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# SUSTAINABLY DRIVEN 2019 DATA SUPPLEMENT

This report covers Canadian Pacific Railway Limited (“CPRL”) and its subsidiaries’ (“CP” or the “Company”) activities and performance across our entire network in Canada and the U.S. CPRL is a holding company and is the direct parent company of Canadian Pacific Railway Company (“CPRC”). CPRC is a common carrier that conducts railway operations in Canada. CPRC has network access to the U.S. market directly through four wholly owned subsidiaries: Soo Line Railroad Company (“SOO Line”), a Class 1 railway operating in the U.S. Midwest; Dakota, Minnesota and Eastern Railroad (“DM&E”), which operates in the U.S. Midwest; Delaware and Hudson Railway Company, Inc. (“D&H”), which operates between Eastern Canada and the U.S. Northeast; and, effective June 2020, Central Maine & Quebec Railway US Inc. (“CMQ US”), which operates in Maine and Vermont.

For more information or questions regarding this report or sustainability at CP, contact [sustainability@cpr.ca](mailto:sustainability@cpr.ca).

- Certain figures in the following tables have been restated from previous sustainability reports to reflect new information or changes to tracking systems and/or reporting practices.
- All currency-related values are reported in Canadian dollars, except for community investment numbers and initiatives, which are reported in Canadian and U.S. dollars.

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# ABOUT CP

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Economic Impact	Units	2015	2016	2017	2018	2019
Economic Value Generated						
Total Revenues <sup>1</sup>	\$ Millions	6,712	6,232	6,554	7,316	7,792
Canadian Entities	\$ Millions	4,662	4,473	4,667	5,232	5,675
U.S. Entities	\$ Millions	2,050	1,759	1,887	2,084	2,117
Economic Value Distributed						
Total Operating Expenses <sup>2</sup>	\$ Millions	4,094	3,821	4,035	4,485	4,668
Canadian Entities	\$ Millions	2,898	2,706	2,816	3,199	3,314
U.S. Entities	\$ Millions	1,196	1,115	1,219	1,286	1,354
Compensation & Benefits <sup>3</sup>	\$ Millions	1,441	1,356	1,309	1,468	1,540
Capital Expenditures <sup>4</sup>	\$ Millions	1,536	1,205	1,366	1,574	1,664
Payments to Providers of Capital <sup>5</sup>	\$ Millions	3,306	1,932	1,121	1,890	1,964
Payments to Government <sup>6</sup>	\$ Millions	279	438	546	442	639

<sup>1</sup> Canadian Entities refers to Canadian Pacific. U.S. Entities refers to SOO Line, DM&E and D&H. Total Revenues includes all freight and non-freight revenue. Freight revenues are generated from goods or property transported. Non-freight revenues are generated from leasing certain assets; other arrangements, including logistical services and contracts with passenger service operators; and switching fees.

<sup>2</sup> Expenses for Canadian Entities refers to Canadian Pacific. Expenses for U.S. Entities refers to SOO Line, DM&E and D&H. Changes in freight volumes generally contribute to corresponding changes in freight revenues and certain variable expenses, such as fuel, equipment rents and crew costs.

<sup>3</sup> Compensation & Benefits includes employee wages, salaries, fringe benefits and stock-based compensation. 2016 and 2017 comparative year figures have been restated for the retrospective adoption of ASU 2017-07.

<sup>4</sup> Capital Expenditures are additions to properties. Capital Expenditures includes but is not limited to enhancements to track infrastructure, investments in locomotives and freight cars, and information systems. CP incurs expenditures to expand and enhance its rail network, rolling stock and other infrastructure. These expenditures are aimed at improving efficiency and safety of our operations. Such investments are also an integral part of the Company's multi-year capital program and support growth initiatives.

<sup>5</sup> Payments to Providers of Capital includes dividends paid to shareholders, interest paid to shareholders, interest paid to debtholders and payments for share repurchases less issuance of shares.

<sup>6</sup> Payments to Government includes income tax paid and property tax.

Operational Metrics	Units	2015	2016	2017	2018	2019
Revenue Ton-Miles <sup>7</sup>	Millions	145,257	135,952	142,540	154,207	154,378
Gross Ton-Miles <sup>8</sup>	Millions	263,344	242,694	252,195	275,362	280,724
Carloads Transported	Thousands	2,628	2,525	2,634	2,740	2,766
Intermodal Units Transported	Thousands	972	976	997	1,026	1,046
Train Miles Travelled	Thousands	34,064	30,373	30,632	32,312	32,924

<sup>7</sup> Revenue Ton-Miles (RTMs) refers to the movement of one revenue-producing ton of freight over a distance of one mile. RTMs measure the relative weight and distance of rail freight moved by the Company.

<sup>8</sup> Gross Ton-Miles (GTM) refers to the movement of one ton of train weight over a distance of one mile. GTMs are calculated by multiplying total train weight by the distance the train moved. Total train weight comprises the weight of the freight cars, their contents and any inactive locomotives. An increase in GTMs indicates additional workload.

## Employees

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Workforce	Units	2015	2016	2017	2018	2019
Total Workforce <sup>9</sup>	Total Number	12,938	11,738	12,294	12,866	12,732
Total Employees <sup>10</sup>	# Employees	12,856	11,693	12,215	12,840	12,694
Canada	# Employees	9,808	9,010	9,476	10,021	9,923
U.S.	# Employees	3,048	2,683	2,739	2,819	2,771
Women	# Employees	1,226	1,106	1,167	1,222	1,227
Men	# Employees	11,630	10,587	11,048	11,618	11,467
Unionized Employees	# Employees	9,596	8,760	9,173	9,618	9,390
Non-unionized Employees	# Employees	3,260	2,933	3,042	3,222	3,304
Total Full-Time Employees <sup>11</sup>	# Employees	12,776	11,661	12,173	12,782	12,643
Women	# Full-Time Employees	1,207	1,100	1,157	1,215	1,220
Men	# Full-Time Employees	11,569	10,561	11,016	11,567	11,423

<sup>9</sup> Total Workforce includes total employees plus contractors and consultants as at Dec. 31 of each reporting year. 2019 figure includes Transcare Logistics Corporation (“Transcare”) employees and Central Maine and Québec Railway Canada Inc. (“CMQ Canada”) employees. Periods before 2019 were recast to include Transcare Logistics Corporation employees.

<sup>10</sup> Total Employees refers to individuals currently engaged in full-time, part-time or fixed-term employment with CP. The count is based on total number of employees as at Dec. 31 of the reporting year. Decrease of total employees between 2015–2016 is primarily due to strong operational performance, natural attrition and efficient resource management planning. Total employees in 2019 includes Transcare employees and CMQ Canada employees. Periods before 2019 were recast to include Transcare Logistics Corporation employees.

<sup>11</sup> Full-Time Employees refers to individuals who work more than 90 percent of the full 40-hour workweek.

Workforce	Units	2015	2016	2017	2018	2019
Total Temporary Employees <sup>12</sup>	# Employees	71	23	41	57	49
Women	# Temp Employees	13	4	9	6	6
Men	# Temp Employees	58	19	32	51	43
Total Part-Time Employees <sup>13</sup>	# Employees	9	9	1	1	2
Women	# Part-Time Employees	6	2	1	1	1
Men	# Part-Time Employees	3	7	0	0	1
Total Contractors <sup>14</sup>	Total Number	82	45	79	26	38

<sup>12</sup> Total Temporary Employees refers to seasonal or fixed-term individuals. All temporary employees were located in Canada during the reporting period.

<sup>13</sup> Total Part-Time Employees refers to individuals who work between 50–90 percent of the full 40-hour workweek. All part-time employees are located in Canada.

<sup>14</sup> CP does not currently monitor workforce-related metrics for contractors.

Training <sup>15</sup>	Units	2015	2016	2017	2018	2019
Union Staff	Avg Hours/Employee	33	28	40	41	65
Non-union Staff	Avg Hours/Employee	32	30	49	67	55
Total Training Cost <sup>16</sup>	Millions	44.9	29.9	33.9	51.2	58.5
Average Spend on Training per Full-Time Employee <sup>16</sup>	\$	3,499	2,565	2,786	4,006	4,657

<sup>15</sup> Training Hours include training related to in-class training provided by internal trainers, CP's web-based learning management system, external consultants. Hours do not include field based or on-the-job employee training. Training data covers CP employees only and is not inclusive of Transcare employees and CMQ Canada employees (acquired in December 2019).

<sup>16</sup> Training Costs include expenses related to the management of CP's Training, and Learning and Development departments, costs for internal trainers, CP's web-based learning management system, external consultants, online learning platforms such as Harvard ManageMentor, and compensation for employee time while training. Costs do not include field based or on-the-job employee training.

## Governance and Ethics

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Board of Directors Composition <sup>17</sup>	Units	2015	2016	2017	2018	2019
Number of Directors	# Directors	8	10	9	10	11
Percent Independence <sup>18</sup>	% Directors	75.0	80.0	88.9	90.0	90.9
Average Age	Years	58	60	60	61	61
Average Tenure	Years	2.6	2.4	2.6	3.5	3.6
Canada <sup>19</sup>	% Directors	50.0	60.0	55.6	50.0	54.5
U.S. <sup>19</sup>	% Directors	50.0	40.0	44.4	50.0	45.5
Visible Minorities	% Directors	0.0	0.0	11.1	10.0	9.1
Women	% Directors	25.0	40.0	44.4	40.0	45.5
Men	% Directors	75.0	60.0	55.6	60.0	54.5
< 30 Years Old	% Directors	0.0	0.0	0.0	0.0	0.0
30–50 Years Old	% Directors	37.5	20.0	22.2	20.0	9.1
Over 50 Years Old	% Directors	62.5	80.0	77.8	80.0	90.9

Ethics	Units	2015	2016	2017	2018	2019
CP Code of Business Ethics Training <sup>20</sup>	# Employees	2,686	2,665	2,773	2,969	3,202
Alert Line Calls <sup>21</sup>	Total Number	20	30	19	22	28

<sup>17</sup> Board of Directors Composition is reported as of Dec. 31 for all reporting years.

<sup>18</sup> The Board has adopted standards for director independence based on criteria of the New York Stock Exchange, U.S. Securities and Exchange Commission, and Canadian Securities Administrators. The Board annually conducts, through a combination of questionnaires, biographical reviews and discussions, a comprehensive assessment of all business and other relationships and interests of each director vis-à-vis the Corporation and its subsidiaries, and has determined that each director, except for Keith Creel, is independent of the Corporation in accordance with the standards for independence established by the NYSE and NI 58-101 Disclosure of Governance Practices, and that each member of the CP Audit and Finance Committee meets the additional independence standards established for Audit Committee members under Section 10A(m)(3) and Rule 10A-3(b)(1) of the Exchange Act and NI 52-110 Audit Committees. Keith Creel is not independent by virtue of the fact that he is President and Chief Executive Officer of the Corporation. Prior to July 2019, the Audit and Finance Committee were separate committees.

<sup>19</sup> Canada and U.S. metrics are calculated based on each director's country of residence.

<sup>20</sup> The figures presented represent training completed by non-unionized employees; however, the Code of Business Ethics (the "Code") applies to everyone at CP and its subsidiaries: directors, officers, employees (unionized and non-unionized) and contractors who do work for CP. Unionized employees are provided with a copy of the Code every three years. In 2019, unionized employees were mailed a copy of the Code. Directors must also confirm annually that they have complied with the Code. The Code is part of the terms and conditions of employment for non-unionized employees, and contractors must agree to follow principles of standards of business conduct consistent with those set out in our Code as part of the terms of engagement. CP Code of Business Ethics Training covers CP employees only and is not inclusive of Transcure employees and CMQ Canada employees (acquired in December 2019).

<sup>21</sup> CP's independently managed Alert Line (A-Line) is a tool that allows employees to report an instance directly to their manager or anonymously. All employees are obligated to report any known or suspected violations of the Code, or any instance that may violate CP's commitments to ethics and integrity. A-Line is available 24/7 by phone or online to all employees and stakeholders. Translation services are available as well if required. All reports to A-Line are handled confidentially and investigated in accordance with CP's Business Ethics Reporting Policy.

# SAFETY

## Safety Culture<sup>22</sup>

403-9 SASB TR-RA-320a.1

Work-Related Injury <sup>23,24</sup>	Units	2015	2016	2017	2018	2019
Hours Worked	Thousands	31,414	26,779	26,828	28,151	30,300
Total Recordable Injury Rate <sup>25</sup>	Injury Rate	3.27	3.10	3.25	3.14	2.67
FRA Personal Injury Rate Frequency <sup>26</sup>	Injury Rate	1.84	1.67	1.65	1.48	1.42
Women	Injury Rate	*	0.00	1.40	0.92	0.93
Men	Injury Rate	*	1.75	1.65	1.52	1.47
Contractors <sup>27</sup>	# FRA Injuries	*	26	30	34	20

\* CP launched Case Management Application in 2017. This safety management tool has improved our ability to effectively manage critical safety information and conduct deeper trend analysis. Data prior to 2017 for some of these metrics categories is not readily available.

<sup>22</sup> Safety Culture data covers CP employees only and is not inclusive of Transcare employees and CMQ Canada employees (acquired in December 2019).

<sup>23</sup> In 2018, CP continued to focus on its Home Safe initiative to improve overall communications and hazard identification amongst all workers. The integration of Home Safe into the CP safety culture has demonstrated positive results as evidenced by the 2018 personal injury rate. In 2019, the initiative has expanded in scope to include safe practices in the home. CP also implemented its critical safety rule initiative, designed to increase awareness and compliance of critical tasks that can lead to catastrophic events.

<sup>24</sup> Certain statistical highlights and safety indicators figures have been updated to reflect new information or have been revised to comply with current presentation.

<sup>25</sup> Total Recordable Injury Rate (TRIR) is a measure of recordable injuries resulting from a discernable work-related event, to an on-duty employee and is a physical injury in nature (not incident stress or psychological in nature); including fatalities. TRIR is calculated as total number of recordable cases multiplied by 200,000, divided by total employee hours worked during the reporting period. Recordable incidents include all safety-related events reported by employees regardless of incident severity.

<sup>26</sup> The Federal Railroad Administration (FRA) Personal Injury Rate Frequency (PIRF) reflects the number of personal injuries, multiplied by 200,000, divided by total employee hours. PIRF is limited to personal injuries that require employees to lose time away from work, modify their normal duties or obtain medical treatment beyond minor first aid. PIRF employee hours are the total hours worked, excluding vacation and sick time, by all employees, excluding contractors.

<sup>27</sup> CP does not track contractor hours; therefore, CP cannot calculate a total recordable work-related injuries rate.

<b>Work-Related Injury<sup>23,24</sup></b>	<b>Units</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Lost Time Injury Frequency Rate <sup>28</sup> (Per 200,000 employee hours worked)	Injury Rate	*	*	1.12	0.97	0.90
Canada	Injury Rate	*	*	1.00	0.87	0.82
U.S.	Injury Rate	*	*	1.53	1.37	1.23
Women	Injury Rate	*	*	0.86	0.67	0.56
Men	Injury Rate	*	*	1.15	1.00	0.93
Lost Time Injury Frequency Rate (Per 1,000,000 employee hours worked)	Injury Rate	*	*	5.59	4.87	4.49
Canada	Injury Rate	*	*	3.91	3.48	3.30
U.S.	Injury Rate	*	*	1.68	1.39	1.19
Women	Injury Rate	*	*	4.32	3.37	2.75
Men	Injury Rate	*	*	5.73	5.02	4.67
Representation by Health & Safety Committee	% Employees	100	100	100	100	100

<sup>28</sup> Lost Time Injury Frequency Rate (LTIFR) reflects an injury that results in calendar days away from work, as recommended by a physician. LTIFR is calculated as total number of injuries that result in an employee losing time away from work, multiplied by 200,000 or 1,000,000, divided by total man-hours worked during the reporting period.

<b>Fatalities</b>	<b>Units</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Employee Fatalities <sup>29</sup>	# Fatalities	0	1	2	3	4
Contract Worker Fatalities	# Fatalities	1	1	1	0	0

<sup>29</sup> Fatalities covers CP employees and Contractors only; data is not available for Transcare employees and CMQ Canada employees (acquired in December 2019).



## Public Safety and Emergency Preparedness

SASB TR-RA-540

Train Accidents	Units	2015	2016	2017	2018	2019
Train-Related Incidents and Accidents <sup>30</sup>	# Accidents	768	601	638	670	694
FRA Train Accident <sup>31</sup>	# Accidents	53	37	33	39	38
Train vs. Vehicle Fatalities <sup>32</sup>	# Accidents	6	4	10	9	8
Train vs. Vehicle Injuries <sup>33</sup>	# Accidents	33	28	29	17	26
Train-Related Accidents Involving the Release of Hazardous Materials <sup>34</sup>	# Accidents	3	1	2	3	5
Non-accident Release of Hazardous Materials <sup>35</sup>	# Accidents	21	23	12	24	17
Grade Crossing Accident Rate <sup>36</sup>	# Accidents/Million Train Miles	2.47	2.81	2.60	2.73	2.58
FRA Train Accident Rate <sup>37</sup>	# Accidents/Million Train Miles	1.41	1.12	0.99	1.10	1.06

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Significant Spills	Units	2015	2016	2017	2018	2019
Spill Events <sup>38</sup>	# Spills	27	37	21	34	35

<sup>30</sup> Train-Related Incidents and Accidents refers to any event that causes damage to mobile on-track equipment during the course of railway operations.

<sup>31</sup> Federal Railroad Administration (FRA) Train Accident refers to a subset of reported train-related incidents and includes only those events involving damage meeting or exceeding a specific monetary value set by the FRA. For 2017–2019, this value was US\$10,700 and US\$10,500 in damage for events occurring from 2015–2016.

<sup>32</sup> Train vs. Vehicle Fatalities refers to incidents involving train and road vehicle collisions that result in a fatality.

<sup>33</sup> Train vs. Vehicle Injuries refers to incidents involving train and vehicle collisions that result in an injury.

<sup>34</sup> Train-Related Accidents Involving the Release of Hazardous Materials refers to incidents involving the release of hazardous materials (U.S.) or dangerous goods (Canada) from a means of containment during transportation by train.

<sup>35</sup> Non-accident Release of Hazardous Materials refers to an unintentional release of hazardous materials (U.S.) or dangerous goods (Canada) from a means of containment during transportation. These events do not involve a train-related accident and can result from equipment failure or improperly secured materials.

<sup>36</sup> Grade Crossing Accident Rate refers to any impact between on-track railway equipment and a highway user at a highway-rail grade crossing. Highway-rail grade crossing means: (1) a location where a public highway, road, street or private roadway, including associated sidewalks, crosses one or more railway tracks at grade; or (2) a location where a pathway explicitly authorized by a public authority or a railway carrier (dedicated for the use of non-vehicular traffic, including pedestrians, bicyclists and others), not associated with a public highway, road, street or private roadway, crosses one or more railway tracks at grade.

<sup>37</sup> Federal Railroad Administration (FRA) Train Accident Rate reflects the number of train accidents resulting in damage meeting or exceeding a specific monetary threshold (set by FRA), multiplied by 1,000,000, divided by total train miles travelled during the reporting period. Monetary threshold for 2017–2019 was US\$10,700 and US\$10,500 in damage for events occurring from 2015–2016.

<sup>38</sup> Spill Events includes all reported incidents involving CP employees or contractors, which result in the unintentional release of hazardous materials or materials, which may adversely impact the environment. Spills include events involving an accidental release, spill or leak, or result from the failure of means of containment. Reported values are limited to significant releases where a material has been released in excess of local regulatory reporting thresholds.

# OPERATIONAL EXCELLENCE

## Energy Efficiency and Emissions

Locomotive	Units	2015	2016	2017	2018	2019
Total Locomotive Fuel	Million U.S. Gallons	264	238	248	263	270
	Million Litres	998	903	939	995	1,023
Locomotive Fuel Efficiency	U.S. Gallons/1,000 GTMs	0.999	0.980	0.980	0.953	0.955

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Energy	Units	2015	2016	2017	2018	2019
Total Energy Consumption <sup>39</sup>	1,000 MWh	11,539	10,401	10,758	11,384	11,625
Locomotive Diesel	1,000 MWh	10,558	9,548	9,939	10,533	10,745
Locomotive – Renewable Fuel <sup>40</sup>	1,000 MWh	158	147	149	157	163
Other Liquid Fuel <sup>41</sup>	1,000 MWh	422	406	357	364	373

<sup>39</sup>Total Energy Consumption includes all liquefied gas, fuel and electricity consumed inside the organization during the reporting year.

<sup>40</sup>All diesel fuel supplied to the Canadian marketplace must contain an annual average of 2 percent renewable content. Locomotive – Renewable Fuel is estimated to be equivalent to 2 percent of all locomotive diesel fuel consumed in Canada during the reporting year.

<sup>41</sup>Other Liquid Fuel includes all liquid and gaseous fuel, excluding locomotive diesel, consumed by the organization during the reporting period. Common fuel reported here includes gasoline, diesel, heating oil and liquid biofuels.

Energy	Units	2015	2016	2017	2018	2019
Natural Gas and Propane	1,000 MWh	168	117	128	139	150
Electricity Consumption	1,000 MWh	232	183	185	192	194
Energy Costs	\$ Millions	731	591	702	945	908
Energy Intensity – Total Company	kWh/1,000 GTMs	43.8	42.9	42.7	41.3	41.4
Energy Intensity – Locomotive Fuel	kWh/1,000 GTMs	40.7	39.9	40.0	38.8	38.9

Note: Effective for the 2019 reporting year, CP has completed a detailed inventory and evaluation of all Scope 3 greenhouse gas emissions relevant to the company's value chain. In previous years, reporting on Scope 3 greenhouse gas emissions was limited to Business Travel. This change in reporting practice has resulted in a deeper understanding of the CP's emissions footprint and a significant change in reported Scope 3 greenhouse gas emissions starting in 2019.

305-1 305-2 305-3 305-4 305-7 SASB TR-RA-110a.1 & TR-RA-120a.1

Emissions	Units	2015	2016	2017	2018	2019
Total Direct & Indirect Greenhouse Gas (GHG) Emissions: Scope 1 & 2 <sup>42</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	3,146	2,850	2,931	3,102	3,179
Direct (Scope 1) GHG Emissions	1,000 Metric Tonnes CO <sub>2</sub> e	3,094	2,797	2,883	3,052	3,130
Locomotive	1,000 Metric Tonnes CO <sub>2</sub> e	2,953	2,671	2,771	2,936	3,013
Other Scope 1 <sup>43</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	141	126	112	116	117

<sup>42</sup> Values reflect a combined total of Scope 1 or Direct GHG emissions from CP owned or controlled sources (primarily locomotives for CP) and Scope 2 or Indirect GHG emissions from the generation of purchased energy (CP's electricity consumption). Scope 3 GHG emissions relating to Business Travel is no longer aggregated with Scope 1 and Scope 2 GHG Emissions. Scope 3 GHG emissions from Business Travel is now reported separately.

<sup>43</sup> Other Scope 1 GHG emissions includes, GHG emissions related to off-road vehicles, vehicle fleet, work equipment and stationary sources such as propane and natural gas for heating facilities.

Emissions	Units	2015	2016	2017	2018	2019
Direct (Scope 1) GHG Emissions <sup>44</sup>						
CO <sub>2</sub>	1,000 Metric Tonnes CO <sub>2</sub> e	2,819.52	2,549.43	2,628.91	2,782.71	2,851.98
CH <sub>4</sub>	1,000 Metric Tonnes CO <sub>2</sub> e	4.5	3.98	4.14	4.38	4.50
N <sub>2</sub> O	1,000 Metric Tonnes CO <sub>2</sub> e	269.97	243.67	249.82	264.68	273.87
HFC	1,000 Metric Tonnes CO <sub>2</sub> e	0.26	0.09	0.04	0.08	0.08
Indirect Emissions Scope 2 & 3						
Indirect (Scope 2) GHG Emissions <sup>45</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	52	53	48	50	49
Other Indirect (Scope 3) GHG Emissions <sup>46</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	*	*	*	*	1,734
Purchased Goods & Services and Capital Goods <sup>47</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	*	*	*	*	631

<sup>44</sup> Direct (Scope 1) GHG Emissions are calculated following The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Total gas emissions are presented as 1,000 Metric Tonnes CO<sub>2</sub>e and have been converted following global warming potentials factors from IPCC Fifth Assessment Report (AR5).

<sup>45</sup> Indirect (Scope 2) GHG Emissions consists of emissions from electricity. Canadian emissions are based on emissions factors used for Canada's National Inventory Report. U.S. emissions are based on the U.S. EPA eGRID 2018 emissions factors. Electricity usage is based on electric utility billing data.

<sup>46</sup> Prior to 2019, CP's reporting on Scope 3 GHG emissions was limited to Business Travel. Beginning in 2019, CP expanded GHG reporting to include additional relevant Scope 3 emissions categories of purchased goods & services and capital goods, fuel and energy-related activities, upstream transportation and distribution, and waste generated in operations for 2019. The asterisk (\*) indicates that a reporting of these categories of Other Indirect (Scope 3) GHG emissions relevant to CP is not available for earlier reporting periods.

<sup>47</sup> An estimate of GHG emissions related to Purchased Goods & Services and Capital Goods was derived following an economic input-output (EIO) model developed by Carnegie Mellon University. EIO categories by spend were totaled and converted into GHG emissions using factors consistent with this approach.



Emissions	Units	2015	2016	2017	2018	2019
Indirect Emissions Scope 2 & 3						
Fuel and Energy-Related Activities <sup>48</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	*	*	*	*	917
Upstream Transportation and Distribution <sup>49</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	*	*	*	*	142
Waste Generated in Operations <sup>50</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	*	*	*	*	5
Business Travel <sup>51</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	20	17	16	16	21
Employee Commuting <sup>52</sup>	1,000 Metric Tonnes CO <sub>2</sub> e	*	*	*	*	18

<sup>48</sup> Fuel and Energy-Related Activities includes upstream emissions associated with the fuel that CP uses to operate, from fuel combusted for generation of electricity purchased by CP and transmission and distribution losses from electricity consumed.

<sup>49</sup> GHG emissions related to the transport of purchased material, truck transport of intermodal containers, and postage and couriers. Emissions from transport of purchased material were calculated using each order's weight and transport distance with tonne-mileage emissions factors for trucks. For all other Upstream Transportation and Distribution, an economic input-output (EIO) calculator was used to estimate emissions from purchased transportation services.

<sup>50</sup> GHG emissions associated with annual waste generated by CP. Derived using factors from the U.S. EPA Center for Corporate Climate Leadership.

<sup>51</sup> Emissions for Business Travel, including hotel stays, vehicle rentals and flights. Emissions factors for hotel stays from DEFRA were used to calculate GHG emissions. Emissions factors for vehicle rentals and passenger flights from the U.S. EPA Center for Corporate Climate Leadership were used to calculate GHG emissions.

<sup>52</sup> Employee Commuting emissions were estimated using average commuting time, transportation mode and distance statistics from census data in the U.S. and Canada. GHG emissions were calculated following emissions factors from the U.S. EPA Center for Corporate Climate Leadership. Emissions related to employee commuting covers CP employees only and is not inclusive of Transcare and CMQ employees.

GHG Emissions Intensity <sup>53</sup>	Units	2015	2016	2017	2018	2019
Company (Scope 1 and 2)	kg CO <sub>2</sub> e/1,000 GTMs	11.9	11.7	11.6	11.3	11.3
Locomotive (Scope 1)	kg CO <sub>2</sub> e/1,000 GTMs	11.2	11.0	11.0	10.7	10.7
Company (Scope 1 and 2)	kg CO <sub>2</sub> e/1,000 GTKs	8.2	8.0	8.0	7.7	7.8
Locomotive (Scope 1)	kg CO <sub>2</sub> e/1,000 GTKs	7.7	7.5	7.5	7.3	7.4

<sup>53</sup> GHG Emissions Intensity values presented here represent those most commonly presented or publicly requested within the freight rail sector. Company GHG Emissions Intensity includes total Scope 1 and 2 emissions divided by gross ton-miles (GTM), gross tonne-kilometres (GTK), revenue ton-miles (RTM) or revenue tonne-kilometres (RTK) during the reporting period. Intensity metrics have also been provided specific to locomotive GHG emissions.

GHG Emissions Intensity <sup>53</sup>	Units	2015	2016	2017	2018	2019
Company (Scope 1 and 2)	kg CO <sub>2</sub> e/1,000 RTMs	21.7	21.0	20.6	20.1	20.6
Locomotive (Scope 1)	kg CO <sub>2</sub> e/1,000 RTMs	20.3	19.6	19.4	19.0	19.5
Company (Scope 1 and 2)	kg CO <sub>2</sub> e/1,000 RTKs	14.8	14.4	14.1	13.8	14.1
Locomotive (Scope 1)	kg CO <sub>2</sub> e/1,000 RTKs	13.9	13.5	13.3	13.0	13.4
Revenue (Scope 1 and 2)	MT CO <sub>2</sub> e/\$ Million Revenue	469	457	447	424	408
Employee (Scope 1 and 2) <sup>54</sup>	kg CO <sub>2</sub> e/Employee	241	240	237	239	249

<sup>54</sup> CP Employee Emissions Intensity covers CP employees only and is not inclusive of Transcare employees and CMQ Canada employees (acquired in December 2019).

Locomotive Air Emissions <sup>55</sup>	Units	2015	2016	2017	2018	2019
Nitrous Oxide (NO <sub>x</sub> )	Kilotonnes	37.91	31.73	33.05	34.52	35.00
Sulfur Oxide (SO <sub>x</sub> )	Kilotonnes	0.02	0.02	0.02	0.02	0.02
Particulate Matter (PM)	Kilotonnes	0.81	0.67	0.66	0.70	0.69
Hydrocarbons	Kilotonnes	1.78	1.45	1.43	1.51	1.44
Carbon Monoxide (CO)	Kilotonnes	7.35	6.55	6.81	7.17	7.06

<sup>55</sup> Locomotive Air Emissions represents common contaminants associated with the combustion of fuel by CP's locomotive fleet. Calculations are specific to each locomotives' corresponding EPA emissions tier class. Air emissions are derived by combining CP active locomotive fleet data with EPA tier class emissions factors, total fuel consumed and nature of locomotive use (line haul or switching). This methodology is consistent with practices of the Canadian rail sector and Railway Association of Canada – Locomotive Emissions Monitoring Program.

## Asset and Rail Network Resiliency

SASB TR-RA-540a.4

Performance Metrics	Units	2015	2016	2017	2018	2019
Average Terminal Dwell	Hours	7.2	6.7	6.6	6.8	6.4
Average Train Speed	Miles/Hour	21.4	23.5	22.6	21.5	22.2
Main Track Inspections <sup>56</sup>	Total Number	87,722	81,425	81,408	83,832	86,723

<sup>56</sup> Main Track Inspections includes both regulatory and special track inspections.

Performance Metrics	Units	2015	2016	2017	2018	2019
Main Track Miles Inspected	Total Number	1,760,967	1,626,119	1,677,032	1,793,249	1,855,173
Total Main Track Miles	Total Number	12,559	12,423	12,489	12,469	12,683

## Environmental Footprint

Environmental	Units	2015	2016	2017	2018	2019
Annual Spend on Remediation	\$ Millions	17	12	8	7	7
Provision for Environmental Remediation Programs <sup>57</sup>	\$ Millions	93	85	78	82	77
Environmental Audits Completed	# Audits	7	4	14	9	10
Number of Environmental Fines	# Fines	0	0	0	1	0
Amount of Environmental Fines <sup>58</sup>	\$ Total Spent	0	0	0	31,500	0

<sup>57</sup> Provision for Environmental Remediation Programs represents an estimate of probable future obligation and includes both asserted and unasserted claims, without reduction for anticipated recoveries from third parties. Although the recorded accruals include CP's best estimate of all probable costs, CP's total environmental remediation costs cannot be predicted with certainty. Accruals for environmental remediation may change periodically as new information about previously untested sites becomes known, environmental laws and regulations evolve, and advances are made in environmental remediation technology.

<sup>58</sup> The environmental penalty in 2018 was an administrative penalty for exceeding permit limits.

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Water	Units	2015	2016	2017	2018	2019
Water Consumption <sup>59</sup>	ML	1,468	535	557	503	606
Water Discharge <sup>60</sup>	ML	99	110	110	84	134

<sup>59</sup> Water Consumption volumes are based on metered service connections to municipal water treatment and distribution systems supplied to CP facilities across the network. These values do not reflect a small amount of unmetered water supplied by local wells at remote operating locations.

<sup>60</sup> CP discharges industrial wastewater in a responsible manner according to local regulations and permits. All wastewater discharges are planned. Where applicable, CP processes industrial wastewater through treatment plants, including oil water separators, dissolved air flotation, chemical injection and activated carbon systems. Treated effluent is typically discharged to publicly owned sewage treatment works for further treatment. Currently, treated effluent from CP wastewater treatment plants is not reused for other purposes. CP does not currently report on water discharge quality.

Hazardous Waste Disposal <sup>61</sup>	Units	2015	2016	2017	2018	2019
Total Hazardous Waste	Metric Tonnes	3,213	1,742	1,758	2,623	3,274
Reuse	Metric Tonnes	0	0	0	0	0
Recycled	Metric Tonnes	3,137	1,303	1,426	2,588	2,715
Compost	Metric Tonnes	0	0	0	0	0.1
Recovery, including energy recovery	Metric Tonnes	0	1	0	0	0
Incineration	Metric Tonnes	0	14	2	2	0
Deep Well Injection	Metric Tonnes	0	0	0.40	0.02	0
Landfill	Metric Tonnes	76	84	21	16	5
On-site Storage	Metric Tonnes	0	5.08	0	0.03	0
Fuel Blending	Metric Tonnes	0	334	308	17	554

<sup>61</sup> Definitions of hazardous and non-hazardous waste are aligned with Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. Waste disposal methods and associated quantities are provided to CP by third party waste disposal contractors, and tracked by CP's third party consultant. CP works collaboratively with our third party waste contractors to identify beneficial reuse and recycling options for CP's industrial waste streams.

Non-hazardous Waste Disposal	Units	2015	2016	2017	2018	2019
Total Non-hazardous Waste	Metric Tonnes	109,907	92,125	77,511	101,702	86,838
Reuse	Metric Tonnes	0	0	0	0	0
Recycled	Metric Tonnes	2,527	1,794	9,197	2,268	2,164
Compost	Metric Tonnes	59	103	65	55	34
Recovery, including energy recovery	Metric Tonnes	99,678	83,120	61,766	92,950	77,755
Incineration	Metric Tonnes	0	0	0	0	0
Deep Well Injection	Metric Tonnes	0	0	0	0	0
Landfill	Metric Tonnes	7,644	7,066	6,483	6,429	6,885
On-site Storage	Metric Tonnes	0	0	0	0	0
Fuel Blending	Metric Tonnes	0	42	0	0	0



Other Waste	Units	2015	2016	2017	2018	2019
Rail Ties Sent to Cogeneration Facility	# Ties	1,206,751	1,006,280	747,774	1,125,619	941,615
Rail Ties Sent to Cogeneration Facility <sup>62</sup>	Metric Tonnes	99,678	83,072	61,732	92,976	77,755

<sup>62</sup> Annual volumes of rail ties sent to cogeneration facilities are also included in the non-hazardous waste disposal table, reported as waste sent for recovery, including energy recovery.

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Resource Consumption	Units	2015	2016	2017	2018	2019
Total Steel Products Purchased	Metric Tonnes	115,583	88,434	71,251	73,101	81,591
New Rail Purchased	Metric Tonnes	91,583	68,972	47,289	51,293	60,741
Other Track Materials <sup>63</sup>	Metric Tonnes	24,525	19,462	23,962	21,808	20,849
Total Rail Ties Installed	1,000s Rail Ties	1,009	1,008	1,138	1,015	1,122

<sup>63</sup> Other Track Materials includes anchors, spikes, screw spikes, rail clip fasteners, tie plates and track bolts.

## Supply Chain Management

204-1

Supply Chain Management	Units	2015	2016	2017	2018	2019
Tier 1 Suppliers <sup>64</sup>	# Suppliers	10,141	9,147	9,427	8,981	9,812
Total Supplier Spend	\$ Millions	3,940	3,132	3,555	4,042	4,269
Spending on Local Suppliers – Canada	\$ Millions	2,101	1,659	1,896	2,234	2,406
Spending on Local Suppliers – U.S.	\$ Millions	1,837	1,471	1,624	1,696	1,850

<sup>64</sup> Tier 1 Suppliers refers to suppliers that have received a direct payment from CP in the reporting year regardless of a payment amount or volume.

# SOCIAL IMPACT

## Diversity and Inclusion

405-1

Employee Composition <sup>65</sup>	Units	2015	2016	2017	2018	2019
Gender						
Women	% Employees	9.5	9.5	9.6	9.5	9.7
Men	% Employees	90.5	90.5	90.4	90.5	90.3
Age						
< 30 Years Old	% Employees	14.5	14.0	16.2	17.9	17.1
30–50 Years Old	% Employees	53.7	55.3	55.5	56.5	58.2
Over 50 Years Old	% Employees	31.8	30.7	28.3	25.6	24.7
Gender & Age by Management Level						
Sr. Executive Management <sup>66</sup>	# Employees	79	74	78	88	88
Women	% Sr Exec Mgmt	11.4	14.9	17.9	18.2	17.0
Men	% Sr Exec Mgmt	88.6	85.1	82.1	81.8	83.0
< 30 Years Old	% Sr Exec Mgmt	1.3	0.0	0.0	0.0	0.0
30–50 Years Old	% Sr Exec Mgmt	54.4	59.5	65.4	63.6	61.4
Over 50 Years Old	% Sr Exec Mgmt	44.3	40.5	34.6	36.4	38.6
Management <sup>67</sup>	# Employees	2,509	2,301	2,389	2,541	2,615
Women	% Mgmt	17.6	18.4	18.7	18.3	18.2
Men	% Mgmt	82.4	81.6	81.3	81.7	81.8
< 30 Years Old	% Mgmt	7.6	7.7	8.1	8.4	8.0
30–50 Years Old	% Mgmt	60.6	62.9	64.4	65.0	66.7
Over 50 Years Old	% Mgmt	31.8	29.4	27.5	26.6	25.3

<sup>65</sup> Employee Composition information is specific to CP employees, including Canadian employees of the Central Maine and Québec Railway (“CMQ”) and Transcare.

<sup>66</sup> Sr. Executive Management includes all EVP, SVP, VP, AVP, Chief, General Counsel, GM and Managing Director positions.

<sup>67</sup> Management includes assistant roadmasters, assistant trainmasters, supervisors and professional specialist positions.

<b>Employee Composition<sup>65</sup></b>	<b>Units</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Non-management – Non-union <sup>68</sup>	# Employees	672	558	575	593	601
Women	% Non-mgmt Non-union	42.1	41.4	39.1	37.3	37.4
Men	% Non-mgmt Non-union	57.9	58.6	60.9	62.7	62.6
< 30 Years Old	% Non-mgmt Non-union	13.2	11.5	17.6	19.1	18.5
30–50 Years Old	% Non-mgmt Non-union	58.2	59.2	54.6	54.6	56.9
Over 50 Years Old	% Non-mgmt Non-union	28.6	29.3	27.8	26.3	24.6
Non-management – Union <sup>69</sup>	# Employees	9,596	8,760	9,173	9,618	9,390
Women	% Non-mgmt Union	5.2	5.1	5.3	5.5	5.4
Men	% Non-mgmt Union	94.8	94.9	94.7	94.5	94.6
< 30 Years Old	% Non-mgmt Union	16.4	16.0	18.4	20.5	19.8
30–50 Years Old	% Non-mgmt Union	51.7	53.0	53.2	54.4	55.9
Over 50 Years Old	% Non-mgmt Union	31.9	31.0	28.4	25.1	24.3

<sup>68</sup>Non-management – Non-union includes analyst, coordinator and trainee positions.

<sup>69</sup>Non-management – Union is defined as all unionized employees.

Employee Composition <sup>65</sup>	Units	2015	2016	2017	2018	2019
Other Diversity Metrics <sup>70</sup>						
Canada						
Women	% Cdn Employees	10.7	10.6	10.7	10.8	11.0
Aboriginal <sup>71</sup>	% Cdn Employees	3.3	3.4	4.0	4.2	4.5
Persons with Disabilities <sup>72</sup>	% Cdn Employees	2.6	3.0	2.7	2.4	2.8
Visible Minorities <sup>73</sup>	% Cdn Employees	8.4	8.5	10.3	11.8	12.8
U.S.						
Women	% U.S. Employees	5.6	5.3	5.3	4.8	5.0
Persons with Disabilities <sup>72</sup>	% U.S. Employees	1.4	1.4	1.2	1.6	1.6
Visible Minorities <sup>73</sup>	% U.S. Employees	11.5	11.3	12.5	12.5	11.8

<sup>70</sup> Other Diversity Metrics is based on self-identification of employee status at CP. Other Diversity data covers CP employees only and is not inclusive of Transcare employees and CMQ Canada employees (acquired in December 2019).

<sup>71</sup> Aboriginal is defined as all First Nations, Inuit, Métis and North American Indian peoples. These metrics are not tracked in the U.S.

<sup>72</sup> Persons with Disabilities is defined as individuals who have a long-term or recurring physical, mental, sensory, psychiatric or learning impairment and who (a) consider themselves to be disadvantaged in employment by reason of that impairment, or (b) believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of that impairment, and includes persons whose functional limitations owing to their impairment have been accommodated in their current job or workplace.

<sup>73</sup> Visible Minorities are defined as persons who are non-Caucasian in race or non-white in colour. Categories in the visible minorities include but are not limited to: Aboriginal (in the U.S.), South Asian, Chinese, Black, Filipino, Latin American, Arab, Southeast Asian, West Asian, Korean and Japanese.

401-1

New Hires <sup>74</sup>	Units	2015	2016	2017	2018	2019
Applications Received	# Applicants	40,370	43,722	62,341	106,765	92,807
Total Positions Hired	# Positions	1,799	1,775	3,160	4,181	3,871
New Hires	# Employees	1,233	674	1,657	2,402	1,756
Internal Hires <sup>75</sup>	# Employees	566	1,101	1,503	1,779	2,115
Rate of Internal Hires	% Total Positions Hired	31.5	62.0	47.6	42.5	54.6

<sup>74</sup> New Hire data covers CP employees only and is not inclusive of Transcare employees and CMQ Canada employees (acquired in December 2019).

<sup>75</sup> Internal Hires is defined as an existing employee moving to a new position, including all promotions and lateral moves within the Company during the reporting year.



<b>New Hires<sup>74</sup></b>	<b>Units</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Gender</b>						
Women	% New Employees	10.1	13.8	11.3	9.6	11.2
Men	% New Employees	89.9	86.2	88.7	90.4	88.8
<b>Age</b>						
< 30 Years Old	% New Employees	45.5	42.1	47.4	44.7	52.6
30–50 Years Old	% New Employees	47.8	50.3	45.0	48.3	41.5
Over 50 Years Old	% New Employees	6.7	7.6	7.6	7.0	6.0
<b>Region</b>						
Canada	% New Employees	70.6	82.2	80.9	78.6	86.0
U.S.	% New Employees	29.4	17.8	19.1	21.4	14.0

401-1

<b>Employee Turnover<sup>76</sup></b>	<b>Units</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Total Employee Turnover <sup>77</sup>	# Employees	2,537	2,146	1,729	1,785	1,705
Employee Turnover Rate <sup>78</sup>	% Total Employees	19.8	18.4	14.2	14.0	13.6
Voluntary Employee Turnover Rate <sup>79</sup>	% Total Employees	8.2	7.7	6.5	7.0	7.0

<sup>76</sup> Turnover data covers CP employees only and is not inclusive of Transcare employees and CMQ Canada employees (acquired in December 2019).

<sup>77</sup> Total Employee Turnover refers to the number of workers who left CP during the reporting period. This includes voluntary and non-voluntary terminations. The higher turnover rate from 2015–2016 was primarily due to job reductions as a result of continued strong operational performance and natural attrition.

<sup>78</sup> Employee Turnover Rate is calculated as total turnover by employee category divided by the total number of employees in each category.

<sup>79</sup> Voluntary Employee Turnover Rate refers to employees who leave the Company of their own volition, and does not include departures due to retirement. Calculated as total voluntary turnover divided by total number of employees.

<b>Employee Turnover<sup>76</sup></b>	<b>Units</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Gender</b>						
Women	% Women Employees	18.8	17.7	13.6	15.7	15.3
Men	% Men Employees	19.9	18.5	14.3	13.8	13.4
<b>Age</b>						
< 30 Years Old	% Age Class	23.2	16.6	12.8	16.4	19.1
30–50 Years Old	% Age Class	13.5	13.0	10.4	10.0	8.9
Over 50 Years Old	% Age Class	27.6	27.6	21.5	20.0	20.7
<b>Region</b>						
Canada	% Regional Employees	19.1	18.2	14.2	13.7	13.7
U.S.	% Regional Employees	21.9	19.3	14.2	15.2	13.2

## Community Investment

<b>Investment and Donations</b>	<b>Units</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Canada</b>						
Community Investments by CP	\$ CAD	4,007,200	4,807,029	4,604,679	4,000,947	3,531,458
Monetary Donations by CP	\$ CAD	3,727,100	4,494,260	4,470,664	3,617,418	3,447,379
In-kind Donations by CP	\$ CAD	280,100	312,769	134,015	383,529	84,079
Community & Employee Donations – CP Led	\$ CAD	820,774	1,055,163	1,493,153	1,367,233	1,930,783
<b>U.S.</b>						
Community Investments by CP	\$ USD	453,606	442,768	475,240	415,086	553,676
Monetary Donations by CP	\$ USD	426,625	442,768	452,804	415,086	553,676
In-kind Donations by CP	\$ USD	26,981	0	22,436	0	0
Community & Employee Donations – CP Led	\$ USD	304,098	224,297	295,354	303,459	321,261