# 24 - Seqmented information

The Company manages its operations as one business segment over a single network that spans vast geographic distances and territories with operations in Canada and the U.S.Financial information reported at this level, such as revenues, operating income, and cash flow from operations,is used by the Company's management, including its chief operating decision-maker, in evaluating financial and operational performance and allocating resources acrossCN's network.

The Company's strategic initiatives,which drive its operational direction, are developed and managed centrally by management and are communicated to its regional activity centers (the Western Region, Eastern Region and U.S.Region).The Company's management is esponsible for, among others, CN's marketing strategy, the management of large customer accounts, overall planning and control of infrastructure and rolling stock, the allocation of resources, and other functions such as financial planning, accounting and treasury

The role of each region is to manage the day-to-day service requirements within their respective territories and control direct costs incurred ocally.Such cost control is required to ensure that pre-established efficiency standards set at the corporate level are met. The regions execute the overall corporate strategy and operating plan established by the Company's management, as the regions'management of throughput and control of direct costs does not serve as the platform for the Company's decision-making process.Approximately 94% of the Company's freight revenues are from national accounts for which freight traffic spans North America and touches various commodity groups.As a result, the Company does not manage revenues on a regional basis since a large number of the movements originate in one region and pass through and/ or terminate in another reqion

ns also demonstrate common characteristics in each of the

each region's sole business activity is the transportation of freight over the Company's extensive rail network the regions service national accounts that extend over the Company's various commodity groups and across its rail network the services offered by the Company stem predominantly from the transportation of freight by rail with the goal of optimizing the rai network as a whole;and the Company and its subsidiaries, not its regions, are subject to regulatory regimes in both Canada and the U.S For the years ended December 31,2022,2021,and 2020,no major customer accounted for more than 10%0f total revenues and the largest freight customer represented less than 4% of total annual freight revenues.

The following tables provide information by geographic area for the years ended December 31,2022,2021 and2020 a 2022 and 2021:

In millions

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| In millions | Year ended December 31, | 2022 | | | 2021 |  | 2020 |
| Revenues Canada |  | $ | 11,583 | $ | 9,955 | $ | 9,588 |
| U.S. |  |  | 5,524 | $ | 4,522 | $ | 4,231 |
| Total revenues |  | $ | 17,107 |  | 14,477 |  | 13,819 |
| Net income Canada (1) |  |  | 3,581 | $ | 3,603 | $ |  |
| U.S. |  | $ | 1,537 |  | 1,296 |  | 2,615 930 |
|  |  |  |  | $ |  | $ |  |
| Total net income (1) |  | $ | 5,118 |  | 4,899 |  | 3,545 |
| In millions | December 31, |  | 2022 |  | 2021 |  |  |
| Properties |  |  |  |  |  |  |  |
| Canada |  | $ | 24,069 | $ | 23,186 |  |  |
| U.S. |  |  | 19,468 |  | 17,992 |  |  |
| Total properties |  | $ | 43,537 | $ | 41,178 |  |  |

(1) See Note 2-Change in accounting policy for additional information

# 25-Subsequent event

# Normal course issuer bid

January 24,2023,the Board of Directors of the Company approved a new NClB,which allows for the repurchase of up t mon shares between February1,2023 andJanuary 31,2024