



# Transcript

CPKC 2025 Annual General Meeting

**April 30, 2025**

**Webcast**

**Corporate Participants:**

Isabelle Courville – Chair of the Board of Directors

Keith Creel – President and Chief Executive Officer

Cassandra Quach – Vice-President, Chief Legal Officer and Corporate Secretary

# **PRESENTATION**

## **Cassandra Quach**

*Vice-President, Chief Legal Officer and Corporate Secretary*

Good morning, ladies and gentlemen. My name is Cassandra Quach. I'm the Vice President, Chief Legal Officer and Corporate Secretary of Canadian Pacific Kansas City Limited.

CPKC is committed to diversity and inclusion. In keeping with indigenous protocol and building respectful relationships between indigenous and non-indigenous people in Canada, the United States and Mexico, and in the communities which we operate, I would like to acknowledge that the indigenous people are the traditional stewards of the lands and waters where CPKC's head office is located and where each of us is participating from in this meeting.

Today's presentation and Q&A session may contain certain forward-looking statements and forward-looking information within the meaning of Canadian and U.S. securities laws.

Further information about CPKC's forward-looking statements are available in the company's annual report on Form 10-K and CPKC's other filings with Canadian and U.S. securities regulators, each of which can be found online on SEDAR+, EDGAR and at [investor.cpkcr.com](http://investor.cpkcr.com).

## **Isabelle Courville**

*Chair of the Board of Directors*

Good morning, ladies and gentlemen. My name is Isabelle Courville, and I'm Chair of the Board of Directors of Canadian Pacific Kansas City Limited. Welcome to the 2025 Annual and Special Meeting of Shareholders of Canadian Pacific Kansas City Limited. (Foreign Language)

This year's meeting is being held in a virtual format via live webcast, allowing all shareholders to participate regardless of where they are located. Shareholders will be able to vote on all business brought forth and submit questions for consideration as they would at an in-person shareholder meeting. Voting will be permitted until all resolutions to be voted upon have been put before the meeting.

With that, I welcome all of our shareholders and employees joining us virtually from around the globe.

Joining me at the meeting today are Keith Creel, President and Chief Executive Officer; and Cassandra Quach, Vice President, Chief Legal Officer and Corporate Secretary.

Also present with me today from our Calgary head office are our Board of Director Nominees for 2025 and our senior management team.

As indicated in our proxy circular, representatives from our auditors, Ernst & Young LLP, are also available on the meeting today if there are any questions.

We will be considering the regular business of an annual meeting including the appointment of CPKC's auditor for the upcoming year, the election of our Board of Directors, our annual non-binding advisory

votes, say-on-pay and say-on-climate, we will also consider an amendment to CPKC's advance notice bylaw number two.

We will have a Q&A session at the end of Keith Creel's remarks. If your question is not answered during the meeting, we will respond by e-mail after the meeting.

As in past years, we expect that the vast majority of votes have been cast in advance of the meeting by proxy through the various available channels. That said, the right to vote and participate in the meeting is very important, and we fully support that participation.

The registered shareholders and duly appointed proxy holders who have not voted or wish to change their vote, may vote online by clicking on the voting icon. Polls are now open for voting on all five items of business to be voted on at the meeting as described in the proxy circular.

Once discussion on all business items has concluded, I will declare voting closed on all resolutions. Registered shareholders and beneficial shareholders who have appointed themselves as proxy holders can submit questions online now or any time during the meeting by clicking on the question icon.

Following our usual practice, all meeting materials along with an audio recording of the meeting will be available on CPKC's investor website following the meeting.

I now call the meeting to order. I will act as Chair of the meeting, and Cassandra Quach will act as Secretary.

I appoint Colleen Nielsen from Computershare Trust Company of Canada to act as scrutineer for the meeting. The Secretary has deposited with me an affidavit establishing the sending of notice of the time and format of this meeting to each shareholder entitled to vote, to each director and to the auditors of Canadian Pacific Kansas City Limited, as required by law. The scrutineer has confirmed that a quorum is present. The scrutineer's final report will be kept with the records of this meeting.

I declare that the meeting has been regularly called and properly constituted for the transaction of business.

Before we commence the formal business of the meeting, I would like to take a moment to reflect on this past year.

First, I want to congratulate Keith Creel, winner of Progressive Railroading's 2024 Railroad Innovator Award and the entirety of CPKC railroaders for continuing to deliver on the promise of this unique and powerful railroad.

On April 14<sup>th</sup>, we celebrated the second anniversary of the CPKC combination. Proudly, the leadership team continues to deliver on its strategy and the commitments made to shareholders, regulators and customers to operate safely across Canada, the U.S. and Mexico.

(Foreign Language)

In 2024, for the second consecutive year, CPKC led the industry with the lowest FRA reportable train accident frequency among Class 1 railroads, building on Canadian Pacific's legacy of 17 consecutive years of industry leadership.

We continue to reinforce our Home Safe program which strengthens our safety culture and helps us protect our people, our communities, our environment and our customers' goods.

I'm also proud to report that CPKC was again named to the S&P Global Dow Jones Sustainability North American Index in 2024.

Our approach to climate change continues to be influenced by the discussions we have had with shareholders over the last number of years. The ongoing say-on-climate votes continue to act as a mechanism for shareholders to provide their feedback and prompt further dialogue on this important topic.

CPKC continues to give back to the communities along our network. 2024 was the 26th year of the CPKC Holiday Train. The tour across Canada and the U.S. raised over \$1.75 million and collected more than 130,000 pounds of food for local food banks.

In addition, the CPKC Women's Open was held in Calgary, home of the CPKC's global headquarters and helped raised a record \$4.3 million to support heart health in Alberta. The Board continues to monitor integration progress including compliance with the Surface Transportation Board conditions and achievement of revenue and expense synergies.

As in past years, the Board actively engaged with our shareholders. During this past year, we have been focused on the Board's oversight of integration, cyber security, safety and climate strategy. Discussions with shareholders also centered on corporate culture, including employee retention and succession.

We continue to evolve the Board to reflect a railway that serves three countries. Last year, I outlined that adding another Mexico-based director was a key priority. I was pleased to welcome Arturo Gutiérrez Hernández to the CPKC Board of Directors effective November 1, 2024. Arturo's decades of living and working in Mexico and experience as a seasoned executive further strengthened the extensive diverse experience of our Board.

Once again, I have witnessed the determination and ability of our world-class railroaders to overcome challenges and work to provide the best freight service in North America. CPKC railroaders are committed and ready to define the future of railroading in North America. I thank you, our shareholders, for your ongoing commitment to CPKC.

(Foreign Language)

We will now proceed with the formal business of the meeting.

Please note that after the formal business is concluded and the meeting is terminated, President and CEO, Keith Creel, will address shareholders, after which there will be a Q&A period. The Secretary and I will either move or second all motions with respect to the business of this meeting.

If you have any questions, please submit them now by clicking on the question icon on your phone, computer or tablet.

There are five matters set out in the notice of this meeting to be voted on by shareholders. We are conducting voting on all items at once, online.

If you are a registered shareholder or proxy holder, and if you have not already done so prior to today you can vote now by clicking on the voting icon on your phone, computer or tablet. The polls will now close once all business matters have been presented. The voting user guide was distributed to shareholders with the meeting materials and is available online at CPKC's investor website at [investor.cpkcr.com](http://investor.cpkcr.com).

I kindly request that the Secretary read out the items that are being voted upon.

**Cassandra Quach**

Thank you, Madam Chair. Again, if you have submitted your vote prior to this meeting, there is nothing for you to do unless you wish to change your vote.

Each shareholder or proxy holder may vote on all matters at this meeting, in particular: 1) the appointment of an auditor by selecting either for or withhold; 2) the company's approach to executive compensation, commonly known as say-on-pay by selecting either for or against; 3) our approach to climate change, referred to as say-on-climate by selecting either for or against; 4) the amendment to CPKC's advance notice by law number two, by selecting either for or against; and 5) the election of directors, by selecting the names of the nominees for whom they wish to vote by selecting either for or against for each nominee.

As set out in our proxy circular delivered prior to this 2025 Annual and Special Meeting of Shareholders, the CPKC Board unanimously recommends that you vote for items one through five. Preliminary results will be announced later in the meeting after all -- after voting on all matters has concluded.

**Isabelle Courville**

First matter in today's meeting is the receipt of the consolidated financial statements as included in the 2024 annual report. A copy of the annual report has been made available to shareholders in either hard copy or electronically. A copy of the annual report is available at [investor.cpkcr.com](http://investor.cpkcr.com) and may also be found on the annual meeting site.

I now place before the meeting the consolidated financial statements of the company and the report of the auditor thereon for the year ended December 31, 2024.

First item of business to be voted on is the appointment of an auditor. I move that Ernst & Young LLP, the appointed auditor of Canadian Pacific Kansas City Limited, to hold office until the close of the next annual meeting of shareholders.

**Cassandra Quach**

Madam Chair, I second the motion.

**Isabelle Courville**

The next item of business is a non-binding advisory vote to approve compensation of CPKC's main executives, commonly known as say-on-pay. I move that, on an advisory basis and not to diminish the role and responsibility of the Board of Directors, that the shareholders accept the company's approach to the compensation of the named executives, Canadian Pacific Kansas City Limited, as disclosed in the company's proxy circular delivered prior to this meeting.

**Cassandra Quach**

Madam Chair, I second the motion.

**Isabelle Courville**

The next item of business is a non-binding advisory vote to approve our approach to climate change, which is also referred to as say-on-climate.

I move that, on an advisory basis and not to diminish the role and responsibility of the Board of Directors, that the shareholders approve the company's approach to climate change as disclosed in the company's proxy circular delivered prior to this meeting.

**Cassandra Quach**

Madam Chair, I second the motion.

**Isabelle Courville**

The next item of business is a vote to approve amendments to the company's advanced notice bylaw number two. I move that the shareholders approve the amendments to the company's advanced notice bylaw number two as disclosed in the company's proxy circular delivered prior to this meeting.

**Cassandra Quach**

Madam Chair, I second the motion.

**Isabelle Courville**

The next item of business is the election of directors.

In accordance with the articles and bylaws of Canadian Pacific Kansas City Limited, the Board of Directors has determined that 12 directors are to be elected at this meeting. The following are the 12 directors nominees as set out in the company's proxy circular and delivered prior to this meeting: The Honorable John Baird, Isabelle Courville, Keith Creel, Ambassador Antonio Garza, Arturo Gutiérrez Hernández, the Honorable Edward Hamberger, Janet Kennedy, Henry Maier, Matthew Paull, Jane Peverett, Andrea Robertson, and Gordon Trafton.

**Cassandra Quach**

I move that the persons nominated be elected directors of Canadian Pacific Kansas City Limited, each to hold office until the close of the next Annual Meeting of Shareholders or until such person's successor is elected or appointed.

**Isabelle Courville**

I second the motion.

As discussion on all business matters has now concluded, I declare that the polls are now closed.

The scrutineer has provided the preliminary report based on proxies received prior to the meeting.

I call on the Secretary to report on the preliminary results of the votes. I note that the company will report the detailed final voting results including those votes submitted online at the meeting once the tabulation is completed after the meeting.

**Cassandra Quach**

Thank you, Madam Chair.

I would like to report the following results: Ernst & Young LLP has been appointed auditor of Canadian Pacific Kansas City Limited with 99.61% of the votes in favor of their appointment. The say-on-pay vote received 87.74% of the votes cast in favor of the resolution. The say-on-climate vote received 91.66% of the votes cast in favor of the resolution. The amendments to bylaw number two vote received 55.74% of the votes cast in favor of the resolution.

Each of the 12 nominees has been elected as a director of Canadian Pacific Kansas City Limited with at least 97.26% of votes in favor of their election.

**Isabelle Courville**

I adopt the preliminary report of the scrutineer and declare the 12 director nominees duly elected directors of Canadian Pacific Kansas City Limited and items of business one through five passed.

I direct that the scrutineer's report be annexed to the minutes of this meeting.

Ladies and gentlemen, your duly Directors of Canadian Pacific Kansas City Limited are: the Honorable John Baird, Isabelle Courville, Keith Creel, Ambassador Antonio Garza, Arturo Gutiérrez Hernández, the Honorable Edward Hamberger, Janet Kennedy, Henry Maier, Matthew Paull, Jane Peverett, Andrea Robertson, and Gordon Trafton.

As there is no other business that may properly be brought before the meeting, this concludes the formal business of the meeting.

I wish to thank you all for participating, and I now declare this meeting terminated. Keith Creel will now provide his address to shareholders. If you have any questions, you may submit them by clicking on the question icon at any time. Ms. Quach will then read back the questions after the CEO address.

Over to you, Keith.

**Keith Creel**

*President & Chief Executive Officer*

Thank you, Isabelle.

Shareholders, fellow railroaders and guests, good morning. Welcome to those who are participating in this meeting online from coast to coast and across the globe.

Earlier this month, we marked two years since our historic combination. As I look back on these two years, the whole of 2024, our first full year of CPKC, I'm extremely proud of what we've accomplished and about what I see when I travel our North American network.

I see railroaders from a diverse range of cultures and backgrounds writing a new story together with a shared vision and collaborative spirit.

I want to thank the many thousands of CPKC railroaders who have truly come together and are making a difference for our customers, our communities and their fellow railroaders.

In 2024, CPKC delivered best-in-class volume, revenue and earnings growth.

Our new CPKC network and family of railroaders are doing what we said we would do for our stakeholders across these three great nations.

Our unique Mexico Midwest Express premium intermodal service, which is the only single-line service between Mexico and the United States Midwest, is growing and providing fast, consistent, industry-leading service to customers.

We're leveraging our extensive land assets to create sustainable and profitable growth opportunities with projects like our 30-acre automotive facility located in Wylie, Texas. This specific facility, which opened last summer, features close to 3,000 parking spaces and is strategically positioned in one of the fastest-growing markets in the United States.

The Wylie facility, along with other investments in our network, are supporting our unique closed-loop service model, which provides improved asset utilization, speed to market and consistency and service for our automotive customers.

One year ago today we also joined Americold as they broke ground on a new cold storage facility at CPKC's International Freight Gateway facility in Kansas City, Missouri. This facility will open this year and is the first of many cold storage facilities across our network as we build a new refrigerated supply chain for our customers and for consumers.

In October, we extended our reach further when the U.S. Surface Transportation Board approved our agreement with the CSX to create a direct interchange over the Meridian and Bigbee Railroad, connecting Mexico and Texas markets on our network with the Southeast United States.



The first CPKC train traveled the new line on December 1, 2024. This new direct interchange with CSX provides a new competitive rail service to a rapidly growing market, bringing new solutions to our customers and taking more trucks off the highway.

In December, we finished construction of the Patrick J. Ottensmeyer International Railway Bridge, which added a second span that more than doubles our capacity to move freight across the border of Laredo, Texas to Mexico.

Pat was instrumental in the development and the successful completion of this project. He believed in its purpose and worked as a tireless advocate to strengthen the economic ties between the United States and Mexico. These are just a few examples of the power of our network and the milestones that we're achieving in our first full year as CPKC.

In 2024, we also continued to make significant progress on our sustainability journey. Our hydrogen locomotive fleet has expanded to include three zero-emission locomotives with plans to grow the fleet even further in 2025.

We've also completed our first of two hydrogen production and refueling facilities in Calgary and Edmonton. CPKC's hydrogen locomotive program along with advanced fuel efficiency technologies, technology trials on a range of fuel sources and solar energy are just some of the ways we're innovating to contribute to a more sustainable future.

At CPKC, safety is foundational to everything we do. We continue to lead the industry in safety because of our dedicated railroaders and their safety innovations. Through our Home Safe program with cutting-edge technologies and our relentless commitment to reinforcing a culture of safety, we work to protect our railroaders, our communities, our customers and the environment every day.

In 2024, for the second consecutive year, I'm proud to say that CPKC led the industry with the lowest FRA reportable train accident frequency among all Class 1 railroads, building on Canadian Pacific's legacy of 17 consecutive years of industry leadership.

We know that safety is a journey at CPKC, it's not a destination. We're always learning and working to do better today than we did yesterday. The opportunities to grow a railway and provide more and more value to our customers are limitless.

Our unique railway connecting Canada, the United States and Mexico remains the most relevant rail network in the industry and is capable of opening new markets, connecting places never before possible before now.

This truly is a forever story, and we're just getting started. I remain humbled to serve with our world-class family of CPKC railroaders. Thank you.

**Cassandra Quach**

Thank you again for participating in today's meeting.

For the Q&A session, we appreciate and look forward to addressing your questions.

## Question & Answer

<A – **Cassandra Quach**>: Madam Chair and Mr. Creel, there are no questions.

<A – **Isabelle Courville**>: Thank you, Cassandra. Ladies and gentlemen, that concludes management Q&A session.

(Foreign Language)

On behalf of CPKC, I would like to thank each of you for attending this virtual Annual and Special Shareholder meeting.

We look forward to continuing to build our CPKC advantage and to meeting again next year.