

CPKC

TCFD Index

Sustainably Driven



TCFD Index

CPKC has prepared this index in alignment with the recommendations of the Financial Stability Board’s Task Force on Climate-related Financial Disclosures (TCFD). CPKC aims to provide our stakeholders with clear and comprehensive information on how we manage climate-related risks and opportunities, reinforcing our commitment to sustainability and responsible business practices.

The TCFD framework recommends climate-related disclosures across four core elements, including governance, strategy, risk management and metrics and targets.



Recommended Disclosure		CPKC References
Governance		
Disclose the organization’s governance around climate-related risks and opportunities	a) Describe the board’s oversight of climate-related risks and opportunities	2025 Management Proxy Circular, pg. 94 2024 Annual Report, pg. 35 2024 CDP Response, pg. 33 Risk and Sustainability Committee Terms of Reference
	b) Describe management’s role in assessing and managing climate-related risks and opportunities	2025 Management Proxy Circular, pgs. 94-95 2024 Annual Report, pg. 35 2024 CDP Response, pg. 35
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term	2025 Management Proxy Circular, pg. 99 2024 Annual Report, pgs. 35-36, 40-41 & 44-45 2024 CDP Response, pgs. 23-25 & 28-30
	b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning	2025 Management Proxy Circular, pgs. 92-99 2024 Annual Report, pgs. 35-36, 40-41 & 44-45 2024 CDP Response, pgs. 23-30 & 51-54
	c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2025 Management Proxy Circular, pgs. 94-99 2024 CDP Response, pgs. 45-50
Risk Management		
Disclose how the organization identifies, assesses and manages climate-related risks	a) Describe the organization’s processes for identifying and assessing climate-related risks	2025 Management Proxy Circular, pgs. 94-95 & 99 2024 Annual Report, pgs. 35-36 2024 CDP Response, pgs. 12-17
	b) Describe the organization’s processes for managing climate-related risks	2025 Management Proxy Circular, pgs. 94-95 & 98-100 2024 Annual Report, pgs. 35-36 2024 CDP Response, pgs. 12-17
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization’s overall risk management	2025 Management Proxy Circular, pgs. 94-95 & 99 2024 CDP Response, pgs. 13-14 & 17-18
Metrics & Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	2024 CDP Response, pgs. 80-115 2023 Sustainability Data Report, pgs. 13-16
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	2025 Climate Mileposts report 2024 CDP Response, pgs. 80-98, 107 2023 Sustainability Data Report, pgs. 13-15 2023 GHG Assurance Statement
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	2025 Climate Mileposts report, pgs. 4-5 2024 CDP Response, pgs. 108-111 2023 Sustainability Data Report, pg. 16



Forward-Looking Information

This index and documents incorporated by reference contain certain forward-looking information and forward-looking statements (collectively, “forward-looking information”) within the meaning of applicable securities laws, including with respect to the environmental, social, governance and sustainability priorities, policies, practices, programs, goals, targets, strategies and objectives of CPKC. Any statements about our expectations, beliefs, plans, goals, targets, predictions, forecasts, objectives, assumptions, information and statements about possible future events, conditions and results of operations or performance are not historical facts and may be forward-looking. Forward-looking information in this index and documents incorporated by reference includes, but is not limited to, plans, timelines or objectives of management for future operations and anticipated mileposts; information regarding sustainability-related actions we plan to take in the future, including CPKC’s climate strategy for reducing greenhouse gas emissions, our Commitment to Climate Action or other sustainability-related commitments; fuel efficiency of railways and our operations; future investments in and the availability of carbon emissions-reduction tools and technologies including through our fleet modernization program and technology upgrades; the impacts of existing and planned capital investments; our ability to work with governments and third parties to mitigate the impacts of climate change; and assumptions underlying or relating to any of the foregoing. Forward-looking information is often, but not always, made through the use of words or phrases such as “anticipates”, “aims”, “strives”, “seeks”, “believes”, “can”, “could”, “may”, “predicts”, “potential”, “should”, “will”, “estimates”, “plans”, “mileposts”, “projects”, “continuing”, “ongoing”, “expects”, “intends” and similar words or phrases suggesting future outcomes.

Forward-looking information is based on current assumptions about our business and our strategy as well as economic,

political, regulatory, market and environmental conditions affecting them. Although we believe the assumptions reflected in the forward-looking information presented or incorporated by reference in this report are reasonable as of the date hereof, there can be no assurance that they may prove to be correct. Readers should not put undue reliance on forward-looking information, as it is not a guarantee of future performance. Forward-looking information involves many inherent risks and uncertainties that could cause actual results to differ materially from the forward-looking information. This includes risks such as: change in business strategies; general North American and global economic, credit and business conditions; changes in the availability and price of commodities and energy; the effects of competition; industry capacity; shifts in demand; changes in laws and regulations; natural or other disasters, including earthquakes, wildfires, pandemics or acts of terrorism affecting the markets in which we operate; the adverse effects of climate change on our business, investors, customers, suppliers and counterparts; our ability to successfully execute on initiatives relating to sustainability; cost increases; claims and litigation; labour disputes; liabilities arising from derailments and the outbreak of a pandemic or contagious disease and the resulting effects on economic conditions; and the successful integration of KCS into the Company among other things. The foregoing list of risks is not exhaustive.

These and other factors are detailed from time to time in reports we file with the securities regulators in Canada and with the U.S. Securities and Exchange Commission (SEC) in the United States. Readers should refer to Item 1A – Risk Factors, Item 7 – Management’s Discussion and Analysis of Financial Condition and Results of Operations and Forward-Looking Statements in our 2024 Annual Report on Form 10-K and to our risk factor and forward-looking information disclosure in our quarterly reports on Form 10-Q filed on SEDAR+ (www.sedarplus.ca) and EDGAR (www.sec.gov).

In addition, our environmental, social, governance and sustainability priorities, policies, practices, programs, goals and objectives (including CPKC’s climate strategy and our Commitment to Climate Action) remain under development as we continue to refine our analysis of and response to potential future climate and other risks and opportunities, and as the science, data and methodology underlying our analysis and strategy continue to evolve over time. Further, as we continue to integrate the operations of KCS into ours, we are conducting additional data-gathering and intend to further assess the climate and other environmental, social, governance and sustainability strategies and initiatives for the combined company and may make changes to our existing strategies and initiatives as a result.

For these reasons, in future disclosures, we may include information that differs from information contained in this index. Unless indicated otherwise or the context otherwise requires, forward-looking information contain or incorporated by reference in this report speaks only as of the date hereof. We undertake no obligation to update or otherwise revise any information in this index, including any forward-looking information, unless we are required to by applicable law.



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