



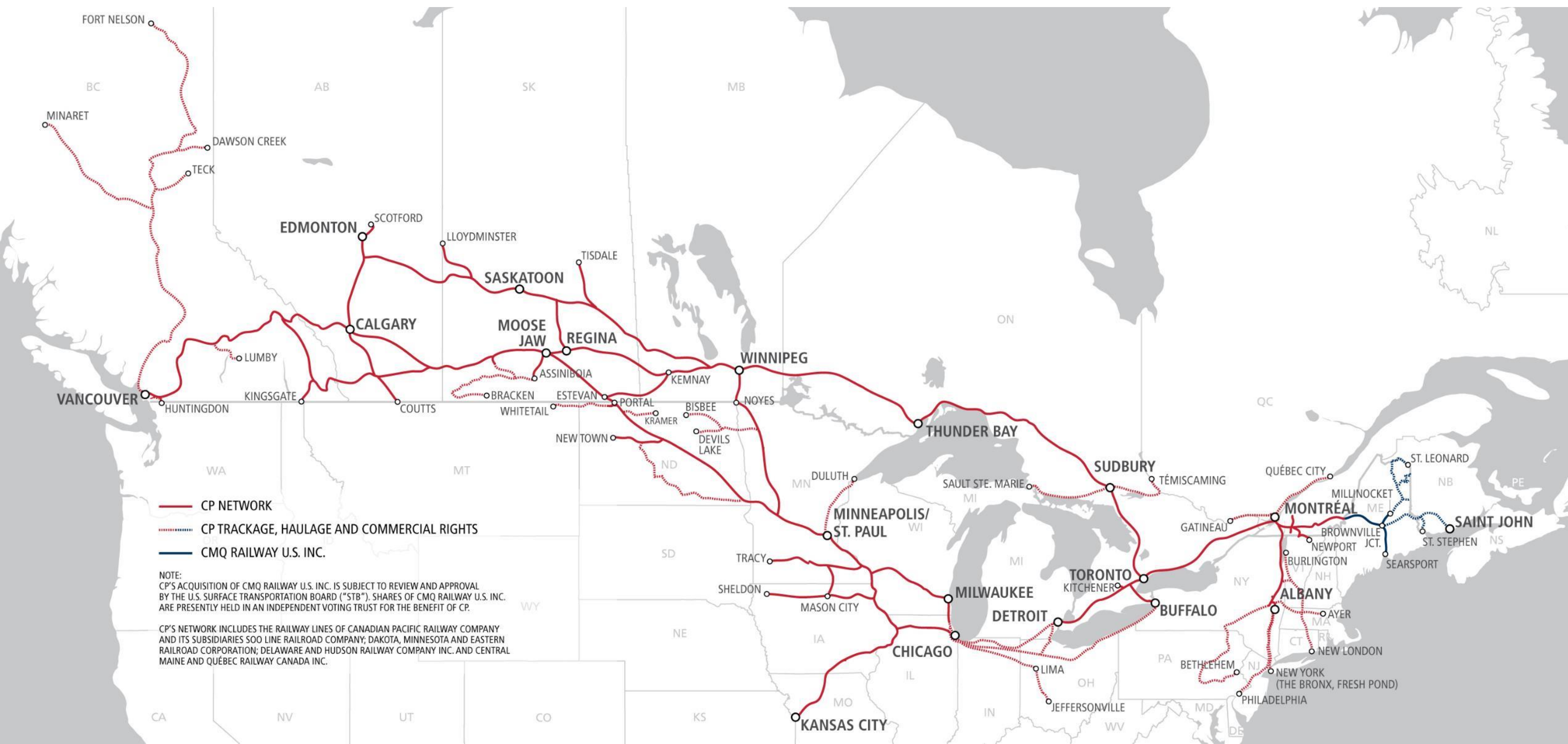
North Dakota Public Service Commission

Arielle Giordano, Director Federal & State Government Affairs

May 27, 2020

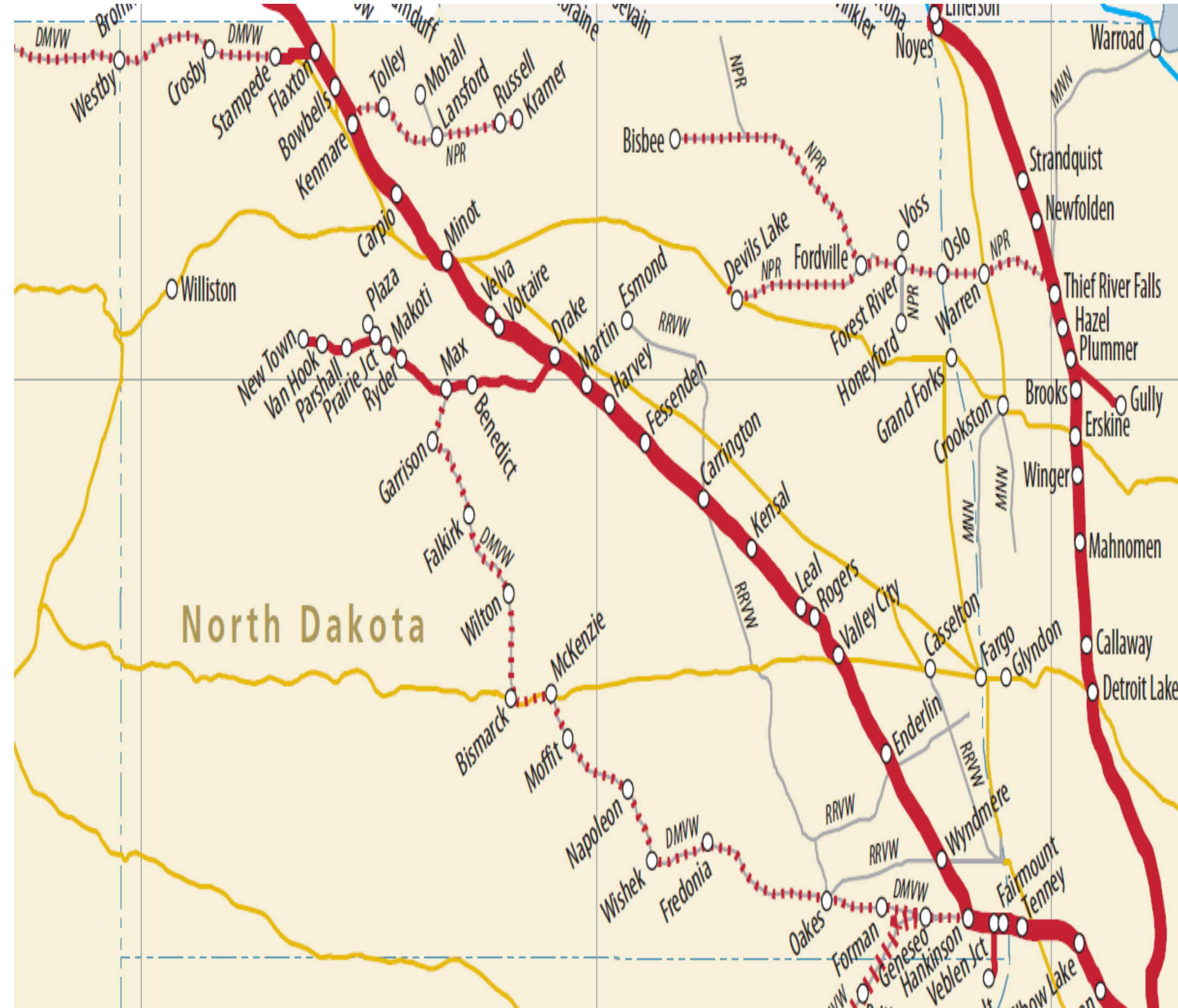


CP Network



CP Presence-North Dakota

- 280 employees
- 501 miles of track
- \$25.0 million annual CAPEX
- 60,000 annual carloads originated
- Over \$4 million state taxes



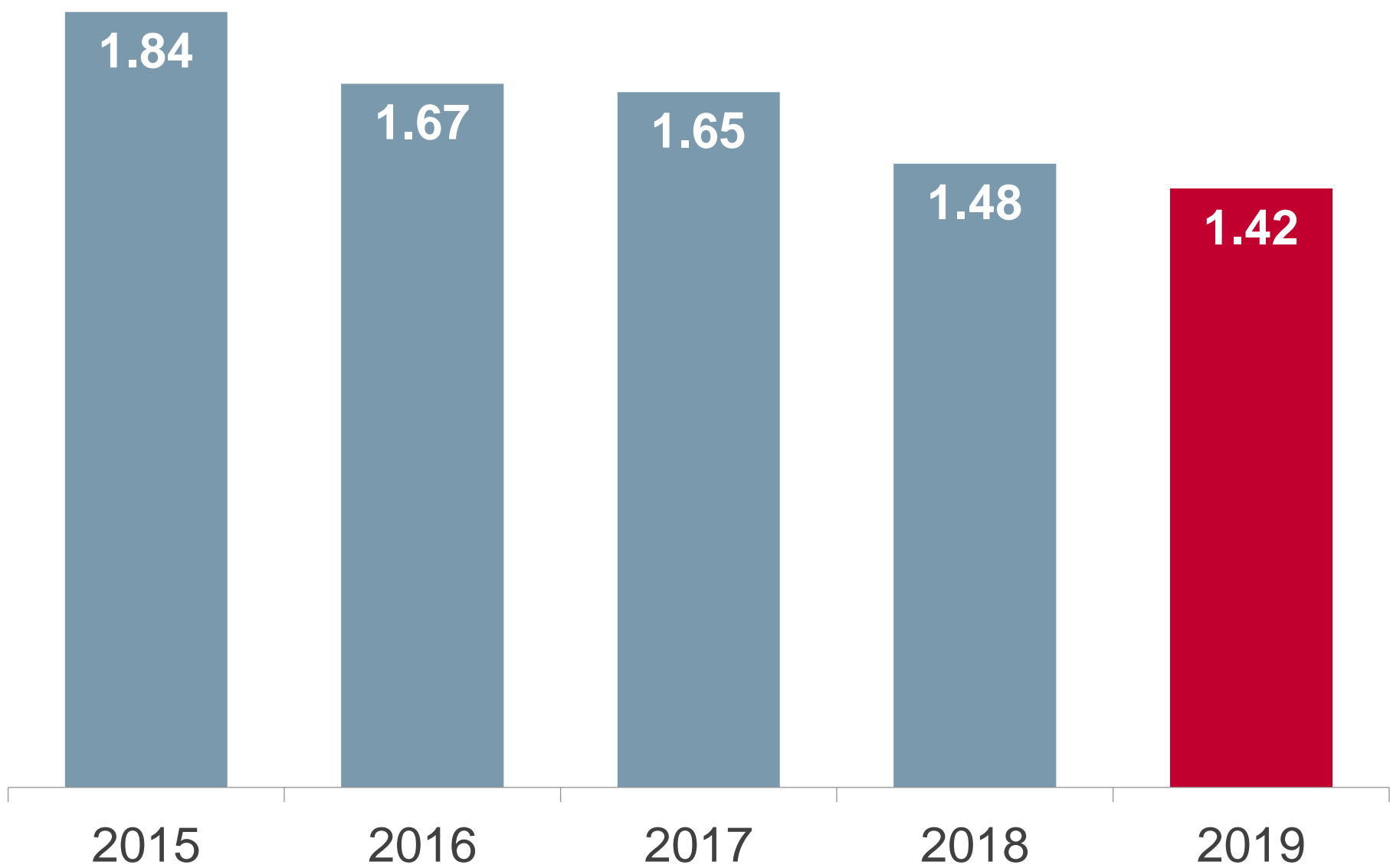
CP Safety: Industry Leading Safety Performance

Personal Injuries Frequency

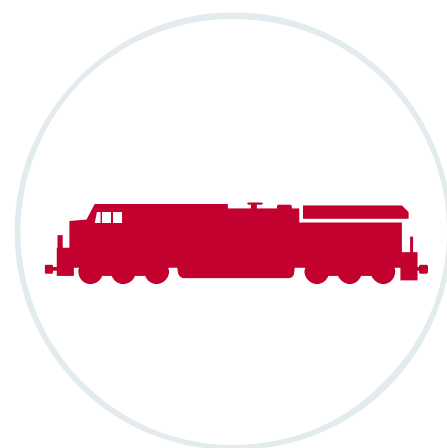


Injuries per 200,000 employee-hours, as measured by the US Federal Railroad Administration

FRA Personal Injuries Frequency 2015 - 2019

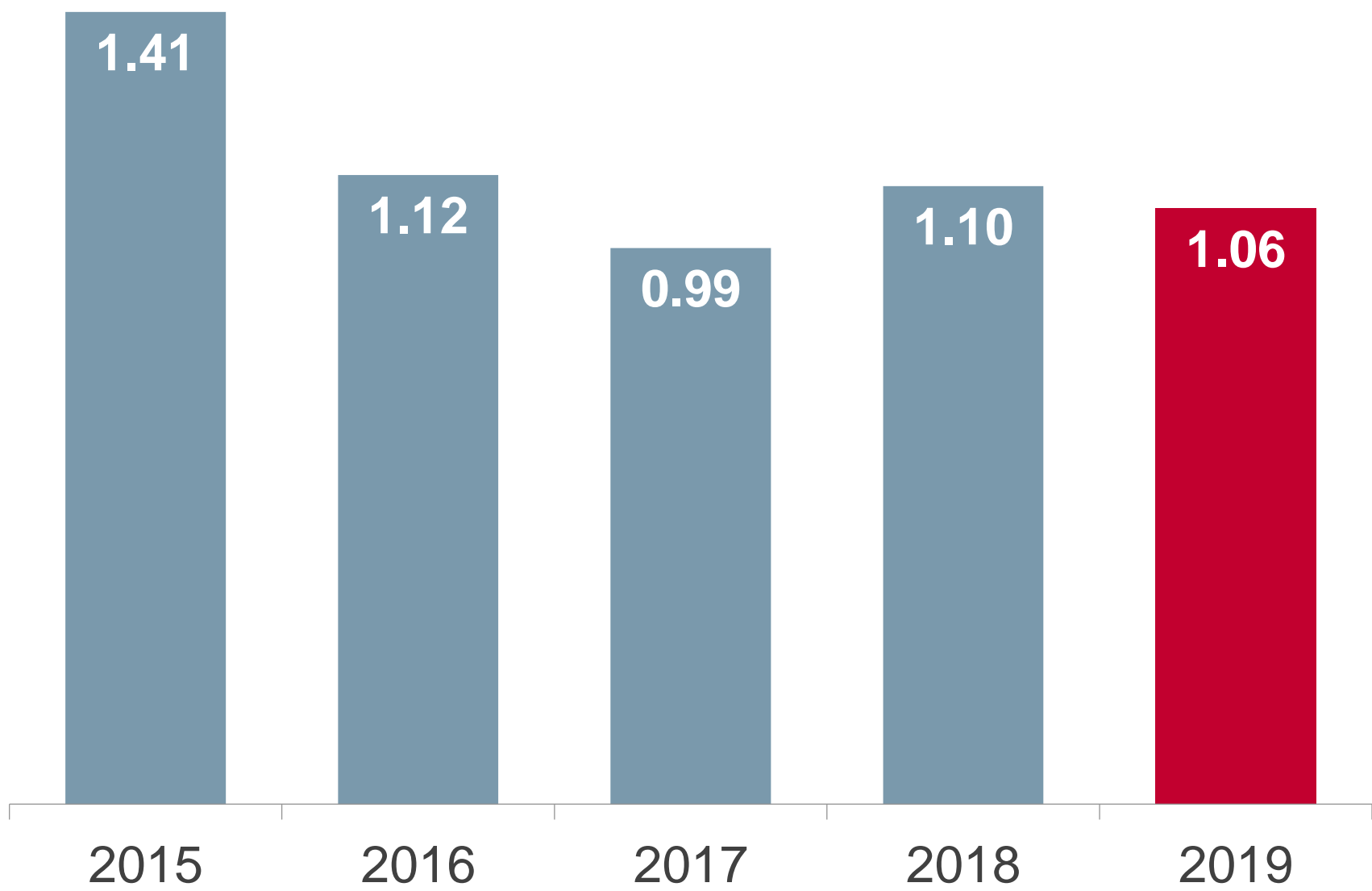


Train Accident Frequency



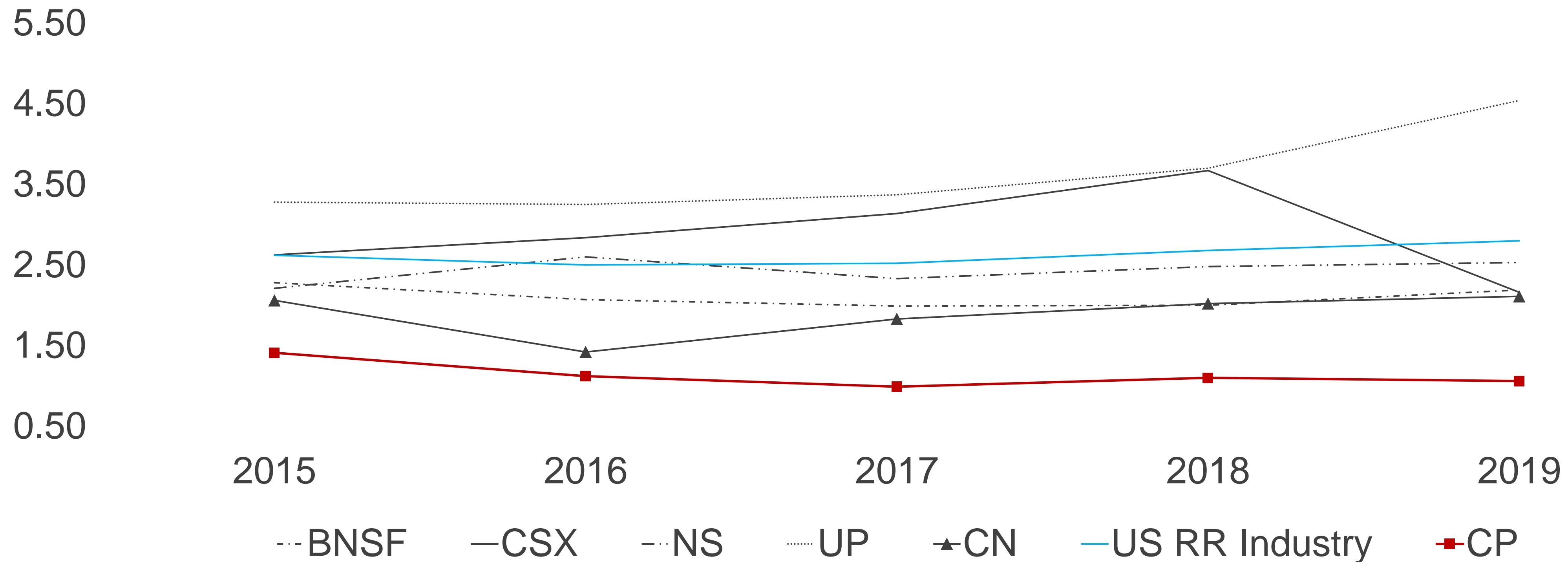
Accidents per million train-miles, as measured by the US Federal Railroad Administration

FRA Train Accident Frequency 2015 - 2019



CP Safety: Industry Leading Safety Performance

Class 1 Compare: FRA Train Accident Rate 2015-2019
(Accidents per million train-miles, as measured by the US Federal Railroad Administration)



CP has been the North American leader in lowest train accident frequency for the past 14 years

GROWING SUPPLY CHAIN CAPACITY



**Purchasing 5,900 New High
Capacity Grain Hopper
Cars**

**Over 2,600 currently in
service**

**Modernized 170 High
Horsepower Locomotives
Between 2017-2019**

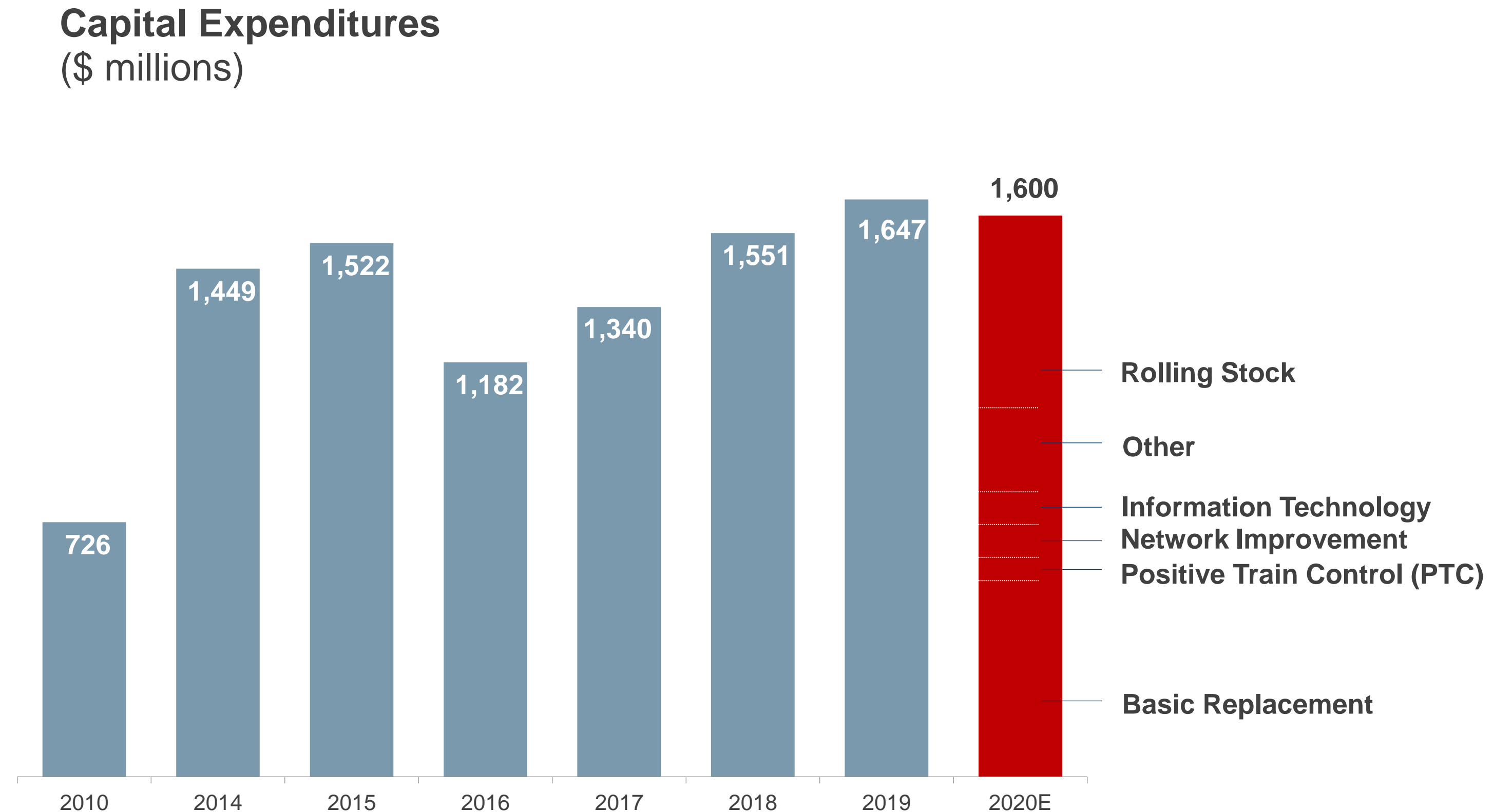
**Utilizing
Predictive
Analytics to
reduce
unscheduled
maintenance of
rolling stock and
improve system
performance**

**\$1.6 billion CAPEX plan
for 2020**

**Strategic Capacity
Enhancing Investments**

Capital Investment

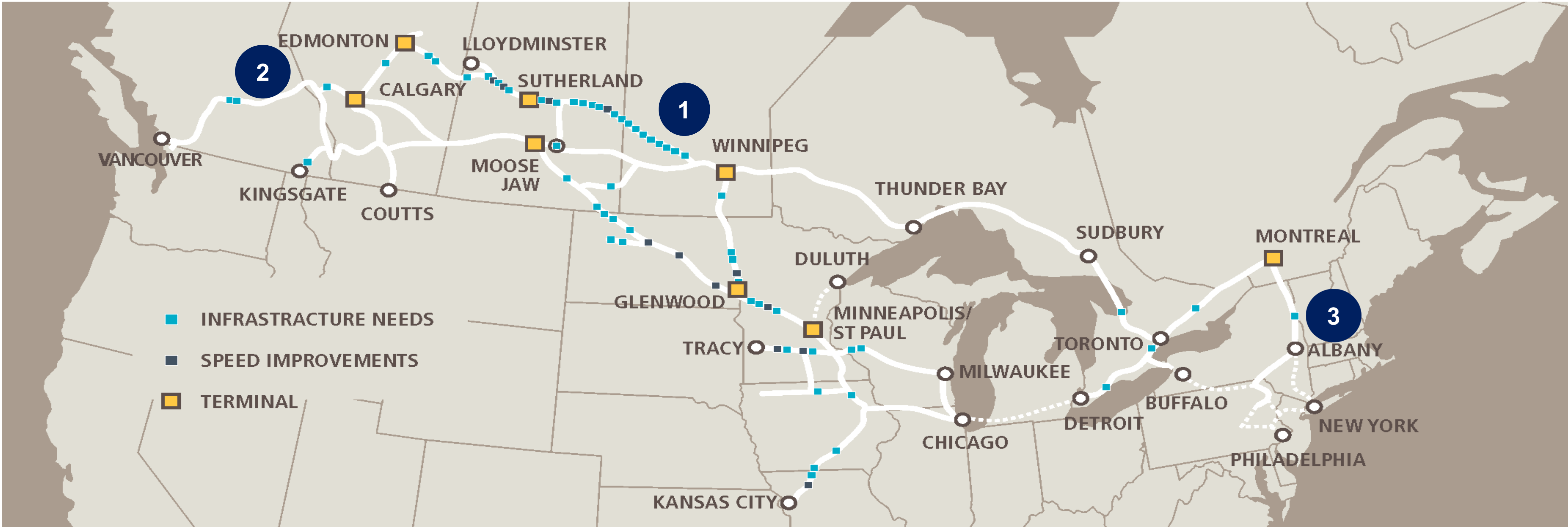
- CAPEX 2010-2020:
 - 120% increase in CAPEX
 - CAGR = 8.2% (more than 3.5x GDP growth over the period)
 - Has outpaced growth in GTMs
- \$1.6 Billion 2020 CAPEX plan.
- Network upgrades (new track, longer sidings, CTC) drive further productivity and capacity improvements.
- Rolling stock investment includes locomotive modernization programs and new high capacity grain hopper cars.



CP is taking advantage of increased track capacity, due the COVID 19 related downturn in volume, to aggressively deploy our 2020 Capital Plan.

Network Capacity Projects Completed

FOCUS ON DRIVING LONGER TRAINS AND IMPROVED TRAIN SPEED (VELOCITY)



1

North Line: 22 sidings (new or extensions) to handle growth and improve efficiency

2

Western Canada: Additional sidings & siding extensions to improve efficiency with improved siding spacing and support for long train operations

3

Eastern Canada: Additional sidings & siding extensions to improve efficiency.



Terminals: Infrastructure upgrades to drive improved efficiency

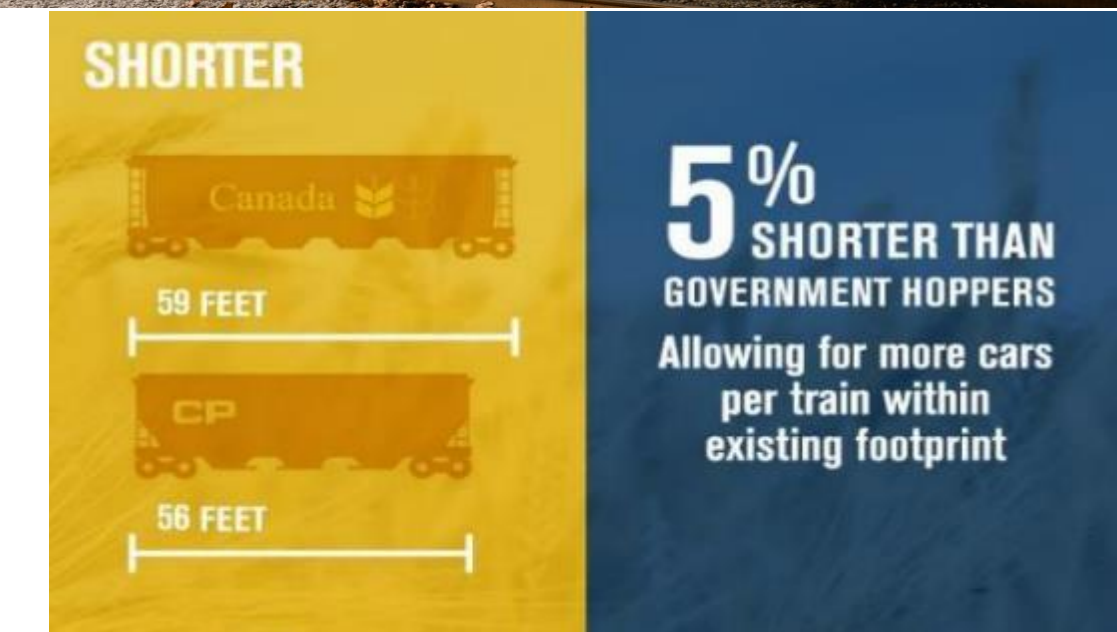
Grain Supply Chain Capital Investment

High Horsepower Locomotives

- Modernizing 170 high horsepower locomotives.

New Hopper Car Investment

- Removal of all low-capacity hoppers to drive efficiency & productivity.
- In 2018, CP announced plans to order 5,900 new hopper cars over a four-year period.
- 2,627 new hoppers currently in service.



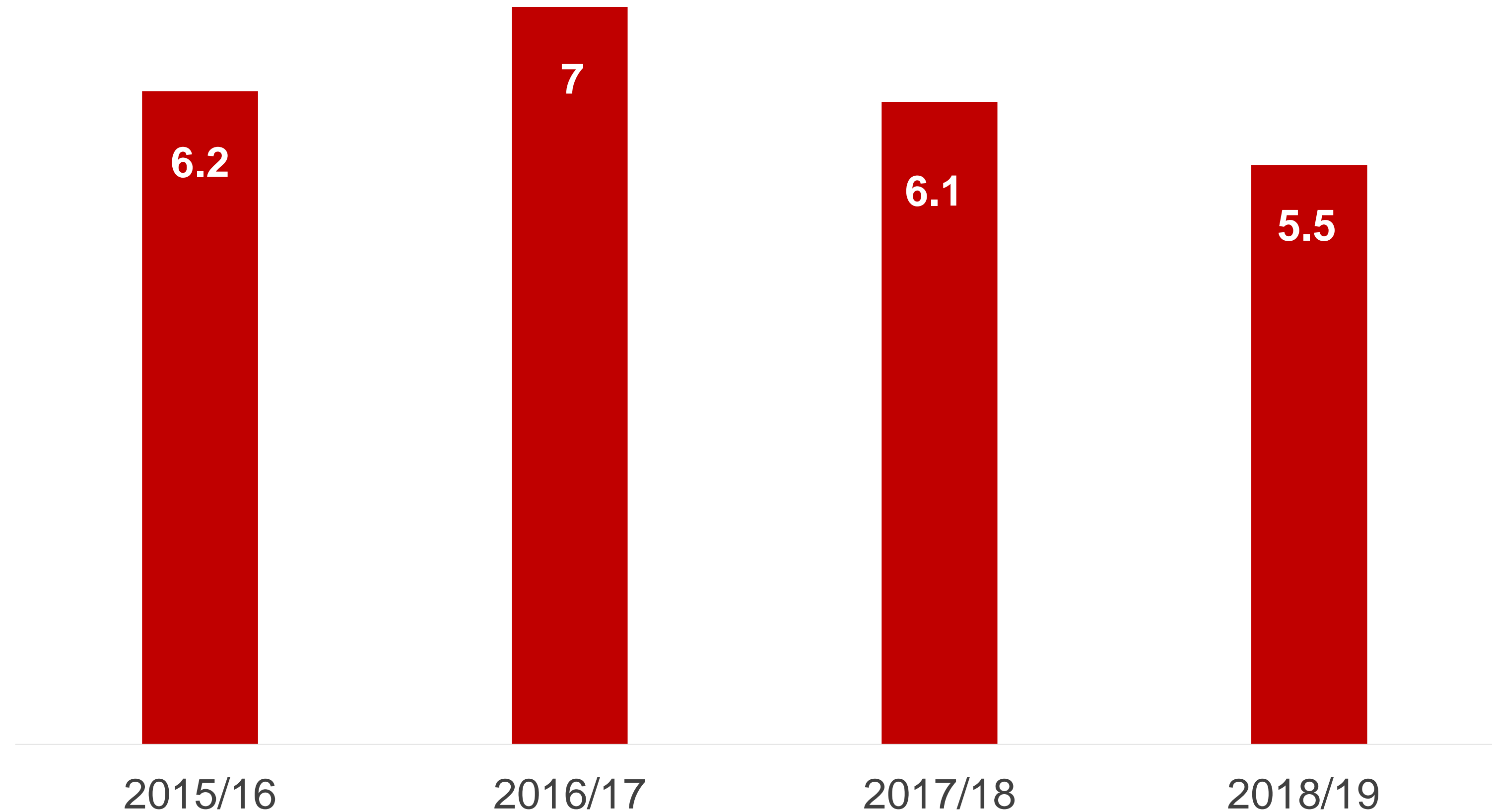
New hopper car investment on new longer train model will grow capacity

CP North Dakota Grain Performance

2019/2020 Crop Year:

- Between August-April, CP has moved 4.1 million tons of grain of grain products.
- Our previous three year average, over the same time period, is 4.5 million tons of grain and grain products.
- Chinese tariffs on soybeans negatively impacted volumes in 2018 and 2019.

CP North Dakota Annual Grain Volumes (millions of tons)



Note: Crop year-August 1-July 31

Forward Looking Statements

The preceding presentation contains certain forward-looking information within the meaning of applicable securities laws relating, but not limited, to Canadian Pacific's operations, priorities and plans, anticipated financial performance, including our 2018 full-year guidance, business prospects, planned capital expenditures, financing strategies, programs and strategies. This forward-looking information also includes, but is not limited to, statements concerning expectations, beliefs, 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 such as "anticipate", "believe", "expect", "plan", "financial expectations", "key assumptions", "outlook", "guidance", or similar words suggesting future outcomes.

Undue reliance should not be placed on forward-looking information as actual results may differ materially from the forward-looking information. Forward-looking information is not a guarantee of future performance.

By its nature, CP's forward-looking information involves numerous assumptions, 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; general North American and global economic, credit and business conditions; risks in 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; inflation; changes in laws and regulations, including regulation of rates; changes in taxes and tax rates; potential increases in maintenance and operating costs; 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 including long-term floating rate notes; and investments, various events that could disrupt operations, including severe weather, droughts, floods, avalanches and earthquakes as well as security threats and governmental response to them, and technological changes.

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 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in CP's annual and quarterly reports filed on Form 10-K and 10-Q, respectively.

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