NORFOLK SOUTHERN INVESTOR PRESENTATION

2019 Engagement

NORFOLK SOUTHERN

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, including but not limited to statements regarding anticipated results, benefits, and targets related to the strategic plan. These statements relate to future events or future performance of Norfolk Southern Corporation's (NYSE: NSC) ("Norfolk Southern," "NS" or the "Company"). 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; and severe weather. 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, 2018, 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. 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.

NETWORK REACH COVERS A DIVERSITY OF MARKETS

Franchise **STRENGTH** supports **GROWTH** opportunities

Serves a **MAJORITY** of U.S. consumers, manufacturing, and energy consumption

Most powerful **INTERMODAL** franchise in the East

Robust and comprehensive **MERCHANDISE** portfolio

Diversified and balanced **COAL** franchise

Over **250** short line railroad **partners** within the eastern U.S.

2016-2018 Strategic Plan Results

Key Focus Areas	Key Financial Targets (as conveyed December 4, 2015)	Progress Through 2018
Optimize revenue – both pricing and volume	Disciplined pricing increases above rail inflation	Continued pricing gains over rail inflation
Improve productivity to deliver efficient and superior service	Operating Ratio < 65 by 2020	Achieved 65.4% Operating Ratio in 2018; Third Consecutive Year of Improvement; Improved 740 basis point improvement from 2015-2018
Increase asset utilization	Double-digit compound annual EPS growth	Double-digit EPS growth in 2016, 2017, and 2018*
Focus capital investment to support long-term value creation	CapEx ~19% of revenue through 2018 CapEx ~17% of revenue thereafter	Total CapEx since 2015 ~17% of revenues
Reward shareholders with significant return of capital	Dividend payout target of ~33% over the longer term and continuation of dividend growth and significant share repurchases	Achieved dividend payout of >33% in 2016 through 2018; ~$4.6 billion in share repurchases for 2016-2018

* Please see reconciliation to GAAP provided on page 76 of our 2019 Proxy Statement under "Reconciliation of Non-GAAP Financial Measures."

Reimagine Possible

With the expectation we would meet our prior strategic plan's 2020 financial goals ahead of schedule, we began work on a new strategic plan in mid-2018. On February 11, 2019, we unveiled the new three-year plan, announcing financial and operating initiatives and targets.

Strategic Plan Targets

- Full year operating ratio of 60 percent by 2021
  - Full year operating ratio improvement in 2019 of at least 100 basis points on our 2018 operating ratio of 65.4 percent
- Revenue growth at a compound annual rate of 5 percent through 2021
- 2021 annual average headcount reduction of 3,000
  - 2019 year end headcount reduction of 500
- 500 fewer locomotives by 2021
- Capital expenditures between 16 percent and 18 percent of revenues through 2021 to promote safety, efficiency, and growth
- Dividend payout ratio of 33 percent and continuance of share repurchases using free cash flow and borrowing capacity

Norfolk Southern's mission is to serve our customers, manage our assets, control our costs, operate safely, and develop our people. These core principles - the NS way - are at the heart of our reimagined company.

TOP21 Operating Plan

Through TOP21, we will operate fewer but heavier trains; balance network and asset flows; decrease circuity; reduce reclassification events; fully integrate local and system operations; and drive down costs.

TOP21

- Precision Scheduled Railroading based operating plan
- Phase I, fully implemented July 1, 2019, focused on merchandise and automotive networks
  - No adverse effects on network performance or quality of our customer service
  - Reduced circuitry
  - Improved velocity
- Extensive customer engagement, including town halls and one-on-one meetings
- Started work on Phase II – planned implementation early 2020

Clean Sheeting

- Ongoing process to streamline operations at rail terminals, improve the consistency and reliability of customer service, lower operating costs, and create capacity for growth

Key Performance Metrics

1. Service Quality
2. T&E Productivity
3. Train Weights
4. Locomotive Productivity
5. Cars On Line

One Network

Balanced Flows

Frequent Service

Reduced Terminal Dependence

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First Half 2019: Performance Highlights

NS IS WELL POSITIONED TO BUILD ON MOMENTUM AND IMPROVE 2019 FULL-YEAR OPERATING RATIO BY AT LEAST 100 BASIS POINTS

Record operating ratio and strong earnings per share growth

2018*

- 65.4% operating ratio
- EPS improved 44% over 2017
- 17% increase in income from railway operations compared to 2017

First Six Months 2019

- 64.8% operating ratio
- EPS improved 18% over first half 2018
- 9% increase in income from railway operations compared to first half 2018

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* Please see reconciliation to GAAP provided on page 76 of our 2019 Proxy Statement under "Reconciliation of Non-GAAP Financial Measures."

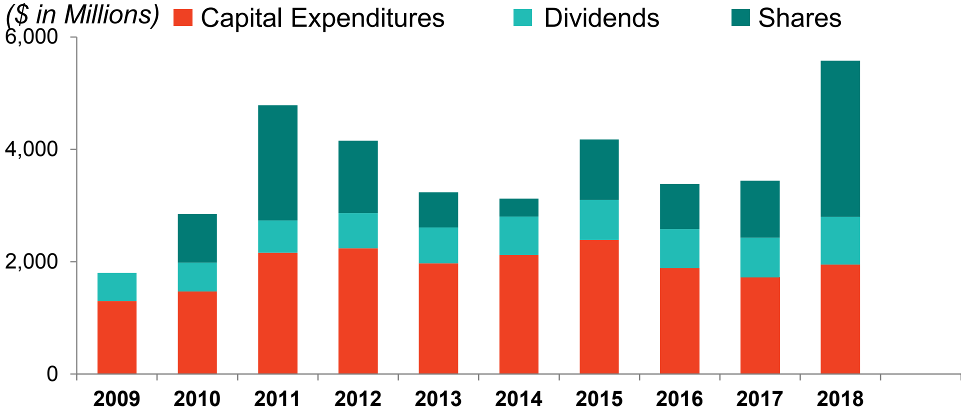
Capital Deployment Strategy Balances Investment with Shareholder Returns

Capital Allocation

- **Capital Expenditures**
- **Dividends**
- **Share Repurchases**

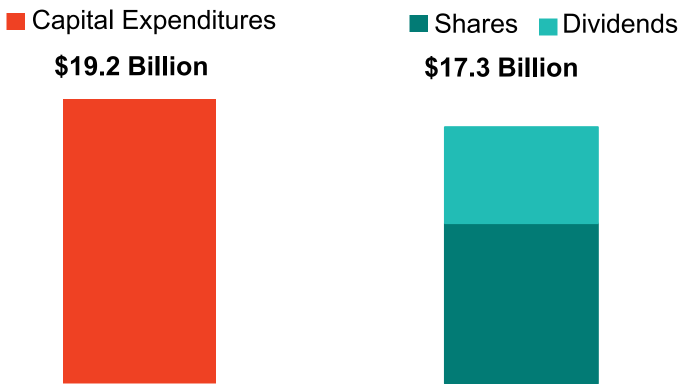
Increased share repurchases to $2.78 billion in 2018.
Raised the quarterly dividend twice in 2018, for an overall increase of 31%.

Capital Allocation by Year



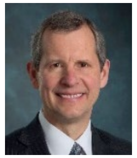
Investment and Shareholder Returns

(2009 through 2018)



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

Norfolk Southern's Highly Independent and Experienced Board Of Directors



James A. Squires
President & CEO
Chairman of the Board

Thomas C. Kelleher

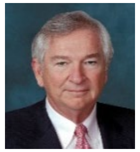
Former President,
Morgan Stanley

Steven F. Leer
Lead Independent Director

Former CEO and Chairman,
Arch Coal

Michael D. Lockhart

Former Chairman, President and CEO, Armstrong World Industries



Thomas D. Bell, Jr.

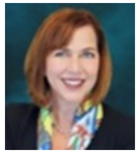
Chairman, Mesa Capital Partners

Amy E. Miles

Former Chair and CEO,
Regal Entertainment Group Inc.

Daniel A. Carp

Former Chairman and CEO,
Eastman Kodak Company



Jennifer F. Scanlon

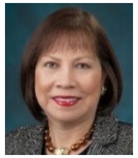
Former President and CEO,
USG Corporation

Mitchell E. Daniels, Jr.

President, Purdue University

John R. Thompson

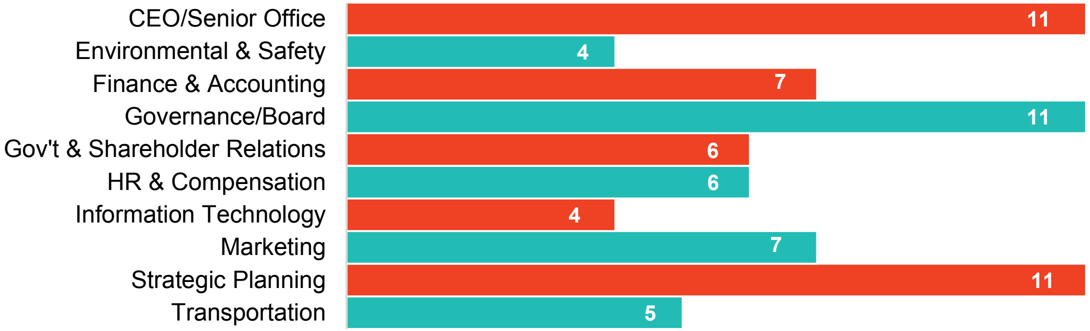
Former Senior Vice President and General Manager,
Best Buy.com



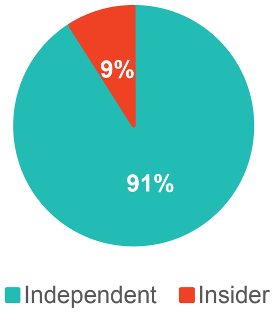
Marcela E. Donadio

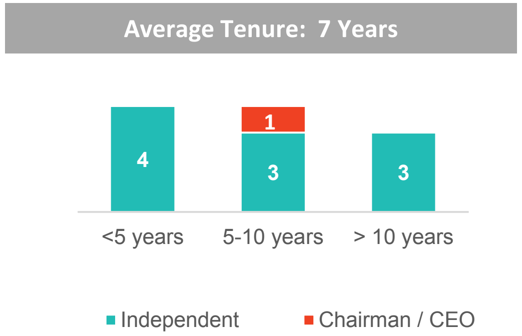
Former Partner and Americas Oil & Gas Sector Leader
Ernst & Young LLP

Our Directors' Skills & Expertise



Our Board's Independence 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

Simple Majority Shareholder Proposal

After careful consideration and shareholder engagement, our Board concluded that it is in the best interest of shareholders to adopt voting thresholds lower than Virginia state law defaults.
Our Board recommends shareholders approval an amendment to our Articles of Incorporation, adding explicit voting standards, where permitted by the VSCA.

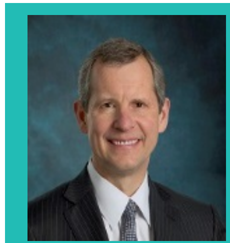
Amendment to Articles of Incorporation recommended by Board of Directors on July 26, 2019. To be voted on at 2020 Annual Meeting.

Amended Article VII:
The shareholder vote required, of each voting group entitled to vote thereon, to approve an amendment to the Corporation's Articles of Incorporation is a majority of all votes entitled to be cast by that voting group, unless the ~~Board of Directors~~ Virginia Stock Corporation Act (the "VSCA") conditions approval of such an amendment upon a greater vote.

New Article VIII:
Any action on a matter involving:
(a) a plan of merger or acquisition for which the VSCA requires shareholder approval;
(b) a share exchange for which the VSCA requires shareholder approval;
(c) the conversion of the Corporation;
(d) a sale of all or substantially all the Corporation's property for which the VSCA requires shareholder approval; or
(e) the dissolution of the Corporation
shall require the approval, by the affirmative vote, of a majority of the votes cast thereon.

Any action on a matter involving:
(a) the re-domestication of the Corporation; or
(b) an affiliated transaction for which the VSCA requires shareholder approval
shall require the approval, by the affirmative vote, of a majority of the votes entitled to be cast thereon.

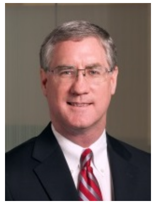
Norfolk Southern's Leadership Team



Jim Squires
Chairman, President & CEO

Appointed CEO in June 2015

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



Mike Wheeler
Executive Vice President & Chief Operating Officer

- 34 years of experience at Norfolk Southern
- Previously served as Vice President Engineering and Vice President Transportation

Alan Shaw
Executive Vice President & Chief Marketing Officer

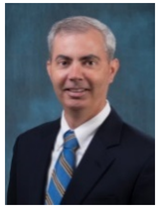
- 25 years of experience at Norfolk Southern
- Previously served as Vice President Intermodal Operations, Vice President Chemicals and Vice President Coal Marketing

Annie Adams
Executive Vice President & Chief Transformation Officer

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

Cindy Earhart
Executive Vice President Finance & Chief Financial Officer

- 34 years of experience at Norfolk Southern
- Previously served as Executive Vice President Administration & CIO, Vice President Human Resources, and Vice President Information Technology



John Scheib
Executive Vice President & Chief Strategy Officer

- 14 years of experience at Norfolk Southern
- Previously served as Executive Vice President Law and Administration & Chief Legal Officer, Senior Vice President Law and Corporate Relations, and Vice President Law

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

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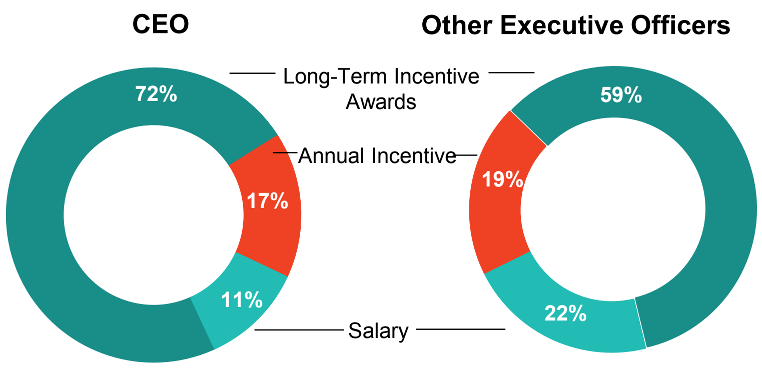
Compensation Program Aligned To Performance

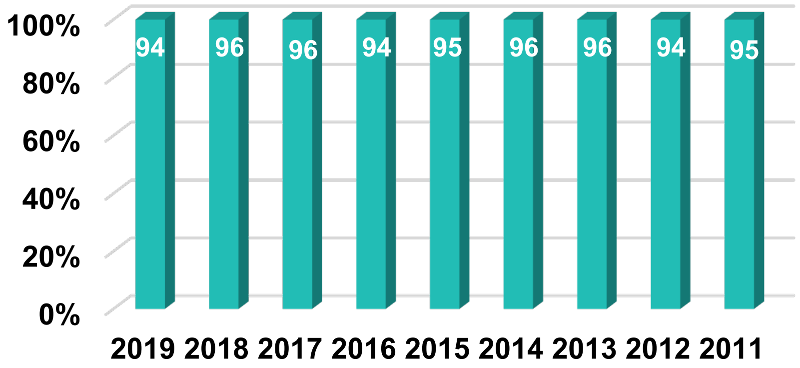
Element	Form	Key Characteristics & Performance Metrics
Base Salary	Fixed Cash	• Reviewed annually and periodically adjusted based on market data, individual performance and experience, changes in position or duties, or other circumstances
Annual Incentive	Performance-Based Cash	• Designed to compensate 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 **Performance metrics for 2018:** 50% **Operating income** 35% **Operating ratio** 15% **Composite service measure** *(weighted average of adherence to operating plan (30%), connection performance (30%) and train performance (40%))*
Long-Term Incentive Awards	Performance Share Units (60%)	• Performance metric chosen to promote enhancement of shareholder value and efficient utilization of corporate assets • For 2018 the sole 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
	Stock Options (15% CEO, 10% Other NEOs)	• Provides ability to retain key employees and at the same time increase shareholder value • Vests on the 4th anniversary of the date of grant
	Restricted Stock Units (25% CEO, 30% Other NEOs)	• 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

Compensation Mix & 2018 Targets Align Executive Goals with Performance Goals

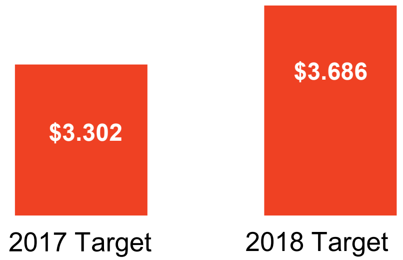
2018 Target Total Compensation Mix



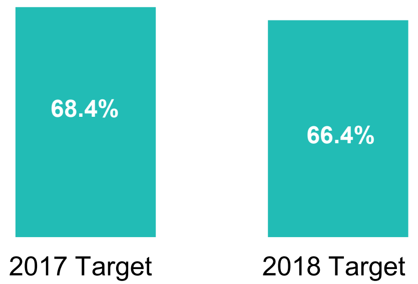
Strong "Say on Pay" Voting Results



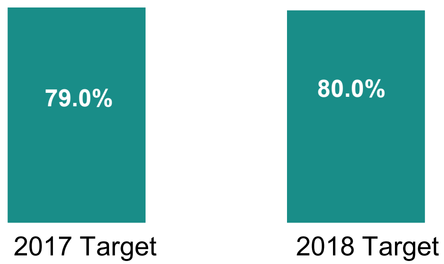
Operating Income Targets



Operating Ratio Targets



Composite Service Measures Targets



For 2018, the Compensation Committee considered NS's forecasted business environment, continued focus on service, and the goals of the five-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 and reduced the threshold for operating income as compared with 2017.

Commitment to Strong Compensation Governance Practices

As a result of our shareholder engagements, our Compensation Committee has enhanced the design of our executive compensation program.

For 2018, the Committee made the following changes to the long-term incentive awards granted to our Named Executive Officers, which it believes will provide better alignment with shareholders:

- Revised the mix of the long-term incentive awards:
  - decreased the percentage granted as stock options
  - increased the percentage granted as performance share units and restricted stock units and adjusted the vesting of the restricted stock units to a 4-year ratable period rather than a 5-year cliff
- Return on average invested capital serves as the sole metric for performance share units, and total shareholder return serves as a modifier rather than as a performance metric
- Performance share unit and restricted stock units awards are forfeited if the recipient terminates employment before October 1 of the year of grant (except in the case of death or disability)

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

Risk Management

NS CONSIDERS AND MANAGES OPPORTUNITIES, THREATS, AND UNCERTAINTIES THAT MAY IMPACT OUR BUSINESS OBJECTIVES BY EMPLOYING A ROBUST ENTERPRISE RISK MANAGEMENT ("ERM") PROGRAM.

- 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.

Corporate Social Responsibility

PROGRESS	PROSPERITY	PLANET	PEOPLE
Long-term Sustainable Value Creation	**Economic Performance**	**Environmental Performance**	**Social Performance**
Operating performance that benefits the planet, commerce, and people	Customer-focused service and network operating efficiencies that create shareholder value and help industries and communities grow and prosper	Sustainable business practices that improve operating efficiencies and productivity, lower costs, and minimize environmental impacts	Safety in the workplace and community, meaningful work, a diverse and inclusive workforce, and support for the communities where we operate

In November 2018, our Board amended the Governance and Nominating Committee's charter to include oversight of sustainability initiatives.

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2019 Sustainability Report Highlights

Prosperity: Economic Performance	Planet: Environmental Performance	People: Social Performance
▪ Precision scheduled railroading initiatives to increase operating efficiencies, improve customer service, and support growth. ▪ Achieved record financial results; all-time best operating ratio of 65.4%; record income from railway operations. ▪ Generated more than 60,000 carloads of new business by assisting 90 industries build or expand on our network, representing customer investment of more than $1.5 billion and more than 2,970 customer jobs. ▪ More than $8.8 million in charitable contributions to communities where we operate.	▪ Record-level locomotive fuel efficiency for the second consecutive year, conserving nearly 24 million gallons of diesel fuel and avoiding more than 240,500 metric tons of CO_2 emissions. Over the past two years, our fuel-efficiency initiatives have conserved more than 47.3 million gallons of diesel, avoiding more than 481,000 metric tons of CO_2. ▪ Year-over-year 2.6% reduction in absolute emissions (Scope 1 and 2) even as revenue ton miles (RTM) volumes increased by nearly 3 percent. We lowered emissions intensity per RTM by 5 percent. ▪ Continued gains in energy performance, reducing electricity use by more than 1% and lowering electricity costs by more than 5%.	▪ Zero employee work-related fatalities and reduced number of reportable serious on-the-job injuries. ▪ Enhanced employee experience through launch of "Don't just work here, thrive here" program. ▪ More than 6,220 emergency responders trained, including local police and firefighters, on how to prepare for and safely respond to potential rail-related incidents involving hazardous materials. ▪ Safety train visited 22 communities in 15 states, providing classroom and hands-on rail-safety training to more than 2,060 first responders. ▪ First railroad to sign the CEO Action for Diversity and Inclusion pledge, a public commitment to cultivate a diverse and inclusive workplace environment.

Our commitment to be a good steward of resources drives operating performance that benefits the planet, commerce, and people.

Thank You!