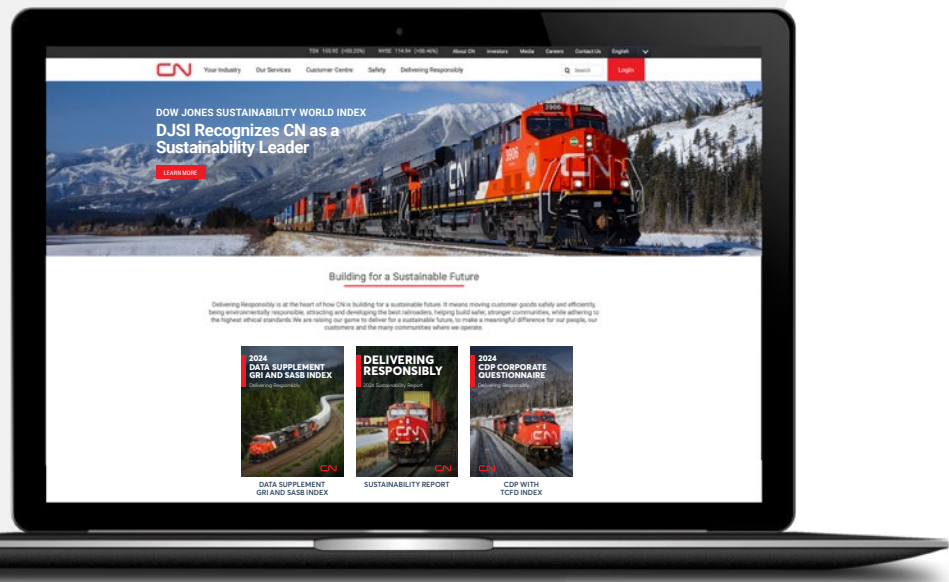


PICTURED:
Redpass, BC, photo by CN employee Tim Stevens

ABOUT THIS REPORT

COMMUNICATING CONSISTENT AND COMPREHENSIVE DISCLOSURE

Our 10th *Delivering Responsibly* sustainability report demonstrates CN’s commitment to provide consistent and comprehensive disclosure of the Company’s sustainability performance and the topics that matter most to our stakeholders and our business. Our reporting helps to evolve our strategy, align our initiatives, and track our progress toward building a sustainable future.



Continuous Improvement

We understand that transparency is essential for stakeholder trust concerning the Company's sustainability commitments. In that regard, CN seeks to align its sustainability disclosures with global best practice frameworks, reporting on commitments and performance with focus, clarity and comparability.

Our Approach and Scope

The scope of information covered in this report relates to our operations in Canada and the U.S. during the 2023 and 2024 calendar years, unless otherwise noted. All financial information reflected in this document is expressed in Canadian dollars and determined on the basis of United States generally accepted accounting principles (GAAP), unless otherwise noted. We issue our report on a biennial basis. Previous reports can be accessed at www.cn.ca/investors/reports-and-archives.

READ MORE

The *Delivering Responsibly* section of our website provides online access to our complete sustainability reporting suite, including the most current editions of our Sustainability Report, Data Supplement, CDP Corporate Questionnaire with TCFD Index, and Indigenous Reconciliation Action Plan.

www.cn.ca/delivering-responsibly

Reporting Standards

Our approach to sustainability disclosure aligns with international standards, including the Global Reporting Initiative, the World Bank Mobility Goals, and the Greenhouse Gas Protocol, as well as recommendations from the Sustainability Accounting Standards Board and the Task Force on Climate-related Financial Disclosures (TCFD), now both managed under the International Sustainability Standards Board.

We also provide information to CDP, S&P Global and other organizations that assess our sustainability performance. Our detailed reports can be found on CN's website at www.cn.ca under *Delivering Responsibly*.

External Assurance

We are dedicated to continuously improving our sustainability reporting and believe that independent assurance leads to quality and process improvements. We also prepare a separate Greenhouse Gas (GHG) Emissions Report upon which we obtain limited assurance.

Our 2024 GHG Emissions Report can be found on our website at www.cn.ca/delivering-responsibly.

PRIORITY TOPICS DEFINED

SAFETY		OPERATIONS		ENVIRONMENT		PEOPLE	
<div>Safety Culture and Management</div> <p>Focusing on fostering a preventive safety culture and systematic approach to managing safety through policies, processes, and systems. This includes ensuring a safe and healthy workplace, mitigating occupational hazards, and implementing emergency response programs to address risks associated with safety and environmental incidents.</p>		<div>Customer Service</div> <p>Implementing strategies to enhance customer interactions by improving operational design, planning coordination, and communication. Ensuring consistent service delivery while adapting the business model for long-term resilience.</p>		<div>Climate Change</div> <p>Managing climate-related risks and opportunities through mitigation strategies for both physical impacts (e.g., extreme weather events) and transition risks (e.g., policy changes). This includes reducing greenhouse gas emissions, advancing energy efficiency and alternative energy sources, and building a resilient business model aligned with global climate goals.</p>		<div>Environmental Management</div> <p>Reducing environmental impacts by managing waste generation, reducing air contaminants, protecting ecosystem diversity, managing water usage, and promoting circular economy principles while complying with environmental regulations and remediating adverse effects where required.</p>	
<div>Human Capital Management</div> <p>Fostering a supportive and inclusive workplace by respecting labour rights, promoting employee well-being, attracting and retaining talent, encouraging engagement, and advancing inclusion through strategic workforce planning, policies, and programs.</p>		COMMUNITY		GOVERNANCE			
<div>Stakeholder Engagement</div> <p>Actively engaging with stakeholders and rightsholders, including employees, customers, investors, suppliers, governments, and communities, to understand their interests and address concerns by fostering positive relationships through collaboration and communication.</p>		<div>Indigenous Relations</div> <p>Developing policies and programs that advance reconciliation efforts, generate economic benefits for Indigenous communities, and improve their overall well-being including by fostering meaningful engagement with Indigenous people.</p>		<div>Integrity and Governance</div> <p>Upholding high standards of conduct and governance through robust business practices, risk management frameworks, and compliance measures while ensuring transparency in activities and operations to protect employees and stakeholders against bribery and corruption, conflicts of interest, and misconduct.</p>		<div>Cybersecurity and Data Management</div> <p>Protecting IT systems, networks, programs, devices, sensitive information, and stakeholder data from cybersecurity threats as well as implementing robust data privacy measures to protect sensitive and private information by ensuring confidentiality.</p>	
<div>Regulatory Environment</div> <p>Minimizing the impact of an uncertain regulatory environment that could lead to new or increased regulation affecting the Company's operations, competitive position and/or access to capital by engaging with regulators and governmental bodies.</p>							

CONTACT

We welcome comments, questions and feedback on this report.
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PICTURED:
Peace River, AB. Photo by CN employee Brian Herd

As used herein, "Company" or "CN" refers to Canadian National Railway Company and, as the context requires, its wholly owned subsidiaries.

FORWARD-LOOKING STATEMENTS: Certain statements included in this report 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. These forward-looking statements also include, but are not limited to, statements relating to our sustainability-related strategies and goals and commitments, including our climate goals and expected benefits of new technologies. Forward-looking statements may be identified by the use of terminology such as "believes", "expects", "anticipates", "assumes", "outlook", "plans", "targets", "goals" or other similar words.

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 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; trade restrictions, trade barriers, or the imposition of tariffs or other changes to international trade arrangements; 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; 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; labour 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 U.S., including its Annual Information Form and Form 40-F 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.

CN has sustainability-related commitments and climate goals and continues to assess the impact on its operations of related initiatives, plans and proposals that CN and other stakeholders (including government, regulatory and other bodies) are pursuing in relation to climate change and carbon emissions. The achievement of CN's climate goals is subject to several risks and uncertainties, including those disclosed in the section entitled Business risks: Reputation of the Company's 2024 Annual MD&A in CN's annual and interim reports. The achievement of these goals is also subject to circumstances outside of the Company's control, including the availability and cost competitiveness of renewable fuels and the development and availability of new technologies, such as alternative propulsion locomotive technologies, and the cooperation of third parties such as suppliers, customers, supply chain partners and regulators. While the Company currently believes its goals are reasonably achievable, there can be no certainty that the Company will achieve any or all of these goals within the stated timeframe, or that achieving any of these goals will meet all of the expectations of its stakeholders or applicable legal requirements. If the Company is unable to achieve its climate goals or satisfy the expectations of its stakeholders, its brand and reputation could be materially and adversely affected.

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 the Sustainability Report.



OUR SUSTAINABILITY COMMITMENTS

Delivering Responsibly is at the heart of how CN is building for a sustainable future. Our vision is moving customer goods safely and efficiently, being environmentally responsible, attracting and developing talented railroaders, and helping build safer, stronger communities, all while adhering to the highest standards of governance and supporting shareholder value. Our sustainability vision is anchored on five principles:

ENVIRONMENT

Conduct our operations in a manner that seeks to minimize our 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 inclusive 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 development, creating socioeconomic benefits, and ensuring open dialogue with all stakeholders and Indigenous peoples.

GOVERNANCE

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

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