



Breakfast briefing: CN's collaboration with municipalities in N.B.

UMNB

Oct. 3, 2026 | Moncton, NB



Agenda

1. CN IN NEW BRUNSWICK
2. POWERING N.B.'S ECONOMY
3. FIRE MITIGATION
4. PROXIMITY & REGULATORY
5. AT-GRADE CROSSINGS

Tom Bateman
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CN in New Brunswick⁽¹⁾

370

employees (at end of year)

\$62M

capital investments

596

route miles

\$13M

taxes paid

\$54M

local spending

\$248K

community investments



Data is as at or for the year ending December 31, 2025, unless otherwise indicated.

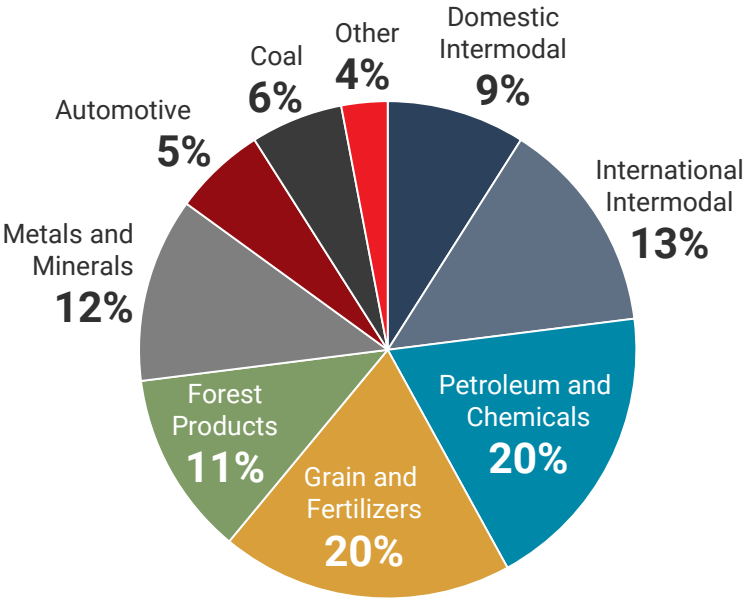
This non-GAAP measure does not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. See the section entitled "Free cash flow" in the Q4 2024 Quarterly Review filed on January 30th, 2025, which are incorporated by reference herein, for an explanation of this non-GAAP measure.

Atlantic opportunity

Over 85% of traffic originates on CN's network and over 65% originates and terminates on CN's network

Domestic Canada 17%

A diversified portfolio



Based on 2023 revenues

Global West 28%

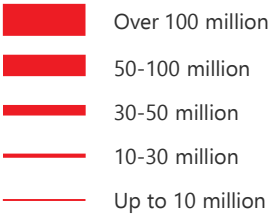
Transborder 32%
Southbound 21%
Northbound 11%

Domestic U.S. 16%

Global South 3%

Global East 4%

TRAFFIC DENSITY LEGEND ⁽¹⁾ GTM's per route mile



(1) Traffic density is based on 2023 gross ton mile (GTM) production (million GTMs per route mile).

Certified Rail-Ready Sites Program

Pre-qualified industrial sites positioned for efficient CN rail service

Port of Belledune, NB



Saint André, NB



What's next?

Site Criteria

- Direct CN right-of-way access
- Industrial zoning
- Utilities and highway access
- Available workforce
- Minimal environmental constraints

Benefits

- ✓ Mitigates risk by having a pre-evaluated site
- ✓ Reduces time from site selection to construction, enabling a faster in-service date
- ✓ Provides greater certainty for investment decisions
- ✓ Community directs development

Improve truck/rail connections at strategic locations. De-risk development. Accelerate timelines.

Environmental benefits of shipping by rail

75%

GHG emissions reduction moving freight by rail instead of truck ¹



3-4x

Trains, on average, are three to four times more fuel efficient than trucks – Leveraging rail for the long haul and trucking over shorter distances reduces GHG emissions ¹



480 miles

The distance one train can move a ton of freight on one gallon of fuel ¹



300 trucks

A single freight train can replace over 300 big trucks ²



Sources:
¹ The Association of American Railroads;
² The Railway Association of Canada

CN remains a leader in locomotive fuel efficiency among Class I North American railways, consuming approximately 15% less locomotive fuel per gross ton mile than the industry average

Grade Crossing 101

Includes:

Road Approach (Outside of track structure)

– Ex. granular, asphalt

Crossing Surface (on top of track structure/tie)

– Ex. timber, concrete, rubber, asphalt

Supporting Structure

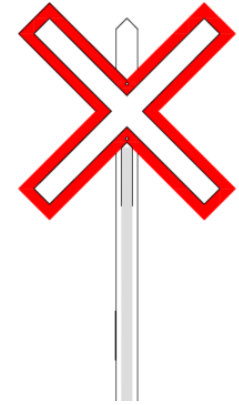
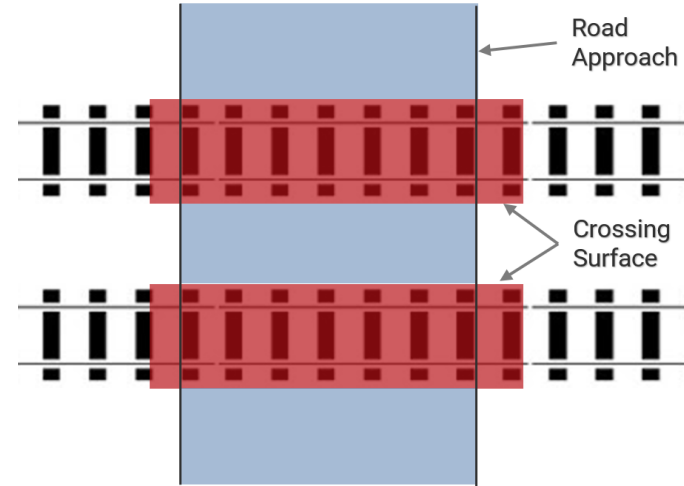
– ex. ballast, ties, rail, fasteners

Signage

– ex. Cross buck, Emergency Notification Sign, Stop Sign

Crossing Warning Devices

– ex. Flashing Lights, Bell and sometimes Gates



ACROSS CANADA:

6800

public crossings

720

road authorities

NEW BRUNSWICK:

900

grade crossings

Updated Feb 2025.

Proximity Concerns



Conflicts arise when development and use of land occurs in proximity to railways leading to:

Safety concerns – Increased risk of trespassing on railway property.

Noise and vibration – Disputes over noise and vibrations.

Crossing safety and capacity challenges – New developments often increase traffic at railway crossings, requiring infrastructure improvements.

Drainage impacts – Changes in grading or stormwater patterns can cause flooding or erosion near railway tracks.

How can municipalities work with CN to address proximity issues?



Consult

Consult CN early in the planning process for developments near rail corridors in order for CN to provide its comments as early in the development process as possible to avoid conflicts.



Adopt

Adopt the FCM/RAC Guidelines into official plans, zoning bylaws, and planning policies. Incorporate CN’s comments into conditions of approval that the developer must satisfy.



Support

Support legislative changes to require CN to be circulated on applications in close proximity to CN’s operations.

Five municipal actions that make a difference

1. BUILD RELATIONSHIPS
2. FLAG PROXIMITY CONCERNS EARLY
3. BRING FIRST RESPONDERS TO THE TABLE
4. MAKE SAFETY VISIBLE
5. KEEP CONVERSATION ROUTINE

Early communication is cheaper, faster and safer than solving problems after the fact.



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