

A photograph of four Norfolk Southern locomotives on tracks, viewed from the front. The locomotives are dark with white and yellow accents. The numbers 8065, 8139, 8093, and 8045 are visible on the front of the locomotives. The image is overlaid with a dark blue gradient.

INVESTOR PRESENTATION

2020 Engagement

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the safe harbor provision of the Private Securities Litigation Reform Act of 1995, as amended. These statements relate to future events or future performance of Norfolk Southern Corporation's (NYSE: NSC) ("Norfolk Southern," "NS" or the "Company"), including but not limited to statements regarding future financial performance and anticipated results, benefits, and targets related to the strategic plan. In some cases, these forward-looking statements may be identified by the use of words like "will," "believe," "expect," "targets," "anticipate," "estimate," "plan," "consider," "project," and similar references to the future. The Company has based these forward-looking statements on management's current expectations, assumptions, estimates, beliefs, and projections. While the Company believes these expectations, assumptions, estimates, and projections are reasonable, 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 Company's control, including but not limited to: general North American and global economic conditions; changes in energy prices and fuel markets; uncertainty surrounding timing and volumes of commodities being shipped; changes in laws and regulations; uncertainties of claims and lawsuits; labor disputes; transportation of dangerous goods; effects of changes in capital market conditions; severe weather; and the impact of the COVID-19 pandemic on us, our customers, our supply chain and our operations. These and other important factors, including those discussed under "Risk Factors" in the Annual Report on Form 10-K for the year ended December 31, 2019, filed with the Securities and Exchange Commission (the "SEC"), as well as the Company's subsequent filings with the SEC, may cause actual results, benefits, performance, or achievements to differ materially from those expressed or implied by these forward-looking statements. Please refer to these SEC filings for a full discussion of those risks and uncertainties we view as most important.

Forward-looking statements are not, and should not be relied upon as, a guarantee of future events or performance, nor will they necessarily prove to be accurate indications of the times at or by which any such events or performance will be achieved. As a result, actual outcomes and results may differ materially from those expressed in forward-looking statements. We undertake no obligation to update or revise forward-looking statements, whether as a result of new information, the occurrence of certain events or otherwise, unless otherwise required by applicable securities law.



POSITIONED FOR THE FUTURE

- Most robust Intermodal network in the East
- Diverse Merchandise portfolio
- Innovative approach to new services
- Technology enhancements
- Short line partnerships

DELIVERING THE STRATEGIC PLAN

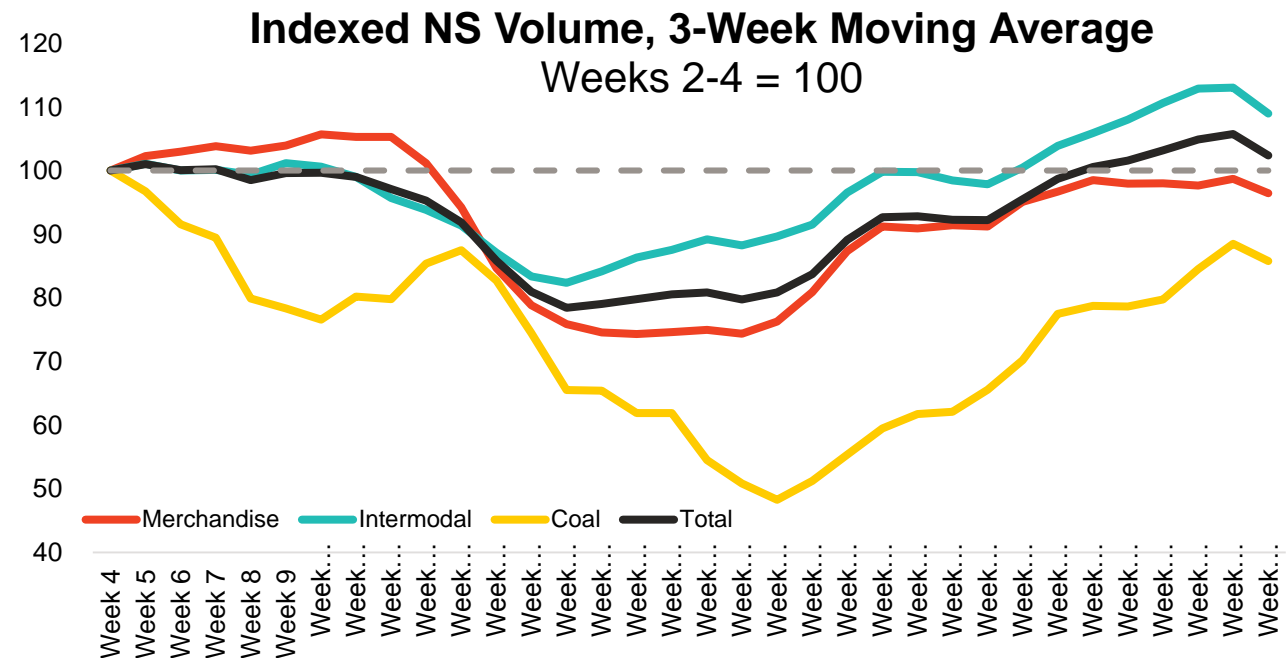
Targets in 2019

Strategic Plan Targets	2019 Progress
<i>Full year Operating Ratio of 60% by 2021</i>	<i>Achieved 64.7% Operating Ratio in 2019, a 70 basis point improvement over 2018</i>
<i>Annual average headcount reduction of 3,000 by 2021</i>	<i>Annual average headcount is down ~2,100 in 2019 compared to 2018</i>
<i>Reduce number of active locomotives</i>	<i>20% lower than 2018</i>
<i>CapEx between 16% - 18% of revenues</i>	<i>CapEx ~17.87% of 2019 revenues</i>
<i>Dividend payout of ~33% of net income</i>	<i>Achieved dividend payout of ~35% for 2019</i>
<i>Continuation of share repurchases using remaining free cash flow and borrowing capacity</i>	<i>~ \$2.1 billion in share repurchases in 2019</i>

FIRST HALF 2020: MEETING THE CHALLENGE

The COVID-19 pandemic continues to generate significant uncertainty in the economy and our outlook for the remainder of 2020. The magnitude and duration of the pandemic, including its impact on our customers and general economic conditions, is still uncertain. However, during this challenging time:

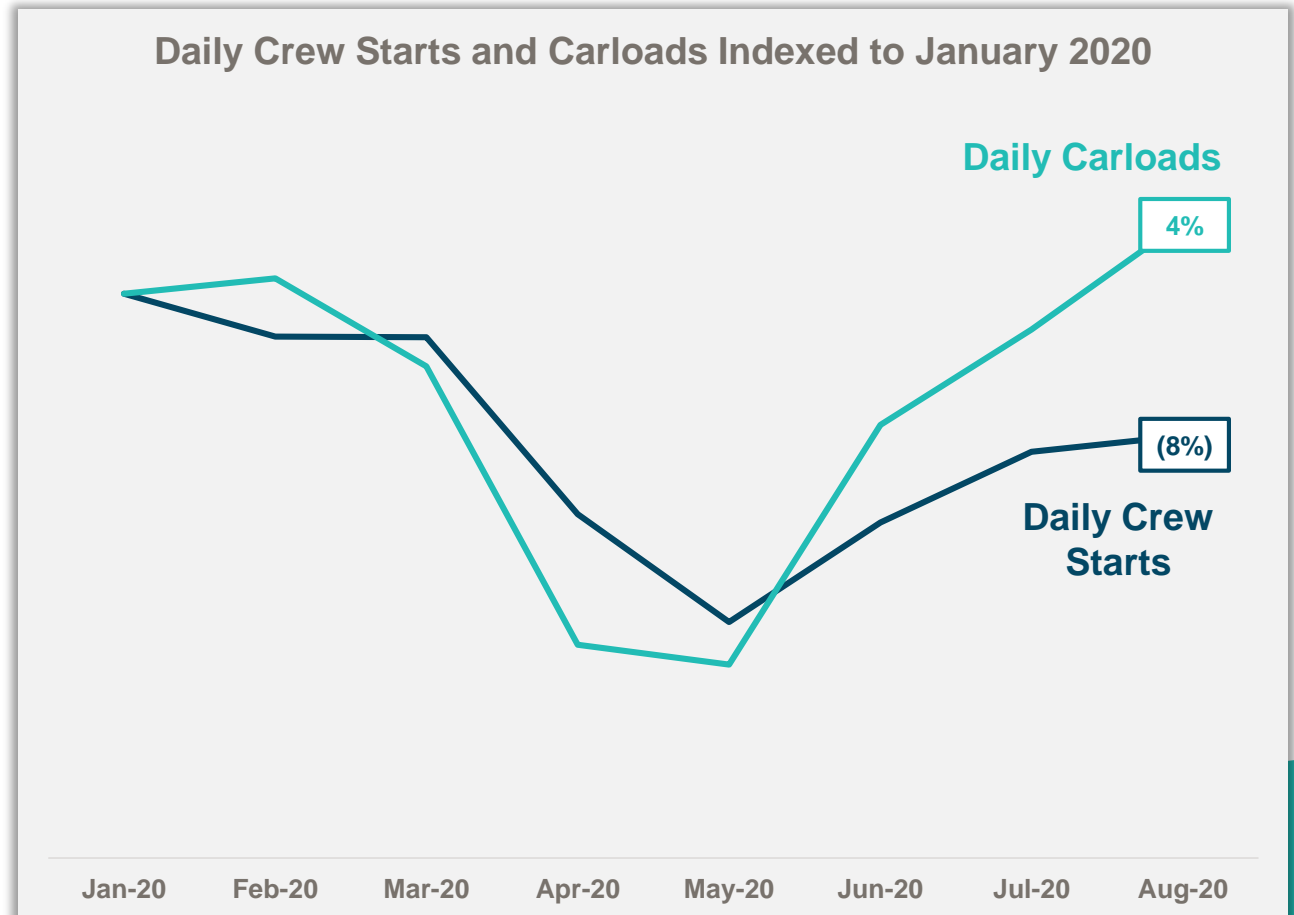
- **We remain committed to protecting our employees.**
- **We continue to provide excellent transportation service products for our customers.**
- **We are balancing volume recovery with productivity initiatives designed to optimize leverage.**



FIRST HALF 2020: MEETING THE CHALLENGE

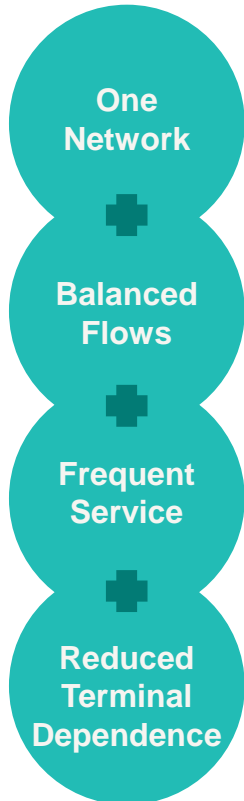
We continued to execute at a high level while pressing forward with our transformation and managing through the challenges of the pandemic.

- Rapidly scaled train plan to volume trough at onset of pandemic
- Productivity improvements have continued as volume has improved
- Network fluidity has remained healthy



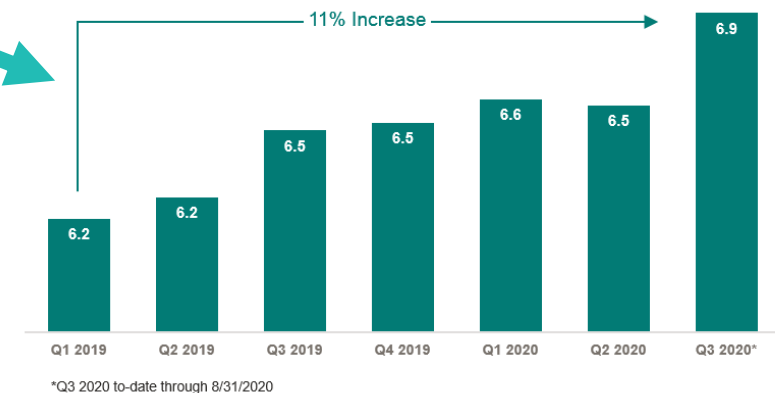
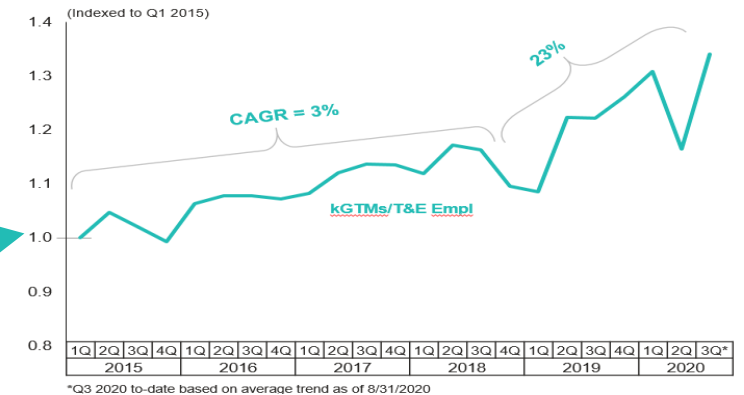
TOP21 Operating Plan

Fewer but heavier trains; balance network and asset flows; decrease circuitry; reduce reclassification events; fully integrate local and system operations; and drive down costs. We remain focused on building on 2019's progress in 2020



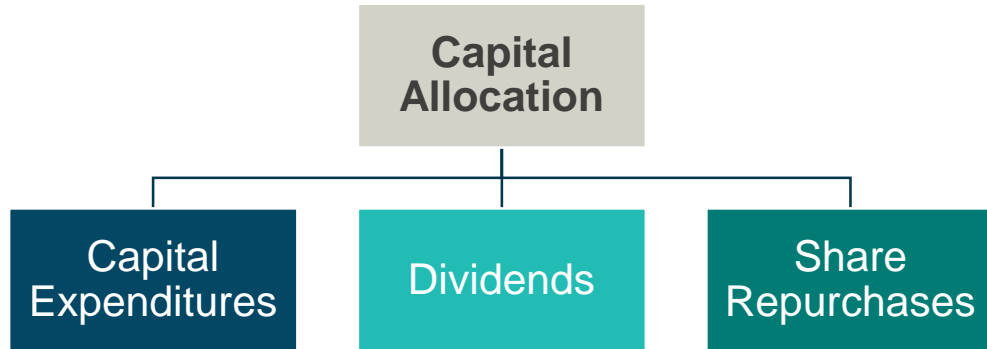
KEY PERFORMANCE METRICS

- Service Quality** – exceeded 2019 goal and achieved 2021 goal early
- T&E Productivity** – exceeded 2019 goal and are making continued progress in 2020
- Train Weights** – missed goal for full year 2019, but met for the second half of 2019 and are making continued positive progress in 2020. We revised 2021 goal in light of continued changes in coal market.
- Locomotive Productivity** – met 2019 goal
- Cars On Line** – exceeded original 2021 goal and established new more ambitious goal



CAPITAL DEPLOYMENT STRATEGY

Balances Investment with Shareholder Returns



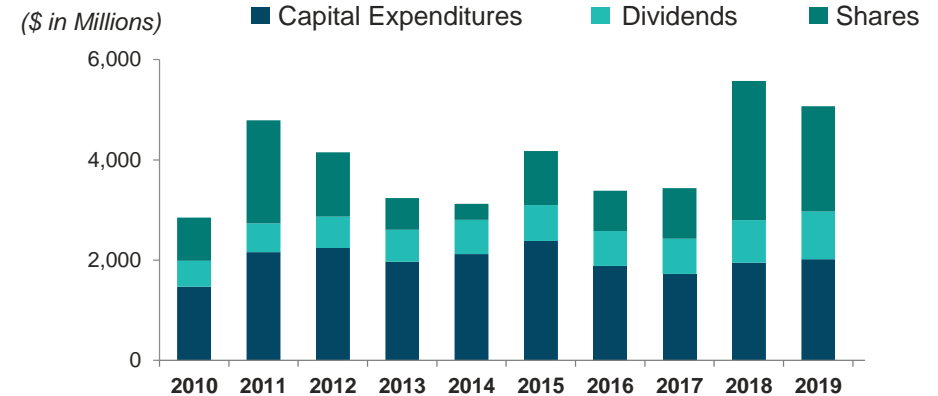
Raised the quarterly dividend by 17.5% in 2019 & maintained dividend rate into 2020.

Shareholder Distributions

First Half 2019 v. 2020




Capital Allocation by Year




Remain committed to pursuing a disciplined capital allocation strategy while investing appropriately in the rail network.

BOARD OF DIRECTORS


Highly Independent and Experienced




James A. Squires
President & CEO
Chairman of the Board




Christopher T. Jones
Former Corporate VP,
Northrop Grumman
Corporation



Steven F. Leer
Lead Independent Director
Former CEO and Chairman,
Arch Coal




Thomas C. Kelleher
Former President,
Morgan Stanley




Thomas D. Bell, Jr.
Chairman, Mesa Capital
Partners



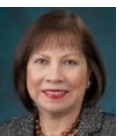
Michael D. Lockhart
Former Chairman, President
and CEO, Armstrong World
Industries




Mitchell E. Daniels, Jr.
President, Purdue University




Amy E. Miles
Former Chair and CEO,
Regal Entertainment Group
Inc.




Marcela E. Donadio
Former Partner and
Americas Oil & Gas Sector
Leader Ernst & Young LLP




Claude Mongeau
Former President and CEO,
Canadian National Railway
Company



John C. Huffard, Jr.
Co-Founder and Former
President and CEO, Tenable
Network Security Inc.

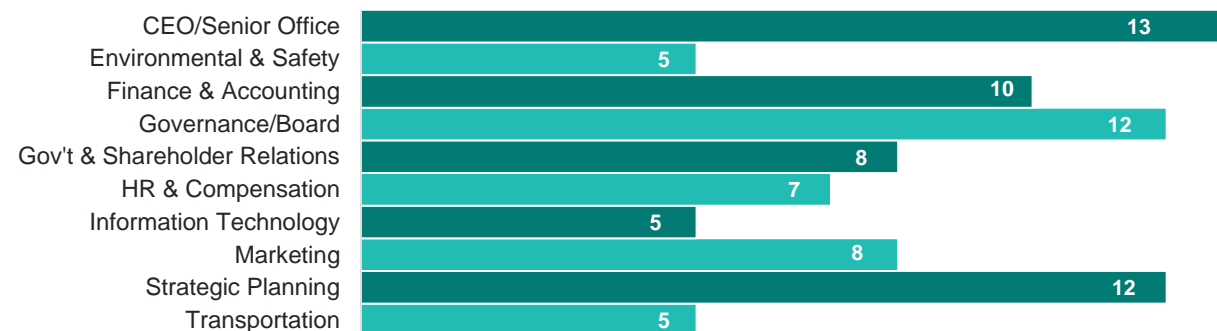


Jennifer F. Scanlon
President and CEO, UL Inc.

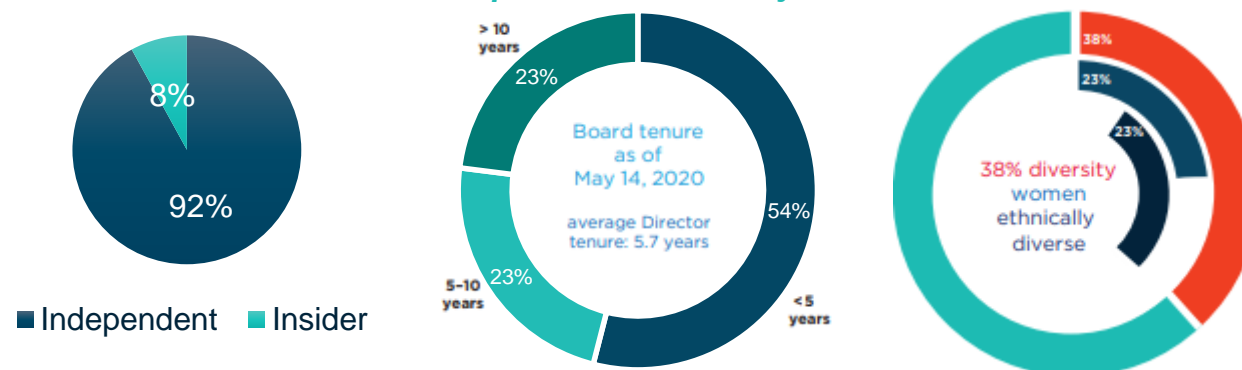


John R. Thompson
Former SVP and General
Manager, Best Buy.com

Our Directors' Skills & Expertise



Our Board's Independence, Diversity, and Tenure



Our Corporate Governance Best Practices

- Annually elected directors
- Majority voting standard
- Shareholders' right to call a special meeting
- Governance & Nominating Committee oversight of Sustainability
- Extensive shareholder engagement
- Lead independent director
- Enterprise risk management program
- Proxy access
- Anti-hedging and Anti-pledging Policies

LEADERSHIP TEAM



JIM SQUIRES
Chairman, President & CEO

Appointed CEO
in June 2015

- 28 years of experience at Norfolk Southern
- Previously served as Chief Financial Officer, Executive Vice President Administration and Senior Vice President Law



Cindy Sanborn
Executive Vice President & Chief Operating Officer

- Joined Norfolk Southern on September 1, 2020
- More than 30 years of experience in transportation operations at Union Pacific & CSX.



Alan Shaw
Executive Vice President & Chief Marketing Officer

- 26 years of experience at Norfolk Southern
- Previously served as Vice President Intermodal Operations, Vice President Chemicals and Vice President Coal Marketing



Ann Adams
Executive Vice President & Chief Transformation Officer

- 19 years of experience at Norfolk Southern
- Previously served as Vice President Human Resources



Mark George
Executive Vice President Finance & Chief Financial Officer

- Joined Norfolk Southern on November 1, 2019
- More than 30 years of experience in financial management, strategy, and business development



Vanessa Allen Sutherland
Executive Vice President & Chief Legal Officer

- 2 years of experience at Norfolk Southern
- 23 years of legal experience, including serving as Chair of the U.S. Chemical Safety and Hazard Investigation Board

Ongoing initiatives to drive long-term value creation:

- TOP21
- Focusing on growing the business while improving service and velocity
- Centralizing dispatching operations
- Assessing terminal operations
- Clean Sheeting
- Managing headcount and reducing G&A
- Rationalizing locomotives to improve locomotive productivity and fuel efficiency
- Headquarters Consolidation in Atlanta

COMPENSATION PROGRAM

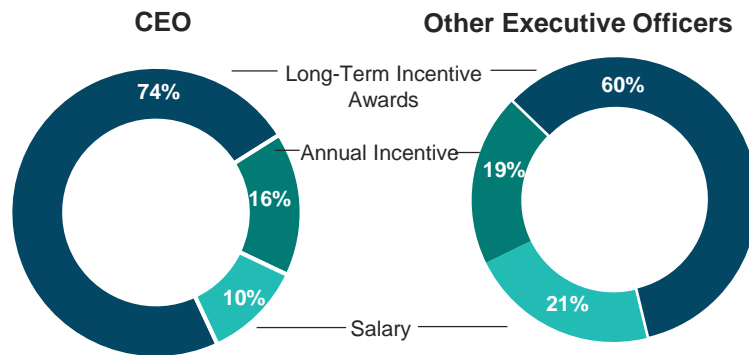
Aligned To Performance

Element	Form	Key Characteristics & Performance Metrics
Base Salary	Fixed Cash	<ul style="list-style-type: none"> Reviewed annually and periodically adjusted based on market data, individual performance and experience, changes in position or duties, or other circumstances
Annual Incentive	Performance-Based Cash	<ul style="list-style-type: none"> Designed to compensate executives based on achievement of annual corporate performance goals Performance metrics chosen to encourage employees to do all they can individually and as a team to increase revenue, reduce expenses, and improve operating performance <p>Performance metrics for 2019:</p> <ul style="list-style-type: none"> 60% Operating income 40% Operating ratio
Long-Term Incentive Awards	Performance Share Units (60%)	<ul style="list-style-type: none"> Performance metric chosen to promote efficient utilization of corporate assets and enhancement of shareholder value The performance metric is return on average invested capital, with total shareholder return versus publicly-traded North American Class I railroads as a modifier that may reduce or increase payout (if any) by up to 25% Vests at the end of a 3-year period if 3-year performance goals are achieved
	Restricted Stock Units (25% CEO, 30% Other NEOs)	<ul style="list-style-type: none"> Serves as a retention tool for valued members of management Vests ratably in 4 installments beginning on the 1st anniversary of the date of grant
	Stock Options (15% CEO, 10% Other NEOs)	<ul style="list-style-type: none"> Provides ability to retain key employees and at the same time increase shareholder value Vests on the 4th anniversary of the date of grant

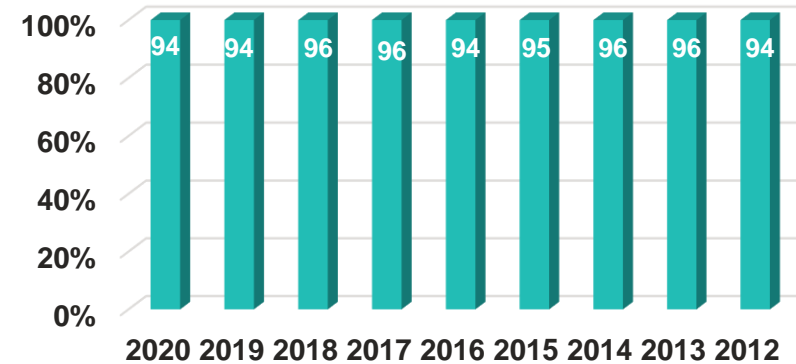
Aligning Executive Goals with Performance Goals

Compensation Mix & 2019 Targets

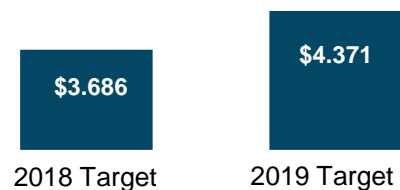
2019 Target Total Compensation Mix



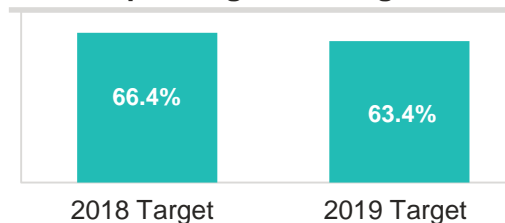
Strong "Say on Pay" Voting Results



Operating Income Targets



Operating Ratio Targets



For 2019, the Compensation Committee considered NS's forecasted business environment, continued focus on service, and the goals of the three-year strategic plan. As a result, the Committee increased the performance necessary to achieve the threshold, target, and maximum payout levels for operating income and operating ratio as compared with 2018.

COMMITMENT

Strong Compensation, Governance Practices & Shareholder Alignment

Our executive compensation program reflects leading governance principles and demonstrates our commitment to best practices.

We Do	We Don't Do
✓ Stock Ownership Guidelines	✗ Pledging or hedging
✓ Clawback provisions	✗ Stock option repricing
✓ Directly link performance to pay outcomes	✗ Stock options granted below fair market value
✓ Disclose metrics	✗ Excise tax gross-ups on change-in-control benefits
✓ Independent compensation consultant	✗ Individual employment agreements or individual supplemental retirement plans
✓ Annual Say-on-Pay vote	✗ Single trigger change-in-control agreements

Our Compensation Committee made the following key decisions with respect to executive compensation for 2019

Established challenging 2019 annual incentive performance targets aligned to our strategic plan goals:

- increased performance necessary to achieve threshold, target, and maximum payout levels for operating income and operating ratio
- established 2018 results as the threshold to earn a minimum payout for operating income or operating ratio
- increased payout for achievement of threshold level for operating income

Established compensation for CEO that is 71% performance-based.

Increased the percentage of total compensation granted as performance-based long-term incentive awards for each of the named executive officers in 2019 as compared with 2018.

Granted inducement awards to CFO:

- a long-term equity grant, to align his interests immediately with shareholders
- a signing bonus, in part to replace compensation forfeited by leaving his former employer

EXECUTIVE SEVERANCE PLAN

- Executive Severance Plan was adopted on May 14, 2020, and is applicable to executive vice presidents. It does not apply to the CEO.
- Compensation Committee consulted with independent compensation consultant to develop market-based severance benefits that are competitive and that reflect broader U.S. industry practices.
- The Board previously established a guideline under which the Board would seek shareholder approval of severance benefits if the value of such severance benefits would exceed 2.99 times the sum of the executive's salary plus bonus. Following adoption of the Executive Severance Plan, the Board revised the limit to specifically exclude retention of outstanding long-term incentive awards to be consistent with the Severance Plan.

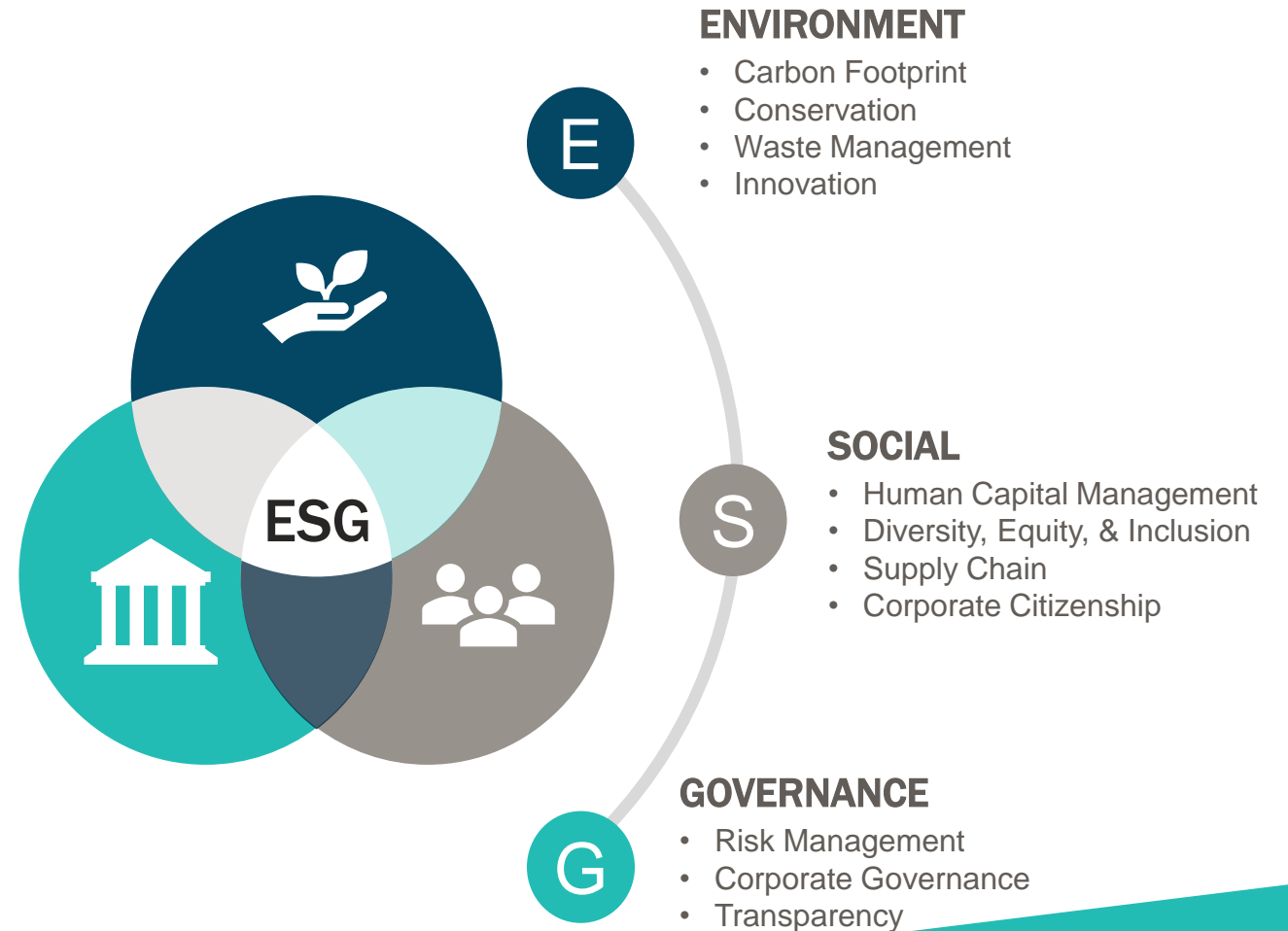
Summary of Cash Severance Benefit

- 2 times base salary
- pro rata portion of bonus
- value of outstanding stock options and restricted stock units
- pro rata portion of performance share units
- \$66,000 for health coverage and outplacement services

The Board's purpose in adopting the Severance Plan is to meet the needs of the Company, its executives and prospective executives, by providing a severance arrangement similar to that offered by competitors for executive talent, and which allows the Company's executives to continue to exercise their judgment and perform their responsibilities without the potential for distraction that can arise from concerns regarding their personal circumstances.

ESG: PROVIDING VALUE TO SHAREHOLDERS

- **Shareholders:** Lower risk and increased transparency lead to higher resiliency and value.
- **Employees:** Meaningful work builds a sense of shared purpose, driving engagement, productivity, and innovation.
- **Customers:** Efficient and sustainable practices improve service and align with customer expectations.
- **Community:** Environmental stewardship and social thought leadership drive positive change and build goodwill.



ESG: ENVIRONMENTAL HIGHLIGHTS

- Reduced our absolute GHG emissions, falling below 5 million metric tons in 2019, the lowest yearly total since we began tracking GHG emissions in 2009
- Reduced our emissions intensity (CO2 per revenue ton-mile of freight) by 13% over the past decade
- Improved locomotive fuel efficiency by 4% in 2020 through June, compared with the same period in 2019

Our newly appointed Chief Sustainability Officer, Josh Raglin, is leading the charge to integrate sustainability within every aspect of our business while being responsible to stakeholders' needs. He directs a newly created Corporate Sustainability Advisory Council comprised of 18 champions from different departments and positions, collaborating to advance sustainable business practices throughout the company. This strategic approach protects our planet, our people, and our prosperity.

ESG: SOCIAL HIGHLIGHTS

- Quarterly engagement surveys support data-driven initiatives that improve the employee experience and drive business results
- New programs like dress for your day, flex holidays, and telework create a more inclusive and flexible work experience
- Project Fusion will deliver a new HQ with spaces that drive innovation, collaboration, and teamwork
- Employee assistance program focuses on promoting employee physical, mental, emotional, and financial well-being
- Recruiting partnerships create opportunities to connect with diverse talent
- First Class I railroad to join the CEO Action for Diversity and Inclusion Coalition
- 16.8% reduction in serious injuries in 2019 compared to 2018



ESG: GOVERNANCE – RISK MANAGEMENT

- The ERM program supports the Corporation’s achievement of business objectives by enabling a collaborative risk management environment to proactively identify, assess, monitor, and mitigate business risk.
- Management implements the ERM program through its Enterprise Risk Council.
- Management provides regular presentations and updates on risk management efforts to our Board’s Finance and Risk Management Committee.
- Through our ERM Program and disclosure procedures, we review and monitor sustainability and climate change risks relating to volatility in energy prices, business interruptions from severe weather, and legislative and regulatory efforts to limit greenhouse gas emissions.
- Our Board receives updates on these risks, and management works with employees to identify, assess, monitor, and mitigate these risks and any potential emerging risks associated with sustainability and climate change.

NS considers and manages opportunities, threats, and uncertainties that may impact our business objectives by employing a robust Enterprise Risk Management (“ERM”) Program.

THANK YOU