

CANADIAN NATIONAL RAILWAY CO
Form 6-K
March 24, 2011

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of March, 2011

Commission File Number: 001-02413

Canadian National Railway Company
(Translation of registrant's name into English)

935 de la Gauchetiere Street West
Montreal, Quebec
Canada H3B 2M9

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under
cover of Form 20-F or Form 40-F:

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as
permitted by Regulation S-T Rule 101(b)(1):

Yes

No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as
permitted by Regulation S-T Rule 101(b)(7):

Yes

No

Indicate by check mark whether by furnishing the information contained in this Form,
the Registrant is also thereby furnishing the information to the Commission pursuant
to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes

No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

Canadian National Railway Company

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Canadian National Railway Company

Date: March 24, 2011

By: /s/ Sean Finn
Name: Sean Finn
Title: Executive Vice-President
Corporate Services and Chief
Legal Officer

Item 1

NOTICE OF ANNUAL
MEETING OF SHAREHOLDERS

Our annual meeting of holders of common shares will
be held at

THE FAIRMONT ROYAL YORK
IMPERIAL ROOM, LOBBY LEVEL
100 FRONT STREET WEST
TORONTO, ONTARIO (CANADA)

on Wednesday, April 27, 2011, at 10:00 a.m. (Eastern
Daylight Time) for the purposes of:

1. receiving the consolidated financial statements for the year ended December 31, 2010, and the auditors' reports thereon;
2. electing the directors;
3. appointing the auditors;
4. considering and approving, in an advisory, non-binding capacity, a resolution (the full text of which is set out on page 6 of the accompanying management information circular) accepting the Company's approach to executive compensation as disclosed in the Statement of Executive Compensation section of the accompanying management information circular; and
5. transacting such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The directors have fixed March 9, 2011, as the record date for the determination of the holders of common shares entitled to receive notice of the Meeting.

By order of the Board of
Directors

(Signed) Sean Finn
Sean Finn
EXECUTIVE VICE-PRESIDENT
CORPORATE SERVICES AND
CHIEF LEGAL OFFICER

March 8, 2011
Montréal,
Quebec

Item 2

MANAGEMENT
INFORMATION CIRCULAR
APRIL 27, 2011

AND NOTICE OF ANNUAL
MEETING OF SHAREHOLDERS

March 8,
2011

Dear Shareholder:

On behalf of the Board of Directors and Management of Canadian National Railway Company (the “Company”), we cordially invite you to attend the annual meeting of shareholders that will be held this year at The Fairmont Royal York, Imperial Room, Lobby Level, 100 Front Street West, Toronto, Ontario (Canada), on Wednesday, April 27, 2011, at 10:00 a.m. (Eastern Daylight Time).

This Information Circular describes the business to be conducted at the meeting and provides information on executive compensation and CN’s governance practices. In addition to these items, we will discuss, at the meeting, highlights of our 2010 performance and our plans for the future. You will have the opportunity to meet and interact with your directors and the senior officers of the Company.

Your participation in the affairs of the Company is important to us. If you are unable to attend in person, we encourage you to complete and return the enclosed proxy form or voting instruction form in the envelope provided for this purpose so that your views can be represented. Also, it is possible for you to vote over the Internet by following the instructions on the enclosed forms. Even if you plan to attend the meeting, you may find it convenient to express your views in advance by completing and returning the proxy form or voting instruction form or by voting over the Internet.

If your shares are not registered in your name but are held in the name of a nominee, you may wish to consult the information on page 5 of the Information Circular with respect to how to vote your shares.

A live webcast of the meeting will be available on the Company’s website at www.cn.ca.

We look forward to seeing you at the meeting.

Sincerely,

(Signed) Claude Mongeau	(Signed) David G.A. McLean
Claude Mongeau	David G.A. McLean
PRESIDENT AND CHIEF EXECUTIVE OFFICER	CHAIRMAN OF THE BOARD

INFORMATION CIRCULAR

This management information circular (the “Information Circular”) is provided in connection with the solicitation of proxies by management of Canadian National Railway Company for use at the annual meeting of its shareholders or at any adjournment or postponement thereof (the “Meeting”). In this document “you” and “your” refer to the shareholders of, and “CN”, the “Company” or “we”, “us”, “our” refer to, Canadian National Railway Company. The Meeting will be held on Wednesday, April 27, 2011, at 10:00 a.m. (Eastern Daylight Time) for the purposes set forth in the foregoing Notice of Meeting. The information contained herein is given as at February 25, 2011, except as indicated otherwise.

IMPORTANT – If you are not able to attend the Meeting, please exercise your right to vote by signing the enclosed form of proxy or voting instruction form and, in the case of registered shareholders and holders of Employee Shares (as such term is defined in this Information Circular) by returning it to Computershare Trust Company of Canada in the enclosed envelope, or by voting over the Internet no later than 5:00 p.m. (Eastern Daylight Time) on April 26, 2011, or, if the Meeting is adjourned or postponed, by no later than 5:00 p.m. (Eastern Daylight Time) on the business day prior to the day fixed for the adjourned or postponed meeting. If you are a non-registered shareholder, reference is made to the section entitled “How do I vote if I am a non-registered shareholder?” on page 5 of this Information Circular.

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QUESTIONS AND ANSWERS

Voting and Proxies

The following questions and answers provide guidance on how to vote your shares.

Who can vote?

Shareholders who are registered as at the close of business on March 9, 2011 (the “record date”), will be entitled to vote at the Meeting or at any adjournment or postponement thereof, either in person or by proxy.

As of the close of business on February 25, 2011, the Company had outstanding 458,613,079 common shares without par value. Subject to the voting restrictions described below, each common share carries the right to one vote.

To the knowledge of the directors and senior officers of the Company, based on the most recent publicly available information, the only person who beneficially owns, or exercises control or direction over, directly or indirectly, shares carrying 10% or more of the voting rights attached to any class of shares of the Company is Mr. William H. Gates, III, who, as the sole member of Cascade Investment, L.L.C. and a co-trustee of the Bill & Melinda Gates Foundation Trust, is deemed to have beneficial ownership of and/or control or direction over 46,067,375 common shares of the Company representing 10.04% of the outstanding common shares of CN as of February 25, 2011.

What will I be voting on?

Shareholders will be voting (i) to elect directors of the Company, (ii) to appoint KPMG LLP as auditors of the Company, and (iii) in an advisory, non-binding capacity, on the approach to executive compensation disclosed in the Statement of Executive Compensation section of this Information Circular. Our Board of Directors and our management are recommending that shareholders vote FOR items (i), (ii) and (iii).

How will these matters be decided at the meeting?

A simple majority of the votes cast, in person or by proxy, will constitute approval of these matters.

Who is soliciting my proxy?

Management of the Company is soliciting your proxy. The solicitation is being made primarily by mail, but our directors, officers or employees may also solicit proxies at a nominal cost to the Company. The Company has retained the services of Kingsdale Shareholder Services Inc. for the solicitation of proxies in Canada and the United States, at an aggregate cost estimated to be CAD\$28,500 plus additional costs relating to out-of-pocket expenses.

Who can I call with questions?

If you have questions about the information contained in this Information Circular or require assistance in completing your form of proxy, please call Kingsdale Shareholder Services Inc., the Company’s proxy solicitation agent, toll-free at 1-866-879-7649.

How can I contact the transfer agent?

You can contact the transfer agent either by mail at Computershare Trust Company of Canada, 100 University Ave., 9th Floor, North Tower, Toronto, Ontario M5J 2Y1, by telephone at 1-800-564-6253, by fax at 1-888-453-0330 or by

email at service@computershare.com.

How do I vote?

If you are eligible to vote and your common shares are registered in your name, you can vote your common shares in person at the Meeting or by proxy, as explained below. If your common shares are held in the name of a nominee, please see the instructions below under “How do I vote if I am a non-registered shareholder?”.

What are the voting restrictions?

Our articles of incorporation, as amended, provide that no person, together with his or her associates, shall hold, beneficially own or control, directly or indirectly, voting shares to which are attached more than 15% in the aggregate of the votes attached to all our voting shares that may ordinarily be cast to elect directors of the Company. In addition, where the total number of voting shares held, beneficially owned or controlled, directly or indirectly, by any one person together with his or her associates exceeds such 15% maximum, no person shall, in person or by proxy, exercise the voting rights attached to the voting shares held, beneficially owned or controlled, directly or indirectly, by such person or his or her associates.

CN MANAGEMENT INFORMATION CIRCULAR

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How do I vote if I am a registered shareholder?

1. VOTING BY PROXY

You are a registered shareholder if your name appears on your share certificate. If this is the case, you may appoint someone else to vote for you as your proxy holder by using the enclosed form of proxy. The persons currently named as proxies in such form of proxy are the Board Chair and the President and Chief Executive Officer of the Company.

However, you have the right to appoint any other person or company (who need not be a shareholder) to attend and act on your behalf at the Meeting. That right may be exercised by writing the name of such person or company in the blank space provided in the form of proxy or by completing another proper form of proxy. Make sure that the person you appoint is aware that he or she is appointed and attends the Meeting.

•How can I send my form of proxy?

You can either return a duly completed and executed form of proxy to the transfer agent and registrar for the Company's common shares, Computershare Trust Company of Canada, in the envelope provided, or you can vote over the Internet by following the instructions on the form of proxy.

•What is the deadline for receiving the form of proxy?

The deadline for receiving duly completed forms of proxy or a vote over the Internet is 5:00 p.m. (Eastern Daylight Time) on April 26, 2011, or if the Meeting is adjourned or postponed, by no later than 5:00 p.m. (Eastern Daylight Time) on the business day prior to the day fixed for the adjourned or postponed meeting.

•How will my common shares be voted if I give my proxy?

Your common shares will be voted or withheld from voting in accordance with your instructions indicated on the proxy. If no instructions are indicated, your common shares represented by proxies in favour of the Board Chair or the President and Chief Executive Officer will be voted as follows:

FOR the election of management's nominees as directors,

FOR the appointment of KPMG LLP as auditors,

FOR, in an advisory, non-binding capacity, the approach to executive compensation disclosed in the Statement of Executive Compensation section of this Information Circular, and at the discretion of the proxy holder in respect of amendments to any of the foregoing matters or on such other business as may properly be brought before the Meeting.

Should any nominee named herein for election as a director become unable to accept nomination for election, it is intended that the person acting under proxy in favour of management will vote for the election in his or her stead of such other person as management of the Company may recommend. Management has no reason to believe that any of the nominees for election as directors will be unable to serve if elected to office and management is not aware of any amendment or other business likely to be brought before the Meeting.

•If I change my mind, how can I revoke my proxy?

You may revoke your proxy at any time by an instrument in writing (which includes another form of proxy with a later date) executed by you, or by your attorney (duly authorized in writing), and (i) deposited with the Corporate Secretary of the Company at the registered office of the Company (935 de La Gauchetière Street West, Montréal, Quebec, Canada, H3B 2M9) at any time up to and including 5:00 p.m. (Eastern Daylight Time) on the last business day preceding the day of the Meeting or any adjournment or postponement thereof, or (ii) filed with the chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other manner permitted by law or in the case of a vote over the Internet, by way of a subsequent Internet vote.

2.

VOTING IN PERSON

If you wish to vote in person, you may present yourself to a representative of Computershare Trust Company of Canada at the registration table. Your vote will be taken and counted at the Meeting. If you wish to vote in person at

the Meeting, do not complete or return the form of proxy.

CN MANAGEMENT INFORMATION CIRCULAR

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How do I vote if I am a non-registered shareholder?

If your common shares are not registered in your name and are held in the name of a nominee such as a trustee, financial institution or securities broker, you are a “non-registered shareholder”. If your common shares are listed in an account statement provided to you by your broker, those common shares will, in all likelihood, not be registered in your name. Such common shares will more likely be registered under the name of your broker or an agent of that broker. Without specific instructions, Canadian brokers and their agents or nominees are prohibited from voting shares for the broker’s client. If you are a non-registered shareholder, there are two ways, listed below, that you can vote your common shares:

1. **GIVING YOUR VOTING INSTRUCTIONS**

Applicable securities laws require your nominee to seek voting instructions from you in advance of the Meeting. Accordingly, you will receive or have already received from your nominee a request for voting instructions for the number of common shares you hold. Every nominee has its own mailing procedures and provides its own signature and return instructions, which should be carefully followed by non-registered shareholders to ensure that their common shares are voted at the Meeting.

2. **VOTING IN PERSON**

However, if you wish to vote in person at the Meeting, insert your own name in the space provided on the request for voting instructions provided by your nominee to appoint yourself as proxy holder and follow the signature and return instructions of your nominee. Non-registered shareholders who appoint themselves as proxy holders should present themselves at the Meeting to a representative of Computershare Trust Company of Canada. Do not otherwise complete the request for voting instructions sent to you as you will be voting at the Meeting.

How do I vote if I am an employee shareholder?

Common shares purchased by employees of the Company under its Canadian and U.S. Employee Share Investment Plans and its Union and Management Savings Plans for U.S. Operations (the “Plans”), are known as “Employee Shares”. Employee Shares remain registered in the name of the Plans’ custodian (the “custodian”), unless the employees have withdrawn their common shares from the Plans in accordance with their provisions.

Voting rights attached to the Employee Shares that are registered in the name of the custodian can be exercised by employees, or their attorneys authorized in writing, by indicating on the enclosed voting instruction form the necessary directions to the custodian or any other person or company (who need not be a shareholder) as to how they wish their Employee Shares to be voted at the Meeting. Beneficial owners of Employee Shares may also give such voting instructions by telephone or over the Internet. The Employee Shares will be voted pursuant to the directions of the beneficial owner. If no choice is specified for an item, the Employee Shares will be voted in accordance with management’s recommendations mentioned above and at the discretion of the custodian or such other person indicated, in respect of amendments to the items mentioned on the enclosed voting instruction form or on such other business as may properly be brought before the Meeting. Only Employee Shares in respect of which a voting instruction form has been signed and returned (or in respect of which the employee has given voting instructions by telephone or over the Internet) will be voted.

A holder of Employee Shares may revoke his or her directions, as indicated on a voting instruction form, at any time by an instrument in writing executed by the holder of Employee Shares, or by the holder’s attorney duly authorized in writing, provided such written instrument indicating the holder’s intention to revoke is (i) deposited with the Corporate Secretary of CN at the registered office of CN at any time up to and including 5:00 p.m. (Eastern Daylight Time) on the last business day preceding the day of the Meeting or any adjournment or postponement thereof, or (ii) filed with the chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other

manner permitted by law, or in the case of directions given by telephone or over the Internet, by way of subsequent telephone or Internet directions.

The voting instruction form must be used only with respect to Employee Shares. In the event that an employee holds common shares outside the Plans, he or she must also complete the enclosed form of proxy with respect to such additional common shares. No form of proxy is to be completed with respect to Employee Shares.

CN MANAGEMENT INFORMATION CIRCULAR

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BUSINESS OF THE MEETING

Financial Statements

Our consolidated financial statements for the year ended December 31, 2010, together with the auditors' reports thereon, are included in the 2010 Annual Report of the Company, available on our website at www.cn.ca, on SEDAR at www.sedar.com, in the Company's annual report on Form 40-F available on EDGAR at www.sec.gov, on our website at www.cn.ca, and in print, free of charge, to any shareholder who requests copies by contacting our Corporate Secretary or Investor Relations.

Election of Directors

Our articles of incorporation, as amended, provide that our Board of Directors shall consist of a minimum of seven and a maximum of 21 directors (hereinafter the "Board" or "Board of Directors"). Pursuant to a resolution of the Board of Directors, 13 persons are to be elected as directors for the current year, each to hold office until the next annual meeting of shareholders or until such person's successor is elected or appointed.

The term of office of each of the present directors expires at the close of the Meeting. The persons named in the section entitled "Nominees for Election to the Board – Description of Nominees" will be presented for election at the Meeting as management's nominees. Except for Mr. O'Connor, all of the nominees proposed for election as directors are currently directors of the Company. All persons nominated were recommended to the Board of Directors by the Corporate Governance and Nominating Committee. Unless authority is withheld, the persons designated in the accompanying form of proxy or voting instruction form intend to vote FOR the election of these nominees. The persons nominated are, in the opinion of the Board of Directors and management, well qualified to act as directors of the Company for the ensuing year and have confirmed their willingness to serve as directors. The Board of Directors and management do not contemplate that any of these nominees will be unable to serve as a director, but should that occur for any reason before the Meeting, the persons designated in the accompanying form of proxy or voting instruction form reserve the right to vote for another nominee at their discretion unless the shareholder who has given such proxy or voting instruction form has directed that the common shares be withheld from voting on the election of any of the directors.

Appointment of Auditors

The Board of Directors and the Audit Committee recommend that KPMG LLP be appointed to serve as our auditors until the next annual meeting of shareholders. Unless authority is withheld, the persons designated in the accompanying form of proxy or voting instruction form intend to vote FOR the appointment of KPMG LLP as auditors of the Company to hold office until the next annual meeting of shareholders.

Advisory Vote on Executive Compensation

At a meeting of the Board of Directors in early 2010, it was agreed that the Company would closely monitor the evolution of "Say on Pay" resolutions with the intention to include a non-binding advisory "Say on Pay" vote in our 2011 Information Circular. In keeping with this undertaking, the Board of Directors has acted to provide shareholders of the Company with the opportunity to cast at its annual meeting an advisory vote on the Company's approach to executive compensation as disclosed in the Statement of Executive Compensation section of this Information Circular. Such section describes the role of the Human Resources and Compensation Committee in overseeing compensation of

executives and ensuring that it is linked to the Company's three-year business plan. The section also describes the Company's executive compensation principles, the structure of the compensation plans for executives, and the alignment of such plans with the interests of our shareholders.

The Board of Directors recommends that shareholders vote FOR the resolution set out below and, unless otherwise instructed, the persons designated in the form of proxy intend to vote FOR the following resolution:

“RESOLVED that, on an advisory basis and not to diminish the role and responsibilities of the board of directors, the shareholders accept the approach to executive compensation disclosed in the section entitled “Statement of Executive Compensation” of the Information Circular of the Company dated March 8, 2011.”

The Board of Directors has adopted a policy to the effect that, if a majority of the shares represented in person or by proxy at the meeting are voted against the above non-binding advisory resolution, the Chairman of the Board or the Chair of the Human Resources and Compensation Committee will oversee a process to engage with shareholders with a view to giving shareholders the opportunity to express their specific concerns. The Board of Directors and the Human Resources and Compensation Committee, will consider the results of this process and, if appropriate, review the Company's approach to executive compensation in the context of shareholders' specific concerns.

CN MANAGEMENT INFORMATION CIRCULAR

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NOMINEES FOR
ELECTION TO THE BOARD

Description of Nominees

The following tables set out information as of February 25, 2011, unless otherwise indicated, regarding the nominees for election as directors. All nominees, other than Mr. James E. O'Connor, are current directors of the Company.

MICHAEL R. ARMELLINO,
CFA
Age: 71(1)
Fort Lee, New Jersey,
U.S.A.
Director since: May 7, 1996
Independent

Mr. Armellino, a chartered financial analyst, is a Retired Partner, The Goldman Sachs Group, LP. From 1991 to 1994, Mr. Armellino was chair and Chief Executive Officer of Goldman Sachs Asset Management. Prior to 1991, he had held various positions at Goldman, Sachs & Co., including senior transportation analyst and Partner in Charge of Research.

Mr. Armellino is a Trustee and member of the Executive Committee of the Peddie School, a Trustee of the Hackensack University Medical Center Foundation and Founder and senior advisor of the Bergen Volunteer Medical Initiative, a privately funded organization providing free health care for those without healthcare in Bergen County, New Jersey. Mr. Armellino is also a director of Armanta Corp., a private computer software company.

SECURITIES HELD

COMMON SHARES OWNED OR
CONTROLLED(2)

Value at Risk	\$8,001,720(3)
February 2011	113,680
February 2010	111,150

MEMBER OF	ATTENDANCE	OTHER PUBLIC BOARDS DURING PAST 5 YEARS
Board	100%	N/A
Strategic Planning Committee (Chair)	100%	
Audit Committee	100%	
Finance Committee	100%	
Investment Committee of CN's Pension Trust Funds(5)	100%	

A. CHARLES BAILLIE,
O.C., LL.D.
Age: 71(1)

Mr. Baillie retired as chair of The Toronto-Dominion Bank in April 2003, and as Chief Executive Officer in December 2002 after a career at the bank that spanned

Toronto, Ontario, Canada
 Director since: April 15,
 2003
 Independent

five decades. Mr. Baillie is chair of the board of directors of Alberta Investment Management Corporation (AIMCo) and is also a director of George Weston Limited and TELUS Corporation.

Mr. Baillie is a past chairman of the Canadian Council of Chief Executives and Chancellor Emeritus of Queen's University. He has been heavily involved in the arts for many years and is currently Honourary Chair of the Art Gallery of Ontario. He is on the national board of directors of Soulpepper Theatre Company, Luminato and Business for the Arts. He was appointed an Officer of the Order of Canada in 2006 and inducted into the Canadian Business Hall of Fame in 2008.

SECURITIES HELD

COMMON SHARES OWNED OR CONTROLLED(2)

Value at Risk	\$10,694,108(3)
February 2011	151,711(6)
February 2010	147,279(7)

MEMBER OF ATTENDANCE OTHER PUBLIC BOARDS DURING PAST 5 YEARS

Board	100%	George Weston Limited	(2003-present)
Finance Committee (Chair)	80%	TELUS Corporation	(2003-present)
Environment, Safety and Security Committee	100%	Dana Corporation	(1998-2008)
Human Resources and Compensation Committee	100%		
Investment Committee of CN's Pension Trust Funds (5)	75%		
Strategic Planning Committee	100%		

HUGH J. BOLTON, FCA
 Age: 72(1)
 Edmonton, Alberta, Canada
 Director since: April 15,
 2003
 Independent

Mr. Bolton is the chair of the board of directors of EPCOR Utilities Inc. (energy and energy-related services provider, not publicly traded). From 2001 to 2010 he also served as chair of Matrikon Inc.

From 1992 to 1997, Mr. Bolton was Chairman and Chief Executive Partner of Coopers & Lybrand Canada (now PricewaterhouseCoopers), capping a forty-year career with the firm. Mr. Bolton is also a director of Capital Power Corporation, Teck Resources Limited, TD Bank Financial Group and WestJet Airlines Ltd.

He is also a director of the Shock Trauma Air Rescue Society (STARS), a non-profit organization providing emergency medical transport using medivac helicopters in Alberta, eastern British Columbia and western Saskatchewan, and of the Alberta Board of Governors of the Miller Thomson Foundation.

He was inducted as a fellow of the Institute of Corporate Directors in 2006 and is a recipient of the Lifetime Achievement Award from the Institute of Chartered Accountants of Alberta. He has previously served as a member of the Board of Governors of Junior Achievement of Canada and the Canadian Tax Foundation.

SECURITIES HELD

COMMON SHARES OWNED OR CONTROLLED(2)

Value at Risk	\$3,219,983(3)
February 2011	45,680(6)
February 2010	42,478(7)

MEMBER OF	ATTENDANCE	OTHER PUBLIC BOARDS DURING PAST 5 YEARS
Board	100%	Capital Power Corporation (2009-present)
Audit Committee	100%	WestJet Airlines Ltd. (2005-present)
Corporate Governance and Nominating Committee	100%	TD Bank Financial Group (2003-present)
Human Resources and Compensation Committee	100%	Teck Resources Limited (2001-present)
Strategic Planning Committee	100%	Matrikon Inc. (2001-2010)

DONALD J. CARTY, O.C., LL.D.

Mr. Carty is the retired Vice-Chairman and Chief Financial Officer of Dell, Inc. (computer manufacturer), a

Age: 64(1)
 Dallas, Texas, U.S.A.
 Director since: January 1,
 2011
 Independent

position he assumed in January 2007. Before joining Dell, Mr. Carty retired in 2003 as Chairman and CEO of AMR Corporation and American Airlines. He had previously served as President, Executive Vice-President – Finance and Planning and Senior Vice-President and Controller of AMR Airline Group and American Airlines. He was President and CEO of CP Air from 1985 – 1987.

In the voluntary sector, Mr. Carty is on the board of the Dallas Center for the Performing Arts Foundation, the Board of Trustees of Southern Methodist University and the Executive Board of the SMU Cox School of Business. He is a former Chairman of Big Brothers-Big Sisters of America. He was named an Officer of the Order of Canada in 2003.

Mr. Carty also serves on the boards of Dell, Inc., Barrick Gold Corporation, Hawaiian Holdings, Inc., Gluskin, Sheff & Associates Inc. and Talisman Energy Inc. He is chairman of Virgin America Airlines, Inc. and Porter Airlines, Inc.

SECURITIES HELD

COMMON SHARES OWNED OR CONTROLLED(2)

Value at Risk	\$192,793(3)
February 2011	2,739(6)
February 2010	Nil

MEMBER OF(8)	ATTENDANCE	OTHER PUBLIC BOARDS DURING PAST 5 YEARS	
Board	–	Talisman Energy Inc.	(2009-present)
Audit Committee	–	Barrick Gold Inc.	(2006-present)
Corporate Governance and Nominating Committee	–	Gluskin Sheff & Associates	(2006-present)
Finance Committee	–	Hawaiian Holdings, Inc.*	(2004-present)
Strategic Planning Committee	–	Dell, Inc.	(1992-present)
		Sears Holding Corp.	(2001-2007)
		*Term ends May 1, 2011 and will not stand for re-election	

**AMBASSADOR
GORDON D. GIFFIN**
Age: 61(1)
Atlanta, Georgia, U.S.A.
Director since: May 1, 2001
Independent

Mr. Giffin is Senior Partner of the law firm of McKenna Long & Aldridge, where he maintains offices in Washington, D.C. and Atlanta. His practice focuses on international transactions and trade matters and public policy. He has been engaged in the practice of law or government service for more than thirty years. Mr. Giffin was United States Ambassador to Canada from August 1997 to April 2001.

Mr. Giffin is a member of the Board of Trustees of the Jimmy Carter Presidential Center and the board of directors of the Canadian-American Business Council and the Canada-US Fulbright Program. He is chairman of the board of Friends of the National Arts Centre.

Mr. Giffin is also a director of the Canadian Imperial Bank of Commerce, Canadian Natural Resources Limited, TransAlta Corporation and Just Energy Income Fund.

SECURITIES AND OPTIONS HELD

COMMON SHARES OWNED OR CONTROLLED(2)	OPTIONS HELD(4)
Value at Risk	\$3,168,098(3)
February 2011	45,009(6)
February 2010	42,165(7)

MEMBER OF	ATTENDANCE	OTHER PUBLIC BOARDS DURING PAST 5 YEARS
Board	100%	Just Energy Income Fund (2006-present)
Audit Committee	100%	Canadian Natural Resources Limited (2002-present)
Donations and Sponsorships Committee	100%	TransAlta Corporation (2002-present)
Finance Committee	100%	Canadian Imperial Bank of Commerce (2001-present)
Human Resources and Compensation Committee	100%	AbitibiBowater Inc. (2003-2009)
Strategic Planning Committee	100%	

EDITH E. HOLIDAY
Age: 59(1)
Palm Beach County,
Florida, U.S.A.

Mrs. Holiday is a Corporate Director and Trustee and a former General Counsel, United States Treasury Department and Secretary of the Cabinet, The White House.

Director since: June 1, 2001
Independent

Mrs. Holiday is a director of H.J. Heinz Company, Hess Corporation, RTI International Metals, Inc. and White Mountains Insurance Group, Ltd. She is also a director or trustee of various investment companies of the Franklin Templeton Group of Funds.

She is the recipient of the Direct Women's 2009 Sandra Day O'Connor Board Excellence Award, which honours women who have served with distinction on the board of a public company and advanced the value of diversity in the workplace.

Mrs. Holiday is admitted to the bars of the states of Florida, Georgia and the District of Columbia.

SECURITIES AND OPTIONS HELD

COMMON SHARES OWNED OR CONTROLLED(2)		OPTIONS HELD(4)	
Value at Risk	\$3,020,917(3)		
February 2011	42,918(6)	February 2011	–
February 2010	40,278(7)	February 2010	12,000

MEMBER OF ATTENDANCE OTHER PUBLIC BOARDS DURING PAST 5 YEARS

Board	100%	White Mountains Insurance Group, (2004-present) Ltd.	
Corporate Governance and Nominating Committee	100%	RTI International Metals, Inc.	(1999-present)
Environment, Safety and Security Committee	100%	Franklin Templeton Group of Funds	
Human Resources and Compensation Committee	100%	(various companies)	(1996-present)
Investment Committee of CN's Pension Trust Funds(5)	100%	H.J. Heinz Company	(1994-present)
Strategic Planning Committee	100%	Hess Corporation	(1993-present)

**V. MAUREEN
KEMPSTON DARKES,
O.C., D. COMM., LL.D.**
Age: 62(1)
Weston, Florida, U.S.A.
Director since: March 29,
1995
Independent

Mrs. Kempston Darkes is the retired Group Vice-President and President Latin America, Africa and Middle East, General Motors Corporation. In 2009 she ended a 35-year career at GM during which she attained the highest operating post ever held by a woman at GM. From 1994 to 2001, she was President and General Manager of General Motors of Canada Limited and Vice-President of General Motors Corporation.

She is an Officer of the Order of Canada, a member of the Order of Ontario and was ranked by Fortune magazine in 2009 as the 12th Most Powerful Woman in International Business. In 2006, she was the recipient of the Governor General of Canada's Persons Award and was inducted as a fellow of the Institute of Corporate Directors in 2011. Mrs. Kempston Darkes is a member of the University of Toronto's International Alumni Council. She is also a director of the Bridgepoint Health Foundation.

Mrs. Kempston Darkes is also a director of Brookfield Asset Management Inc., Irving Oil Co. Ltd. and Enbridge Inc.

SECURITIES AND OPTIONS HELD

COMMON SHARES OWNED OR CONTROLLED(2)	OPTIONS HELD(4)
Value at Risk	\$5,705,743(3)
February 2011	80,944(6)
February 2010	70,505(7)

MEMBER OF	ATTENDANCE	OTHER PUBLIC BOARDS DURING PAST 5 YEARS
Board	100%	Enbridge Inc. (2010-present)
Environment, Safety and Security Committee (Chair)	100%	Brookfield Asset Management Inc. (2008-present)
Finance Committee	100%	Thompson Corporation (1996-2008)
Investment Committee of CN's Pension Trust Funds(5)	100%	Falconbridge Limited (2005-2006)
Strategic Planning Committee	100%	

**THE HON. DENIS
LOSIER, P.C., LL.D.**
Age: 58(1)

Mr. Losier is President and Chief Executive Officer, Assumption Life (life insurance company). Between 1989 and 1994, Mr. Losier held various cabinet level positions with the government of the Province of New Brunswick,

Moncton, New Brunswick,
Canada
Director since: October 25,
1994
Independent

including Minister of Fisheries and Aquaculture and
Minister of Economic Development and Tourism.

Mr. Losier was co-chair of the University of Moncton's
Excellence Campaign. In 2008, he was named a member
of the Security Intelligence Review Committee of
Canada, and, as such, became a member of the Privy
Council. He is a member of the New Brunswick Business
Council and a director of Canadian Blood Services, the
Canadian Life and Health Insurance Association,
Enbridge Gas – New Brunswick, NAV CANADA and
Plazacorp Retail Properties Ltd.

SECURITIES AND OPTIONS HELD

COMMON SHARES OWNED OR CONTROLLED(2)		OPTIONS HELD(4)	
Value at Risk	\$8,791,160(3)		
February 2011	124,715(6)	February 2011	12,000
February 2010	105,631(7)	February 2010	27,000

MEMBER OF	ATTENDANCE	OTHER PUBLIC BOARDS DURING PAST 5 YEARS	
Board	100%	Plazacorp Retail Properties Ltd.	(2007-present)
Audit Committee (Chair)	100%	NAV CANADA	(2004-present)
Corporate Governance and Nominating Committee	100%		
Investment Committee of CN's Pension Trust Funds(5)	100%		
Strategic Planning Committee	100%		

THE HON. EDWARD C. LUMLEY, P.C., LL.D.

Age: 71(1)

South Lancaster, Ontario, Canada

Director since: July 4, 1996
Independent

Mr. Lumley is Vice-Chairman, BMO Capital Markets (investment bank). From 1986 to 1991, he served as chair of Noranda Manufacturing Group Inc.

Mr. Lumley was a Member of Parliament from 1974 to 1984, during which time he held various cabinet portfolios in the Government of Canada. He is currently Chancellor of the University of Windsor and a director of BCE Inc., Bell Canada and Dollar-Thrifty Automotive Group, Inc.

SECURITIES HELD

COMMON SHARES OWNED OR CONTROLLED(2)

Value at Risk	\$6,861,990(3)
February 2011	97,347(6)
February 2010	93,527(7)

MEMBER OF ATTENDANCE OTHER PUBLIC BOARDS DURING PAST 5 YEARS

Board	100%	BCE Inc.	(2003-present)
Investment Committee of CN's Pension Trust Funds (Chair)(5)	100%	Dollar-Thrifty Automotive Group, Inc.	(1997-present)
Environment, Safety and Security Committee	100%	Magna Entertainment Corp.	(1989-2008)
Finance Committee	100%	Magna International Inc.	(1989-2008)
Human Resources and Compensation Committee	100%		
Strategic Planning Committee	100%		

DAVID G.A. McLEAN, O.B.C., LL.D.

Age: 72(1)

Vancouver, British Columbia, Canada

Director Since: August 31, 1994
Independent

Mr. McLean is Board Chair of the Company and chair of The McLean Group (real estate investment, film and television facilities, communications and aircraft charters).

He is a trustee of Wetlands America Trust, Inc., the U.S. foundation of Ducks Unlimited. He is on the advisory board of the Institute of Canadian Studies at the University of California at Berkeley and past chair of the board of governors of the University of British Columbia, the Vancouver Board of Trade and the Canadian Chamber of Commerce.

Mr. McLean was inducted as a fellow of the Institute of Corporate Directors of Canada in 2006 and was appointed to the Order of British Columbia in 1999. He has been awarded an honorary degree from the following four

institutions: the University of British Columbia, the University of Alberta, Simon Fraser University and Royal Roads University.

SECURITIES HELD

COMMON SHARES OWNED OR CONTROLLED(2)

Value at Risk	\$13,398,316(3)
February 2011	190,074(6)
February 2010	191,262(7)

MEMBER OF ATTENDANCE OTHER PUBLIC BOARDS DURING PAST 5 YEARS

Board (Chair)	100%	N/A
Corporate Governance and Nominating Committee (Chair)	100%	
Donations and Sponsorships Committee	100%	
Environment, Safety and Security Committee	100%	
Human Resources and Compensation Committee	100%	
Investment Committee of CN's Pension Trust Funds(5)	100%	
Strategic Planning Committee	100%	

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CLAUDE MONGEAU
 Age: 49(1)
 Montréal, Quebec, Canada
 Director since: October 20, 2009
 Not Independent

Mr. Mongeau became President and Chief Executive Officer of the Company on January 1, 2010. In 2000, he was appointed Executive Vice-President and Chief Financial Officer of the Company and held such position until June 1, 2009. Prior to this he held the positions of Vice-President, Strategic and Financial Planning and Assistant Vice-President, Corporate Development upon joining the Company in 1994. In 2005, he was selected Canada's CFO of the Year by an independent committee of prominent Canadian business leaders.

Prior to joining CN, Mr. Mongeau was a partner with Secor Group, a Montréal-based management consulting firm. He also worked in the business development unit of Imasco Inc. and as a consultant at Bain & Company.

Mr. Mongeau is also a director of SNC-Lavalin Group Inc.

SECURITIES AND OPTIONS HELD

COMMON SHARES OWNED OR CONTROLLED(2)	Value at Risk	OPTIONS HELD(4)
	\$15,578,149(3)	
February 2011	220,998	February 2011 983,000
February 2010	216,200	February 2010 863,000

MEMBER OF ATTENDANCE OTHER PUBLIC BOARDS DURING PAST 5 YEARS

Board	100%	SNC-Lavalin Group Inc.	(2003-present)
Donations and Sponsorships Committee (Chair)	100%	Nortel Networks	(2006-2009)
Strategic Planning Committee	100%		

JAMES E. O'CONNOR
 Age: 61(1)
 Fort Lauderdale, Florida, U.S.A.
 Nominee as a director
 Independent

Mr. O'Connor is chair of the board of directors of Republic Services, Inc., a leading provider of non-hazardous solid waste collection, recycling and disposal services in the United States. From 1998 to 2011, Mr. O'Connor was chair and Chief Executive Officer of Republic Services, Inc. Prior to 1998, he had held various management positions at Waste Management, Inc.

In 2001, Mr. O'Connor was the recipient of the Ellis Island Medal of Honor from the National Ethnic Coalition of Organizations (NECO) which rewards Americans who exemplify outstanding qualities in both their personal and

professional lives, while continuing to preserve the richness of their particular heritage. He was named to the list of America’s Best CEOs each year, between 2005 and 2010. In 2011, Mr. O’Connor was named to the Institutional Investors’ All American Executive Team. He is also active in many community causes, especially those that benefit children. Mr. O’Connor has served on the board of directors of the SOS Children’s Village. He also currently serves on the board of directors of the South Florida P.G.A. of America.

SECURITIES HELD

COMMON SHARES OWNED OR CONTROLLED

Value at Risk	Nil
February 2011	Nil
February 2010	Nil

MEMBER OF ATTENDANCE OTHER PUBLIC BOARDS DURING PAST 5 YEARS

New Board nominee, not currently a director	–	Republic Services, Inc.	(1998-present)
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ROBERT PACE
 Age: 56(1)
 Halifax, Nova Scotia,
 Canada
 Director since: October 25,
 1994
 Independent

Mr. Pace is President and Chief Executive Officer, The Pace Group (radio broadcasting, real estate and environmental services).

Mr. Pace began his career as a lawyer in Halifax and worked as Atlantic Canada Advisor to the Prime Minister of Canada.

He is a director of the Atlantic Salmon Federation, the Asia Pacific Foundation and the Walter Gordon Foundation.

Mr. Pace is also a director of High Liner Foods Incorporated and Hydro One Inc.

SECURITIES AND OPTIONS HELD

COMMON SHARES OWNED OR CONTROLLED(2)	OPTIONS HELD(4)
Value at Risk	\$9,133,178(3)
February 2011	129,567(6)
February 2010	110,550(7)

MEMBER OF	ATTENDANCE	OTHER PUBLIC BOARDS DURING PAST 5 YEARS
Board	100%	Hydro One Inc. (2007-present)
Human Resources and Compensation Committee (Chair)	100%	High Liner Foods Incorporated (1998-present)
Audit Committee	100%	Overland Realty Limited (2006-2010)
Corporate Governance and Nominating Committee	100%	
Investment Committee of CN's Pension Trust Funds(5)	100%	
Strategic Planning Committee	100%	

- (1) The age of the directors is provided as at the date of the Meeting (i.e., on April 27, 2011).
- (2) The information regarding common shares beneficially owned, controlled or directed has been furnished by the respective nominees individually and includes Directors Restricted Share Units elected as compensation by directors, as well as Deferred Share Units ("DSUs") under the Company's Voluntary Incentive Deferral Plan ("VIDP") in the case of Claude Mongeau, but does not include common shares under options. The VIDP provides eligible senior management employees the opportunity to elect to receive their annual incentive bonus payment and other eligible incentive payments in DSUs payable in cash upon retirement or termination of employment. The number of DSUs received by each participant is established using the average closing price for the 20 trading days prior to and including the date of the incentive payment. For each participant, the Company will grant a further 25% (Company match) of the amount elected in DSUs, which will vest over a period of four years. The election to receive eligible incentive payments in DSUs is no longer available to a participant when the value of the

participant's vested DSUs is sufficient to meet the Company's stock ownership guidelines. The value of each participant's DSUs is payable in cash at the time of cessation of employment. For further details on the VIDP, please see the Deferred Compensation Plans section of this Information Circular.

- (3) The Value at Risk represents the total value of common shares and DRSUs (or DSUs for Mr. Mongeau) which total value is based on the February 25, 2011 closing price of the common shares on the Toronto Stock Exchange (CAD\$70.49) or the New York Stock Exchange (US\$71.92) for Michael R. Armellino, Donald J. Carty, Ambassador Gordon D. Giffin and Edith E. Holiday, using the closing exchange rate (US\$1 = CAD\$0.9787) on the same date.
- (4) The information regarding options comprises the options granted under the Management Long-Term Incentive Plan. No options have been granted to non-executive directors since 2002. On March 8, 2005, the Management Long-Term Incentive Plan was amended to provide that option grants under such plan could no longer be made to non-executive directors.
- (5) The Investment Committee of CN's Pension Trust Funds is a mixed committee composed of both members of the Board of Directors as well as officers of the Company.
- (6) Includes Directors Restricted Share Units as at February 25, 2011 in the following amounts: A. Charles Baillie: 49,611; Hugh J. Bolton: 43,180; Donald J. Carty: 2,739; Ambassador Gordon D. Giffin: 19,333; Edith E. Holiday: 8,206; V. Maureen Kempston Darkes: 24,414; The Hon. Denis Losier: 41,857; The Hon. Edward C. Lumley: 41,422; David G.A. McLean: 84,774; and Robert Pace: 46,193. Pursuant to the terms of the Directors Restricted Share Units, directors or their estates can only access their Directors Restricted Share Units upon retirement, resignation or death.
- (7) Includes Directors Restricted Share Units as at February 26, 2010 in the following amounts: A. Charles Baillie: 45,679; Hugh J. Bolton: 39,978; Ambassador Gordon D. Giffin: 18,265; Edith E. Holiday: 6,828; V. Maureen Kempston Darkes: 24,005; The Hon. Denis Losier: 38,678; The Hon. Edward C. Lumley: 40,727; David G.A. McLean: 83,352; and Robert Pace: 42,176. Pursuant to the terms of the Directors Restricted Share Units, directors or their estates can only access their Directors Restricted Share Units upon retirement, resignation or death.
- (8) Mr. Carty did not attend Board meetings in 2010. Since his appointment to the Board on January 1, 2011, Mr. Carty has however been invited to attend various Board committee meetings on a non-voting basis. On March 8, 2011, the Board of Directors decided that Mr. Carty would become a member of the Audit, Corporate Governance and Nominating, Finance and Strategic Planning Committees.

Board of Directors Compensation

The directors of the Company play a central role in enhancing shareholder value. As indicated under “Nominees for Election to the Board – Board of Directors Compensation – Share Ownership” on page 16, the directors have a substantial investment in the Company. In addition, approximately 76% of the total annual remuneration of the non-executive directors for 2010 was in the form of common shares or Directors Restricted Share Units (“DRSUs”). Subject to the Minimum Shareholding Requirement as defined on page 16 of this Information Circular, directors may elect to receive all or part of their director, committee member, Board Chair and Committee Chair cash retainers either in cash, common shares of the Company purchased on the open market or DRSUs. They may also elect to receive their common share retainers in DRSUs. Each DRSU entitles the beneficiary thereof to receive upon resignation, retirement or death, one common share of the Company purchased on the open market, plus additional DRSUs reflecting dividend equivalents.

CN’s compensation program is designed to attract and retain the most qualified people to serve on CN’s Board and Board Committees and takes into account the risks and responsibilities of being an effective director. To reflect the Company’s extensive operations in the United States, six of the non-executive director nominees are from the United States and the compensation of the non-executive directors of the Company tends to be comparable to that of large U.S.-based companies.

The compensation structure and level for CN’s directors was recommended by the Corporate Governance and Nominating Committee and approved by the Board in 2008 for a three-year period ending in 2010, and reviewed annually. In consideration for serving on the Board of Directors in 2010, CN’s directors were compensated as indicated in the table below:

TYPE OF FEE	AMOUNT AND NUMBER OF SHARES
Board Chair Retainer(1)	US\$120,000(2) and 12,000 Shares(2)
Director Retainer(3)	US\$15,000(2) and 4,500 Shares(2)
Committee Chair Retainer(4)	US\$15,000(2)
Committee Member Retainer	US\$3,500(2)
Board Meeting Attendance Fee	US\$1,500
Committee Meeting Attendance Fee	US\$1,500
Travel Attendance Fee	US\$1,500

(1) The Board Chair receives no additional Director Retainer nor Committee Chair or Committee Member Retainer.

(2) Directors (including Board Chair) may choose to receive all or part of their cash retainer in common shares or DRSUs and their common share retainer can also be received in DRSUs. The common shares are purchased on the open market.

(3)

Mr. Mongeau does not receive any compensation for serving as director of the Company. Mr. Mongeau's compensation for serving as CEO of the Company is described in detail in the Statement of Executive Compensation Section.

(4) Committee Chairs (other than the Board Chair) also receive, as members of a committee, a retainer of US\$3,500.

In 2010, given the expiry of the current compensation program, the Chair of the Corporate Governance and Nominating Committee and the Chair of the Human Resources and Compensation Committee reviewed the amount and form of compensation for non-executive directors. After a review of best practices and director compensation trends, including those of other Class I Railroads, it was decided that beginning in 2011, the annual share grant portion of the Director and Board Chair retainers would no longer be comprised of a fixed number of shares and would be replaced with a common share grant valued at US\$175,000 for directors, and a common share grant valued at US\$350,000 for the Board Chair. This approach provides greater consistency in total director compensation while keeping the alignment with shareholders' interest. Compared to 2010, the new compensation level represents an approximate reduction of 21% in average total compensation for CN directors and 36% for the Board Chair. Committee member and Committee Chair retainers remain unchanged at US\$3,500 for Committee Members and US\$15,000 for Committee Chairs, except for the Chairs of the Audit and the Human Resources and Compensation Committees who will receive a Committee Chair retainer of US\$25,000 inclusive for acting as Chair and members of such Committees. Committee Chairs will no longer receive a separate committee member retainer for the Committees they chair. The Board Chair receives no additional Director retainer, nor Committee Chair or Committee Member retainers. All other aspects of director compensation remain unchanged: The cash retainer amount remains at US\$15,000 for directors and US\$120,000 for the Board Chair, directors and the Board Chair will continue to receive Board Meeting, Committee Meeting and Travel Attendance fees of US\$1,500. Directors and the Board Chair may still elect to receive all or part of their Director, Committee Member, Board Chair and Committee Chair cash retainers either in cash, common shares of the Company purchased in the open market or DRSUs, and they may also elect to receive all or part of their common share annual retainer in DRSUs, subject to the share ownership guidelines applicable to Directors.

TYPE OF FEE	AMOUNT
Board Chair Cash Retainer(1)	US\$120,000(2)
Board Chair Share Grant Retainer	US\$350,000(2)
Director Retainer(3)	US\$15,000(2)
Director Share Grant Retainer	US\$175,000(2)
Committee Chair Retainers(4) Audit and Human Resources and Compensation Committees	US\$25,000(2)
Other Committees	US\$15,000(2)
Committee Member Retainer	US\$3,500(2)
Board Meeting Attendance Fee	US\$1,500
Committee Meeting Attendance Fee	US\$1,500
Travel Attendance Fee	US\$1,500

(1)The Board Chair receives no additional Director Retainer nor Committee Chair or Committee Member Retainer.

(2)Directors (including Board Chair) may choose to receive all or part of their cash retainer in common shares or DRSUs and their common share retainer can also be received in DRSUs. The common shares are purchased on the open market.

(3)Mr. Mongeau does not receive any compensation for serving as director of the Company. Mr. Mongeau's compensation for serving as CEO of the Company is described in detail in the Statement of Executive

Compensation Section.

- (4) Committee Chairs no longer receive the Committee Member Retainer of US\$3,500.

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The table below reflects in detail the compensation earned by non-employee directors in the 12-month period ended December 31, 2010.

NAME OF DIRECTOR	FEES EARNED			BOARD AND COMMITTEE ATTENDANCE AND TRAVEL FEES (2)	SHARE-BASED AWARDS(3)	COMPEN
	DIRECTOR AND BOARD CHAIR RETAINER (CAD\$(1))	COMMITTEE CHAIR RETAINER (CAD\$(1))	COMMITTEE MEMBER RETAINER (CAD\$(1))		(CAD\$)	
Michael R. Armellino	15,449	15,449	14,419	54,070	242,145	
A. Charles Baillie	16,019	16,019	18,688	54,070	242,325	
Hugh J. Bolton Ambassador	15,449	–	14,419	55,615	242,325	
Gordon D. Giffin	15,449	–	14,419	57,159	242,145	
Edith E. Holiday V. Maureen	15,449	–	18,023	55,615	242,145	
Kempston Darkes	15,449	15,449	14,419	49,435	242,325	
The Hon. Denis Losier	15,449	15,449	14,419	52,525	242,325	
The Hon. Edward C. Lumley	16,019	16,019	18,688	57,159	242,325	
David G.A. McLean	123,588	–	–	61,794	646,200	
Robert Pace	16,019	16,019	18,688	61,794	242,325	
TOTAL	264,339	94,404	146,182	559,236	2,826,585	

(1) All directors earned compensation in U.S. currency. Compensation received in cash was converted to Canadian dollars using the average rate of exchange of the Bank of Canada for 2010 (US\$1 = CAD\$1.0299). Compensation elected to be received in common shares or DRSUs was converted to Canadian dollars using the closing rate of exchange of the Bank of Canada (US\$1 = CAD\$1.0679), on the purchase day (February 9, 2010). In addition to the common shares or DRSUs received by the directors and the Board Chair as described in note (3) below, the directors and the Board Chair may choose to receive all or part of their cash retainers in common shares or DRSUs. The following directors made such election with respect to the amounts set forth beside their name: A. Charles Baillie (CAD\$50,726), The Hon. Edward C. Lumley (CAD\$50,726) and Robert Pace (CAD\$50,726). The amount of cash retainers elected to be received in common shares or DRSUs is included in these columns.

(2) Includes travel fees which amounted to a total of CAD\$117,409, in aggregate, for all directors.

(3) Represents 4,500 common shares or DRSUs received by each non-executive director as part of the Director Retainer (and 12,000 common shares or DRSUs received by the Board Chair as part of the Board Chair Retainer). The value of such grant was calculated as at February 9, 2010 using the closing price on such date on the Toronto Stock Exchange (CAD\$53.85) or the New York Stock Exchange (US\$50.39) and converted using the closing

exchange rate on the same date (US\$1 = CAD\$1.0679) for Michael R. Armellino, Ambassador Gordon D. Giffin and Edith E. Holiday.

- (4) Such values represent committee attendance fees received in cash for attendance to meetings of board committees of which they were not members. Such values were converted to Canadian dollars using the average rate of exchange of the Bank of Canada for 2010 (US\$1 = CAD\$1.0299).
- (5) Includes the value for 2010 of insurance premiums for accidental death and dismemberment insurance as well as 2010 medical and dental coverage for David G.A. McLean in Canada and the U.S. The total cost to the Company for such benefits is equal to CAD\$384.
- (6) This percentage is calculated by dividing the aggregate of the cash retainer elected by non-executive directors to be received in common shares or DRSUs described in note (1) above and the value provided under the share-based awards column, by the value provided under the total column.

Outstanding Option-based Awards and Share-based Awards

The table below reflects all awards outstanding as at December 31, 2010 with respect to non-executive directors.

OPTION-BASED AWARDS(1)			SHARE -BASED AWARDS(3)	
DATE OF GRANT AND NUMBER OF SECURITIES UNDERLYING	OPTION	OPTION	MARKET OR PAYOUT	
			VALUE OF	NUMBER OF SHARES OR UNITS OF
		UNEXERCISED		SHARE-BASED