Q2 2022 EARNINGS REVIEW

JULY 28, 2022

FORWARD LOOKING STATEMENTS

The following investor presentation 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 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; commodity demand growth; sustainable industrial and agricultural production; commodity prices and interest rates; foreign exchange rates (as specified herein); effective tax rates (as specified herein); performance of our assets and equipment; sufficiency of our budgeted capital expenditures in carrying out our business plan; geopolitical conditions and conflicts; applicable laws, regulations and government policies; the availability and cost of labour, services and infrastructure; the satisfaction by third parties of their obligations to the Company; and the anticipated impacts of the COVID-19 pandemic on the Company’s business, operating results, cash flows and/or financial condition. Although the Company 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.

With respect to the pending Kansas City Southern (“KCS”) business combination, we can provide no assurance when or if the combination will be completed. Completion of the combination is subject to the receipt of final approval from the Surface Transportation Board of the CP-KCS control application by December 31, 2023. There can be no assurance of receipt of this final approval by December 31, 2023 or, if received, the successful integration of KCS.

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 and strategic opportunities; general North American and global economic and 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; 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; labour disputes; risks and liabilities arising from derailments; transportation of dangerous goods; timing of completion of capital and maintenance projects; currency and interest rate fluctuations; 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; climate change; 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; and the pandemic created by the outbreak of COVID-19 and its variants 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 foregoing list of factors is not exhaustive.

These and other factors are detailed from time to time in reports filed by CP with securities regulators in Canada and the United States. Reference should be made to "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements" in CP's annual and interim reports on Form 10-K and 10-Q.

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.

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.

NON-GAAP MEASURES

CP presents Non-GAAP measures in this presentation to provide a basis for evaluating underlying earnings and liquidity trends in CP’s business 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, may not be comparable to similar measures presented by other companies.

For further information regarding Non-GAAP measures, including reconciliations to the most directly comparable GAAP measure, see the Non-GAAP Measures supplement to the Q2 2022 Earnings Release on our website at investor.cpr.ca and “Non-GAAP Financial Information (Regulation G)” on page 10 of KCS’ Q2 2022 Financial Report in the investor section of KCS' website KCSouthern.com.

KEITH CREEL

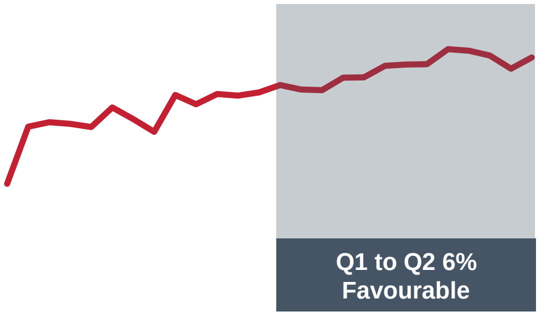
PRESIDENT & CHIEF EXECUTIVE OFFICER

CANADIAN PACIFIC
1881
CP

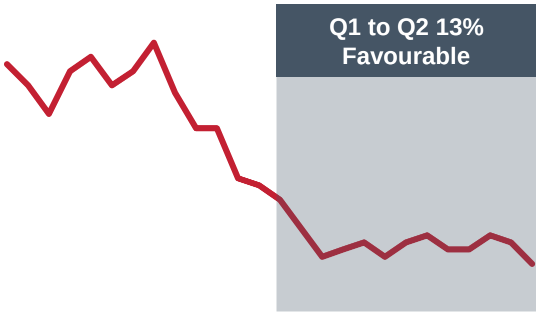
HIGHLIGHTS

- Significant sequential improvement:
  - OR improvement over 1,000 basis points despite fuel headwind
  - Continued operating performance momentum
- Double-digit RTMs expected in the back half of 2022 driving earnings growth for the year
- Applaud KCS and KCSM extension of the Mexico concession exclusivity to 2037

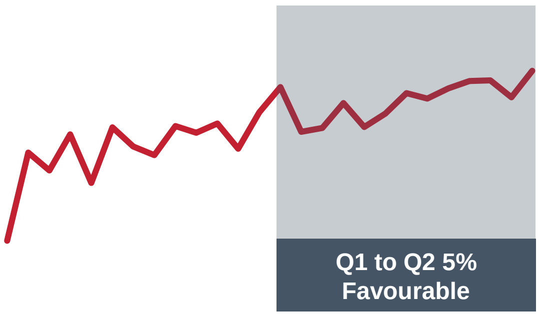
Average train length
(feet)



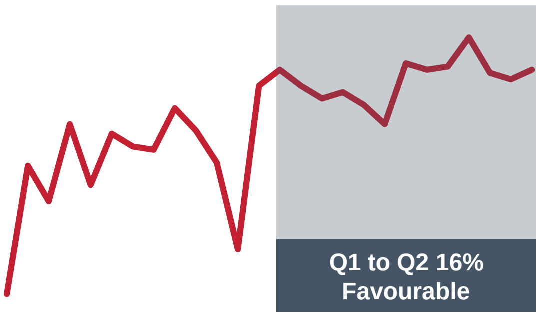
Average terminal dwell
(hours)



Average train weight
(tons)



Locomotive productivity
(GTMs / operating horsepower)



JOHN BROOKS

CHIEF MARKETING OFFICER

CANADIAN PACIFIC
1881
CP

REVENUE HIGHLIGHTS Q2

TOTAL REVENUE

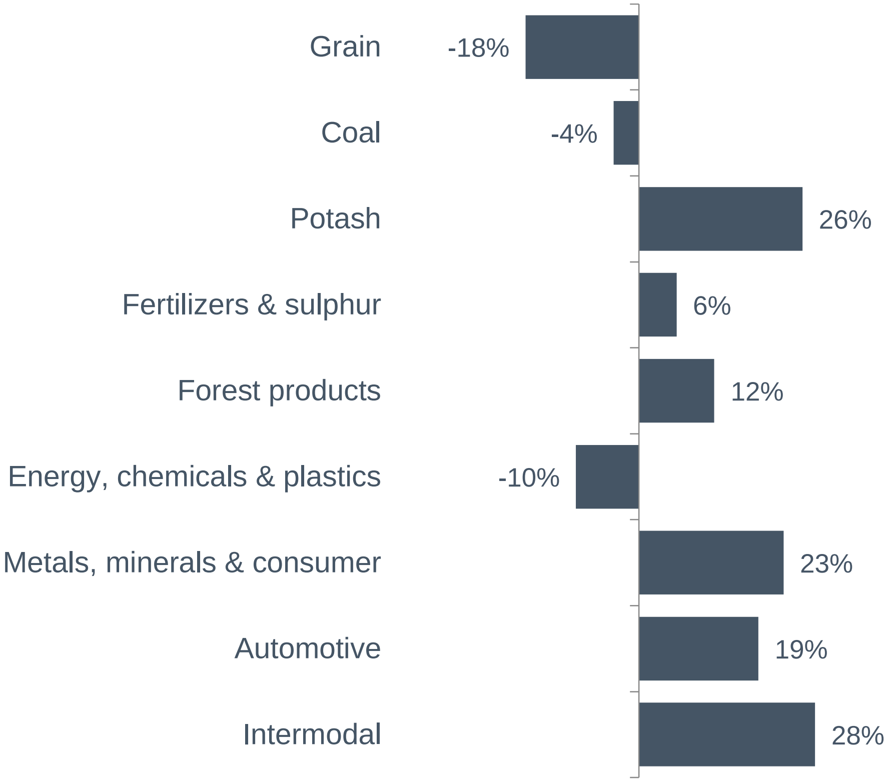
+7%

VS Q2 2021

- RTMs: -2%
- $/RTM: +10%

- Carloads: -1%
- $/Carload: +9%

FX-adjusted revenue variance(1)



(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q2 2022 Earnings Release on investor.cpr.ca.

REVENUE UPDATE

BULK: 40%

- Continued record performance in US grain
- Improved crop conditions in Canadian grain; current expectations are for average sized crop and Q4 harvest
- Double-digit Potash volume growth expected in the back half

MERCHANDISE: 38%

- Increased drilling activity driving frac sand volume growth
- New refined products and plastics customers coming online
- Continued strong demand in automotive as dealers replenish inventory levels

INTERMODAL: 22%

- Record performance in international and domestic intermodal by revenue and volume
- CMQ acquisition continues to drive growth as we welcome new Hapag Lloyd and CMA-CGM business
- Double-digit volume growth in intermodal in the back half

Business mix shown represents percentage of 2021 freight revenue

NADEEM VELANI

CHIEF FINANCIAL OFFICER

FINANCIAL PERFORMANCE – Q2

(in millions, except percentages and per share data)	Second Quarter 2022		Second Quarter 2021	Change %	FX Adjusted Change%[(1)]
Total revenues	$ 2,202		$ 2,054	7%	6%
Total operating expenses	1,334		1,234	8%	7%
Operating income	**868**		**820**	**6%**	**4%**
Adjusted operating income[(1)]	**887**		**919**	**(3)%**	
Net income	$ 765		$ 1,246	(39)%	
Core adjusted income[(1)]	$ 882		$ 689	28%	
Diluted earnings per share	**$ 0.82**		**$ 1.86**	**(56)%**	
Core adjusted diluted earnings per share[(1)]	**$ 0.95**		**$ 1.03**	**(8)%**	
Weighted average number of diluted shares outstanding	**932.6**		**669.9**	**39%**	
Operating ratio	**60.6 %**		**60.1 %**	**50 bps**	
Adjusted operating ratio[(1)]	**59.7 %**		**55.3 %**	**440 bps**	

(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q2 2022 Earnings Release on investor.cpr.ca

OPERATING EXPENSES – Q2

(in millions, except percentages)	**Second Quarter 2022**	**2021**	**Change %**	**FX Adjusted Change%[1]**
Compensation and benefits	348	379	(8)%	(9)%
Fuel	370	218	70%	65%
Materials	63	54	17%	15%
Equipment rents	29	28	4%	—%
Depreciation and amortization	211	200	6%	4%
Purchased services and other[2]	313	355	(12)%	(13)%
Total operating expenses	**1,334**	**1,234**	8%	7%

(1) For a full description and reconciliation of Non-GAAP Measures, see CP's Q2 2022 Earnings Release on investor.cpr.ca
(2) Purchased services and other includes $19 million of acquisition related costs in Q2 2022 and $99 million in Q2 2021

BELOW THE LINE – Q2

(in millions, except percentages)	Second Quarter 2022	2021	Change %
Equity earnings of Kansas City Southern[1]	$ (208)	$ —	100%
Other expense	7	157	(96)%
Merger termination fee	—	(845)	(100)%
Other components of net periodic benefit recovery	(101)	(96)	5%
Net interest expense	160	101	58%
Income tax expense	245	257	(5)%

(1)) Equity earnings of Kansas City Southern is net of $14 million of acquisition-related costs and $39 million of purchase accounting

WRAP UP

- Strong operating momentum
- Ready and resourced to move double-digit volume growth in the back half
- Clarity on CP-KCS merger timeline; review on track for decision Q1 2023
- KCS and KCSM concession exclusivity 10-year extension to 2037 provides long-term certainty for proposed CPKC merger

CP

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APPENDIX

KCS SECOND QUARTER RESULTS[1]

	Q2 2022	Q2 2021	Improvement/ (Deterioration)
Carloads/Units (in thousands)	602.8	584.8	3%
Revenues (in millions, $ USD)	$845.5	$749.5	13%
Reported Operating Ratio (percent)	63.0%	157.6%	94.6 points
Adjusted Operating Ratio[2] (percent)	61.5%	61.4%	(0.1) points

(1) KCS will continue to file 10-K and 10-Q documents during the voting trust period.
(2) For a full description and reconciliation of Non-GAAP Measures, see “Non-GAAP Financial Information (Regulation G)” on page 10 of KCS’ Q2 2022 Financial Report in the investor section of KCS' website KCSouthern.com

SUSTAINABILITY LEADERSHIP

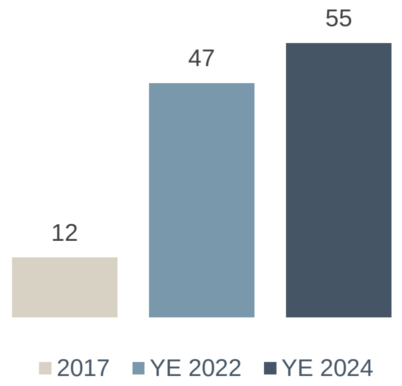
- Strong history of ESG disclosures and leading sustainability practices
- Published our first TCFD Index in 2021
- Published our first Climate Strategy, including emissions reduction targets covering 100% of scope 1 & 2 emissions:
  - Set locomotive GHG emissions intensity reduction target of 38.3% by 2030; target is Science Based Target initiative (SBTi) validated[1]
  - Set absolute emissions reduction target of scope 1 & 2 emissions for 27.5% of non-locomotive emissions[1]

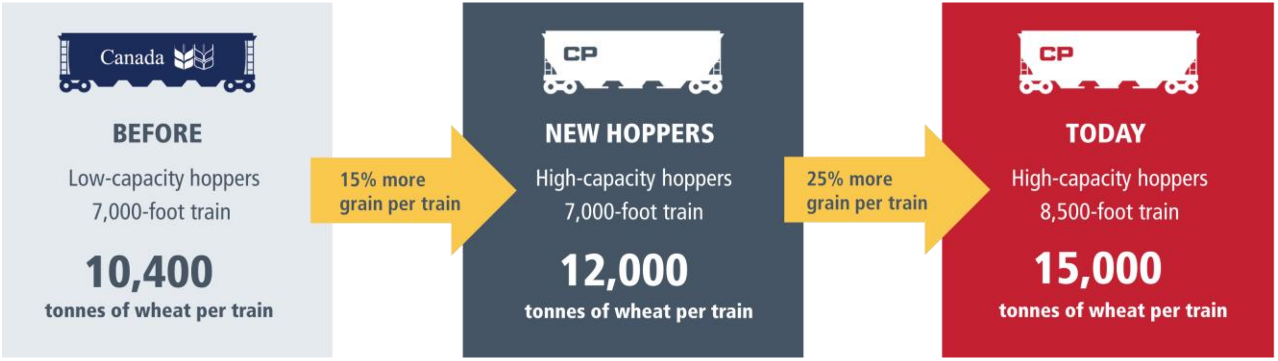
(1) Target reductions from a 2019 base year

READY FOR THE HARVEST

- Over the last five years, there have been significant investments in the grain supply chain
  - CP has invested over $500 million in new high capacity grain hoppers
  - Customers have invested in facility upgrades and greenfield elevators capable of efficiently loading 8,500-foot HEP[(1)] trains
  - Grain terminal investments at the Port of Vancouver have increased throughput capacity
- The result: faster transit times, a more efficient grain network and additional capacity for all customers

CP's 8,500-foot Capable Origin Elevators



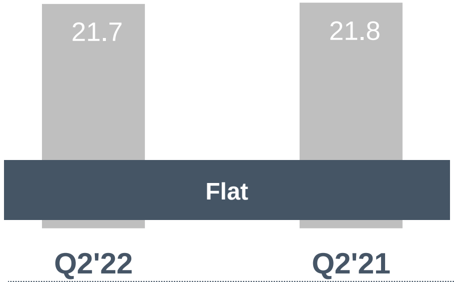


= >40% more grain per train

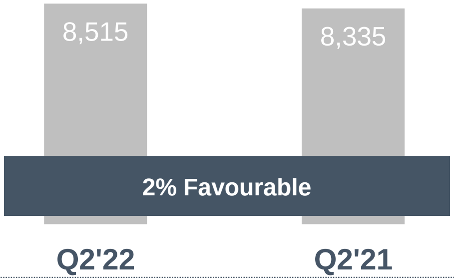
(1) High Efficiency Product (HEP)

Q2 OPERATING PERFORMANCE

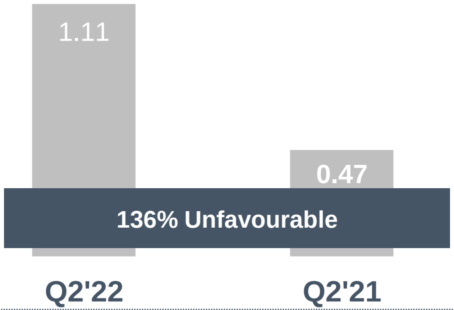
Average train speed
(miles per hour)



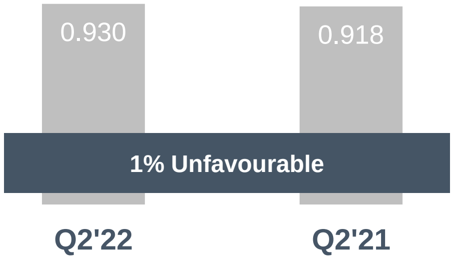
Average train length
(feet)



FRA train accident frequency
(per million train-miles)



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



Average train weight
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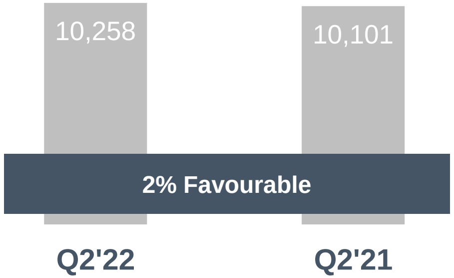

FRA personal injuries
(per 200,000 employee-hours)