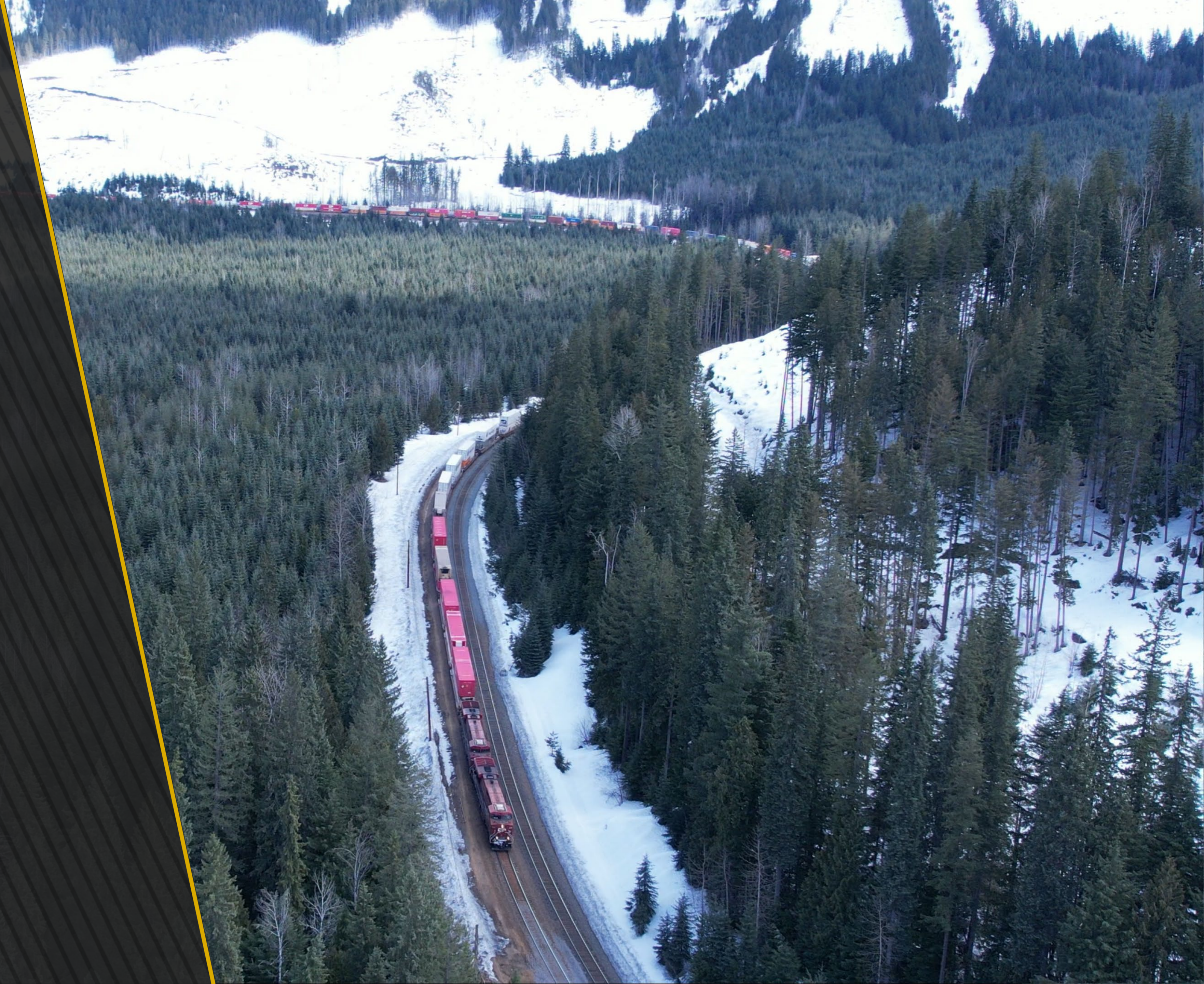




Q4 2023 EARNINGS REVIEW

January 30, 2024





FORWARD-LOOKING STATEMENTS

This investor presentation may contain certain forward-looking information and forward-looking statements (collectively, "forward-looking information") within the meaning of applicable securities laws. Forward-looking information includes, but is not limited to, statements concerning expectations, beliefs, targets, plans, goals, objectives, assumptions and statements about possible future events, conditions, and results of operations or performance. Forward-looking information may contain statements with words or headings such as "financial expectations", "key assumptions", "anticipate", "believe", "expect", "targets", "plan", "will", "outlook", "guidance", "should" or similar words suggesting future outcomes. This presentation contains forward-looking information relating, but not limited to statements concerning financial targets for 2024-2028 and financial guidance for 2024, including estimated growth and capital expenditures, the success of our business, the realization of anticipated benefits and synergies of the Canadian Pacific Railway Limited ("CP")-Kansas City Southern ("KCS") transaction and the timing thereof, and the opportunities arising therefrom, our operations, priorities and plans, including sustainability-related targets and plans, anticipated financial and operational performance, business prospects and demand for our services and growth opportunities. The forward-looking information that may be in this presentation is based on current expectations, estimates, projections and assumptions, having regard to Canadian Pacific Kansas City Limited's ("CPKC's") or the "Company's" experience and its perception of historical trends, and includes, but is not limited to, expectations, estimates, projections and assumptions relating to: changes in business strategies, North American and global economic growth and conditions; commodity demand growth; sustainable industrial and agricultural production; commodity prices and interest rates; performance of our assets and equipment; sufficiency of our budgeted capital expenditures in carrying out our business plan; geopolitical conditions, applicable laws, regulations and government policies; the availability and cost of labour, services and infrastructure; the satisfaction by third parties of their obligations to CPKC; and carbon markets, evolving sustainability strategies, and scientific or technological developments. Although CPKC believes the expectations, estimates, projections and assumptions reflected in the forward-looking information presented herein are reasonable as of the date hereof, there can be no assurance that they will prove to be correct. Current conditions, economic and otherwise, render assumptions, although reasonable when made, subject to greater uncertainty. Undue reliance should not be placed on forward-looking information as actual results may differ materially from those expressed or implied by forward-looking information. By its nature, CPKC's forward-looking information involves inherent risks and uncertainties that could cause actual results to differ materially from the forward looking information, including, but not limited to, the following factors: changes in business strategies and strategic opportunities; general Canadian, U.S., Mexican and global social, economic, political, credit and business conditions; risks associated with agricultural production such as weather conditions and insect populations; the availability and price of energy commodities; the effects of competition and pricing pressures, including competition from other rail carriers, trucking companies and maritime shippers in Canada, the U.S. and Mexico; North American and global economic growth and conditions; industry capacity; shifts in market demand; changes in commodity prices and commodity demand; uncertainty surrounding timing and volumes of commodities being shipped via CPKC; inflation; geopolitical instability; changes in laws, regulations and government policies, including regulation of rates; changes in taxes and tax rates; potential increases in maintenance and operating costs; changes in fuel prices; disruption in fuel supplies; uncertainties of investigations, proceedings or other types of claims and litigation; compliance with environmental regulations; labour disputes; changes in labour costs and labour difficulties; risks and liabilities arising from derailments; transportation of dangerous goods; timing of completion of capital and maintenance projects; sufficiency of budgeted capital expenditures in carrying out business plans; services and infrastructure; the satisfaction by third parties of their obligations; currency and interest rate fluctuations; exchange rates; effects of changes in market conditions and discount rates on the financial position of pension plans and investments; trade restrictions or other changes to international trade arrangements; the effects of current and future multinational trade agreements on the level of trade among Canada, the U.S. and Mexico; climate change and the market and regulatory responses to climate change; anticipated in-service dates; success of hedging activities; operational performance and reliability; customer, regulatory and other stakeholder approvals and support; regulatory and legislative decisions and actions; the adverse impact of any termination or revocation by the Mexican government of Kansas City Southern de México, S.A. de C.V.'s Concession; public opinion; various events that could disrupt operations, including severe weather, such as droughts, floods, avalanches and earthquakes, and cybersecurity attacks, as well as security threats and governmental response to them, and technological changes; acts of terrorism, war or other acts of violence or crime or risk of such activities; insurance coverage limitations; material adverse changes in economic and industry conditions, including the availability of short and long-term financing; the demand environment for logistics requirements and energy prices, restrictions imposed by public health authorities or governments, fiscal and monetary policy responses by governments and financial institutions, and disruptions to global supply chains; the realization of anticipated benefits and synergies of the CP-KCS transaction and the timing thereof; the satisfaction of the conditions imposed by the U.S. Surface Transportation Board in its March 15, 2023 decision; the success of integration plans for KCS; the focus of management time and attention on the CP-KCS transaction and other disruptions arising from the CP-KCS integration; estimated future dividends; financial strength and flexibility; debt and equity market conditions, including the ability to access capital markets on favourable terms or at all; cost of debt and equity capital; improvement in data collection and measuring systems; industry-driven changes to methodologies; and the ability of the management of CPKC to execute key priorities, including those in connection with the CP-KCS transaction. The foregoing list of factors is not exhaustive. These and other factors are detailed from time to time in reports filed by CPKC with securities regulators in Canada and the United States. Reference should be made to "Item 1A - Risk Factors" and "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements" in CPKC's annual and interim reports on Form 10-K and 10-Q. Any forward-looking information contained in this presentation is made as of the date hereof. Except as required by law, CPKC undertakes no obligation to update publicly or otherwise revise any forward-looking information, or the foregoing assumptions and risks affecting such forward-looking information, whether as a result of new information, future events or otherwise.



BASIS OF PRESENTATION & NON-GAAP MEASURES

BASIS OF PRESENTATION

Except where noted, all figures are in millions of Canadian dollars.

Financial information is prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), unless otherwise noted.

Financial and operating results described in this presentation, unless the context indicates otherwise, represent the financial and operating results of CP for the period from April 1, 2023, through April 13, 2023, during which time KCS was held in voting trust and accounted for as an equity investment under the equity method of accounting, and the financial and operating results of CPKC for the period beginning on April 14, 2023, and ending on December 31, 2023.

NON-GAAP MEASURES

CPKC presents Non-GAAP measures, including Core adjusted combined operating ratio, Core adjusted combined diluted earnings per share (EPS), Core adjusted combined operating income, Adjusted combined free cash and Adjusted combined net debt to adjusted combined Earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio, to provide an additional basis for evaluating underlying earnings and liquidity trends in CPKC's current periods' financial results that can be compared with the results of operations in prior periods. Management believes these Non-GAAP measures facilitate a multi-period assessment of long-term profitability, including assessing future profitability.

These Non-GAAP measures have no standardized meaning and are not defined by U.S. GAAP and, therefore, may not be comparable to similar measures presented by other companies. The presentation of these Non-GAAP measures is not intended to be considered in isolation from, as a substitute for, or as superior to the financial information presented in accordance with U.S. GAAP.

Although CPKC has provided forward-looking Non-GAAP measures (Core adjusted combined diluted EPS, Adjusted net debt to adjusted combined EBITDA) management is unable to reconcile, without unreasonable efforts, the forward-looking Core adjusted combined diluted EPS to the most comparable U.S. GAAP measure, due to unknown variables and uncertainty related to future results. These unknown variables may include unpredictable transactions of significant value. In recent years, the Company has recognized acquisition-related costs, the merger termination payment received, KCS' gain on unwinding of interest rate hedges (net of CP-associated purchase accounting basis differences and tax), loss on derecognition of CPKC's previously held equity method investment in KCS, discrete tax items, changes in the outside basis tax difference between the carrying amount of the Company's equity investment in KCS and its tax basis of the investment, settlement of Mexican taxes relating to prior years, changes in income tax rates, and changes to an uncertain tax item. Acquisition-related costs include legal, consulting, financing fees, integration costs including third-party services and system migration, debt exchange transaction costs, community investments, fair value gain or loss on foreign exchange ("FX") forward contracts and interest rate hedges, FX gain on U.S. dollar-denominated cash on hand from the issuances of long-term debt to fund the KCS acquisition, restructuring, employee retention and synergy incentive costs, and transaction and integration costs incurred by KCS which were recognized within Equity earnings of KCS in the Company's Consolidated Statements of Income. KCS has also recognized FX gains and losses. These items may not be non-recurring, and may include items that are settled in cash. Specifically, due to the magnitude of the acquisition, its significant impact to the Company's business and complexity of integrating the acquired business and operations, the Company expects to incur the acquisition-related costs beyond the year of acquisition. These or other similar, large unforeseen transactions affect diluted EPS but may be excluded from CPKC's Core adjusted combined diluted EPS. Additionally, the Canadian-to-U.S. dollar and Mexican peso-to-U.S. dollar exchange rates are unpredictable and can have a significant impact on CPKC's reported results but may be excluded from CPKC's Core adjusted combined diluted EPS.

For further information regarding Non-GAAP measures, including reconciliations to the most directly comparable GAAP measures, see the Non-GAAP Measures supplement to the Q4 2023 Earnings Release on our website at investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC's SEDAR+ profile, and the Q4 2023 Unaudited Combined Summary of Supplemental Data on our website at investor.cpkcr.com.



KEITH CREEL

PRESIDENT &
CHIEF EXECUTIVE OFFICER



HIGHLIGHTS

- Strong Q4 results to cap historic year
 - New customer solutions driving increased synergies
 - Network performing well
- Continued leadership in safety
- Steadily built momentum through 2023
- Well-positioned to deliver differentiated growth in 2024

	Q4	2023
Revenues	\$3.8 billion +53%	\$12.6 billion +42%
Combined Total Revenues ⁽¹⁾	\$3.8 billion +4%	\$13.9 billion +5%
Operating Ratio	61.8% +200 bps	65.0% +280 bps
Core Adjusted Combined Operating Ratio ^(1,2)	58.7% -220 bps	62.0% +30 bps
Diluted EPS	\$1.10 -19%	\$4.21 +12%
Core Adjusted Combined Diluted EPS ^(1,2)	\$1.18 +4%	\$3.84 +2%

(1) Represents combined operating information to illustrate the estimated effects of the acquisition for the fourth quarter and year ended December 31, 2022, as if the acquisition closed on January 1, 2022. For the three months ended December 31, 2023, KCS was consolidated. For a full description and reconciliation see Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com

(2) For a full description and reconciliation of Non-GAAP Measures, see CPKC's Q4 2023 Earnings Release on investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC's SEDAR+ profile



MARK REDD

CHIEF OPERATING OFFICER

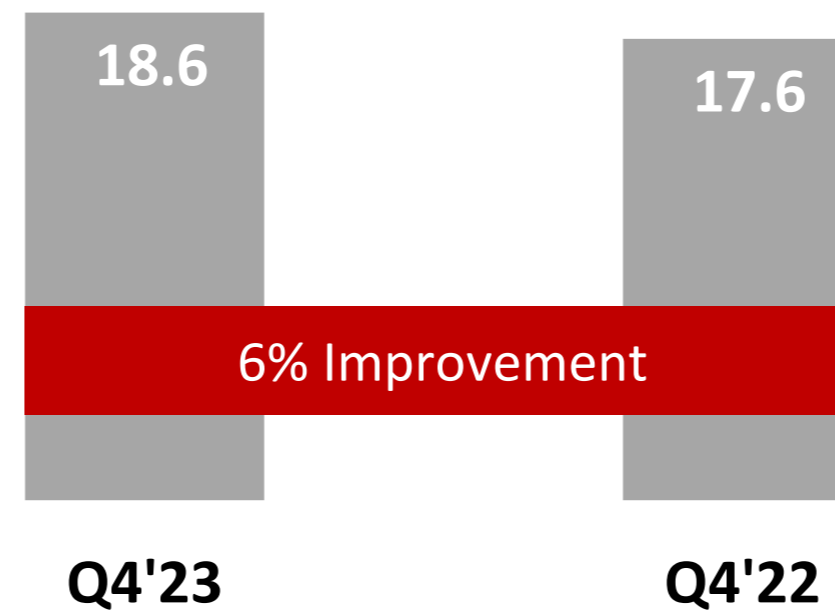


OPERATING PERFORMANCE – Q4

VS. CPKC COMBINED⁽¹⁾ Q4 2022

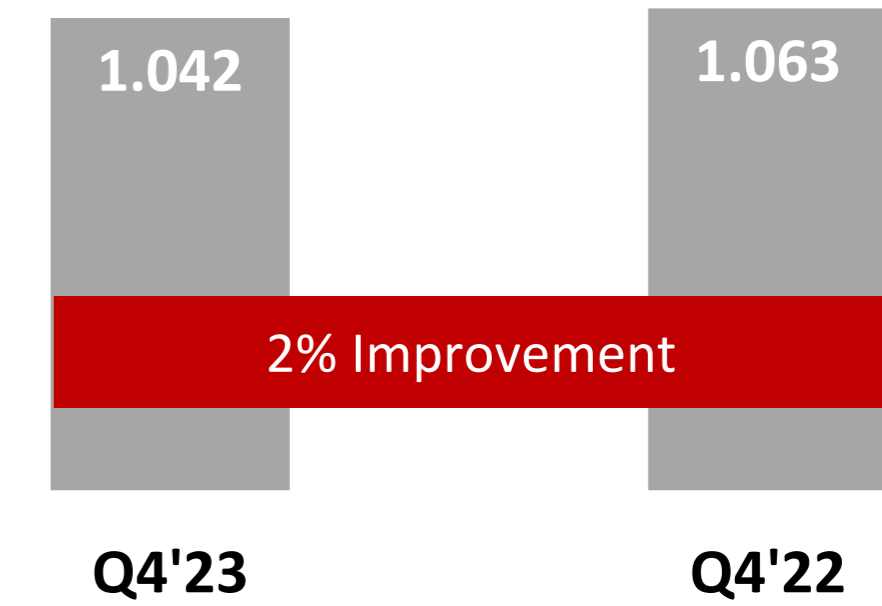
- Finished 2023 with industry-best FRA Train Accident Frequency
- Building on CP's legacy of 17 consecutive years of industry leadership
- Strong network performance
- Gains across key operating and efficiency metrics
- Investing in safety and capacity to support growth

Average train speed
(miles per hour)

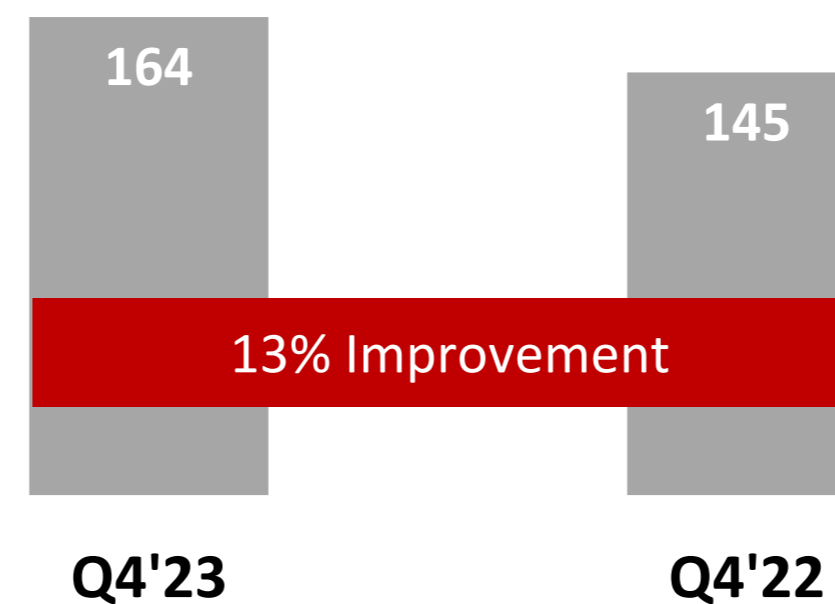


Fuel efficiency

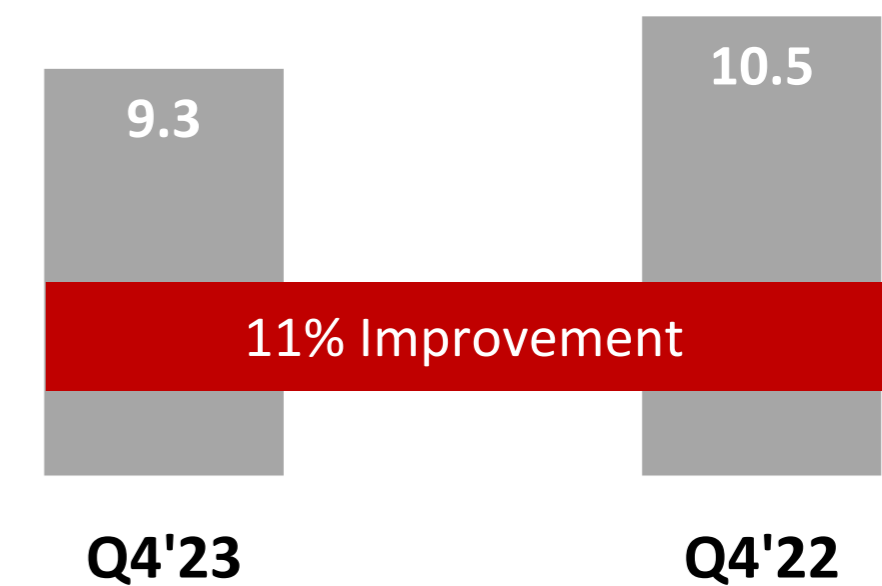
(U.S. gallons of locomotive fuel/1,000 GTMs)



Locomotive productivity
(GTM / operating horsepower)



Average terminal dwell
(hours)





JOHN BROOKS

CHIEF MARKETING OFFICER



REVENUE HIGHLIGHTS – Q4

TOTAL REVENUE

+53%

VS CP Q4 2022

RTMs: +41%

\$/RTM: +9%

Carloads: +64%

\$/Carload: -6%

TOTAL REVENUE

+4%

VS CPKC COMBINED⁽¹⁾ Q4 2022

RTMs: +4%

\$/RTM: -%

Carloads: +2%

\$/Carload: +2%

REVENUE UPDATE⁽¹⁾

BULK

- Lower **grain** due to weaker harvest in Canada for the '23/'24 crop year, partially offset by growth in U.S. grain
 - Q4 volumes impacted by price sensitivity in Canada
 - Weakness in Canadian grain is expected to persist into Q3 '24
- Strong export **potash** volumes resulting from supply chain performance and diversified end markets
 - Portland terminal back online; well-positioned for strong 2024 in potash
- Significant growth in **Coal** due to customer outage in H2 '22

MERCHANDISE

- Growth in **refined fuel products** and **asphalt** driven by new business
- **Forest products** synergy gains partially offset by softer demand in base business
- Strong growth in **metals** driven by industrial growth and nearshoring, partially offset by weaker **frac sand**
- Strong **automotive** performance from new business, improved finished vehicle availability and supply chain performance
- Expect **synergy gains** across the merchandise space in 2024

INTERMODAL

- Lower retail volumes led to a decline in **domestic intermodal** volumes
 - MMX180/181 posting truck-like performance, with exciting opportunities for **synergy gains** from over-the-road conversions
 - New Americold facility to break ground March 2024
- **International intermodal** rebounded as inventory was cleared following the strike at the Port of Vancouver
 - Strong intermodal growth out of Port of Lázaro Cárdenas



NADEEM VELANI

CHIEF FINANCIAL OFFICER



FINANCIAL PERFORMANCE – Q4

<i>(in millions, except percentages and per share data)</i>	2023	2022	Change	FX Adjusted Change ⁽²⁾
Total revenues, as reported	\$ 3,776	\$ 2,462	53%	
Combined total revenues ⁽¹⁾	3,776	3,639	4%	3%
Total operating expenses, as reported	2,334	1,473	58%	
Combined total operating expenses ⁽¹⁾	2,334	2,326	—%	(1%)
Operating income, as reported	\$ 1,442	\$ 989	46%	
Core adjusted combined operating income⁽²⁾	1,560	1,424	10%	
Net income attributable to controlling shareholders, as reported	\$ 1,023	\$ 1,271	(20%)	
Core adjusted combined income ⁽²⁾	1,103	1,066	3%	
Diluted earnings per share, as reported	\$ 1.10	\$ 1.36	(19%)	
Core adjusted combined diluted earnings per share⁽²⁾	1.18	1.14	4%	
Weighted average number of diluted shares outstanding	933.8	933.2	—%	
Operating ratio, as reported	61.8%	59.8%	200 bps	
Core adjusted combined operating ratio ⁽²⁾	58.7%	60.9%	(220) bps	

(1) Represents combined operating information to illustrate the estimated effects of the acquisition for the fourth quarter ended December 31, 2022, as if the acquisition closed on January 1, 2022. For the three months ended December 31, 2023, KCS was consolidated. For a full description and reconciliation of Non-GAAP Measures, see Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com

(2) For a full description and reconciliation of Non-GAAP Measures, see CPKC's Q4 2023 Earnings Release on investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC's SEDAR+ profile, and Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com

FINANCIAL PERFORMANCE – FULL YEAR

(in millions, except percentages and per share data)

	2023	2022	Change	FX Adjusted Change ⁽²⁾
Total revenues, as reported	\$ 12,555	\$ 8,814	42%	
Combined total revenues ⁽¹⁾	13,909	13,217	5%	2%
Total operating expenses, as reported	\$ 8,167	\$ 5,485	49%	
Combined total operating expenses ⁽¹⁾	9,152	8,635	6%	3%
Operating income, as reported	\$ 4,388	\$ 3,329	32%	
Core adjusted combined operating income⁽²⁾	5,281	5,060	4%	
Net income attributable to controlling shareholders, as reported	\$ 3,927	\$ 3,517	12%	
Core adjusted combined income ⁽²⁾	3,582	3,521	2%	
Diluted earnings per share, as reported	\$ 4.21	\$ 3.77	12%	
Core adjusted combined diluted earnings per share⁽²⁾	3.84	3.77	2%	
Weighted average number of diluted shares outstanding	933.7	932.9	—%	
Operating ratio, as reported	65.0%	62.2%	280 bps	
Core adjusted combined operating ratio ⁽²⁾	62.0%	61.7%	30 bps	

(1) Represents combined operating information to illustrate the estimated effects of the acquisition for the fourth quarter ended December 31, 2022, as if the acquisition closed on January 1, 2022. For the three months ended December 31, 2023, KCS was consolidated. For a full description and reconciliation of Non-GAAP Measures, see Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com

(2) For a full description and reconciliation of Non-GAAP Measures, see CPKC's Q4 2023 Earnings Release on investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC's SEDAR+ profile, and Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com

OPERATING EXPENSES

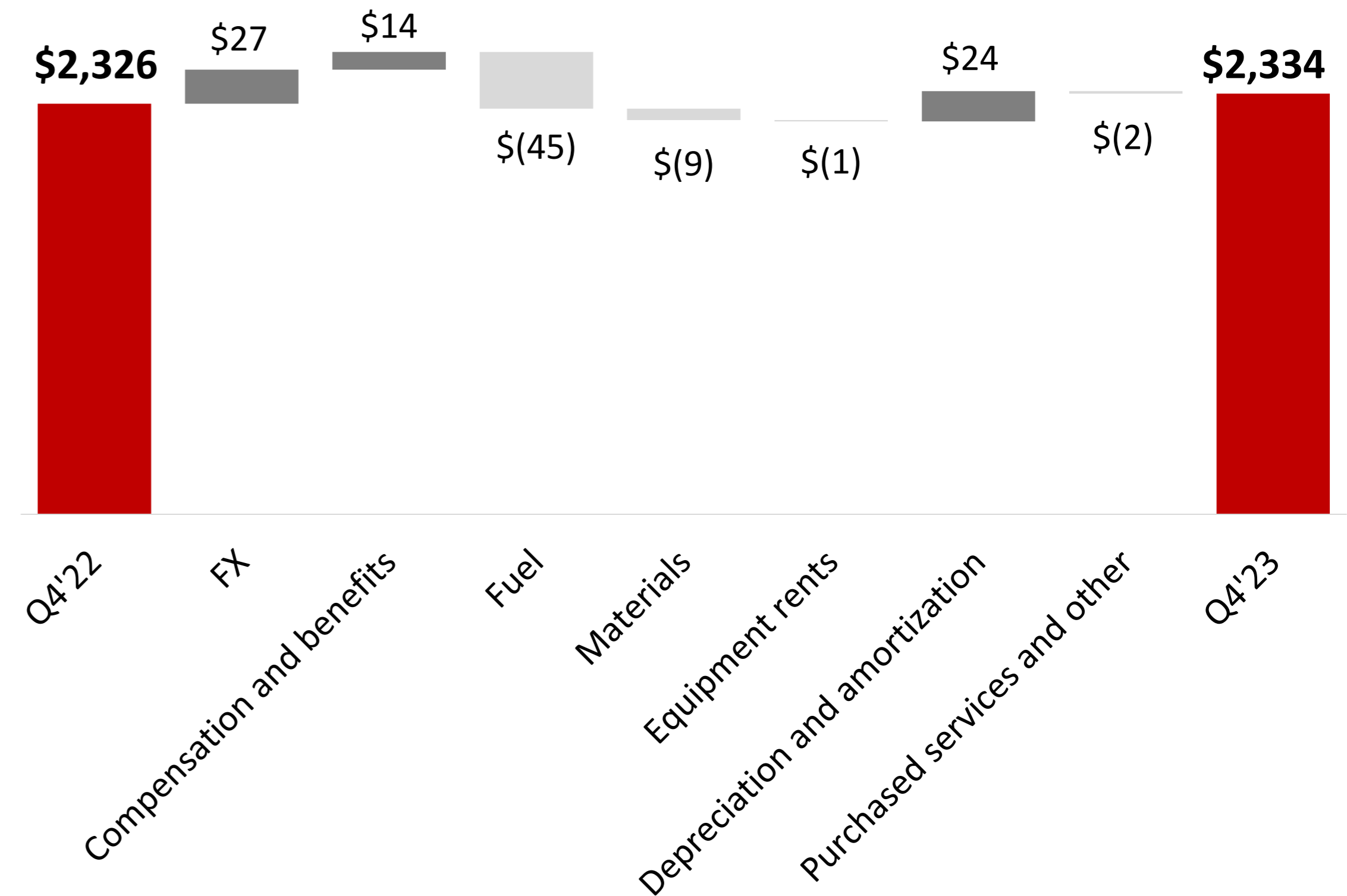
vs CP Reported Q4 / Full Year 2022

<i>(in millions, except percentages)</i>	<u>Fourth Quarter</u>			<u>Full Year</u>		
	2023	2022	Change	2023	2022	Change
Compensation and benefits	\$ 637	\$ 416	53%	\$ 2,332	\$ 1,570	49%
Fuel	528	399	32%	1,681	1,400	20%
Materials	86	69	25%	346	260	33%
Equipment rents	76	43	77%	277	140	98%
Depreciation and amortization	457	219	109%	1,543	853	81%
Purchased services and other	550	327	68%	1,988	1,262	58%
Total operating expenses	\$ 2,334	\$ 1,473	58%	\$ 8,167	\$ 5,485	49%

OPERATING EXPENSES – Q4

vs CPKC Combined Q4 2022⁽¹⁾

<i>(in millions, except percentages)</i>	2023	2022	Change	FX Adjusted Change ⁽¹⁾
Compensation and benefits ⁽²⁾	\$ 637	\$ 615	4 %	2%
Fuel	528	562	(6%)	(8%)
Materials ⁽³⁾	86	94	(9%)	(9%)
Equipment rents	76	77	(1%)	(1%)
Depreciation and amortization ⁽⁴⁾	457	433	6%	6%
Purchased services and other ⁽⁵⁾	550	545	1%	—%
Combined total operating expenses	\$2,334	\$ 2,326	—%	(1%)



(1) For a full description and reconciliation see Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com. For the three months ended December 31, 2023, KCS was consolidated.

(2) Combined Compensation and benefits includes acquisition-related expenses of \$7M in Q4 2023 and \$12M in Q4 2022

(3) Combined Materials includes acquisition-related expenses of \$1M in Q4 2023 and \$nil in Q4 2022

(4) Combined Depreciation and amortization includes purchase accounting of \$85M in Q4 2023 and \$80M in Q4 2022

(5) Combined Purchased services and other includes acquisition-related expenses of \$24M in Q4 2023 and \$19M in Q4 2022, and purchase accounting of \$1M in Q4 2023 and \$nil in Q4 2022

BELOW THE LINE

<i>(in millions)</i>	<u>Fourth Quarter</u>		<u>Full Year</u>	
	2023	2022	2023	2022
Operating Income	\$ 1,442	\$ 989	\$ 4,388	\$ 3,329
Less:				
Equity earnings of Kansas City Southern	—	(447)	(230)	(1,074)
Other expense	16	4	52	17
Other components of net periodic benefit recovery	(73)	(107)	(327)	(411)
Net interest expense	206	166	771	652
Remeasurement loss of Kansas City Southern	—	—	7,175	—
Income (loss) before income tax expense (recovery)	\$ 1,293	\$ 1,373	\$ (3,053)	\$ 4,145
Less:				
Current income tax expense	235	117	909	492
Deferred income tax expense (recovery)	40	(15)	(7,885)	136
Income tax expense (recovery)	\$ 275	\$ 102	\$ (6,976)	\$ 628

ADJUSTED COMBINED FREE CASH

- Strong cash flow generation on the quarter and year
- Continue to progress back towards leverage target of 2.5x Adjusted Net Debt / EBITDA⁽¹⁾
- Record reinvestment in the business
- 2024 Guidance:
 - Double-Digit Core Adjusted EPS Growth⁽¹⁾
 - CapEx of \$2.75B

	<u>Full Year</u>	
<i>(in millions)</i>	2023	2022
CPKC Cash provided by operating activities as reported	\$ 4,137	\$ 4,142
CPKC Cash used in investing activities	(2,162)	(1,496)
Effect of foreign currency fluctuations on foreign currency-denominated cash and cash equivalents	(7)	20
Less:		
Settlement of Mexican taxes relating to prior years	(135)	—
Investment in government securities	(267)	—
Proceeds from settlement of government securities	274	—
Acquisition-related costs	(278)	(67)
Cash acquired on control of Kansas City Southern	298	—
CPKC Adjusted free cash⁽¹⁾	\$ 2,076	\$ 2,733
KCS Cash provided by operating activities as reported prior to Control Date	556	1,397
KCS Cash used in investing activities as reported prior to Control Date	(228)	(407)
KCS Effect of foreign currency fluctuations on foreign currency-denominated cash and cash equivalents as reported prior to Control Date	1	(2)
Less:		
KCS Acquisition-related costs as reported prior to Control Date	(46)	(47)
KCS Proceeds from settlement of treasury lock agreements	—	352
KCS Adjusted free cash⁽¹⁾	\$ 375	\$ 683
Less:		
Dividends from KCS as reported prior to Control Date	300	1,157
Adjusted combined free cash⁽¹⁾	\$ 2,151	\$ 2,259
Rolling 12-month:		
Long-term debt to net income attributable to controlling shareholders ratio⁽²⁾	5.7	5.6
Adjusted combined net debt to adjusted combined EBITDA ratio⁽¹⁾	3.4	3.8

INVESTOR RELATIONS CONTACTS

CHRIS DE BRUYN

Vice-President Capital Markets

ASHLEY THORNE

Assistant Vice-President Investor Relations

403-319-3591

investor@cpkcr.com

investor.cpkcr.com



2024 OUTLOOK

DOUBLE-DIGIT CORE ADJUSTED COMBINED DILUTED EPS⁽¹⁾ GROWTH

Vs. 2023 core adjusted combined diluted EPS of \$3.84⁽¹⁾

CAPITAL EXPENDITURES \$2.75B

Assumptions

- Other components of net periodic benefit recovery will increase by approximately \$23 million, from \$327 million in 2023
- Core adjusted effective tax rate of 25.0 to 25.5%⁽²⁾

(1) For a full description and reconciliation of Non-GAAP Measures see CPKC's Q4 2023 Earnings Release on investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC's SEDAR+ profile.

(2) For a full description and reconciliation of Non-GAAP Measures see CPKC's Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com.



OUTLOOK FOR LONG-TERM GROWTH: 2024 - 2028

High single-digit revenue growth

Double-digit core adjusted combined EPS⁽¹⁾ growth

Capital expenditures of \$2.6 to \$2.8 billion per year

Adjusted combined free cash⁽²⁾ conversion of core adjusted combined income⁽²⁾ of ~90%

Return to double-digit core adjusted combined ROIC⁽²⁾

Strong margin improvement through cost control and operating leverage

Key Assumptions

- Exchange rate of \$1.35 CAD/USD
- On-Highway Diesel price of \$4.15 USD/US gallon
- Other components of net periodic benefit recovery of \$330 million to \$370 million
- Annualized 2024 – 2028 core adjusted effective tax rate of approximately 25.5%⁽²⁾, excluding significant items

CPKC'S SUSTAINABILITY LEADERSHIP

Advancing our commitment to sustainable, long-term growth as a combined company

- **Published our Commitment to Climate Action**

- Established a consolidated target for CPKC to reduce our well-to-wheel locomotive emissions by 36.9% by 2030⁽¹⁾, which has been validated by the Science Based Targets initiative's ("SBTi")
- Joined the SBTi Business Ambition for 1.5°C global campaign, which includes alignment in supporting the global economy to achieve net-zero emissions by 2050

- **Reaffirmed CPKC's commitment to participate in the UN Global Compact**

- **Continue to make progress on hydrogen locomotive program**

- Low horsepower units in weekly revenue service
- High horsepower unit completed its first movement test
- Installation of hydrogen production and fueling facilities

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



MSCI
ESG RATINGS



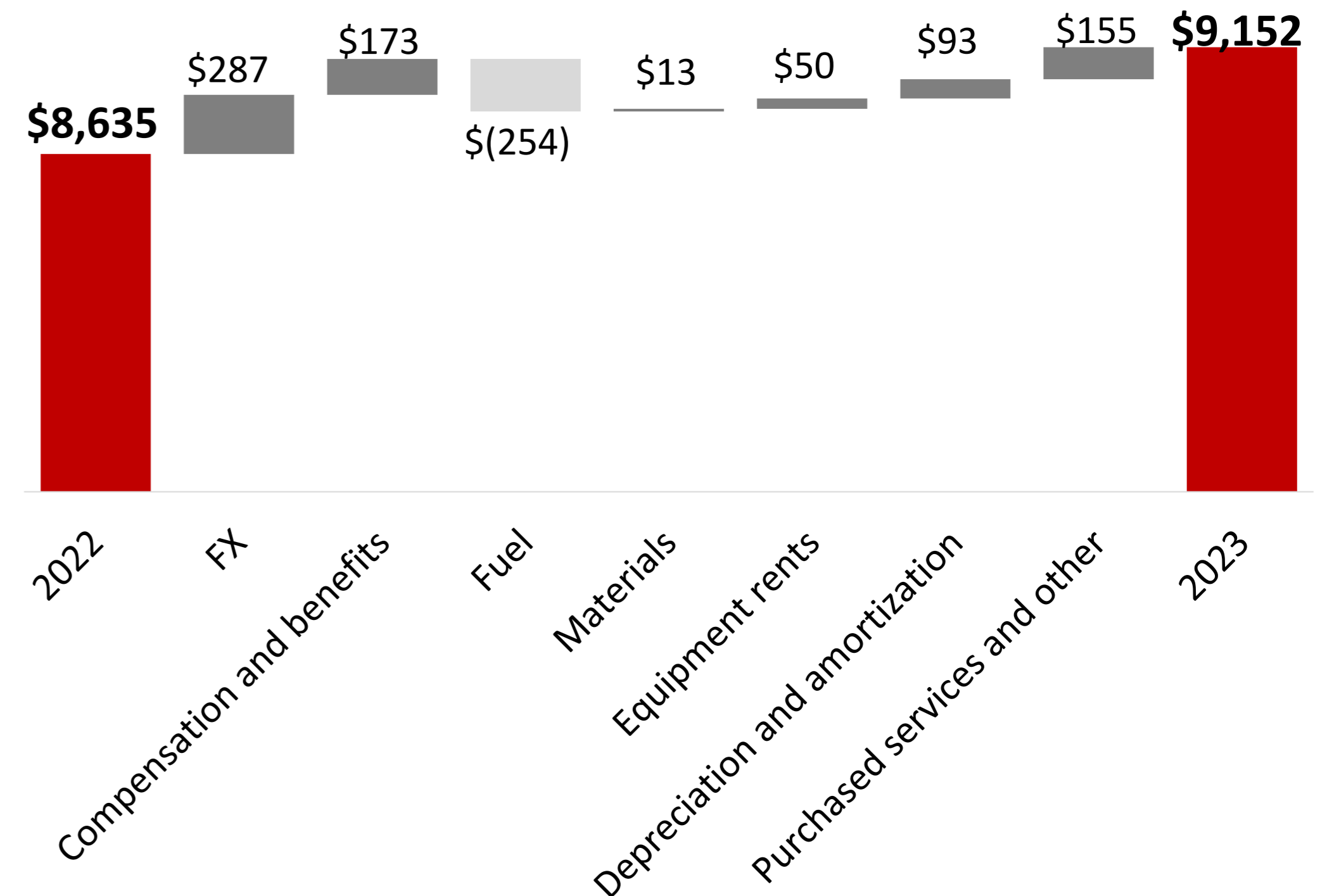
CCC | B | BB | BBB | **A** | AA | AAA



COMBINED OPERATING EXPENSES – FULL YEAR

vs CPKC Combined Full Year 2022⁽¹⁾

<i>(in millions, except percentages)</i>	2023	2022	Change	FX Adjusted Change ⁽¹⁾
Compensation and benefits ⁽²⁾	\$ 2,575	\$ 2,330	11%	7%
Fuel	1,851	2,002	(8%)	(12%)
Materials ⁽³⁾	376	351	7%	4%
Equipment rents	322	264	22%	18%
Depreciation and amortization ⁽⁴⁾	1,792	1,672	7%	5%
Purchased services and other ⁽⁵⁾	2,236	2,016	11%	7%
Combined total operating expenses	\$ 9,152	\$ 8,635	6%	3%



(1) For a full description and reconciliation see Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com

(2) Combined Compensation and benefits includes acquisition-related expenses of \$82M in 2023 and \$55M in 2022

(3) Combined Materials includes acquisition-related expenses of \$2M in 2023 and \$nil in 2022

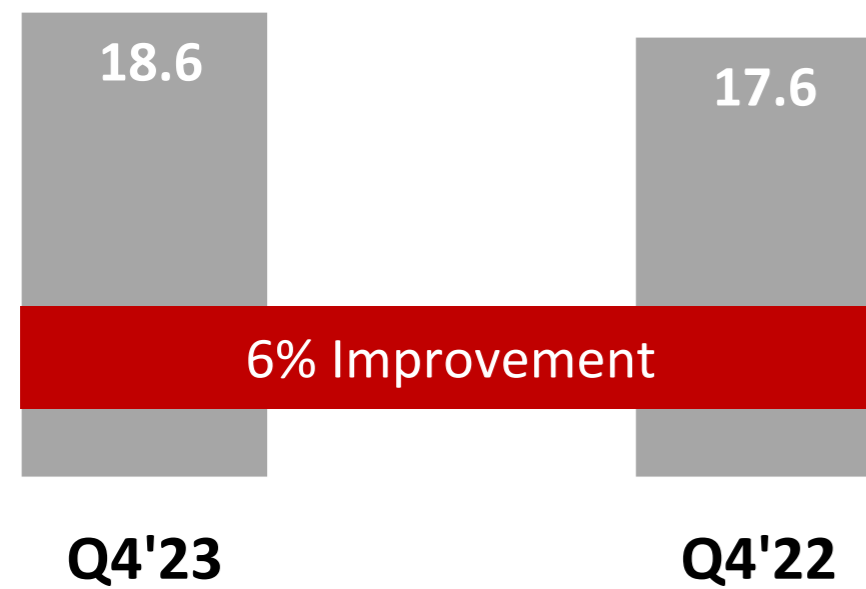
(4) Combined Depreciation and amortization includes purchase accounting of \$326M in 2023 and \$310M in 2022

(5) Combined Purchased services and other includes acquisition-related expenses of \$113M in 2023 and \$113M in 2022, and purchase accounting of \$1M in 2023 and \$nil in 2022

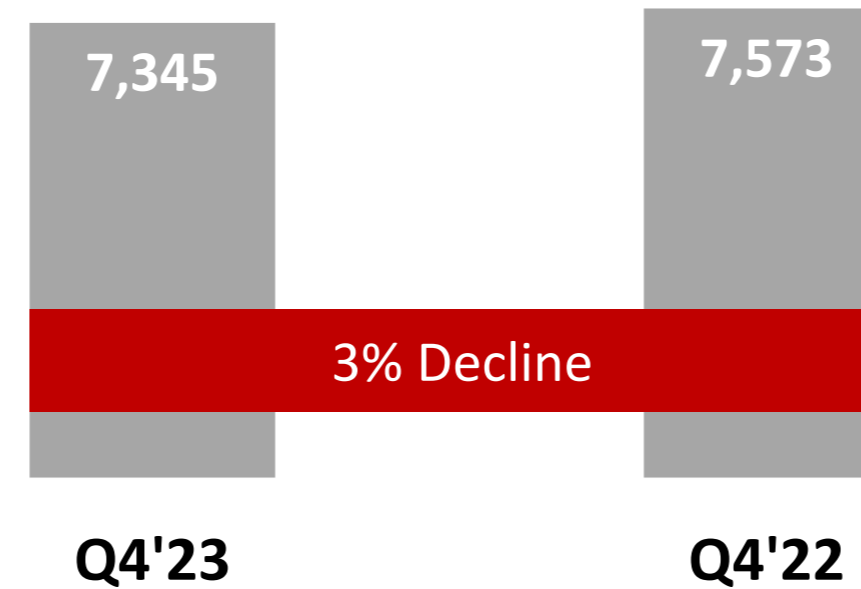
OPERATING PERFORMANCE – Q4

VS. CPKC COMBINED ⁽¹⁾ Q4 2022

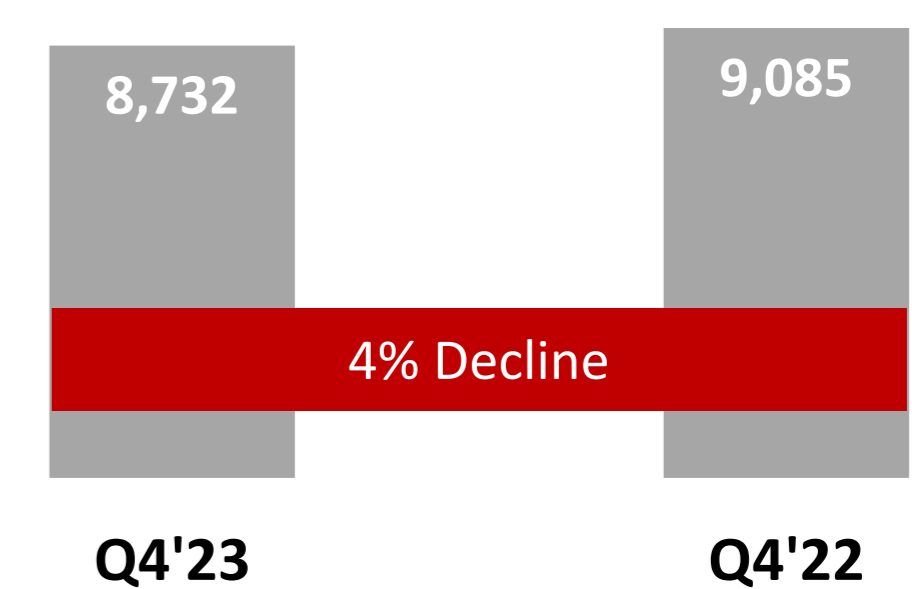
Average train speed
(miles per hour)



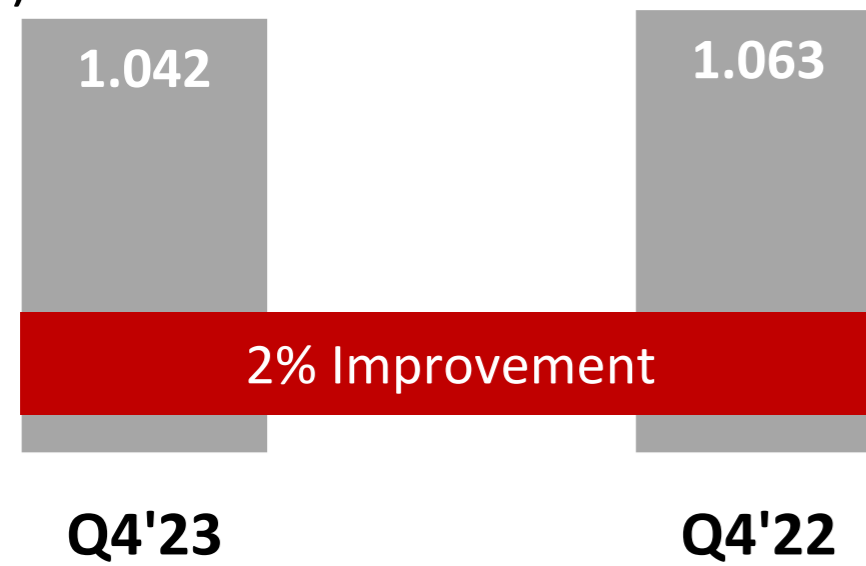
Average train length
(feet)



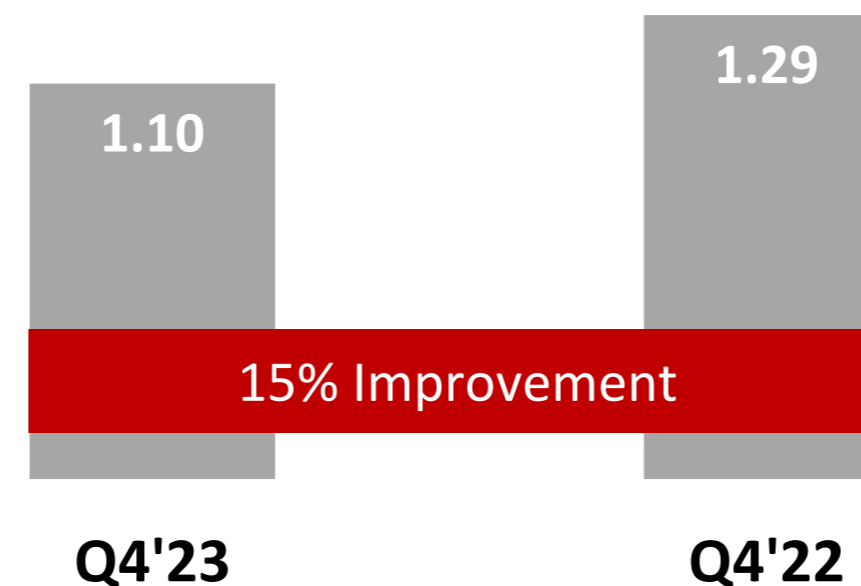
Average train weight
(tons)



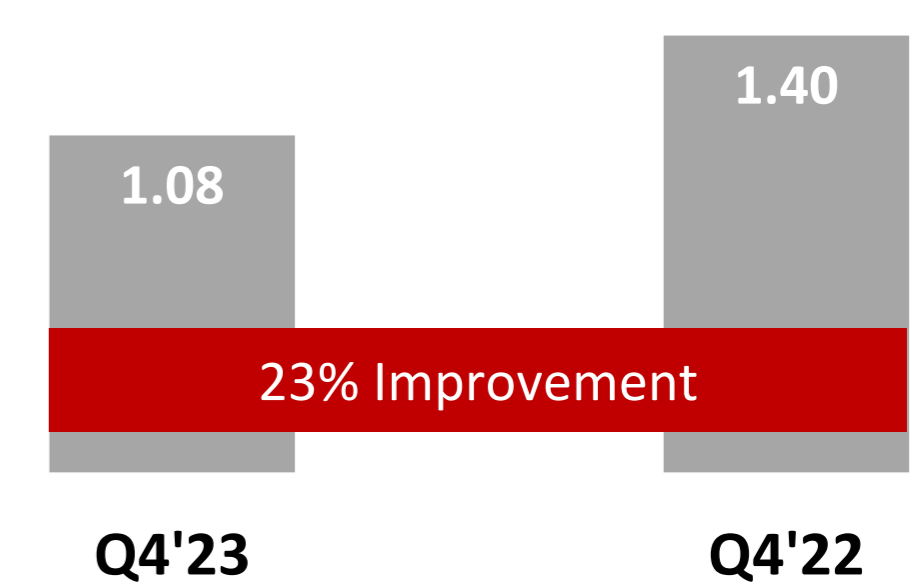
Fuel efficiency
(U.S. gallons of locomotive fuel/1,000 GTMs)



FRA personal injuries⁽²⁾
(per 200,000 employee-hours)



FRA train accident frequency
(per million train-miles)



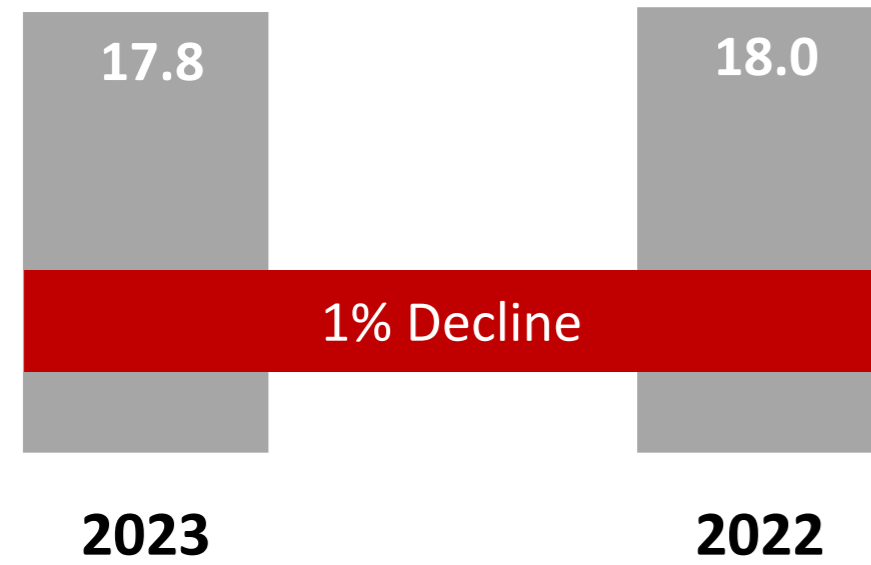
(1) Represents combined operating information to illustrate the estimated effects of the acquisition for the fourth quarter ended December 31, 2022, as if the acquisition closed on January 1, 2022. For the three months ended December 31, 2023, KCS was consolidated. For a full description and reconciliation see Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com

(2) FRA personal injuries per 200,000 employee-hours and FRA train accidents per million train-miles for the fourth quarter ended December 31, 2022, previously reported as 1.26 and 1.32, were restated to 1.29 and 1.40, respectively

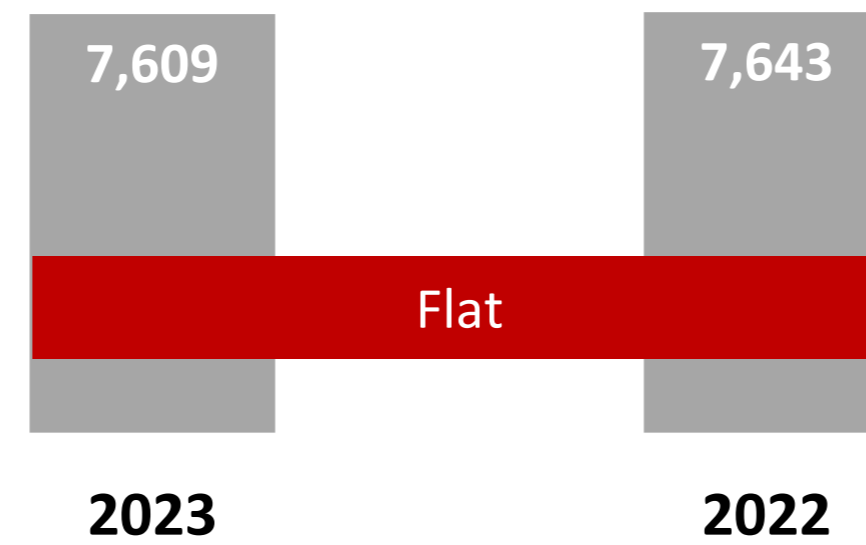
COMBINED OPERATING PERFORMANCE – FULL YEAR

VS. CPKC COMBINED ⁽¹⁾ 2022

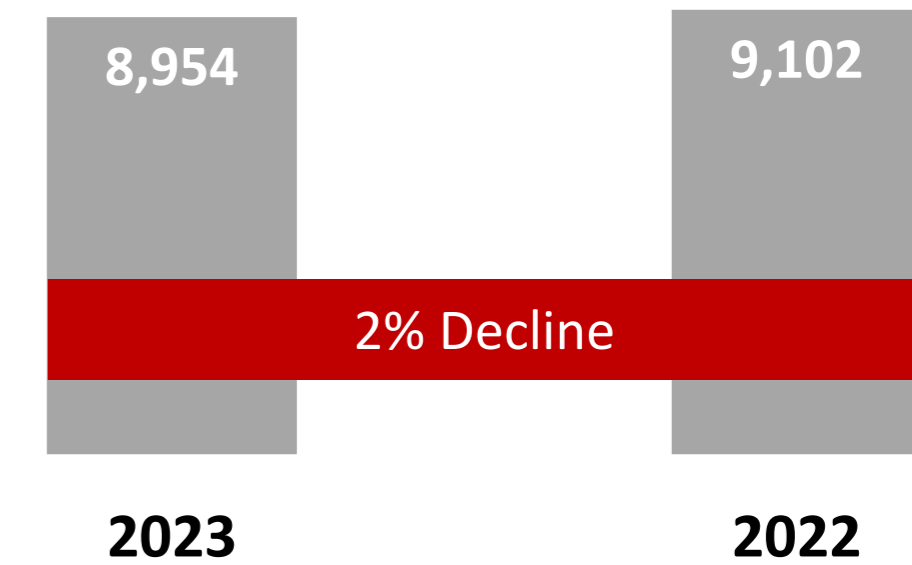
Average train speed
(miles per hour)



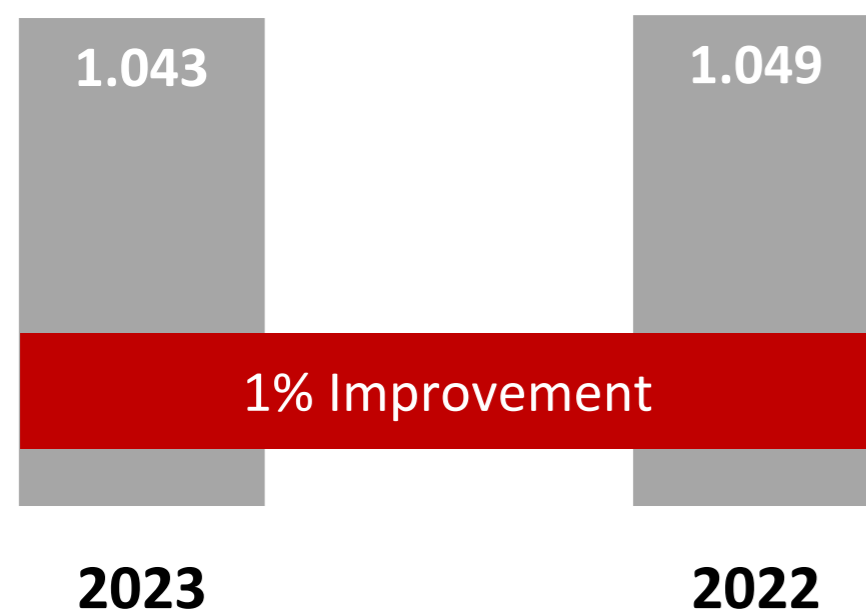
Average train length
(feet)



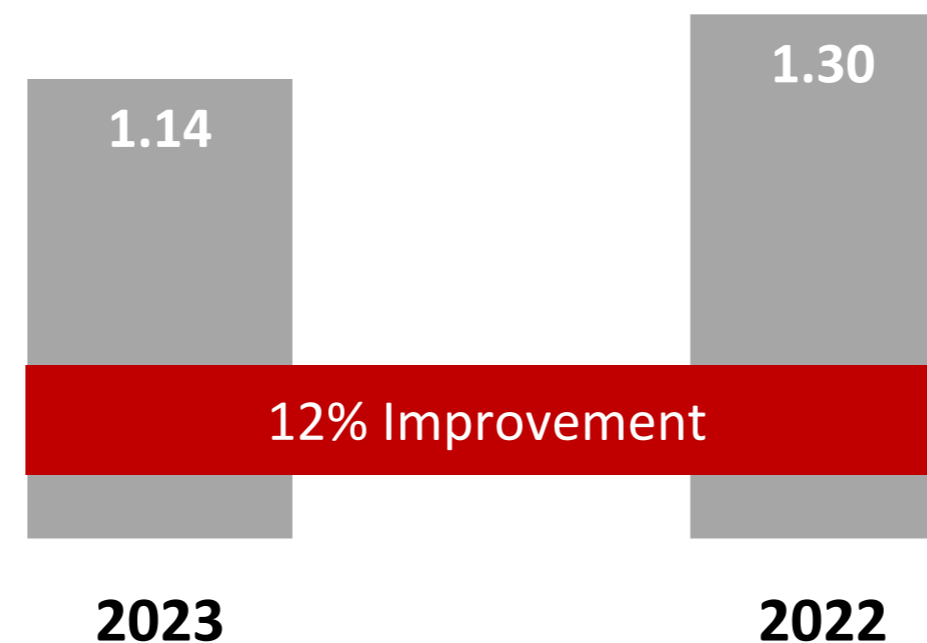
Average train weight
(tons)



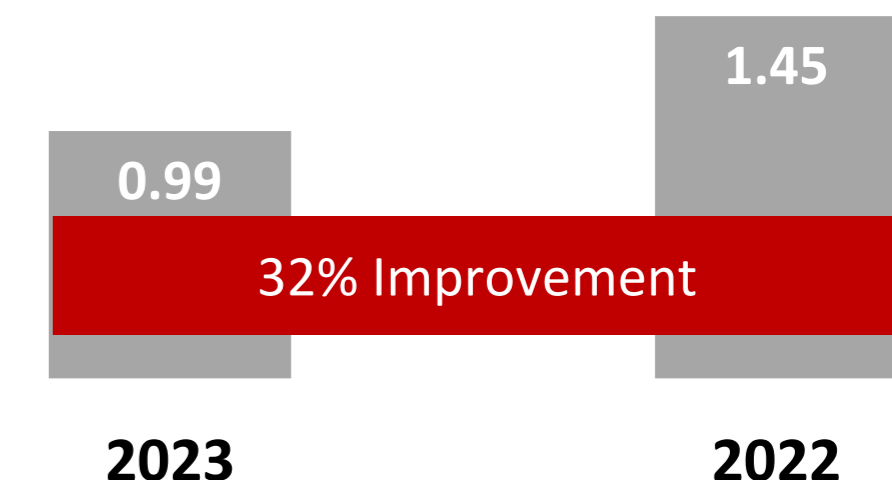
Fuel efficiency
(U.S. gallons of locomotive fuel/1,000 GTMs)



FRA personal injuries
(per 200,000 employee-hours)



FRA train accident frequency
(per million train-miles)



(1) Represents combined operating information to illustrate the estimated effects of the acquisition for the fourth quarter ended December 31, 2022, as if the acquisition closed on January 1, 2022. For the three months ended December 31, 2023, KCS was consolidated. For a full description and reconciliation see Q4 2023 Unaudited Combined Summary of Supplemental Data on investor.cpkcr.com
 (2) FRA train accidents per million train-miles for the year ended December 31, 2022, previously reported as 1.48, was restated to 1.45