SCHEDULED RAILROADING
WHAT IT MEANS FOR INTERNATIONAL BUSINESS
SCHEDULED RAILROADING DRIVES RESULTS

- Improve service
- Operate safely
- Control costs
- Drive asset utilization
- Develop people
RESULTS OF SCHEDULED RAILROADING AT CSX

<table>
<thead>
<tr>
<th>Change</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hump Yards</td>
<td>We've gone from 12 to 5</td>
</tr>
<tr>
<td>Dispatch Offices</td>
<td>Consolidated to 9</td>
</tr>
<tr>
<td>Locomotive Shops</td>
<td>We've gone from 10 to 5</td>
</tr>
<tr>
<td>Railcars</td>
<td>Removed over 28k</td>
</tr>
<tr>
<td>Workforce</td>
<td>Removed 1,100+</td>
</tr>
<tr>
<td>Dwell</td>
<td>Streamlined our workforce by over 4,000</td>
</tr>
<tr>
<td>VELOCITY</td>
<td>Dwell and velocity at record levels</td>
</tr>
<tr>
<td>Efficiency</td>
<td>Improved efficiency and network fluidity through improved business processes</td>
</tr>
</tbody>
</table>

As a result, the quality of our product for the customer is better than it has ever been in the history of CSX.
### VALUE PROPOSITION FOR PORTS

#### WORKING SMARTER WITH DIVERSE STAKEHOLDERS

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Description</th>
<th>CSX Players</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Understand customer strategic plans internationally and domestically to come up with better solutions</td>
<td>• Port Development • International • Sales and Marketing</td>
</tr>
<tr>
<td>Stevedores/Terminal Operators</td>
<td>Aligned interest to grow at sole served locations, key partners</td>
<td>• Port Development • International</td>
</tr>
<tr>
<td>3PL’s</td>
<td>Simplify customer supply chains, work with transportation suppliers</td>
<td>• Port Development • International • Sales and Marketing</td>
</tr>
<tr>
<td>Public Ports</td>
<td>Work closely with port authorities on projects of mutual interest</td>
<td>• Port Development • International</td>
</tr>
</tbody>
</table>

Aligned with operating regions, leveraging network.
PORTS GROWING ON CSX

Usually port or state led projects

**Dillon Inland Port Wins**
- Competitive advantage gained by extending port reach inland
- State of SC: $200M expansion of Harbor Freight Tools
- Dillon County: 500 jobs

Public benefits include
- SC Ports: Minimum of 10,000 containers annually
- Reduced congestion at port truck gates
- CSX: Initial volume, plus exports including logs and agricultural products, filling out existing trains
- Improved market access for exports
- Focal point for incentives, new investment, job growth

**Enablers of success**
- Regional road system – reduced mileage by at least 10,000 trucks annually
- Anchor tenant(s)
- Diverse customer base
- Balanced flow
## LOOKING AHEAD

### MARKET TRENDS
- Generally positive
- Market will buy superior rail service

### MARKET DISRUPTORS
- Inland Ports
- Blockchain

### BEST IN CLASS CUSTOMER EXPERIENCE
- Effective, targeted, and timely communication
- Next level technology and automation
- Superior service product