

THE THOROUGHBRED CODE OF ETHICS



NORFOLK SOUTHERN CORPORATION

Working for the Thoroughbred of Transportation

At Norfolk Southern, our good name stands at the heart of who we are and who we have been for over 175 years. Our customers, stockholders, fellow employees and the communities we serve are important to us, and strong relationships with each of these groups are vital to our continued success. The importance of these relationships is expressly stated in Our Creed. Following Our Creed enables us to reach Our Vision of being the safest, most customer-focused and successful transportation company in the world. This is not new to any of us, and each of us should be proud to be a part of the Thoroughbred Team.

Recently a set of Core Values was identified to better explain what behaviors are key to fulfilling Our Creed and therefore Our Vision. These behaviors are not new. It is only their presentation that has changed. These Core Values are:

SAFETY

We put safety first by taking care of the people around us and following the rules.

PERFORMANCE

We are performance driven and committed to providing quality customer service. We act on facts and are accountable for results.

INTEGRITY

We do the right thing. We are open, fair, honest and straightforward.

RESPECT

We believe in the importance of all of our stakeholders. We value the ideas and beliefs of our co-workers.

INNOVATION

We constantly seek new ideas and creative solutions to business challenges.

TEAMWORK

We believe that working together always produces the best results.

I am introducing these Core Values to you here because The Thoroughbred Code of Ethics builds upon the Core Values by providing us with a mutual understanding of how we are expected to conduct ourselves. The Thoroughbred Code also provides examples of how the behaviors underlying our Core Values can be applied to situations you may encounter at work.

Understanding and living our Core Values and The Thoroughbred Code means more than just an awareness of them. It means each of us taking responsibility for our own conduct at Norfolk Southern by acting in both a legal and ethical manner. Conduct drives reputation, and a company's reputation takes years to build but only seconds to lose. It is imperative that we continue to work together to maintain our good name.

Thank you for doing your part.

Sincerely,


Wick Moorman



Wick Moorman

Chairman, President and Chief Executive Officer

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About The Thoroughbred Code

What is the purpose of the Code?

The Thoroughbred Code summarizes our Core Values and the Corporate Policies and Procedures* that guide our business conduct. The Code explains general guidelines for behavior, provides questions and answers for situations that you might encounter on the job and lists references where you can go for help or to report misconduct.

Every effort has been made to make The Thoroughbred Code as thorough as possible. However, the Code cannot address every workplace situation or list all of Norfolk Southern's Corporate Policies and Procedures or rules related to your conduct in the workplace.** Use it as a resource for general guidance on what conduct is expected of you and where to take your questions or concerns.

How was the Code developed?

The Code was developed at the request of the Ethics and Compliance Committee with input from numerous departments. Members of the Ethics and Compliance Committee include the Chief Executive Officer, the Chief Financial Officer, the Executive Vice Presidents, the Vice President of Internal Audit and the Vice President & Corporate Counsel. The Code has been adopted by the Board of Directors of Norfolk Southern Corporation.

Who must follow the Code?

The Code applies to all employees, officers and directors of Norfolk Southern Corporation and its consolidated subsidiaries (excluding Norfolk and Portsmouth Belt Line Railroad Company). In the Code, "Norfolk Southern," "NS" or the "Company" means any such company, and "employees" include every director, officer, and employee, whether agreement or non-agreement. The Code may also apply to other people who are working on Norfolk Southern's behalf or at our direction.

What is expected of me?

Norfolk Southern expects you to lead by example:

- Know the rules governing your work and follow those rules.
- Ask questions when in doubt.
- Report questionable conduct by others.

What happens if the Code is violated?

Any violation of the Code by an employee will result in appropriate disciplinary action, up to and including termination of employment. Violations by non-employees can result in termination of the business arrangement and barring the individual or company from Norfolk Southern facilities.

* References to Corporate Policies, Procedures, Rules, Guides or Manuals are for employee reference only and are not intended to incorporate them into The Thoroughbred Code.

** Existing Corporate Policies, Procedures, superintendents' bulletins, collective bargaining agreements, work rules or other instructions or communications relating to your conduct continue in full force and effect.

Using The Thoroughbred Code

How do I use the Code?

- Read through the entire Code.
- Think about how the Code applies to your job, and consider how you might handle situations to act in a way that complies with the Code and is not illegal.
- Use the questions and answers to help clarify situations similar to those you may encounter. Remember that these are examples and cannot address all situations.
- If you have trouble with resolving an issue or have difficulty understanding NS policy, help is available. You are encouraged to speak with your supervisor or to use one of the many resources identified in the “Asking Questions and Reporting Concerns” section of the Code. And, you can always contact the Ethics & Compliance Hotline at (800) 732-9279 if you are unsure of the best resource to use.
- Keep a copy of the Code handy for future reference.

How does the Code help me with making decisions?

Making business decisions can often be complex. Sometimes, a law or policy clearly dictates the outcome. More often, it is necessary to interpret the situation.

When faced with a decision, ask yourself these questions about the choice you are considering.

- Is it legal?
- Does it comply with NS policy and values, including the Code?
- How will it affect others – our customers, competitors, other employees, NS?
- How would you feel if your decision were published in the newspaper?
- Should you ask for help before acting?

Non-Retaliation Policy

Norfolk Southern will not tolerate any act of retaliation against an employee who makes a report that they believe, in good faith, reveals a violation of law, rule, regulation or this Code. State and federal laws may also prohibit retaliation against an employee who reports a concern or complaint that they believe, in good faith, reveals unlawful conduct. Retaliatory acts include being fired, transferred to a less desirable position or given negative performance reviews as a result of you reporting unlawful conduct. Any employee violating our non-retaliation policy will be subject to appropriate disciplinary action, up to and including termination of employment.

Asking Questions and Reporting Concerns

As a Norfolk Southern employee, you have a responsibility to report misconduct and to seek advice when you have a question or concern. There are many resources available to you and you are expected to take advantage of these resources. If you have reason to suspect wrongdoing, including theft, fraud or other violation of NS policies or the law, please report it immediately. If you are in doubt about your actions or the actions of others, seek advice. These resources are here to help, but it is up to you to make the first contact.

- **Your supervisor:** He or she knows you and your job and is usually in the best position to help if you have a question or concern. If not, consider contacting one of the resources below.
- **Ethics & Compliance Hotline (800) 732-9279:** If contacting a supervisor or a higher level manager is not practical, or if you're simply not sure of whom to call, contact the Ethics & Compliance Hotline. Hotline reports can be made anonymously and without fear of retaliation, and investigations are conducted in the most confidential manner possible. A tracking number is assigned to your call to allow you to follow-up on your report. When calling the Hotline, please be prepared to report the "who," "what," "when," and "where" of the alleged activity, and if known, the "why" and "how." We suggest that you provide your name and contact information (telephone number, e-mail or fax number) to enable us to follow-up when necessary. However, if you want to protect your identity, anonymous reporting is also welcomed.
- **EEO Hotline (888) TALKEEO:** For issues concerning harassment, discrimination or equal employment opportunity, call the Equal Employment Opportunity group at (757) 629-2622 during normal business hours or call toll free, around the clock, at (888) TALKEEO or (888) 825-5336. You can also contact the EEO group by sending a memo using the Memoid "eeonorf" or by sending an e-mail to eeonorf@nscorp.com.
- **Environmental Protection (540) 981-4059:** For issues concerning HazMat or other environmental policy or regulation, call the Environmental Protection Department.
- **Police Communication Center (800) 453-2530:** To report emergency situations, including environmental emergencies, contact Norfolk Southern Police.
- **Law Department (757) 629-2818:** If you have any question or concerns about the legality of any conduct — past, present or proposed — contact the Law Department.

Reports are welcomed. They help you, your co-workers and NS.

All reports to our Hotlines or other listed resources are fully investigated. During investigations of suspected violations, all employees must cooperate fully and truthfully so that the allegations can be properly investigated and resolved, with appropriate actions taken.

Waivers of The Thoroughbred Code will only be granted in exceptional circumstances. Any waiver for a director or executive officer must be made by the Board of Directors or a committee of the Board of Directors and will be promptly disclosed to our stockholders. Any waiver of the Code for a non-executive officer or other employee must be made by the Chief Executive Officer and will be promptly reported to the Audit Committee of the Board of Directors, no later than its next meeting.

Safe Work Environment

Norfolk Southern is committed to being the safest, most customer-focused and successful transportation company in the world. Safety is good business and all employees must be provided a safe, supportive working environment.

Safety and General Conduct

Safety is Norfolk Southern's top priority. Our *Safety and General Conduct Rules* have evolved from the experience of many people on many railroads over many years. We must be familiar with and obey these rules.

No one should be exposed to unnecessary hazards and risks. As a Norfolk Southern employee, you are personally accountable for your actions on the job.

Remember:

- All injuries can be prevented.
- All exposures can be safeguarded.
- Prevention of injuries and accidents is the responsibility of each employee.
- Training is essential for good safety performance.
- Safety is a condition of employment.
- Safety is good business.

No job is so important,
no service so urgent
that we cannot take
the time to perform our
work safely.

Safety and General Conduct: Q&A

Q: What should I do if my supervisor asks me to disregard a safety rule in order to get a high priority job done on time?

A: You should not do anything that would place you or others in danger and to the extent your supervisor does not support this, contact a higher level manager or the Ethics & Compliance Hotline.

Q: We had a small accident in the yard not long ago, but no one was injured. Do we need to report this incident?

A: Yes. Every incident, no matter how small, must be reported and counted in our safety statistics. In addition to being tracked in order to meet our regulatory requirements, these incidents can be used to spot safety issues and trends, and therefore prevent more serious injury in the future.

Q: I started to do a task today and noticed a problem with my equipment. I am an experienced employee and I've done this task hundreds of times. Is it okay to keep going and deal with the equipment issue later?

A: No. No matter how experienced you are, you must not do any work in a way that might jeopardize safety. Stop work and be sure that your equipment is in proper condition before you perform the task.

Q: I have seen some behavior repeated day after day at my work site that I think is unsafe, but it is not taking place in my section. What should I do?

A: Norfolk Southern believes that each employee is responsible for not only their own safety, but the safety of their co-workers. This type of matter should be reported to your supervisor or a higher level manager immediately. Taking action could prevent someone from becoming seriously injured.

Who to Contact:

Report behavior that violates our *Safety and General Conduct Rules* or otherwise endangers people or property to your supervisor. If contacting your supervisor or a higher level manager is not practical, contact the Ethics & Compliance Hotline at (800) 732-9279.

Policy Reference:

Safety and General Conduct Rules
Corporate Policy 211: Safety and Health
Corporate Procedure 403.1 : Report of Personal Injury, Fatality or Occupational Illness

Environmental Regulations

Norfolk Southern is committed to protecting the quality of the environment for our employees, our customers and our communities. Our goal is to comply with both the letter and spirit of all federal, state and local laws, regulations and permits that protect the environment.

Your commitment and involvement is needed to meet our environmental quality goal. We are each responsible for understanding and responding appropriately to potential environmental problems and for complying with applicable environmental laws. Noncompliance can result in pollution and subjects you and Norfolk Southern to civil and criminal penalties. We must always make the responsible choice and protect the environment.

The Four Simple Rules:

1. Don't dump, bury or burn anything.
2. Minimize waste.
3. Report and manage all spills.
4. When in doubt, call for help.

Environmental Regulations: Q&A

Q: I was visiting a Norfolk Southern yard and noticed a substance spilled on the floor of a storage facility. I suspected it to be a hazardous material but since it wasn't my area I wasn't certain. What should I do first?

A: Notify a supervisor or employee who works in that area. They will be able to identify the spilled material and proceed with their facility's emergency or cleanup plan. If you have any doubt that a response will be made, call the Environmental Protection Department right away.

Q: I need to dispose of some hazardous waste, but I can't remember the exact procedure. I checked with a co-worker and he told me to just do what I think is best. Is this acceptable?

A: Never dispose of waste unless you know the proper disposal procedure. Before taking action, make sure you find out and understand the proper method of managing the waste by contacting your supervisor or the Environmental Protection Department.

Q: I saw a co-worker pouring chemicals down the drain. What should I do?

A: Notify your supervisor immediately. Improperly discarded chemicals, even those that seem harmless, may pose unexpected dangers. Pouring chemicals down the drain might be illegal and can result in criminal or civil penalties for the employee or Norfolk Southern. You can also contact the Environmental Protection Department.

Who to Contact:

To report environmental concerns on Norfolk Southern's property contact the Environmental Protection Department at (540) 981-4059.

In an emergency situation the Environmental Department takes calls through the Police Communication Center at (800) 453-2530.

If you have questions about whether your action or the actions of others complies with our environmental policy or the law, contact your supervisor or call the Ethics & Compliance Hotline at (800) 732-9279.

Policy Reference:

Safety and General Conduct Rules – Rules S, GR-20

Corporate Policy 209/Procedure 209.1: Environmental Quality

Our World Our Choice Reference Manual

Drugs and Alcohol

A workplace free of substance abuse is important to maintaining the trust and confidence of our customers and the health and safety of employees. Substance abuse—the misuse of drugs or alcohol—is a safety risk, and it negatively affects work performance and attendance.

Norfolk Southern's Drug and Alcohol Rehabilitation Services program (DARS) was created to assist employees and their families with abuse or addiction problems. It is a voluntary program, designed to help beneficiaries identify a drug or alcohol problem and resolve the problem through proper treatment, resulting in improved health, quality of life and the employee's ability to be more productive.

Drug or alcohol abuse is a safety risk.

Drugs and Alcohol: Q&A

Q: On several occasions my supervisor has returned from lunch with alcohol on his breath and appearing to be intoxicated. What should I do?

A: Reporting for duty under the influence of alcohol violates Rule G and is a risk to safety. You should call the Ethics & Compliance Hotline to report this situation. If the situation presents an immediate safety risk, contact another supervisor in your department or the Police Communication Center.

Q: I have a substance abuse problem. What is going to happen to me if someone finds out? Will I get fired?

A: DARS' voluntary referral program is available to all employees. The DARS policy states, "An employee who voluntarily requests help from the DARS program prior to the time that he or she violates the Company's rules with respect to alcohol or drugs may do so without jeopardizing his or her employment. Such employee will, to the extent necessary for treatment

and rehabilitation, be granted unpaid leave..." An employee's voluntary participation in DARS is confidential; however, confidentiality is waived if the employee ceases to cooperate in treatment or later violates the Company's rules.

Who to Contact:

If you are concerned about the use of prohibited substances contact your supervisor, or call the Ethics & Compliance Hotline at (800) 732-9279. If there is an immediate safety risk, contact the Police Communication Center at (800) 453-2530. You may also contact DARS at (800) 552-2306 x 2447.

Policy Reference:

Safety and General Conduct Rules – Rule G
Safety and General Conduct Rules - Policy on Alcohol and Drugs
Safety and General Conduct Rules - DARS Program
 Corporate Policy 211: Safety and Health

Workplace Violence and Security

To preserve employee safety and security, acts or threats of violence in physical, written, electronic or verbal form will not be tolerated. In addition, Norfolk Southern prohibits employees from having loaded or unloaded firearms in their possession while on duty or on Company property or occupying facilities provided by the Company, except security and forestry officers authorized to do so in the performance of their duties or those given special permission in writing by the head of the Norfolk Southern Police Department, or where applicable law provides otherwise.

In many cases, abusive, erratic or hostile words and actions are the first sign of more serious violent behavior. Be alert for these signs: substance abuse; increased absenteeism; depression and withdrawal; verbal abuse to co-workers and/or supervisors; noticeably unstable emotional responses; resistance or over-reaction to changes; escalation of domestic problems; and increased unsolicited or threatening comments about weapons or violence.

Situational awareness contributes to a safe work environment. We must each heighten our awareness, alertness and commitment, and do our share to improve safety and security. Every NS employee is a part of the security team. You know who belongs in your office, on your train, on the right-of-way and in or around restricted areas. If someone or something seems suspicious, take the time to report it to the NS Police.

Report behavior that threatens security or safety or that has the potential to become violent.

Workplace Violence and Security: Q&A

Q: In our yard's parking lot I saw a couple arguing near their car. I work with one of them but not the other, who was shouting and pushing my co-worker. What should I do?

A: If you see or hear any act that involves actual threats or violence, call 911 immediately. Then, contact your supervisor and the Police Communication Center. Do not confront the person making the threat unless you believe it is absolutely necessary.

Q: I noticed someone walking around the office that I had not seen before. They seemed out of place. What should I do?

A: Peacefully approach the person and try to determine whether they have a business need to be there. If they don't, arrange to have them escorted off the property. As always, use good judgment, and do not place yourself at risk by confronting a stranger you sense might harm you. In these cases, call the Police Communication Center.

Who to Contact:

Report behavior that threatens the safety or security of employees or property to your supervisor or the Police Communication Center at (800) 453-2530. If the situation involves actual threats or violence, contact 911 immediately. Then contact your supervisor and the Police Communication Center. If you see an unfamiliar face or questionable situation, ask questions or call the Police Communication Center.

Policy Reference:

Safety and General Conduct Rules – Rule GR-12
Corporate Policy 211: Safety and Health
Corporate Policy 322: Workplace Violence

Support and Respect at Work

At Norfolk Southern, we are dedicated to providing equal opportunity and a safe, supportive work environment for one another. We are expected to treat one another, as well as customers, suppliers and competitors, fairly and with sensitivity and professionalism.

Equal Employment Opportunity

Norfolk Southern complies with all applicable laws, regulations and executive orders concerning equal opportunity and nondiscrimination. Our employees are hired, trained, paid, assigned, disciplined, and promoted based on qualifications and performance, regardless of race, religion, color, national origin, gender, age, status as a covered veteran, sexual orientation, the presence of a disability or any other legally protected status not related to a person's ability to do a job. We make reasonable accommodations for the physical and mental disabilities of employees.

This commitment goes beyond equal treatment and opportunity in compliance with civil rights legislation. We make every effort through affirmative action to comply fully with the spirit of equal employment opportunity.

Harassment and Discrimination

Norfolk Southern strives to provide a work environment free from offensive behavior directed at a person's race, religion, color, ethnicity, gender, age, veteran status, sexual orientation, disability or any other legally protected status. Our policy strictly prohibits such conduct. Anyone engaged in harassment will be subject to appropriate disciplinary action, including termination. Anyone who believes they are being harassed by an employee, supervisor, customer or contractor should immediately report the behavior to their non-agreement supervisor if they are not the subject of the complaint, or to the EEO staff.

Sexual Harassment

The Equal Employment Opportunity Commission (EEOC) defines sexual harassment as any unwelcome sexual advance, request for sexual favors, or other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment;
- Submission to or rejection of such conduct is used as the basis for employment decisions; or
- The harassing conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.

Sexual harassment is not always overt or deliberate. In many cases, it is subtle. Even innocent or unintentional behavior may constitute harassment. Examine your own actions. Be sure you understand that certain seemingly harmless actions may have a negative effect on others. Anyone engaged in sexual harassment will be subject to appropriate disciplinary action, up to and including termination.

Treat each other with dignity and respect.

Examine your own actions. Even innocent or unintentional behavior may constitute harassment.

Support and Respect at Work: Q&A

Q: I have a situation with a co-worker that I consider harassment. The person is very close to my supervisor. Do I have to speak to my supervisor about this problem in order to address it?

A: No. Although your supervisor knows you and your job and is usually the first place to take this kind of problem, you may not feel comfortable taking the issue to him. Instead you can contact a higher level manager or the EEO staff or EEO Hotline.

Q: I have worked at Norfolk Southern for quite a while and have not seen anyone of my race get promoted in my area. My supervisor seems to favor people who are the same race that he is. What can I do?

A: Norfolk Southern's policy is that job promotions must be based on a person's abilities, not on race. If you believe that your supervisor's promotion decisions are discriminatory, contact the EEO staff or EEO Hotline.

Q: Some of my co-workers often make comments about the race or sexual orientation of other employees. The other employees don't complain but it makes us all feel uncomfortable. What can I do?

A: These kind of comments are not appropriate in our work environment and violates our commitment to a harassment-free workplace. Speak to your supervisor or contact the EEO staff or EEO Hotline to discuss the situation.

Q: A co-worker likes to call me "Junior" and make remarks about my ability to do the job. I know I'm not as experienced as he is, but I feel put down. Is his behavior acceptable?

A: Your co-worker's behavior violates our commitment to a harassment-free work environment and is unprofessional. Moreover, he's missing the opportunity to set an example for younger employees and to learn from you. Speak to your supervisor about this situation, and if it persists, contact the EEO staff or EEO Hotline.

Q: I made a remark to a co-worker that I thought was a compliment. I've just found out that my actions were reported and now I'm being accused of sexual harassment. What will happen now?

A: Although you did not intend to offend your co-worker, the impact of your remark was apparently offensive. Norfolk Southern takes this kind of report seriously and thoroughly investigates to learn the truth. You will be interviewed and given an opportunity to tell your side of the story.

Q: One of my co-workers has a sexually explicit photo inside his tool box. When I complained to my supervisor he said I was "too sensitive" and told me it was OK because there were no women working our shift. What can I do?

A: Offensive or sexually explicit materials in view on NS property could be considered a "hostile work environment." Your supervisor was wrong to ignore your complaint. Report the incident to the EEO staff or EEO Hotline.

Who to Contact:

Employees are required to report any equal employment opportunity problems to their supervisor (management only - it is not sufficient to report concerns to union represented employees). If the management supervisor is unavailable, the supervisor is part of the problem or the employee is otherwise uncomfortable with reporting the problem to the management supervisor or is dissatisfied with the management supervisor's handling, the employee must report the problem to NS' EEO office. You can contact the EEO staff during normal

business hours at (757) 629-2622. A toll-free, voice-response EEO Hotline is available around the clock at (888) TALK EEO or (888) 825-5336. The e-mail address is eeonorf@nscorp.com and the memoid for use in MEMO is "eeonorf."

Policy Reference:

Safety and General Conduct Rules – Rule GCR-1

Corporate Policy 305: Equal Employment Opportunity

Corporate Procedure 305.1: Collection and Maintenance of Employee Medical Records

Corporate Procedure 305.2: Equal Employment Opportunity Process

Corporate Policy 311/Procedure 311.1: Accessibility of Corporate Facilities to Individuals with Disabilities

Diversity

Diversity is the collective mixture of similarities and differences that impact NS' work force, workplace and marketplace. Managing diversity is a continuous process to recognize, cultivate and use all the best talents of our employees so that NS can achieve its vision to be the safest, most customer-focused and successful transportation company in the world. Diversity produces better business outcomes by using everyone's talents and perspectives to improve service and the bottom line.

Diversity is broader than race, gender, age, ethnicity and other legally defined characteristics. It means putting everyone's unique backgrounds, perspectives and even personal styles to work in ways that help us all succeed. When we build our teams with an appreciation for diversity, we tap into a new source of innovation and ideas. We discover fresh perspectives. Diversity presents us with a real opportunity to improve communication and produce creative and successful teams.

Through diversity we can create an environment in which everyone is treated fairly and with respect, in which everyone is recognized and rewarded based on their unique abilities and contributions, and in which everyone has equal opportunity for growth and advancement.

Diversity is achieved through inclusion and respect for others.

Diversity works best when everyone participates.

Diversity fosters creativity and innovation.

Diversity is a critical business asset.

Diversity: Q&A

Q: I've been assigned to a project with a co-worker with whom I've disagreed in the past. Can I refuse to work with her?

A: No, although you don't have to agree with or like all co-workers, you are expected to recognize and respect individual differences and create an inclusive environment in which you can both perform your job responsibilities. Contact your supervisor or HR to get some ideas for improving communication and minimizing personality conflicts with your co-worker.

Q: How does Norfolk Southern expect me to incorporate diversity into my everyday work?

A: As you go about your daily activities, you should ask yourself how you can use diversity to achieve better business outcomes. Keep diversity in mind as you form problem-solving teams and use it as a tool as you identify opportunities, develop objectives and execute our business plans. You may find that a co-worker's unique perspective on an issue leads the team to a better outcome.

Q: My department manager is a sports fanatic. He seems to get along quite well with others in the department who like to talk sports, but since I know nothing about sports I feel like he doesn't know what to say to me and that he just ignores me unless we have a business issue to discuss. I like this department and everyone's nice enough, but I feel left out. What can I do?

A: The next time he stops by, take the opportunity to go beyond the usual discussion. For example, you might ask him what else he does outside of the office besides sports. Maybe you have something in common that you don't know about. Or tell him something you're excited about outside of work. This will give him something to ask you about the next time you talk.

Who to Contact:

E-mail questions concerning diversity to diversity@nscorp.com, or contact a Diversity Council member near you. For information on Diversity Council members, access Diversity Council Members Profile on the Employee Resource Center.

Conducting Business with Integrity

Norfolk Southern has a responsibility to deal fairly with its customers, suppliers and competitors. To do so, we must conduct our business with fairness, honesty, respect and good judgment. In all dealings, our integrity must remain intact and unquestioned.

Fair Competition

At Norfolk Southern, we must conduct the purchase or sale of Norfolk Southern goods, services or property in a factual, honest, informative way, in compliance with all laws and requirements. We will not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

Antitrust

Antitrust laws were enacted to promote free and fair competition. These laws regulate what Norfolk Southern and its employees can do when acting alone or with our competitors. Antitrust laws prohibit conduct that goes beyond fair competition and is designed to harm a competitor, to drive a competitor out of business or to prevent new competition. While we are expected to act in a way that will enhance the competitiveness of Norfolk Southern, we must continue to abide by these principles of fair play.

Violations of antitrust laws, whether deliberate or accidental, expose our company and employees to serious civil or criminal penalties or lawsuits.

Individuals found guilty of antitrust violations face jail time and fines, and companies found guilty face fines and large financial settlements to injured parties.

Our *Antitrust Compliance Guide* identifies general policies that are designed to minimize the risk of an antitrust violation. It should be used as a resource by those of us who regularly interact with our competitors, customers or suppliers. Below are some of the general policies noted in the Guide.

Correspondence and Communications

A government agency or private plaintiff can require that virtually all material relating to an alleged antitrust violation, including written and electronic communications, be produced in litigation. It is important to avoid careless, overstated or emotional communications, which may convey an impression of unlawful activity where none exists and invite needless antitrust action against Norfolk Southern and individuals.

Gathering and Using Competitive Information

Information about the prices and services of a competitor may be obtained from public sources and may be received from third parties without causing antitrust problems. For example, it is generally permissible to obtain information about a competitor's prices and services from a customer in order to offer effective competition, but it would be

improper to arrange with a customer to pass information between Norfolk Southern and any of its competitors.

Exchanges of information among competitors may be lawful but must be evaluated on a case-by-case basis with the Law Department. Exchanging price information among competitors for competing services should always be avoided because an illegal agreement to set prices may be inferred. Disclosures of other types of information pertaining to competitive services, including cost data, traffic statistics and service information must be evaluated in advance by the Law Department.

Participation in Trade Associations and Industry Committees

Trade associations and industry committees bring together competitors to discuss industry topics. While these groups play an important role in coordinating railroad service and disseminating information about developments of interest, they are always dangerous under the antitrust laws. Employees participating in these groups must be especially alert to antitrust problems and should discuss any concerns or questions with the Law Department.

The way we conduct business must ensure that our integrity remains intact.

Fair Competition/Antitrust: Q&A

Q: After a session at a coal industry meeting some of the marketing reps from the other roads began joking about ways to eliminate a certain competitor. I know they were just joking, but what should I do if this happens again?

A: Even though they were just joking, you must be sensitive to the fact that this could appear otherwise to others, including the Department of Justice. If it happens again, you should immediately excuse yourself from the group and tell them that you cannot be part of such a discussion. Then, contact your supervisor and the Law Department at (757) 629-2657.

Q: I am attending a trade association meeting next month. If approached by another railroad at the meeting, can I discuss with that carrier any price-related topics other than specific interline issues involving NS and that carrier?

A: No, these would not be proper topics for discussion with our competitors. You should never discuss contract awards, prices, bids, terms or similar business information with employees of competing railroads.

Q: One of our customers told me that he would only use NS to ship his company's products if NS agreed to purchase an agreed upon amount of product from them. What should I do?

A: You should speak with the Law Department because this arrangement, commonly referred to as a "reciprocal arrangement," may not be legal. Proposals to or from a customer should be considered solely on their merits, instead of being influenced by the customer's refusal to otherwise use NS. This doesn't mean that we will stop purchasing from this customer if it is a company that we have purchased from in the past. The important thing is to discuss the facts with the Law Department before responding to the customer's proposal.

Q: We are determining the price for a new customer. In order for NS to handle the business, the customer has advised that a price of 'X' is required based on his market requirements and the competing prices provided by other transportation providers. Can I contact the other providers to confirm what the customer is telling me?

A: No. Communications among competitors raises serious antitrust concerns. Competitive information, such as prices, costs and terms, should not be discussed unless a joint line rate is involved. Otherwise, such communications may be considered evidence of an improper agreement or understanding between competitors that violates the antitrust laws.

Who to Contact:

Direct any questions or concerns about antitrust issues to the Law Department at (757) 629-2657. Concerns regarding antitrust violations should be reported to the Ethics & Compliance Hotline at (800) 732-9279.

Policy Reference:

Antitrust Compliance Guide:
Available upon request from the Law Department or at ethics.nscorp.com.
Corporate Procedure 212.4: Compliance
Corporate Policy 213: Confidentiality of Transportation Contracts and Other Deregulated Information

Conflicts of Interest

A conflict of interest exists when an employee's personal interests interfere - or even appear to interfere - with the interests of Norfolk Southern. When a conflict of interest exists, it may influence the employee's judgment and cause business decisions to be made for personal benefit instead of for the benefit of Norfolk Southern.

If a conflict were to arise, we must act in the best interests of Norfolk Southern and make sure that the conflict is reviewed and handled in an ethical manner.

A potential conflict of interest exists when:

- You (or a member of your immediate family, including parents, siblings, in-laws and certain other persons living in your home) own or have other material interests in a company that provides goods or services to, competes with, or is a customer of Norfolk Southern.
- You consult with or are employed by any customer, lessor, contractor, supplier or competitor.
- You (or a member of your immediate family) have been or are a party to a transaction to which Norfolk Southern was or is a participant.
- You participate in activities outside Norfolk Southern that interfere with your ability to perform your job.
- You utilize knowledge, confidential information or influence gained as a result of your employment for personal profit or financial gain for you or an immediate family member.

If you believe you have a conflict of interest, inform your supervisor to ensure the conflict is handled appropriately and ethically.

**Personal
interests should
not interfere
with the
interests of NS.**

Conflicts of Interest: Q&A

Q: I have been offered a second job repairing equipment for a small company. The company does not directly compete with Norfolk Southern, but the equipment I will be working on uses skills that I learned on the job. Can I accept this offer?

A: Second jobs are generally acceptable as long as they don't affect your ability to do your job at Norfolk Southern and you are not employed by a competitor. In this case, check with your supervisor before accepting the position to be sure that your work will not compromise any Norfolk Southern confidential information or indirectly involve competitors' equipment.

Q: My brother-in-law owns a controlling interest in a company that has supplied materials to NS for many years. I was recently promoted and in my new position I have the authority to contract with his company for supplies. Is this a conflict of interest?

A: Yes. Even though your brother-in-law's company has a long-term relationship with NS, an appearance of a conflict will be created the next time his contract is up for renewal. In this case, the conflict could be resolved by having another employee, such as your supervisor, make the decision rather than you. The important action for you to take is to disclose the potential conflict to your department head so that it may be resolved.

Who to Contact:

If you are faced with a conflict of interest or know of a conflict of interest involving another employee, speak to your supervisor, division or department head, or call the Ethics & Compliance Hotline at (800) 732-9279.

Policy Reference:

Safety and General Conduct Rules – Rules GR-5, GR-6, GCR-5
 Corporate Procedure 212.2: Code of Ethical Conduct for Senior Financial Officers
 Corporate Procedure 212.3: Conflicts of Interest and Related Person Transactions

Gifts and Entertainment

Gifts and entertainment should never influence, or give the appearance of influencing, your ability to make business decisions that are in the best interests of Norfolk Southern. The gift or entertainment should be consistent with customary business practices, reasonably related to the business relationship, and not something that would damage NS' reputation if made public.

As a general rule, we should not give, offer, receive or solicit any gift from a customer, supplier or other party doing or seeking to do business with Norfolk Southern, unless the gift has a nominal value or such offer or acceptance is determined to be in NS' best interest. Gifts of nominal value include such things as promotional items with a value clearly less than \$100 per year from a single organization. In the event we provide a gift in excess of \$25.00 in value, the Tax Department must be notified. A form for such notification is available from the Tax Department and on the Ethics & Compliance website at ethics.nscorp.com.

Cash or cash equivalents such as a gift card are never an acceptable gift to or from a customer, supplier, or other party doing or seeking to do business with Norfolk Southern.

To be in NS' best interests, the gift or entertainment must be legal and must not improperly influence your business judgment. As an example, air transportation or overnight lodging is generally not acceptable, but on occasion it may be determined in advance to be in Norfolk Southern's best interests if, for example, it involves receiving a customer award for Norfolk Southern.

We also must make sure that entertainment or hospitality provided by Norfolk Southern or provided by others to our employees does not compromise Norfolk Southern. Ordinary social amenities, such as a meal or refreshments, are acceptable if their value and frequency is not excessive. Both the person offering and the person accepting the entertainment or hospitality must be present.

Gifts of nominal value and ordinary social amenities are acceptable.

Gifts and Entertainment: Q&A

Q: A vendor offered to include “a few extras for me” if I gave him a big order for Norfolk Southern’s business. Is this acceptable?

A: No. This kind of a deal will improperly influence your business judgment and you may end up giving this company business even though another company could do so at a lower price. Not only should you refuse this offer, but you should also call the Ethics & Compliance Hotline to report this vendor. Norfolk Southern does not want to do business with this kind of vendor.

Q: The owner of a trucking company who works with us all the time offered me two box seats to a weekend baseball game. Can I accept this offer?

A: NS does not encourage acceptance of sporting event tickets as part of maintaining business relationships with vendors, particularly tickets in high demand such as the World Series or Superbowl. However,

the offer may be accepted if the owner is in attendance at the event and if, in advance, you and your department head determine that your attendance furthers the business relationship without influencing your decisions about NS’ business with the trucking company. If you have any questions or concerns about this, speak with your supervisor or call the Ethics & Compliance Hotline.

Q: A vendor that I supervise takes me out to lunch when he is in town a few times a year. Is this appropriate?

A: An occasional meal in connection with a business discussion is considered an ordinary social amenity and is acceptable. If the meals are lavish or very frequent, there could be a perception that the vendor was trying to influence your business judgment. If you have any questions or concerns about this, speak with your supervisor or call the Ethics & Compliance Hotline.

Who to Contact:

If you are asked to make or accept a gift or payment, report all relevant circumstances to your supervisor. If you are unsure whether a gift is of nominal value or otherwise complies with these guidelines, call the Law Department at (757) 629-2818 or the Ethics & Compliance Hotline at (800) 732-9279 for guidance.

Policy Reference:

Corporate Procedure 212.3: Conflicts of Interest and Related Person Transactions
Corporate Policy 502/Procedure 502.1: Travel and Business Expenses

Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act (FCPA) prohibits U.S. companies and their employees from providing foreign government officials with anything of value in order to obtain or maintain business. Simply put, it is illegal to pay or offer money or provide or offer a gift to a foreign official in order to “get the business,” even if this is considered a normal or acceptable way of doing business in that country.

Any employee or agent of our company involved with foreign transactions or activities must comply with the FCPA. When setting up transactions with foreign agents, do a background check or other due diligence to assess their reputation for honesty, integrity and quality.

The FCPA also requires all publicly owned companies to maintain records that accurately reflect the transactions of the company. This provision is designed to prevent a company from hiding illegal payments through false or mislabeled entries in the company’s books and records.

Bribes are strictly forbidden.

Business with the Government

Special regulations and reporting requirements apply when we do business with the government. We must make sure we comply with these requirements, including any federal, state and local laws and regulations that govern contract awards and procurement. Violations of procurement laws can result in criminal and civil penalties and the loss of the ability to do further business with the government.

In addition, no funds, gifts or corporate assets should be offered to any government official or employee (including foreign officials) except when permitted by law and authorized by the Law Department. These rules apply equally to companies or individuals who act as intermediaries or facilitators for a government entity. Bribery is a federal crime and prosecution does not require proof of your intent to influence an official act. As a general rule, never give, offer or promise anything of value to a government official to influence any official act or otherwise violate the law.

Special attention must be paid to government contracts in order to comply with procurement and other laws.

Foreign Corrupt Practices Act: Q&A

Q: I am working on an overseas contract to repair equipment for a foreign country. I may need to hire a local agent to assist in some of the details of the contract. How do I know if it's acceptable for us to use this agent?

A: Talk to the Law Department to ensure that the agent's contacts and intended assistance comply with both local and U.S. laws. Due diligence is critical in order to avoid potential FCPA violations.

Who to Contact:

If you have any questions concerning international transactions or if you are asked to make a payment to facilitate or expedite a transaction, contact the Law Department at (757) 629-2818.

Policy Reference:

Corporate Procedure 212.4: Compliance

Government Investigations

It is important for Norfolk Southern to cooperate with government investigations or inquiries. If you believe that a government investigation or inquiry is in progress, make sure that an appropriate supervisor is aware of the investigation. It may be necessary to contact the Law Department, especially when the investigation involves non-routine requests. The Law Department can then coordinate the investigation to make sure that we protect NS' legal rights and respond adequately and completely to the government's requests.

This policy is not meant to prevent an employee from disclosing information to the government when required by law or when an employee has reasonable cause to believe that the information discloses a violation of, or noncompliance with, the law.

If you are aware of a government investigation, notify an appropriate supervisor or the Law Department.

Government Investigations: Q&A

Q: A government inspector from an agency that I wasn't familiar with arrived in my area and started asking me questions. What should I do?

A: NS cooperates fully with any government investigation. However, it is normal to ask an inspector to wait until NS' responsible supervisor is present to conduct a visit. Make the inspector comfortable and provide him or her with any required safety equipment. Then contact your supervisor and the Law Department because of the non-routine nature of this visit.

Q: An FRA inspector is in my area. What should I do if I am approached and asked a question by the inspector?

A: FRA inspectors routinely visit NS to conduct investigations. However, as with all government investigations, these inspectors should be accompanied by an NS supervisor. You should take direction from this supervisor, but be cooperative with the inspector and answer any questions asked truthfully and completely. If you have any questions, contact the Law Department.

Who to Contact:

If you are subpoenaed or contacted in any way by any government investigative agency concerning a Norfolk Southern matter, contact an appropriate supervisor before responding. If the investigation involves an EEO matter, contact the EEO staff at (757) 629-2622. For other non-routine matters, contact the Law Department at (757) 629-2818 before you respond.

Policy Reference:

Safety and General Conduct Rules – Rule GCR-2

Corporate Procedure 210.1: Handling Legal Process

Corporate Procedure 305.2 (Section II): Equal Employment Opportunity Process

Ensuring Financial Integrity

Accurate financial records are critical to meeting our obligations to stockholders, employees, suppliers and others. They are also required for compliance with tax and financial laws and regulations.

Financial Records, Accounting, Internal Controls and Auditing

Our financial records must be maintained properly in order to comply with legal requirements and our company's internal controls.

You are responsible for recording and reporting information promptly, accurately, completely and honestly. No financial entry or disclosure should disguise or incorrectly characterize the true nature of any financial transaction or its description in a financial report. Sign only those documents that you believe are accurate and truthful.

Laws levy stiff penalties for inaccurate records or for destroying documents with mandated retention periods. Non-compliance with these laws or regulations is often made public, which results in negative publicity that damages relationships and causes irreparable harm to a company's reputation.

NS Purchasing Card

Many employees have been issued an NS Purchasing Card to make it easier to legitimately purchase company materials and selected services. The card is not to be used to purchase materials or services in excessive quantities or at excessive prices. Card holders are responsible for the card and its use. Lost or stolen cards should be reported immediately.

Record information promptly, accurately, completely and honestly.

Do not purchase personal items with the NS Purchasing Card.

Financial Records and NS Purchasing Card: Q&A

Q: Part of my job is to ensure that bills are processed and paid in a timely manner. Recently, my supervisor instructed me to “hold” certain bills until after the end of the month, which is also the end of a quarter. I don’t want to get in trouble with my supervisor. What should I do?

A: There may be a legitimate reason to hold the bills, such as a dispute about the validity of the charges; however, it is never appropriate to hold bills in an attempt to manage an accounting period. Call the Ethics & Compliance Hotline and report the matter or leave a detailed enough message so that the audit staff can promptly respond to your concern. You can make the report anonymously and you will not be retaliated against in any way.

Q: I recently discovered that a co-worker was making an accounting entry incorrectly and that another entry had accidentally not been made. I discussed these matters along with suggested adjusting entries with my supervisor. My supervisor informed me that the adjustments were “immaterial” or not significant, and to simply make the adjustments during the next accounting period. I’m not sure what “immaterial” really means. What should I do?

A: Typically, matters are clearly immaterial if they only represent adjustments of less than \$25,000. However, decisions regarding materiality require seasoned

judgment of those closely involved with financial reporting. You and your supervisor should contact Corporate Accounting (757) 629-2767 for guidance if there is any doubt that the matter is immaterial. If you are not entirely satisfied with the response, call the Ethics & Compliance Hotline.

Q: I received a call from a vendor offering us a great deal on office supplies. The purchase is within the limits of my purchasing card. Can I take advantage of this deal?

A: We purchase supplies from only pre-approved, reputable vendors. You should refuse this kind of offer and make all purchases only through proper company channels. If you are not sure how to handle this kind of situation, contact the Ethics & Compliance Hotline.

Q: I have seen co-workers engaging in fraudulent transactions with local suppliers. Some employees accept gifts from suppliers in return for purchasing goods using their NS Purchasing Card. I have reported the matter to my supervisor but nothing seems to have changed. What should I do?

A: Call the Ethics & Compliance Hotline and report the matter or leave a detailed enough message so that the audit staff can promptly respond to the matter. You can make the report anonymously and you will not be retaliated against in any way.

Q: I am going to be traveling on business. The Company purchased a ticket. I want to cash the ticket in for two coach tickets on a cheaper flight so that I can take my spouse on the trip. The value is equal so it won’t make a difference in my total travel expenses. Can I do this?

A: No. Travel expenses must reflect the actual purchase and be consistent with company policy for reimbursement. If you have any questions about the policy, ask your supervisor or contact the Ethics & Compliance Hotline.

Q: When we are in a crunch, is it okay to wait to fill out some of our maintenance reports or time sheets until later?

A: No. Our company may have regulatory obligations with regard to our maintenance records and time sheets, so they must be completed accurately and on time. If you feel pressured by your supervisor or others to not maintain them accurately, contact the Ethics & Compliance Hotline.

Q: I accidentally used my purchasing card when I was in the grocery store last week. I know it’s meant for company expenses only. What do I do now?

A: You should promptly contact your supervisor and explain the situation. Your supervisor will arrange for you to repay expenses associated with the inadvertent misuse of the purchasing card.

Who to Contact:

If you have questions or concerns about financial records, including the NS Purchasing Card, contact your supervisor or the Ethics & Compliance Hotline at (800) 732-9279. Report any concern or complaint about Norfolk Southern’s financial reporting, accounting, internal controls or auditing matters immediately.

Policy Reference:

Corporate Procedure 212.2: Code of Ethical Conduct for Senior Financial Officers

Corporate Policy 212A/Procedure 212A.1: Reporting Concerns and Complaints Regarding Accounting, Internal Controls and Auditing Matters

Corporate Policy 500: Purchasing and Material Control

Corporate Procedure 500.2: Purchase/Procurement of Materials and Services (Section I)

Purchasing Card Guidelines and Instructions

Purchasing Card Guidelines for Internet Purchases

Corporate Policy 501/Procedure 501.1: Approval of Payable Documents

Corporate Policy 504/Procedure 504.1: Billing

Ethics & Compliance Hotline (800) 732-9279

ethics.nscorp.com

Safeguarding Our Corporate Assets and Information

In order to protect our corporate assets and information, we all must work together. Our actions could make the difference between keeping the assets secure and intact or allowing them to be altered, stolen or destroyed.

Use of Corporate Assets

Corporate assets, including time, equipment, proprietary information, intellectual property and supplies, are intended to be used for company business only. You are expected to handle corporate assets and information with integrity, responsibility and confidentiality. Do not use them for personal benefit.

Personal use of company telephones, computers and other related equipment is allowed if the use is within reason and not abused, does not promote a personal benefit and does not interfere with job performance.

Corporate business opportunities are also corporate assets and should only be used to advance the interests of Norfolk Southern. You may not take personal advantage of corporate business opportunities that come to you through the use of corporate property, corporate information or your position at Norfolk Southern.

Use corporate assets for business use - not for personal benefit.

Corporate Assets: Q&A

Q: I would like to borrow the Company's cherry-picker to do some tree maintenance at my home over the weekend. Can I do this?

A: No. Company equipment, tools and vehicles are for company use only and cannot be used for personal home repair and maintenance.

Q: I have seen somebody stealing supplies from the yard. The person is a friend of mine, but I don't like the fact that he is stealing from NS. What can I do?

A: It is a difficult situation for you, but you owe it to yourself and to NS to let your supervisor know what is happening. You can also contact the Ethics & Compliance Hotline.

Q: I volunteer for a local organization that works with physically challenged kids. May I use company equipment to copy flyers for a fund-raiser?

A: Norfolk Southern does encourage participation in community activities, but using corporate assets and property for personal reasons and non-company projects is generally not acceptable. Speak with your supervisor about the use of NS resources for this purpose.

Who to Contact:

If you have questions or concerns about the use of corporate assets, contact your supervisor or the Ethics & Compliance Hotline at (800) 732-9279.

Policy Reference:

Safety and General Conduct Rules – Rules L, GR-6, GR-23

Corporate Policy 207/Procedure 207.1:
Employee Inventions and Patents

Confidential Information

In order to protect Norfolk Southern's confidential records, files, data and technical or proprietary information, we must only give or release this sensitive information to authorized employees who have a need to know the information. Using confidential information that you obtained as a result of your work at NS, either directly or indirectly, for personal benefit is prohibited. Improperly releasing confidential information may also violate antitrust regulations and federal securities laws regarding insider trading.

Examples of confidential company information include non-public statistics, reports, correspondence, records or other information such as information or data about business and financial plans; personnel or labor relations; processes, practices or designs; machinery and equipment; customers or suppliers; possible acquisitions or dispositions of assets; legal matters; or research activities.

Confidential information about our employees must also be protected. Do not disclose any employee information, including social security number, compensation or other personnel data, medical information, reasons for termination or any other employment matter, except as permitted by company policy.

Confidentiality rules also apply to transportation contracts and rate quotations that are not publicly available and to information that may affect procurement negotiations or the relationship between Norfolk Southern and its suppliers.

**Release
confidential
information only
to authorized
employees who
have a need
to know the
information.**

Confidential Information: Q&A

Q: My supervisor has requested to see my medical records. Will the Company allow him to see this information?

A: Personal information about your medical condition or history will not ordinarily be shared. The only personal medical records that will generally be shared are those that contain administrative information such as your ability to return to work after an illness or injury, or records related to an incident that led to an on the job injury. If you have concerns about the release of medical records, you can contact the Ethics & Compliance Hotline.

Q: Sometimes suppliers or customers ask me specific questions about Norfolk Southern's business operations. I like to maintain good relations with these folks, but answering the questions means I would be divulging confidential information. Is this okay?

A: No. You may reveal confidential information only if the supplier or customer has signed a confidentiality or non-disclosure agreement and if the information is truly necessary and appropriate for the work they are doing. If you have questions, ask your supervisor or call the Law Department.

Who to Contact:

If you have any questions about the release of confidential information, ask your supervisor or contact the Law Department at (757) 629-2818. If you have concerns about the release of confidential information, contact the Ethics & Compliance Hotline at (800) 732-9279.

Policy Reference:

Safety and General Conduct Rules: Rules R, GCR-4

Corporate Procedure 212.4: Compliance (Section on Securities Laws)

Corporate Policy 213: Confidentiality of Transportation Contracts and Other Deregulated Information

Corporate Policy 216/Procedure 216.1: Requests for Information from Financial Analysts and Investors

Fair Disclosure Guide – Available upon request from the Law Department or at ethics.nscorp.com

Corporate Procedure 305.1: Collection and Maintenance of Employee Medical Records

Corporate Policy 307/Procedure 307.1: Release of Employee Information

Securities Laws and Insider Trading

Material nonpublic information is information that has not been released to the public and that a reasonable investor would consider important when making the decision to buy or sell a security, such as a company stock or bond. “Insider trading” occurs when someone uses material nonpublic (inside) information to buy or sell securities or to influence someone else to buy or sell based on that information. This is illegal under securities laws.

Material nonpublic information can include unpublished financial results involving earnings reports or projections, a dividend change, gaining or losing a major customer or a merger proposal. Accumulated expertise about the rail industry and its prospects is not considered material nonpublic information.

You might acquire material nonpublic information about our company or other companies in the normal course of business, regardless of your position at Norfolk Southern. If you are aware of material nonpublic information, do not divulge it to others and do not engage in a transaction with a third party involving securities of Norfolk Southern. This includes a cashless exercise of a stock option or a change to an election concerning any Norfolk Southern Stock Fund under Norfolk Southern’s 401(k) savings plans – TIP and TRIP.

Violations of securities laws expose both Norfolk Southern and its employees to serious civil and criminal penalties and lawsuits.

Do not buy or sell securities based on material nonpublic information.

Do not provide others with material nonpublic information.

Securities Laws and Insider Trading: Q&A

Q: A number of my friends and relatives work for the railroad. At a party recently we started to talk about Norfolk Southern and someone asked me about an upcoming land deal that I happen to know about. Is this okay to discuss in this setting?

A: No. Even though some of the partygoers were employees, this does not mean that the information should be shared with them. As a general rule, you should not discuss this kind of company information in a public setting.

Q: I happen to know about a deal that Norfolk Southern will soon be announcing. If I tell my cousin about this and he buys stock based on what I told him, could that be considered insider trading?

A: Yes, the rules on “inside” information apply if you buy or sell stock or if you give information to someone else who then buys or sells stock. In this case, both you and your cousin could be charged with violating federal securities laws. The best rule to follow is to never recommend that someone buy or sell NS stock. It is also a violation of NS policy to discuss company business with someone who does not have a need to know about it.

Who to Contact:

If you are unsure about what is considered material nonpublic information or have questions or concerns about the use or release of this information, call the Law Department at (757) 629-2818.

Policy Reference:

Corporate Procedure 212.4:
Compliance (Section on Securities Laws)

Corporate Policy 216/Procedure 216.1: Requests for Information from Financial Analysts and Investors

Fair Disclosure Guide – Available upon request from the Law Department or at ethics.nscorp.com

Information Security

Information security is everyone's responsibility. Security breaches can cause costly and embarrassing losses. Information technology assets are intended for corporate business only. We are responsible for keeping these assets confidential, available and secure, and for preventing unauthorized use, modification, misappropriation, theft, disclosure and destruction. Responsible incidental personal use is allowed as long as it is not excessive or offensive and does not interfere with job performance.

We must protect our personal user IDs, passwords, tokens and smart cards. Do not allow unauthorized people to use or access them. When terminals, personal computers or workstations are left unattended, protect them from unauthorized use by logging off or locking the system. Additional information on Information Security can be found in the *Computer Compliance Guide*.

Electronic Communications – E-mail and the Internet

All electronic communications (including voice mail, e-mail and fax) are considered company property and may be monitored by authorized Norfolk Southern personnel. Do not use company electronic communications to send or receive material that violates this Code, such as harassing, offensive, or obscene messages or material. Do not use electronic communications, including blogs and internet chat forums, to misrepresent yourself or Norfolk Southern.

Do not access, download, store or print material that is illegal, offensive, disrespectful to others, or that otherwise violates the *Computer Compliance Guide*. If you accidentally connect to a site that contains sexually explicit, racist, or other offensive material, immediately disconnect from the site.

NS reserves the right to terminate a user's internet access at any time, or to deny access to users who do not have a legitimate business need for such access.

Keep your password private.

Log off when you are finished working or will be away from your computer.

Electronic communications, including e-mails, are company property and must never include inappropriate or offensive material.

Information Security and Electronic Communications: Q&A

Q: My supervisor asked me for my password because I am going to be on vacation. Can I give it to my supervisor?

A: No. There is no business reason that would require you to give your password to your supervisor. Therefore, supervisors should never ask you to do this. Sharing your password also makes you responsible for anything that person does while using your password.

Q: I have a lot of quiet time in my shift. I sometimes surf the Internet to pass the time. Is this acceptable?

A: Speak with your supervisor about your use of the Internet to ensure that it will not interfere with your job duties and is in compliance with company policy, including the *Computer Compliance Guide*.

Q: A co-worker of mine regularly uses the company computer to download music. Is this acceptable? What should I do?

A: The behavior you describe may be unacceptable if any of the following applies: downloading requires unapproved software; downloading consumes significant network or storage resources; the material downloaded is virus-infected; the words or images downloaded are offensive; or the download violates copyright laws. Your co-worker is accountable for these effects, intentional or not. In addition, he may be disciplined if the downloading affects his job performance. If you suspect your co-worker is unaware of the above, considering bringing these concerns to his attention. Otherwise, contact the Ethics & Compliance Hotline.

Q: Sometimes friends from outside NS send jokes to my Norfolk Southern e-mail address. I don't ask them to send them to me but the jokes are sent anyway. Do I need to tell them to stop?

A: Yes, you should tell your friends to stop sending you these e-mails. An occasional e-mail from a friend is like a personal phone call – it should be infrequent, brief and not interfere with your job performance. Remember, e-mails are stored on company servers and networks, so they are not private. You should never forward a questionable e-mail or chain e-mail through your NS internet account. The safest way to protect the Company – and yourself – is to immediately delete any inappropriate, offensive or chain e-mail.

Who to Contact:

Report any suspected information security violations to your supervisor, your departmental security point of contact (SPOC), Information Technology - Security at (404) 529-1527, or call the Ethics & Compliance Hotline at (800) 732-9279.

Policy Reference:

Safety and General Conduct Rules – Rule GCR-6

Corporate Policy 205: Computer and Information Systems Security Policy

Computer Compliance Guide

Intellectual Property

Intellectual Property (IP), including patents, trademarks and copyrights, is a corporate asset. Legal protection of IP is based on the fact that a company has taken reasonable steps to protect it, so we each have a duty to protect Norfolk Southern's IP.

Software provided by NS on a personal computer (PC) is the property of NS, is copyrighted and must not be copied to another PC or computer. All software installations must be supervised by a system administrator or a departmental group assigned that function.

Our company respects the IP rights of others. All computer software must be properly licensed. Never knowingly purchase or use counterfeit goods on the Company's behalf, no matter what the price advantage may be.

Protect Norfolk Southern's IP rights and respect the IP rights of others.

Intellectual Property: Q&A

Q: I have a home computer that I sometimes use to do company work. Is it all right to load software from my PC in the office on to my home computer?

A: License agreements for software vary significantly by vendor and product. Check with the PC/LAN group responsible for your work PC regarding the specific licensing agreements for your software. Also note that several of our major software vendors - including Microsoft, McAfee and Sophos - have "Home Use" programs that provide software at little or no cost to the employee.

Q: I travel extensively on business and find it necessary to carry and view sensitive personal information on my NS-issued laptop. Is this acceptable?

A: As long as the personal information assets do not violate the terms of the *Company Computer Guide*, it is acceptable to store them on a Company computer. However, Norfolk Southern makes no guarantee regarding the privacy and usage of any information you place on an NS computing resource.

Who to Contact:

If you have any concerns about IP protection, especially any issues concerning contracts of legal protections of patents or other IP, contact the Law Department at (757) 629-2818.

Policy Reference:

Corporate Policy 204/Procedure 204.1:
Corporate Identity Standards
Corporate Policy 205: Computer and Information Systems Security Policy
Computer Compliance Guide

Records Management

Government regulations and legal requirements dictate that certain company records be stored in specific ways for a specific time period. These records include hard copies and electronic documents, such as e-mails. In an emergency, or during an investigation or lawsuit, Norfolk Southern must be able to quickly retrieve important records.

Norfolk Southern's records management procedure governs our record retention and destruction. Each of us is responsible for maintaining the records under our care until the retention period has ended. Records should then be destroyed as appropriate in accordance with the records management procedure.

At times, pending document destruction is put on hold in order to comply with internal or external requests. This is generally referred to as a "Hold." Once the Hold is lifted, the records should be destroyed as appropriate.

Maintain and destroy company records according to corporate procedure.

Records Management: Q&A

Q: I am responsible for some records that contain information about a former supplier. The supplier is involved in litigation that concerns a government contract. The litigation doesn't involve NS and our company records have not been subpoenaed. The retention period for these records expires next month. Can I destroy these records at that time?

A: If you believe that these records may be necessary or relevant to an ongoing investigation, do not destroy them. Contact the Law Department to discuss these records and follow their advice for disposition of the records.

Q: I am working on a matter that we think NS may end up being sued over. Should I be saving all of my e-mails that relate to this matter?

A: All documents, including e-mails, must be kept until their retention period has expired. If litigation is reasonably likely to occur, then no document concerning the potential litigation should be deleted or destroyed. If you are uncertain whether or not to preserve e-mail or other documents, contact the Law Department.

Who to Contact:

If you are not certain about how to store, archive or destroy a company record, ask your supervisor or contact the Law Department at (757) 629-2818.

Policy Reference:

Corporate Policy 206/Procedure 206.1: Records Management

Representing Our Company with a Unified Voice

Norfolk Southern's communications with the public, whether written or verbal, must be uniform, prompt and accurate and must prevent the publication and spread of inaccurate or improper information. We can only achieve this by speaking with one voice.

Communications with the Public

Only employees who are specifically trained in particular areas should communicate information about Norfolk Southern to the public or the media. If you receive oral or written questions from the news media about a company matter, including crisis situations, direct the matter to the Corporate Communications Department.

As a public company, Norfolk Southern has an obligation to avoid selective disclosure of material nonpublic information and to ensure that all members of the investment community have equal access to material information. To help meet this obligation, Norfolk Southern has identified a limited group of authorized spokespersons. Only these spokespersons are authorized to discuss NS matters with the investment community. If you receive oral or written questions from a financial analyst or investor and you are not an authorized spokesperson, direct the matter or the caller to Investor Relations. Do not attempt to answer questions yourself.

If you express a personal view in a public forum, such as a letter to the newspaper, do not use NS letterhead or e-mail.

**Refer media
requests to
Corporate
Communications.**

**Refer financial
analyst requests
to Investor
Relations.**

Communications with the Public: Q&A

Q: I received a call from an industry magazine asking me to provide information on equipment maintenance. I am well versed in this area and have the statistics at hand. What should I do?

A: You should contact the Corporate Communications Department and ask if they will allow you to speak on behalf of the Company.

Q: I would like to post some information to an on-line bulletin board with postings on the railroad industry. I really think I have a lot to add to the discussion. Is this allowed?

A: No. Posting information might give an incorrect impression that you are a spokesperson for Norfolk Southern. In addition, you could divulge confidential company information. Employees should not use on-line bulletin boards, blogs or chat forums to discuss Norfolk Southern business.

Who to Contact:

Media requests, including those involving requests for information on crisis situations, should be referred to the Corporate Communications Department at (757) 823-5204 or (757) 629-2714.

Requests for information from financial analysts or investors should be referred to Investor Relations at (757) 629-2861, unless the request involves a stockholder who needs assistance with stock certificates or enrollment in the Dividend Reinvestment or other similar plan. Those requests should be referred to the Corporate Secretary at (757) 629-2680.

Policy Reference:

Corporate Policy 208/Procedure 208.1:
News Media Inquiries

Corporate Policy 216/Procedure 216.1:
Requests for Information from Financial Analysts and Investors

Fair Disclosure Guide – Available upon request from the Law Department or at ethics.nscorp.com

Corporate Policy 401/Procedure 401.1:
Crisis Communication

Political and Charitable Activities

Norfolk Southern takes its role as a corporate citizen seriously.

Company resources, both human and financial, have been committed to the improvement of the communities in which we operate. In many cases, the Norfolk Southern Foundation directs and implements our company's charitable giving programs.

No corporate funds or assets can be lent or contributed to any political party or organization or to a candidate or elected public official, unless allowed by law and authorized by Norfolk Southern.

Examples of prohibited activities include:

- Contributions by an employee that are reimbursed by Norfolk Southern.
- Direct contributions by Norfolk Southern.
- Contributions in kind, such as lending employees to political parties or providing corporate assets for use in political campaigns.
- Indirect contributions by Norfolk Southern through suppliers, customers or agents.

Norfolk Southern encourages its employees to be good citizens by contributing to the community and participating in the political process. You may engage in political activities on your own time and at your own expense, make political contributions from personal funds, and express your views with respect to legislative or political matters.

Do not lend or give company funds or assets to political parties, candidates or officials without authorization.

Political and Charitable Activities: Q&A

Q: My neighbor is running for office in a local election, and he has asked me to write an endorsement letter to be included in his campaign materials. I'm sure my letter would have more impact if I used Norfolk Southern letterhead. Is this OK?

A: No. While all Norfolk Southern employees are encouraged to actively participate in all aspects of civic life, employees may not represent or imply representation of the Company in any way unless officially designated to do so.

Q: My supervisor, who is very involved in local civic groups, has asked me to draft and reproduce a flier advertising a fund-raiser being held next weekend. I think the fund-raising is for a good cause, but it makes me uncomfortable to be asked to do this work on company time. What should I do?

A: Discuss with your supervisor the potential Code violation concerning use of company resources (including the time it takes you to do the work), and that bringing in his outside work may represent a conflict of interest. If he tells you to do the work anyway, you should call the Ethics & Compliance Hotline.

Q: I was asked to contribute to a fund to help Norfolk Southern families who were affected by flooding as a result of a storm. Can I use my purchasing card for this cause?

A: No, your purchasing card cannot be used for any charitable donations, even if you plan to reimburse NS with your own funds later. This also applies to any contribution to a political action committee or similar organization that may ask for a donation in your annual membership dues. However, nothing in NS policies prohibits you from making a donation using your own funds.

Who to Contact:

If you have questions about whether your actions or the actions of others complies with NS policy on political contributions or the law, contact your supervisor or call the Ethics & Compliance Hotline at (800) 732-9279. You may also contact the Law Department at (757) 629-2818.

Policy Reference:

Corporate Policy 316/Procedure 316.1:
Matching Gifts Program

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Contacts

Department Resources

(Write in appropriate numbers for you)

Your Supervisor or Manager

Your Next Level Supervisor or Manager

Your Department Head

Your SPOC (Security Point of Contact)

Corporate Resources

Ethics & Compliance Hotline: (800) 732-9279

EEO Hotline: (888) TALKEEO / (888) 825-5336

EEO Staff: (757) 629-2622

Environmental Protection: (540) 981-4059

IT Security: (404) 529-1527

Police Communication Center: (800) 453-2530

Law Department: (757) 629-2818

In order to be flexible and continue to adapt, Norfolk Southern may change, withdraw, add to or suspend The Thoroughbred Code at any time, with or without advance notice, but will attempt to keep employees informed of these changes through written information, postings on the Ethics & Compliance website (ethics.nscorp.com) or other methods.

The Thoroughbred Code is not intended to and does not create any rights in any employee, client, supplier, competitor, stockholder or any other person or entity. It does not, in any way, constitute an employment contract or an assurance of continued employment.

OUR VALUES

SAFETY

We put safety first by taking care of the people around us and following the rules.

PERFORMANCE

We are performance driven and committed to providing quality customer service. We act on facts and are accountable for results.

INTEGRITY

We do the right thing. We are open, fair, honest and straightforward.

RESPECT

We believe in the importance of all of our stakeholders. We value the ideas and beliefs of our co-workers.

INNOVATION

We constantly seek new ideas and creative solutions to business challenges.

TEAMWORK

We believe that working together always produces the best results.

NORFOLK SOUTHERN CORPORATION

110 Franklin Road
Roanoke, Virginia 24042

Three Commercial Place
Norfolk, Virginia 23510

1200 Peachtree Street
Atlanta, Georgia 30309

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