FALL 2022

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Shared Track is available on the Conrail website under "News and Information." www.Conrail.com



Employee Appreciation Days

STEPHEN MCGINNIS | Communications Coordinator

Every summer Conrail hosts recognition events as a way of thanking their employees and families for their commitment and devotion to the railroad. In June, employees and their families were invited to attend the 2022 Conrail Family Picnic hosted at Six Flags Great Adventure in Jackson, NJ.

Every one of the more than 600 people in attendance received a Conrail t-shirt and the venue provided food and drinks under a private pavilion for several hours, and if employees couldn't make it to the pavilion, they were still able to enter the park throughout the day. Everyone who attended had the opportunity to enjoy the nearly 60 rides including 14 of some of the best roller coasters in the United States.

In Detroit, employees were invited to spend the afternoon in August at CJ Barrymore's amusement park in Clinton Township, MI. Employees were treated to lunch and drinks under a private pavilion, which was extremely helpful due to some inclement weather. Luckily the storms left as quickly as they arrived, and the rides were back up and running. The crowd of nearly 175 employees and family members could be seen whipping around the various go-kart tracks, soaring across the sky on the Soaring Eagle Zipline, as well as the various other attractions.

We would like to thank all who participated in making these events such an enjoyable experience. We strongly encourage you to take advantage of future appreciation events to reward you and your families for the important role we all have in Conrail's continued success.







Message from the President

As we surpass the halfway mark of 2022, we have a lot to be proud of on how the railroad is operating. We have performed well in almost every aspect of the business. As you recall from previous newsletters, I look at the business in categories: Safety, Service, Value, and Leadership.

On the Safety front, we have experienced some mixed results. With regards to our personal safety, we remain flat compared to same time last year, we have experienced 14 injury/incidents as of August 2022. FRA injuries are also flat from same time last year at 7 apiece, and lost time Injuries are currently at 6 compared to 7 from same time last year. All of this equates to a 1.25 injury rate. We need to continue to strive for a sub 1 injury rate, which is considered world class in the railroad industry, and we are so close to achieving world class performance. Continue to watch out for one another and correct unsafe behaviors. See something, say something! With our equipment safety, we are performing better in every single category. All Derailments are down by 34%, with Human Factor Derailments being down by over 40%, and Track Caused Derailments down by 23%. That is impressive performance. Thank you!

We have also improved the Service to our owners and to the customers we serve. On Time Departures of our Owner's road trains is currently at 91.4% against a goal of 90%, Customer Service (LOPA/LSM) is currently at 87.4% against a goal of 90%, and our inventory management objective (32-hour cars) is averaging 773 cars a day against a goal of 780. All of this is being accomplished despite having an average of 10 production and service jobs being unfilled every day due to our T&E employee shortage. We are still actively hiring and training new employees to get them in the mix as soon as possible. I have no doubt that as these new employees get fully on board our customer service will only continue to improve from where we are today.

On the Value front, we are unfortunately not seeing the volumes that were forecasted, just the opposite. We were forecasted to have a 3% growth, but

instead we are seeing a decline in every market segment with the biggest decline being experienced in the intermodal market. This year our volumes are down by 7.8% (53,000 cars) to plan and down 2.2% (14,100 cars) from prior year. The way in which Conrail is measured on budget (value) is a mechanism called Cost per Car Handled (CPCH), which is cost divided by volume. You have all reacted appropriately to this reduction and done a very nice job reducing expenses and controlling costs.

One aspect of Leadership is continuing to prepare for the future, and we are doing exactly that. We continue to hire in every department with our greatest focus being on our Train & Engine employees. I am pleased to announce that since our last newsletter we have 13 new T&E employees fully trained and working, with another 22 in training that should be fully deployed by late fall. This will no doubt help reduce the number of jobs not being filled daily due to crew shortages.

We have also implemented a new program to attract our agreement professionals into management positions. This initiative is called the FMT (Field Manager Trainee) program. This new program allows us to get field people from all departments transitioned into management roles. This will help Conrail strengthen our management team by bringing in people that already have rail expertise and real-life railroad experience. This will also help with the immediate backfilling of management vacancies as they occur. If you are interested in the FMT program, I would urge you to reach out to your department head.

In closing, I would like to thank each of you for your contribution to the success of Conrail. We have faced many challenges this year and you all tackled them head on. Our year is not over, and there is still plenty yet to be done. I feel very confident that when the volumes do return, we are well poised to continue to provide the outstanding service that our customers and owners have come to expect.

The cost of Train Accidents has decreased in 2022

SOUTH JERSEY 35% Increase 2022 vs. 2021

Brian E. Gorton
President and Chief Operating Officer

Maintaining a safe workplace is our #1 Goal. Overall, safety performance has declined in 2022. 10.00 8.00 8 6.00 7 4.00 3 3 2.00 0.00 South Sustem Detroit North Jersey August 2022 YTD August 2021 YTD **SYSTEM 29% Increase 2022 vs. 2021**

DETROIT 100% Improvement 2022 vs. 2021

NORTH JERSEY 167% Increase 2022 vs. 2021

SOUTH JERSEY No Change 2022 vs. 2021

\$700,000 Contractor Costs **Cost of Train Accidents** \$600,000 \$684,940 \$500,000 \$267,520 \$400,000 \$146,838 \$108,595 \$300,000 \$103,113 \$200,000 \$17,569 \$100,000 Ġ0 Sustem Detroit North South Jersey August 2022 YTD SYSTEM 61% Improvement 2022 vs. 2021 August 2021 YTD DETROIT 76% Improvement 2022 vs. 2021 NORTH JERSEY 80% Improvement 2022 vs. 2021

Safety/Service Measures

Conrail Summer Spike Events

BRIAN BAGINSKI | Director Risk and Operational Compliance

To promote summer weather awareness, Conrail hosted three Summer Spike Events, one for each operating District. At these events, food was provided, and all agreement field employees were given a bag that contained various warm weather items. The first and most important of these were two Conrail reflective shirts. This was a major undertaking, ensuring we had enough shirts of the correct size for over 600 employees! The importance of these shirts are that they can be worn in place of a safety vest. In the hot weather, no one wants an extra layer of clothes. The bag also contained other warm weather essentials such as sunblock, insect repellent wipes, and a personal first aid kit.

The Summer Spike events were held in all of Conrail's areas of operations and were coordinated to ensure as many Transportation employees as possible were able to attend. These events would not have been possible without the hard work and coordination from Superintendents Kory Johnson, Mo Megali, and John Higgins.

Overall, I would say the Summer Spike Events were a huge success! I constantly see employees in the field wearing their reflective shirts. These events would not have been possible without the team effort that was put forth by all the supervisors that participated. The Conrail Risk/Compliance Team really stepped up by participating in these events. They spent many hours outside, talking to employees about summer weather and other topics. I need to personally thank my Team of Brian Simon, Lisa Jones, Nicole Gagliardi, and Jim Bridges for their literal hours of participation. Also, a big thank you to Julie Barsh from HR. I do not want to forget the "afterwork." The Conrail Road Foremen were tasked with getting the bags to any employees who were not able to attend one of the Summer Spike Events. Road Foremen Eric Zielinski, Chris Vessels, Eddie Dicker, and Rich Medei spent the days after distributing bags with shirts to employees.

I hope everyone enjoyed this year's events as much as I did and look forward to doing it again next year.

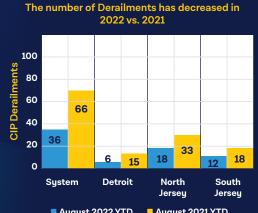




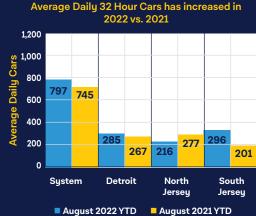


Safety/Service Measures









SYSTEM 7% Deterioration 2022 vs. 2021
DETROIT 7% Deterioration 2022 vs. 2021
NORTH JERSEY 22% Improvement 2022 vs. 2021
SOUTH JERSEY 47% Deterioration 2022 vs. 2021

What's the Scoop, Sup?

Message from Detroit District Superintendent



As we move into the last quarter of 2022, we continue to focus on safety and service. So far, we have experienced an extremely hot summer and I want to extend a thank you to everyone for remaining vigilant during these hot months, including our management team for regularly distributing Gatorade in the field. We encourage

all our field employees to take breaks when hot and stay well hydrated.

At this time last year we had accumulated 4 FRA reportable and lost time injuries, to date we have shown improvement with only 1, but we must remain vigilant and finish the year strong. We have also seen our train accidents and associated costs including labor and wrecking reduced by almost half with a cost savings of over \$120,000 year-to-date. It is important to note that our focus on derailments is also paying off yielding over a 50% reduction versus this time last year; keep up the good work! On the service side of our operations, our area car counts are reduced;

however, we have maintained consistency with serving our customers. Although we continue to battle through the adversity of the lower-level pandemic, our customers' expectations remain the same. This year to help successfully achieve customer satisfaction, we have not only brought back furloughed employees but have also hired several new employees as well. Collectively, these resources will help us continue to maintain a safe and efficient operation.

Finally, I want to again thank everyone for all your hard work this summer. Please remain focused and strive to work every day safely. As a reminder, continue to report any work environment issues to your direct supervisor for corrective action. You are the best resource to help identify field hazards that could potentially cause an injury or could help to improve our operational efficiency. Working as a team we will meet and exceed our mutual goals.

Kory S. Johnson Detroit District Superintendent

Message from North Jersey District Superintendent



I hope everyone enjoyed their summer and spent quality time with their families. Now it is time to get back to work and focus on what needs to be done to have a successful year.

Safety: After a successful Summer Spike, as much as I would like to say that we did better this year than last, to date we have more reportable

injuries. We need to be injury-free for the remainder of the year. Human Factor Derailments and Track Caused Derailments have improved this year. Thank you all for the hard work, now let's keep it going. Soon we will have our winter awareness.

Service: Our customers and our owners (NS-CSX) count on us to deliver the same level of service we have delivered for years. With everyone's contribution we are on the right track to finish the year strong. Our performance YTD 2022: LSM (Local Service Measure): 94% | On Time Departures: 88% | Daily 32 Hour Cars: 200

Value: We really need to watch our spending. Car counts have not been at a level to match the amount of overtime. We were budgeted for a lot more than what we are handling now. The hope is to get some of this volume back before the end of the year. In the meantime, we are working with our owners to explore opportunities to utilize some yards like Linden for rail car storage and railroad property for lease to customers that are willing to build tracks and ship by rail. South Plainfield Yard will have a new customer soon, and more new customers to come in Metuchen and Bayonne.

Leadership: I have always believed that tough times don't last but tough people do, and the people in North Jersey are as tough as they come.

As we strive to finish the year strong, we must focus and stay diligent. The hard work will pay off!

Lastly, I would like to thank all of you for your hard work and hope you have a safe and happy rest of the year, let's finish 2022 strong!

Mo Megali North Jersey District Superintendent

Message from South Jersey District Superintendent



As the summer season ends, there are a lot of things to look back on from the past few months. In South Jersey, we began the season with our Summer Spike event where employees were served breakfast or lunch and received summer essentials (sunscreen, hi-visibility Conrail t-shirts, etc.). Safety messages were posted throughout the districts and also presented in-

person during all Summer Spike events. The highlight of the summer was the Conrail Family Picnic at Six Flags Great Adventure. There was a tremendous turnout and fun was had by all on some of the fastest roller coasters in the world!

Moving into the fall and winter, we must turn our focus to working in inclement weather and continue to operate the South Jersey Terminal in the safest most efficient way possible. South Jersey has had a tremendous safety record over the past few years, and this does not come by luck. This is a concerted effort from all employees 24/7 that lace up their boots to perform the service that makes Conrail a world-class operator in our industry.

The last few months of 2022 will be an exciting time in the South Jersey Terminal with over a dozen conductor trainees "learning the ropes" of what Conrail does day in and day out for the 128 customers we serve in South Jersey. This will help Conrail continue to provide quality customer service to some of the biggest manufacturers in North America. #TEAMCONRAIL

John E. Higgins South Jersey District Superintendent

Every Week is Rail Safety Week

Here are some tips to stay safe:

- · Always expect a train; freight trains don't follow published schedules.
- · A typical freight train can take more than a mile to stop.
- The train you see is likely closer and faster-moving than you think.
- The only safe place to cross the tracks is at a designated crossing.
- Being on railroad tracks and property is not only dangerous it's illegal!



We would like to recognize all of our employees who have reached injury free milestones. Thank you for your dedication to safety.

Injury Free

DETROIT

Jason Campbell, Sheet Metal Worker, 10 Years of service Scott Childs, Machine Operator, 10 Years of service Jason Fabrizio, Conductor, 10 Years of service Joseph O'connor, Conductor, 10 Years of service Daniel Schoenherr, Welder Foreman, 10 Years of service

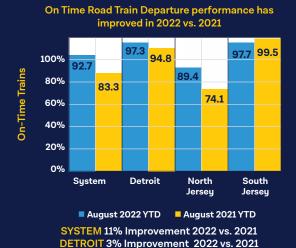
NORTH JERSEY

James De Marco, Stevedore, 5 Years of service Luis Cortes, Electrician, 10 Years of service Eric Ferreira, Vehicle Operator, 10 Years of service Jose Merendeiro, Foreman, 10 Years of service Ryan Messina, Machinist, 10 Years of service Rodolfo Paragas, Stevedore, 10 Years of service Josh Pryslak, Electrician, 10 Years of service Victor Braga, Stevedore, 15 Years of service Jim Reeves, Conductor, 15 Years of service John Finnegan, Engineer, 20 Years of service Christopher Hang, Engineer, 20 Years of service Reston Myron, Engineer, 20 Years of service Anthony Kloc, Electrician, 30 Years of service

SOUTH JERSEY

John Gatto, Foreman, 10 Years of service Christopher Herff, Conductor, 10 Years of service John Manners, Welder Foreman, 10 Years of service James Sheldrake, Conductor, 10 Years of service Kevin Fitzgerald, Engineer, 15 Years of service Harry Pyfer, Engineer, 15 Years of service

Safety/Service Measures



NORTH JERSEY 21% Improvement 2022 vs. 21

SOUTH JERSEY 2% Deterioration 2022 vs. 2021

Yard Dwell Time has deteriorated in 2022 vs. 2021 50 40 30 28.9 20 21.5 22.5 17.9 17.5 10 Sustem Detroit North South August 2022 YTD August 2021 YTD SYSTEM 19% Deterioration 2022 vs. 2021 **DETROIT 2% Deterioration 2022 vs. 2021** NORTH JERSEY 20% Deterioration 2022 vs. 2021

SOUTH JERSEY 28% Deterioration 2022 vs. 2021

Meet the Track Foremen



The responsibilities of a Foreman of any craft are to ensure everything is done according to plan and serve as a liaison between workers and supervisors. This is true for Maintenance of Way Track Foremen; however, Track Foremen are expected to be a jack of all trades and MASTER of them as well. Foremen must have experience and knowledge of all track equipment from heavy equipment, hand tools, and everything in-between.

They are also expected to calculate figures such as area, circumference, distance, surface grade elevation, and more to ensure trains can safely traverse the rails. Foremen are also responsible for inspecting the rails in their area of responsibility for any defects or abnormalities to prevent the possibility of derailments.

"As a Foreman you have to be the example for the rest of the employees in the gang. You have to pick up a shovel or sledgehammer, jump on an excavator, pick up ties, grind rail, whatever it takes to get the job done. I'm not there just to oversee the work, I'm right there next to them," said South Jersey Track Foreman Pat Kelly.



"It's a lot of responsibility and there's a lot more to this job than just driving spikes. We have to consider the height of the rail, the bend in the curve, distance from rail to rail, I don't think people realize the amount of math and calculations that go into this job, you have to be physically and mentally on your game every day, because if you're not, things can go bad quickly," he added.

Kelly has been with Conrail for seven years. Above anything else, the thing he takes the most pride in are the guys in the gangs. "I couldn't ask for a better group of guys to work with, they all work hard, they take pride in their work, and I know people say it all the time, but I mean it when I say that we really have a good time together out here, we look out for each other, it's our family away from family."

In North Jersey, Foreman Matt Dantas, spoke on the importance of just how much the railroad relies on the work done by the men and women of MOW. "It's simple, without track there's no railroad, and we're the guys out here every day laying, replacing,

welding, inspecting, all of it, to make sure we keep the trains moving safely," said Dantas.

He emphasized the importance of every aspect of his craft. "You must be precise, have amazing attention to detail, you have to be willing to work in the freezing cold or 100 degrees. The trains don't stop, so we don't stop," he added.



Dantas has been with Conrail for eight years and is dedicated not just keeping the machine running, but even more so to making sure everyone works as safely as possible. "No matter what the circumstances are safety is always our number one priority, that's non-negotiable in my book, work hard, work safe, and everyone gets to go home at the end of the day."

Detroit Foreman Matt Eurich also emphasized the importance of being willing to jump into action on the job. "You must set the standard, if I'm willing to do anything and everything to get the job done and done right, the rest of the gang will do the same. I'm not trying to say I do anything more than anyone else, everyone works hard and as a team."



He is extremely proud of the work he and his fellow MOW employees perform and the importance of it. "The railroad starts from the ground up, and we're the first phase in the process, you can't go to phase two without us, can't move trains, can't service customers, all of it begins with us, I take a lot of pride in that," he added.

Eurich has been with Conrail for eight years and is looking forward to a long career on the railroad. "I love this job and I love this company, we're all a tight knit community out here, I mean even across the various departments, we all look out for each other and really get along. It really is a great place to work."

Celebration Station



Senior Director & Controller, Debbie Beynon's Daughter and son-in-law, Danielle and Alex Palma, both passed their P.E. (Professional Engineering) exam!



Congratulations to Administrative Asst.

Danielle Morrison and Trainmaster Ryan

Morrison, on the birth of their son, Everett.



Her daughter, Michelle, passed her exam for her teachers certification in Elementary Education PreK-4 and Special Education PreK-8.



HR Specialist, Julie Barsh's daughter, Kinna, won MVP for a Father's Day Softball tournament in Shamong, N.J., in June. Also, her team placed 2nd at the 2022 Witches 13th Annual Best of the West Tournament.



Her daughter, Anna, was elected as Vice President of the Dance Team at DelVal University.

CARROT CAKE RECIPE

Carol Kane, Administrative Assistant



INGREDIENTS

CAKE:

- ☐ 4 eggs
- ☐ 1¼ cups vegetable oil
- ☐ 2 cups sugar
- ☐ 2 teaspoons vanilla extract
- ☐ 3 cups shredded carrots
- ☐ 2 cups flour
- ☐ 2 teaspoons baking soda
- ☐ 2 teaspoons baking powder
- ☐ ½ teaspoon salt
- ☐ 2 teaspoons cinnamon

ICING:

- □ ½ cup butter or one stick butter make sure softened
- ☐ 8 ounce cream cheese make sure softened
- ☐ 4 cups confectioner sugar
- ☐ 1 teaspoon vanilla extract
- ☐ 1 cup chopped pecans (optional)

DIRECTIONS

Preheat oven to 350 degrees

CAKE:

Grease and flour 9 x 13 inch pan

In a large bowl, beat 4 eggs, oil, sugar and vanilla. Add in shredded carrots.

In another bowl, mix flour, baking soda, baking powder, salt, cinnamon and whisk together and then add to wet ingredients. Pour into the pan and spread evenly.

Bake in the oven for 40-50 minutes or until the toothpick comes out clean. Ovens vary.

Let cool before icing.

ICING:

In a medium bowl, combine butter, cream cheese, confectioner sugar and vanilla. Beat until mixture is smooth and creamy. Optional stir in chopped pecans or after icing put on top for decoration.



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In recognition of his leadership, dedication, and commitment

Conrail congratulates



Kevin Christy
Director Financial Planning & Reporting
on being named one of Progressive Railroading's
Rising Stars

In recognition for being named one of The Philadelphia region's most impactful lawyers

Conrail congratulates



Jocelyn Hill

General Counsel and Corp. Secretary

Chosen as one of Philadelphia Business Journals

Best of the Bar Award Nominee

2023 CHOICE PLUS BENEFITS OPEN ENROLLMENT IS HERE!

Please Enroll between October 13-26, 2022

Tobacco Certification is REQUIRED for 2023 to avoid the tobacco surcharge!

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