UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)

SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant ☐ Filed by a Party other than the Registrant ☒

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

☐ Definitive Proxy Statement

☒ Definitive Additional Materials

☐ Soliciting material Pursuant to §240.14a-12

Norfolk Southern Corporation

(Name of Registrant as Specified in Its Charter)

ANCORA CATALYST INSTITUTIONAL, LP
ANCORA ADVISORS, LLC
ANCORA ALTERNATIVES LLC
ANCORA BELLATOR FUND, LP
ANCORA CATALYST, LP
ANCORA FAMILY WEALTH ADVISORS, LLC
THE ANCORA GROUP LLC
ANCORA HOLDINGS GROUP, LLC
ANCORA IMPACT FUND LP
ANCORA IMPACT FUND LP SERIES AA
ANCORA IMPACT FUND LP SERIES BB
ANCORA MERLIN INSTITUTIONAL, LP
ANCORA MERLIN, LP
INVERNESS HOLDINGS LLC
BETSY ATKINS
JAMES BARBER, JR.
WILLIAM CLYBURN, JR.
FREDERICK DISANTO
SAMEH FAHMY
JOHN KASICH
GILBERT LAMPHERE
ALLISON LANDRY
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

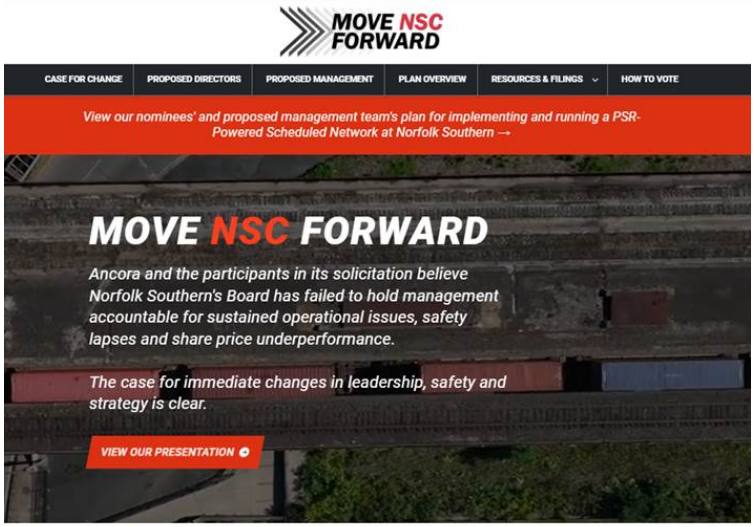
☒ No fee required.

☐ Fee paid previously with preliminary materials.

☐ Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a-6(i)(1) and 0-11.

Ancora Alternatives LLC ("Ancora Alternatives"), together with the other participants named herein, have filed a definitive proxy statement and accompanying BLUE proxy card with the Securities and Exchange Commission (the "SEC") to be used to solicit proxies for the election of their slate of director nominees at the 2024 annual meeting of shareholders of Norfolk Southern Corporation, a Virginia corporation (the "Company").

Item 1: On April 15, 2024, Ancora Alternatives posted the following materials to its campaign website at www.movenscforward.com (the "Website"). From time to time, Ancora Alternatives or the other participants in the proxy solicitation may publish the material, or portions thereof, on the Website in connection with the solicitation of the shareholders of the Company.



MOVE NSC FORWARD

CASE FOR CHANGE | PROPOSED DIRECTORS | PROPOSED MANAGEMENT | PLAN OVERVIEW | RESOURCES & FILINGS | HOW TO VOTE

Plan Overview

New leadership can implement our PSR-Powered Scheduled Network Strategy to regain trust, reestablish reliability and unlock enhanced value for all stakeholders.

- **Service** – Customer-focused, based on reliable service with excellent value.
- **Cost Control** – Manage costs targeted at creating network operating leverage.
- **Asset Utilization** – Focus on velocity and asset turnover, thereby creating additional capacity.
- **Safety-First Culture** – The well-being of our people, business partners and community.
- **Human Capital** – People are your #1 asset; ensure you provide recognition and development.

If elected, our slate and its proposed management team would pursue a balanced and safe strategy aligned to the following objectives:

IMPROVED SAFETY

- Lower accident rate
- Fewer injuries
- Safer communities

IMPROVED SERVICE

- Increased car velocity
- Increased train speed
- Increased fluidity

IMPROVED PERFORMANCE

- Lower OR
- Higher ROIC
- Enhanced valuation

STRONGER GROWTH

- Increased capacity
- Higher sustainable growth profile

IMPROVED SUSTAINABILITY

- Increased efficiency
- Reduced carbon emissions

MEET OUR PROPOSED MANAGEMENT

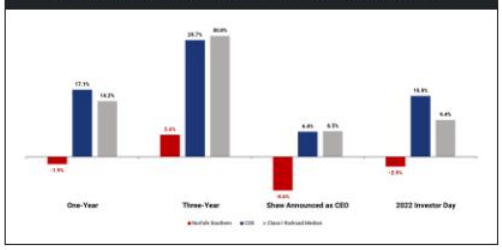
The Case For Significant Change

Norfolk Southern's Board has failed to oversee management and operational risks that have led to tremendous environmental damage, financial losses and value destruction for shareholders.

Norfolk Southern is being led by a CEO with a misplaced strategy and lacking operational experience.

Under Mr. Shaw's leadership, Norfolk Southern has underperformed its peers on every relevant operating metric, translating to higher costs, lower profitability, inferior cash flows and reduced value for shareholders.

Norfolk Southern's Total Shareholder Returns Compared to Peers



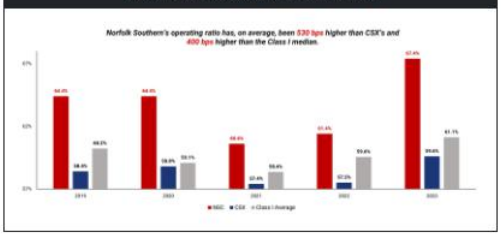
Mr. Shaw lacks the operating experience necessary to effectively oversee Norfolk Southern's strategy.

Source: FactSet, total shareholder returns as of 1/31/2024. Class I Average includes CSX, UNP, CP and CNI. Alan Shaw was announced as CEO on December 3, 2021. The 2022 Investor Day took place on December 6, 2022.

Norfolk Southern has stagnated operationally under Mr. Shaw's ineffective strategy.

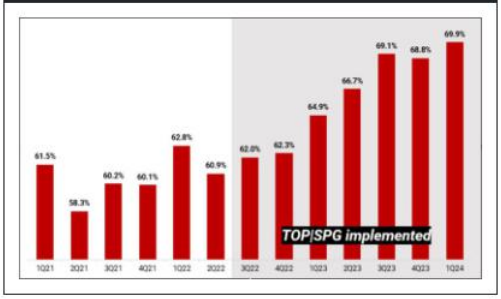
Mr. Shaw has failed to implement a proven strategy to turn around the Company's lagging operational performance. Instead, it has resulted in higher costs, a widening profit margin gap and a worsening operating ratio.

Class I Rails Operating Ratio Comparison



Mr. Shaw's resilience railroading TOP|SPG strategy has resulted in a deteriorating operating ratio since being introduced in 2022.

The Impact of TOP|SPG on Operating Ratio



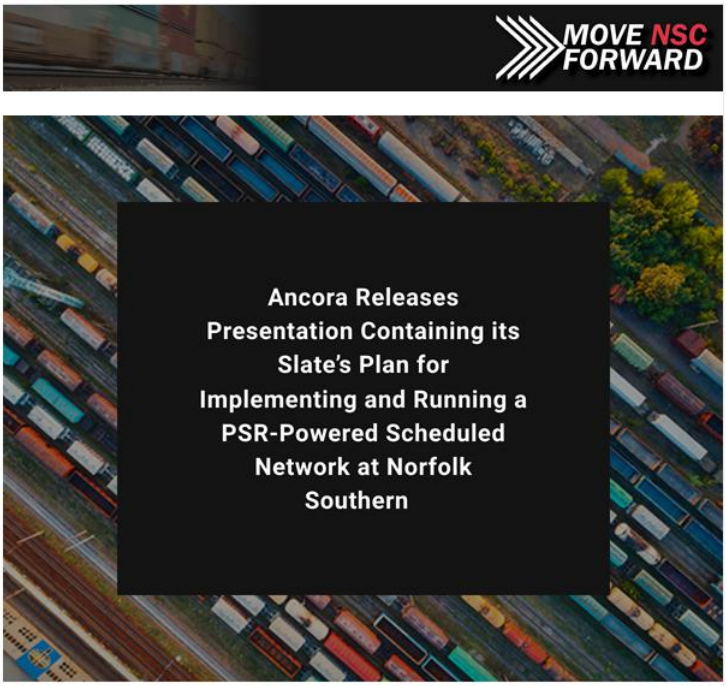
Source: Company filings, FactSet. Class I Average includes CSX, UNP, CP and CNI. CSX figures exclude Quality Carriers contribution to OR. CP figures represent Street estimates for 2023.

The Board has failed Norfolk Southern Shareholders.

The Board has proven itself unable to effectively oversee management and the Company, and has destroyed shareholder value through its complacency.

- Appointed a Chair with no operating or industry experience.
- Promoted a long-time executive with limited operational experience to the CEO role.
- Failed to select and retain a strong COO.
- Failed to adequately include a safety component in the CEO's initial compensation package.
- Failed to address lagging operational performance relative to Class I peers and the Company's closest competitor.
- Failed to maintain adequate safety and risk management protocols prior to the East Palestine derailment.
- Failed to add a qualified Class I railroader or policymaker with applicable skills to the Board during its reactive refresh.
- Inked a costly and poorly disclosed deal with CPKC that gave up a valuable part of Norfolk Southern's franchise.

Item 2: On April 15, 2024, Ancora Alternatives sent the following communication to shareholders of the Company.



Fellow Norfolk Southern Stakeholder:

We wanted to make you aware that today, Ancora's Board slate released a presentation detailing the urgent need for leadership, safety and strategy changes at Norfolk Southern. The presentation showcases the nominees' and proposed management team's comprehensive plan to transform Norfolk Southern and significantly improve shareholder value.

VIEW OUR PRESENTATION

For more information on how to vote the **BLUE Proxy Card** for each of Ancora's proposed directors at the upcoming Annual Meeting, visit www.MoveNSCForward.com.

LEARN HOW TO VOTE

Thank you again for your interest and continued support in MOVING NSC FORWARD.

Sincerely,

Ancora Holdings Group, LLC

Link to Legal Disclaimers

44 W 37th Street
New York, NY 10018, United States

Item 3: On April 15, 2024, Ancora Alternatives published the following press release, which was simultaneously posted to the Website.

Ancora Releases Presentation Containing its Slate's Plan for Implementing and Running a PSR-Powered Scheduled Network at Norfolk Southern

Presentation Includes Extensive Detail on Slate's 100-Day Transition Process and Three-Phase Strategy for Reducing OR and Increasing Shareholder Value

Visit www.MoveNSCForward.com to Download the Presentation

CLEVELAND--(BUSINESS WIRE)--Ohio-based Ancora Holdings Group, LLC (collectively with its affiliates, "Ancora" or "we"), which owns a large equity stake in Norfolk Southern Corporation (NYSE: NSC) ("Norfolk Southern" or the "Company"), today issued a presentation on the urgent need for leadership, safety and strategy changes at Norfolk Southern. The presentation also showcases the comprehensive plan prepared by Ancora's nominees and proposed management team to transform Norfolk Southern and meaningfully improve shareholder value.

The presentation can be viewed at the following link: Move NSC Forward: The Case for Operationally Proficient Leaders and a PSR-Powered Scheduled Network.

As a reminder, Ancora is seeking to elect seven highly qualified and independent director candidates to the Company's Board of Directors at the 2024 Annual Meeting of Shareholders scheduled for May 9, 2024. For information on how to vote for Ancora's slate of nominees on the **BLUE Proxy Card**, visit www.MoveNSCForward.com.

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About Ancora

Founded in 2003, Ancora Holdings Group, LLC offers integrated investment advisory, wealth management, retirement plan services and insurance solutions to individuals and institutions across the United States. The firm is a long-term supporter of union labor and has a history of working with union groups and public pension plans to deliver long-term value. Ancora's comprehensive service offering is complemented by a dedicated team that has the breadth of expertise and operational structure of a global institution, with the responsiveness and flexibility of a boutique firm. For more information about Ancora, please visit https://ancora.net.

Advisors

Cadwalader, Wickersham & Taft LLP is serving as legal advisor, with Longacre Square Partners LLC serving as communications and strategy advisor and D.F. King & Co., Inc. serving as proxy solicitor.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The information herein contains "forward-looking statements." Specific forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and include, without limitation, words such as "may," "will," "expects," "intends," "believes," "anticipates," "plans," "estimates," "projects," "potential," "targets," "forecasts," "seeks," "could," "should" or the negative of such terms or other variations on such terms or comparable terminology. Similarly, statements that describe our objectives, plans or goals are forward-looking. Forward-looking statements relate to future events or future performance and involve known and unknown risks, uncertainties, and other factors that may cause actual results, levels of activity, performance or achievements or those of the industry to be materially different from those expressed or implied by any forward-looking statements. Norfolk Southern Corporation, a Virginia corporation ("Norfolk Southern"), has also identified additional risks relating to its business in its public filings with the Securities and Exchange Commission (the "SEC"). Ancora Alternatives LLC ("Ancora Alternatives"), and as applicable the other participants in the proxy solicitation, have based these forward-looking statements on current expectations, assumptions, estimates, beliefs, and projections. While Ancora Alternatives and the other participants, as applicable, believe these expectations, assumptions, estimates, and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which involve factors or circumstances that are beyond the participants' control. There can be no assurance that any idea or assumption herein is, or will be proven, correct. If one or more of the risks or uncertainties materialize, or if the underlying assumptions of Ancora Alternatives or any of the other participants described herein prove to be incorrect, the actual results may vary materially from outcomes indicated by these statements. Accordingly, forward-looking statements should not be regarded as a representation by Ancora Alternatives that the future plans, estimates or expectations contemplated will ever be achieved. You should not rely upon forward-looking statements as a prediction of actual results and actual results may vary materially from what is expressed in or indicated by the forward-looking statements. Except to the extent required by applicable law, neither Ancora Alternatives nor any participant will undertake and specifically declines any obligation to disclose the results of any revisions that may be made to any projected results or forward-looking statements herein to reflect events or circumstances after the date of such projected results or statements or to reflect the occurrence of anticipated or unanticipated events.

Certain statements and information included herein have been sourced from third parties. Ancora Alternatives does not make any representations regarding the accuracy, completeness or timeliness of such third party statements or information. Except as may be expressly set forth herein, permission to cite such statements or information has neither been sought nor obtained from such third parties. Any such statements or information should not be viewed as an indication of support from such third parties for the views expressed herein.

CERTAIN INFORMATION CONCERNING THE PARTICIPANTS

The participants in the proxy solicitation are Ancora Catalyst Institutional, LP ("Ancora Catalyst Institutional"), Ancora Merlin Institutional, LP, ("Ancora Merlin Institutional"), Ancora Merlin, LP ("Ancora Merlin"), Ancora Catalyst, LP ("Ancora Catalyst"), Ancora Bellator Fund, LP ("Ancora Bellator"), Ancora Impact Fund LP Series AA ("Ancora Impact AA") and Ancora Impact Fund LP Series BB ("Ancora Impact BB") (each of which is a series fund within Ancora Impact Fund LP) (Ancora Catalyst Institutional, Ancora Merlin Institutional, Ancora Merlin, Ancora Catalyst, Ancora Bellator, Ancora Impact AA and Ancora Impact BB, collectively, the "Ancora Funds"), Ancora Advisors, LLC ("Ancora Advisors"), The Ancora Group LLC ("Ancora Group"), Ancora Family Wealth Advisors, LLC ("Ancora Family Wealth"), Inverness Holdings LLC ("Inverness Holdings"), Ancora Alternatives, Ancora Holdings Group, LLC ("Ancora Holdings") and Frederick DiSanto (collectively, the "Ancora Parties"); and Betsy Atkins, James Barber, Jr., William Clyburn, Jr., Sameh Fahmy, John Kasich, Gilbert Lamphere and Allison Landry (the "Ancora Nominees" and, collectively with the Ancora Parties, the "Participants").

Ancora Alternatives and the other Participants have filed a definitive proxy statement and accompanying BLUE proxy card (the "Definitive Proxy Statement") with the SEC on March 26, 2024 to be used to solicit proxies for, among other matters, the election of its slate of director nominees at the 2024 annual meeting of shareholders of Norfolk Southern.

IMPORTANT INFORMATION AND WHERE TO FIND IT

ANCORA ALTERNATIVES STRONGLY ADVISES ALL SHAREHOLDERS OF NORFOLK SOUTHERN TO READ THE DEFINITIVE PROXY STATEMENT, ANY AMENDMENTS OR SUPPLEMENTS TO SUCH DEFINITIVE PROXY STATEMENT, AND OTHER PROXY MATERIALS FILED BY ANCORA ALTERNATIVES AS THEY CONTAIN IMPORTANT INFORMATION. SUCH PROXY MATERIALS ARE AVAILABLE AT NO CHARGE ON THE SEC'S WEBSITE AT WWW.SEC.GOV AND AT ANCORA ALTERNATIVE'S WEBSITE AT WWW.MOVENSCFORWARD.COM. THE DEFINITIVE PROXY STATEMENT AND ACCOMPANYING PROXY CARD WILL BE FURNISHED TO SOME OR ALL OF THE COMPANY'S SHAREHOLDERS. SHAREHOLDERS MAY ALSO DIRECT A REQUEST TO THE PARTICIPANTS' PROXY SOLICITOR, D.F. KING & CO., INC., 48 WALL STREET, 22ND FLOOR, NEW YORK, NEW YORK 10005 (SHAREHOLDERS CAN CALL TOLL-FREE: +1 (866) 227-7300).

Information about the Participants and a description of their direct or indirect interests by security holdings or otherwise can be found in the Definitive Proxy Statement.

Contacts

Longacre Square Partners
Charlotte Kiaie / Joe Germani, 646-386-0091
MoveNSCForward@longacresquare.com

D.F. King & Co., Inc.
Edward McCarthy
212-229-2634
MoveNSCForward@dfking.com

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Item 4: On April 15, 2024, Ancora Alternatives published the following slide deck presentation, attached hereto as Exhibit 1, which was simultaneously posted to the Website. From time to time, Ancora Alternatives and the other participants named herein may refer shareholders of the Company to such materials reproduced herein, recent articles or other materials.

Exhibit 1:

Move NSC Forward: The Case for Operationally Proficient Leaders and a PSR-Powered Scheduled Network

April 2024

Disclaimer

Ancora Alternatives LLC ("Ancora Alternatives") and its affiliates (collectively, "Ancora") exclaim that the information contained herein is provided for informational purposes only and does not constitute an offering or the solicitation of an offer to p
This presentation is for discussion and general informational purposes only. The views expressed herein are those of Ancora and are based on or derived from publicly available information. Certain financial information and data used herein hav
made with the Securities and Exchange Commission ("SEC") by Norfolk Southern Corporation ("Norfolk Southern", or the "Corporation") and other public sources. Ancora has not sought or obtained consent from any third party to use any statem
having been obtained or derived from statements made or published by third parties. Any such statements or information should not be viewed as indicating the support of such third party for the views expressed herein. No warranty is made as
obtained or derived from filings made with the SEC by Norfolk Southern or from any third party source. The materials in this presentation have not been prepared or endorsed by the Corporation and may not be attributed to the Corporation in any wa
unaudited, reflects the judgment of Ancora only through the date of this document, and is subject to change at any time. Facts have been obtained from sources considered reliable but are not guaranteed. Ancora recognizes that there may b
information with respect to the Corporation that could alter its opinions were such information known. This document does not purport to contain all of the information that may be relevant to an evaluation of the Corporation, the Corporation's sec
Ancora disclaims any obligation to correct, update or revise these documents or to otherwise provide any additional materials to any recipient of these documents.

The solicitation discussed herein relates to the solicitation of proxies by Ancora and the other participants from the shareholders of the Corporation at its 2024 annual meeting of shareholders.

This document may contain forward-looking statements and projections that are based on Ancora's current beliefs and assumptions and on information currently available that Ancora believes to be reasonable. All statements that are not historica
including any statements that relate to future market conditions, results, operations, strategies or other future conditions or developments and any statements regarding objectives, opportunities, positioning or prospects.

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any projected results or forward-looking statements herein to reflect events or circumstances after the date of such projected results or statements or to reflect the occurrence of anticipated or unanticipated events.

No federal or state agency or regulatory or self-regulatory authority has approved the contents of this presentation or the offering of interests in the funds, and any representation to the contrary is unlawful.

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Table of Contents

Executive Summary

The Case for Meaningful Leadership, Safety & Strategy Changes at Norfolk Southern

- Financial Underperformance
- Ineffective Strategy & Lagging Operations
- Safety Lapses
- Poor Governance

Our Solution: New Board and Management With a New, Safety-First Strategic Vision

Our Plan to Move Norfolk Southern Forward

Executive Summary

About Ancora

Ohio-based Ancora Holdings Group ("Ancora") is a diversified investment and wealth manag
overseeing more than $8.8 billion in assets for a diversified group of institutional investo
foundations and qualified individual clients.

Ancora has a track record of using private and, when necessary, public engagement with port
to catalyze corporate governance improvements and long-term value creation.

Recent Value-Enhancing Collaborations

- ✓ Accelerated board refresh with two independent designees in 2022.
- ✓ Secured formation of Capital Allocation and Operations Committee in 2022.
- ✓ Renewed settlement agreement in August 2023.
- ✓ Supporting leadership transition and formal search process for new CEO.

- ✓ Accelerated board refresh with three independent directors in 2022.
- ✓ Secured formation of Capital Allocation Committee in 2022.
- ✓ Engagement led to business optimization strategy, strategic alternatives for HH&S segment and new CEO who has delivered value.
- ✓ Renewed settlement agreement in October 2023.

rb G

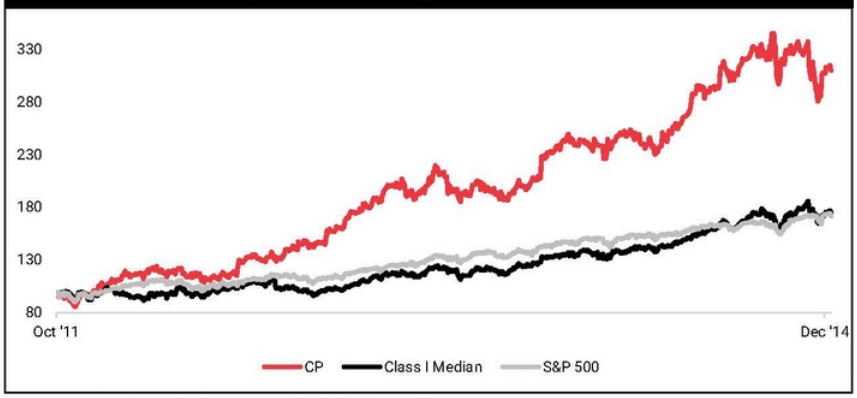
- ✓ Secured the ap independent de
- ✓ Publicly advoc revised IAA-Rit in early 2023.
- ✓ Helped succes transaction in

Previous Shareholder-Led Action at Other Class I Railroads Provides Blueprin Significant Value Creation at Norfolk Southern

Canadian Pacific

- **Pershing Square** ran a proxy contest to **reconstitute a significant portion of the board** and **install new management**, leading to the appointment of Hunter Harrison as CEO in June 2012. Mr. Harrison and his colleagues **implemented Precision Scheduled Railroading ("PSR")**, beginning with a **full network** and **service plan redesign**.
- **Operating ratio ("OR") improved 14.5 percentage points** (or 1,450 bps) from 81.3% in FY 2011 to 66.8% in FY 2014.
- **Total shareholder return ("TSR") was 210.0%** between Oct. 28, 2011 (the last trading day before media reports of Pershing Square's activist campaign) and Dec. 31, 2014 – **outperforming the Class I Median by 135.0 percentage points** over that period.

CP Indexed TSR Following Shareholder Intervention

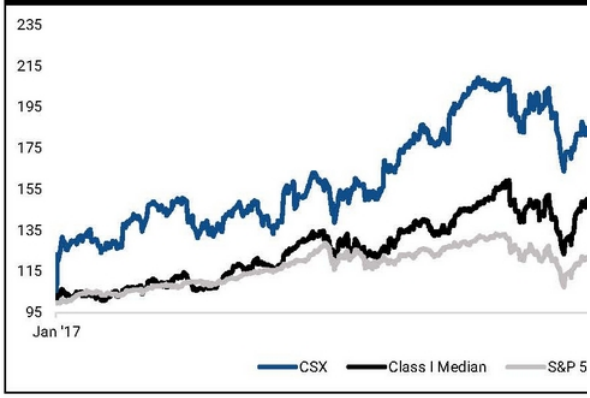


Bloomberg. Class I Median includes CSX, UNP, CP and CNI.

CSX

- In early 2017, **Mantle Ridge** pressured CSX to appoint Hu add three independent director candidates to the board.
- A majority of the incumbent management team was r executives, including our proposed COO Jamie Boychuk beginning with a **full network** and **service plan redesign**.
- **OR improved 12.2 percentage points** (or 1,200 bps) fr 58.4% in FY 2019.
- **TSR was 104.6%** between Jan. 18, 2017 (the last trading of Mantle Ridge's activist campaign) and Dec. 31, 2019 – **I Median by 21.1 percentage points** over that period.

CSX Indexed TSR Following Shareholder In



What This Campaign Is About

Ancora owns a meaningful equity stake in Norfolk Southern, a Class I railroad with exceptional employees and world-cla nonetheless is issue-plagued and worst-performing among peers.

There is an urgent need for changes in leadership and strategy based on Norfolk Southern's persistent underperforn and safety issues, and "resilience railroading" model that has proven to be structurally incompatible with PSR.

We have nominated seven highly qualified and independent director candidates, including Class I railroaders, transporta policymakers with relevant experience and experienced directors with strategic planning, safety, finance, governance and management expertise.

We have identified the right CEO in Jim Barber, the former Chief Operating Officer of United Parcel Service, Inc. ("UPS"), included leading complex networks, overseeing numerous functions and massive employee bases, and running reportabl are larger* than Norfolk Southern ($25+ billion in revenue and ~$3.4 billion in EBIT).

We have identified the right COO in Jamie Boychuk, the former EVP of Operations at CSX Corporation ("CSX"), who has c successful PSR implementation, significant improvements in safety and service, and outperformance of Norfolk Southern metric during his tenure.

Norfolk Southern shareholders have the opportunity to install operationally proficient leadership with a proven strategy the railroad's infrastructure and running a PSR-powered Scheduled Network that drives superior safety, customer servi performance.

UPS filings. *UPS's reportable segments are larger in dollar terms than Norfolk Southern's.

The Board Has Failed Norfolk Southern Shareholders

The Board has proven itself unable to effectively oversee management and the Company, and has destroye value through its complacency:

- **Appointed a Chair with no operating or industry experience.**
- **Promoted a long-time executive with limited operational experience to the CEO role.**
- **Failed to select and retain a strong COO.**
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- **Failed to address lagging operational performance relative to Class I peers and the Company's closest c**
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- **Failed to add a qualified Class I railroader or policymaker with applicable skills to the Board during its re**
- **Inked a costly and poorly disclosed deal with CPKC that gave up a valuable part of Norfolk Southern's fra**

Where Norfolk Southern Stands Today: The Worst-Performing Class I Railroa

Company Snapshot

- Norfolk Southern ("NSC") is a Class I freight railroad that operates across the eastern U.S., making its operations more complex than that of other Class I rails.
- In December 2021, Norfolk Southern announced that Alan Shaw, a 30-year insider who failed to deliver growth in his prior role as Chief Marketing Officer, would assume the CEO role in May 2022 following the retirement of James Squires.
- In February 2023, a Norfolk Southern train carrying hazardous chemicals derailed in East Palestine, Ohio – resulting in lingering community damage, reputational harm and value destruction.

FY 2023 vs. FY 2022 Performance

- Railway Operating Revenues: (4.6%)
- Change in Income from Railway Operations (Derailment Adju
- Railway Operating Expenses: +$1.4 billion, including a $1.1 b with the East Palestine derailment.
- Operating Ratio: +600 bps
- Norfolk Southern vs. CSX (same geographic footprint, track r
  - 800 bps worse operating ratio
  - $1.6 billion less operating income
  - $17 billion market value gap (25% less market value

Source: Company filings.

Current Leadership

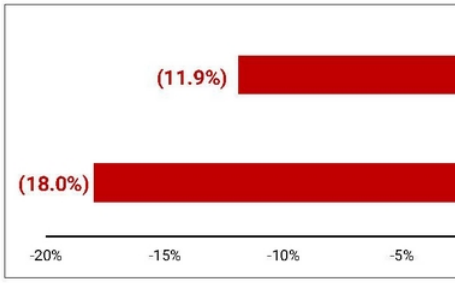
CEO Alan Shaw

- 30-year NSC insider with experience in cost analysis, marketing, chemical and coal staff positions.
- Minimal operational or financial experience.
- No network management or logistics experience.
- Delivered anemic revenue CAGR of 1% over the six years he served as CMO of Norfolk Southern.
- Oversaw a flawed resilience railroading strategy as CEO.

Newly Appointed COO John Orr

- Extremely unlikely he will be able to create value that repays NSC shareholders for the massive consideration paid to CPKC.
- Lacks the right experience to lead operations at an Eastern U.S. railroad.
- Most recent role as CPKC Chief Transformation Officer was dissolved at CPKC.
- Is not a PSR implementation expert – has never redesigned a rail network (notwithstanding the incumbents' claims to the contrary).

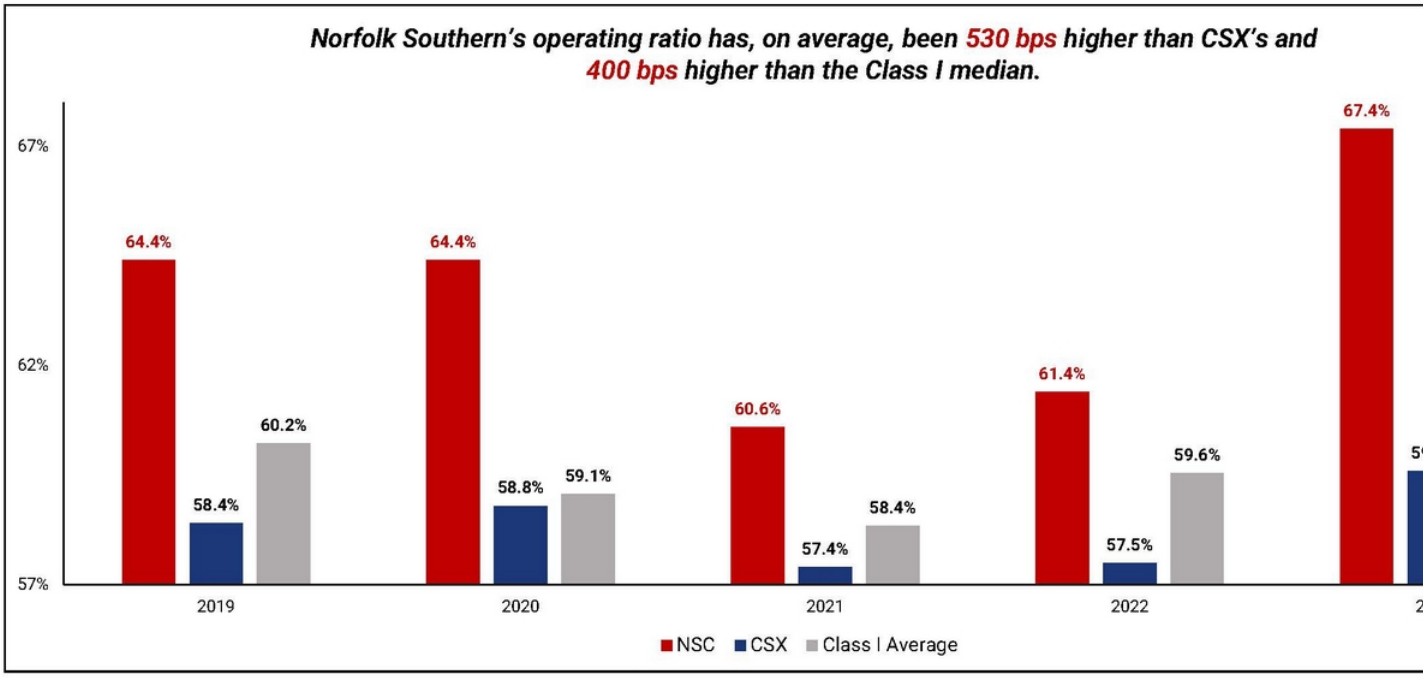
Total Shareholder Returns vs. Peer



Source: Bloomberg. Performance runs from 2022 Investor Day on Dec. 6, 2022 throu
public disclosure of investor group activity in The Wall Street Journal.

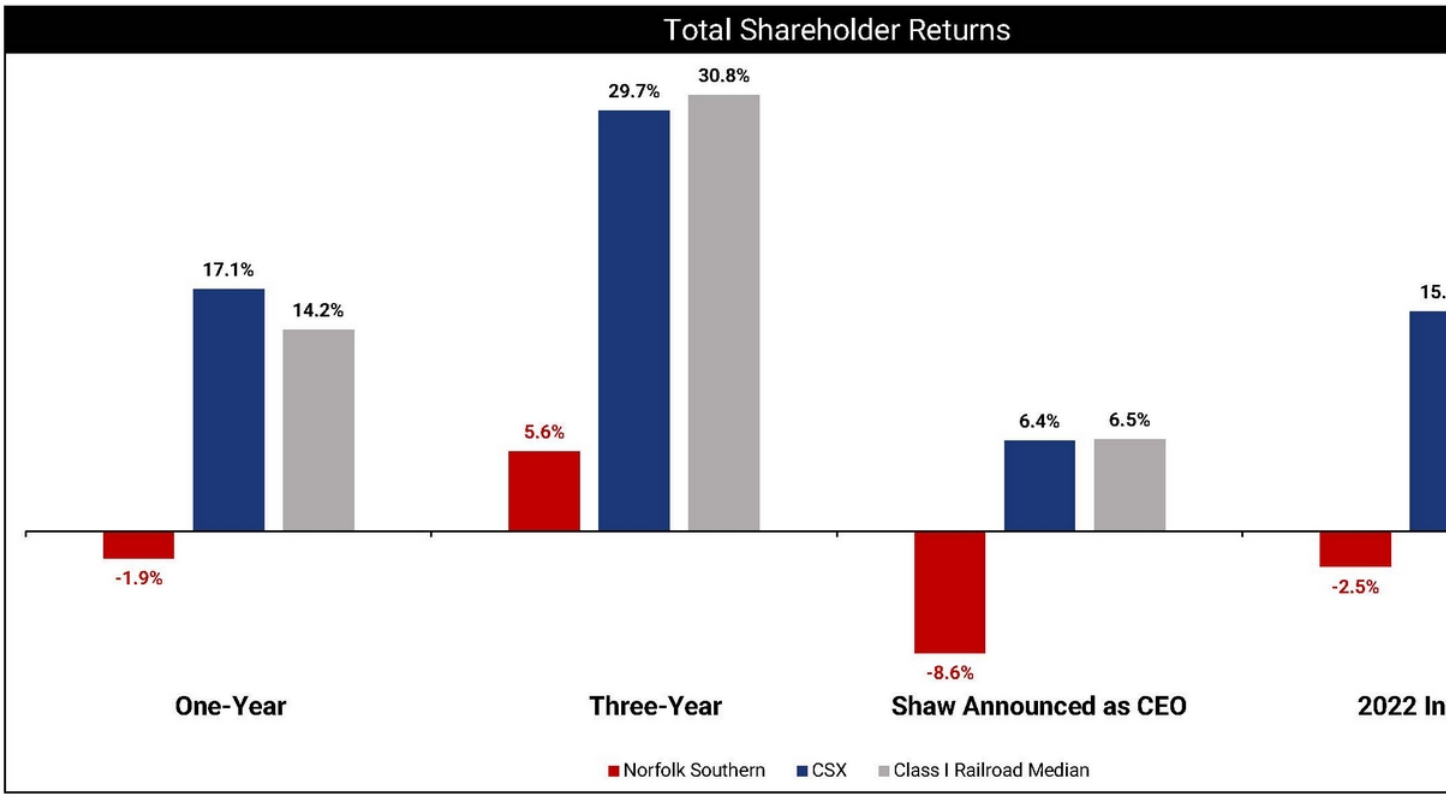
Why Shareholders Want Change: Operational Underperformance

Norfolk Southern has a high ratio of operating expenses to revenue, a key measure of profitability in the rail
Its operating ratio differential is now at its most pronounced level at +780 bps to CSX and +630 bps to all Cl



Norfolk Southern and CSX filings.

Why Shareholders Want Change: Financial Underperformance

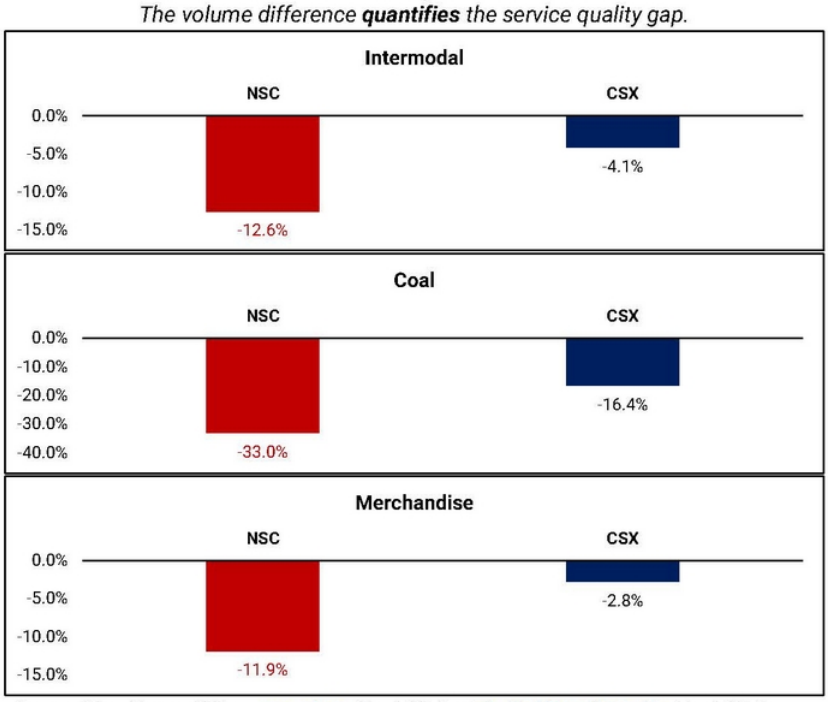


FactSet, total shareholder returns as of Jan. 31, 2024. Class I Average includes CSX, UNP, CP and CNI. Alan Shaw was announced as CEO on December 2, 2021. The 2022 Investor Day took place on December 6, 2022.

Why Shareholders Want Change: Poor Service and Avoidable Safety Issues

Freight Volumes by Class: 2018 Carloads vs. 2023 Carloads (% Change)

*Rail shipping is not a differentiated business. The only explanation for lower carload volumes at Norfolk Southern compared to CSX is inferior service. The volume difference **quantifies** the service quality gap.*



Company filings; [1]Senator JD Vance press release (Mar. 6, 2024) and The Washington Post article (Mar. 6, 2024).

Numerous Derailments and Safety Lapses

- After the East Palestine accident, Norfolk Southern and burn" of the derailed train cars' contents – an a sufficient scientific basis" – which sent a massive p chemicals into the air, leading to long-term health a concerns.[1]
- The National Transportation Safety Board ("NTSB") Southern's communication with emergency respon derailment was insufficient.
- In 2024, Norfolk Southern has had four additional d month period.
  - The March 2024 Lehigh Valley accident was preventable because it was the result of poo communications.
  - The derailment raises several concerns abou current operations, management and culture

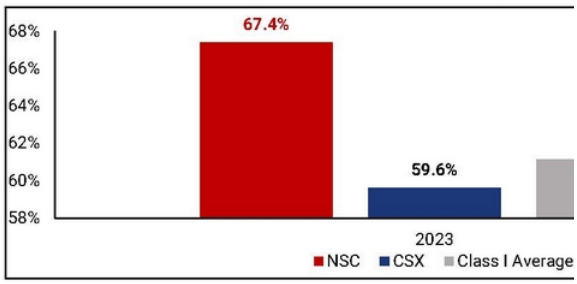
Why Shareholders Want Change: Inability to Compete With Closest Peer

Weak Revenue / EBIT / EPS

	NSC	CSX	Class I Average
Revenue CAGR	1.9%	5.3%	3.7%
EBIT CAGR	-0.3%	2.9%	2.8%
EPS CAGR	3.2%	7.6%	6.4%
Market Cap ($B)*	53.1	70.5	93.5

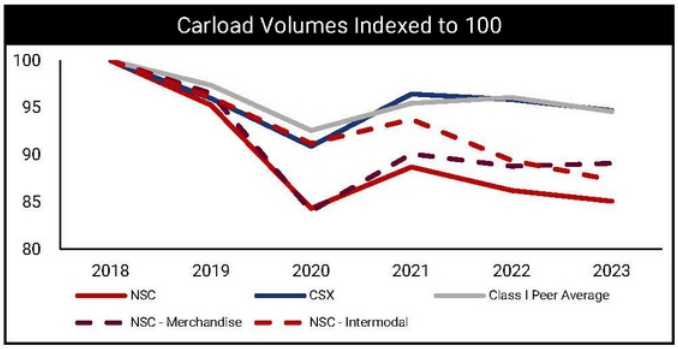
CAGR source: Company filings (2019-2023), FactSet. *Market cap as of Jan. 31, 2024 unaffected date.

Industry-Worst Operating Ratio Among Class



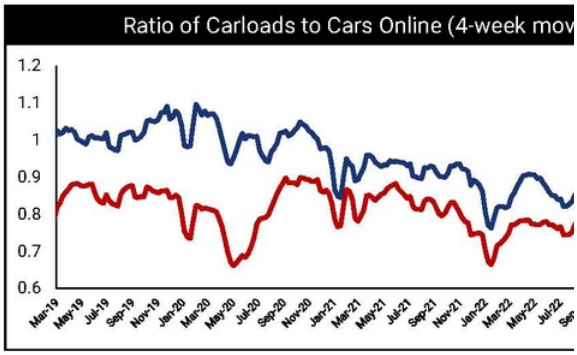
Company filings, FactSet. Class I Average includes CSX, UNP, CP and CNI. Note: CS
contribution to OR.

Declining Volumes



Surface Transportation Board, Company filings. Class I Average includes CSX, UNP, CP and CNI.

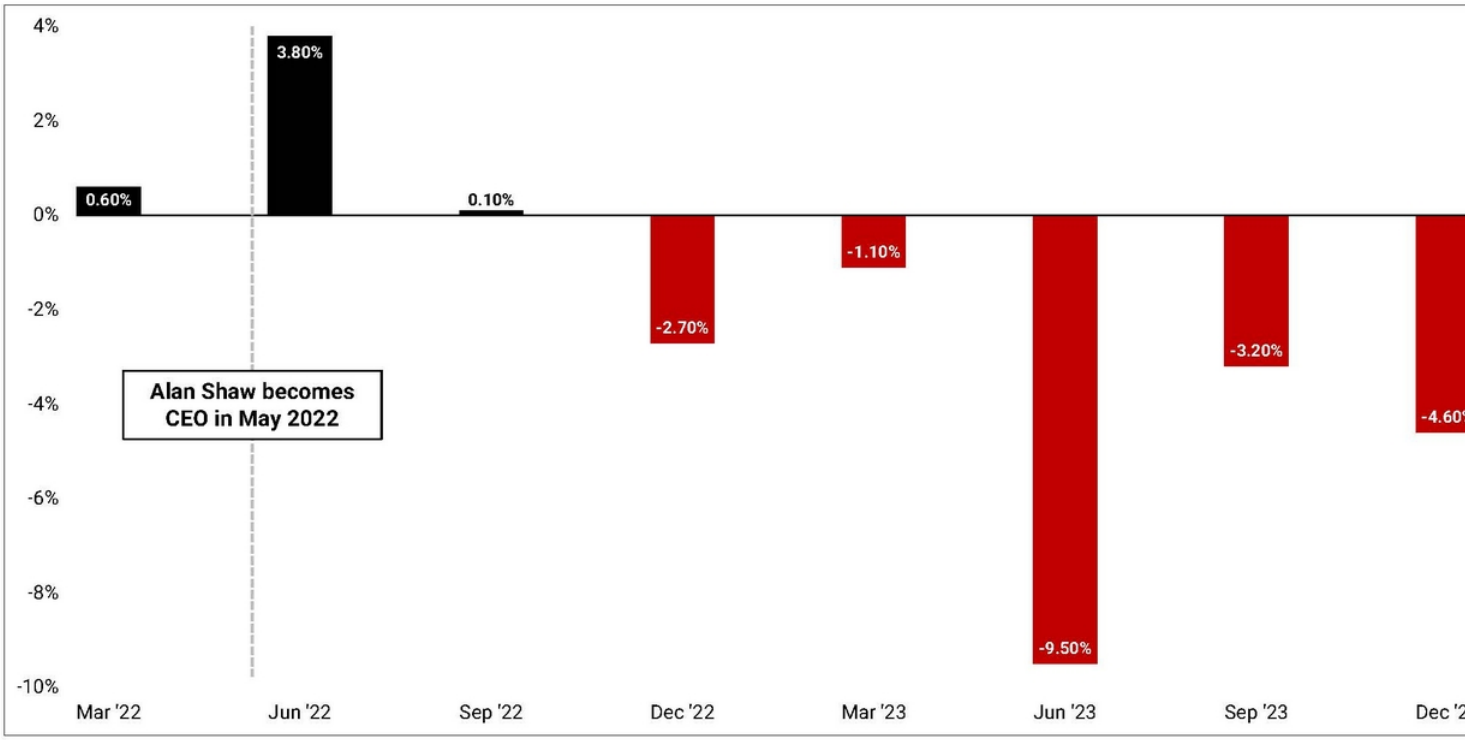
Lagging Ratio of Carloads to Cars On



Company filings.

Why Shareholders Want Change: Consistent Failure to Meet Market Expectati

Norfolk Southern has missed consensus EBIT in SIX out of EIGHT quarters since Alan Shaw became CEO.



Bloomberg. *(5.50)% estimated Q1 2024 EBIT miss based on $904 million adjusted income from railway operations (disclosed Apr. 9, 2024) relative to $957 million mean consensus EBIT.

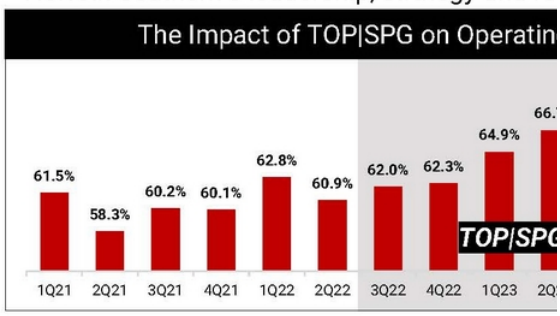
Why Shareholders Want Change: A Marketing-Centric CEO With an Operation Deficient Strategy

Over his CEO tenure, Mr. Shaw has delivered poor results at Norfolk Southern.

- Mr. Shaw has a non-operating background in marketing and sales, industrial development, real estate and customer relations.
- Mr. Shaw was previously in coal, chemicals and financial staff roles during his first 20 years working for Norfolk Southern.
- After 30+ years at Norfolk Southern, Mr. Shaw lacks independent perspective and corporate governance expertise, considering he has no public company board experience outside of his current role.
- Shareholders need a leader with the operational experience required to transform Norfolk Southern's infrastructure and run a PSR-powered strategy that drives superior safety, customer service and financial performance.

Mr. Shaw's TOP\|SPG strategy has resulted in operating ratio since being introduced in 2022.

- The new strategy abandoned PSR principles operating efficiency in the name of ensuring reserves to ensure capacity for any circ "resilience").
- The strategy resulted in lower profitability per shift from merchandise to intermodal) and service and has yet to deliver revenue growth.
- Mr. Shaw and the Board have demonstrated t to change their ineffective strategy, leading that a majority of the Board must be reconsti Norfolk Southern's leadership, strategy and re



Company filings.

Why Shareholders Want Change: An Ineffective and Reactive Board

Board Objective	Ancora's Assessment	Norfolk S
Hire the best CEO and management team	x Despite Norfolk Southern's status as the worst-performing railroad, in late 2021, the Board chose a 30-year insider with a marketing background to succeed a 23-year insider with a law background. x The Board refused to meet with our proposed COO, Mr. Boychuk, and failed to meet with Mr. Barber after we identified him as a potential CEO candidate, demonstrating it is not sufficiently considering alternatives.	
Set proper performance targets and incentives and compensate appropriately	x Despite delivering the worst operating performance in the industry and (5.1%) TSR over his CEO tenure, Mr. Shaw has been paid more than $23 million. x The Board granted more than $10 million in stock and option awards to Mr. Shaw in 2023 despite him missing *all six annual incentive targets* pertaining to financial performance, customer service and safety.	
Monitor and review performance and strategy	x Mr. Shaw's flawed strategy, which is predicated on driving increased low margin intermodal business with a poor operational design, has proven detrimental to Norfolk Southern's culture, earnings, ROIC, operations and safety. x The Company has not provided consistent quantitative metrics against which to track its progress against peers.	
Hold management accountable for execution	x The Board has allowed Mr. Shaw to abandon several operating targets that were introduced in 2019 without consequence. x Despite presiding over an increasing rate and severity of accidents, poor service, ballooning expenses and lagging financial performance, the Board remains undeservedly loyal to its ineffective CEO and flawed strategy.	

Norfolk Southern's Reactive Moves Cannot be Relied Upon by Shareholders

Dec. 2022

- Mr. Shaw states that "***reducing OR is not our singular focus***" during Norfolk Southern's 2022 Investor Day.
  - Dec. 6, 2022

Nov. 2023

- Ancora privately submits nomination notice to Norfolk Southern.
  - Nov. 28, 2023

Jan. 2024

- NSC reports Q4 2023 and FY 2023 results; OR is **not mentioned once** in its earnings materials.
  - Jan. 26, 2024
- Market becomes aware of Ancora's engagement with NSC via *The Wall Street Journal*.
  - Jan. 31, 2024

+8.5% increase in NSC's stock price

Feb. 2024

- **NSC adds two new directors** to its Board: Richard H. Anderson and Mary Kathryn "Heidi" Heitkamp.
  - Feb. 26, 2024
- Ancora introduces its slate of director candidates, proposed CEO and COO and the case for change at NSC.
  - Feb. 20, 2024

Mar. 2024

- NSC appoints John Orr as COO – its **third COO in just two years** under Mr. Shaw.
  - Mar. 20, 2024
- On the same day, NSC lays out **a sub-60% OR target** to reach within three to four years, mentioning OR **26 separate times** in its press release.
  - Mar. 20, 2024

Norfolk Southern cannot initiate a proper PSR implementation and related strategy without (i.) installing o proficient leadership, (ii.) abandoning its "resilience" model and (iii.) committing to an infrastructure and net

Norfolk Southern press releases and filings. Stock price data from Yahoo! Finance.

Spotlight: A Highly Suspect Deal With CPKC

The Board's reactive process for hiring Mr. Orr was run from a position of weakness, absent a comprehensi interview process, and without providing shareholders any say in the decision.

The Board and Mr. Shaw provided CPKC with excessive financial and strategic consideration that weakens Norfolk Southern's long-term competitive positioning.	• Norfolk Southern agreed to pay **$25 million** and **gave up part of the railroad's long-term franchise** – in the form c to the Meridian assets – to hire Mr. Orr, whose most recent role at CPKC was just eliminated altogether up Meridian assets afforded Norfolk Southern better access to several large addressable markets. • CPKC could leverage these Meridian concessions according to its own plans, including its publicly disclosed **involving the Meridian & Bigbee Railroad.** We believe that Norfolk Southern will not exercise its right to purchas Terminal in Texas as part of the concessions given up in the deal for Mr. Orr.
The Board and Mr. Shaw are unwilling to disclose the key details related to what seems to be a material agreement with CPKC.	• Despite the importance of the Meridian assets, Norfolk Southern provided **just two sentences of description abo** in its nearly 1,800-word press release on Mr. Orr's appointment, **one paragraph** of cherry-picked information in its filed a Form 8-K three weeks after the announcement that still leaves shareholders with more questions than ansv • Altogether, we estimate the $25 million cash payment and tangible concessions linked to the valuable Meridian a represent a nine-figure cost in the coming years for Norfolk Southern – **far exceeding the $84 million that CSX legend Hunter Harrison**.
The Board and Mr. Shaw overlooked Mr. Orr's weak credentials before subsequently embellishing his qualifications.	• Norfolk Southern's decision to hire Mr. Orr has not just deprived shareholders of the best available COO and stre railroads, but the Company has installed an individual with (i) **very limited experience as an operations chief**, (ii) **n network-wide PSR implementation** and (iii) **no background at an Eastern U.S. Class I railroad**. • We believe that Norfolk Southern vastly overpaid for a candidate with weak credentials and a questionable workpl
The Board and Mr. Shaw ran a reactive process that deliberately excluded highly qualified COO candidates – all to the detriment of shareholders.	• The Board rejected our multiple offers to speak with Mr. Boychuk, who was the EVP of Operations at CSX when it **Southern on every key railroading metric** and **delivered the best operating margins in the history of Eastern railro** • We question how the Board and Mr. Shaw can claim to be prioritizing shareholders' interests when the COO **deliberately excluded** a potential candidate who has the respect of railroad operating peers, regulators, analysts a

Our Solution: A Fit-for-Purpose Slate

Our nominees possess relevant operating backgrounds, railroad industry expertise, corporate governance k financial analysis skills, strategy, legislative and regulatory affairs expertise, and public company board exp

Betsy Atkins

- ✓ **Operator** and investor in **technology and software** companies.
- ✓ Corporate governance expert that has overseen **change-in-control transitions**.
- ✓ Multiple strategic transformations.

Jim Barber, Jr.

- ✓ Former **shipping and logistics** industry COO.
- ✓ World-class **transportation system leader** and **former major rail customer**.

William Clyburn, J

- ✓ Former Vice Chair of the U
- ✓ Has necessary experience to su Southern's repositioning with **regulators and custon**

Sameh Fahmy

- ✓ Successful **Class I railroad** and transportation industry executive with **first-hand PSR implementation** experience.
- ✓ Possesses **safety, supply management, financial, engineering** and **mechanical** expertise.
- ✓ Chartered Professional Accountant.

John Kasich

- ✓ Former Ohio Governor and congressman, overseeing state **environmental and transportation** agencies.
- ✓ Significant **regulatory experience** and **additive policy insight**.

Gilbert Lamphere

- ✓ **Railroad and transportation** industry veteran credited as the original strategist and financier of PSR.
- ✓ Previous **public company board experience** at Class I railroads.

Alli

- ✓ Former equ **trans**
- ✓ Covered **Class** has relevan

Our Solution: Operationally Proficient Leadership

Proposed CEO Jim Barber has a track record of growth and significant experience in operations, supply chain, strategic planning, employee relations and risk management.

- Has a clear vision for the team, operating plan and growth needed to turn around Norfolk Southern.
- Previously served as the COO of UPS, one of the country's largest railroad customers and a $125 billion market value parcel carrier with a global network that generates more than $90 billion in sales annually.
- Mr. Barber is credited with leading much of UPS's growth over his 35-year career, including in both mature and emerging international markets.
- Prior to becoming COO of UPS, Mr. Barber led complex shipping networks, oversaw numerous functions and massive employee bases, and ran reportable segments with ~$25 billion in revenue and ~$3.4 billion in EBIT as head of UPS International and Supply Chain Solutions.

Proposed COO Jamie Boychuk's in and PSR expertise make him the id Barber, representing an operationa vast transportation network experi

- A lifelong railroader with the s scheduled railroading acumen turn around Norfolk Southern.
- Previously served as the President of Operations at CSX successful PSR implementa improvements in service a outperformance of Norfolk So notable metric.
- Under Mr. Boychuk's leadershi the best rail operating margin Eastern railroads.
- Mr. Boychuk, who worked direc legend Hunter Harrison, also he a strong safety record and rec rail workers.

Our Solution: PSR-Powered Scheduled Network Strategy

Shifting away from Norfolk Southern's resilience railroading strategy to a precisely scheduled network appr step in improving safety metrics and growing profitably over the long term.

- ✓ **Service** – Customer-focused, based on reliable service with excellent value.
- ✓ **Cost Control** – Manage costs targeted at creating network operating leverage.
- ✓ **Asset Utilization** – Focus on velocity and asset turnover, thereby creating additional capacity.
- ✓ **Safety-First Culture** – The well-being of our people, business partners and community.
- ✓ **Human Capital** – People are your #1 asset; ensure you provide recognition and development.

Improved Safety

- ✓ Lower accident rate.
- ✓ Fewer injuries.
- ✓ Safer communities.

Improved Service

- ✓ Increased car velocity.
- ✓ Increased train speed.
- ✓ Increased fluidity.

Improved Performance

- ✓ Lower OR.
- ✓ Higher ROIC.
- ✓ Enhanced valuation.

Stronger Growth

- ✓ Increased capacity.
- ✓ Higher sustainable growth profile.

Imp

- ✓ I
- ✓ R e

Reclassifying hump yards is not enough. Implementing PSR at Norfolk Southern requires a complete restructuring and overhaul. This makes hands-on PSR experience, dedication and competence c

Transformation Timeline: Phasing of Key Initiatives and Intended Outputs

	Key Initiatives	Intended Outputs
Months 1-12	✓ High touch communications with all key stakeholders, including listening tours with employees and customers (first 100 days). ✓ Review vendor contracts (first 100 days). ✓ Network redesign (September 2024). ✓ PSR implementation (October / November 2024). ✓ Optimize asset placement and enact any requisite organization structure shifts (December 2024 – May 2025).	✓ Gain alignment and support for strategic initiatives and improve trus ✓ Efficient operations and improved technology will reduce costs. ✓ Operationally led railroad. ✓ Balanced network and enhanced fluidity. ✓ Reduce excess assets / hump yards. ✓ **62-63% Operating Ratio**.
Months 13-24	✓ Evaluate/establish employee-led safety committees. ✓ Recognize lasting safety improvements and prioritize best-in-class service and operating performance. ✓ Implement activity-based costing (produce new targeted profitability tools by customer, product, lane, etc.). ✓ Start to grow and optimize product mix with emphasis on fixing merchandise network.	✓ Best-in-class pricing and profitability management. ✓ Elimination of excess costs. ✓ Hit targeted service metrics. ✓ Recapture merchandise share. ✓ **60% Operating Ratio**, continue to move toward perpetual best-in-cla performance.
Months 25-36	✓ Optimize mix to drive accelerated organic volume and yield growth. ✓ Partner with independent entity to evaluate employee satisfaction in light of poor feedback. ✓ Evaluate technology applications across the Norfolk Southern network. ✓ Evaluate increased opportunities for performance-based compensation redesign.	✓ Enhanced wallet share. ✓ Start to achieve employer-of-choice recognition and make Norfolk S employees want to work. ✓ **57% Operating Ratio**, continue to move toward perpetual best-in-cla
Thereafter	✓ Network of the Future: commercially proactive efficient railroading. ✓ Quarterly analysis and redesign (continual improvement).	✓ Develop a different way of selling rail service across global supply c trusted shippers and partners (e.g., UPS customers), that creates ne ✓ **55% Operating Ratio**.

The combined experience of our nominees and our proposed management team can take Norfolk Southe to first, but it requires replacing a majority of the Board.

Note: See pg. 149 for detailed steps of PSR implementation.

Network of the Future: Growth Opportunities

Norfolk Southern's most important offering is reliable service, and price is often secondary.

- Mr. Barber's UPS experience showed customers were willing to pay as much as **5% more for 2% better service** (trip pla
- PSR is the foundational bedrock for service reliability and the best path to grow Merchandise & Intermodal revenues.

Best-in-class financial and artificial intelligence ("AI") models to create new dimensions of growth.

- Lane, Product and Commodity Micro Strategies will be developed.
- Leverage AI and data analytics to build 'constraints-based' optimization models, providing new growth opportunities.
- Launch 'best of the best team' to model 'what if' scenarios focused on intermodal growth options.
- Leverage UPS Global Customer relationships to expose more customers to rail.

Marketing & Sales must be trained and expected to develop and sell value.

- Create Target Pricing Models to ensure shareholder value creation.
- Ensure your pricing and compensation models properly apportion network economic rents.
- Investigate 'logistics services' offering to conduct mode mix optimization to attract new rail customers.

Large-scale logistics networks create flywheel economics based on 'stop and route' density (blocking & switching).

- PSR design creates efficiencies by maximizing blocking at origin and minimizing switching.
- Create new products and processes designed to attract new customers who are best served by the PSR flywheel.
- Understand Flexi-PSR opportunities to attract growth in underutilized portions of the Norfolk Southern network.

Continually transform your core competencies as you look to invest for growth.

- Enhance performance through quality, efficiency and technology.
- Strategy process should look to the future for opportunities to deploy capital above weighted average cost of capital.
- Use data analytics and AI to identify new market opportunities which require capital but produce high returns on invest

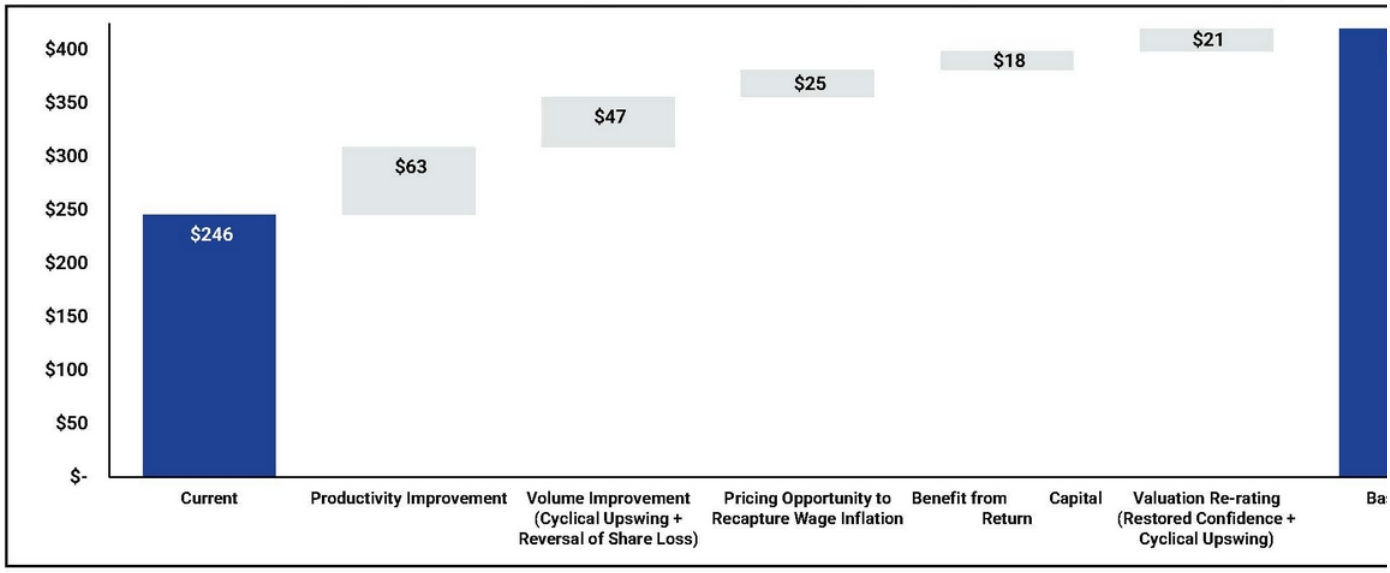
Establishing Trust With Customers, Communities and Policymakers

If elected, our slate will engage actively and cross-functionally to improve relations with key stakeh

- ✓ **Commence a listening tour with employees, customers and leaders** to further inform organization-wide diagnosis and go
- ✓ **Develop an engagement and communications plan** (cadence, key messages, channels, etc.) to drive excitement and su fears with internal and external stakeholders.
- ✓ **Prioritize employee training and internal updates** to support an engaged and high-intensity culture focused on the netwo two-way dialogue.
- ✓ **Improve transparency** by prioritizing productive, active and frequent engagement with key constituencies to socialize visi progress, and build trust.
- ✓ **Form a customer group of major shippers** to share metrics and solicit feedback regarding customer service.
- ✓ **Meet with regulators and lawmakers** on a frequent basis to reestablish trust and help improve relations with key regulato
- ✓ **Increase accountability and shareholder-alignment** by tying executive compensation to performance – minimize manage put the vast majority of compensation at risk and tie payouts to results.
- ✓ **Lay out long-term goals**, delineate milestones along the way and report on these metrics to improve investor relations.
- ✓ **Seek enhancements in Norfolk Southern's sustainability program** to improve key areas such as human capital sustainability.

The Value Creation Opportunity at Norfolk Southern

There are at least five areas where we have projected potential upsides for Norfolk Southern sharehold several years. Our model is based on reasonable assumptions we have made, including that our entire slat Board, and that it is able to implement the management and strategic changes summarized in this presenta



Share Price Adjustment Reasonably Calculated Based on Five Factors

We believe new leadership and an improved strategy are necessary to move Norfolk Southern fo

Note: Refer to Our Plan section (beginning on pg. 132) to understand how we plan to reach $420.

Our Slate Has the Better Plan to Transform Norfolk Southern for Shareholder

Resilience Model

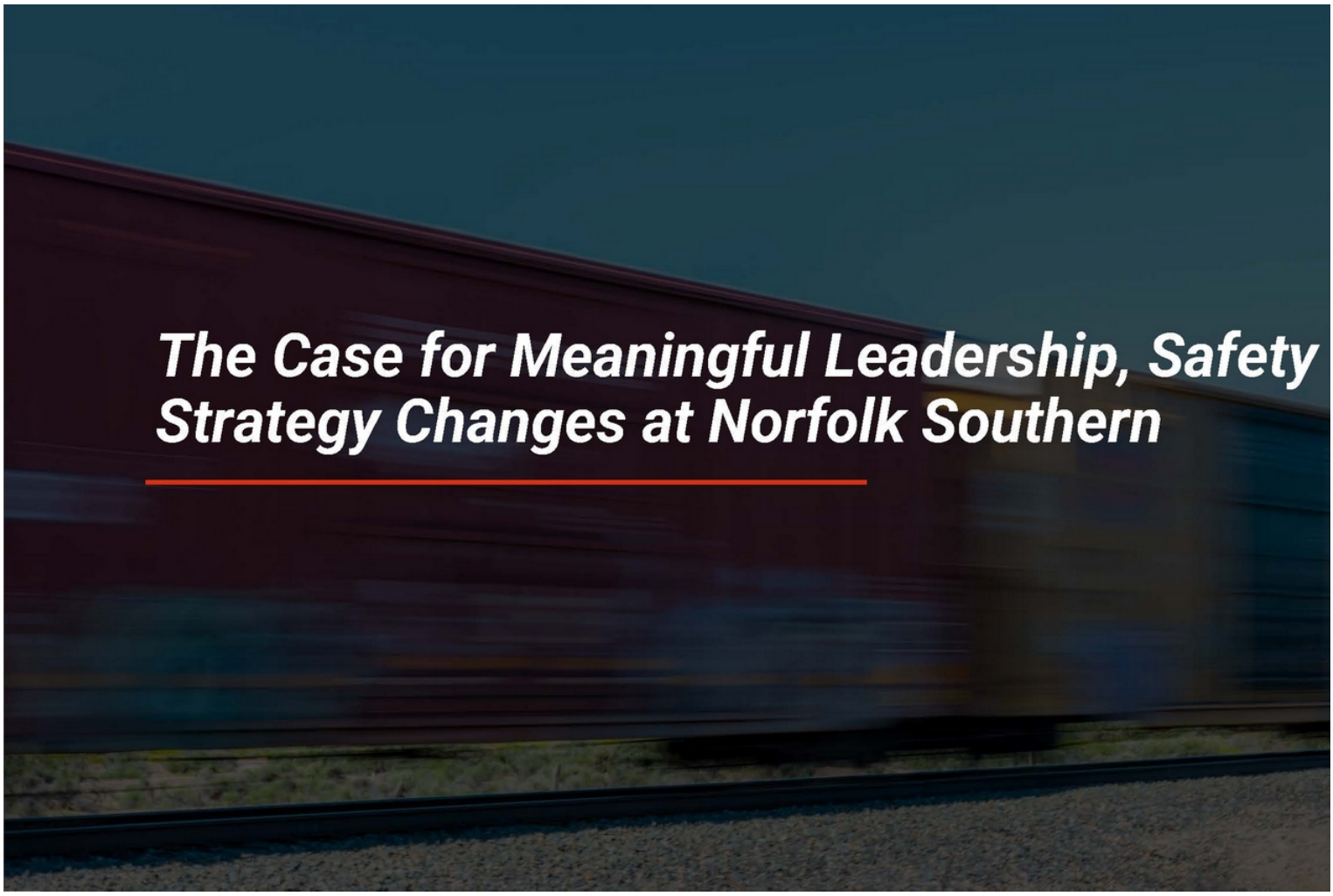
- × Spend $91 million on a new COO, shareholder matters, strategic governance advice and a deferred tax adjustment.
- × Move Intermodal and Automotive Operations from Marketing to Operations.
- × Move Car Management to Operations.
- × Establish operational initiatives.
- × Lower dwell time at two hump yards by 33%.
- × Rationalize 53 lanes.
- × Safety Blitz.
- × Task Force / War Room.
- × Develop a heat map.
- × Intermodal Reservation System.
- × Finally add OR as a performance measure for compensation; 20% of pay not tied to performance.*
- × **100-150 basis points non-GAAP margin improvement**.
- × **In Three to Four Years: Sub-60% adjusted operating ratio**.

PSR-Powered Network of the F

- ✓ High-touch communications with all key stakehold listening tours with employees and customers.
- ✓ Review vendor contracts.
- ✓ Network redesign.
- ✓ PSR implementation.
- ✓ Optimize assets / enact structural shifts.
- ✓ **700-800 basis points margin improvement by Mon OR**.
- ✓ Evaluate/establish employee-led safety committee
- ✓ Prioritize best-in-class customer service and opera
- ✓ Activity-based costing.
- ✓ Recapture merchandise.
- ✓ The proposed CEO and COO's compensation struct salary, put the vast majority of compensation at risl management's payout to results.
- ✓ **200-300 additional basis points margin improveme**
- ✓ In Two Years: 60% adjusted operating ratio.
- ✓ In Three Years: 57% adjusted operating ratio.
- ✓ Thereafter: 55% adjusted operating ratio.

Our nominees' plan is designed to achieve an OR below 60% twice as fast as management's

Company filings. *Based on 2023 executive compensation plan described in Norfolk Southern's proxy statement.



The Case for Meaningful Leadership, Safety Strategy Changes at Norfolk Southern

Case for Change: Financial Underperformance

Under the Current Board, Norfolk Southern Is on a Concerning Trajectory

Norfolk Southern's Performance Has Consistently Trailed Peers

Norfolk Southern Total Shareholder Returns Compared to Peers				
	One-Year	Three-Year	Alan Shaw Announced as CEO	2022 I
Norfolk Southern	(1.9%)	5.6%	(8.6%)	(
CSX	17.1%	29.7%	6.4%	1
Class I Railroad Median	14.2%	30.8%	6.5%	
Norfolk Southern vs. CSX	(19.0%)	(24.1%)	(15.0%)	(1
Norfolk Southern vs. Class I Railroad Median	(16.1%)	(25.3%)	(15.1%)	(1

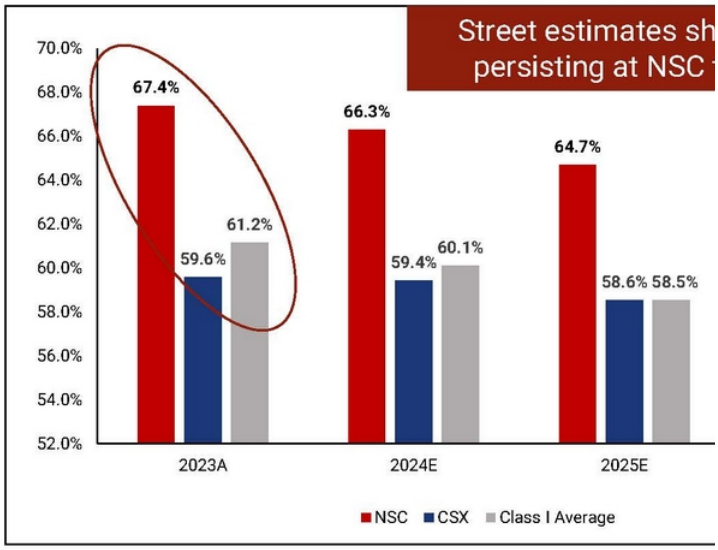
Norfolk Southern's shares have underperformed the Company's Class I railroad peers over every relev

Bloomberg, total shareholder returns as of Jan. 31, 2024. Class I Average includes CSX, UNP, CP and CNI. Alan Shaw was announced as CEO on December 2, 2021. The 2022 Investor Day took place on December 6, 202

Norfolk Southern Has Underperformed Peers Across All Relevant Financial M

- Norfolk Southern had lower revenue, EBIT and EPS growth relative to CSX and the average Class I peer fro
- Prior to Ancora's engagement becoming public, Wall Street expectations through 2026 anticipated a going forward despite Norfolk Southern starting from a much lower base.

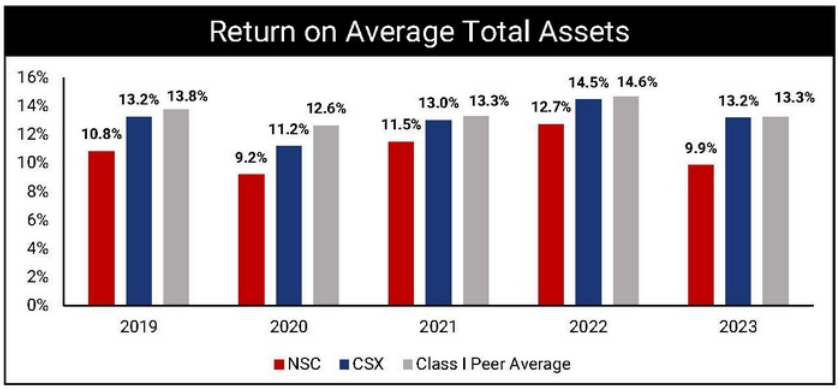
Historical CAGR (2019 - 2023)			
	NSC	CSX	Class I Average*
Revenue	1.9%	5.3%	3.7%
EBIT	-0.3%	2.9%	2.8%
EPS	3.2%	7.6%	6.4%

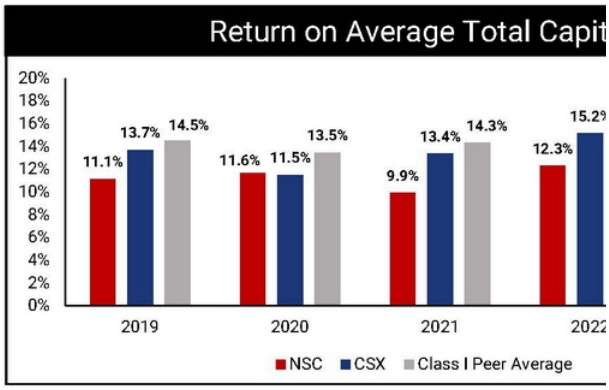


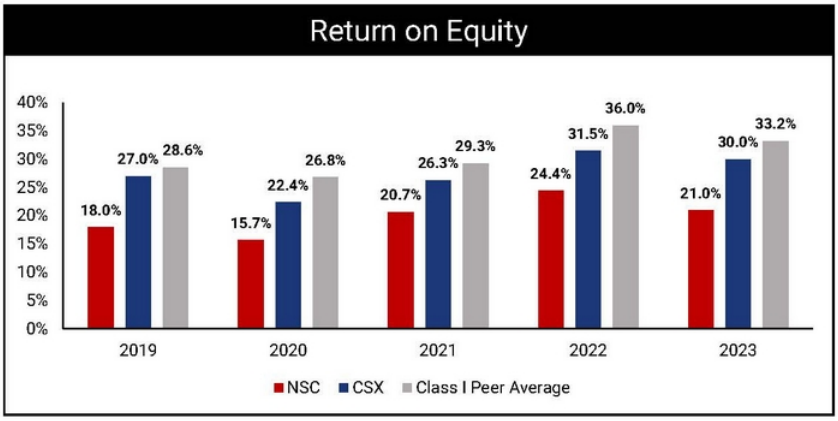
Analysts have shown no confidence in current Company leadership's ability to close the margin gap

Company filings and FactSet. Class I Average includes CSX, UNP, CP and CNI. CP excluded for historical data due to KSU acquisition. All historical OR figures reflect rail only OR. Street expectations for OR as of 2/11/20 on consolidated estimates.

Norfolk Southern Has Underperformed Peers Across All Relevant Financial M (Cont.)







Company filings and FactSet. Class I Peer Average excludes Canadian Pacific in FY 2021 to 2023 due to accounting anomaly from Kansas City Southern acquisition.

Norfolk Southern Has Underperformed Peers Across All Relevant Financial M (Cont.)

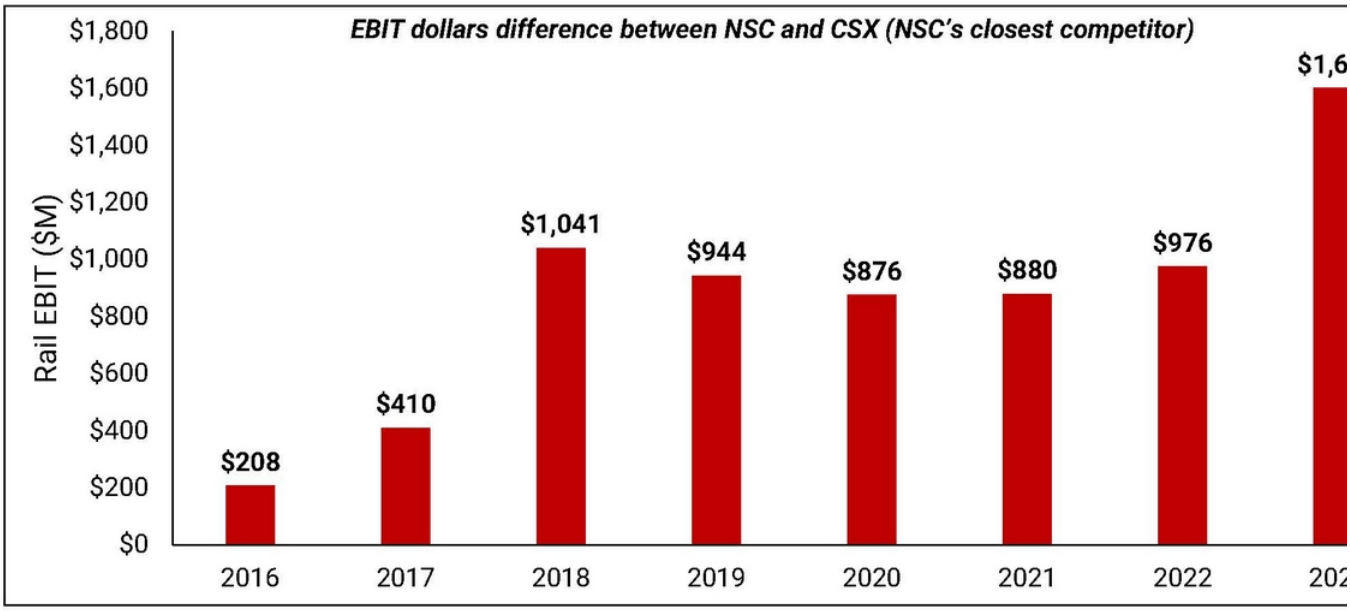
Although Norfolk Southern transports across fewer gross ton miles, its compensation and benefits represe percentage of rail revenue. It costs Norfolk Southern more than CSX to do less in the same geography.

Norfolk Southern vs. CSX Operating Expense Breakdown	
Expense Line Items	Difference per GTM (gross ton mile)
FY 2023	**NSC vs. CSX**
Compensation and benefits	+7.5%
Fuel	+5.7%
Depreciation	(9.4%)
Purchased services, materials, rents and other expenses	+22.3%

Expense Line Items	% of Rail Revenue	
FY 2023	**NSC**	**CSX**
Compensation and benefits	23.2%	22.5
Fuel	9.0%	8.9%
Depreciation	10.7%	11.0
Purchased services, materials, rents and other expenses	23.9%	19.5

Company filings. CSX figures based on rail revenue and excludes estimated expense contribution from Quality Carriers.

Norfolk Southern's EBIT Margins Have Only Worsened in Comparison to Its C Competitor



In 2023, the delta in EBIT dollars between Norfolk Southern and CSX was more than $1.6 billi

Bloomberg.

Case for Change:
Ineffective Strategy & Lagging Operations

Mr. Shaw on the Benefits of a PSR-Powered Operating Plan

> *And with our **PSR-based operating plan,** TOP21, **we've delivered consistentl strong results for our shareholders since our last Investor Day in 2019**.*
>
> *In the succeeding 3 years, we improved OR by 530 basis points. We grew EPS 27%, and we produced total shareholder return of 110%, and we also delivere approximately $10 billion in shareholder distributions.*
>
> ***Now we're taking the next step with TOP\|SPG**, Norfolk Southern's **modern vers of PSR,** which appropriately balances service, productivity and growth … **Reduc OR is not our singular focus.***

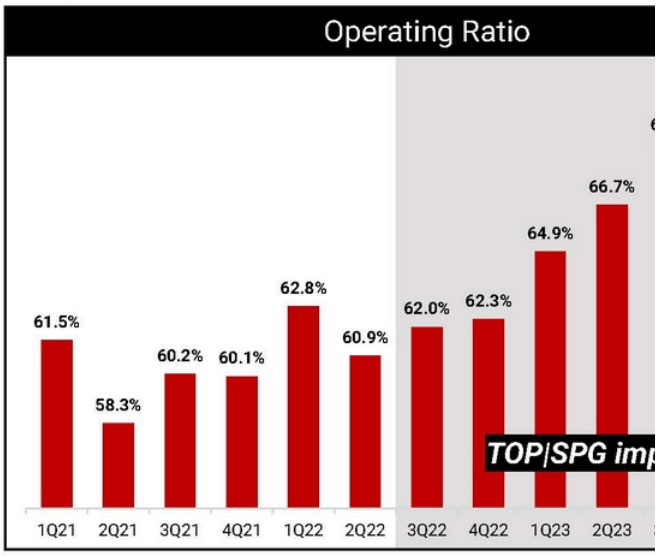
CEO Alan Shaw

Norfolk Southern 2022 Investor Day (D

Norfolk Southern's TOP|SPG Strategy: How Did We Get Here?

The PSR-based TOP-21 operating strategy introduced in 2019 was producing demonstrable results in 2020 of 2022 – until the Company reversed key PSR elements of the plan.

- Mr. Shaw's TOP|SPG strategy introduced in 2022 represented an abrupt shift from the PSR principles the Company focused on under the TOP-21 strategy.
- The new strategy deprioritized operating efficiency in the name of ensuring sufficient asset reserves to ensure capacity for any circumstance (e.g., "resilience").
- "Resilience" essentially means that the Company holds on to more resources (i.e., manpower, locomotives and cars) at all times with the objective of opportunistically gaining market share in the event of a volume windfall.
- In reality, this method results in higher costs, network congestion, lower safety and inefficient asset utilization.
- The strategy resulted in lower profitability per carload (due to a shift from merchandise to intermodal) and poorer customer service and has yet to deliver substantial revenue growth.



While Mr. Shaw may have correctly identified service improvement as the guiding light to growth and prof selected a misguided strategy that does not improve network fluidity, trip plan compliance or profi

Norfolk Southern press release, Jun. 27, 2022. Company filings.

Norfolk Southern Cannot Have It Both Ways: Resilience or PSR?

Norfolk Southern is running a "resilience" strategy that has delivered the worst results among its Class I ind is structurally incompatible with a true PSR implementation.

- Mr. Shaw claims that TOP|SPG is a "balanced" strategy focused on both resilience and PSR – however, the two are at odds with one another.
- **What is resilience railroading?** Resilience railroading retains substantial assets in reserve to ensure that the network will have resources on call to absorb unanticipated developments.
- **What is PSR?** Conversely, PSR maximizes asset utilization and continually redesigns the network to optimize efficiency.
- A true PSR implementation will require structural changes to rail yards, terminals, train starts and other elements of the Company's network.
- If Norfolk Southern's claims of having a PSR operating model now were true, its operating and financial metrics would not materially lag those of CSX and Class I peers.

	Resilience Railroading	Norfolk Southern's Stated Strategy
Rationalizes assets based on market conditions	✗	✗
Retains substantial assets in reserve regardless of market conditions	✓	✓
Focuses on continual network redesign to maximize asset utilization	✗	✗
Keeps additional routes and a wider network	✓	✓
Reduced OR is used as a primary KPI	✗	✗

Despite claiming that the TOP|SPG is Norfolk Southern's "modern version of PSR," resilience railroading inherently conflicted – selectively implementing certain elements of each strategy is likely to result in a ne

Norfolk Southern 2022 Investor Day transcript.

The Results of A Flawed Strategy Speak For Themselves

Despite Mr. Shaw and the Board's claims, key financial and operational metrics make clear that the resilien been successful.

The Company is underperforming its Class I railroad peers in terms of:

- × TSR.
- × Revenue growth.
- × EBIT growth.
- × EPS growth.
- × Margin.
- × Return on average total assets.
- × Return on average total capital.
- × Return on equity.
- × Operating ratio.

The Company also underperforms C similar Class I peer – in term

- × Operating expenses as a percentag revenue.
- × EBIT margins.
- × Ratio of carloads to cars online.
- × Train speed.
- × Carload volumes.
- × Terminal dwell.
- × Number of railcar switches.
- × Weekly average number of delays.
- × Weekly unplanned recrews.

The Company has also regularly missed analysts' EBIT forecasts.

Note: See pgs. 14, 30 to 34, 37, 40 and 46 to 51.

The Results of A Flawed Strategy Speak For Themselves (Cont.)

Despite Mr. Shaw and the Board's claims, key financial and operational metrics make clear that the resilien been successful.

Metric	Norfolk Southern	CSX	Norfolk So
TSR (2022 Investor Day to Unaffected Date)	(2.5)%	15.5%	
Revenue Growth (FY 2023 y-o-y)	(4.6%)	(1.3)%	
Adjusted EBIT Growth (FY 2023 y-o-y)	(19.4)%	(6.7)%	
Adjusted Diluted EPS Growth (FY 2023 y-o-y)	(13.6)%	(4.0)%	
Adjusted EBIT Margin (FY 2023)	32.6%	40.4%	
Return on Total Assets (FY 2023)	9.9%	13.2%	
Return on Total Capital (FY 2023)	13.7%	18.1%	
Return on Equity (FY 2023)	21.0%	30.0%	
Operating Ratio (FY 2023)	67.4%	59.6%	
Carloads : Cars On-line (FY 2023)	0.761	0.941	
Terminal Dwell (FY 2023)	25.7 hours	9.4 hours	

Norfolk Southern has missed consensus EBIT targets in <u>six</u> out of <u>eight</u> quarters since Alan Shaw be

Norfolk Southern and CSX filings.

Three-Year Outlook from January 2024 Explicitly Indicated the Margin Gap to Not Close

Outlook Slide from NSC's 4Q23 Earnings Presentation

> *We aren't going to give y specific margin target, b result in* ***between 100 to of margin improvement on the pathway to narro margin gap with peers a industry competitive ma***

CEO Alan Shaw
Q4 2023 Earnings Call
Jan. 26, 2024

Sudden Focus on Operating Ratio Raises Concerns About Current Strategy

Norfolk Southern has made an about-face regarding its focus on the Company's operating ratio as a key per indicator.

At its 2019 Investor Day, Norfolk Southern introduced a key OR target that later disappeared from management's reporting under Mr. Shaw.

Now, Mr. Shaw and Norfolk Southern a emphasizing OR in response to our stated garnered support from analys

December 2019

*Norfolk Southern lays out a **60% OR target** to reach by 2021.*

December 2022

*Mr. Shaw reverses track, stating that **"reducing OR is not our singular focus."***

November 2023

Ancora submits nomination notice to Company.

January 2024

*Norfolk Southern reports Q4 2023 and FY 2023 results; **no mention of OR**.*

February 2024

*The NSC plan to balance service, productivity, and growth is **"a pivot away from that near-term quarterly grind on just O.R., where O.R. was the only focus."***

- CEO Alan Shaw

Nor sub with OR pre

We can only surmise that the Company is renewing its focus on operating ratio to save face with the i community during a proxy contest.

Norfolk Southern press releases; Trains.com article (Feb. 29, 2024).

Norfolk Southern's Strategy Change Is Too Little, Too Late

- On April 4, Norfolk Southern announced a set of initiatives to *"drive further productivity and accountability,"* which essentially outlined plans to implement PSR and align executive compensation to the Company's operating ratio.
- Norfolk Southern has essentially done a 180-degree turn from its TOP|SPG strategy that Mr. Shaw and the Board had strong conviction in just months ago.
- Leadership lacks sufficiently detailed experience to safely lead a full network redesign.
    - Neither newly appointed COO John Orr nor incumbent director Claude Mongeau have redesigned a railroad network in their respective careers.
- It is a sign of current leadership's desperation that Norfolk Southern has now endorsed our slate's strategy a month before shareholders will vote for their preferred leadership at the Company's Annual Meeting.

Norfolk Southern announces new initiatives to drive further productivity and accountability

Executive compensation plan adjustments address shareholder feedback and hold management accountable to deliver on key objectives

ATLANTA, April 4, 2024 /**PRNewswire**/ -- Norfolk Southern Corporation (NYSE: NSC) provided an update Thursday on its plan to accelerate progress on its strategy and deliver long-term shareholder value.

Alan Shaw, Norfolk Southern president and chief executive officer, said, "The initiatives announced today will help us progress toward our strategic goals and close the margin gap with our peers. Our network enhancements and improvements to our reporting structure will empower our new chief operating officer, John Orr, with the scope to implement his scheduled railroading plans and accelerate our operational improvements. This positions Norfolk Southern to become a more productive, resilient, and efficient railroad, and drive long-term value creation."

Accelerating Operational Performance

- **Operations Reporting Changes:** In
  Marketing division, is now reportin
  opportunity for further proactivit
  including in Merchandise and Bulk
  into Operations.
- **Near-Term Operational Priorities:**
  streamlining operational processe
  include:
    - Executing a 'Safety Blitz' to r
    - Assembling a task force and
      asset utilization;
    - Developing a network heat r
    - Classifying two hump yards
      improvement in dwell time o

TYPE OF METRIC	PRIOR 2024 ANNUAL INCEN PERFORMANCE MEASURES
FINANCIAL *70%*	Operating Income *40%*
	Revenue *30%*
CUSTOMER SERVICE *20%*	Merchandise On-Time Delive *10%*
	Intermodal Composite *10%*
SAFETY *10%*	FRA Reportable Injury Rate *5%*
	FRA Reportable Train Accide Rate *5%*
MARGIN PERFORMANCE MODIFIER	*+/-15%*

Shareholders cannot trust a Board that is reacting defensively to implement a top-to-bottom strategic tran

Norfolk Southern press release (Apr. 4, 2024).

Recent COO Hire Raises Questions About Conviction in Current Strategy

We question what caused Norfolk Southern to make an abrupt change in operations leadership after repeat success of its TOP|SPG strategy and insisting that it had the right team in place.

August 2022

*"There's a lot of people right now that can help you accelerate that process that have decades of experience with PSR, **whether it's Jim Vena or Sameh Fahmy** or other people that have a lot of experience that would be willing … to come in on a 3-month, 6-month consultancy basis **to accelerate to help the existing team**."*

Amit Singh Mehrotra, Deutsche Bank AG (Aug. 17, 2022)

*"We brought in somebody. **We brought in Paul Duncan from another railroad**. And you see the **impact that he's had on our franchise**. We changed out our VP of Transportation, you see the impact that that's had. **Now we understand PSR.**"*

CEO Alan Shaw, Deutsche Bank 2022 Transportation Conference (Aug. 17, 2022)

October 2023

"Do you think you need to bring in PSR expertise to handle some of that network resiliency that seems to be the thing that PSR does, right?"

Kenneth Scott Hoexter, BofA Securities (Oct. 25, 2023)

*"Look, I've been CEO for 1.5 years ... **We've refreshed our Operations' leadership.** We've implemented a new operating plan. We've launched a brand-new strategy something that's never been done in this industry ... We brought in a number of outsiders and leadership roles ... **I believe we've got the right team going forward.**"*

CEO Alan Shaw, Q3 2023 Earnings Call (Oct. 25, 2023)

March 2

*"John is a deeply respec leader, and is **the right** to ensure executior balancing safe servi growth … I **have full** **Southern is positioned** **breaking strategy, le** **franchise s***

CEO Alan Sl Southern ap John Orr as (Mar. 20, 20

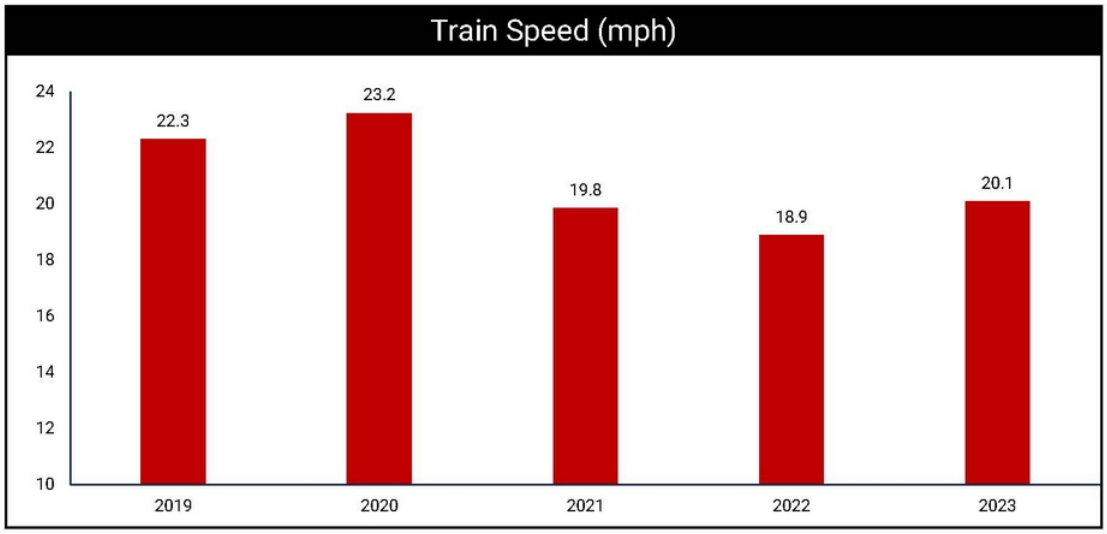
Norfolk Southern Claims That Mr. Orr Is Well-Positioned to Accelerate the Co Operating Plan

Appointing Mr. Orr as COO and purportedly planning to leverage his knowledge of PSR does not change the Southern's results show that "resilience railroading" and PSR are incompatible.

- Mr. Orr's appointment raises inherent issues given that the Company's stated TOP|SPG strategy directly conflicts with PSR.
- Because of this conflict, rather than furthering a coherent strategy for Norfolk Southern, **this appointment is more likely to result in tensions and loss of strategic focus**.
- There are clear precedents of PSR-focused COO hires that ended badly when CEOs and/or boards would not commit to PSR.
- Examples include:
  - Canadian Pacific hiring Ed Harris as COO in 2010 under CEO Fred Green.
  - Union Pacific hiring Jim Vena as COO in 2019 under CEO Lance Fritz, which ended in Vena's departure the next year, Union Pacific reverting back to poor operating results and the installation of Mr. Vena as CEO in 2023.

Norfolk Southern Has Reported Lower Train Speeds

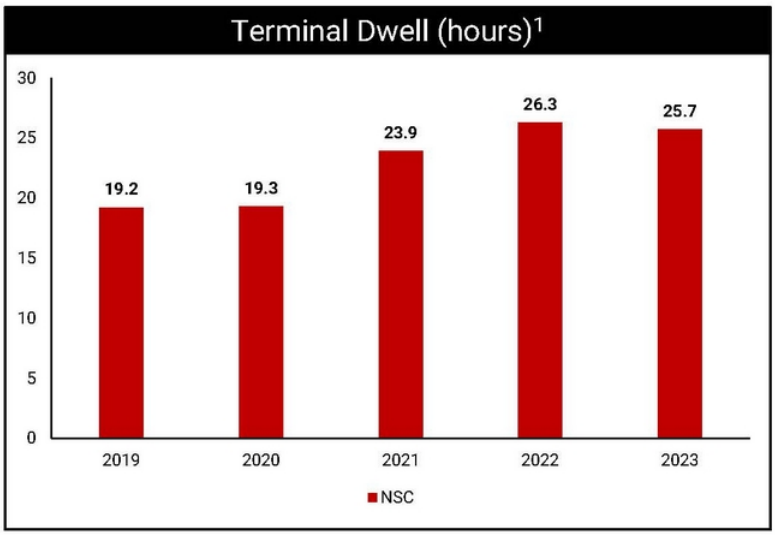
- The Company has cited improving train speeds in recent investor presentations.
- However, train speeds remain ~10% below 2019 train speed levels and these recent train speeds are on de volume in the Norfolk Southern network.

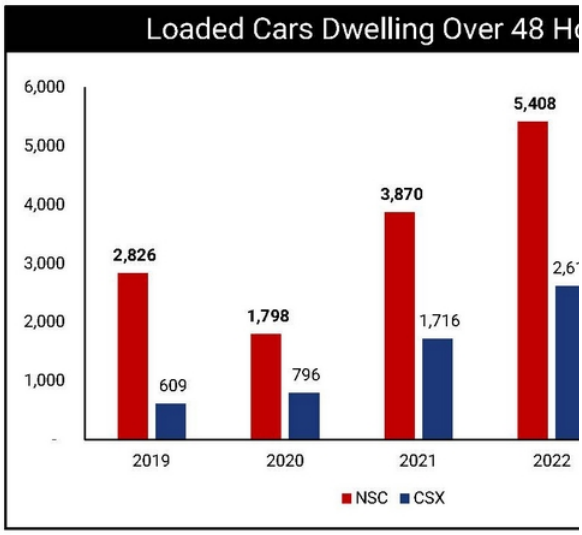


Surface Transportation Board and company filings. Train speed is the average for the year.

Norfolk Southern's Rail Cars Are Waiting Longer

- Norfolk Southern's 2023 terminal dwell, or the time a rail car spends in a terminal awaiting move destination, was ~25% worse than in 2019.
- NSC's volume of loaded cars that dwell longer than 48 hours without movement was 3.3x larger than CSX.





Surface Transportation Board and company filings. [1]Terminal dwell is the average for the year.

Norfolk Southern's Rail Cars Are Waiting Longer (Cont.)

Since Alan Shaw became CEO in May 2022, dwell time at Norfolk Southern's top terminals has been greater system-wide average. Reducing dwell at key locations is an opportunity to improve trip plan compliance.

Reducing dwell at Norfolk Southern's busiest terminals could have **substantial** service improvement effects throughout its entire network.

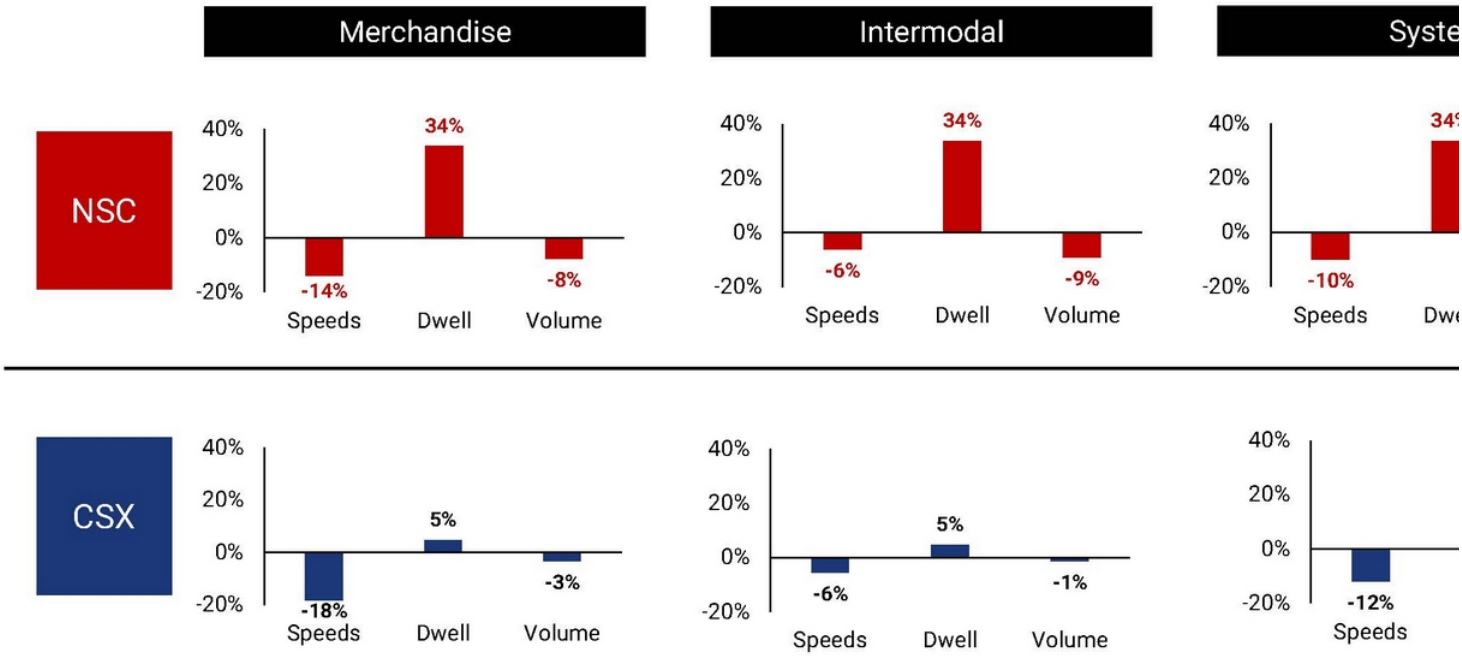
Dwell at NS
(Average since

Location
Elkhart, IN
Allentown, PA
Bellevue, OH
Conway, PA
Columbus, OH
Decatur, IL
Roanoke, VA
Linwood, NC
Chattanooga,
Sheffield, AL
Atlanta, GA
Macon, GA
Birmingham,
New Orleans,
Total System

Surface Transportation Board and Company filings.

Norfolk Southern's Operations Have Not Improved

Train Speeds, Terminal Dwell and Volume: Change at Norfolk Southern Compared to Change at CSX (2

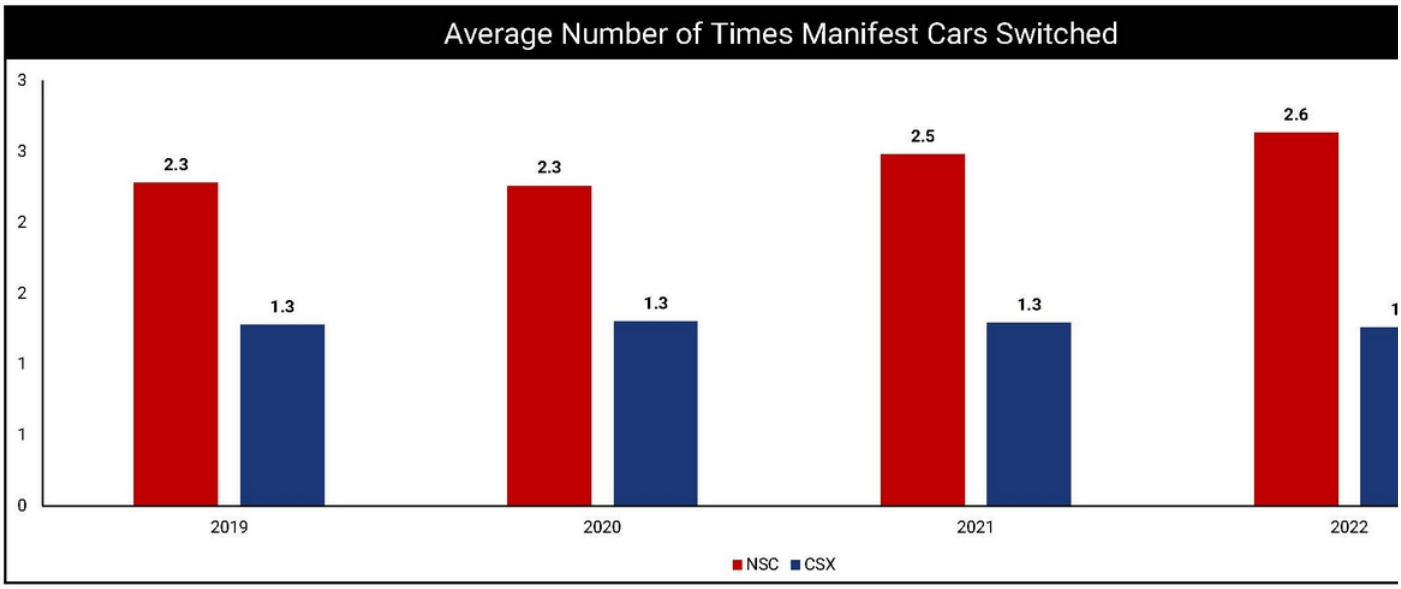


Dwell at Norfolk Southern has grown faster and volume at Norfolk Southern has fallen further than

Company filings. Dwell for NSC and CSX is system-wide.

Norfolk Southern Switches Rail Cars Too Often

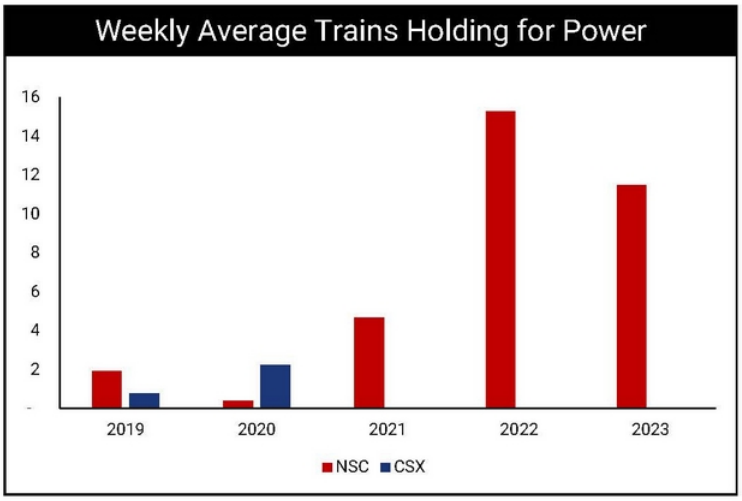
- Norfolk Southern switched manifest cars more than 2x as often as CSX in 2022, extending a gap evident in prior y
- Increased railcar switching requires a vast number of on-site workers, heavy use of yards, numerous on-time a yard throughput and on-time availability for both power (locomotives) and crews and can add as much as three d of the trip.
- Norfolk Southern's average number of switches has increased ~15% since 2019.

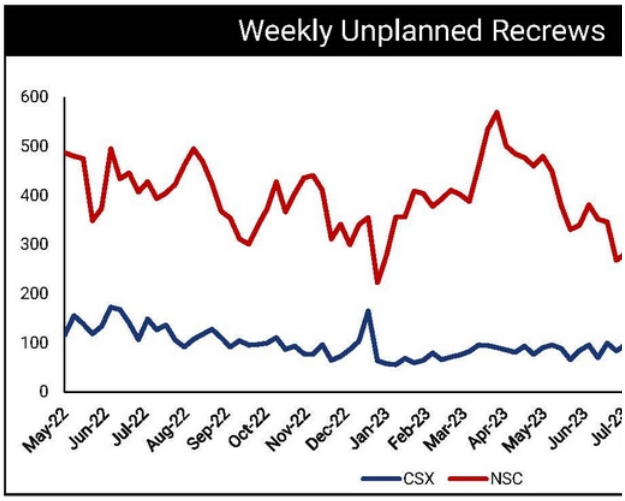


Company filings (R1 Annual Report).

Norfolk Southern Experiences More Delays and Recrews

- In 2023, Norfolk Southern had an average of 11.5 trains per week held/delayed due to lack of necessary loco crews, while CSX averaged fewer than one train per week.
- In 2019 and 2020, Norfolk Southern was roughly in line with CSX, but the gap has widened in the last three years.
- Since the Surface Transportation Board ("STB") began requiring disclosure of weekly unplanned recrews begin Norfolk Southern has averaged more than 4.3x the number of unplanned recrews relative to CSX, despite havin and engine service employees.





Surface Transportation Board and company filings. Data from May 13, 2022 through the week of December 22, 2023.

Case for Change: Safety Lapses

Lax Operating Culture and Lack of Discipline = Operational and Safety Deficie Devastating Results

- After the East Palestine accident, Norfolk Southern conducted a "vent and burn" of the derailed train cars' contents – an action that "lack[ed] sufficient scientific basis" – which sent a massive plume of toxic chemicals into the air, leading to long-term health and environmental concerns.[1]

- In a 2023 assessment of the Company's safety culture, the Federal Railroad Administration ("FRA") found areas where "**NS continues to operate in a manner that is reactive**..."

  - The FRA also said the Company had made **"inconsistent progress"** and "is still focused on compliance with minimal regulatory standards."

- What the Company has done to "make it right" in East Palestine is not enough; its failure to publicly address changes in its derailment response processes indicates that it is not prioritizing safety.[2]

- Since the East Palestine derailment, the Company has delivered a total shareholder return of (4.85)%.[3]

- In 2024 alone, the Company has already suffered four additional derailments.

> *"The implication is clear: **Norfolk Southern force unnecessary vent and burn of toxic chemicals t tracks and get their trains moving**. That greed t health of my constituents—because profits mat our safety."*

Congressman Chris Deluzio (D-PA) to WPXI, Mar. 6, 2024

> "FRA observes that **NS has not promptly or co responded to FRA's recommendations and si** from the 2022 NS System Audit. Specifically, F inconsistencies in NS' operational testing and program [...] But given the almost 12 months s discussed the 2022 NS System Audit findings clear that **NS does not place an urgent priority lessons learned from the audit and putting co in place."**

U.S. Department of Transportation
Federal Railroad Administration

FRA 2023 NS Safety Culture Assessment, Aug. 9, 2023 (empha

[1]Senator JD Vance press release (Mar. 6, 2024) and The Washington Post article (Mar. 6, 2024). [2] Norfolk Southern website. [3] Bloomberg, as of unaffected date of Jan. 31, 2024.

Leadership Botched Its Response to the East Palestine Derailment

Feb. 3, 2023

A Norfolk Southern train derails in East Palestine and ignites a fire, **threatening tank cars carrying hazardous materials.**

Feb. 6, 2023

A controlled vent and burn of the contents of **five derailed tank cars, all of which contained vinyl chloride**, is conducted.

Mar. 3, 2023

NBC NEWS

Norfolk Southern CEO a no-show at town hall meeting to discuss derailment

Mr. Shaw does not attend East Palestine town hall.

Mar. 7, 2023

The **NTSB opens a special investigation into safety practices at Norfolk Southern** because of five significant accidents since December 2021, including the East Palestine derailment.

May 25, 2023

Norfolk Southern hires Atkins Nuclear Secured ("ANS") to conduct a review of its safety culture. However, **ANS reports directly to Mr. Shaw as opposed to an independent subcommittee of the Board.**

Aug. 9, 2023

"[Norfolk Southern] **seems more concerned with compliance** with minimum safety requirements… **rather than understanding and seeking to address safety concerns…**"

- U.S. Dept. of Transportation's Federal Railroad Administration Safety Assessment

Feb. 5, 2024

"…**we incurred $1.1 billion of expenses** [as a result of the East Palestine derailment]."

- NSC 10-K for FY 2023

Mar. 6, 202

NTSB Chair "that …contr employed b Norfolk Sou railway com **'lacked the background decide that and-burn wa necessary**…

- The Washing

The Board and management's flawed response is costly: Norfolk Southern has reserved $1.1 billion in cha a result of the 2023 derailment in East Palestine.

Photo: Associated Press/Gene J. Puskar, East Palestine. NBC News article (Mar. 3, 2023). Washington Post article (Mar. 6, 2024). Pittsburgh-Post Gazette (Mar. 27, 2024).

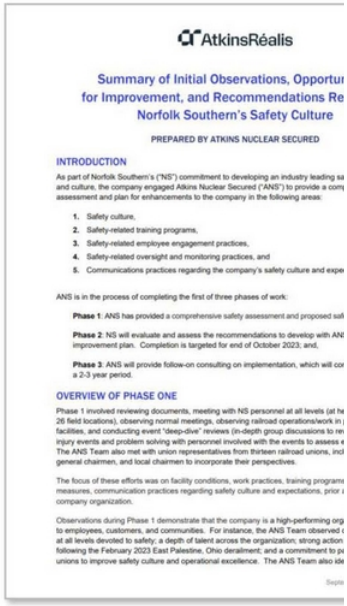
Norfolk Southern's Commissioned Safety Assessment Underscores the Deep Problems

In its report, external safety consultant Atkins Nuclear Secured made <u>18 different recommendations</u> for way Norfolk Southern's safety procedures should be improved.

> *"An improved process is needed to consistently accomplish fact-finding and causal analysis for events to achieve alignment of facts, issues, causes, and corrective actions."*

> ***"Increase ownership of safety at all levels.** [...] NS should develop and implement an effective performance management/incentive program, covering all levels, to appropriately emphasize expectations concerning safety and teaming across operational departments, in addition to production/performance objectives."*

> ***"Update metrics to balance focus on appropriate operational, maintenance, and safety objectives.** ANS recommends that NS consider expanding its operational and accident and injury performance metrics to drive safety culture, safety performance, and operational excellence objectives."*



AtkinsRéalis

Summary of Initial Observations, Opportu
for Improvement, and Recommendations Re
Norfolk Southern's Safety Culture

PREPARED BY ATKINS NUCLEAR SECURED

INTRODUCTION

As part of Norfolk Southern's ("NS") commitment to developing an industry leading sa
and culture, the company engaged Atkins Nuclear Secured ("ANS") to provide a com
assessment and plan for enhancements to the company in the following areas:

1. Safety culture,
2. Safety-related training programs,
3. Safety-related employee engagement practices,
4. Safety-related oversight and monitoring practices, and
5. Communications practices regarding the company's safety culture and expe

ANS is in the process of completing the first of three phases of work:

Phase 1: ANS has provided a comprehensive safety assessment and proposed saf

Phase 2: NS will evaluate and assess the recommendations to develop with AN
improvement plan. Completion is targeted for end of October 2023; and,

Phase 3: ANS will provide follow-on consulting on implementation, which will co
a 2-3 year period.

OVERVIEW OF PHASE ONE

Phase 1 involved reviewing documents, meeting with NS personnel at all levels (at he
26 field locations), observing normal meetings, observing railroad operations/work in
facilities, and conducting event "deep-dive" reviews (in-depth group discussions to re
injury events and problem solving with personnel involved with the events to assess
The ANS Team also met with union representatives from thirteen railroad unions, inc
general chairmen, and local chairmen to incorporate their perspectives.

The focus of these efforts was on facility conditions, work practices, training program
measures, communication practices regarding safety culture and expectations, prior
company organization.

Observations during Phase 1 demonstrate that the company is a high-performing org
to employees, customers, and communities. For instance, the ANS Team observed
at all levels devoted to safety; a depth of talent across the organization; strong action
following the February 2023 East Palestine, Ohio derailment; and a commitment to p
unions to improve safety culture and operational excellence. The ANS Team also ide

Norfolk Southern responded to the assessment in the same manner it has responded to all safety iss insufficient action and spin to portray the Company as "an industry leader in rail safety."

ANS Phase One Report – Executive Summary (Sep. 2023). Mr. Shaw's letter to employees (Sep. 14, 2023).

The East Palestine Derailment's Impact Is Ongoing

In addition to financial damage, the Company's insufficient response to the derailment has caused innumer and reputational damage.

CNN

A year after a toxic train derailment, cleanup continues and trauma lingers in a divided community

AP

"Many residents of East Palestine are eager to move forward once the cleanup of the derailment wraps up… but some are **still experiencing respiratory problems, rashes and other health concerns.**"

THE WALL STREET

Dead Fish, Contaminan the Ohio Train Derailm Southern in Spotlight

Newsweek

Could Toxic Chemicals Reach 100 Mile Radius of East Palestine?

"You are **still living with the consequences of that burn**, and everyone involved in this failure **needs to be held accountable**. And frankly, it's a reminder that **Norfolk Southern can't be trusted.**"

Ohio Senator Sherrod Brown (D-OH)

CNN

People in East Palestine wer were clear of toxins last yea have been the case

CNN article (Feb. 3, 2024); Associated Press article (Mar. 6, 2024); The Wall Street Journal article (Feb. 14, 2023); Newsweek article (Feb. 15, 2023); Senator Sherrod Brown press release (Mar. 11, 2024); CNN article (M

The East Palestine Derailment's Impact Is Ongoing (Cont.)

A plume of dark smoke rises over East Palestine following a controlled detonation of chemicals that were inside the derailed train.[1]

A clean-up crew places booms in a stream to prevent the spread of chemicals.[2]

The Ohio National Guard prepares to as
public facilities for any hazards after th

An air quality monitor on a tree near the site of the train derailment.[4]

Shimmering chemical contamination in a creek near the site of the train derailment.[5]

A closed sign on the door of Mama's At
derailment.[6]

[1] Associated Press/Gene J. Puskar, East Palestine; [2] Associated Press/Gene J. Puskar, East Palestine; [3] Ohio National Guard; [4] Bloomberg/Getty Images/Nate Smallwood, East Palestine; [5] Senator JD Vance; [6] The Enqu

Norfolk Southern's Post-Derailment Chemical Burn Was "Not Necessary"

Mar. 6, 2024 U.S. Senate Committee on Commerce, Science and Transportation Hearing[1]

Senator JD Vance: "…Norfolk Southern's contractors' recommendation to conduct a controlled burn ***lacked sufficient scientific basis, disregarded available temperature data, and contradicted expert feedback*** *from the shipping firm on site.*

Now, this was all told to the decision makers on the ground, that they had to ***make a decision in less than 13 minutes to blow up all five of these toxic chemical cars without any other voices being included to offer a contrary opinion****. Is that right?"*

Chair Jennifer Homendy: "That's correct."

…

*Senator JD Vance: "****This town very well may have been poisoned to facilitate the rapid movement of freight,*** *or at the very least it was poisoned for reasons that we can't identify."*

- Post derailment, Norfolk Southern decided to conduc the contents of five derailed tank cars, all of whi chloride.
- After a 13-month investigation, NTSB Chair Jennifer in front of the U.S. Senate that **the vent and burn was**
- Chair Homendy told the U.S. Senate that "[the temper derailed cars] was stabilized well before the vent and before."[2]
- **Norfolk Southern responded by disagreeing with C the NTSB**: the railroad told media that "the successfu prevented a potentially catastrophic uncontrolled exp

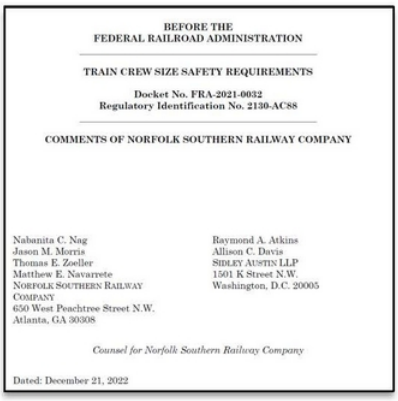
NTSB Chair Jennifer Homendy.[4]

Source: [1,2] U.S. Senate Committee on Commerce, Science and Transportation hearing transcript (Mar. 6, 2024). [3] The Washington Post article (Mar. 6, 2024). [4] Getty Images.

Norfolk Southern Has Vehemently Opposed the "Two-Person Crew" Mandate

Despite repeatedly touting an emphasis on safety, Norfolk Sothern was adamantly opposed to a mandate pr FRA to standardize two-man crews in an effort to enhance safety in the railroad industry.

- Only 60 of 13,000 comments submitted to the FRA were against the mandate, which was initially proposed in July 2022.
- Norfolk Southern was among the **less than 1%** of commenters that were opposed to the rule.
- In its comment letter to the FRA, Norfolk Southern's main concerns were the impact the mandate would have on technology and innovation as well as potential costs that would be incurred if two-man crews were required.



BEFORE THE
FEDERAL RAILROAD ADMINISTRATION

TRAIN CREW SIZE SAFETY REQUIREMENTS

Docket No. FRA-2021-0032
Regulatory Identification No. 2130-AC88

COMMENTS OF NORFOLK SOUTHERN RAILWAY COMPANY

Nabanita C. Nag
Jason M. Morris
Thomas E. Zoeller
Matthew E. Navarrete
NORFOLK SOUTHERN RAILWAY COMPANY
650 West Peachtree Street N.W.
Atlanta, GA 30308

Raymond A. Atkins
Allison C. Davis
SIDLEY AUSTIN LLP
1501 K Street N.W.
Washington, D.C. 20005

Counsel for Norfolk Southern Railway Company

Dated: December 21, 2022

- Following the March 2 derailment in Per nominees penned a white paper focused on sa
- In the white paper, our nominees specifically are committed to Norfolk Southern ensuring **crew** on mainline trains as a measure to enhar
- On April 2, the Department of Transportatio announced they would impose the tw mandate.

THE WALL STREET JOURNAL.

U.S. to Impose Two-Person Crew Mandate on Freight Trains

Railroads have sought flexibility to operate with one crew member on board

Norfolk Southern E
State Serious and
About Recent Unpu
Southern Locomoti

March 7, 2024
Cleveland, Ohio

Norfolk Southern comment letter on FRA Train Crew Safety Requirements (Dec. 21, 2022); The Wall Street Journal article (Apr. 2, 2024).

Reporting Confirms That Poor Safety Has Destroyed Public Confidence in Exi Leadership

NBC NEWS

Norfolk Southern CEO a no-show at town hall meeting to discuss derailment

CNN

'Your company stinks': Resident confronts Norfolk Southern CEO

AXIOS

Norfolk Southern bl misinformation for i response

Associated Press

Safety concerns dominate Norfolk Southern railroad CEO's job since Ohio derailment

CNN BUSINESS

Norfolk Southern CEO defends railroad's response to Ohio derailment

The New York

'Evacuate Us!' Fear and Anxi Residents Confront Train Co Derailment

OH★ The Ohio Star

East Palestine Residents Furious as Norfolk Southern CEO Fails to Show Up at Community Town Hall Again

THE HILL

Norfolk Southern CEO declines to commit to pay long-term health costs after train derailment

NBC N

Ohio residents face hurdles and c claim money promised after the t

Source: NBC News article (Mar. 3, 2023) CNN article (Feb. 23, 2023); Axios article (Feb. 23, 2023); Associated Press article (June 29, 2023); CNN Business article (Feb. 21, 2023); The New York Times article (Mar. 2, 202 2023); The Hill article (Mar. 9, 2023); NBC News article (Mar. 31, 2023).

Norfolk Southern's Safety Lapses Continue: Four Significant Accidents Occur Approximately Two Months

Jan. 31, 2024

A Norfolk Southern train derails in Decatur, Alabama, **fatally injuring a railroad engineer.**

Trains

NTSB investigating Norfolk Southern employee fatality in Alabama (updated)

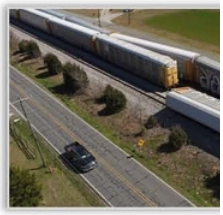
Feb. 7, 2024

9 train cars derailed at Norfolk's Lamberts Point terminal, Norfolk Southern says

Nine train cars derail in Norfolk, Virginia.

Mar. 2, 2024

A derailment involving three Norfolk Southern trains in eastern Pennsylvania spills **diesel fuel and plastic pellets along the Lehigh River.**



April 6, 2

A Norfolk Souther reportedly derails Salem, North Car

In 2024, Norfolk Southern has had derailments in ~14% of the U.S. states in which it operates. Last month Pennsylvania caused approximately $2.5 million in damages to equipment and track.

Source: Trains.com article (Feb. 1, 2024); ABC 13 News Now article (Feb. 7, 2024); NTSB data, Winston-Salem Journal article (Apr. 6, 2024).

Lehigh Valley River Derailment Shows "Safety Overhaul" Has Not Been Effect

We believe last month's Lehigh Valley accident was preventable and represents an indictment of Norfolk S operations, management and culture. Following the initial collision on the eastbound track, Norfolk Sou westbound train to proceed into the initial collision's debris field, resulting in a second collision.

March 2023

NORFOLK SOUTHERN

Norfolk Southern announces six-point safety plan

06 Mar, 2023, 07:00 ET

ATLANTA, March 6, 2023 /PRNewswire/ -- Norfolk Southern Corporation (NYSE: NSC) announced Monday a six-point plan to immediately enhance the safety of its operations. The initiatives are based on the preliminary findings of the National Transportation Safety Board (NTSB) following the East Palestine, Ohio, derailment.

"Reading the NTSB report makes it clear that meaningful safety improvements require a comprehensive industry effort that brings together railcar and tank car manufacturers, railcar owners and lessors, and the railroad companies," said Norfolk Southern President and CEO Alan H. Shaw. "We are eager to help drive that effort and we are not waiting to take action."

March 2024

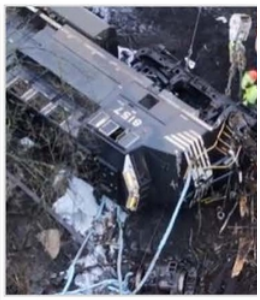
NTSB | National Transportation Safety Board

Investigations | Safety Research | News & Events | Advocacy | Family Assistance | About Us

Norfolk Southern Train Collisions and Derailment

On March 2, 2024, about 7:11 a.m. local time, eastbound Norfolk Southern Railway (NS) intermodal train 268H429 collided with stopped NS intermodal train 24XH101 on the same track and derailed railcars that were subsequently struck by westbound NS mixed freight train 19GH501 on the Allentown Road Subdivision near Easton, Pennsylvania.[1] As a result of the first collision, train 268H429 derailed three railcars that fouled the adjacent main track 1. Less than a minute later, a second collision occurred when train 19GH501 struck the derailed equipment while traveling westbound on main track 1.[2] As a result of the second collision, train 19GH501 derailed six railcars and two locomotives. Three of these derailed railcars were placarded as hazardous materials tank cars: one containing ethanol residue and two containing butane residue.[3] The tank cars did not breach or release hazardous materials. The two derailed locomotives partially submerged in the Lehigh River and discharged locomotive diesel fuel into the water. Seven crewmembers were transported to a local hospital, treated for minor injuries, and released. NS estimated damages to equipment and track to be about $2.5 million. At the time of the collisions, visibility conditions were daylight and overcast; the weather was 35°F with light rain.

Shortly before the collisions, train 24XH101 had stopped on main track 2 because of train traffic. Train 268H429, approaching from the west, proceeded through a signal that required it to operate at restricted speed.[6] Train 268H429 was traveling about 13 mph at the time of the first collision. Westbound train 19GH501 was not required to operate at restricted speed and was traveling about 22 mph at the time of the second collision, below the maximum authorized speed.



Norfolk Southern press release (Mar. 6, 2023). Photos from WFMZ local broadcast.

Elected Officials Have Lost Confidence in Existing Leadership

President Biden @POTUS

One year ago, a Norfolk Southern train carrying hazardous chemicals derailed in East Palestine, Ohio, threatening the safety of countless families.

Since then, my Administration has mobilized a whole-of-government response to make this community whole again.

And we'll continue doing everything we can to hold Norfolk Southern accountable for their mess.

Bob Casey Jr. @Bob_Casey

It's been one year since a hazardous train derailment devastated East Palestine and Darlington Township.

We need to hold big rail corporations accountable to ensure they never prioritize profits over safety and prevent another disaster.

Senator John Fetterman @SenFettermanPA · Feb 3

Let's be clear: This derailment wasn't bad luck.

It was the result of Norfolk Southern repeatedly putting their profits over the health and safety of the communities that their trains pass through.

9 12 81 1.1K

THE HILL

Senators express frustration with Norfolk Southern CEO's noncommi answers during tense hearing

Sherrod Brown @SenSherrodBrown

According to investigators, Norfolk Southern's controlled toxi made an already bad situation much worse.

Norfolk Southern keeps showing they cannot be trusted. The make this community whole.

From wkbn.com

President Joseph Biden's X post (Feb. 3, 2024); Senator Bob Casey's X post (Feb. 3, 2024); Senator John Fetterman's X post (Feb. 3, 2024) The Hill article (Mar. 9, 2023); Senator Sherrod Brown's X post (Mar. 9, 2024).

Following Major Failures, Strong Boards Demand Accountability

The New York Times

BP Moves Chief Executive to Lesser Role in Spill Response

AXIOS

Boeing CEO Dave Calhoun to step down in wake of safety issues

np

Wells Fargo CEO John
Amid Scandal

THE WALL STREET JOURNAL

3M Names New CEO Amid PFAS Battles, Health Spinoff

REUTERS

CEO of Canada's Suncor Energy steps down after latest site fatality

The New York Times article (Jun. 18, 2010); Axios article (Mar. 25, 2024); NPR article (Oct. 12, 2016); The Wall Street Journal article (Mar. 12, 2024) (photo: Bloomberg News/Christopher Goodney); Reuters article (Jul.

Case for Change: Poor Governance

Why We Were Unable to Reach a Private Resolution With Norfolk Southern

While we attempted to engage in good faith with the Board about Norfolk Southern's future, the Company re private jet to Washington, D.C. to pursue the support of regulators, requested public support from custom planned fight against us and refused to meet our proposed management team.

Feb. 2023

- A train operated by Norfolk Southern derails in East Palestine, OH.
  - Feb. 3, 2023

Nov. 2023

- We privately submit nomination notice to Norfolk Southern.
  - Nov. 28, 2023

Dec. 2023

- We meet with Board members to discuss Norfolk Southern's strategy and recent performance. **Mr. Shaw insists on joining the meeting**.
  - Dec. 14, 2023

Jan. 2024

- We meet with Board members and express our belief that, following previous discussions, Board and leadership change is needed at Norfolk Southern.
  - Jan. 21, 2024
- We meet with Mr. Shaw and Norfolk Southern's management team to discuss Norfolk Southern's recent operational performance and future plans, specifically the implementation strategy with respect to PSR.
  - Jan. 4, 2024
- **The Company's private jet starts making trips to Washington, D.C.** From Jan. 23 to Mar. 2, **the Company makes nine separate trips to the capital.**[1]
  - Jan. 23, 2024

Feb. 2024

- Our director nominees are interviewed by Norfolk Southern directors. **Mr. Shaw insists on participating in the nominee interviews.**
  - Feb. 4-5, 2024
- We send Ms. Miles a letter about how Norfolk Southern's management team contacted *"regulators and customers to encourage them to publicly support [Mr. Shaw] in a proxy fight, warning them that our nominees would cause the company to have a worse relationship with them."*
  - Feb. 14, 2024
- To avoid a proxy contest, **we propose a settlement** to Chair Amy Miles and director Claude Mongeau, which states that certain Ancora nominees would join the Board and constitute a **minority** of the total directors, and that the Board would commit to replace Mr. Shaw as CEO.
  - Feb. 9, 2024

Ancora's proxy statement. [1] Flight records obtained by Ancora.

The Board Chose the Wrong CEO and Is Not Willing to Adequately Consider A

The Board has failed shareholders in effectively overseeing management, holding them accountable and kn time for a change.

The Board's unwavering loyalty to Mr. Shaw means that shareholders' only path to change Norfolk South requires replacing a majority of the Board.

Norfolk Southern press release (Feb. 26, 2024).

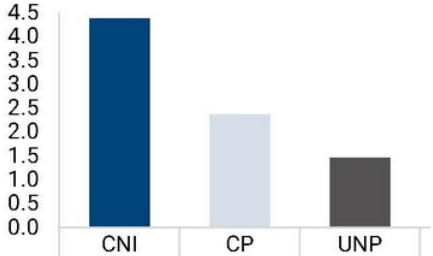
The Board's Appointment and Supervision of Mr. Shaw Demonstrates Poor Ju

- Given an opportunity to refine Norfolk Southern's strategy under the leadership of a new CEO, the Board instead concluded its search process by appointing a 30-year Company insider who lacks operational expertise and a strong performance record.
- Mr. Shaw has repeatedly deemphasized productivity improvements and, ultimately, profitability to the detriment of shareholders.
- Mr. Shaw's TOP|SPG approach is not supported by a growth-oriented track record given that Mr. Shaw was not able to execute on growth as CMO.
- Norfolk Southern had a highly detailed plan intended to implement PSR with its TOP-21 operating philosophy. The plan was beginning to take shape in 2020, 2021 and part of 2022 with demonstrable results until Mr. Shaw reversed key elements of the plan.
- Mr. Shaw was paid more than $10.4 million in 2022 for Norfolk Southern's subpar results; the CEO of CSX was paid $9.3 million for better results.[1] **Excess compensation for inferior performance has created an incentive for management that is backwards.**

CNN BUSINESS

Norfolk Southern CEO more than do
last year after getting promoted

Mr. Shaw Is One of the Top-Paid Railroad CEOs
Overseeing the Worst Operating Ratio Among Class



	CNI	CP	UNP
2022 CEO Compensation Efficiency	4.4	2.4	1.5
2022 Actually Paid CEO Compensation (US $M)	$9.64	$11.16	$5.55
Operating Ratio	59.3%	61.8%	60.9%

Based on a mistaken assumption that more assets would improve customer service, Mr. Shaw has pu doomed and wildly expensive strategy that caters to low margin intermodal business at the expense of p service to higher profit merchandise customers.

[1] Norfolk Southern's 2023 proxy statement; CSX's 2023 proxy statement. Chart source: Company and peer filings. CNN article (Feb. 26, 2024).

The Board Rewarded Mr. Shaw With $13.4 Million After East Palestine

Norfolk Southern derailment in East Palestine, OH.

Norfolk Southern CEO Alan Shaw

$13.4 million

Mr. Shaw's total compensation grew to $13.4 million in 2023, **elevating his comp more than 100x that of the median employee**.

+37% increase

The Board rewarded Mr. Shaw with a **37% increase for a year in which the Comp customers, employees, shareholders and community partners all suffered**.

>$10 million

This figure includes **more than $10 million in stock and option awards**, which we Mr. Shaw **even though he missed all six annual incentive targets** pertaining to fi performance, customer service and safety.

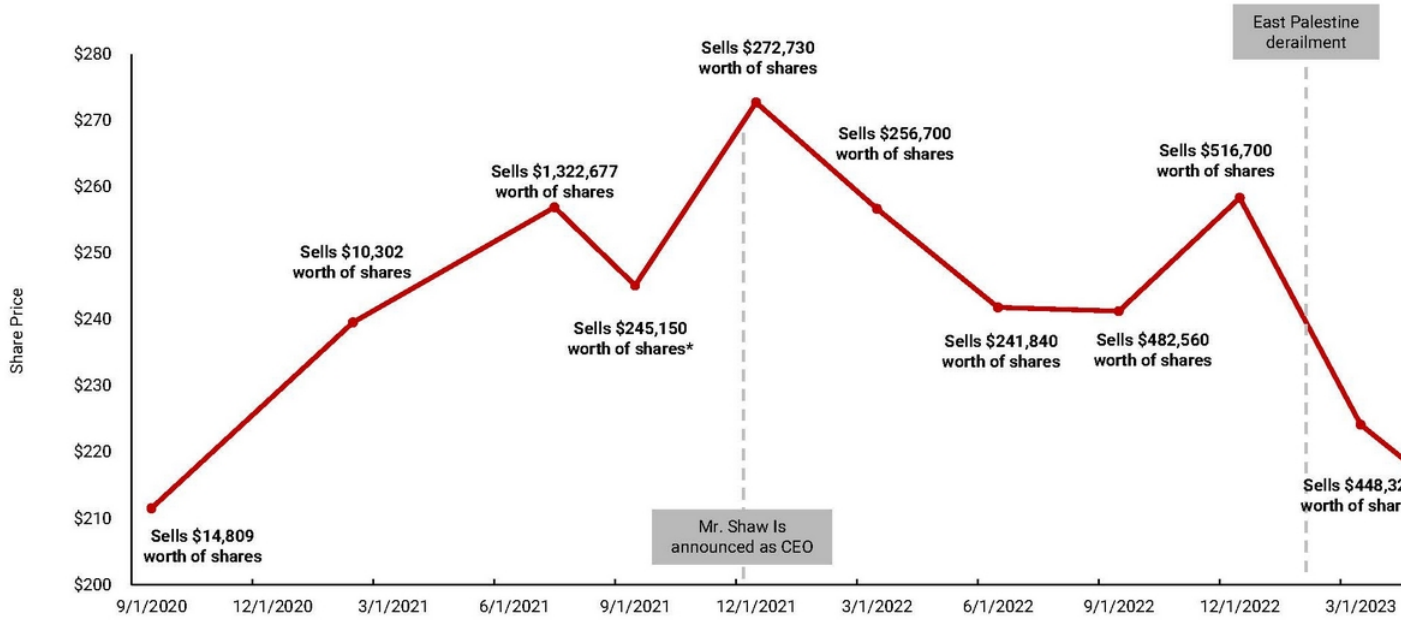
+40.3 percentage points

Mr. Shaw appears to be a major beneficiary of the "**East Palestine Adjustment**" t **Performance Stock Unit payout percentages from 56% to 96.3% of target**.

Norfolk Southern's 2024 proxy statement. Photos: Getty Images/Anna Moneymaker and Associated Press/Gene J. Puskar.

Mr. Shaw Has Sold More Shares on the Open Market Than Anyone at Norfolk

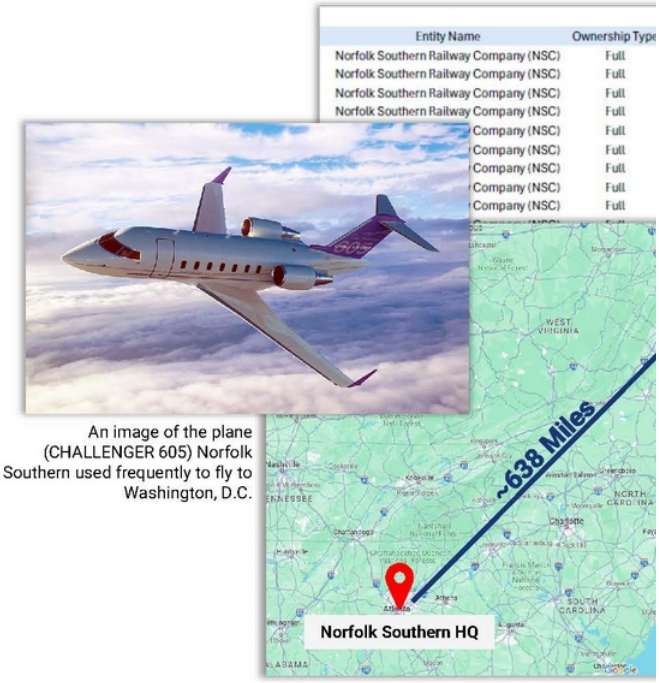
From Sept. 2020 through 2023, Mr. Shaw made 11 separate open market sales – more than any of his fello executives. Mr. Shaw made zero open market purchases during this period.



Company filings. *Sept. 15, 2021 marks the first sale under Mr. Shaw's 10b5-1 plan.

The Board Is More Focused on Protecting Its Image Than Improving Safety C

- From Jan. 23 to Mar. 2, 2024, the Company's private jet made **nine separate trips to the nation's capital**.[1]
- In the first half of 2023, the Company reported spending approximately **$189,000** on political contributions.
- Norfolk Southern spent $2.3 million on lobbying expenses in 2023, **up 28%** from $1.8 million in 2022, according to OpenSecrets.
- In contrast, Mr. Shaw declined to attend Pennsylvania state senate hearings and town halls with residents of East Palestine following the 2023 derailment.



An image of the plane (CHALLENGER 605) Norfolk Southern used frequently to fly to Washington, D.C.

Norfolk Southern has hired mouthpieces to talk around its deep-seated safety issues instead of actually

[1]Flight records obtained by Ancora.

The Board Has Had Three COOs in Four Years

Norfolk Southern's Chief Operating Officers

Michael Wheeler
Feb. 2016 – Oct. 2020

Cindy Sanborn
Sep. 2020 – Dec. 2022

Paul Duncan
Jan. 2023 – Mar. 2024

John Orr
Mar. 2024 – Pre

Norfolk Southern's Vice President, Transportation (or Equivalent)

Directly Reports to COO

Patrick Whitehead
Mar. 2020 – Feb. 2021

Hunt Cary
Feb. 2021 – Apr. 2022

Floyd Hudson
Apr. 2022 – Apr. 2023

Joe Gioe
Apr. 2023 – Pre

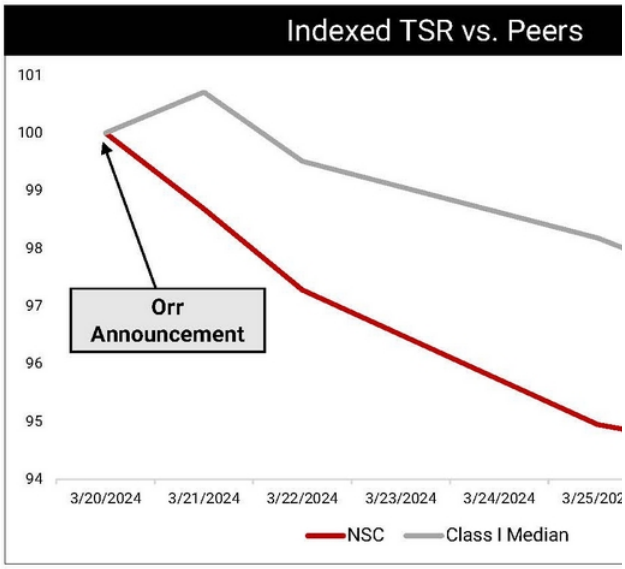
The Board does not appear to have addressed excessive turnover in key operational roles. We believe s are concerned that instability in key roles, particularly operations, hampers performance.

Company press releases.

The Board's Decision to Hire a New COO Amidst a Contested Election Was a L Maneuver and Should Not Distract Shareholders from Significant Issues

On March 20th, Norfolk Southern announced it paid a $25 million fee and made concessions with regard to the railroad's long-term franchise to hire John Orr, previously Chief Transformation Officer of CPKC.

- Mr. Orr is the third individual to hold the COO role in just two years under Mr. Shaw's tenure – previous COO Paul Duncan was in the role for just 14 months.
- Notably, the Board rejected the opportunity to speak with Mr. Boychuk, our proposed COO, who oversaw best-in-class operating metrics and network efficiencies at CSX.
- Norfolk Southern's share price was **down approximately 4.8%** in the week after Mr. Orr's appointment – which we believe is attributable to:
  - The Company's uninspiring operating ratio outlook.
  - Investors' low confidence about Mr. Orr's ability to execute on those targets.
  - Mr. Orr's inexperience as a railroad COO.
  - The governance failures associated with the hiring of Mr. Orr.



This costly and defensive step was taken amidst an election contest, absent a comprehensive search a process and without providing shareholders any say in the decision.

Stock price data from Yahoo! Finance.

The Board and Mr. Shaw Overlooked Mr. Orr's Questionable Professional Rec

Mr. Orr's experience and credentials as a "PSR COO" are unproven and his track record at previo questionable at best.

John Orr

- In hiring Mr. Orr, Norfolk Southern has installed an individual with:
  - **Very limited experience as an operations chief.**
  - **No oversight role in any network-wide PSR implementation.**
  - **No background at an Eastern U.S. Class I railroad.**
- Mr. Orr's resume does not inspire confidence:
  - *Feb. 2019:* Departed Canadian National Railway after roughly six months as SVP and Ch Officer – a role that was discontinued upon his departure.
  - *Feb. 2019 to Mar. 2021:* Did not work at a U.S. railroad.
  - *Apr. 2021:* Appointed EVP of Operations at Kansas City Southern after it had already ann with Canadian Pacific on Mar. 17, 2023.
  - *Apr. 2023 to Mar. 2024:* Acted as EVP and Chief Transformation Officer of the combinec Kansas City – a role that was discontinued upon his departure.

Public records.

Our Nominee Sameh Fahmy Was the True Implementer of PSR at KCS – Not I

Our director candidate, Mr. Fahmy, was appointed EVP of PSR at Kansas City Southern on Feb. 7, 2019, mo prior to Mr. Orr's recruitment to KCS from his position as Chief of Wagon Production at Helrom GmbH.

Sameh Fahmy

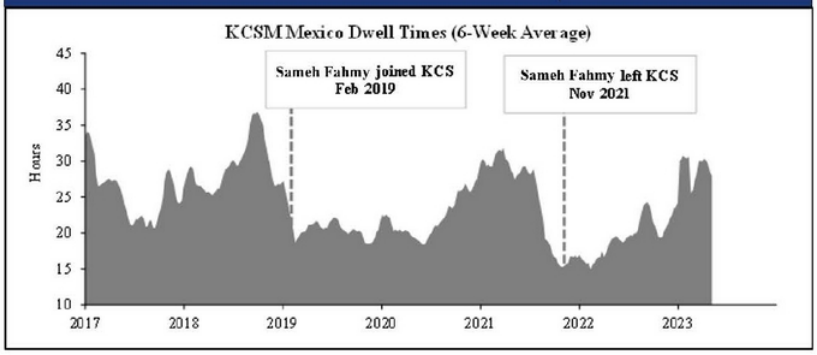
- As EVP for PSR, Mr. Fahmy created value for KCS shareholders by:
  - ✓ Reducing operating ratio 3.6 percentage points from 64.3% (FY 2018) to 60.7% (FY 2020)
  - ✓ Shrinking the active locomotive fleet more than 20% from 1,085 (Oct 2018) to 858 (Sept 2021)
  - ✓ Dropping KCS' cars on-line more than 20% from ~46K (4Q 2018) to ~35K (Oct 2021)
  - ✓ Improving fuel efficiency 9% from 1.37 diesel gallons / gross ton mile in 3Q18 to 1.25 in 3Q21
  - ✓ Increasing train velocity 37% from Q4 2018 to Q3 2021
  - ✓ Reducing freight car dwell time by 18% from Q4 2018 to Q3 2021
  - ✓ Generating $150M in annualized savings (with line of sight to additional savings and efficiencies)

[1]Norfolk Southern press release (April 2, 2024). AAR and KCS company reports. Note: Mexico dwell is an average of Monterrey, Nuevo Laredo, San Luis Potosi and Sanchez facilities.

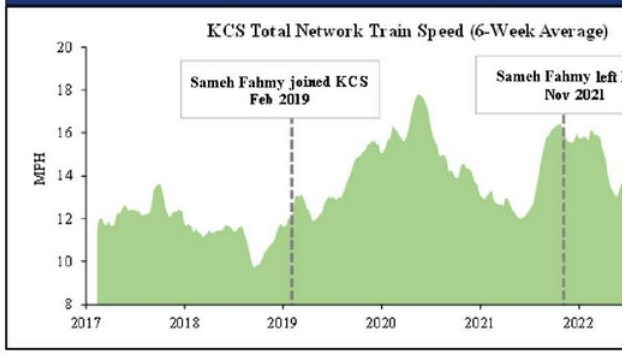
Our Nominee Sameh Fahmy Was the True Implementer of PSR at KCS – Not I (Cont.)

- As a result of his accomplishments, **KCS' share price increased 174%** from $103.37 (on February 7, 2019, the day Mr. Fa $283.46 (on October 12, 2021, when he announced his departure).
- By the time that Mr. Orr was appointed EVP of Operations at Kansas City Southern in 2021, Mr. Fahmy had alread implementing KCS' multi-year network transformation.
- Norfolk Southern's April 2, 2024, statement to shareholders that "John [Orr] shaped and guided PSR initiatives at misleading interpretation of the facts.[1] For example, KCS' operating ratio worsened by 2.2 percentage points during Orr's 60.7 (FY 2020) to 62.9 (Q3 '23).

Lower Dwell Time Hours Indicate Improvement



Higher MPH Indicates Improvement



[1]Norfolk Southern press release (April 2, 2024). AAR and KCS company reports. Note: Mexico dwell is an average of Monterrey, Nuevo Laredo, San Luis Potosi and Sanchez facilities.

Our Nominee Sameh Fahmy Was the True Implementer of PSR at KCS – Not I (Cont.)

KANSAS CITY SOUTHERN

Kansas City Southern Announces EVP Precision Scheduled Railroading Sameh Fahmy Will Leave the Company

"During his tenure at KCS, which began in January 2019, Mr. Fahmy led the Company through its transformational implementation c Precision Scheduled Railroading (PSR). Under his leadership, the KCS team produced strong and sustainable results including:

- Measurable improvement to operating performance, including a 37% increase in train velocity and an 18% reduction in freight ca
- PSR initiatives driving double-digit reductions in equipment and improvement to other productivity measures, resulting in signific operating ratio improvement and $150M annualized savings;
- Line of sight to additional savings and operational efficiencies; and,
- A stronger and more resilient network that better supports KCS' customers and positions the Company for future growth"

- Kansas City Southern Press
Oct. 1

"[I]f I'm really honest about things, I would say, Pat Ottensmeyer deserves the credit.
"[Y]ou could say anything, but I would give the credit to Mr. Ottensmeyer for picking the right person at the right time and having the management foresight to allow somebody with experience to lead in the way he thought it was the right way to do it."

John Orr, COO, Norfolk Southern (Apr. 10, 2024)

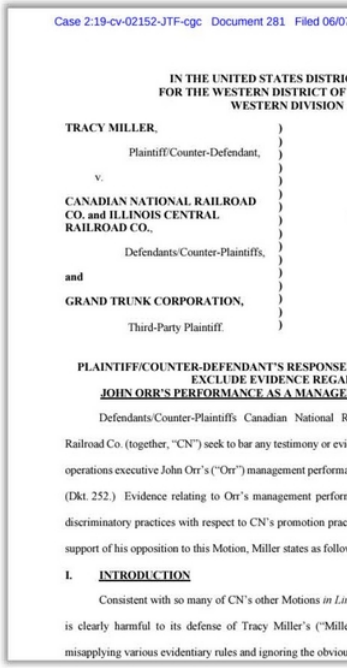
"I want to extend my recognition to Sameh for the contributions that he has made since joining KCS in 2019. Sameh's focus, energy and passion for outstanding performance played a key role in KCS' success, and he is leaving behind a strong and capable cross-functional team that he helped to recruit, develop and mentor."

Patrick J. Ottensmeyer, Former CEO,
Kansas City Southern (Oct. 13, 2021)

The Board and Mr. Shaw Demonstrated Diligence Failures and Poor Judgmen
Appointing John Orr as COO

Mr. Orr has been accused of abusive behavior and serious misconduct in the workplace, according to legal f Ancora and interviews Ancora conducted with executives in the industry.

- During his tenure at Canadian National, legal filings in the public domain show that Mr. Orr was accused of abusive behavior and serious misconduct.
- Mr. Orr denied these claims, but a Canadian Arbitration Board opinion found that **allegations of verbal abuse by Mr. Orr made by an employee were credible.**
  - *"Mr. Orr repeatedly threatened [REDACTED]'s job. He called her a 'f***ing wuss' 'stupid b*tch' and 'f***ing idiot.' He said to [REDACTED] in front of [REDACTED] 'Do you always need someone to hold your hand — can't you do your f***ing job?' and similar comments which belittled her or threatened her job."*
- Another complaint filed against Canadian National and Illinois Central Railroad was made by an African American employee, who held a management position and reported directly to Mr. Orr. The employee alleged **racial discrimination against the company**, claiming that he was continually passed over for promotions in favor of Caucasian employees.
- Legal filings in the action allege, *"Orr's significant management flaws, including the malicious abuse of his subordinates."*
  - The executive also recounted that in her opinion, *"Orr's conduct was so bad that CN had to hire (for years and at a substantial expense) executive 'coaches' to counsel Orr on how to behave professionally in the workplace."*
  - The executive was also willing to testify *"that he had conversations with Orr about CN's decision to transfer [the executive] to Memphis because he was Black."*
- Ancora brought these concerns to the Board's attention by private letter **prior to** the March 2024 announcement of the decision to hire Mr. Orr; the Board was fully informed when it chose to go forward with hiring an unqualified executive.


Case 2:19-cv-02152-JTF-cgc Document 281 Filed 06/0

IN THE UNITED STATES DISTRI
FOR THE WESTERN DISTRICT OF
WESTERN DIVISION

TRACY MILLER,
Plaintiff/Counter-Defendant,
v.
CANADIAN NATIONAL RAILROAD CO. and ILLINOIS CENTRAL RAILROAD CO.,
Defendants/Counter-Plaintiffs,
and
GRAND TRUNK CORPORATION,
Third-Party Plaintiff.

PLAINTIFF/COUNTER-DEFENDANT'S RESPONSE
EXCLUDE EVIDENCE REGA
JOHN ORR'S PERFORMANCE AS A MANAGE

Defendants/Counter-Plaintiffs Canadian National R Railroad Co. (together, "CN") seek to bar any testimony or evi operations executive John Orr's ("Orr") management perform (Dkt. 252.) Evidence relating to Orr's management perfor discriminatory practices with respect to CN's promotion prac support of his opposition to this Motion, Miller states as follo

I. INTRODUCTION

Consistent with so many of CN's other Motions *in Li* is clearly harmful to its defense of Tracy Miller's ("Mill misapplying various evidentiary rules and ignoring the obviou

Drew v. Canadian National Railway Co. and Miller v. Canadian National Railway Co.

The Board's Defensive COO Hire Comes at a Significant Cost

Despite his lack of experience leading operations for an Eastern U.S. Class I railroad, Mr. Orr did not come a

- In addition to paying CPKC $25 million, the Board also offered Mr. Orr a generous pay package, which includes:
  - $750,000 base salary.
  - $825,000 cash hiring bonus.
  - $2.7 million target value for an equity grant under the Company's Long-Term Incentive Plan for 2024.
  - $6 million long-term equity grant comprised of RSUs.
- It is confounding that the Board would be willing to pay such a high price for Mr. Orr – who we believe is a less qualified COO candidate – when it refused to even engage with our proposed COO, a candidate who produced best-in-class operating metrics and network efficiencies at CSX.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Offi Certain Officers.

On March 18, 2024, Board of Directors Norfolk Southern Corporation (the "Company") appointed John Orr as I Operating Officer, effective March 20, 2024.

Mr. Orr, age 60, most recently served as Executive Vice President and Chief Transformation Officer of Canadian April 2023. Previously, Mr. Orr served as Executive Vice President Operations for Kansas City Southern, overse Mechanical, Network Operations, Health-Safety-Environmental and Labor Relations teams from 2021-2023. Mr Canadian National Railway in 1985, holding various leadership positions including Senior Vice President and Cl

There was no arrangement or understanding between Mr. Orr and any other person pursuant to which he was sel there are no family relationships between Mr. Orr and any director or executive officer of the Company. There ar the Company that would require disclosure under Item 404(a) of Regulation S-K.

In connection with Mr. Orr's appointment as Executive Vice President & Chief Operating Officer, he entered int pursuant to which he will receive an annual base salary of $750,000, a cash hiring bonus of $825,000, and be eli bonus opportunities and other benefits available to other employees at the executive vice president level. For 202 the Company's Long-Term Incentive Plan ("LTIP") with a target value of $2,700,000, comprised of 50% perfor stock options, and 25% restricted stock units ("RSUs") each vesting as specified in the terms of the Company's I Letter also provides Mr. Orr with a one-time, long-term equity grant with a target value of $6,000,000, comprise annual installments on each of the first, second, and third anniversaries of the grant date. The Offer Letter furthe in the event he is terminated by the Company without Cause or if he terminates his employment for Good Reaso two times the sum of his base salary and target annual incentive opportunity, continued vesting of all outstanding compensation otherwise payable to him as of his termination date, including a prorated annual incentive award f course. Mr. Orr is also required under the Offer Letter to repay $500,000 of his signing bonus if he were to volun Reason during his first two years of employment.

The Company also announced that Paul B. Duncan will depart from his position as Executive Vice President & effective March 31, 2024. In connection with his departure, Mr. Duncan is entitled to severance payments and be Southern Executive Severance Plan pursuant to an involuntary separation.

Rather than putting the best people in place to drive shareholder value, the Board seems to be making co poor decisions at the expense of shareholders in order to insulate Mr. Shaw and incumbent direc

Company 8-K (Mar. 20, 2024).

The Board's Defensive COO Hire Comes at a Significant Cost (Cont.)

The Board also made concessions related to the Meridian Speedway, essentially permitting CPKC to realize from its transaction involving the Meridian & Bigbee Railroad, which it is pursuing with CSX.

- In addition to the $25 million payment, Norfolk Southern agreed to give up part of its long-term franchise, in the form of concessions related to the Meridian Speedway and Terminal.
- It is important to keep in mind that Norfolk Southern invested **approximately $300 million** for a 30% stake in the Meridian assets in 2006, suggesting the net present value of that stake is worth significantly more today.
- The Company has stated that the concessions were related to a portion of the Meridian Speedway that accounts for 1% of total annual revenue, or approximately $120 million.
- Based on sales attributable to the Meridian asset, an operating margin of 30%, tax rate of 22% and market-based earnings multiple of 20x, we estimate a **total of $560 million** of value being impacted by these concessions.
- This amount appears material to us, given that Norfolk Southern is trying to close a **$17 billion market value gap** with CSX.
- Norfolk Southern no longer has the right of first refusal for domestic intermodal traffic moving between the Southeast and the Wylie Intermodal terminal if it moves via the planned CPKC/CSX connection in Myrtlewood, Alabama.
  - Norfolk Southern will no longer have the opportunity of matching or beating bids as it will need to compete directly with the other alternatives (i.e., CPKC/CSX).
  - This could bring additional rail competition into the market that could negatively impact Norfolk Southern's ability to take share from trucking.

FREIGHTWAVES

Norfolk Southern wan
proposed CPKC-CSX S

"The Meridian Speedway serves NS' intermodal between the Southeast a market and the Southe markets in California stressed the importance business when STB was between CP and KCS.

The Board and Mr. Shaw rushed into a bad deal that gets Norfolk Southern a short-term PR win while CPK Company's closest peers, strengthen their partnership and competitive offerings.

FreightWaves article (Oct. 27, 2023). Company filings.

The Value of the Meridian Speedway Is Undisputed

The Meridian Speedway is the fastest route between the Southeast and Southwest, which are the two faste regions in the United States.

Commercial Purpose:

1) Provides an extension of Norfolk Southern's current intermodal haulage service.
2) Improves capacity and service for intermodal customers between the local Dallas market, and Norfolk Southern's network in the East.
3) Capital improvements will enhance speed and reliability and provide additional capacity for all customers using the Speedway.
4) Because there are limited alternate routes, the Speedway provided one of Norfolk Southern's few competitive structural advantages over CSX. It afforded Norfolk Southern the ability to better access several large addressable markets.

Meridian Traffic: In 2005, Norfolk Southern expected to operate approximately 400,000 revenue moves between the Southwest and the New Orleans, Meridian and Memphis gateways.

- The Norfolk Southern traffic constitutes about 20% of the Meridian Speedway's volume; the remainder is merchandised traffic under KCS' control.

The opportunity cost of Norfolk Southern's concessions will still be regretted by shareholders long after N the railroad.

Company filings; Kansas City Southern website.

The Value of the Meridian Speedway Is Undisputed (Cont.)

Shareholders should be alarmed that the Board and Mr. Shaw willingly gave up a valuable asset to their clos in exchange for hiring an inferior COO candidate.

CEO Alan Shaw

> *And with respect to the Meridian Speedway, we are focused on protecting our shareholders' interest there and our customers' interest because that is, as you kn the fastest route between the Southwest and the Southeast, which are the 2 fastes regions of the U.S.*

29th Annual Transportation, Airlines and Industrial Conference, May 17, 2022

> *...you can read our filing. It's that's really focused on protecting our customer and our shareholders' rights with respect to our access to the Meridian Speedway a growth driver for us, and it's in a lot of demand from the customers that had inte on a daily basis.*

J.P. Morgan Industrials Conference, Mar. 16, 2022

> *...the STB provides us a form to protect our customers and our shareholders' in it's really centered around the Meridian Speedway, which is part of the fastest rout Southeast and the Southwest, which are the two fastest-growing regions in the cou convinced that that is only going to continue to grow. And we're going to make sur protect our shareholders and our customers' interest there. It's a big part of our pl forward.*

Norfolk Southern 4Q21 Earnings Call, Jan. 26, 2022

The Value of the Meridian Speedway Is Undisputed (Cont.)

Just two years ago, Norfolk Southern expressed significant concern about what the CPKC merger would me Meridian Speedway and its interests there.

> *"The Meridian-Wylie Route represents a **significant component** of NS's commercial and operational offerings to intermodal customers. Preserving NS's ability to meet its intermodal customers' needs with competitive rates and services over that line is a **primary focus for NS**."*

> *"NS has **invested heavily in the Meridian Speedway** to improve the conditions and allow for growth of traffic over this route. This strategic investment has resulted in the creation of one of the **most competitive new rail routes created this century**."*

> *"NS has **worked hard and made significant investment** to offer an intermodal service that can compete with trucks. The speed and reliability of the Meridian-Wylie Route is **essential to the intermodal service offering**."*

> *"The Meridian Speedway is the **most efficient link** for shippers who need to move traffic through the major population centers in the Southeast and Southwest, areas of **tremendous population and economic growth** ... Shippers throughout the NS network today **rely on the speed and reliability of this route** to serve their customers in these growing markets."*

> *"Compared to the next-shortest available route, the Meridian Speedway **saves 184 miles** between Atlanta and Dallas, **212 miles** between Charlotte and Dallas, and **41 miles** between Jacksonville and Dallas."*

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36500 (Sub-No. 5)

CANADIAN PACIFIC RAILWAY LIMITED, ET AL.
– CONTROL –
KANSAS CITY SOUTHERN, ET AL.

RESPONSIVE APPLICATION OF NORFOLK SOUTHERN RAILWAY COMPANY

Norfolk Southern Railway Company ("NS")[1] hereby submits this Responsive Application pursuant to 48 U.S.C. §§ 11323-11325 and 49 C.F.R. Part 1180, Subpart A, for authorization of NS's request for certain contingent trackage rights, in response to the application filed by Canadian Pacific Applicants[2] ("CP") for acquisition and control of Kansas City Southern Applicants[3] ("KCS", collectively "Applicants") (the "Application"). CP's proposed acquisition of KCS (the "CP-KCS Transaction") is the first Major Trans public interest issues of exceptional importance which poten availability of efficient and competitive rail service options

NS and KCS are the sole members of Meridian Spee owns the Meridian Speedway, a critical rail line connecting Shreveport, Louisiana. In addition, and related to the MSLL

[1] References herein to NS shall include The Alabama Great Southern Ra NS that is the official member of the Meridian Speedway, LLC.
[2] The CP Applicants are Canadian Pacific Railway Limited, Canadian Pa carrier subsidiaries Soo Line Railroad Company, Central Maine & Queb Eastern Railroad Corporation, and Delaware and Hudson Railway Comp
[3] The KCS Applicants are Kansas City Southern and its U.S. rail carrier Railway Company, Gateway Eastern Railway Company, and The Texas
[4] 49 CFR § 1180.2 defines a major transaction as a "control or merger in

BEFORE T

CANADIA
K

COMMENTS OF NORFO

Nabamita C. Nag
Thomas E. Zoeller
Hanna M. Chouest
Norfolk Southern Corporatio
650 W Peachtree St NW
Atlanta, GA 30308
Tel: (470) 463-6314

February 28, 2022

Norfolk Southern comment letters to the STB regarding CPKC merger (Feb. 28, 2022).

Wall Street Agrees That the Board and Mr. Shaw's Knee-Jerk Hire Comes at a
to Shareholders

Deutsche Bank

*"In exchange for releasing John Orr from his non-compete agreement with CP, Norfolk agreed to a one-time payment to CP of $25 million and also agreed to make "certain commercial and operational considerations related to the Meridian Speedway and the Meridian Terminal". **These payments and concessions deserve scrutiny, in our view, given the potential competitive implications."***

SIG SUSQUEHANNA

*"**CP and Keith Creel look great on this trade**... they're absorbing [Orr' management (i.e., **no cost to replace**), while more importantly **winnir from NS and commercial concessions related to NS's Meridian Sp** know the specifics or value of the Meridian Speedway concession **meaningful** on this longer term Mexico-to-Southeast growth inves connected by GWR."*

Deutsche Bank

*"Net net, we're underwhelmed by what we observed yesterday with respect to NSC's announcement. While John Orr is considered a good operator, **it appears the cost to extract him from CP is notable and could have longer-lasting competitive implications, which is unfortunate in the context of the clear alternative. So in this sense, yesterday's announcement raises more questions than answers."***

Deutsche Bank

*"**The bottom line is the cost of NSC's new COO appears higher t suggest**. In addition to the $25 million one-time payment, it coul elongate sidings and concessions that lead to less volume for NSC and CSX. **More details and transparency is needed, in our view, gi have hired Jamie Boychuk with no concessions, who we consider to COO of NSC given his long and successful track record."***

J.P.Morgan

*"Norfolk also provided some details on the Meridian Speedway agreement with CPKC that **caused a significant amount of confusion and frustration** over the last several weeks. We believe the management team already **missed a few opportunities to clarify this issue** ... Ultimately, Norfolk did not quantify the full cost so management will still have to address this issue on the 1Q24 earnings call, especially if the operating momentum does not continue to accelerate"*

Deutsche Bank note (March 21, 2024). Susquehanna note (Mar. 20, 2024). J.P. Morgan note (Apr. 11, 2024).

A Closer Look: Hunter Harrison Buyout vs. John Orr Buyout

Buyouts of non-competes happen in the railroad sector – however, $25 million for Mr. Orr, who does not ha leading operations at an Eastern U.S. railroad, is excessive when compared to the 2017 buyout for Hunter H industry-renowned PSR operator.

	Hunter Harrison	John Orr
Hired to be:	CEO of CSX Corporation.	COO of Norfolk Southern Corporation.
Credentials	✓ Legendary, proven railroad industry leader. ✓ Experience at Illinois Central Railroad, Canadian National Railway and Canadian Pacific.	× No experience at an Eastern U.S. Class I railroad. × EVP of Operations at Kansas City Southern after it had al merger with Canadian Pacific in March 2021.
Non-Compete Buyout from Previous Position	✓ CSX agreed to reimburse $55 million to an investment firm that had facilitated Mr. Harrison's separation from Canadian Pacific, and to pay the remaining $29 million to Mr. Harrison to account for forfeited compensation and benefits. ✓ **TOTAL**: $84 million in reimbursement.	× Norfolk Southern paid $25 million to CPKC plus significar critical asset that Norfolk Southern spent $300 million fo 2006.[1] × Combined, over time this valuable could be **even higher t** that was paid to secure **industry legend Hunter Harrison**
Did Shareholders Have a Say?	✓ ***Yes***. *CSX announced on the same day Mr. Harrison was named CEO that it would put the reimbursement arrangement to a shareholder vote. Approximately 93% of shareholders ultimately approved.*[2]	× ***No***. × ***The Board cut a costly deal without running a process for***

[1] https://www.sec.gov/Archives/edgar/data/702165/000070216507000070/investorbook1.htm. [2] CSX Form 8-K (Jun. 8, 2017).

Shareholders Are Left With More Questions Than Answers

The Board must provide shareholders additional information regarding the process and value of concessior CPKC.

- Do the concessions made to CPKC include Norfolk Southern's exclusivity on KCS merchandise traffic on through the Meridian Junction, on the way to the Eastern U.S.?
- Does Norfolk Southern intend to exercise its right to purchase the Wylie Intermodal Terminal in 2024?
- Did the Board calculate the value of the concessions they were giving up before proceeding? If so, why disclosed that exact figure to shareholders?
- If the Board *did not* calculate the value of the concessions, how did it decide to proceed without that inforn
- Did the Board assess the "break even" point for the operational improvements Mr. Orr will have to r rationalize the value in assets and compensation the Company paid for him?
- Why didn't the Board allow shareholders to vote on Mr. Orr's compensation? We note that the 2017 b Harrison was put to a vote by shareholders.

The Company's Buyout of Mr. Orr Ranks Among Some of the Worst Governan

Decision

Paid $25 million to CPKC, a competitor, and gave up Meridian Speedway and Meridian Terminal commercial and operational considerations – **without shareholder approval** – in exchange for a waiver of Mr. Orr's non-compete provisions. (March 2024)

Consequence

To be determined.

Decision

Issued cumulative voting preferred stock **without shareholder approval** and in direct response to a major shareholder's nomination of directors to the board. (2023)

Consequence

A shareholder sued the company. Board later settled with the shareholder, agreeing to replace three directors, terminate its stockholder rights agreement and get rid of its preferred stock.

Decision

Agreed to sell Red Lobster **without shareholder approval**, despite criticism from shareholders and before shareholders could vote at an upcoming requisitioned special meeting. (2014)

Consequence

Following the sale, shareholders voted to replace the entire 12-member board with Starboard Value's nominees – which included Betsy Atkins. A shareholder also sued Darden about the sale.

Decision

Amended its bylaws requiring anyone nominating directors to **identify their own clients and to disclose if they planned to nominate directors at other companies**. (2022)

Consequence

A shareholder sued Masimo about the bylaw amendments. Masimo then reversed the bylaw amendments.

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Norfolk Southern's Board Needs to Face Reality

WSJ

*"Norfolk Southern was the **worst-performing stock** last year **of all the so-called Class 1 railroads** that include Union Pacific, CSX and Canadian National Railway."* -Jan. 31, 2024

TD Cowen a division of TD Securities

Airfreight & Surface Transportation: Rail

NORFOLK SOUTHERN CORP.

EARNINGS UPDATE January 29, 2024

DOWNGRADE TO MARKET PERFORM; OBSTACLES ABOUND AS NSC PLAYS CATCH UP TO PEERS

"[I]f the company just hit the high end [of guidance] every year for the next three years, NSC's OR would still be below where its East Coast peer was in 2023. **We do not view new financial guidance as closing the gap with competitors as management suggested**..."

STIFEL **January 28, 2024**

Self-Help Just Not Materializing For Norfolk Southern: Downgrading to Hold

Summary

Norfolk has long been an underperforming self-help story that simply can't figure out how to help themselves, and this quarter that trend looks to be continuing. The company is looking for 3% revenue growth which does not keep up with inflation, while talking about industry leading revenue growth. They talk about moving to industry competitive margins by 100-150bp annual improvements, although they are now 700bp beneath the group. NS is the most heavily weighted of the Class 1s to intermodal which should be helpful on the back of a rough 2023, but with freight now shifting back to the West Coast, we expect improvements to be muted. Given recent improvements in share price and the marginal improvement in profitably for 2024, we are downgrading NSC shares to Hold.

"Norfolk Southern's transformation is at an infle board of directors has taken action to strengthen protect our franchise, and ensure Norfolk Souther deliver long-term shareholder value. Our railroad h the American economy for generations, providing growing dividend over the past quarter of a centu the necessary steps to ensure we continue to play generations to come."

Norfolk Southern Board of Dire

The Wall Street Journal article (Jan. 31, 2024). TD Cowen analyst note (Jan. 29, 2024). Norfolk Southern letter to shareholders (Mar. 20, 2024).

Current Directors We Are Seeking to Replace and Why

Heidi Heitkamp

Norfolk Southern Nominee for 2024 Annual Meeting

Lack of Relevant Experience

- × Senator from North Dakota, a state in which Norfolk Southern does not operate.
- × Career politician; no prior public board experience.

Judgment Concerns

- × History of negative media coverage following her controversial remarks – including a rumor about a fellow politician that resulted in the threat of legal action against Ms. Heitkamp – and campaign ads which identified some women as survivors of abuse without their knowledge or consent.
- × Suddenly reversed her public stance on capital gains taxes in 2021, which earned her significant scrutiny.

John Huffard, Jr.

Finance and Risk Management Committee

Human Capital Management and Compensation Committee

Lack of Relevant Experience

- × Capital markets experience in preparing a company to go public is of little relevance to Norfolk Southern's mature stage.
- × Only one other instance of public board experience at a company he founded and served as an executive. We believe he lacks significant experience with corporate governance best practices.

Poor Director Track Record

- × As member of the Finance and Risk Management Committee, he has overseen financial underperformance.
- × As member of the HCMCC, he awarded Mr. Shaw $13.4 million in compensation following East Palestine derailment.

Not Committed to Good Governance

- × 35% of Tenable (NASD: TENB) shareholders withheld support at TENB's 2023 AGM due to the company's classified Board; Huffard has been a Director at TENB for 21 years.

Amy Miles

Chair, Board of Directors

Chair, Executive Committee

Lack of Relevant Experience

- × Lack of railroad industry experience; her experience stems from running a movie theater chain.
- × Her M&A experience at Regal doesn't translate substantially to Norfolk Southern.
- × Ms. Miles lacks the qualifications to be Chair – let alone a director – of a publicly traded Class I railroad.

Objectivity Concern

- × Demonstrated lack of independence from Mr. Shaw based on Ancora's engagement.

Poor Director Track Record

- × As Chair of the EC, she is responsible for key decisions, including the Company's insufficient response to East Palestine and its costly hire of Mr. Orr.

Objectivity Conce

- × Demonstrate from Mr. S engagement would be di are elected.

Transparency Co

- × Spent 12 ye Lavalin, whi bribery sca Government
- × SNC-Lavalin Secured, t Norfolk Sou assessment despite hav experience.

Poor Director Tra

- × As membe awarded M compensati Palestine de

Public records.

Current Directors We Are Seeking to Replace and Why (Cont.)

Jennifer Scanlon*

Chair, Governance and Nominating Committee

Safety Committee

Executive Committee

Lack of Relevant Experience

× Serves on the SC despite having a lack of relevant safety experience; Norfolk Southern has been citing USG Corporation's ("USG") safety awards three years before she was CEO there.

Lack of Regard for Governance

× Ms. Scanlon and Stephen Leer's prior relationship at USG – where Mr. Leer was CEO and Ms. Scanlon was Chair – represents a potential conflict of interest and a potential lack of regard for good governance.

× When taken together with USG's questionable response to the 2019 unsolicited offer from Knauf, the Board's decision to appoint Ms. Scanlon Chair of the GNC is confusing.

Poor Director Track Record

× As member of the GNC, she oversaw the nomination of Ms. Heitkamp as a new director – despite her lack of relevant qualifications.

Alan Shaw

Executive Committee

Lack of Relevant Experience

× Has not successfully implemented a strategy to close the performance gap to CSX.

× No other public company board experience.

Poor Director Track Record

× During his director tenure, the Company has delivered TSR of (5.1)%.[1]

× As member of the EC, he is responsible for key decisions, including the Company's insufficient response to East Palestine and its costly hire of Mr. Orr.

Objectivity Concern

× Removing Mr. Shaw from the Board would enable an orderly CEO transition.

John Thom

Chair, Human Ca and Compensati

Executive Comm

Governance and Committee

Objectivity Concern

× Long-tenured; he has ser since 2013.

Lack of Relevant Experience

× His experience as an advis limited value in Norfolk So environment.

Poor Director Track Record

× As Chair of the HCMCC, Shaw $13.4 million i following the East Palestin

× As member of the EC, he key decisions, including insufficient response to E its costly hire of Mr. Orr.

× As member of the GNC, h Chair of the Board – de relevant qualifications.

Public records. *Ms. Scanlon became Chair of the GNC and a member of the Executive Committee on Mar. 25, 2024. She previously served as a member on the GNC. [1]As of the unaffected date of Jan. 31, 2024.

Claude Mongeau's Actions Run Counter to Shareholders' Interests

Claude Mongeau

> "I think it's really important, powerful that Keith Creel, Pat Ottensmeyer, and **Claude Mongeau said [Mr. Orr] is the guy.**"

Mr. Shaw, Apr. 10, 2024 virtual fireside chat

CBC

Nortel failed amid 'culture of arrogance'

Canadian telecom giant's demise studied by Ottawa research team

THE GLOBE AND MAIL

TD Bank faces stiff penalty from FinTRAC for faulty controls to prevent money laundering

Demonstrated Lack of Alignment with Norfolk Southern Shareholder

- x Mr. Mongeau appears to have been the architect of Norfolk Southe hire.
- x Mr. Mongeau worked at Canadian National Railway from 1994 to 2 when Mr. Orr was accused of abusive behavior and serious workplace. Mr. Mongeau himself said that he "worked closely with
  - x We expect that shareholders may struggle to reconc knowledge of Mr. Orr's character with the decision to endors of Norfolk Southern.
- x Mr. Mongeau has demonstrated zero ability to hold manageme missed targets.

Concerning Track Record at Other Companies

- x Mr. Mongeau was a director of Nortel Networks Corporation a Limited from 2006 to 2009, when Nortel Networks Corporation protection.
- x Since 2015, Mr. Mongeau has served as a director of TD Bank, have faulty anti-money laundering controls by Canada's financial 2023.

He may be nominally independent, but Mr. Mongeau has repeatedly shown that he is not capable of ad shareholders' interests when they conflict with management.

Public records. Company filings. CBC article (Mar. 21, 2014). The Globe and Mail article (Jan. 26, 2024). [1]Norfolk Southern press release, Mar. 20, 2024.

Norfolk Southern Is Running the Same, Old Defensive Playbook

Shareholders heard many of Norfolk Southern's same unsubstantiated arguments used during the CP proxy and the attempted 2015 CP-Norfolk Southern merger.

CP in 2012	***Norfolk Southern in 2015***	***What Norfolk Southe***
"Pershing Square's operating ratio targets for Canadian Pacific are unrealistic and lack credibility." *CP Proxy Circular – Mar. 22, 2012*	*"If Canadian Pacific were to implement its short-term strategy, it would cause Norfolk Southern to lose substantial revenues from our service-sensitive customer base."* *Norfolk Southern press release – Dec. 4, 2015*	*"The math around Ancora that were advertised to our with significant and im furlough* *"Our relationships with cu and regulators would be a the deterioration of sl* *Norfolk Southern press rele*
"Pershing Square's stated OR target is both unrealistic and unachievable by 2015." *Former CP Chairman – Mar. 27, 2012*	*"The Norfolk Southern board remains confident that the continued execution of its strategic plan is superior to Canadian Pacific's grossly inadequate and high-risk proposal."* *Norfolk Southern press release – Dec. 7, 2015*	*"We have a clear path fo* **(Despite a track record c** *Norfolk Southern press rel*

Despite the same claims being made to try to prevent shareholder-driven change, CP's new board and m team improved performance and achieved a superior operating ratio.

We Encourage Shareholders to Focus on the Facts

	Board's Claim	Reality
Mr. Shaw's Leadership	*"Alan Shaw is a crisis-tested leader who is delivering change."*	• Mr. Shaw failed to drive meaningful growth and make meaning value creation as CMO; a review of earnings materials and pub Company's share price appreciation was tied to headcount operating ratio improvement driven by James Squires' efficier departing. • Mr. Shaw's "crisis-tested" leadership leaves a lot to be des unwillingness to even show up at an East Palestine, Ohio tow derailment and his willingness to take a large raise in total com Company was in disarray. • Mr. Shaw has changed Norfolk Southern from an efficient – albe with a low 60s operating ratio in 2021 to a broken railroad with a back to those levels in the 2027 range.
Mr. Shaw's Strategy	*"Following his appointment in 2022, Shaw took decisive action and began implementing a balanced strategy to deliver safe and reliable service, continuous productivity improvements, and growth."*	• Mr. Shaw has overseen several severe safety lapses and poor ser those of Class I peers, which is why high-margin merchandis evasive. • Mr. Shaw has overseen a deterioration in productivity indicators a outside of low-margin intermodal volume, which the Company is ov

Norfolk Southern press release (Mar. 20, 2024).

We Encourage Shareholders to Focus on the Facts (Cont.)

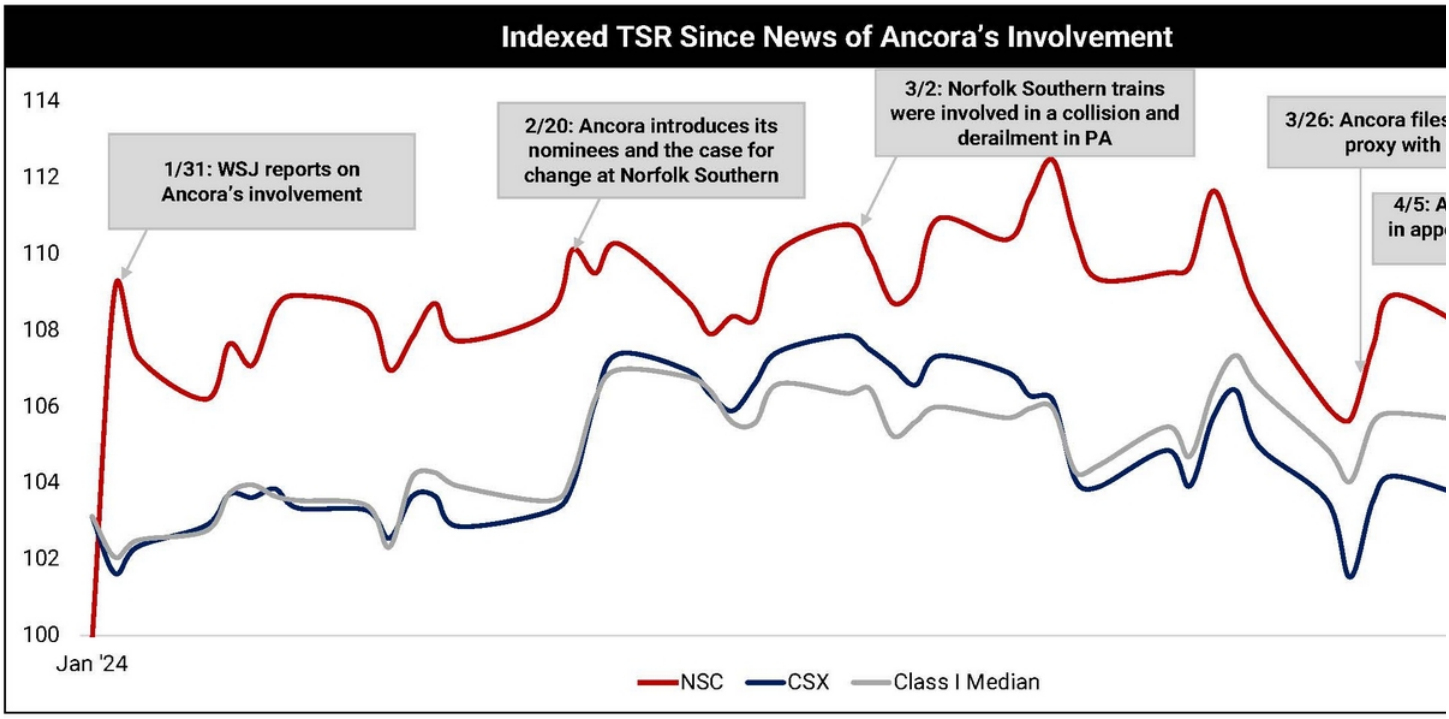
	Board's Claim	Reality
Company Outlook	*"The company is on track to deliver top-tier earnings and revenue growth, with industry competitive margins – including ~400 basis points of operating ratio improvement during the second half of 2024."*	• Nothing of substance has changed since January 2024 – whe issued disappointing guidance – to justify the Board's revised out half of 2024. • In putting forth its recent targets regarding reducing compe Company fails to explain how this will be achieved absent head which, in our view, would be the only way they could accomplish thi • Mr. Orr's appointment raises inherent issues given that the Board a support PSR. This will likely result in tensions and loss of strategic
Mr. Orr's COO Qualifications	*"Norfolk Southern has brought on John Orr as COO to accelerate the execution of its strategy. John Orr is a PSR expert and comes to Norfolk Southern following a long and successful career at multiple railroads including Canadian National and CPKC."*	• Mr. Orr has never led operations at an Eastern U.S. Class I railroad, the $25 million cash payment and the concessions Norfolk Southe on the Meridian assets to CPKC – after investing $300 million in th • Mr. Fahmy, our director candidate, oversaw the multi-year networ EVP of PSR at Kansas City Southern well before Mr. Orr even joine 2021. • By the time Mr. Orr joined Kansas City Southern and became a f chief at a Class I railroad in 2021, the merger with Canadian Pacif announced. • When the merger was finalized, CPKC CEO Keith Creel put a differ COO role – not Mr. Orr.

Norfolk Southern press release (Mar. 20, 2024).

Our Slate's Solution:
New Board and Management With a New, Safety-First Strategic Vision

The Market Has Responded Positively to Our Campaign for Leadership, Safet Strategy Changes

Shares of Norfolk Southern have outperformed CSX and the median of Class I Railroad peers since the unaf



Bloomberg.

Shareholders and Sell-Side Analysts Support Our Campaign

“ […] we believe a change in management and refreshment of the board at NSC are warranted and could stimulate improved operations and thus equity performance. For these reasons, we intend to support the election of dissident nominees Betsy Atkins, James Barber, Jr., William Clyburn, Jr., Sameh Fahmy, John Kasich, Gilbert Lamphere, and Allison Landry. ”

NEUBERGER | BERMAN

Neuberger Berman, 0.4% shareholder
Apr. 5, 2024

“ We believe the status quo at NSC will lead to continued underperformance of the railroad. We also believe that **Board refreshment and Jim Barber's and Jamie Boychuk's leadership are essential for enhancing safety** and for **ensuring outstanding long-term achievements** for the benefit of all NSC's shareholders and other stakeholders. ”

EdgePoint Investment Group, 1.38% shareholder
Mar. 4, 2024

“ **We see value in potential management change Barber as CEO and Jamie Boychuk as COO as pro the activist investor Ancora**... especially given the margin underperformance of Norfolk South

BARCLAYS

Barclays
Mar. 25, 2024

“ It appears NSC is making the case that changing t and management would pose significant risk to se safety. But in reality, **NSC has already endured th service and safety challenges in recent years**, incl unfortunate events of East Palestine last year, and chassis across its network that impacted service a safety risks in 2021.”

Deutsche Bank

Deutsche Bank
Feb. 27, 2024

Our Slate Has the Right Experience to Move Norfolk Southern Forward

Betsy Atkins

- **Capital Allocation:** CEO and Founder of Baja Corp., a venture capital firm that has focused on software and technology since 1993.
- **Governance:** Director of SL Green Realty Corp. (NYSE: SLG), SolarEdge Technologies, Inc. (Nasdaq: SEDG) and Enovix Corp. (Nasdaq: ENVX).
- **IT and Cybersecurity:** Chair of Google Cloud's advisory board.
- **Executive Experience and M&A:** CEO and Chair of Clear Standards, Inc. (2009, acquired by SAP), NCI, Inc. (1991 to 1993), and Key Computer Laboratories, Inc. (1989, acquired by Amdahl).

Corporate governance expert and repeat CEO with experience in capital allocation decisions, power storage, information technology and M&A.

James Barber, Jr.

- **Executive Experience, Logistics, Operations:** 35 years at United Parcel Service, Inc. (NYSE: UPS), beginning as a driver and ending as COO and President from 2018 to 2019.
- **Int'l Business:** Head of UPS International from 2013 to 2018.
- **M&A:** Worked in UPS's Mergers and Acquisitions Group, oversaw multiple key acquisitions and integration processes.
- **Governance, Logistics and Transportation:** Director of C.H. Robinson Worldwide, Inc. (Nasdaq: CHRW) and U.S. Foods Holding Corp. (NYSE: USFD).
- **Finance:** Audit committee financial expert.

Shipping and logistics industry veteran with significant experience in finance, strategic planning and risk management.

William Clybu

- **Regulation:** Commissioner an U.S. Surface Transportation B 2001.
- **Legislation:** Senior Advisor to various roles on transportatio Committees.
- **Gov't Relations:** Principal at C advises transportation and tel clients on governmental issue
- **Legal:** Clerked for Circuit Cou Second and Ninth Circuits, So Member of SC Bar.
- **Engineering:** Engineer at Wes Savannah River Laboratory.

Former railroad regulator w experience in all three branc government.

Our Slate Has the Right Experience to Move Norfolk Southern Forward (Cont.)

Sameh Fahmy

- **Executive Experience, Railroad Operations:** EVP of PSR at Kansas City Southern from 2019 to 2021; Optimization Consultant at CSX (Nasdaq: CSX) from 2017 to 2019; SVP at Canadian National (NYSE: CN) overseeing engineering, mechanical and supply management.
- **Governance, Railroad and Int'l Business:** Former director of Rumo Railway (BVMF: RAIL3) and previously worked at the Association of American Railroads and Amtrak.
- **Audit:** Chartered Professional Accountant.

Former railroad and transportation industry executive with safety, supply management, engineering and mechanical experience.

John Kasich

- **Governance and Regulatory:** Governor of Ohio from 2011 to 2019; Governing the seventh largest state, he significantly improved Ohio's business climate, reducing needless red tape and regulations, streamlining operations and creating a private economic development entity. His fiscal and managerial stewardship produced cumulative surpluses of nearly $3 billion.
- **Legislation:** Chaired the House Budget Committee from 1995 to 2001. A chief architect of a balanced federal budget for four years — a feat not accomplished since.
- **Finance:** Investment Banking Managing Director, Lehman Brothers from 2001 to 2008. Served on corporate boards including Worthington Industries, Instinet and Invacare. Founder of the Kasich Company, which advises companies on establishing critical connection to customers, capital and thought-leadership that can create new opportunities for success.

Former Ohio governor and congressman with significant regulatory, legislative and executive policy experience.

Gilbert Lamphere

- **Railroad, Executive Experience, M&A and Finance:** Chairman of MidRail Corp., a privately-held freight rail company, since 2016; Chairman of Illinois Central from 1990 to the 1998 sale to Canadian National; Co-Founder of MidSouth Rail Corp, which was sold to Kansas City Southern in 1994; Director of privately-held Florida East Coast Railway from 2005 to 2007.
- **Governance:** Director of Canadian National (NYSE: CN) from 1998 to 2005 and CSX Corp. (Nasdaq: CSX) from 2008 to 2015.

Former private equity CEO and public company board member with 35 years of experience in the railroad and transportation industries.

Allis

- **Strategy, Finan**
  Analyst at Credi
  transportation s
  railroads, logisti
  parcel/airfreight
- **Governance:** Di
  XPO). In her role
  and Chair of the
  Governance Co
  integral in assis
  operational turn
  initiatives have
  has increased ~
- **Transportation:**
  member of the
  advisory board.
- **Audit:** Senior Ac
  Insurance Comp

Former U.S. tra
sector analyst
governance and

Our CEO Candidate: Jim Barber

Jim Barber, Proposed CEO With Proven Ability to Deliver Netwo Leverage and Reliability

- Has a clear vision for the team, operating plan and growth needed to turn around No
- Previously served as the COO of UPS, one of the country's largest railroad custome market value parcel carrier with a global network that generates more than $90 billio
- During his 35-year career at UPS, Mr. Barber held key leadership positions in U International business units, as well as in Supply Chain Solutions.
- Mr. Barber is credited with leading much of UPS's growth, including in both m international markets.
- Has reached scores of effective labor agreements through constructive negotiatio lauded safety initiatives in both the Ground network and the UPS airline.
- Current member of the board of directors of C.H. Robinson Worldwide, Inc. (Nasd logistics company, where he serves on the Audit Committee.
- Current member of the board of directors of U.S. Foods Holding Corp. (NYSE: U distributor, where he serves on the Compensation and Human Capital Committee.
- If elected, our slate intends to make every effort to expeditiously appoint Mr. Barber

Mr. Barber has a track record of growth and significant experience in operations, supply chain, strateg employee relations and risk management from his 35-year career as a leader in the shipping and logist

Our CEO Candidate: Jim Barber

Jim Barber's Experience from UPS Is Highly Relevant to Norfolk Southern

UPS and NSC are transportation network businesses with similar characteristics:

UPS	NSC
✓ On time network	✓ PSR
✓ On time delivery performance	✓ Trip plan compliance
✓ Handles per package	✓ Switches per car
✓ Trailer on flat car	✓ Intermodal service
✓ OSHA recordable accidents & injuries	✓ FRA safety metrics
✓ Revenue per piece	✓ Revenue per mile
✓ Cost per piece	✓ Cost per carload
✓ Pilots	✓ Conductors
✓ Hubs and sorts	✓ Terminals and humps
✓ Technology in air	✓ Positive train control
✓ Pieces per trailer	✓ Train length
✓ Trailer delivery and pick up	✓ Industrial carload pick up
✓ Trailer drop	✓ Carload drops
✓ Operating leverage	✓ Operating leverage
✓ Duopoly with FDX	✓ Duopoly with CSX

Jim Barber Has Stronger CEO Credentials and an Energizing Growth Strategy

Jim Barber, Jr.

- ✓ Extensive and hands-on operational experience beginning as a driver at UPS and ending as COO and President.
- ✓ Track record of executing numerous growth strategies at UPS, overseeing UPS's vast network outside the U.S. and helping push the company into more emerging markets.
- ✓ Largest U.S. rail and long-time Norfolk Southern customer.
- ✓ Deep experience in logistics and international operations as President of UPS International and a director of C.H. Robinson.
- ✓ Financial expert with experience overseeing acquisitions and integrations.

Alan Shaw

- × Non-operating background in marketing a development, real estate and customer rela chemicals and financial staff roles during h Norfolk Southern.
- × Delivered anemic CAGR of 1% over the six CMO of Norfolk Southern.
- × Supposed expert in "relationship buildin relations" despite disastrous response derailment.
- × Overseen worsening operating ratio and profi Southern.
- × Lack of independent perspective and co expertise, after 30+ years at the Compa company board experience outside of Norfol

Professional Endorsements for Our Proposed CEO: Jim Barber

Before I ever served on a Board with Jim, I knew about the instrumental role he played in building and running the world's best networks at UPS for decades. He led international and supply chain segments with the revenue, earnings and size to rival the world's leading standalone supply chain companies. As I got to know Jim and tap his knowledge, it became apparent that ***he is an operator with the type of strategic and financial acumen that makes a top-notch CEO. Any public company in the transportation sector would be lucky to have him at the helm****.*

-Scott Ferguson, Managing Partner of Sachem Head Capital Management, – Apr. 4, 2024

Barber is highly regarded as a ***log***
helped turnaround U.S. peak s
UPS during his tenure as COO
confirmed in [the C.H. Robinson
it would be a positive developm

-JPMorgan Chase & Co. analyst

Jim has a very rare combination of extraordinary leadership gifts including personal authenticity and integrity, emotional and operational intelligence, wisdom and poise under pressure, and a multi-dimensional grasp of the internal and external forces of human and marketplace competitiveness. I have watched Jim ***wisely lead one of the world's largest, most complex, and highly respected organizations to world-class operational efficiency and effectiveness,*** *to preferred employer status, to industry leading financial performance, to enviable technical innovation, and to a uniquely future-ready corporate foundation.*

- Dr. Ed Frazelle, President and CEO, RightChain Incorporated, Founder, The Supply Chain Logistics Institute at Georgia Tech – Apr. 7, 2024

Working with Jim Barber on the U.S. Foods boa
experience. ***He is an executive who understanc***
communication, feedback and operationa
benefited from his strategic and operational
from his time leading the operations of a comp
Any shipping and logistics company would be
onboard.

- Robert Dutkowsky, Board Chairman of
– Apr. 13, 2024

Jim Barber – Case Study

In early 2005, UPS bought Lynx Express, Ltd., one of the largest ground parcel companies in the UK and Ire import-export into actual domestic service. The transaction ballooned UPS's size in the UK and Ireland measured in terms of employees, facilities or vehicles.

The M&A plan called for the integration to be completed in three years. Successful integration meant co and 3,000 UPS employees that, by following the UPS methods and procedures, they could increase prod 5,000 employees voluntarily left the company and had to be replaced, which required renegotiated agreem as well as European Works Councils before UPS could hire. Integration also meant modifying or closing m and facilities and construction of a new hub, which itself employed 2,000 people. It did not go entirel successful.

In 2009 and 2010, the UK and Ireland team was awarded UPS Global Best in Class awards for operating service. **Ultimately, UPS became the #1 parcel delivery firm in the UK with shippers and receivers.** Th recognized with the selection of UPS by the London Olympic Organizing Committee to be the official log 2012 Olympic Games. Six years later, **Mr. Barber was promoted to the role of COO of UPS and his work es UK and Ireland was recognized by BritishAmerican Business (similar to the US Chamber of Commerce) Corporate Citizenship award.**

Within UPS, business is managed with input from a document called The UPS Policy Book. It contains gu past UPS leaders. One of Mr. Barber's favorite policies is:

Determined people working together can accomplish anything.

The experience Mr. Barber has bringing new methods and procedures to a new employee base, gaining dramatic productivity improvements is directly relevant to the task before us at Norfolk Southern. He will he the Company uses its assets and people to provide better service, return to profitable growth and ope efficiency.

UPS filings.

Our COO Candidate: Jamie Boychuk

Jamie Boychuk, a Proven Railroad Operator and the Ideal Proposed

- A lifelong railroader with the safety record and scheduled railroading acumen r around Norfolk Southern.
- Previously served as the Executive Vice President of Operations at CSX, where operational initiatives during a period in which the railroad improved performance metrics and unlocked significant value for shareholders.
- Under Mr. Boychuk's leadership, CSX delivered the best rail operating margin in th railroads.
- Mr. Boychuk, who worked directly with industry legend Hunter Harrison, also helped safety record and reduce burdens on rail workers.
- Upon his departure from CSX in 2023, the company publicly thanked Mr. Boychul *implementation of scheduled railroading."*[1]
- Previously, Mr. Boychuk spent nearly two decades at Canadian National, where he h of increasing responsibility and seniority.
- If elected, our slate intends to make every effort to appoint Mr. Boychuk as COO possible.

Mr. Boychuk's industry background and scheduled railroading expertise make him the ideal partner for p Jim Barber, representing an operational dream team with vast transportation network experier

[1]CSX press release, Aug. 4, 2023.

Jamie Boychuk Has Stronger COO Credentials

Jamie Boychuk

- ✓ A lifelong railroader with the safety record and scheduled railroading acumen needed to help turn around Norfolk Southern.
- ✓ Previously served as the EVP of Operations at CSX, where he led a variety of operational initiatives during a period in which the railroad improved performance across all operating metrics and unlocked significant value for shareholders.
- ✓ Mr. Boychuk, who worked directly with industry legend Hunter Harrison, also helped CSX amass a strong safety record and reduce burdens on rail workers.
- ✓ Prior to his time at CSX, Mr. Boychuk spent two decades at Canadian National Railway, where he held operations roles of increasing responsibility and seniority.

John Orr

- × No experience at an Eastern U.S. Class I r
- × Appointed EVP of Operations at Kansas
  it had already announced its merger wit
  in March 2021.
- × Acted as EVP and Chief Transformati
  combined Canadian Pacific Kansas City
  discontinued by CPKC upon his departure
- × Mr. Orr lacks expertise in implementing a
  especially **network redesign**, which is th
  opportunity for Norfolk Southern.
- × In previous positions, Mr. Orr has faced
  his abusive behavior toward employ
  adjudicator found allegations of abuse to

** Drew v. Canadian National Railway Co. and Miller v. Canadian National*

Professional Endorsements for Our Proposed COO: Jamie Boychuk

> *Jamie was an exceptional partner to me for many years, especially when I promoted him to operations chief at CSX. He was a* ***driving force behind our operational transformation into a top-performing rail, thanks in large part to him successfully implementing operational improvements that were critical to generating strong efficiencies.*** *He is one of the best operators I've seen in the rail industry, and any Class I would be fortunate to have him as COO.*

-Jim Foote, Former CEO of CSX – Apr. 4, 2024

> *When I think about Jamie, I think about one of the country's top railroad operators.* ***His ability to take operational strategies from ideation to implementation to ongoing management is second to none****. If I was looking to turn around a railroad or put a new network in place to improve service and value creation, Jamie would be my first call.* ***He is at the top of the next generation of transformative railroad leaders.***

-Tony Reck, Former CEO & Chairman of P&L Transportation – Apr. 10, 2024

> *Jamie has demonstrated great skill in producing industry results in service, safety and efficiency gains throughout year career. As a board member of CSX, I was able to see how* ***he is truly an expert in rail operations and a stronger large organizations.***

-John McPherson, Former CSX Director, Former CEO of Illinois Central and Former COO of East Coast Railway – Apr. 4, 2024

The Investment Community Supports Our Proposed Management Team

UBS

"While there are many other components to the approach, we believe **these steps are critical** pieces of the broader objective to **deliver a simpler, lower cost merchandise train network operation**."

J.P.Morgan

"Barber is **highly regarded as a logistics operator** who helped **turnaround U.S. peak season problems** at UPS during his tenure as COO... If Barber were confirmed in [the C.H. Robinson CEO] role, we believe it would be a **positive development** for Robinson..."

STIF

"We don't like seeing Jim
successful run as head of th
were optimistic about the cor
they brought him back to At
two years ago. **We are less c**
several years at UPS with hin

Deutsche Bank

"What we believe is that **a well run railroad is also a safer railroad** (and vice versa), and we hold **Jamie Boychuk's operating ability in the highest regard** based on what he and the team accomplished at CSX, and CNI before that."

citi

"[Former UPS COO Barber was] 'well-liked by the investment community' [and was an executive] '**seen as an operational catalyst**.'"

SUSQUE

"We believe Jamie Boychuk
Operating Officer candidat
pedigre

UBS analyst note (Mar. 13, 2024); J.P. Morgan analyst note (Jan. 9, 2023); Stifel analyst note (Oct. 23, 2019); Deutsche Bank analyst note (Feb. 27, 2024); Citibank analyst note (Oct. 22, 2019); Susquehanna analyst note

Our Slate Supports Appointing a Proven Railroad Operator as Chief of Staff

David Dealy, an Experienced Railroad Executive

- A long-time transportation executive with a track record of successfully implemer various railroads.
- Previously spent 14 years at BNSF Railway, where he implemented several PSR sy the highest train speed, second-lowest terminal dwell, highest locomotive and emp the industry, while maintaining operating expenses.
- Previously spent 17 years as General Superintendent at Union Pacific in Ch interchange for all railroads in the U.S., and improved locomotive efficiency into and a critical origination and destination point.
- Recruited by Canadian Pacific to re-implement PSR in Saskatchewan, Manitoba anc the company's two largest operating sections.
- Previously worked with Art Schoener – former President and COO at Kansas City S Pacific, where he helped create the most efficient rail yard in history.
- Began his career running the largest hump yard at Missouri Pacific Railroad.
- If elected, our slate intends to appoint Mr. Dealy as Chief of Staff.

Mr. Dealy's vast industry experience and PSR expertise can help inform how Norfolk Southern can effecti a responsible, balanced PSR program.

Our Slate Has Proven Railroad Industry and Well-Rounded Experience

(additional details begin on slide 187)

	ATKINS	BARBER	CLYBURN, JR.	FAHMY	KASICH	LAMPHERE
RAILROAD OR TRANSPORTATION EXPERTISE		✓	✓	✓		✓
LOGISTICS & SUPPLY CHAIN MANAGEMENT	✓	✓		✓		
GOVERNMENT AFFAIRS		✓	✓		✓	
HUMAN CAPITAL MANAGEMENT & COMPENSATION		✓			✓	✓
EXECUTIVE EXPERIENCE	✓	✓		✓	✓	✓
FINANCE, ACCOUNTING & STRATEGY	✓	✓		✓	✓	✓
PUBLIC COMPANY BOARD EXPERIENCE	✓	✓		✓		✓
ENVIRONMENTAL & SAFETY	✓	✓	✓	✓		✓
TECHNOLOGY	✓		✓	✓		✓
NOT PREVENTED BY NSC'S PAST ERRORS FROM MAKING THE NEXT RIGHT CHOICE	✓	✓	✓	✓	✓	✓

Our Slate Has Necessary Experience That is Lacking on the Current Board

	ATKINS	BARBER	CLYBURN, JR.	FAHMY	KASICH	LAMPHERE	LANDRY	HEITKAMP	HUFFARD	MILES	MONGEAU	SCANLON
EXECUTIVE LEADERSHIP	●	●	◑	●	●	●	○	●	●	●	●	●
OPERATIONAL IMPROVEMENT PROCESSES	●	●	◔	●	○	◑	◑	○	○	○	●	●
CORPORATE GOVERNANCE	●	●	◑	●	●	●	●	◔	●	●	●	○
TRANSPORTATION / LOGISTICS	●	●	●	●	◑	●	●	○	○	○	●	◑
SALES / MARKETING	●	●	○	●	●	○	○	○	◑	●	◔	◔
M&A	●	●	◑	○	◔	●	◑	○	○	○	○	●
INFORMATION TECHNOLOGY	●	◑	◔	●	○	○	○	○	●	◔	○	●
STRATEGIC PLANNING	●	●	◔	●	◑	●	●	◔	●	●	●	●
SAFETY	◑	○	●	●	◔	○	○	○	○	○	●	○
CAPITAL ALLOCATION	●	●	○	○	◔	●	○	○	○	○	○	○
AUDIT/FINANCIAL REPORTING	◑	●	○	●	○	●	◑	●	◑	◑	●	○
FEDERAL REGULATION	◑	◑	●	○	●	○	○	◔	○	○	◔	○
DERAILMENT AFTERMATH	○	○	●	○	○	○	○	◑	○	○	○	○
LEGISLATION / LOBBYING	○	○	●	○	●	○	○	●	◔	○	○	○

○ No experience | ◔ No detailed experience | ◑ Relevant experience, though limited in breadth or depth | ● Subject matter expert

Betsy Atkins

Ms. Atkins is a corporate governance expert and three-time CEO with expe capital allocation, transformations and strategic planning.

- ✓ CEO and Founder of Baja Corporation, a venture capital firm focused on softwa energy and digital transformation.
- ✓ Member of the boards of directors of SL Green Realty (NYSE: SLG), SolarEdge T (Nasdaq: SEDG), Enovix Corporation (Nasdaq: ENVX), Wynn Resorts (Nasdaq: W Rackspace Technology (Nasdaq: RXT).
- ✓ Former CEO and Chair of SaaS Company Clear Standards, an energy manageme sustainability software company, CEO and Chair of NCI, a functional food/nutra company, and CEO of Key Supercomputer Labs, which delivers technology-drive analytics and sustainability insights.
- ✓ Previously served on the board of directors of companies that include Darden R Schneider Electric, Cognizant Technology, HD Supply and Volvo Car Corporatior
- ✓ Will reduce her board commitments to ensure that, if elected, she will not be on boards.

Professional Endorsements for Betsy Atkins

> *As Independent Lead Director at HD Supply and Nominating & Governance Committee Chair,* ***Betsy led the charge on creating exceptional board of directors' composition and dynamics****. [...] Betsy's overwhelming passion to apply hard work, opportunistically identify and engage an extended network of expert talent, and direct board activity was an incredible business asset and accelerant.*

-Joseph J. DeAngelo, Chairman & CEO, Home Depot Supply – 2

> *Betsy Atkins had the courage to join our board as an Independent Director during a time of company crisis.* ***Betsy provided not only a steady hand but also the focused, strategic thinking and experience in corporate governance necessary to navigate a clear path forward.***

-Matt Maddox, CEO, Wynn Resorts – 2019

> *She has the rare experience of having served on num across various sectors and geographies.* ***Her han intimate knowledge of situations that board memb navigate has proven essential*** *at a point in time when facing significant challenges, undergoing major tran and requires different approaches in different parts*

-Jean-Pascal Tricoire, Chairman & CEO, Schneider Ele

Betsy Atkins – Case Study

Ms. Atkins' understanding of the best practices of corporate governance has been develope service on more than 35 boards. Her knowledge is both broad, covering the gamut of Board and deep, demonstrating knowledge of the underlying principles and rationale for such prac

It is challenging for the Boards on which Ms. Atkins serves to determine which is greater: the shareholders by her corporate governance expertise or the benefit to shareholders from Ms. use technology to drive insight on operational efficiency and performance outcomes.

- At Volvo, Ms. Atkins was brought onto the board to provide technology perspective as the company shifted from a legacy auto manufacturer to a producer of tech-enabled cars with autonomous drive.
- In this role, she oversaw the creation of an engineering function that sped up new product innovation with active safety systems.
- The new tech-enabled Volvo has sensors to predict maintenance and receive updates via wireless signal vs. in the dealership.

- At Atlas Air Cargo, Ms. Atkins advises the c identify ways it can drive efficiency in a lega using AI and machine-learning to optimize c freight).
- The relevance to the requirements at Norfol evident.
- Examples of the potential value of Ms. Atkir updating Norfolk Southern's predictive routi network efficiency, using AI to improve RFQ applying telematics for freight visibility (akir

Examples of Past Value Creation:

Company	Unaffected Date	End Date	TSR	Benchmark
Darden	Sept. 10, 2014	Aug. 5, 2015	62.5%	S&P 500 Restaurants Index
Cognizance	Nov. 25, 2016	Nov. 5, 2018	32.3%	S&P 500 IT Consulting & Services Index
HD Supply	Aug. 28, 2013	April 19, 2018	71.5%	S&P 500 Trading Companies & Distributors Index

Source: Bloomberg.

William Clyburn, Jr.

Mr. Clyburn is a former railroad regulator with 30 years of experience in all th of government.

- ✓ Principal at Clyburn Consulting, which advises transportation and telecommunicati on governmental issues and processes.
- ✓ Previously facilitated constructive dialogue and remediation efforts between Norfo community stakeholders following the January 2005 derailment in South Carolina.
- ✓ Previously spent 30 years working in Washington, D.C., including as the Commissi Chairman of the U.S. Surface Transportation Board and as senior advisor to two U.
- ✓ Previously worked as a law clerk for the Honorable Rodney A. Peeples, Circuit Cou Second and Ninth Circuits of South Carolina.

Professional Endorsements for William Clyburn, Jr.

A clear example of his character was demonstrated in 2005 during the Norfolk Southern Railway train derailment in Graniteville, SC…William was a ***valuable resource beyond measure during this time as he met with community leaders on the local, state, and national levels.*** *The consistent interaction with the grassroot communities served as a calming effect to build and sustain trust in Norfolk Southern's personal concerns for safety for the community and the environment.*

- Lessie B. Price, Aiken City Councilmember – Apr. 3, 2024

I found that Commissioner Clyburn was a
paying great attention to detail and consis
for the protection of the public interest.
focused on the well-being and safety of bo
the communities served by rail and thro
traveled*. Commissioner Clyburn was r*
considerate and he listened to whatever w
whether from those filing pleadings with the
staff. He would be a great addition to the N

-David M. Konschnik, Attorney and Consultant, forme
Proceedings at the STB – Apr. 3,

The nation's seven safest years in railroad history were due in great measure to the partnership between railroads, railroad unions, the FRA and the STB, where Commissioner Clyburn added greatly to the strength of our zero tolerance to any safety hazard efforts. The Commissioner has my highest level of respect for his railroad expertise and partnership. ***He will help strengthen the connection between safety and the success of the NS enterprise*** *while also having a* ***very strong understanding of ongoing elements that will contribute to the future success of NS overall.***

- Hon. Jolene Molitoris, Former Federal Railroad Administrator – Apr. 4, 2024

William helped us endure the raw emotions an
Graniteville crash by working with neighborh
community leaders and businesses in a way th
caring and empathetic. His upbringing, humility
critical in pulling disparate, impacted parties tog
that allowed us to move forward. ***William's pres***
would be an asset to Norfolk Southern and tho
railroad.

- Chris Verenes, Chairman and CEO, Security Fede

William Clyburn, Jr. – Case Study

Following several years working on transportation policy in the U.S. Senate (both on Committee staff and as Cor office of a U.S. Senator's office from Virginia when both Norfolk Southern and CSX were headquartered th appointed to the Surface Transportation Board in 1998; he served on the STB through the end of 2001. Within tho took the extraordinary step of adopting entirely new rules for evaluating mergers and acquisitions.

In the 1990s, the STB was faced with addressing significant service disruptions stemming from rail merger inte announcement of the intent to file for what would have been the largest rail merger ever. The STB determined t emergency orders to resolve the disruptions, issue an unprecedented moratorium on all new major rail mergers, rules to place greater emphasis on enhancing competition over rationalizing excess rail capacity. Ultimately, adopted by the STB required future applicants to show that a major rail combination 1) enhanced competition, 2) minimized service disruptions during implementation and 3) was otherwise consistent with the public interest.

At the time that the STB adopted the new merger rules, it considered (but rejected) a proposal to issue a blar transaction involving a Class I carrier with less than a certain revenue level. Instead, with Mr. Clyburn's support, th waiver with a rebuttable presumption specifically for KCS (which was significantly smaller than the other Class I that retained authority for a future STB to evaluate a proposed transaction in consideration of the prevailing comp time. **With tremendous prescience and foresight, Mr. Clyburn intentionally crafted the STB's rules in a way that interest in enhancing competition and promoting high standards of rail service to support economic growth. T sole remaining survivor from 2001's STB is Mr. Clyburn.**

When CP and KCS agreed to merge in September 2021, Mr. Clyburn submitted expert witness testimony to the S waiver applied to the proposed transaction. Through his involvement in the creation of the rules in 2001 and th waiver in 2021, **Mr. Clyburn created over $10.5 billion of value for KCS shareholders (the premium from the** Southern shareholders will benefit from electing Mr. Clyburn to the Board because his various experiences will ad one that is unavailable from any other board candidate, **that prioritizes safety, compliance, good governance, and value for shareholders.**

Sameh Fahmy

Mr. Fahmy is a former Class I railroad and transportation industry executive supply management, engineering and mechanical experience.

- ✓ Former EVP of PSR at Kansas City Southern, where he led the implementation of K methodology, Optimization Consultant at CSX Corporation (Nasdaq: CSX), where h improve CSX's mechanical and engineering departments, and SVP at Canadian Na (NYSE: CN), where he oversaw the mechanical and engineering functions, improvi record, reducing expenses and train delays, increasing freight car and locomotive leading a four-year fuel efficiency drive.
- ✓ Previously worked at the Association of American Railroads and Amtrak.
- ✓ Previously served on the board of directors at Rumo Railway (BVMF: RAIL3), where Operations Committee.
- ✓ Chartered Professional Accountant.

Professional Endorsements for Sameh Fahmy

> *I can state unequivocally that the insight Mr. Fahmy has provided to our senior management has been* ***exceptionally valuable and has already translated into millions of dollars of costs savings to CSX.***

-James M. Foote, CSX President and CEO – Jul. 23, 2018

> *Sameh's* ***focus, energy and passior performance played a key role in K*** *he is leaving behind a strong and functional team that he helped to re mentor.*

-Patrick J. Ottensmeyer, KCS president and c – Oct. 13, 2021

> *He contributed to our successful Tier4 launch strategy, helped define a RailConnect360 vision built on railroads' processes and needs, and was part of the team behind our Movement Planner win with BNSF. Sameh also had the thought leadership for the 'self-aware train' concept, and helped build partnerships with other industry vendors to start delivering on its components.* ***We've relied on Sameh as a trusted advisor and expert in railroad operations, costing and value.***

-Dave Tucker, VP Commercial at GE Transportation – Jan. 15, 2016

> *[His] role was integral to the company and i review of vendor relationships, cost containm reductions and the overall revamp of the su process. […] in addition to supply chain, h responsibility for both the engineering and r aspects of the business.* ***In this new role Engineering, Mechanical and Supply Mana quickly undertook substantial efforts to furt CN's performance****.*

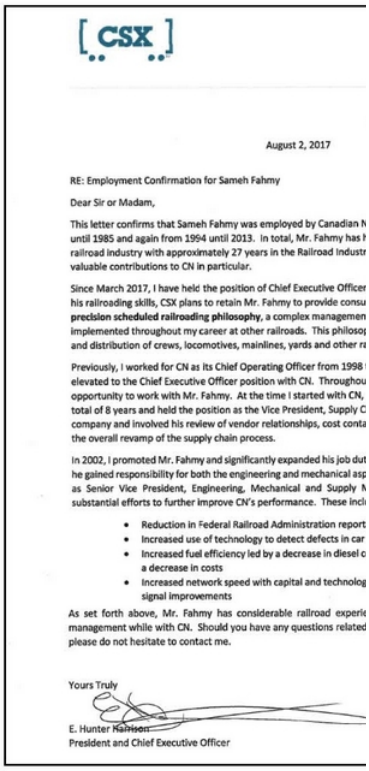
-E. Hunter Harrison, former CSX President an Canadian National Railway COO and CEO

Sameh Fahmy – Case Study

After working together for almost two decades at Canadian National, Hunter Harrison hired Mr. Fahmy as a consultant in 2017 to support CSX's implementation of PSR. Mr. Harrison violated his own rule against hiring consultants because "Fahmy knew how to save money."* In a classic Mr. Harrison understatement, he described Mr. Fahmy by saying, "Mr. Fahmy has considerable railroad experience."

Over the course of 50 years, Mr. Fahmy has applied his talents for engineering, finance and strategy to improve the operations at three Class I railroads (CN, CSX and KCS). Service on Norfolk Southern's Board would bring Mr. Fahmy's railroad affiliations to four (out of six possible). In addition to the accomplishments cited in Mr. Harrison's letter of reference, Mr. Fahmy has at various points:

- Improved operating efficiency at KCS to generate $150 million in annualized savings.
- Decreased annual mechanical expense at CSX by $150 million.
- Filed two patents for new safety offerings on behalf of GE Transportation (status unknown, patent applications were for self-aware train and holistic inspection system).
- Managed an engineering, mechanical and supply team of 10,000 employees with a $2.5 billion budget.
- Relocated Amtrak's data center from Washington, D.C. to Philadelphia on time, without interruptions.



[CSX]

August 2, 2017

RE: Employment Confirmation for Sameh Fahmy

Dear Sir or Madam,

This letter confirms that Sameh Fahmy was employed by Canadian N
until 1985 and again from 1994 until 2013. In total, Mr. Fahmy has h
railroad industry with approximately 27 years in the Railroad Industr
valuable contributions to CN in particular.

Since March 2017, I have held the position of Chief Executive Officer
his railroading skills, CSX plans to retain Mr. Fahmy to provide consu
precision scheduled railroading philosophy, a complex managemen
implemented throughout my career at other railroads. This philoso
and distribution of crews, locomotives, mainlines, yards and other ra

Previously, I worked for CN as its Chief Operating Officer from 1998
elevated to the Chief Executive Officer position with CN. Throughou
opportunity to work with Mr. Fahmy. At the time I started with CN,
total of 8 years and held the position as the Vice President, Supply C
company and involved his review of vendor relationships, cost conta
the overall revamp of the supply chain process.

In 2002, I promoted Mr. Fahmy and significantly expanded his job dut
he gained responsibility for both the engineering and mechanical asp
as Senior Vice President, Engineering, Mechanical and Supply M
substantial efforts to further improve CN's performance. These incl

- Reduction in Federal Railroad Administration report
- Increased use of technology to detect defects in car
- Increased fuel efficiency led by a decrease in diesel c a decrease in costs
- Increased network speed with capital and technolog signal improvements

As set forth above, Mr. Fahmy has considerable railroad experie
management while with CN. Should you have any questions related
please do not hesitate to contact me.

Yours Truly

E. Hunter Harrison
President and Chief Executive Officer

*Railroader: The Unfiltered Genius and Controversy of Four-Time CEO Hunter Harrison.

John Kasich

LEHMAN BROTHERS

Mr. Kasich is a former Ohio governor and congressman with significant regu legislative and executive policy experience.

- ✓ Former Governor of Ohio, where he significantly improved the state's business clin needless red tape and regulations, streamlining operations, creating a private ecor development entity and overseeing cumulative surpluses of nearly $3 billion.
- ✓ Previously spent 18 years as a congressman, during which time he served as Chai Budget Committee, a member of the Balanced Budget Committee and a member c Armed Services Committee. Former Republican candidate for the presidential nom and 2016.
- ✓ Former Managing Director in Lehman Brothers' investment banking division, where companies secure the financial resources they needed to succeed and create jobs
- ✓ Previously served on the boards of directors of Worthington Industries, Invacare ar

Professional Endorsements for John Kasich

John Kasich is a man of immense capacity to do good and has made a difference in the lives of so many, including my own. Integrity, smart, ability to go to the most important issues immediately, and a capacity to listen carefully – all characteristics of John Kasich. And, I believe, the needed characteristics to serve on a corporate board. ***Whatever he does, he adds value and makes a difference.***

-President Gordon Gee, West Virginia University – Apr. 4, 2024

It was clear from the beginning that Governor Kasich was up to the challenge of navigating the budget crisis. He ***built a team of capable, trusted advisors, identified the issues and made tough decisions*** *about what programs and funding to cut and where to invest. While he had strong opinions about what to do and how to do it, he also* ***listened to our input, adjusted his plans and built consensus.***

-Thomas Neihaus, Former Ohio Senate President – Apr. 4, 2024

Governor Kasich's creation of Jobs Ohio, aim
innovation, research and job creation in C
solidified his reputation as a visionary leade
driving growth and prosperity. As a Board
strategic thinking, creative problem-solving
instill a sense of urgency have been instrum
tangible outcomes and enhancing shareh

-Mahendra Vora, Executive Chairman of The Vora Gr
Apr. 4, 2024

John Kasich – Case Study

Mr. Kasich was a state and federal congressional representative of Ohio, as well as Ohio's 69th go into state and federal agencies will be of tremendous value as a Norfolk Southern director. Howe qualification for the Board is that, at his most fundamental, Mr. Kasich is a force for organi structurally correct underperformance.

In 1986, Mr. Kasich participated extensively in securing passage of the Goldwater-Nichols Act, wh sweeping changes to the U.S. Department of Defense since 1947 by streamlining the command s military. **Mr. Kasich saw underperformance in the way critical information was transferred a enacting the U.S. military's biggest change in 40 years.**

In 1997, as Chairman of the Congressional Budget Committee, Mr. Kasich was the chief archite Budget Act, delivering a result in his third year as Chairman that had not been achieved since **change agency delivered a result where other extremely effective legislators had failed.**

In 2010, Mr. Kasich ran for Governor of Ohio on a campaign for change, particularly improving th health. As Governor, Mr. Kasich privatized Ohio's economic development functions, including co and expansion, marketing and job retention efforts. The aggregate impact of that privatization, from 559,382 new jobs, $32 billion additional payroll dollars and $15.3 billion in additional state tax rever **underperformance in Ohio and delivered change that has improved the rank of the state's ecor 42nd in 2010 to 20th currently.**

Gilbert Lamphere

Mr. Lamphere is a railroad and transportation industry veteran credited as the original fina strategy that revolutionized how freight railroads are run in the U.S. and Canada.

- ✓ Chairman of MidRail Corporation and Co-Founder of MidSouth Rail Corporation (Meridian Spe
- ✓ Served on the board of eight large NYSE public companies and served as Chairman on two of
- ✓ Previously served on the boards of directors of Canadian National Railway (NYSE: CN), where the Finance Committee, and CSX Corporation (Nasdaq: CSX), where he was a member of the Committee.
- ✓ Former Chairman of Illinois Central Railway, director of Florida East Coast Railway and Chairm
- ✓ Served on four activist-impacted boards where he managed transitions.
- ✓ Previously headed four operationally focused private equity firms and served as VP in the M& Morgan Stanley (NYSE: MS).
  - ✓ 15-year IRR of 60% (audited) investing in operational transformation companies.
  - ✓ Subsequent 15-year IRR of 18% investing in undervalued public companies.

Gilbert Lamphere – Case Study

MIDSOUTH RAIL CORPORATION

ILLINOIS CENTRAL

Mr. Lamphere and Ed Moyers founded MidSouth Rail on March 31, 1986, as the first railroad in the U.S. that provided on-time servic creating a precisely scheduled route structure. This approach maximized asset utilization, eliminated redundant expenses, and, mos **culture of the work force to one of pride and accountability.** Safety became the corporate mantra that glued the entire organization to

MidSouth was formed by exchanging $16 million in equity, plus some bank debt, for four semicontiguous short lines that, when between two Class I railroads and a direct route from West Coast ports to the growing markets in the Southeastern U.S. Those rail lin the Meridian Speedway. In 1994, the equity was sold for $256 million to Kansas City Southern, in recognition of the line's potential strategy.

In 1989, Messrs. Lamphere and Moyers acquired Illinois Central Railroad, the sixth-largest railroad in the U.S., for $80 million of equi debt). Illinois Central was the worst performing railroad in the U.S. with an OR of 93 and a workforce, service offering to customer were in serious disarray. Building on their experience at MidSouth, Messrs. Lamphere and Moyers assembled a full executive tea larger scale. The team included Hunter Harrison, who was hired from BNSF as Illinois Central's V.P. of Transportation. **By 1991, th 59.9, the company had won the Gold Harriman award as the safest Class I and Mr. Harrison was promoted to COO.** In 1992, Illinois the lead for safest railroad and won the Silver Harriman award; Mr. Harrison was promoted to CEO in 1993. As Chairman, Mr. Lamph experience in corporate transformation that prioritized disciplined execution of a business plan. The board members also actec advantage of Illinois Central's finely tuned operating base to add strategic value and facilitate growth. Illinois Central became a f compounding growth.

Illinois Central was sold to Canadian National in 1998 for a combination of cash and CN stock that valued the original $80 million billion. Messrs. Lamphere and Harrison joined CN; Mr. Lamphere became a director (and later Chair of the Finance Committee appointed COO (and later CEO). Within seven years, the value of CN's stock had increased from $7 billion to $30 billion.

Norfolk Southern today faces an inflection point that requires Mr. Lamphere's railroad governance experience to support the Compa it works to re-establish operational excellence and implement a successful growth-focused strategy. At his core, Mr. Lamphere is between strategy, operations and financial objectives, and the requirement that directors have an unobstructed view of all three in o shareholders. Two closing fundamental points:

1. The incumbent Norfolk Southern directors' attention to safety has, at best, been ineffective. The Board appears to be unaware railroading ensures accountability for safety by requiring that the railway must have the right person, in the right place, at the guiding principle for management on the subject of safety is as follows: Ignore safety and you are fired.
2. Contrary to the common criticism of PSR, which has at various times been voiced by Norfolk Southern's leadership, PSR has n reduction. In fact, the removal of excess expense under PSR is a side effect that results from continuous, iterative improvement to ensure on-time departures and arrivals and create balanced fluidity. When properly implemented, a PSR strategy's primary focu

Allison Landry

Ms. Landry is a former U.S. transportation and logistics sector equity researc extensive expertise in corporate governance and compensation practices.

- ✓ Previously spent 16 years as the Lead Equity Research Analyst at Credit Suisse for transportation sector, covering Class I railroads, trucking, parcel/air freight and log companies.
- ✓ Vice Chair of the board of directors of XPO (NYSE:XPO), where she is also Chair of Corporate Governance and Sustainability Committee and a member of the Compe Committee and Operational Excellence Committee.
- ✓ Member of the advisory board of Windrose Technology, which specializes in devel emission heavy duty electric trucks.
- ✓ Former Senior Accountant at OneBeacon Insurance Company.

Professional Endorsements for Allison Landry

> *Allison brings a unique combination of skills to the boa*
> *including **extensive financial and analytical experien***
> ***deep understanding of investor perspectives, and exp***
> ***in the transportation industry.** She possesses strong ir*
> *and a firm grasp of the levers that maximize shareho*
> *value. Allison is a trusted advisor and a valuable part*
> *management.*

-Brad Jacobs, Managing Partner, Jacobs Private Equity, 2024

> *Allison's sector-specific experience proves invaluable on our board. While this can often lead to a board member encroaching into management's operational lane (because she knows the sector intimately), **Allison does an incredible job providing helpful strategic direction and tactical insights that management can use for the betterment of the enterprise.** As a board colleague, I can also attest to her ability to get along with fellow members, even when we don't all agree. Finally, I find **Allison's role in shareholder outreach (offseason and during the proxy season) to be extremely helpful as we work to respond to our shareholders' feedback.***

-Johnny C. Taylor, President and CEO of SHRM – Apr. 5, 2024

Allison Landry – Case Study

XPO

Ms. Landry will be an invaluable addition to Norfolk Southern's Board, given her differentiated skills relevant experience. With a background as a transportation equity research analyst and as a curre board of XPO, she brings a **wealth of strategic insight, industry expertise, knowledge of investor r perspectives, and strong corporate governance competence and leadership** to the table. This will enhance Norfolk Southern's ability to objectively identify and evaluate strategic opportunities for lo growth, while ensuring that decisions are made in direct alignment with the best interests of share

Drawing upon 16 years of experience as a publishing Wall Street analyst, she has a profound unde **key metrics that drive railroad financial and operating performance and long-term sustainable gr** comprehensive grasp of competitive industry dynamics and peer benchmarking; and how investor and other factors into their assessments of short and long-term absolute and relative valuation.

On the board of XPO, Ms. Landry currently serves as Vice Chair, Chair of the Nominating, Corporate Sustainability Committee and a member of the Compensation & Human Capital and Operating Exc Committees. She is deeply involved in **guiding the company's long-term operational and strategic** including the implementation of its **multi-year transformation** plan – which has driven the stock up the last 18 months.

Ms. Landry is regarded as a **trusted partner** and advisor to management and is recognized by her for her **collaborative approach** and ability to build consensus among diverse stakeholders.

Support for Our Slate Is Consistent With Past Proxy Advisory Recommendatio Vote Outcomes

Pershing Square Capital Management

CANADIAN PACIFIC

“ *What is still missing from the board's discussion [...]* ***is a real sense of what is required to execute on a true, robust strategy because playing catch-up is not in itself a strategy.***

This comes through most powerfully [...] in ***flurry of personnel changes in the C-suite during the CEO's tenure.*** *[...]*

How, one might ask, is it possible to plan for the long term, much less execute on those plans, when succession planning in the executive suite looks more like crisis management?

This proxy contest is ultimately less about running a railroad than it is about credibility and expectations. ”

Conclusion

- Institutional Shareholder Services endorsed all seven of Pershing Square's nominees.
- Shareholders voted to elect all seven of Pershing Square's nominees.

RICE INVESTMENT GROUP

EQ

“ *Although there is an elevated bar for supporting a majority contest framework,* ***this contest amounts to a referendum a management team is better suited to run EQT.*** *[...]*

Among other things, ***change is necessary to minimize the ri loyalties to the legacy board's leadership and direction will turnaround efforts.***

[...] ***which management team is more likely to drive deeper, operational improvements?***

By contrast, ***the incumbent management team has failed to turnaround efforts at a satisfactory pace for shareholders, target initiatives that are vague and unambitious*** *[...]* ”

Conclusion

- Institutional Shareholder Services endorsed all seven o
- Shareholders voted to elect all seven of Rice's nominee

Institutional Shareholder Services. Permission to quote was neither sought nor obtained. Pershing Square/CP ISS report (May 13, 2022). Rice/EQT ISS report (Jun. 28, 2019).

Support for Our Slate is Consistent With Past Proxy Advisory Recommendatio Vote Outcomes (Cont.)

pitney bowes

“ ***PBI has not provided shareholders with a convincing, substantive reason to conclude that future performance will depart from the disappointment of the past decade.*** *[…]*

Recent board changes do not provide shareholders with a reason to look past these and other apprehensions. *[…]*

In summary, ***shareholders have endured a decade of underperformance and disappointment****, there are* ***unanswered questions and serious concerns about the path forward,*** *and power on the board is concentrated in the hands of those directors who objectively have the most potential for a* ***conflict of interest by virtue of their past experience and tenure.*** ”

Conclusion

- Institutional Shareholder Services endorsed four of Hestia's seven nominees.
- Shareholders voted to elect the same four of Hestia's nominees.

Prog

“ *The company's TSR has varied when compared with peer periods, it has substantially underperformed that of the Nas Such underperformance on the surface would appear surpr AZEDRA's approval last year and the company's progress to two new drugs. […] However,* ***despite weak TSR, delays with and unusually weak support for the CEO at last year's annu board has not appeared to acknowledge these issues or ou changes, suggesting that similar mistakes could recur in th***

The most immediate need for Progenics is sufficient board second opinion on the merger, and b) establish the possibi alternative path, which the current board and management articulate. The most effective way to accomplish this may CEO Baker and adding dissident nominees Ende, Ber, and

Conclusion

- Faced with an effective abdication of duty by the incum Institutional Shareholder Services endorsed three of Ve nominees and the removal of Progenics' CEO, so that d unquestionable independence could review Progenics' alternatives.
- Shareholders voted to elect all five of Velan's nominees CEO.

Institutional Shareholder Services. Permission to quote was neither sought nor obtained. Hestia/Pitney Bowes ISS report (Apr. 26, 2023). Velan Capital/Progenics ISS report (Nov. 8, 2019).

Voting FOR Boardroom Change This Year Will Drive Significant Improvement

Our Plan to Move Norfolk Southern Forward

Our Strategy for Norfolk Southern Will Deliver Significant Shareholder Value

Guiding Principles

We will **transform** the **Norfolk Southern** organization into one that is **safe**, **customer-oriented**, **accountable** and **efficient**. It will create operating leverage in all phases of the business cycle and, through substantial service improvements, develop opportunities to recapture and then expand market share. New revenue on a lower cost basis will unleash profitability and maximize shareholder value.

Approach to Change

- We will begin with listening, observing and monitoring to assess Norfolk Southerr relative to the Board's KPI targets.
- Communication is essential to successful organizational change – communicatic guarantee success, but lack of communication guarantees failure.
- Remedies will be minimally disruptive and data-driven, prioritizing the minimum cl service or price that are necessary to allow continuation of activities that were otl

We will only make changes necessary to achieve the goals of the transf

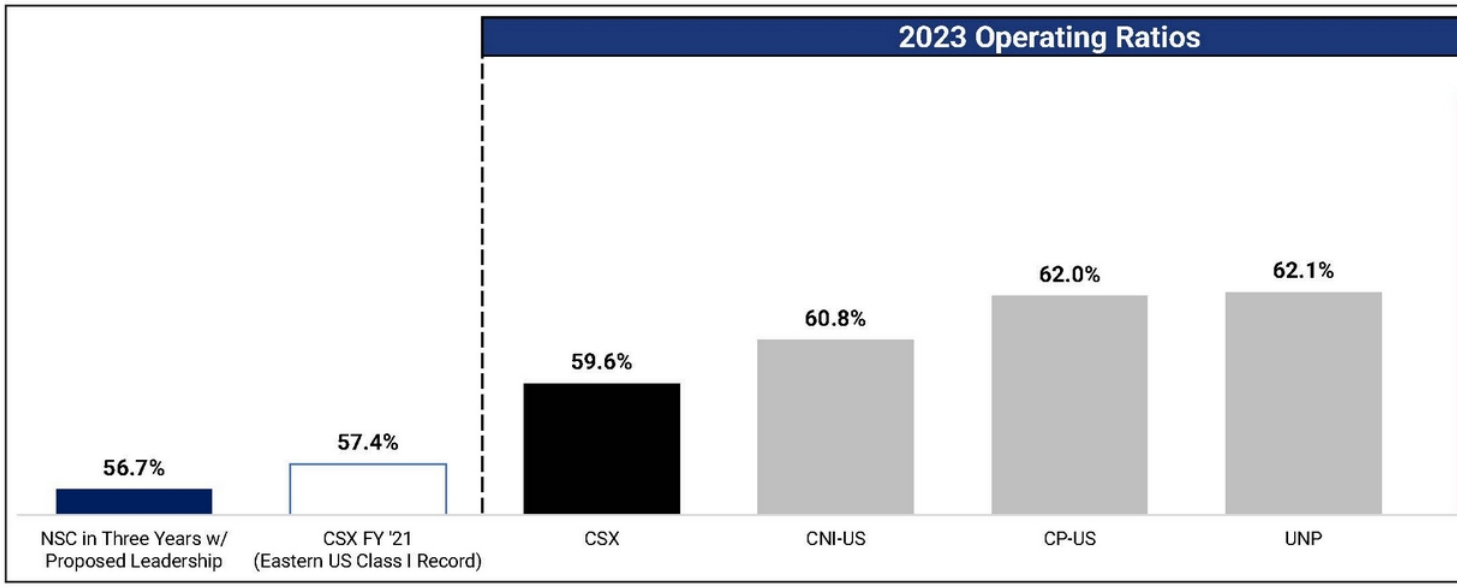
Goals of the Transformation:

- **Operational**: Prioritize service improvement: improving service leads to efficient use of assets, managed costs and safety.
- **Financial:** Profitability analysis will improve forecasting and underpin Norfolk Southern's business expansion decisions.
- **Branding/Marketing:** Tie Norfolk Southern's improved service to a reputation for quality; commercial team will sell Norfolk Southern's shipping alternative to customers.
- **Employees**: Results-focused, accountable and motivated, exercising freedom within the operating framework and empowered to ensure safe
- **Safety**: Employee-led safety committees throughout the network are accountable for safety metrics.
- **Technology**: Incorporate technology to enhance operations, increase safety, plan for disruptions and improve productivity.

Our nominees and proposed management have done this before – and succeeded.

How Can We Transform Norfolk Southern to Become Best-in-Class?

Norfolk Southern's different strategy (resilience railroading, rejection of PSR) has led to massive diffe operating results and financial performance. Implementing PSR through a network redesign is a key step Norfolk Southern to the top of the field.



Norfolk Southern and its peers have the same mission, but Norfolk Southern's strategy must cha

Source: Company filings. CSX OR excludes non-rail transportation. CNI and CP ORs are adjusted to reflect U.S. operations. *67.4% is Norfolk Southern's adjusted OR to exclude the impact of the East Palestine derailmen

How Can We Transform Norfolk Southern to Become Best-in-Class? (Cont.)

Norfolk Southern and CSX are nearly identical – same geographic footprint, track miles and freight mix – bu PSR (thereby matching CSX's operating strategy) is the first step toward best-in-class performance.

Forecast Benefit of Implementing PSR at Norfolk Southern

Projected OR at Norfolk Southern

	2023	2024	2025	2026
NSC Projected Operating Ratio	*67.4%*	*65.8%*	*61.8%*	*58.0%*

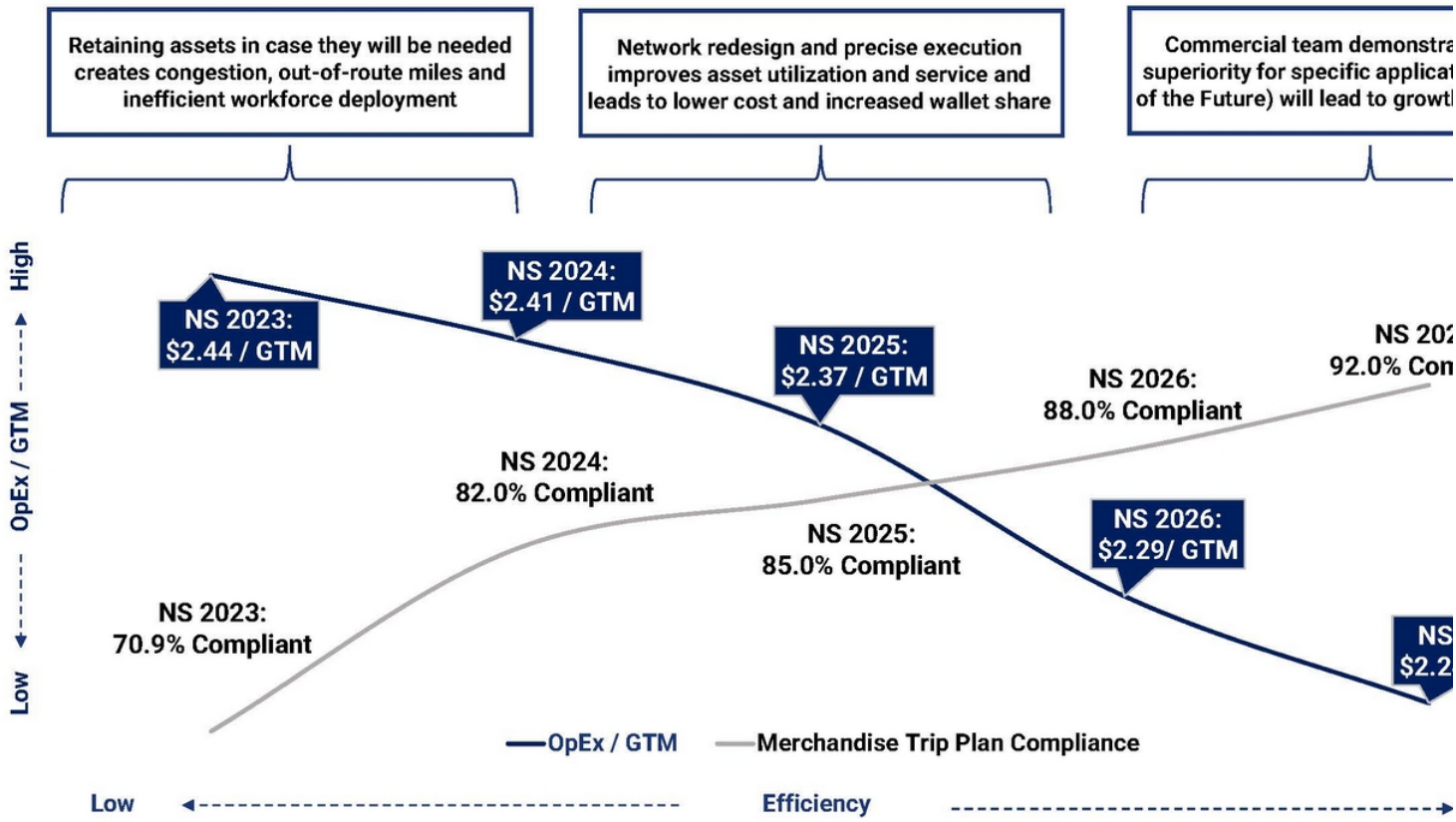
OR at CSX Following PSR Implementation Confirms Forecast

	2016	2017	2018	2019
CSX Historical Operating Ratio	*70.6%*	*67.2%*	*60.3%*	*58.4%*

PSR implementation will dramatically improve Norfolk Southern's efficiency, just as it did at C

Company filings, Ancora projections.

Our Transformation Plan Will Lead to Substantial Cost and Service Improvem



We Are Committed to These Targets

Certainty

Based on publicly available information, our proposed management team's past accor
the added value of our nominees' guidance and oversight, we are **certain** that we can h

Transparency

Shareholders will be able to see that our transformation is working by monitoring chan

- Velocity
- Dwell Time
- Trip Plan Compliance
- Operating Ratio

Skin in the Game

Unlike the incumbents, the proposed CEO and COO's compensation structure will **mini**
the vast majority of compensation **at risk** and tie management's payout to **results.**

Experience

Our director nominees have each, individually, created value for shareholders in a way
the credibility of our dedication, as a group, to using oversight and accountability to de
plan's objectives.

Our Solution: Take the Steps to Enable PSR Implementation at Norfolk South

First: Leadership (CEO and Board) must acknowledge the need for a change in the strategy:

- Management has rejected our case for change (though recent actions appear to acknowledge that change is ne
- The Board refuses to hold management to account for its underperformance.
- To change Norfolk Southern's strategy, a majority of the Board must be reconstituted, so that the new Board car management team in place to implement PSR.

Second: Norfolk Southern's team must embrace the most important ingredients of PSR implementatior

- Culture that prioritizes the network
- Intensity
- Engagement
- Passion
- Experience and teamwork
- A sense of urgency
- Attention to the details: daily metrics and failures, focus on employees and assets and ensuring quality service f

Retraining Norfolk Southern's employees to prioritize these ingredients requires a new management te only be accomplished with a majority of the Board.

Traditional (Norfolk Southern) vs. Precision Railroading: Half-Measures Will I

TRADITIONAL Railroading (Norfolk Southern)

- The Service Plan
  - A guide
  - A train schedule
  - Created by Transportation Department
  - Focuses on train performance
- Crisis Management
  - Working distractedly
  - Putting out fires
  - Less safe environment
- Bureaucratic control
  - Focuses on rules, requires enforcers
  - Rewards the wrong behaviors: bossiness, selfishness, in-fighting
- Focuses on cost cutting
- Network undermined by unintended consequences; local operation optimized

PRECISION Railroading

- The Service Plan
  - Is sacred
  - Integrates all processes
  - Involves all departments
  - Focuses on car performance
- Management by exception
  - Predictable
  - Knowing what to expect
  - Safer environment
- Guiding Principles
  - Values leadership and initiative
  - Rewards teamwork and sharing knowledge, information and credit
- Focuses on cost control
- Network nature of railroading respected; whole operation optimized

PSR cannot be run side-by-side with traditional railroading; it cannot be partially implemente

How We Work and Why: Running a Precision Railroad by E. Hunter Harrison (2005).

Transformation Timeline: Phasing of Key Initiatives and Intended Outputs

	Key Initiatives	Intended Outputs
Months 1-12	✓ High touch communications with all key stakeholders, including listening tours with employees and customers (first 100 days). ✓ Review vendor contracts (first 100 days). ✓ Network redesign (September 2024). ✓ PSR implementation (October / November 2024). ✓ Optimize asset placement and enact any requisite organization structure shifts (December 2024 – May 2025).	✓ Gain alignment and support for strategic initiatives and improve trus ✓ Efficient operations and improved technology will reduce costs. ✓ Operationally led railroad. ✓ Balanced network and enhanced fluidity. ✓ Reduce excess assets / hump yards. ✓ **62-63% Operating Ratio**.
Months 13-24	✓ Evaluate/establish employee-led safety committees. ✓ Recognize lasting safety improvements and prioritize best-in-class service and operating performance. ✓ Implement activity-based costing (produce new targeted profitability tools by customer, product, lane, etc.). ✓ Start to grow and optimize product mix with emphasis on fixing merchandise network.	✓ Best-in-class pricing and profitability management. ✓ Elimination of excess costs. ✓ Hit targeted service metrics. ✓ Recapture merchandise share. ✓ **60% Operating Ratio**, continue to move toward perpetual best-in-cla performance.
Months 25-36	✓ Optimize mix to drive accelerated organic volume and yield growth. ✓ Partner with independent entity to evaluate employee satisfaction in light of poor feedback. ✓ Evaluate technology applications across the Norfolk Southern network. ✓ Evaluate increased opportunities for performance-based compensation redesign.	✓ Enhanced wallet share. ✓ Start to achieve employer-of-choice recognition and make Norfolk S employees want to work. ✓ **57% Operating Ratio**, continue to move toward perpetual best-in-cla
Thereafter	✓ Network of the Future: commercially proactive efficient railroading. ✓ Quarterly analysis and redesign (continual improvement).	✓ Develop a different way of selling rail service across global supply c trusted shippers and partners (e.g., UPS customers), that creates ne ✓ **55% Operating Ratio**.

The combined experience of our nominees and our proposed management team can take Norfolk Southe to first, but it requires replacing a majority of the Board.

Note: See slide 149 for detailed steps of PSR implementation.

Phase 1: First 100 Days

100-Day Plan Is a Sprint to Establish Alignment of Interests

Goals: Meet, Listen, Plan and Organize.

Understand and Diagnose

Objective, facts-based assessment of business fundamentals and current issues

- Understand drivers of past performance (incl. business, customer and commodity mix), commercial choices (incl. operating model) and impact
- Review service issues by customer sector (merchandise, intermodal, coal) to assess:
  - potential market share gain for the shipper
  - first mile/last mile
  - obstacles to growth (e.g. industry tracks, intermodal facilities, line or yard capacity, etc.)
- Diagnose current state of the network and service levels (speed, dwell, OTP, etc.), review past operations and network choices and impact on p baseline current network operating and governance models
- Understand and assess safety culture, approach and incentives
- Assess leadership (structure, roles / responsibilities, performance history, key relationships / alliances, etc.), determine supporters and detracto positions and talent gaps
- Assess culture and union relations

Develop Strategy and Plan

Set down an ambitious vision and goals with a credible roadmap for transformation and value creation

- Develop strategic narrative, vision, purpose, etc.
- Set and socialize ambitious new enterprise goals
- Assess the market, customer and competitive environment to surface key opportunities for differentiated service and commercial opportunitie
- Determine key go-forward strategy archetypes, tradeoffs and choices
- Make decisions and prioritize those requiring further analysis
- Develop strategic plan and roadmap (incl. investments) for execution

Drive Alignment

Engage actively and cross-functionally to build trust and strong support

- Map out internal and external stakeholders (board, leaders, regulators, unions employees, investors, etc.) and desired outcomes (e.g., what do
- Develop engagement and communications plan (cadence, key messages, channels, etc.) to drive excitement / support and address fears
- Productive, active and frequent engagement with key constituencies to socialize vision and goals, share progress and build trust
- Form a customer group of major shippers to share metrics and solicit feedback regarding customer service

100-Day Plan to Keep Execution Moving Forward

Day 0: *"Launch"*

Show up with:

- *Vision and aspiration for the new company*
- *Objectives and plan for the first 100 days, including initial hypotheses*
- *Initial understanding of key stakeholder groups and their interests*
- *Commitment to active two-way dialogue*

First 100 Days: *"Discovery and Engagement"*

1 Understand and Diagnose

- Evaluate safety record and culture
- Assess network operations and customers
- Assess financial performance
- Size opportunities, set priorities and develop plan

Key issues surfaced and opportunit identified by bringing in small speci teams (retirees) to mine for quick w

2 Develop Strategy and Plan

- Develop narrative
- Set enterprise goal and translate to strategic / financial terms
- Assess market environment and current strategy
- Evaluate choices, make decisions and focus strategy
- Develop transforn and create initiati

Unifying goals and objectives

3 Drive Alignment

- Develop engagement plan
- Listening tour with employees, leaders, etc. to inform diagnosis and strategy
- Ongoing communication and socialization of findings (vision, purpose, strategy, org changes)

Transformation Committee Will Steer the Plan

Committee will coordinate the execution of our 100-day plan and ensure a minimally-disruptive transition.

Sameh Fahmy, Chair

Allison Landry, Vice Chair

Jamie Boychuk, COO

Jim Barber, CEO

David Dealy, Chief of Staff

Head of Strategy / Transformation

Chief Financial Officer

Head of Commercial

Chief Information Officer

The Transformation Committee's pu

- ✓ Make use of Board members' pri corporate transformation (railroad advise, guide, and coach manageme
- ✓ Review progress and ensure Norfol on the transformation promises ma during this campaign.
- ✓ Accompany the management team hall meetings, and other face-to-face employees and customers to significance of the cultural trans demonstrate alignment between management.

Phase 2: Months 4 - 12

Safety Is of Utmost Importance

Precise, efficient railroading is reliant upon a culture of safety.

Structure

The right talent, with the right skillsets and right leadership for an organization to deliver the required results.

Process

Workable process that is both measurable and auditable continuously. What's working, what's not working, what are the drivers of excellence, what's causing the organization to fall short.

Discipline

Rigor, especially with respect to railroading where poor level of rigor can result in disastrous consequences. Safety and quality are two things every single participant has to internalize and own without exception, these two constitute the organization's social license to operate.

Accountability

Every single person in an organization has a role to play and each has to play it to the full.

Emb
train
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furth
Tech

Without an employee-led focus on safety, all other corporate functions are in jeopardy.

Tech Enablement and Digital Transformation

Foundational vs. transformational.

- *First 100 Days: Evaluate status of technology*

What are the initiatives, what's the vision? → **Do these initiatives enable/support PSR (understanding of delay, detail events that impact on-time arrival)?** → **Do these initiatives e profitability m**

- *Board influences that plan, evaluate reallocation of budget*
- ***Implementation***: New technology provides an opportunity for Norfolk Southern to shift spending from back into specific use cases, such as:
    - **Pairing locomotive-mounted cameras with analytics for predictive safety.**
    - Using **AI and machine learning to optimize train schedules following disruptions.**
    - **Integrating sensors with analytics to reduce unexpected equipment maintenance issues.**
    - **Alternative power sources (small, modular nuclear fusion reactors).**

Tech cannot do everything, but the right tech paired with the right expertise can have a system-wide

We Have the Critical Talent Standing By to Execute Our Plan

Deep networks from decades of experience with transportation, supply chains and logistics.

We have identified and confirmed availability of professionals who will immediately step in

- **Reinforcing a culture of accountability**
- **Developing profitability models**
- **Applying an operator's perspective to ensuring safety**
- **Optimizing mechanical work**
- **Evaluating opportunities to expand Norfolk Southern's total addressable ma**

PSR Implementation

Communication and network redesign are critical first steps to a PSR implementation. Following implement adjustments and optimized asset placement are the next steps.

Total Network Redesign

- Current Traffic Analysis
- Block Capacity
- Interim Traffic Flow
- Terminal Consolidation (i.e., identify hump yard closures)
- Future Traffic Simulation
- Balance Trains and Power
- Identify Asset and Rolling Stock Requirements
- Identify People Requirements

Months 1-4

Implementation

- Let the network run and analyze redundancies in network and related costs

Months 4-6

Adjustments to Network Design Optimize Asset & People Placement

- Remove excess assets (i.e., locomotives, cars on-line)

Months 6-12

Con Impr

- Rei des

Communicate with key stakeholders about the process

We will be cautious: assets will be stored and held in reserve until we are certain they are not ne

Steps to a 62% to 63% Operating Ratio in 12 Months at Norfolk Southern: Ov*

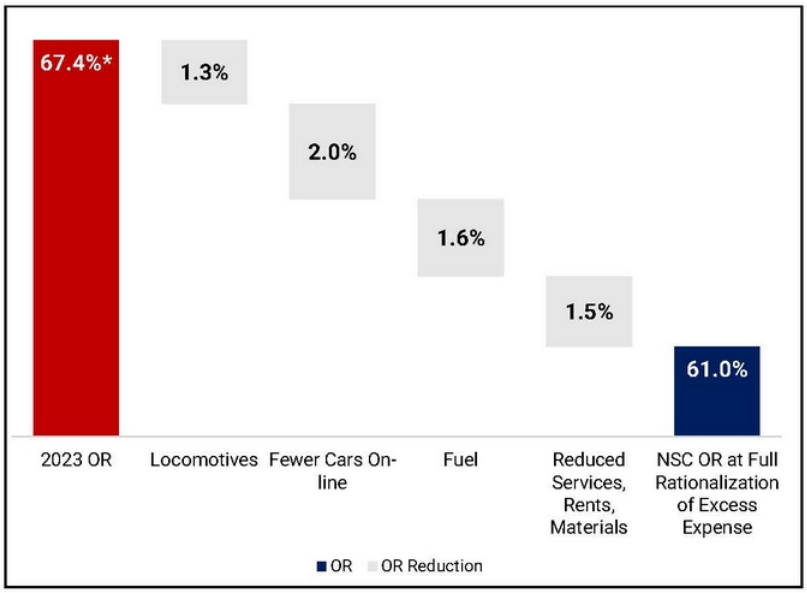
Cost Opportunities	Cost Saving Action	Estim
Locomotives	450 Removed	~
Freight Cars	35,000 Cars Taken Offline	~
Fuel Consumption	Reduce Fuel per Gross Ton Mile to 0.95 Gallons	~
Reduced switching	Efficiency Gain From Network Redesign	~
	Total Estimated Savings	~

$800 million in savings from utilizing assets as well as Norfolk Southern's Class I peers.

*For purposes of conservative estimation and the potential impact of unanticipated delays, the 12-month OR target is 62% to 63%.

Bridge to Operating Ratio Target

Step 1 - From 67.4% to 61.0% OR at full rationalization of excess costs.



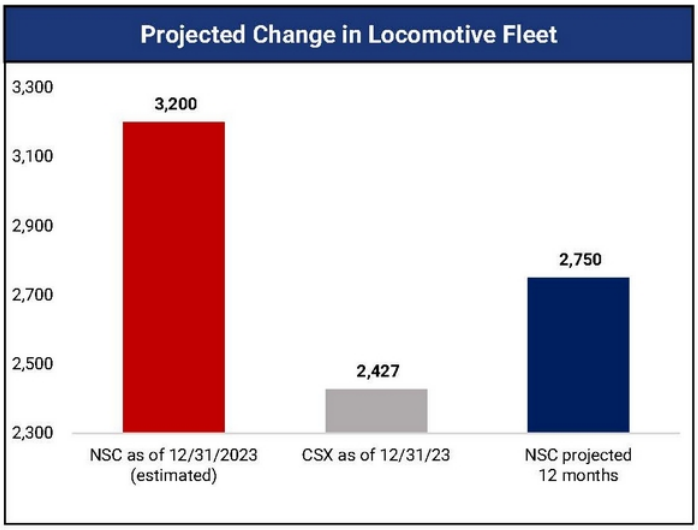
- Fix and **redesign** the network with PSR principl
- Network redesign **completion is expected by S** design plan is expected to be implemented in (2024 (before winter season).
- Following the implementation, asset utilization structure redundancies will be identified, and **E** begin to be captured.
- First ~**650 bps of OR improvement** expected f locomotives and 35,000 cars, fuel consumptio reduced purchases of services, rents, material
- Expect strong cost control.
- Scheduled railroading delivers across-the-boar
- Notably, this improvement **does not require he**
- Operating ratio improvement will **outpace the i**
    - Peers will not stand still, but Norfolk So further, faster.

Company filings. *67.4% is Norfolk Southern's adjusted OR to exclude the impact of the East Palestine derailment.

Steps to a 62% to 63% OR at Norfolk Southern in 12 Months: Locomotives

Locomotive fleet productivity improves.

3,200 Active Locomotives → *Remove 450 From Service (14%, conservative assumption)* → *~$165M Opp*



Action

- Reduce train starts
- Increase velocity
- Remove 450 locomotives from service
- Store locomotives and dispose of the oldest/least reliable

Output and Measure/Monitor

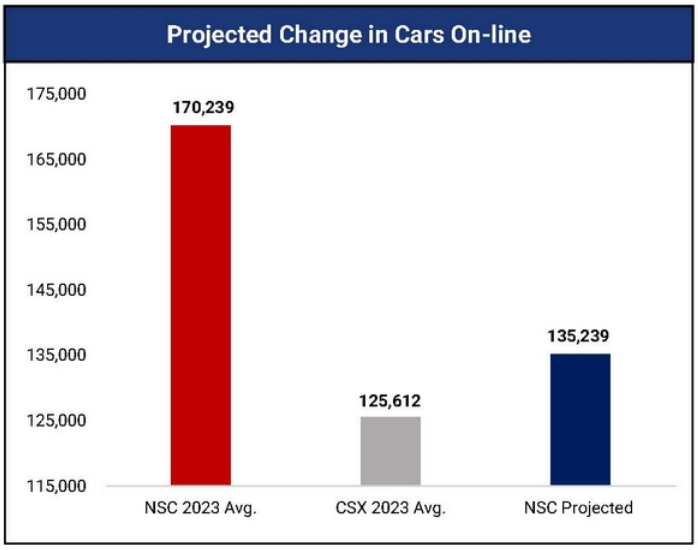
- Active HP
- GTMs / available HP
- Locomotive failures
- Trains holding for power
- Mechanics per Locomotive

Internal Ancora estimate of active fleet, (3,336 reported in 2023 10-K, assume ~150 in storage). Company filings.

Steps to a 62% to 63% OR at Norfolk Southern in 12 Months: Cars On-line

Faster turn times reduce active cars online.

170,239 Cars on-line → *Remove 35,000 Cars* → *~$250M Opp*

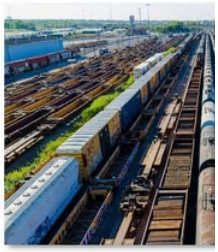


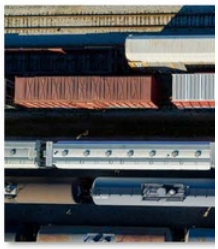
Action

- Efficiently match carload demand to cars online
- Reduce dwell
- Increase velocity
- Reduce car cycle
- Reduce cars on-line by 35,000 cars (20% reduction)

Output and Measure/Monitor

- Car miles / day
- Reduced car rents / reduced car hire
- Reduced car maintenance expense





*Conservative assumption of $20 per day per car, 365 days per year, assumes 35,000 cars removed.

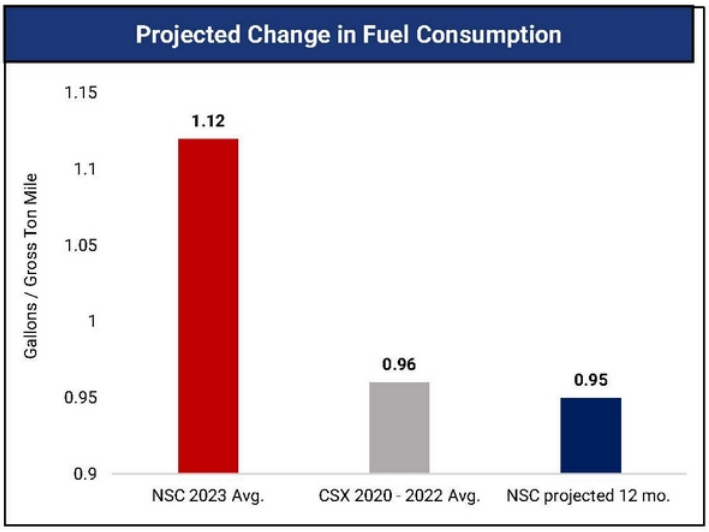
Steps to a 62% to 63% OR at Norfolk Southern in 12 Months: Fuel

Fuel consumption reduced as operations are refined.

377M Gallons of Diesel Consumed in 2023: $1.1 Billion Expense

Planned Actions Reduce Diesel Usage by 18.2%

~$200M Opp



Action

- Eliminate least fuel-efficient locomotives
- Reduce idling
- Reduction in HP/T ratio reduces fuel consumption
- Cruise control software and hardware deployed across locomotive fleet
- Distributed power

Output and Measure/Monitor

- Gallons per 1,000 GTM
- Locomotive miles per day
- Distributed power train count
- Accountability for cruise control compliance

Steps to a 62% to 63% OR at Norfolk Southern in 12 Months: Network Redesig

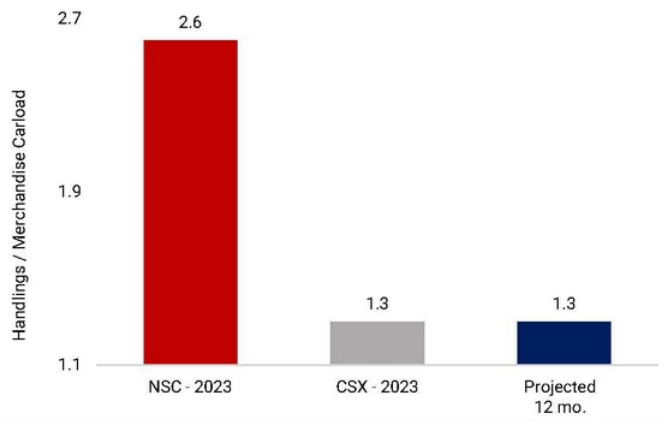
Reduce handlings/switches and the expense associated with them.

2023 Yard Costs: $466M

Reduced Switching by 50% to Match CSX Efficiency

~$185M Opp Net of Fixed

Reduced Handlings



Action

- Analyze traffic patterns
- Identify chokepoints causing congestion
- More switching at origin

Output and Measure/Monitor

- Reduced number of switches per merchandise car

Phase 3: Months 13 - 36

Network of the Future: Growth Opportunities

Norfolk Southern's most important offering is reliable service, and price is often secondary

- Mr. Barber's UPS experience showed customers were willing to pay as much as **5% more for 2% better service** (trip pla
- PSR is the foundational bedrock for service reliability and the best path to grow Merchandise & Intermodal revenues.

Best-in-class financial and AI models to create new dimensions of growth

- Lane, Product and Commodity Micro Strategies will be developed.
- Leverage AI and data analytics to build 'constraints-based' optimization models, providing new growth opportunities.
- Launch 'best of the best team' to model 'what if' scenarios focused on intermodal growth options.
- Leverage UPS Global Customer relationships to expose more customers to rail.

Marketing & Sales must be trained and expected to develop and sell value

- Create Target Pricing Models to ensure shareholder value creation.
- Ensure your pricing and compensation models properly apportion network economic rents.
- Investigate 'logistics services' offering to conduct mode mix optimization to attract new rail customers.

Large scale logistics networks create flywheel economics based on 'stop and route' density (blocking & switching)

- PSR design creates efficiencies by maximizing blocking at origin and minimizing switching.
- Create new products and processes designed to attract new customers who are best served by the PSR flywheel.
- Understand Flexi-PSR opportunities to attract growth in underutilized portions of the Norfolk Southern network.

Continually transform your core competencies as you look to invest for growth

- Enhance performance through quality, efficiency and technology.
- Strategy process should look to the future for opportunities to deploy capital above WACC.
- Use data analytics and AI to identify new market opportunities which require capital but produce high ROIC returns.

UPS Values & Principles Support PSR and Network of the Future at Norfolk S

- UPS's accomplishments confirm that, when running complex global networks, **a firm's people are its greatest ass** Southern's employees do their best, the Company must train them, develop them, recognize them, maintain a spirit of pa upon integrity.
- Service, safety, quality and efficiency are paramount to our success. Our attitude toward these areas must always be **dissatisfaction** as we pursue operational excellence.
- To ensure our products and unique solutions meet or exceed customer expectations, Norfolk Southern must estab rigorously and **measure every step of the carload** journey.
- When a customer expresses a concern, Norfolk Southern will acknowledge it promptly, understand the customer's persp **so as to strengthen the customer's confidence** in us.
- We will continue to grow by creating value for our customers, always looking to transform and **investing in the right grov the right time.**
- Norfolk Southern's commercial team will apply **marketing & sales excellence to create value for customers' supply chair** drive profitable growth for our shareholders.
- We must ensure we are committed to **being a good corporate citizen**. Norfolk Southern will set its standards well a requirements established by governmental and regulatory agencies to offer protection for our people and the communitie

Culture > Strategy

Operationally-Led Network with Interdependent Committees

Network

Capacity utilization (% capacity still available)
Measurement of performance to plan:

% on time hub departure	% on time feeder arrival	% on time package delivery	% on time air arrival (<15 minute)

Revenue Management

Revenue / Piece	% to Plan by Product
Volume	% to Plan by Product
Revenue	Conversion, Penetration, & Churn
Target Pricing	% at Target
	Bid Turnaround Days

Human Capital

Turnover	% to Plan (pre-seniority & seniority)
Staffing level needs	# Job Openings
Applicant Flow	% Effective Funnel
Employer of Choice	EoC Analysis & Follow Up
People Meeting Schedule	% to Plan & % of Target Jobs 3 Deep

Technology

Cybersecurity	Scorecard % Effective
Planned Projects	# On Plan vs. Behind Plan
Post-Project ROIC	% Projects Meeting Plan
Budget Effectiveness	% to Plan

Risk, Regulatory, Labor

Labor Relations	Active Grievances
Gov't Relations	Public Affairs Planned Visit
Regulator Relations	Compliance inquiries / violations
Compliance	Code 1 Violations
Self Audit	% to Plan & Code 1s

Safety

Accident frequen	
Lost time injury fr	
CHSP Meeting Pl	
Temp Alt Work	
Open case liabilit	

CapEx

Bldg & Facilities	
Aircraft	
Vehicles	
Technology	
Post Project ROIC	

Performance & Cost

Pkg Hub Feeder Co	
Pkg Hub Feeder Pi	
Non-Op Cost	
Hourly Staffing	
PT Mgmt Staffing	

Service

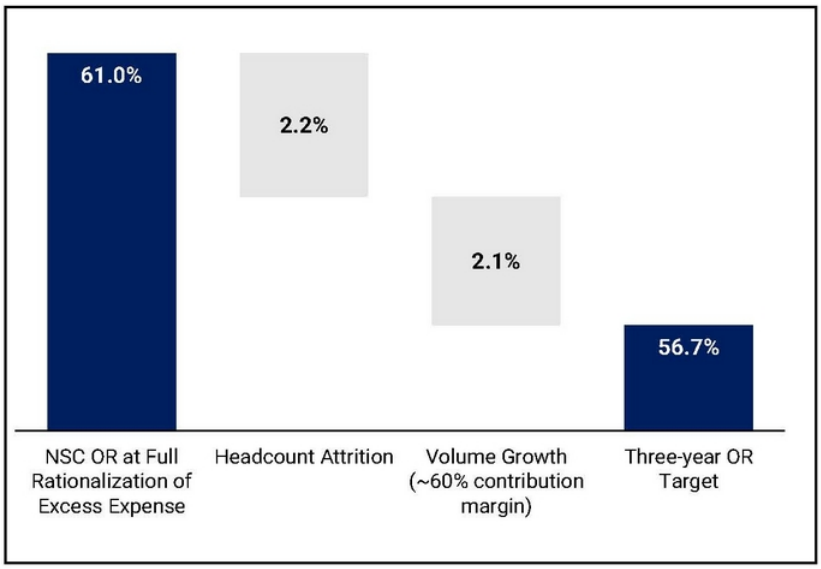
Product, Lane, Cus	
Customer Concern	
% Scanning Freque	

Peak Season Network

- Wet lease 40 airplanes
- Rent 20k pkg cars
- Rent 10k trailers
- Hire & Train 100k
- % of Workstreams on Plan

Bridge to Operating Ratio Target

Step 2: Lower OR from 61% to 57% in months 13-36.



- Once the network is redesigned, rolling stock is effi asset utilization is improving, the benefits of attritic **by $275M.**
  - Attrition is expected to reduce train and engine h people within 36 months, based on conservative attrition per year (industry average is 7%). This is opportunity.
  - The remaining $125M of EBIT comes from other reductions.
  - In total, 200 bps of margin improvement is expe compensation and benefits expense through att **59%**).
- Growth assumption is conservative, reflecting **6.1% revenue growth** from 2024 to 2027.
- **Network of the Future**: Elimination of excess costs, and retrained commercial employees will improve p merchandise and improve wallet share by winning b the highway. Increased volume on a lower fixed cos Norfolk Southern's operating leverage, generating a bps of margin improvement (**OR at or below 57%**).

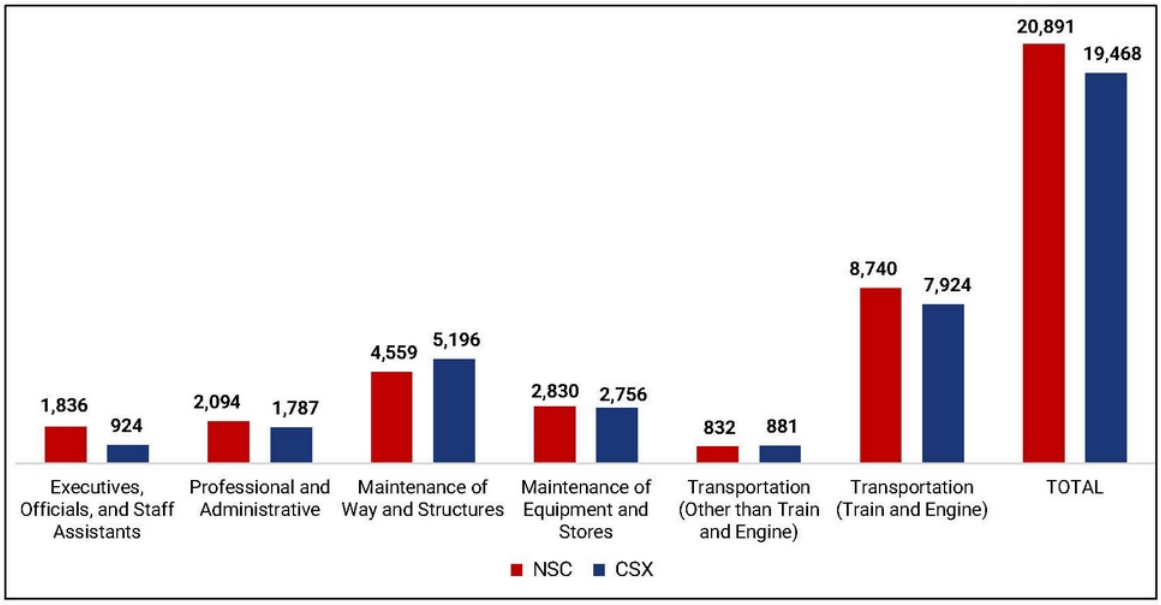
Savings From Attrition: Phased Impact Over 36 Months

Lower compensation and benefits expense.

Feb. 2024 Total NSC Employees: 20,891

Rightsizing the headcount will result in ~1,450 personnel reduction in force over three years

Total Opportuni



- Norfolk Southern ha executives, officials a as CSX.
- Over three years, if a historic 7% level, tota $630M.
- Conservative assump approximately $27 ensures sufficient c disruptions and co reliable service.
- The incumbents have conversations, that th firing personnel – Headcount reduction through attrition, whi at a 7% annual rat forecasts rely on a attrition assumption.

CSX headcount is rail-only (from STB filings as of Feb. 2024), CSX excludes Quality.

Achieve Best-in-Class Service to Deliver Revenue Growth

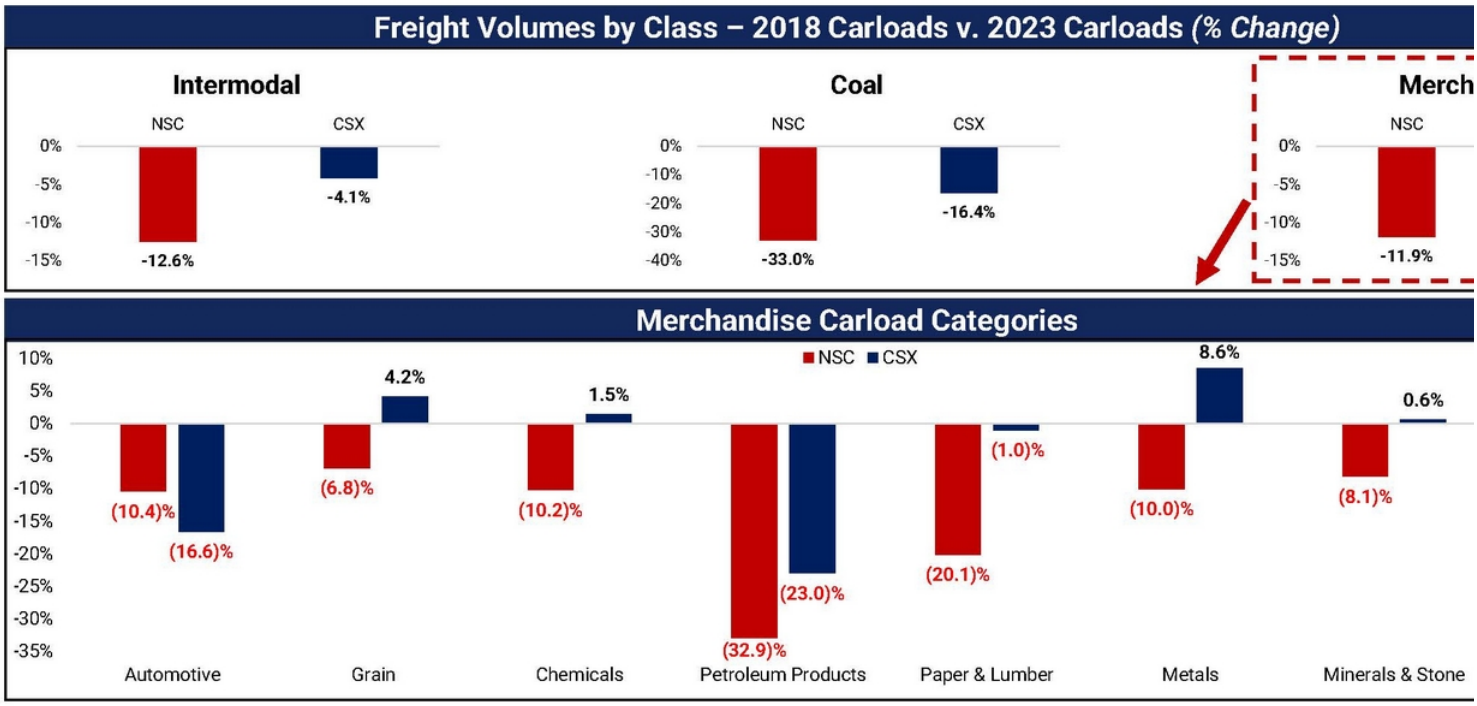
Shareholders will be able to track implementation of the *Network of the Future* strategy at Norfolk Southern improvement in key performance metrics.

Metric	Today vs. Target	
Merchandise Trip Plan Compliance (%)	75%	88%
Train Speeds (mph) per STB	19 mph	26 mph
Terminal Dwell (hours)	23.2 hours	19 hours
Safety (FRA ratio)	3.83	3.3
Car Miles / Day	95-100*	120

Company filings, 2022 Investor Day presentation.

Norfolk Southern Volume Underperformance

Norfolk Southern's inferior service can be quantified by comparing carload volumes with its closest c Norfolk Southern has substantially underperformed CSX in *every* carload class and *seven out of eig* categories. If Norfolk Southern's service was on par, its freight volume would have held even with CSX.

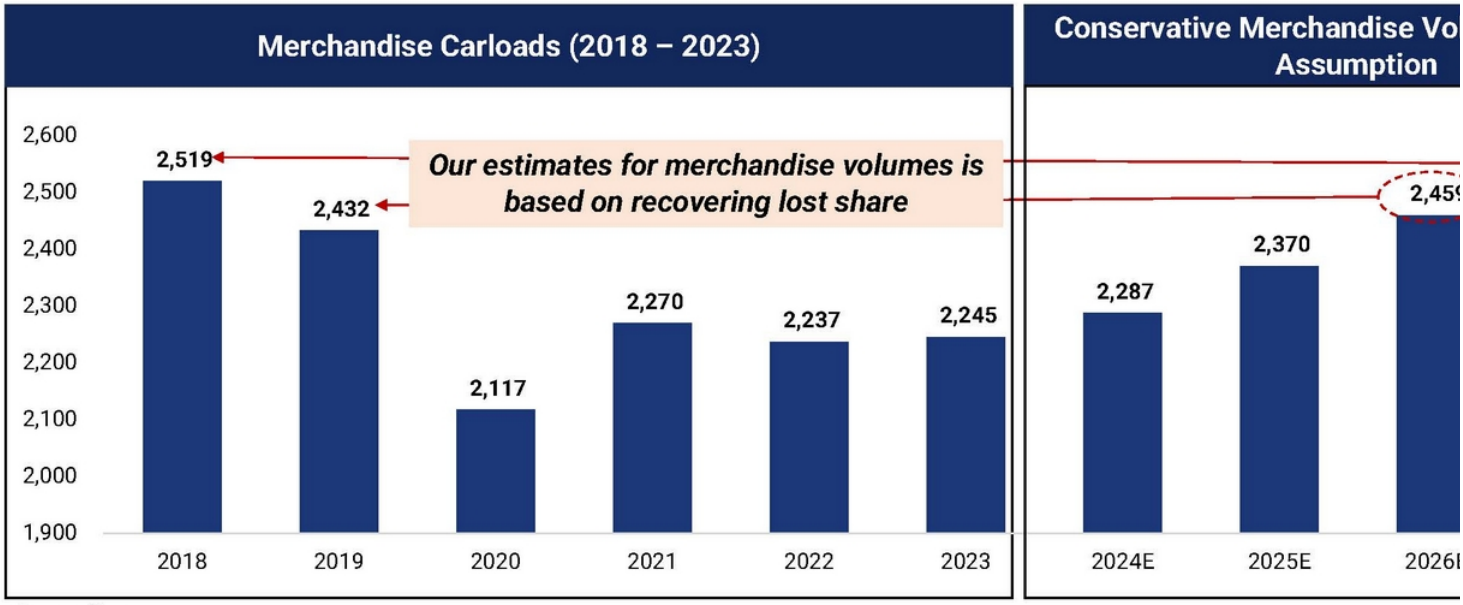


Company filings, AAR Weekly Carloading Reports, Ancora estimates.

Merchandise Share Recovery and Enhanced Wallet Share

Improved service will win back volume from the highway.

- Reliability from scheduled railroading will improve service.
- Higher service will lead to recapturing merchandise volumes and enable wallet share gains.



Company filings.

Our Plan Provides a Reason to Own Norfolk Southern Stock

Once the network is fixed and operating reliably, the go-to-market strategy must be re-engineered to sell the network.

Operations and marketing work more cohesively – the sales organization must believe in the network they are selling.

Network of the Future has ability to flex assets and crews for unpredictable volume growth.

Utilize best-in-class activity-based cost models and profitability tools to grow and optimize mix.

- *The network must say "Yes" before a new piece of business is accepted.*
- *Recover merchandise share by offering better service.*

These
RO

Improved operations expand the total addressable market and create additional potential upsi

Our Operating Plan Translates Into Robust Financial Performance

Key Takeaways

- **$15.2 billion revenue in FY '27**
- **Conservative volume assumptions**
  - **3.9% Intermodal Volume CAGR**
  - **-5.2% Coal Volume CAGR**
  - **2.9% Merchandise Volume CAGR**
- **12.0 percentage points EBIT margin expansion**
- **Target OR of 58.0% in FY 2026, 55.4% in FY 2027**
- **30% growth in EPS from 2024 to 2025**
- **$4.0 billion free cash flow in 2027**
- **Net Leverage declines from 3.0x in 2024 to 2.3x in 2027**

$m, except volumes, per share metrics	**Actual**	**Ancora Operating Plan**			
	2023A	2024E	2025E	2026E	202
Total Railway Revenue	12,156	12,689	13,649	14,445	15,1
% Growth		*4.4%*	*7.6%*	*5.8%*	*4.*
Consolidated Volumes (000s)	6,744	6,941	7,152	7,357	7,5
Intermodal	*3,822*	*5.1%*	*4.0%*	*3.5%*	*3.*
Coal	*677*	*-5.8%*	*-5.0%*	*-5.0%*	*-5.*
Merchandise	*2,245*	*1.9%*	*3.6%*	*3.8%*	*2.*
Consolidated Carload Yield	1,802	*1.4%*	*4.4%*	*2.9%*	*2.*
EBIT	3,967	4,339	5,218	6,060	6,7
Margin (%)	*32.6%*	*34.2%*	*38.2%*	*42.0%*	*44.*
Operating Ratio	**67.4%**	**65.8%**	**61.8%**	**58.0%**	**55.**
EPS	$11.81	$12.14	$15.78	$19.48	$22.
% Growth		*2.8%*	*30.0%*	*23.5%*	*17.*
Diluted Share Count	226	225	218	209	2
% change		*-0.4%*	*-3.4%*	*-3.9%*	*-3.*
Cash Flow from Operations	3,179	3,923	4,655	5,575	6,1
Capex	(2,349)	(1,806)	(1,911)	(2,022)	(2,1
Free Cash Flow	**830**	**2,117**	**2,744**	**3,553**	**4,0**
Capex Intensity	*19.3%*	*14.2%*	*14.0%*	*14.0%*	*14.*
Net Leverage	3.0x	3.0x	2.6x	2.5x	2

The Opportunity: NSC Shares Trading at $420 by the End of Month 36

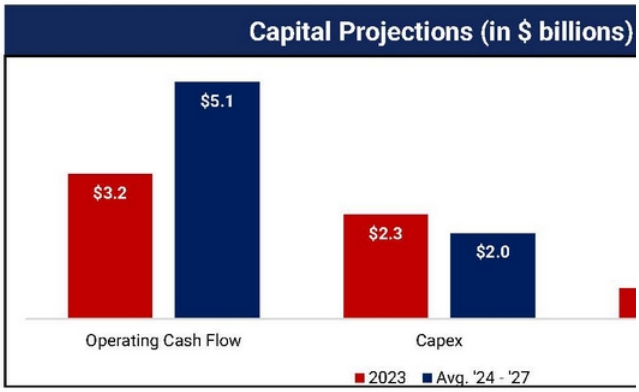
The plan that will be implemented with the election of all seven of our nominees and appointment management team is projected to grow EPS from $11.81 (as of 2023) to $21.00 (as of month 36) to ~$23.0 93.7% earnings increase in just four years.

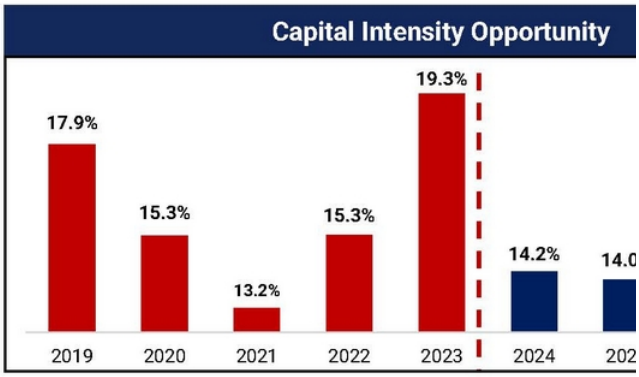
20x multiple is conservatively based on NSC's current NTM multiple; margin improvement, ROIC improvement, and /or reacceleration of growth may lead to greater multiple expansion, though that is not assumed in the

Capital Allocation Priorities

The transformed Norfolk Southern is projected to operate with dramatically improved cash efficiency.

- **Reinvestment for safety and reliability**
  - ✓ Capital improvements will be focused on growth, maintenance and technology
  - ✓ Evaluate returns-based strategic projects to facilitate growth
- **Focus on reducing capital intensity**
  - ✓ PSR implementation must come first, but reduction will not come at the expense of safety
- **Return capital to shareholders**
  - ✓ Our target is to have the buyback suspension lifted within 12 months
  - ✓ Continue growing dividend



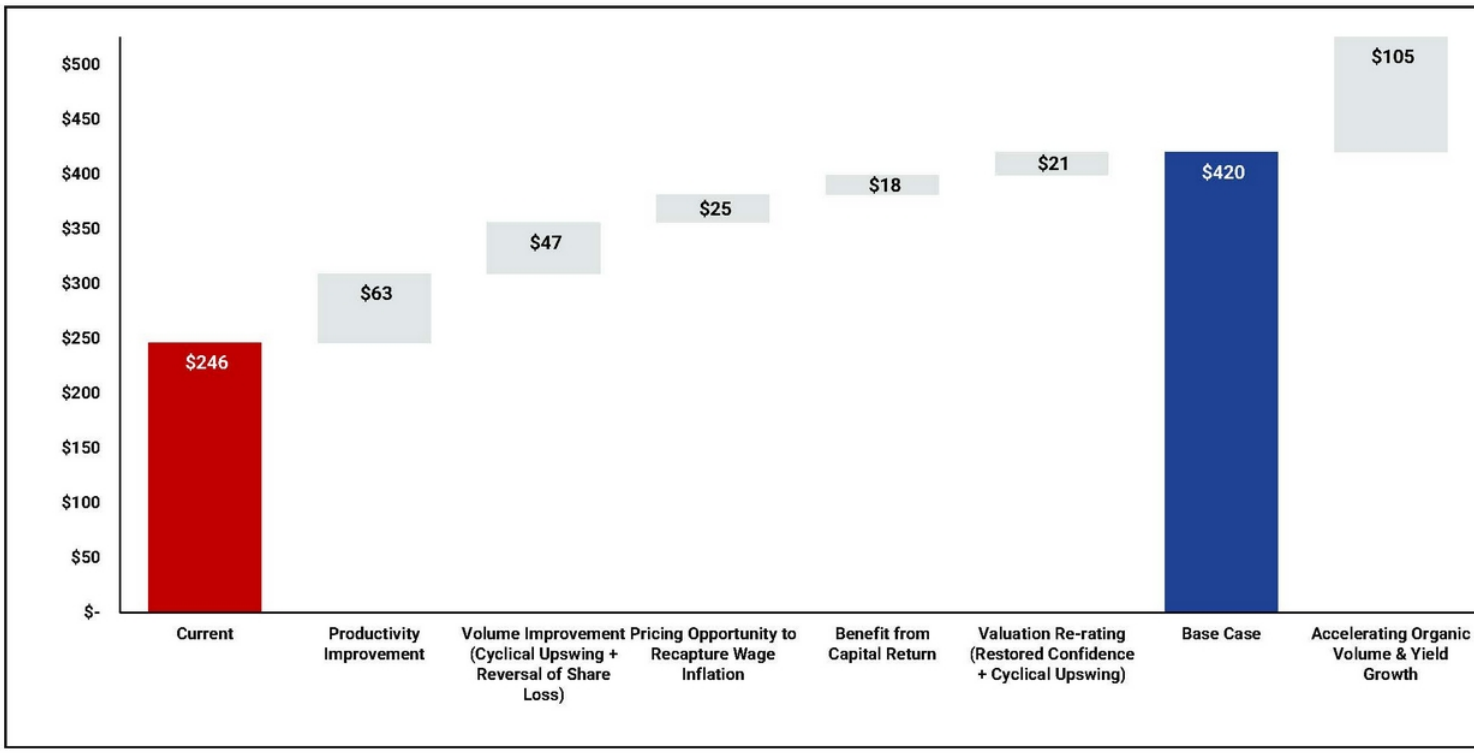


Company filings, Ancora estimates.

Following Transformation: Months 36+

Our Transformation Plan Will Lead to Best-In-Class Results – UPSIDE Case

Enhanced wallet share and new customers lead to accelerating volume and yield growth: $500+ NSC share



VOTE FOR ANCORA'S NOMINEES TO MOVE NORFOLK SOUTHERN FORWARD

Vote Using the BLUE proxy FOR all seven of our nominees.

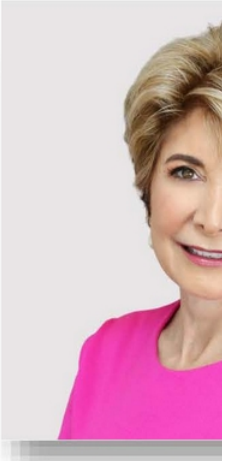
	FOR	WITHOLD
Betsy Atkins	☑	☐
Jim Barber, Jr.	☑	☐
William Clyburn Jr.	☑	☐
Sameh Fahmy	☑	☐
John Kasich	☑	☐
Gilbert Lamphere	☑	☐
Allison Landry	☑	☐

WITHHOLD on the election of the foll incumbent directors.

	FOR
Mary Kathryn "Heidi" Heitkamp	☐
John Huffard Jr.	☐
Amy Miles	☐
Claude Mongeau	☐
Jennifer Scanlon	☐
Alan Shaw	☐
John Thompson	☐

Appendix: Nominee Bios

Betsy Atkins



Betsy Atkins, age 69, has been the CEO and Founder of Baja Corporation, an independent venture capital firm focused on software, technology, energy, life sciences and healthcare, as well as digital transformation and technology enablement, since 1994. Ms. Atkins currently serves on the boards of SL Green Realty Corp. (since 2015), Solaredge Technologies, Inc. (since 2021), Enovix Corporation (since 2021), Wynn Resorts Ltd. (since 2018), Rackspace Technology, Inc. (since 2023); if elected, Ms. Atkins intends to reduce her other board commitments so that she is a director at four or fewer publicly-traded companies. Ms. Atkins served as the CEO and Chairman of SaaS Company Clear Standards, Inc., an energy management and sustainability software company, until its acquisition by SAP. She was also the CEO and Chairman of NCI, Inc., a functional food/nutraceutical company. Ms. Atkins served as CEO of Key Supercomputer Labs, focused on seismic analytics and sustainability insights, applying AI machine learning technology to pinpoint hydrocarbon reserves using predictive and prescriptive analytics. She was also the Co-founder, Executive Vice President for Sales, Marketing, Professional Services and International Operations of Ascend Communications, until its acquisition by Lucent Technologies.

Ms. Atkins served as a director of Covetrus, Inc. (until 2019), Schneider Electric, SA (until 2019), Cognizant Technology Solutions Corporation (until 2018), HD Supply, Inc. (until 2018), and Volvo Car Corporation (until 2022). Ms. Atkins has also served in a variety of significant roles advising information technology companies. She is Chair of the Google Cloud Advisory Board. Betsy was Chairman of the Board for GlobalLogic, a company that specializes in digital product engineering services, from ideation to design and delivery, and integrates design and engineering prowess to help businesses in all industries create transformative, user-centric, data-driven digital experiences to better engage their customers and generate new revenue streams. Additionally, she served as the Chairman of the Advisory Board of SAP.

Ms. Atkins is a corporate governance expert with extensive experience in executive leadership roles and serving on boards throughout the financial services, information technology, hospitality, logistics, healthcare, auto, manufacturing, restaurant and retail industries. Ms. Atkins brings an operational perspective which focuses on taking friction out of the consumer experience. She leverages broad contemporary knowledge of digital technology to reduce costs, drive efficiency and productivity using AI machine learning analytics to streamline processes. Ms. Atkins holds a B.A. from the University of Massachusetts.

Ms. Atkins would be a valuable addition to the Company's Board given her extensive executive leadership, corporate governance and operations experience in the transportation and technology industries.

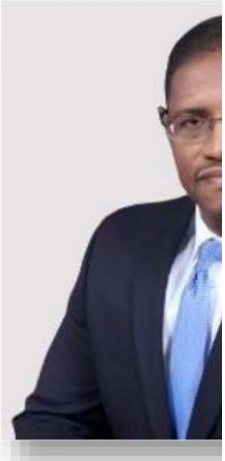
Jim Barber, Jr.

James Barber, Jr., age 63, currently serves on the Board of Directors of C.H. Robinson Worldwide, Inc., where he is a member of the Audit Committee. In addition, he serves on the Board of Directors of U.S. Foods Holding Corp., where he is a member of the Compensation and Human Capital Committee. His professional experience includes many roles at UPS over the course of a 35-year career that began as a delivery driver. Most recently, Mr. Barber served at senior leadership positions at UPS, starting in 2013 as President of Europe, Middle East and Africa, holding that position until he moved in 2015 to the President of UPS International and then later taking over in 2018 as the Chief Operating Officer of UPS, which position he held until 2020. Mr. Barber holds a Bachelor of Science in Finance from Auburn University.

Mr. Barber's qualifications include, among other things, his significant experience in finance, strategic planning, corporate transactions and risk management from decades of work in shipping and logistics at UPS. This experience encompassed leadership positions in UPS's Domestic and International business units as well as in Supply Chain Solutions, including both Global Freight Forwarding and Coyote Logistics, and provided valuable insights into key topics relevant to the Company's business. Mr. Barber also has demonstrated experience in the areas of finance and accounting as well as growth strategies and operations. Mr. Barber meets the definition of an "Audit Committee Financial Expert" as established by the SEC. He was also a former Trustee at the UPS Foundation, a board member of UNICEF and formerly served on the board of the Folks Center for International Business at the University of South Carolina.

Mr. Barber would be a valuable addition to the Board given his extensive executive leadership, corporate governance and strategy, audit and finance experience in the shipping, logistics and supply chain industries.

William Clyburn, Jr.



William Clyburn, Jr., age 57, is the founder and CEO of Clyburn Consulting, LLC, a business development and consulting firm in Washington, D.C. which advises Fortune 500 companies, municipalities, and associations on governmental issues and processes with a focus on transportation, telecommunications, and public health and safety. Mr. Clyburn was appointed to the U.S. Surface Transportation Board ("STB") (formerly the Interstate Commerce Commission), a bipartisan, federal agency charged primarily with the economic regulation of the railroad industry, by President Clinton in 1998. Mr. Clyburn was confirmed unanimously by the United States Senate and served until December 31, 2001. While a Commissioner on the STB, Mr. Clyburn voted for a 15-month moratorium, suspending all major freight rail mergers until the STB promulgated updated merger rules to address the new rail industry paradigm; voted on the comprehensive rules regarding major freight rail merger transactions that are currently in effect; and was the deciding vote in a split decision enabling Kansas City Southern Railway ("KCS") to pursue a Class I merger under 49 C.F.R. part 1180, subpart A (the merger rules in effect before July 11, 2001) through a waiver with a rebuttable presumption. Subsequently in 2021, Mr. Clyburn, as CEO of Clyburn Consulting, submitted a Verified Statement and data to the STB supporting the KCS waiver in the Canadian Pacific/KCS control transaction. The STB final decision approving the waiver was consistent with Mr. Clyburn's Verified Statement.

Mr. Clyburn also has direct experience facilitating constructive dialogue and remediation efforts between Norfolk Southern and community stakeholders. The January 2005 collision and derailment of a Norfolk Southern freight train carrying hazardous materials near Mr. Clyburn's hometown of Aiken, South Carolina resulted in the immediate deaths of nine people and significant health, property and business damages in the following months. Mr. Clyburn's railroad and policy experience, alongside his community relationships, helped rebuild trust between the railroad and their stakeholders through a series of engagements and dialogue.

Mr. Clyburn has experience in all three branches of government and understands the myriad legislative, regulatory and executive branch dynamics that impact businesses and their missions. During his over 30-year career in Washington, DC, he has developed an extensive bipartisan network among members and senior staff at both the Federal and State level. Mr. Clyburn was the transportation counsel to the U.S. Senate Commerce Subcommittee on Surface Transportation, which had jurisdiction over the statutory framework creating the STB. He also served as commerce counsel to former U.S. Senator Chuck Robb from Virginia, overseeing all transportation matters for the Senator when both Norfolk Southern and CSX railroads were headquartered in Virginia. Mr. Clyburn held the position of law clerk for the Honorable Rodney A. Peeples, Circuit Court Judge for the Second and Ninth Circuits of South Carolina. He holds a Bachelor of Science in Ceramic Engineering from the Georgia Institute of Technology and a Juris Doctor from the University of South Carolina.

Mr. Clyburn would be a valuable addition to the Board given his extensive legislative and regulatory experience (with a focus on the railroad industry) stemming from his 30-year career in Washington, D.C.

Sameh Fahmy

Sameh Fahmy, age 72, is a former executive vice president of precision scheduled railroading at KCS, where he led the implementation of KCS's precision scheduled railroading methodology, which resulted in significant improvement in network fluidity, better service, fewer assets and lower cost. Prior to that, Mr. Fahmy served as a consultant at CSX Transportation ("CSX Transportation"), where he worked to optimize CSX Transportation's mechanical and engineering departments. Mr. Fahmy previously spent three years at GE Transportation in strategy, product architecture and pricing. Before that, Mr. Fahmy spent 23 years at Canadian National Railway Company ("CN"), most recently as senior vice president engineering, mechanical and supply management, where he oversaw the mechanical and engineering functions, improving their safety record, reducing expense and train delays and increasing freight car and locomotive availability, as well at leading a 4-year fuel efficiency drive. Prior to CN, Mr. Fahmy worked at the Association of American Railroads and Amtrak. As a director at Rumo Railway, Mr. Fahmy chaired the subcommittee on Operations, where he brought his expertise in safety, precision scheduled railroading methodology, engineering and energy optimization to the board of directors for modernization of Rumo Railway's operations.

Mr. Fahmy holds a Bachelor's degree in Engineering from McGill University as well as an MBA from McGill University. Mr. Fahmy is also a Chartered Professional Accountant. Mr. Fahmy's qualifications include, among other things, his significant experience in the railroad industry.

As of the date hereof, Mr. Fahmy owns 3,000 shares of Common Stock.

Mr. Fahmy would be a valuable addition to the board given his extensive safety, supply management, engineering, mechanical and precision scheduling experience in the rail industry.

John Kasich

John Kasich, age 71, served as the 69th Governor of Ohio from 2011 to 2019. Governor Kasich currently manages the Kasich Company, a consulting firm focusing on issues at the intersection of the public and private sectors, an analyst for MSNBC and NBC News, and serves as a fellow at the Bipartisan Policy Center and the Committee for a Responsible Federal Budget.

Governing the seventh largest state, his administration significantly improved the business climate of the state by cutting a record $5 billion in taxes, reducing needless red tape and regulations, streamlining operations, and creating a private economic development entity called JobsOhio.

Kasich served as a member of Congress for 18 years. He was elected to the U.S. House at just 30 years old, after having become the youngest state senator in Ohio history. He went on to become the chairman of the House Budget Committee and was a chief architect of achieving a balanced federal budget for four years.

After leaving Congress in 2000, Gov. Kasich worked as a managing director in the Investment Banking Division of Lehman Brothers, where he helped companies secure the resources they needed to succeed and create jobs. In addition, Kasich served on multiple boards, including Worthington Industries, Invacare and Instinet. He currently serves as an advisor to Vora Ventures and the Invotek Group. He also was a Republican candidate for the presidential nomination in 2000 and 2016. He is a graduate of The Ohio State University, where he also served as a Presidential Fellow.

Mr. Kasich would be a valuable addition to the Board given his time serving as the 69th Governor of Ohio and as a member of Congress from central Ohio for 18 years where he was also Chairman of the House Budget Committee.

Gilbert Lamphere

Gilbert Lamphere, age 71, is the original financier of Precision Scheduled Railroading, the strategy that revolutionized how freight railroads are run in the U.S. and Canada. Mr. Lamphere is the former Chairman of the Illinois Central Railway, was the Co-Founder of MidSouth Rail Corporation and is a former board member of CN, where he was the Chair of the Finance Committee. Mr. Lamphere has also served as a board member of CSX, where he was on the Operations Committee, Florida East Coast Railway and Patriot Rail, where he was the Chairman. Mr. Lamphere led teams and boards of directors that bought and managed operations at Illinois Central, MidSouth, CN and Florida East Coast, with alumni leading Canadian Pacific Railway, CSX and Southern Pacific Railroad. Most recently, Mr. Lamphere was Chairman of MidRail Corporation.

Prior to his career in railroading, Mr. Lamphere headed four successive, operationally-focused private equity firms following five years in the Mergers & Acquisitions group at Morgan Stanley where he was Vice President. In addition to the railroads described above, Mr. Lamphere has been a board member of several public companies including Recognition Equipment, where he was Chairman; Cleveland Cliffs; R.P. Scherer; Global Natural Resources; Sylvan Inc.; and Lincoln Snacks. Mr. Lamphere was also a board member of the Fremont Group (Bechtel Family), an investment and operating company with over $9 billion in assets, where he co-headed the raising and management of Fremont Group's first $605 million private equity fund.

Mr. Lamphere has been an Overseer of the Harvard School of Business Administration, a Trustee of the New York City Parks Foundation and Chairman of three educational institutions: Deerfield Academy in Massachusetts, Nightingale-Bamford in New York and the Hamlin School in San Francisco. He was Chairman of Princeton University's 1000-person Development Leadership Council spanning two capital campaigns. He is currently on the Advisory Board of the Department of Psychiatry and Behavioral Sciences of Johns Hopkins Medicine. Mr. Lamphere graduated from Princeton University in 1974 and from Harvard Business School in 1976 where he was a Baker Scholar and awarded the Loeb Roades Fellow Finance prize.

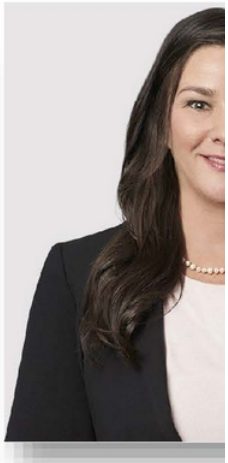
As of the date hereof, Mr. Lamphere owns 1,200 shares of Common Stock.

Mr. Lamphere would be a valuable addition to the Board given his extensive experience serving as a founder, public company board member with operations, financial, strategic and safety experience across influential companies in the railroad and transportation industries.

Allison Landry

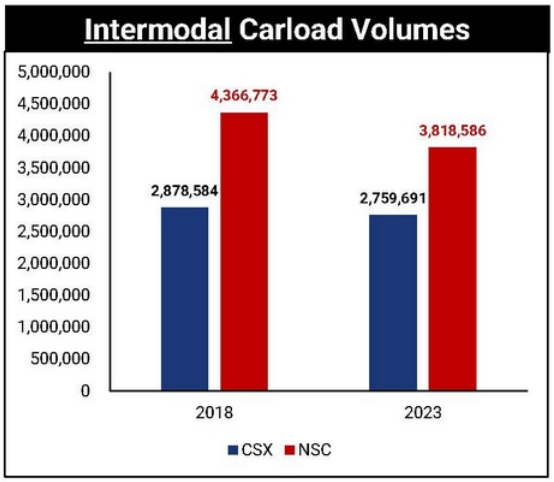
Allison Landry, age 44, currently serves on the Board of Directors of XPO, Inc. where she is Chair of the Nominating, Corporate Governance and Sustainability Committee and a member of the Compensation Committee and Operational Excellence Committee. Additionally, she serves as a Strategic Advisor and member of the Windrose Technology Advisory Board. Prior to that, Ms. Landry spent 16 years at Credit Suisse, where she was the lead equity research analyst for the U.S. Transportation sector, covering Class I railroads, trucking, parcel/airfreight and logistics. Ms. Landry holds a B.A. from College of the Holy Cross in Psychology and an M.B.A. from Boston University's Questrom School of Business. Ms. Landry's qualifications include, among other things, her significant experience in the transportation sector, equity markets and research and analysis from more than 15 years working in investments, financial analysis and valuation.

Ms. Landry would be a valuable addition to the Board given her extensive corporate governance, compensation and finance experience in the transportation and logistics industries.



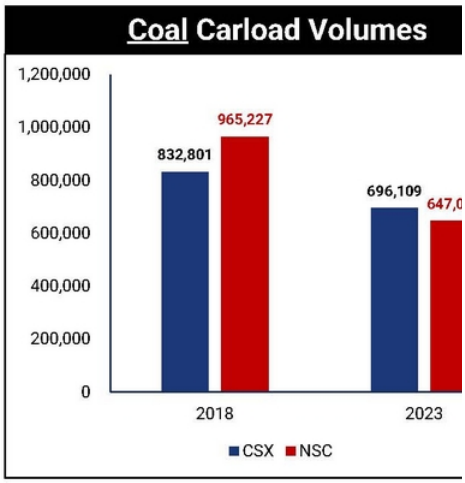
Appendix: Volume Underperformance, TSR Methodology and Biographical Details

Norfolk Southern's Sinking Carload Volumes Are Worse Than CSX's in Nearly
Freight Category



Carloads in 2018 vs. 2023:

NSC – (12.6%)
CSX – (4.1%)



Carloads in 2018 vs. 2023:

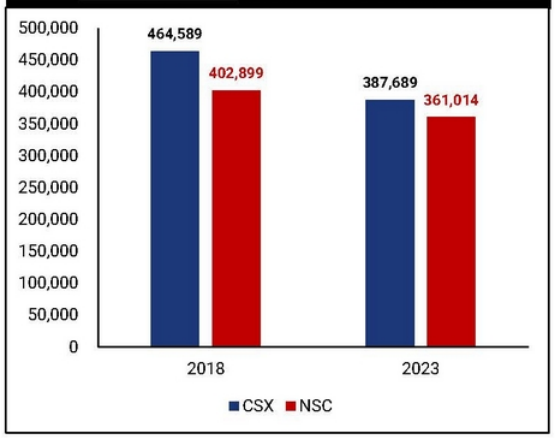
NSC – (33.0%)
CSX – (16.6%)

Company filings and AAR weekly carloading reports.

Norfolk Southern's Sinking Carload Volumes Are Worse Than CSX's in Nearly Freight Category (Cont.)

Merchandise Carload Volumes by Category

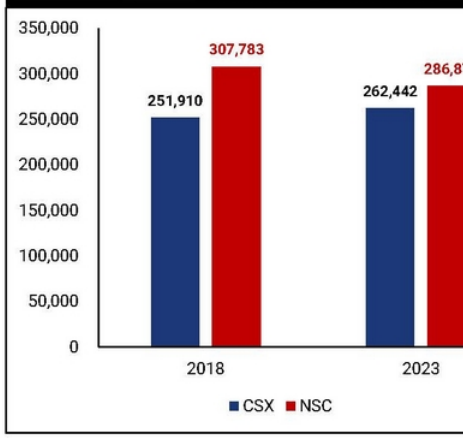
Automotive Carload Volumes



Carloads in 2018 vs. 2023:

NSC – (10.4%)
CSX – (16.6%)

Grain Carload Volumes



Carloads in 2018 vs. 2023:

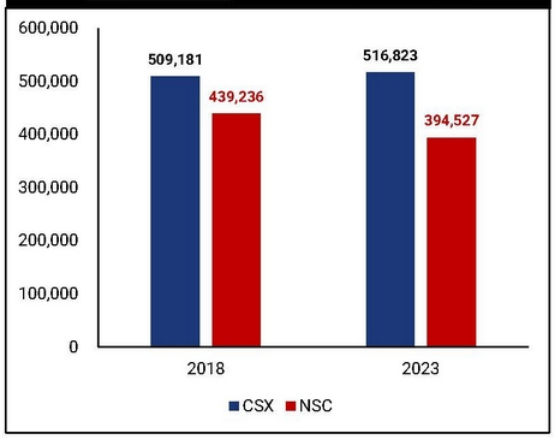
NSC – (6.8%)
CSX – 4.2%

Company filings and AAR weekly carloading reports.

Norfolk Southern's Sinking Carload Volumes Are Worse Than CSX's in Nearly Freight Category (Cont.)

Merchandise Carload Volumes by Category

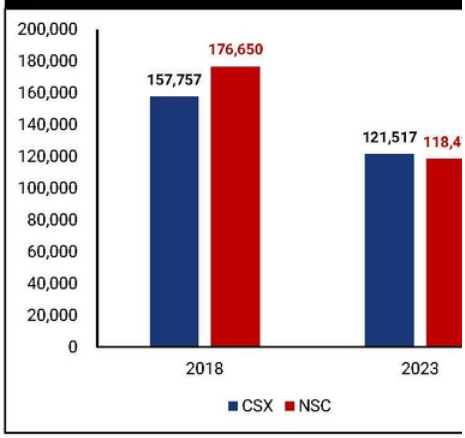
Chemicals Carload Volumes



Carloads in 2018 vs. 2023:

NSC – (10.2%)
CSX – 1.5%

Petroleum Products Carload Vol



Carloads in 2018 vs. 2023:

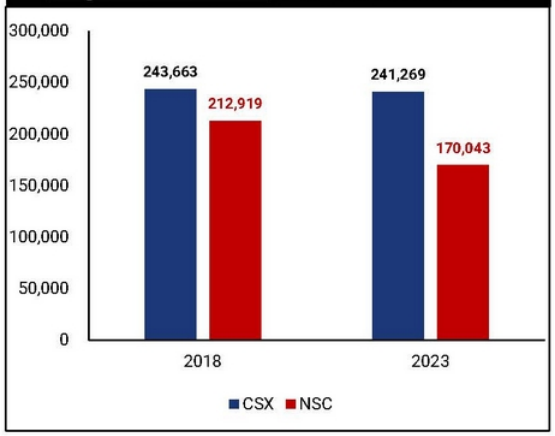
NSC – (32.9%)
CSX – (23.0%)

Company filings and AAR weekly carloading reports.

Norfolk Southern's Sinking Carload Volumes Are Worse Than CSX's in Nearly Freight Category (Cont.)

Merchandise Carload Volumes by Category

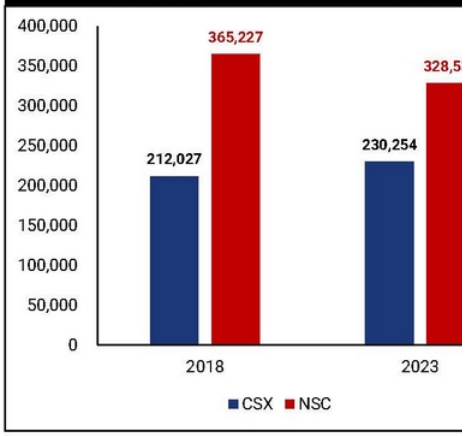
Paper & Lumber Carload Volumes



Carloads in 2018 vs. 2023:

NSC – (20.1%)
CSX – (1.0%)

Metals Carload Volumes



Carloads in 2018 vs. 2023:

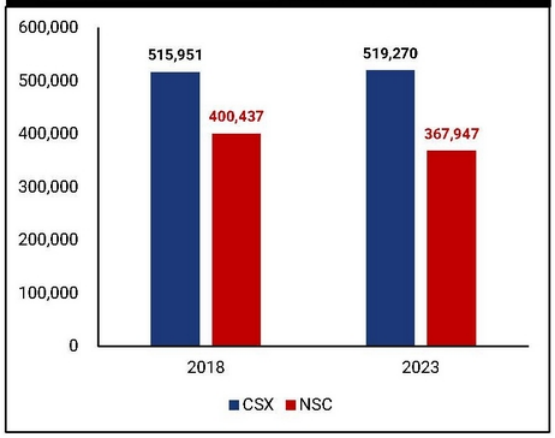
NSC – (10.0%)
CSX – 8.6%

Company filings and AAR weekly carloading reports.

Norfolk Southern's Sinking Carload Volumes Are Worse Than CSX's in Nearly Freight Category (Cont.)

Merchandise Carload Volumes by Category

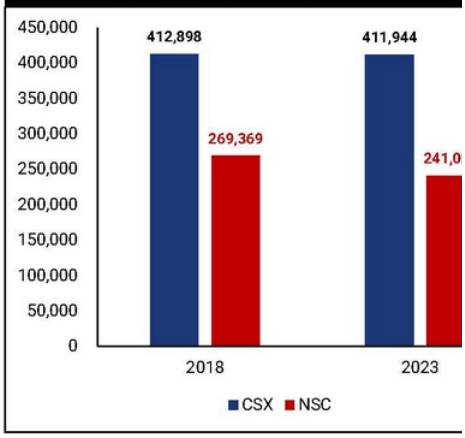
Minerals & Stone Carload Volumes



Carloads in 2018 vs. 2023:

NSC – (8.1%)
CSX – 0.6%

Other Carload Volumes



Carloads in 2018 vs. 2023:

NSC – (10.5%)
CSX – (0.2%)

Company filings and AAR weekly carloading reports.

Relative TSR Methodology

- ***Analytical Period***
  - Norfolk Southern's total shareholder return was evaluated over the customary 1-year and 3-year periods, as well as since Alan Shaw's appointment as CEO on Dec. 2, 2021, and the 2022 Investor Day on Dec. 6, 2022.
- ***Peer Selection***
  - The recommended peer for evaluation of Norfolk Southern's relative total shareholder return is **CSX Corp,** which is nearly identical to Norfolk Southern in terms of geographic footprint, track miles, and freight mix. Norfolk Southern's FY 2023 annual report states, "Our primary rail competitor is CSX Corporation (CSX); both we and CSX operate throughout much of the same territory."
- ***Benchmark Index Selection***
  - The recommended benchmark index for Norfolk Southern is the median of all publicly traded Class I railroads. These railroads are **Canadian National Railway**, **Canadian Pacific Kansas City**, **CSX Corp**, and **Union Pacific**. The Company's proxy statement from March 20, 2024, states that, "the [Compensation] Committee continues to believe that it is important to focus on a peer group of the other North American Class I railroads or their holding companies…"

Ticke
NYSE: CSX
NYSE: CNI
NYSE: CP
NYSE: UNP

Shareholder Nominee Experience / Expertise Details

Betsy Atkins

Skill	Ranking	Commentary
Executive Leadership	●	• Venture Capital CEO (1994-present), Software CEO (2007-200
Operational Improvement Processes	●	• Advises auto, industrial, IT, and transportation companies on processes
Corporate Governance	●	• Service on over 35 public company boards
Transportation / Logistics	●	• Director, Volvo Car Group (2011-2018) • Additional domain expertise in supply chain, including service E2Open, and as Chair of the Global Executive Advisory Board, enterprise software system of record
Sales / Marketing	●	• Communication equipment global sales executive (1989 – 19
M&A	●	• Oversaw the sale of Clear Standards, Inc. to SAP
Information Technology	●	• Google Cloud Advisory Board Chair, advisor to Hitachi, Global SAP Advisory Board Chair
Strategic Planning	●	• Former software executive with extensive board experience.
Safety	◑	• Chair, Safety and Environmental Committee, Atlas Air Cargo. global air cargo company in the world and is privately held by
Capital Allocation	●	• Current CEO responsibilities - frequently evaluating investmer risk
Audit / Financial Reporting	◑	• Audit Committee experience at SL Green Realty Corp (NYSE:
Federal Regulation	◑	• Has been a board member of multiple companies in heavily-r including air cargo, automotive, and gaming companies.

Shareholder Nominee Experience / Expertise Details

Jim Barber, Jr.

Skill	Ranking	Commentary
Executive Leadership	●	• UPS COO *(2018 – 2019)*
Operational Improvement Processes	●	• Led operations at one of Class I railroads' largest customers
Corporate Governance	●	• Currently serves on two public company boards
Transportation / Logistics	●	• 35 years of continually increasing responsibility at leading sl
Sales / Marketing	●	• Sales and Marketing subject matter expert from experience
M&A	●	• Executed UPS M&A plan for integrating Lynx into UPS UL & I
Information Technology	◑	• Technology reported to Barber when he served as President, and Head, UPS Supply Chain
Strategic Planning	●	• Led strategic planning processes in his tenure at UPS
Capital Allocation	●	• Capital Allocation subject matter expert from experience as
Audit / Financial Reporting	●	• Qualified Financial Expert
Federal Regulation	◑	• Experience with UPS air fleet and import/export requirement

Shareholder Nominee Experience / Expertise Details

William Clyburn

Skill	Ranking	Commentary
Executive Leadership	◑	• Government relations CEO *(2004 – present);* Clyburn Consulti
Operational Improvement Processes	◔	• Engineer by training and profession. Had oversight into matte chemical engineering and ceramics while serving on House T Committee
Corporate Governance	◑	• Chair of the nominating and governance committee of the Na on Aging
Transportation / Logistics	●	• Commissioner and Vice Chair of the Surface Transportation E
M&A	◑	• Provided expert witness testimony to STB regarding CP acqu
Information Technology	◔	• Served as the lead researcher on technology-related matters potential legislation while with the House Transportation Con
Strategic Planning	◔	• Has guided and led strategic planning processes and operati discussions based on his engineering experience
Safety	●	• Advises Fortune 500 companies on public health and safety
Federal regulation	●	• STB Commissioner *(1998 - 2001);* CEO, Clyburn Consulting *(2*
Derailment aftermath	●	• Facilitated constructive dialogue between Norfolk Southern a stakeholders following a January 2005 derailment near Grani
Legislation / Lobbying	●	• Eight years of various U.S. Senate member and committee co

Shareholder Nominee Experience / Expertise Details

Sameh Fahmy

Skill	Ranking	Commentary
Executive Leadership	●	• EVP, Kansas City Southern *(2019- 2021)*
Operational Improvement Processes	●	• 2 years consulting at CSX, 23+ years of various engineering r National
Corporate Governance	●	• Director of Rumo Rail (BRL: RAIL3) *(2017 – 2020)*
Transportation / Logistics	●	• SVP, Engineering, Mechanical, & Supply Management at CN (
Sales / Marketing	●	• 3 years at GE Transportation in strategy, product architecture
Information Technology	●	• Director of I/T Infrastructure at CN *(1994 – 1996)*, Director of at Desjardins *(1990 – 1994)*
Strategic Planning	●	• Advised GE Transportation on locomotive pricing strategy
Safety	●	• Architected and filed 2 patents for a new safety offering whil Transportation; FRA accidents decreased by 33% from 2007 Engineering, at CN
Capital Allocation	●	• As EVP of PSR, was responsible for capital expenditure purch
Audit / Financial Reporting	●	• CPA

Shareholder Nominee Experience / Expertise Details

John Kasich

Skill	Ranking	Commentary
Executive Leadership	●	• 69th Governor of Ohio *(2011 - 2019)*; Chairman, House Budge • *(1995 –2000)*
Corporate Governance	●	• Has served on multiple public company boards
Transportation / Logistics	◑	• Executed financing initiatives to pay for Ohio's highways with turnpike revenue
Sales / Marketing	●	• Managing Director, Investment Banking at Lehman Brothers (
M&A	◔	• Managing Director, Investment Banking at Lehman Brothers (a role in the Google IPO
Information Technology	◑	• Led upgrades to Ohio's computer systems while he was Gove • Currently leads an advisory firm focuses on advising and imp relationship management, data collection, and social media
Strategic Planning	◑	• Strategic planning was an integral part of Kasich's first guber he spent two years developing a strategic plan for Ohio
Safety	◔	• Established safety and emissions rules when shale fracking b increased state's use of natural gas instead of coal, as Gover EPA
Capital Allocation	◔	• Experience with state and federal budgets required setting bu and making capital allocation decisions
Federal Regulation	●	• Possesses deep knowledge and perspective on federal agen priorities.
Legislation / Lobbying	●	• Member of Congress for 18 years, youngest state senator in

Shareholder Nominee Experience / Expertise Details

Gilbert Lamphere

Skill	Ranking	Commentary
Executive Leadership	●	• Headed four successive, operationally-focused private equit
Operational Improvement Processes	◑	• Served on the Operations Committee while on the Board of (
Corporate Governance	●	• Has been a Director at CSX and CN, among other railroads
Transportation / Logistics	●	• 30+ years of experience overseeing railroad management
M&A	●	• Led teams that bought and managed operations at Illinois C and Florida East Coast; VP, M&A at Morgan Stanley *(1976 –*
Strategic Planning	●	• Has participated in over ten publicly-traded companies' strat processes in either an executive or director role
Capital Allocation	●	• Chaired the Finance Committee while on the Board of Canac • *(1998-2005)*
Audit / Financial Reporting	●	• Former Chair, Finance Committee, Canadian National

Shareholder Nominee Experience / Expertise Details

Allison Landry

Skill	Ranking	Commentary
Operational Improvement Processes	◑	• Serves on the Operational Excellence committee at XPO
Corporate Governance	●	• Currently a Director of XPO (Nom/Gov Chair)
Transportation / Logistics	●	• Lead equity research analyst for the U.S. Transportation sect *(2005 – 2021);* Member, Windrose Technology Advisory Boar trucks)
M&A	◑	• In 2022, XPO spun off its tech-enabled brokered transportati in 2022, creating two independent publicly traded companies
Strategic Planning	●	• Serves as Vice-Chair of the Board of XPO logistics
Audit / Financial Reporting	◑	• Member, Audit Committee, XPO Logistics, Senior Accountant Insurance Company from 2001 to 2005