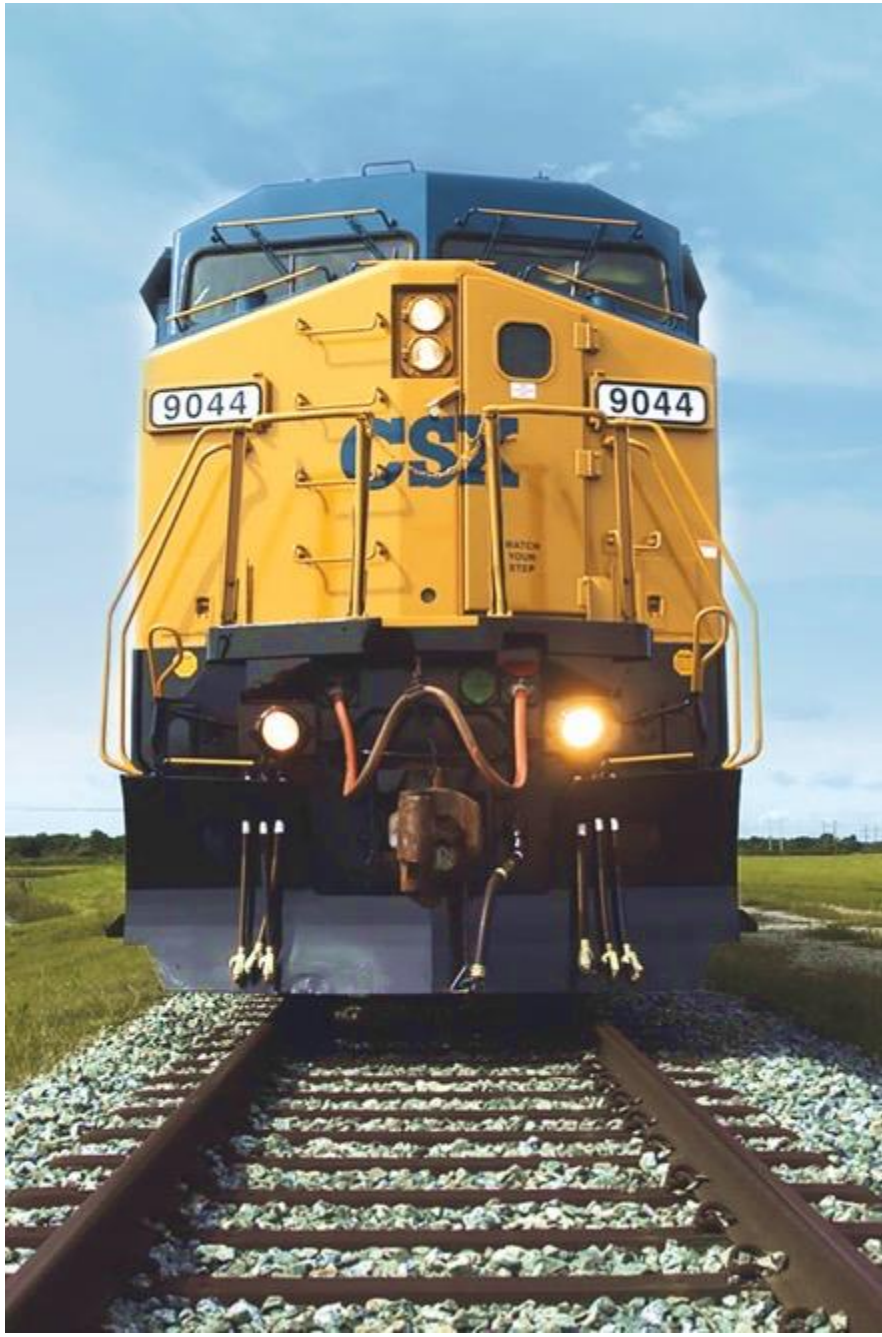
Morgan Stanley's 13th Annual Laguna Conference

Joe Hinrichs
President & Chief Executive Officer

CSX

9.11.2025



Forward Looking Disclosure

This information and other statements by the company may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to, among other items: projections and estimates of earnings, revenues, margins, volumes, rates, cost-savings, expenses, taxes, liquidity, capital expenditures, dividends, share repurchases or other financial items, statements of management's plans, strategies and objectives for future operations, and management's expectations as to future performance and operations and the time by which objectives will be achieved, statements concerning proposed new services, and statements regarding future economic, industry or market conditions or performance. Forward-looking statements are typically identified by words or phrases such as "will," "should," "believe," "expect," "anticipate," "project," "estimate," "preliminary" and similar expressions. Forward-looking statements speak only as of the date they are made, and the company undertakes no obligation to update or revise any forward-looking statement. If the company updates any forward-looking statement, no inference should be drawn that the company will make additional updates with respect to that statement or any other forward-looking statements.

Forward-looking statements are subject to a number of risks and uncertainties, and actual performance or results could differ materially from that anticipated by any forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by any forward-looking statements include, among others; (i) the company's success in implementing its financial and operational initiatives; (ii) changes in domestic or international economic, political or business conditions, including those affecting the transportation industry (such as the impact of industry competition, conditions, performance and consolidation); (iii) legislative or regulatory changes; (iv) the inherent business risks associated with safety and security; (v) the outcome of claims and litigation involving or affecting the company; (vi) natural events such as severe weather conditions or pandemic health crises; and (vii) the inherent uncertainty associated with projecting economic and business conditions.

Other important assumptions and factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the company's SEC reports, accessible on the SEC's website at www.sec.gov and the company's website at www.csx.com.

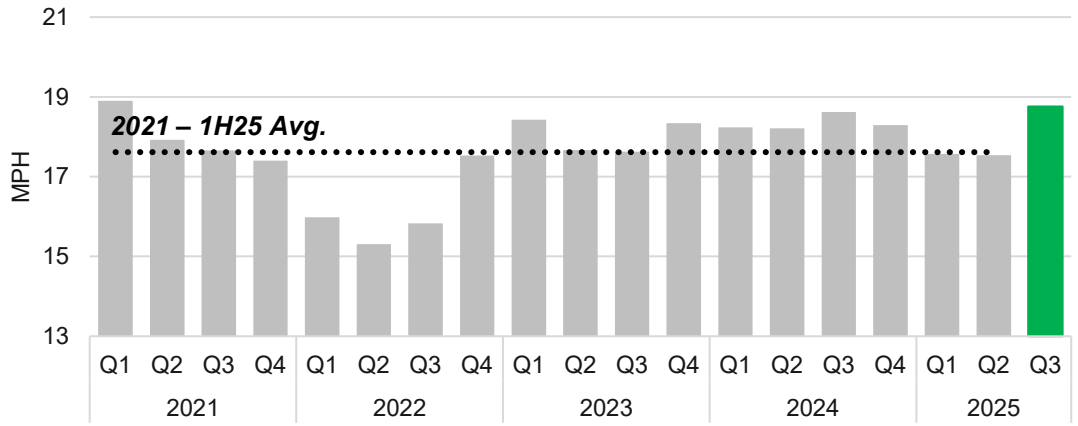
Non-GAAP Measures Disclosure

CSX reports its financial results in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). CSX also uses certain non-GAAP measures that fall within the meaning of Securities and Exchange Commission Regulation G and Regulation S-K Item 10(e), which may provide users of the financial information with additional meaningful comparison to prior reported results.

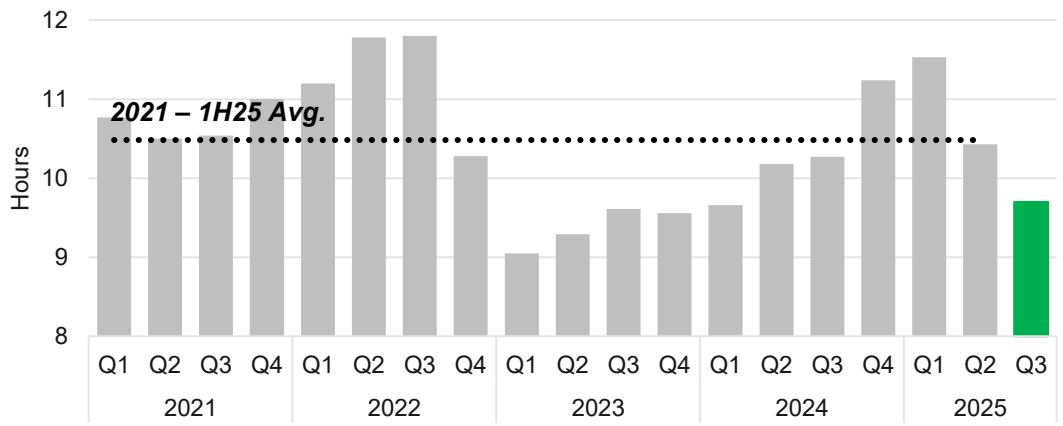
Non-GAAP measures do not have standardized definitions and are not defined by U.S. GAAP. Therefore, CSX's non-GAAP measures are unlikely to be comparable to similar measures presented by other companies. The presentation of these non-GAAP measures should not be considered in isolation from, as a substitute for, or as superior to the financial information presented in accordance with GAAP. Reconciliations of non-GAAP measures to corresponding GAAP measures are attached hereto in the Appendix of this presentation.

Operational metrics reflect strong, fluid network performance

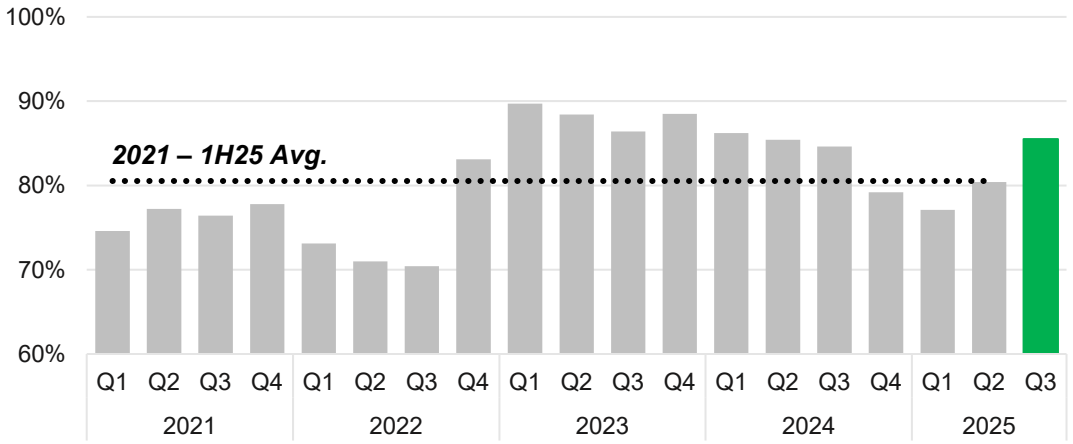
Velocity



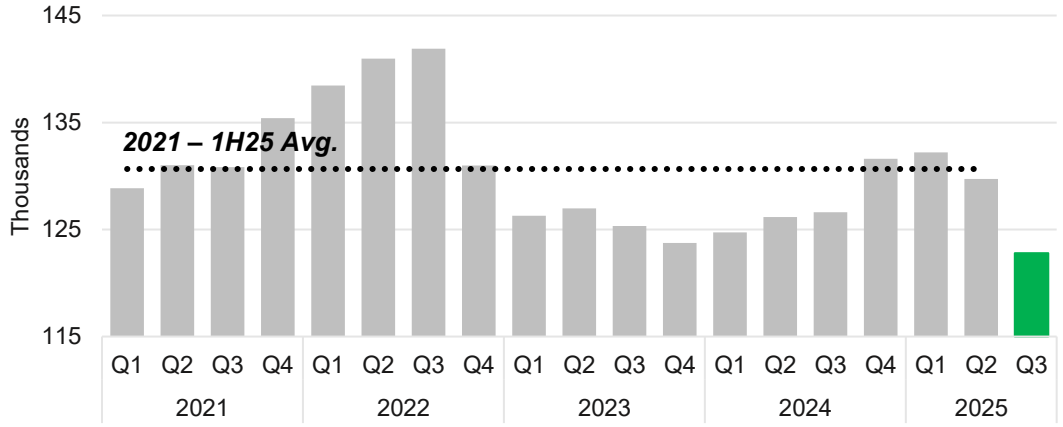
Dwell



Trip Plan Compliance (combined)

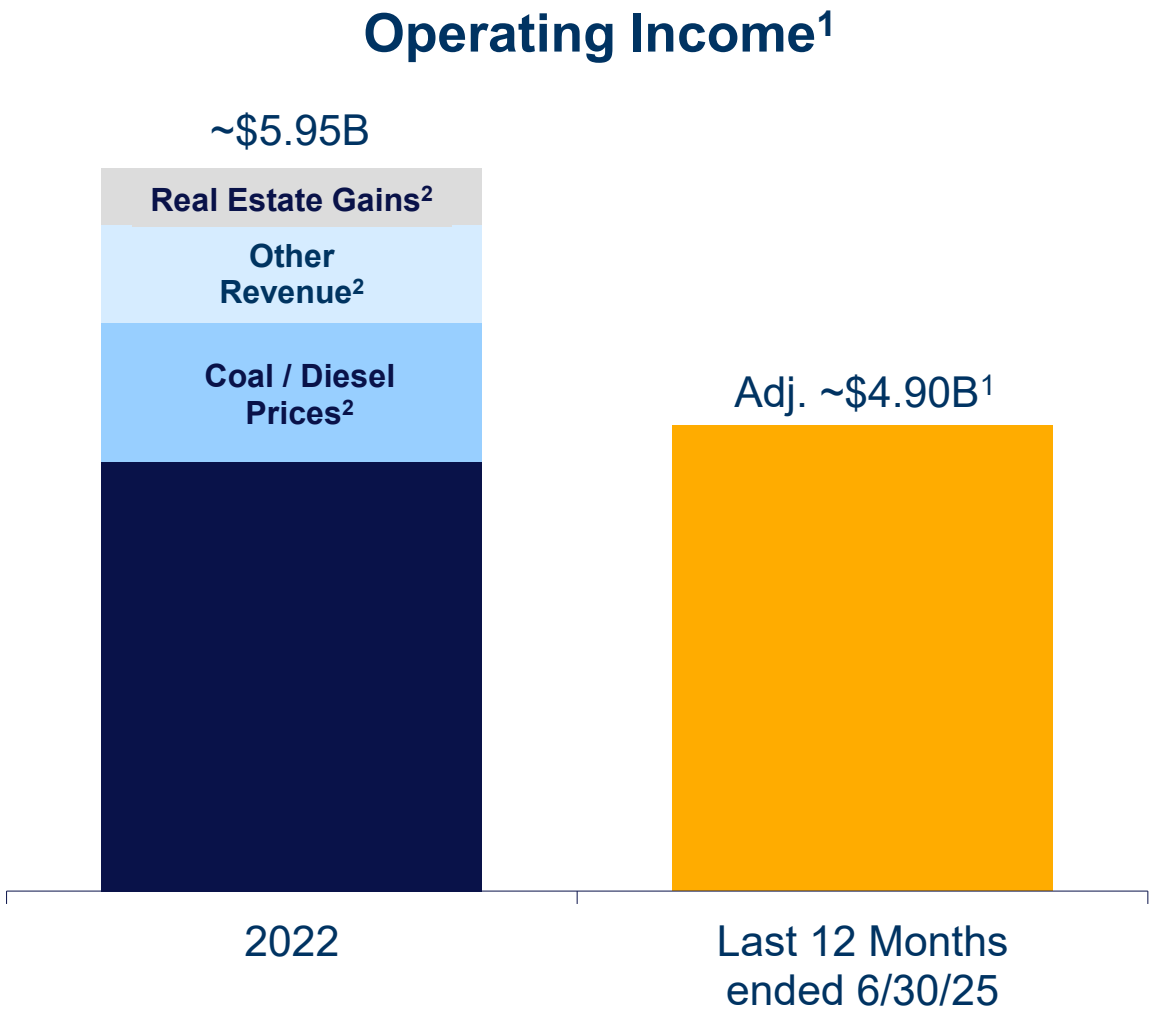


Cars Online



Note: 3Q25 values represent QTD through 9/8/2025. Trip Plan Compliance (combined) reflects both carload and intermodal business.

Earnings have absorbed over $1B in non-controllable impacts



- In 2022, CSX operating income benefited from ongoing highs in export coal and diesel pricing, intermodal storage revenue, and real estate gains
- Reversion of these factors **has reduced operating income $1.2B** for the last twelve months vs. 2022
- Recent financial performance reflects slow start to 2025 with excess operational disruption, re-routing costs, and customer facility challenges

[1] See Appendix for Non-GAAP reconciliation
[2] Reflects higher operating income benefits in 2022 vs LTM associated with higher commodity pricing, elevated other revenues, and increased real estate gains

Several discrete benefits anticipated for 2026



Eliminating Rerouting Costs - Completion of Howard Street Tunnel, Blue Ridge saving ~$10M/month in OpEx

Double-stacked I-95 Corridor - New intermodal capacity, conversion opportunities, and productivity gains

New Intermodal Services - Added volume from new, efficient lanes and expanding strategic relationships

Restarting/Reopening Customer Facilities - Anticipated reopening of coal mines, other production sites

Industrial Development - Accumulating volume, revenue growth from ramp-up of new and recent project sites

Consistent Operational Performance - Lapping added cost, lost revenue from early 2025 service challenges

APPENDIX

Non-GAAP Reconciliations

Non-GAAP Reconciliation of Adjusted Operating Results

Last Twelve Months Ended June 30, 2025

Dollars in millions	
GAAP Operating Income	**$ 4,784**
Goodwill Impairment	108
Adjusted Operating Income (non-GAAP)	$4,892


CSX