

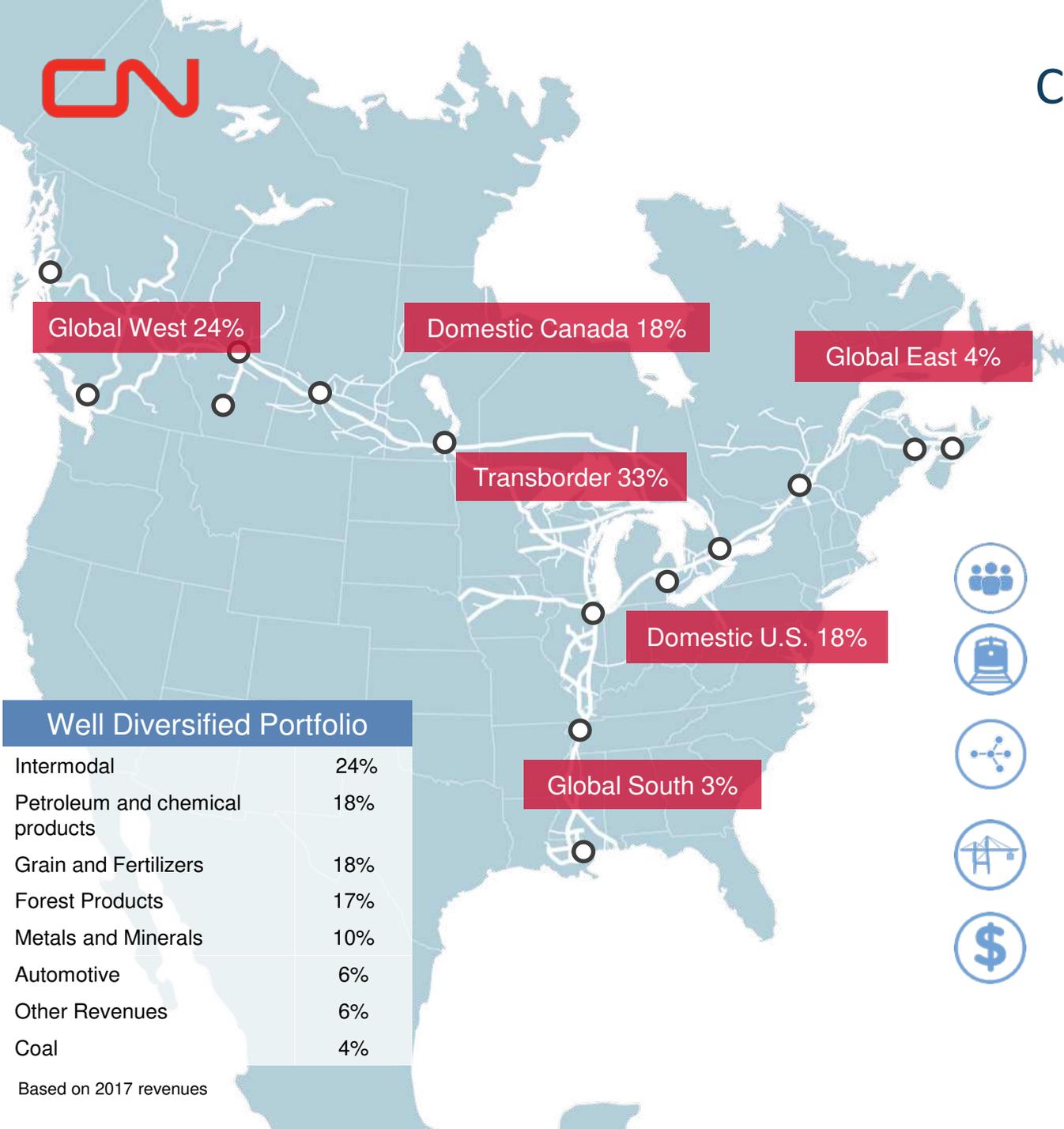
CN in Your Community British Columbia 2018



Photo: Squamish, BC



CN in Numbers



Well Diversified Portfolio

Intermodal	24%
Petroleum and chemical products	18%
Grain and Fertilizers	18%
Forest Products	17%
Metals and Minerals	10%
Automotive	6%
Other Revenues	6%
Coal	4%

Based on 2017 revenues



24,000+ employees



20,000 route-miles



Unique 3 coast reach, accessing over 75% of NA's population



Moving 20% of Canada's export traffic



Enabling over \$250 billion worth of trade annually



CN in British Columbia

Employees

- 2065 railroaders

Operations

- 2805 route miles
- Transload facilities at Vancouver and Prince Rupert ports to move a variety of goods on and off the rail system
- Serving terminals for coal, grain, potash and intermodal containers at Vancouver port
- Five distribution centres (forest, metal, automotive, etc.)
- Intermodal terminal in Prince George

Annual Investments

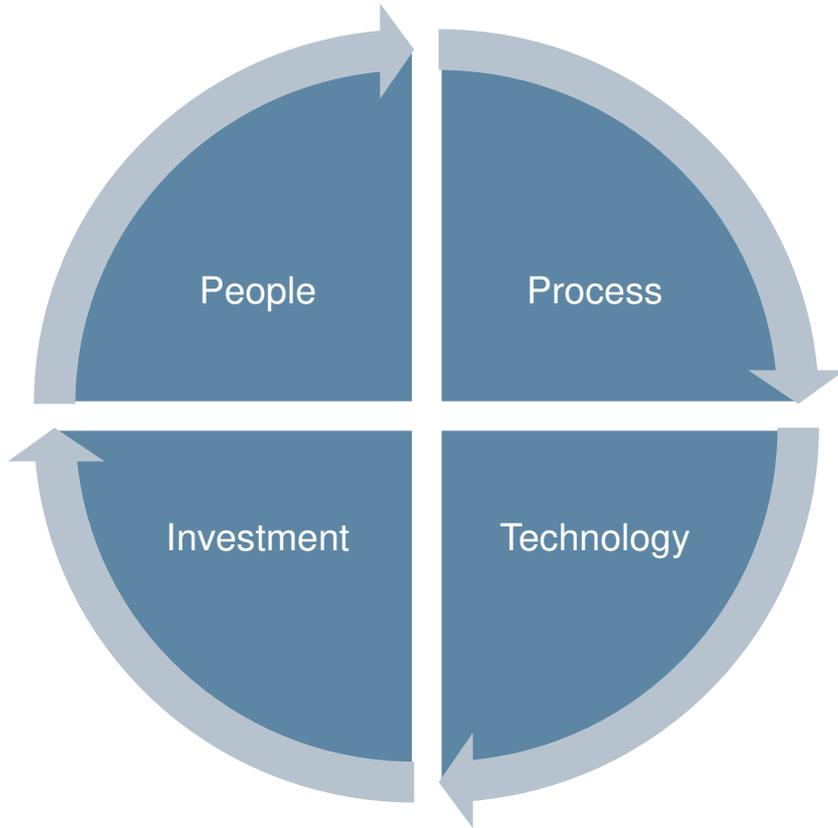
- \$3.2 billion across network – much of that in Western Canada
- \$76M in cash taxes paid
- \$1M in donations and sponsorships



British Columbia is significant for CN



What Safety is About



Building and sustaining a Safety Culture



- Risk assessment and root cause analysis
- Employing state-of-the-art inspection and detection technologies



- Over \$1 billion capital spending per year to maintain network safety and integrity



The Safety Management System allows CN to go beyond safety regulations



Creating our Safety Culture



CN Campus – National Training Centres

- Teaching a new generation of railroaders skills for a safety and successful career
- Sophisticated programs, learning laboratories and training tools
- Structured classroom and on-the-job training
- Top-notch instructors in all fields
- Two facilities in Winnipeg and suburban Chicago have hosted more than 15,000 students
- Customer training through *CN Campus Partnership Program*



Transport Canada *Protective Direction 36*

- Canada's railways worked with Transport Canada and the Federation of Canadian Municipalities to develop *Protective Direction 36*. Under PD 36, CN provides registered municipalities with:
 - Reports on the Dangerous goods that move through a community
 - A standardized format for presenting data through CANUTEC
 - Public version of the PD 36 report that can be shared with community
- Dangerous goods data provided to communities includes:
 - Information on the number of unit trains
 - Percentage of railway cars transporting dangerous goods
 - Information on the nature and volume
- CN posts on its Web site information about DG movements broken down by province, updated annually





Training for First Responders



- 200+ training sessions in Canada
- Over 3,000 first responders trained in Canada
 - 430 in British Columbia
- Training components:
 - In-class exercises
 - Simulations
 - Tank Car Specialist course, Pueblo, CO

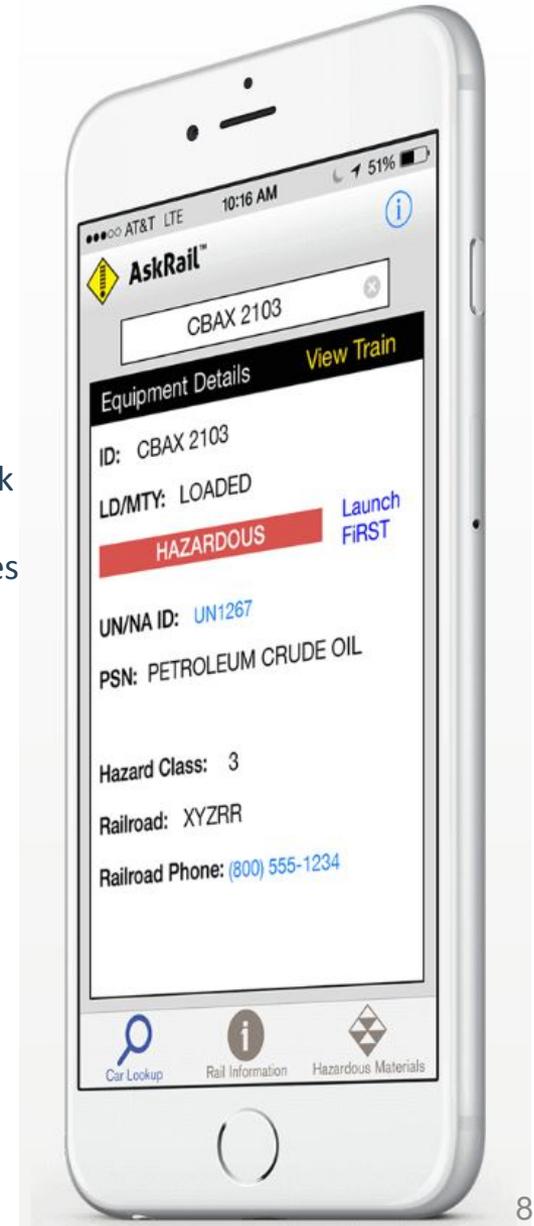
Giving first responders the information they need to keep their communities – and themselves – safe



AskRail™ Real Time Car Information

- Real time information to first responders
- See whether a railcar is carrying dangerous goods
- View the contents of an entire train
- View Emergency Contact Information and Emergency Response Guidebook
- Available to first responders for a railway incident and for training purposes
- Improvements with new features and enhancements
- Available in French

**CN has registered more than 1,500 responders
in Canada from nearly 300 locations**





Railway Safety Act Review 2017-2018

- On April 26, 2017, Minister of Transport Marc Garneau launched a statutory review of Canada's *Railway Safety Act*
- The review to evaluate the state of rail safety in Canada was accelerated one year and began in May 2017
- The Minister of Transport has appointed a panel to lead the review
- The panel consulted with stakeholders across Canada and will provide a final report by May 2018

"Rail safety remains my top priority. One of the most important things we can do as a government is to review our rail safety legislation to ensure it meets the needs of the industry and Canadians." - Marc Garneau, Minister of Transport



CN looks forward to contributing to the rail safety review, submitting comments and listening to input from key stakeholders



On Board Recording

- Nothing is more important than Security and CN strongly supports the use of on-board recordings.
- Regulatory authorities on both sides of the border recognize the value of this equipment.
- This technology will provide important information in the investigation process and provide a better understanding of the causes.
- The Safety of everyone will be improved.





Tank Cars

- In general, railroads do not own tank cars; the vast majority are owned by leasing companies or rail customers
- DOT-111 tank cars are non-pressure tank cars used to carry liquids, including crude oil and ethanol
- CN does not own DOT-111 tank cars
- DOT-111 cars are no longer used to haul crude oil in Canada
- Upgraded DOT-111 1232 cars are now the minimum standard for crude oil tank cars in Canada
- Next generation of car called DOT-117
- Legacy DOT-111 cars must be completely phased out for all flammable liquids by April 30, 2025
- CN long advocated for more stringent standards for tank cars and supports the accelerated phase out of legacy DOT-111 tank cars





Transport Canada Grade Crossing Regulations

- Aimed at reducing the number of accidents at public and private grade crossings
- Came into effect on November 28, 2014
- New crossings must comply to regulations by 2021.
- Objectives:
 - Establish safety standards for grade crossings
 - Bring a consistent level of safety to all railway crossings in Canada
 - Clarify the roles and responsibilities of railway companies and road authorities
 - Promote collaboration between those parties





Safety at Rail Crossings: A Shared Responsibility

CN is committed to working with road authorities to prevent grade crossing accidents:

- Engagement, education, and enforcement efforts are widespread across our system
- Transport Canada's Grade Crossing Improvement initiative
- Reviewing crossings system-wide to identify required upgrades or closure of specific crossings
- Engaging municipal, regional, provincial and federal officials in identifying and eliminating crossing hazards
- Rail Safety Week – Take the Rail Safety Pledge





Thank you! Questions?

