

ONE RAILROAD CONNECTED

Larry Lloyd
Senior Director
US Government Affairs



Holiday Train is Back!!

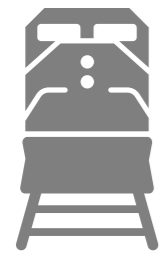


- ❖ Carrington – Carrington Daily Bread
- ❖ Enderlin – Ransom County Food Pantry
- ❖ Hankinson – Richland-Wilkin Emergency Food Pantry
- ❖ Harvey – Central Dakota Food Pantry
- ❖ Kenmare – Kenmare Food Pantry
- ❖ Minot – Minot Area Homeless Coalition



WHO WE ARE

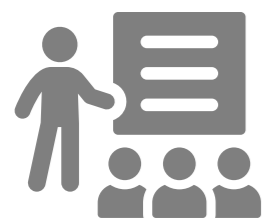
CONNECTING CANADA, the U.S. AND MEXICO, *TOGETHER*



FIRST
TRANSNATIONAL
SINGLE-LINE RAILWAY



20,000
MILE
RAIL NETWORK

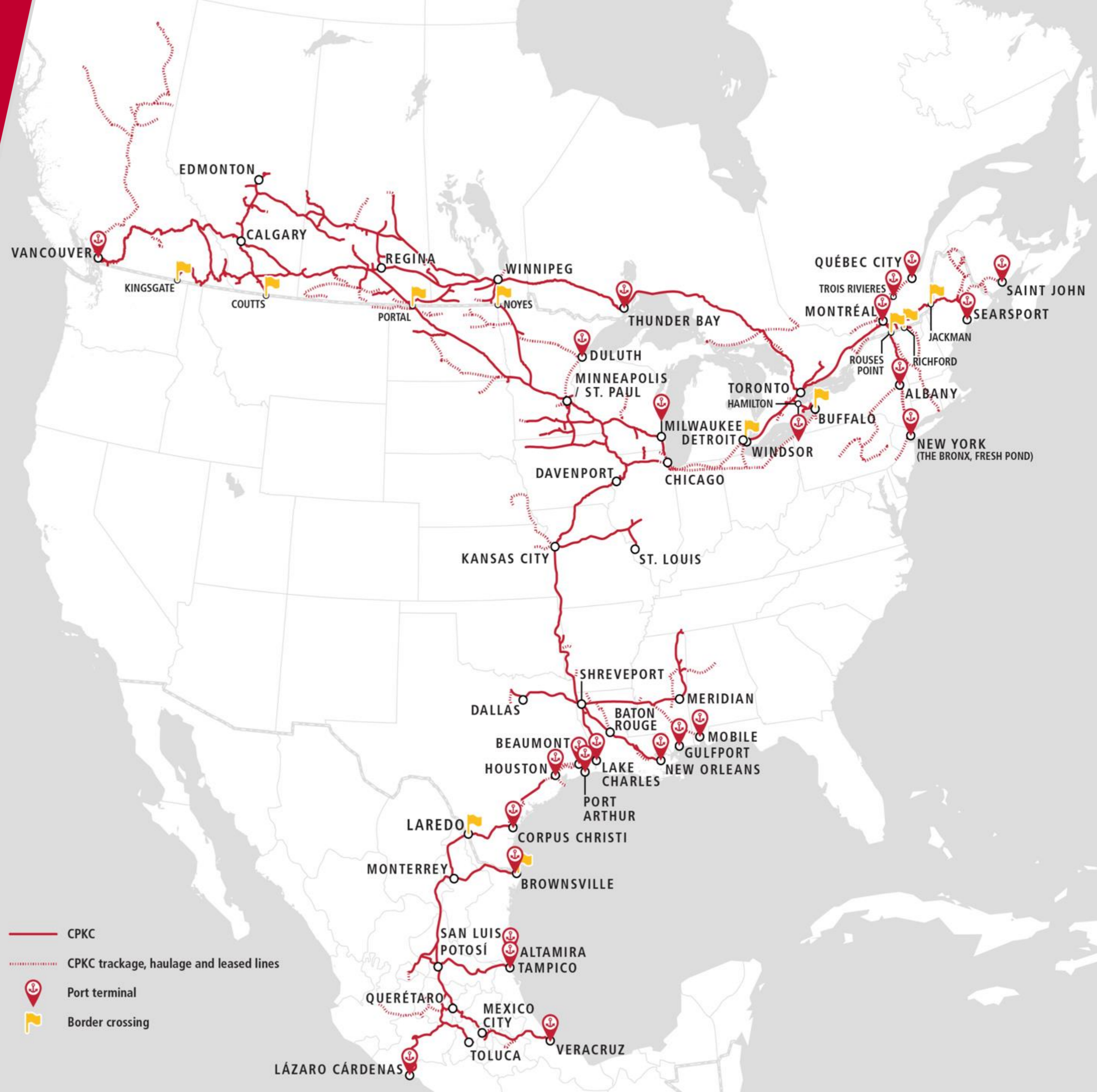


NEARLY
20,000
EMPLOYEES



WE GO WHERE OTHERS CAN'T

Transforming the future of freight rail by creating the **safest**, most **reliable** and **relevant** railroad in North America, serving as the backbone for commerce and economic growth.



PRECISION PERFORMANCE

- The cornerstone of our industry-leading performance is our precision railroading operating model and disciplined focus on planning and execution
- Faster train speeds and reduced dwell mean better asset utilization and reduced costs for CPKC and our customers
- Longer, heavier faster trains increase network capacity and reduce operating costs
- CPKC's proven operating model and focus on planning and execution will drive productivity and disciplined growth across our entire North American network

41%

Improvement in **average train speed** since 2011

10%

Improvement in **average terminal dwell** since 2011

53%

Improvement in **average train weight** since 2011

42%

Improvement in **average train length** since 2011



A CULTURE OF SAFETY

It's who we are

Operating safely is fundamental to who we are. Our goal is to be the safest class 1 railroad in North America.

CPKC finished 2023 with the lowest FRA-reportable train accident frequency among Class 1 railroads, building on CP's legacy of 17 consecutive years leading the industry.

CPKC is building on that unwavering commitment to safeguarding our people, our communities, the environment and our customers' goods.

INNOVATION AND TECHNOLOGY

CPKC utilizes an extensive system of wayside equipment and other technologies to protect its infrastructure making rail transportation safer.

- **Broken Rail Detection** - Using existing technology to run an electric current through the rail to detect broken rail. Enhances safety and higher track speeds enabled by broken rail detection improve cycle times and enhance fuel efficiency at a fraction of the cost of Centralized Traffic Control.
- **Cold Wheel Technology** - Measures wheel temperatures on descending grades to identify if brakes are working correctly. Regulatory exemption on certain bulk fleets eliminates the need for manual inspection, reduces terminal dwell, improves fuel efficiency and GHG emissions; Patented, award-winning CPKC developed technology



CPKC GRAIN – IT'S IN OUR DNA

- ~30% of CPKC Revenue
- Production growth at ~3% CAGR
- Linking origins & destinations
- Increased optionality + industry leading operating model



Investing in the Grain Supply Chain

CP's \$500 Million Investment in New High-Capacity Grain Hoppers

- Substantial benefits for CPKC, customers, farmers, and supply chain partners
 - **Capacity** - new high-capacity cars are bigger and shorter, allowing more grain to be shipped on each train
 - **Efficiency** – modern hoppers allow for faster loading and unloading
 - **Reliability** – new cars will be more reliable, reducing maintenance-related delays and bad orders
- 5,900+ car acquisition in total over 4 years
- Over 6,200 CP owned and leased new generation hopper cars in active service

MORE GRAIN
PER CAR



102 tonnes of wheat



112 tons of wheat

10%
more by
weight

MORE CARS
PER TRAIN



59 feet



56 feet

5%
shorter

MORE GRAIN
PER TRAIN



vs today's 7,000-foot dedicated train model

44%
more
grain

“When there’s opportunities out here like this to go with bigger trains, you always want to be on the cutting edge.”

CPKC HIGH EFFICIENCY PRODUCT MODEL

By the end of 2024, ~60% of the high-throughput elevators we service in Canada will be 8,500-foot high efficiency product capable (“HEP”), and we are working with our customers to add the HEP model to their elevators in the U.S. and Mexico as well. The 8,500-foot HEP grain train, when combined with our investment in new hopper cars, will enable >40% more grain to be moved per train, with 30% fewer cycles and ~300 fewer train starts.




CPKC
@CPKCrail · Follow

Did you know we recently unloaded our first 8,500-ft grain train in the U.S. at the Port of Morrow? With our 8,500-ft High Efficiency Product (HEP) trains, we are setting a new standard to help increase capacity & efficiency for farmers, shippers & the entire grain supply chain.

Morrow County Grain Growers
November 24, 2023 · 🌐

https://www.capitalpress.com/.../article_b93bc7ce-87ca...



CAPITALPRESS.COM

Morrow County Grain Growers unloads 8,500-foot train
The train arrived Nov. 15 at the co-op's grain terminal along the Columbia River ...

15 5 shares

Watch on X

CPKC

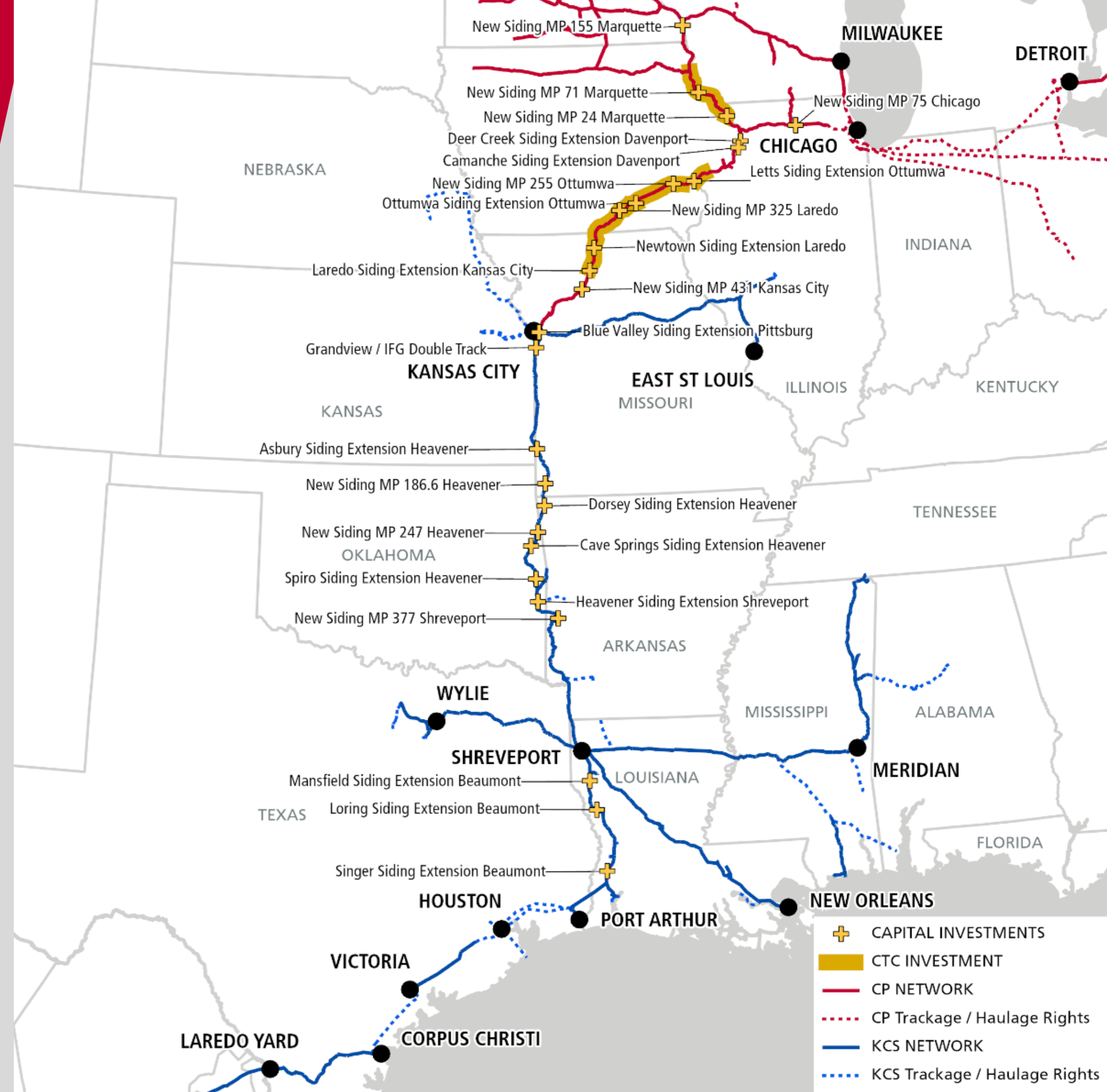
Setting a new standard for the entire grain supply chain.

CPKC – CAPITAL IMPROVEMENTS

**\$+300 MILLION
INVESTMENT**

- New and extended sidings.
- Centralized traffic control.
- Yard and terminal improvements.

**INCREASE SAFETY,
CAPACITY, EFFICIENCY
AND FLUIDITY.**



SUSTAINABLY DRIVEN

Hydrogen-Powered Locomotive Project

CPKC's Hydrogen Locomotive Program aims to develop North America's first line-haul hydrogen-powered freight locomotive.

CPKC has initiated a program to convert three different types of diesel-electric locomotives into zero-emissions hydrogen-powered locomotives using fuel cells and batteries to power electric traction motors. The program has the potential to significantly reduce greenhouse gas emissions from locomotive operations, supporting CPKC's Climate Change Commitments and the transition to a low-carbon future in the freight rail sector.



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Be a part of the conversation

