Q1 2021 EARNINGS REVIEW

APRIL 21, 2021

FORWARD LOOKING STATEMENTS

The following investor presentation contains certain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of other relevant securities legislation, including applicable securities laws in Canada (collectively referred to herein as "forward-looking statements"). Forward-looking statements typically include words such as "financial expectations", "key assumptions", "anticipate", "believe", "expect", "plan", "will", "outlook", "should" or similar words suggesting future outcomes.

The forward-looking statements contained in this investor presentation are based on current expectations, estimates, projections and assumptions, having regard to CP's experience and its perception of historical trends, and includes, but is not limited to, expectations, estimates, projections and assumptions relating to: North American and global economic growth; commodity demand growth; sustainable industrial and agricultural production; commodity prices and interest rates; foreign exchange rates; effective tax 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 CP; and the anticipated impacts of the COVID-19 pandemic on CP's business, operating results, cash flows and/or financial condition. Although CP believes the expectations, estimates, projections and assumptions reflected in the forward-looking statements 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 statements as actual results may differ materially from those expressed or implied by forward-looking statements. By their nature, forward-looking statements involve numerous inherent risks and uncertainties that could cause actual results to differ materially from the forward-looking statements, including but not limited to the following factors: changes in business strategies; general North American 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; industry capacity; shifts in market demand; changes in commodity prices; uncertainty surrounding timing and volumes of commodities being shipped via CP; 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; 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, shareholder, 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 Mexico, 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 pandemic created by the outbreak of COVID-19 and resulting effects on economic conditions, 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 timing and completion of the pending KCS transaction, including receipt of regulatory and shareholder approvals and the satisfaction of other conditions precedent; interloper risk to the pending KCS transaction; the realization of anticipated benefits and synergies of the transaction and the timing thereof; the success of integration plans for KCS; the focus of management time and attention on the pending KCS transaction and other disruptions arising from the transaction; 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; the previously announced proposed share split of CP's issued and outstanding common shares and whether it will receive the requisite shareholder and regulatory approvals; potential changes in CP's share price which may negatively impact the value of consideration offered to KCS shareholders; the ability of the management of CP, its subsidiaries and affiliates to execute key priorities, including those in connection with the pending KCS transaction; general Canadian, U.S., Mexican and global social, economic, political, credit and business conditions; and risks associated with agricultural production. The foregoing list of factors is not exhaustive. There are more specific factors that could cause actual results to differ materially from those described in the forward-looking statements contained in this investor presentation. Reference should be made to CP's annual and quarterly reports filed on Form 10-K and 10-Q, respectively. Other risks are detailed from time to time in reports filed by CP with securities regulators in Canada and the United States.

The forward-looking statements contained in this investor presentation are made as of the date hereof. Except as required by law, CP undertakes no obligation to update publicly or otherwise revise any forward-looking statements, or the foregoing assumptions and risks affecting such forward-looking statements, whether as a result of new information, future events or otherwise.

NOTE ON NON-GAAP MEASURES

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.

CP presents Non-GAAP measures in this presentation to provide a basis for evaluating underlying earnings and liquidity trends that can be compared with the prior period's results.

It should be noted that CP’s Non-GAAP measures as described in this presentation, have no standardized meanings and are not defined by U.S. GAAP and, therefore, are unlikely to be comparable to similar measures presented by other companies.

Although CP has provided a forward-looking non-GAAP measure (adjusted diluted EPS) and a target non-GAAP measure (adjusted net debt to adjusted EBITDA ratio), management is unable to reconcile, without unreasonable efforts, the forward-looking adjusted diluted EPS, and target adjusted net debt to adjusted EBITDA ratio to the most comparable GAAP measures (diluted EPS, and long-term debt to net income ratio respectively), due to unknown variables and uncertainty related to future results. These unknown variables may include unpredictable transactions of significant value. In recent years, CP has recognized acquisition-related costs, changes in income tax rates and a change to an uncertain tax item. These or other similar, large unforeseen transactions affect diluted EPS but may be excluded from CP's adjusted diluted EPS. Additionally, the U.S.-to-Canadian dollar exchange rate is unpredictable and can have a significant impact on CP's reported results but may be excluded from CP's adjusted diluted EPS. In particular, CP excludes the FX impact of translating the Company's debt and lease liabilities.

For further information regarding Non-GAAP measures, including reconciliations to the most directly comparable GAAP measure, see the Non-GAAP Measures supplement to the Q1 2021 Earnings Release on our website at investor.cpr.ca.

KEITH CREEL

PRESIDENT & CHIEF EXECUTIVE OFFICER

CPKC – THE PATH FORWARD

Progress to Date

- **2021 March 21st** – CP-KCS Transaction Announcement
- **March / April** – 400+ statements of support filed with the STB(1)
- **April 2nd** – Objections to 2001 KCS waiver filed with STB
- **April 12th** – CP-KCS replies to waiver objections
- **Late April / Early May** – File preliminary F-4 proxy/ registration statement with SEC
- **Expected Mid-2021** – Upon approval(2) close into voting trust. KCS shareholders receive consideration
- **2022 Expected Mid-2022** – Obtain common control approval from STB
- **After Full STB Approval** – Voting trust terminated; CP acquires voting rights and control of KCS

(1) To see letters of support, visit www.futureforfreight.com

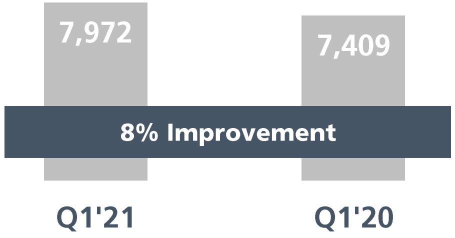
(2) CP and KCS shareholder votes; Upon shareholder approval and customary closing conditions, and, if necessary, approval by the STB to use a voting trust, CP will acquire KCS shares and place into voting trust.

CP

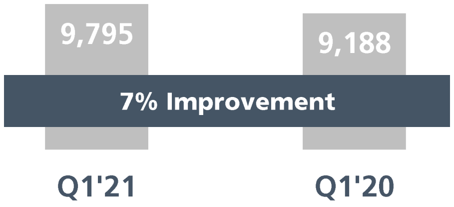
HIGHLIGHTS

- Continued strong operating metrics with Q1 record train weights and lengths
- All-time record RTM and GTM month in March following challenging February
- Momentum carried into Q2 with strong demand environment and pipeline of opportunities
- Remain convicted in full-year guidance[2]

Average train length
(feet)



Average train weight
(tons)



Q1

Revenues
$2.0 billion | -4%

Operating Ratio
60.2% | +100 bps

Adjusted Operating Ratio [1]
58.5% | -70 bps

Diluted EPS
$4.50 | +51%

Adjusted diluted EPS[1]
$4.48 | +1%

(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q1 2021 Earnings Release on investor.cpr.ca
(2) CP's 2021 guidance does not include any potential impacts from the proposed Kansas City Southern acquisition

SUSTAINABILITY

Committed to ESG Leadership

- Record Q1 fuel efficiency and 12% better than the industry average in 2020
  - 44% improvement in locomotive fuel efficiency since 1990
  - Rail is 4X more fuel efficient than trucks
  - One unit train removes 300 trucks from public roads
- Setting science-based targets for greenhouse gas (GHG) emissions reductions in 2021
  - Beginning Q2 2021, Calgary head-office building is solar powered reducing Scope 2 GHG emissions
  - Developing a hydrogen locomotive pilot project to lead the industry toward zero emission locomotives
  - Partnering with Maersk to create a state of the art transload that will remove thousands of trucks from Greater Vancouver roads

BEST 50 2020 CORPORATE CITIZENS

WORLD FINANCE SUSTAINABILITY AWARDS 2020

FTSE4Good

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

2021 CANADA'S BEST DIVERSITY EMPLOYERS

Canada's Top 100 Employers 2020

CP

JOHN BROOKS

CHIEF MARKETING OFFICER

REVENUE HIGHLIGHTS Q1

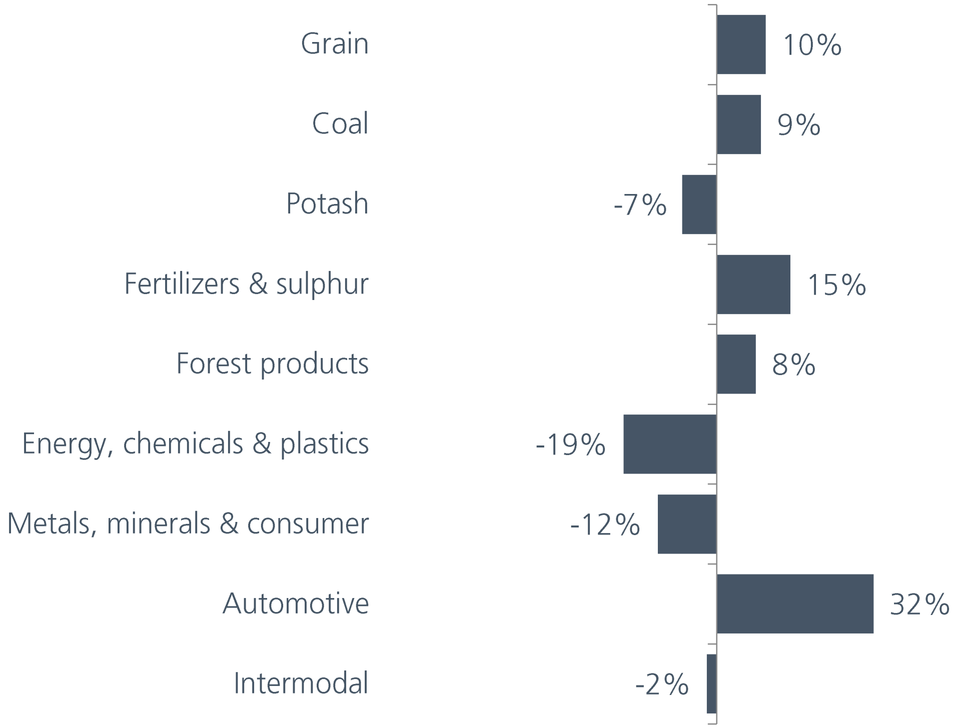
TOTAL REVENUE

-4%

VS Q1 2020

- **RTMs: Flat**
- **FX: -2%**
- **Fuel: -2%**
- **Price / Mix / Other: Flat**

FX-adjusted revenue variance(1)



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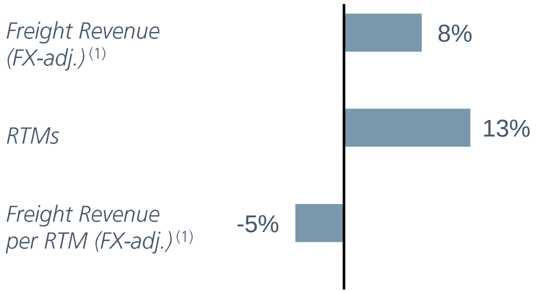
BULK

Q1'21 VS. Q1'20



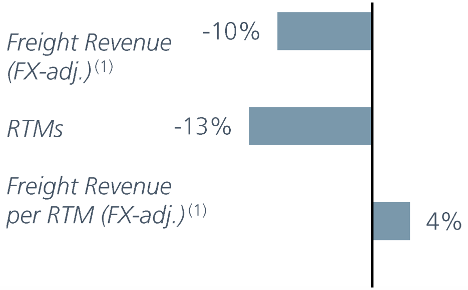
MARKET DRIVERS

- Record Q1 grain driven by strength on both sides of the border
  - 6 consecutive record quarters in Canadian grain
- Potash expected to perform well in Q2 as export volumes will increase; demand outlook remains strong
- Supply chain execution drove Q1 coal growth

(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q1 2021 Earnings Release on investor.cpr.ca.

MERCHANDISE

Q1'21 VS. Q1'20



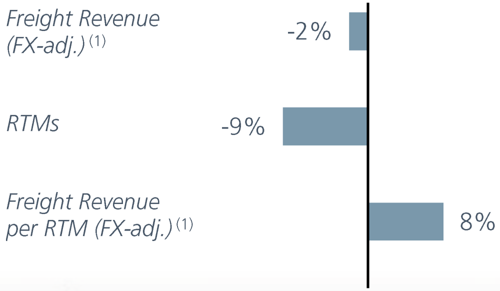
MARKET DRIVERS

- Excluding crude, Merchandise RTMs were positive, driven by growth in ECP
- Forest products hit a Q1 record for volume and revenue
- Record Q1 revenue in Automotive; strength expected to continue driven by contract wins

(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q1 2021 Earnings Release on investor.cpr.ca.

INTERMODAL

Q1'21 VS. Q1'20



MARKET DRIVERS

- Record Q1 revenue and volume for domestic intermodal
- International volume impacted by port congestion and export container supply
- Demand environment remains strong, driven by consumer confidence

(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q1 2021 Earnings Release on investor.cpr.ca.

NADEEM VELANI

CHIEF FINANCIAL OFFICER

FINANCIAL PERFORMANCE – Q1

- Fuel headwind of $37M partially offset by record Q1 fuel efficiency
- Purchased services & other includes $50M gain from Tollway exchange
- Acquisition-related costs of $33M in the quarter excluded from adjusted operating results(1)

(in millions, except percentages and per share data)	First Quarter 2021	2020	Change %	FX Adjusted Change%(1)
Total revenues	$ 1,959	$ 2,043	(4)%	(2)%
Compensation and benefits	405	398	2%	3%
Fuel	206	212	(3)%	1%
Materials	59	59	—%	2%
Equipment rents	33	36	(8)%	(3)%
Depreciation and amortization	202	192	5%	7%
Purchased services and other	274	312	(12)%	(10)%
Total operating expenses	1,179	1,209	(2)%	—%
Operating income	**780**	**834**	**(6)%**	**(4)%**
Adjusted operating income(1)	**813**	**834**	**(3)%**	
Other (income) expense	(28)	211	(113)%	
Other components of net periodic benefit recovery	(95)	(85)	12%	
Net interest expense	110	114	(4)%	
Income tax expense	191	185	3%	
Net income	**$ 602**	**$ 409**	**47%**	
Adjusted income(1)	**$ 600**	**$ 607**	**(1)%**	
Diluted earnings per share	$ 4.50	$ 2.98	51%	
Adjusted diluted earnings per share(1)	$ 4.48	$ 4.42	1%	
Operating ratio	60.2 %	59.2 %	100 bps	
Adjusted operating ratio(1)	58.5 %	59.2 %	(70) bps	

(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q1 2021 Earnings Release on investor.cpr.ca

FREE CASH

- Strong Cash from operations increased Free cash on the quarter
- Share buy back program paused during the acquisition payback period
- Strong balance sheet and liquidity
    - Leverage remains in targeted 2.0-2.5x range
    - Repaying commercial paper with excess cash

(in millions of Canadian dollars)	For the three months ended March 31 2021		2020	
Cash provided by operating activities	**$**	**582**	**$**	**489**
Cash used in investing activities		(286)		(362)
Effect of foreign currency fluctuations on U.S. dollar-denominated cash and cash equivalents		(3)		31
Less:				
Acquisition-related costs		(3)		—
Free cash[(1)]	**$**	**296**	**$**	**158**
Return on average shareholders' equity[(2)]		35.6 %		35.1 %
Adjusted ROIC[(1)]		15.8 %		17.4 %
Long-term debt to Net income ratio[(3)]		3.7		4.2
Adjusted net debt to Adjusted EBITDA ratio[(1)]		2.4		2.5

(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q1 2021 Earnings Release on investor.cpr.ca.
(2) Return on average shareholders' equity is defined as Net income divided by average shareholders' equity, averaged between the beginning and ending balance over a rolling 12-month period.
(3) Long-term debt to Net income ratio is defined as long-term debt, including long-term debt maturing within one year, divided by Net income.

CP

INVESTOR RELATIONS CONTACTS

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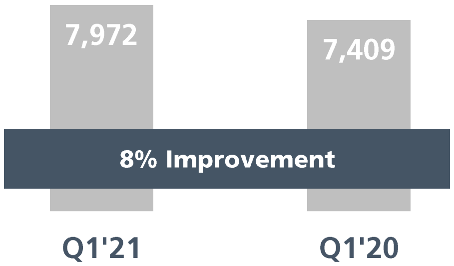
APPENDIX

Q1 OPERATING PERFORMANCE

Average train length
(feet)



Average train weight
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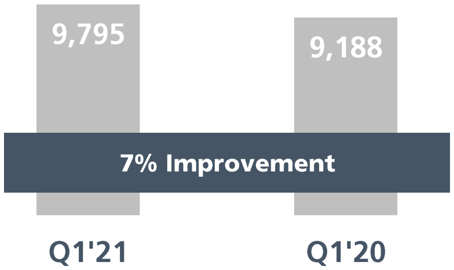
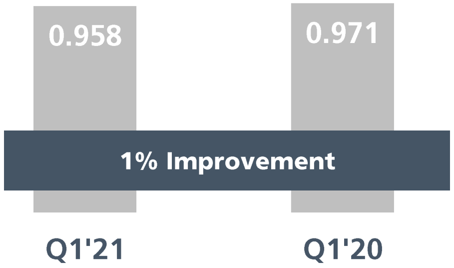
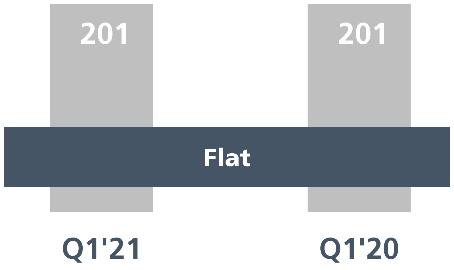


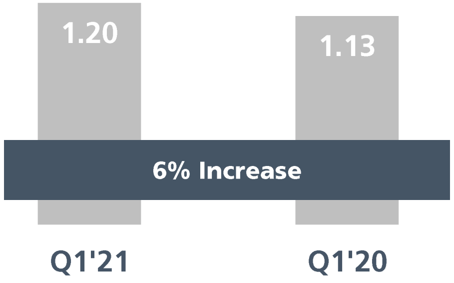
Fuel Efficiency
(U.S. gallons of locomotive fuel/1,000 GTMs)



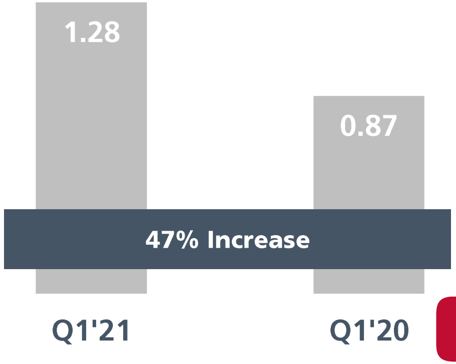
Locomotive Productivity
(GTMs/operating horsepower)



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

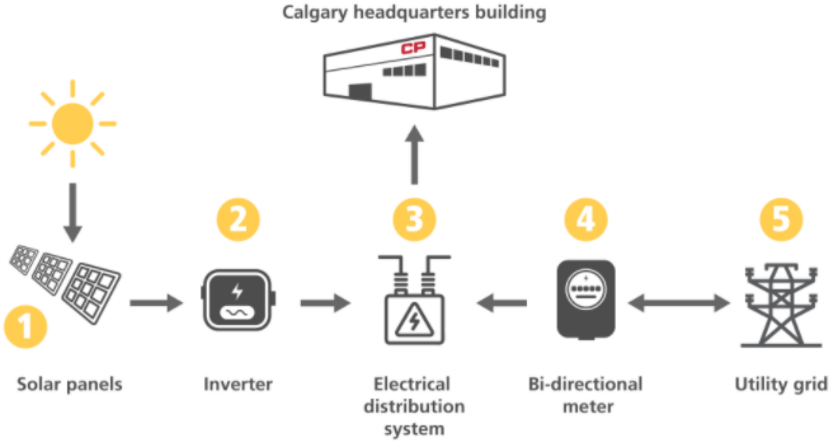


FRA train accident frequency
(per million train-miles)



POWERED BY THE SUN

- CP's headquarters is powered by one of the largest private solar farms in Alberta
- Generates up to five megawatts of electricity while avoiding ~2,600 tonnes of carbon emissions annually
- The equivalent of taking ~570 cars off the road
- The project reduces CP's scope 2 GHG emissions



How it works:

(1) Solar panels installed at CP's Calgary headquarters. These photovoltaic cells convert sunlight into direct current power.

(2) Inverters are used to convert direct current power from the solar farm to alternating current.

(3) The inverters feed electricity into CP's electrical distribution system, which powers the main headquarters building.

(4) The bi-directional meter keeps track of energy imported from the grid.

(5) The campus remains connected to the utility grid.

CP