Module: Introduction

Page: Introduction

CC0.1

Introduction
Please give a general description and introduction to your organization.

CP strives to be the North American rail industry leader in environmental protection. Our commitment to conduct environmentally responsible and sustainable business operations is at the core of our franchise and it is the collective responsibility of our employees to ensure that we protect our environment. Our pledge to clean operations benefits our land, our water and our air. Good environmental practices don't just make sense from a corporate responsibility perspective; they are inseparable from sound business practices.

The transportation sector accounts for slightly more than one quarter of the greenhouse gas emissions in Canada and the United States. Railways move approximately 70% of all freight on a tonne-kilometre basis in Canada but only account for 3.6% of the greenhouse gas emissions from the transportation sector. Despite this inherent efficiency, CP recognizes the importance of continuing to strive for improvements in our operations to drive down emissions of greenhouse gases.

CP is driving change as it moves through its transformational journey to become the best railroad in North America, while creating long-term value for shareholders. The company is focused on providing customers with industry leading rail service; driving sustainable, profitable growth; optimizing our assets; and reducing costs, while remaining a leader in rail safety.

CC0.2

Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Wed 01 Jan 2014 - Wed 31 Dec 2014

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
Canada
United States of America

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD($)

CC0.6

Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.
If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Further Information

This report contains certain forward-looking statements relating but not limited to our operations, anticipated financial performance, planned capital expenditures, and business prospects. Undue reliance should not be placed on forward-looking information as actual results may differ materially. By its nature, CP's forward-looking information involves numerous assumptions, inherent risks and uncertainties, 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 investments; and 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. Other risks 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" in CP's annual and interim reports, Annual Information Form and Form 40-F. Except as required by law, CP undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events or otherwise.

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

Name of the Committee: Health, Safety, Security and Environment Committee of the Board of Directors

The Health, Safety, Security and Environment Committee consists of members of the CP Board of Directors. The committee provides oversight on, and assists the Board of Directors in discharging its oversight responsibilities with respect to health, safety, security and environmental issues including climate change.

The committee is provided with information on regulatory developments and emissions information with respect to climate change by the Environmental Risk group.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Corporate executive team	Monetary reward	Efficiency target	Annual performance rewards are set for each member of the corporate executive team. Controlling costs, including fuel consumption is a core corporate value and makes up one of the targets for this program.
Management group	Monetary reward	Efficiency target	Individuals within the Operations section of the company have the corporate fuel efficiency target in their annual performance plan as part of their bonus. The fuel efficiency target is directly tied to 96% of the

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
			company's Scope 1 greenhouse gas emissions.
Other: Operations Employees	Monetary reward	Efficiency target Behaviour change related indicator	Individuals within the Operations section of the company have the corporate fuel efficiency target in their annual performance plan as part of their bonus. The fuel efficiency target is directly tied to 96% of the company's Scope 1 greenhouse gas emissions. Employees responsible for running trains are monitored for performance against specific operations practices such as the use of dynamic braking over power braking which improves fuel efficiency in train operations. Monthly notices are issued on performance to ensure continued improvement.

Further Information

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Canada and the United States	3 to 6 years	

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

In the normal course of our operations, we are exposed to various climate change risks and opportunities that can have an effect on our financial condition.

As part of the preservation and delivery of value to our shareholders, we have developed an integrated Enterprise Risk Management framework to support consistent achievement of key business objectives through daily pro-active management of risk and recognition of opportunities.

Company Level:
At the company level, potential climate change risks and opportunities are identified through an interdisciplinary approach involving a number of different departments. The Environmental Risk group monitors regulatory and policy developments at the international, national and state/provincial level to identify any changes that may either affect or present opportunity for the company with respect to climate change. Other developments such as carbon taxation systems may also involve Finance, Marketing and Sales and the Enterprise Risk Management group.

Notable developments are reported bi-annually to the Health, Safety, Security and Environment Committee of the Board of Directors as well as other company departments as required by the Environmental Risk group.

Asset Level:

Potential physical risks associated with climate change include damage to railway infrastructure due to extreme
weather effects, (e.g. increased flooding, winter storms) are identified and evaluated by Engineering. Improvements to infrastructure design and planning are used to mitigate the potential risks posed by weather events. Canadian Pacific maintains flood plans, winter operating plans, an avalanche risk management program and geotechnical monitoring of slope stability.

CC2.1c

How do you prioritize the risks and opportunities identified?

Each risk or opportunity identified is assessed based on the potential impact and likelihood, taking account of financial, environmental, and reputational impacts, and existing management control. Risk mitigation strategies are formulated to accept, treat, transfer, or eliminate the exposure to the identified events or to take advantage of noted opportunities.

CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

i) How the business strategy has been influenced:

CP's philosophy is that effective governance involves more than policies, procedures and protocols; it must be integrated into the everyday business practices of all those who work for CP. We believe that corporate sustainability creates shareholder value. It is a part of everything we do.

Information on climate change is identified by different groups within the company and then communicated as required. The Environmental Risk group monitors climate change related policy and regulatory developments and communicates these to senior management in potentially affected departments including Operations, Marketing and Sales, Finance and Taxation. Engineering is responsible for evaluating changes to infrastructure and the related environmental factors such as water levels, avalanche risk, storm potentials, etc. This information is then relayed to planning teams that factor in capital upgrade requirements and operating strategies. The company has a multi-year fuel intensity target that reflects 96% of our greenhouse gas emissions. This target is one of our corporate key

performance indicators and is based on extensive analysis including the information discussed above.

ii) What aspects of climate change have influenced the strategy:

Regulatory Changes: The most influential changes in regulations related to emissions from our locomotive fleet which represent 96% of our GHG emissions. However others include the introduction of carbon taxation systems and regulatory changes that affect our customers.

Need for Adaptation: The physical risks of climate change such as natural disasters, flooding, and extreme weather events require a continuous evaluation of our 13,700 miles of track and associated infrastructure. They influence our day to day operating plans as well as our capital planning process.

Opportunities for Sustainable Business: Over 25% of national greenhouse gas emissions come from the transportation sector. The movement of freight is critical to the national economy and CP believes that rail provides a sustainable alternative to other forms such as long haul trucking. As part of our strategy we promote the fact that modal shift to rail offers shippers the opportunity to move their goods in a less carbon-intensive manner.

iii. The most important components of the short term strategy that have been influenced by climate change.

Our short term strategy looks at initiatives in the next four years.

Locomotive Fleet Renewal:
Over the past two years we have acquired 20 new EMD SD-30 locomotives and 130 new EMD SD-20 ECO locomotives to help modernize our road locomotive fleet. These locomotives use older locomotive bodies and replace the engine with one that is 15-20% more fuel efficient than their predecessors and improve air pollutant emissions as well.

Operational Strategy:
In 2014, we continued to increase the length of trains in key product groupings which helps to reduce train starts, the number of locomotives required and increases network speed and productivity. All of this results in improvements in fuel efficiency (3% improvement). A number of longer track sidings also came on line in 2014 which reduces the need for idling at train meets in single-track locations.

These initiatives all form part of our 2016 goals for network velocity and fuel efficiency.

iv) The most important components of the long term strategy that have been influenced by climate change.

Looking further ahead we continue to explore alternative fuels for locomotive operations such as liquefied natural gas as well as new locomotive technologies.

v) Strategic advantage over competitors: CP's main competition for freight transportation in Canada and the U.S. includes other railways, trucking and barge companies. Our focus on climate change through improvements in locomotive fuel efficiency has allowed us to present a low carbon intensive option to remain competitive with other modes of transportation. In fact, on average rail is 3-4 times more fuel efficient than truck which offers shippers an opportunity to move their products with less greenhouse gas emissions. We continue to emphasize the need to improve our operational efficiency which will allow us to maintain this advantage into the future. This involves a continual review of operational plans, locomotive fleet sizing and renewal and exploration of alternative fuels such as liquefied natural gas.

We report on our progress, challenges and future plans involving climate change through our biennial sustainability report, as well as through our company website, www.cpr.ca. Our website also includes a carbon footprint calculator that allows shippers to understand the difference in greenhouse gas emission between long

haul truck and rail movements.

vi) The most substantial business decisions during the year were:

- $700M in capital improvements to infrastructure to ensure an efficient network (adaptation and physical risks)
- Acquisition of new SD-30 and SD-20ECO locomotives (opportunity for sustainable business)
- Increased length and weight of trains to drive further efficiencies (improved fuel efficiency).

CC2.2b

Please explain why climate change is not integrated into your business strategy

CC2.2c

Does your company use an internal price of carbon?

No, and we currently don't anticipate doing so in the next 2 years

CC2.2d

Please provide details and examples of how your company uses an internal price of carbon

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers
Trade associations

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	Canadian Pacific is participating with other Class 1 railways in the US-Canada Regulatory Cooperation Council on greenhouse gas emissions in the rail sector. This involves direct engagement with policy makers from the US EPA and Transport Canada.	Exploring voluntary agreements to cover rail sector emissions in Canada and the United States between the Canadian and U.S. governments and the rail sector as represented by the Railway Association of Canada, the Association of American Railroads and individual member companies, including Canadian Pacific. The agreement will include a railway industry target for reduction in greenhouse gas intensity.
Energy efficiency	Support	Canadian Pacific is participating in a voluntary memorandum of understanding (2011-2015) on reducing locomotive emissions in Canada. Canadian Pacific is an active member on both the management and technical committees (chair) under the Memorandum of Understanding. This involves direct engagement with policy makers from Transport Canada and Environment Canada.	The agreement includes a target of reducing greenhouse gas emission intensity by 6% from 2010 levels by the end of 2015.

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
Railway Association of Canada	Consistent	From the RAC website: "Environmental policies in Canada, at federal and provincial levels of government, are being developed in response to public demands for improved air quality, reductions in greenhouse gas (GHG) emissions and increased energy efficiency. Overall, Canada is faced with the challenge of reducing emissions growth in a highly competitive global economy. At the same time, Canada's economic strength and community wellbeing must be assured. A key component in an environmental strategy must be the role the rail sector can play in reducing emissions associated with transportation activity. Currently, the transportation sector, the largest single source of GHGs, contributes 27 per cent of GHGs produced in Canada. Rail is well positioned as a solution to reducing GHG emissions associated with transportation activities. Canada's rail business moves 70 per cent of the surface freight on a tonne-kilometer basis but produces only 3 percent of transportation sector GHGs. Canadian rail is in a unique position to meet the challenge facing Canadian communities and industries by offering environmentally sustainable transportation today and into the future. Canada must encourage and enable an effective and sustainable transportation system to serve the nation and its regions. A system that enhances movement of freight and passengers by rail and continually strengthens Canada's and competitiveness is critical to our nation's economic well-being. Canada's Rail business has made a significant contribution to environmental sustainability in the past and it is well positioned to play an important role in the future. In an effort to management locomotive emissions, the RAC and its member railways entered into a Memorandum of Understanding with Transport Canada and Environment Canada. Under this agreement, the rail industry committed to greenhouse gas (GHG) reduction targets, on an intensity basis, for Class 1 freight railways, short line freight railways, intercity passenger rail, and commuter rail as well as efforts to reduce emissions of criteria air containments. The industry is ready to continue to work with governments, communities and other private sector partners to increase the	Canadian Pacific is actively engaged as members of the following relevant committees of the Board of Directors: Environment Committee and as the current vice-chair of the Safety and Operations Management Committee. Through our participation in these committees we are engaged directly with the association and support the position as described.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		sustainability of the Canadian economy."	
Association of American Railroads	Consistent	From the AAR website: "Expanded use of freight rail offers a simple, inexpensive, and immediate way to meaningfully reduce greenhouse gas emissions without harming the economy. On average, railroads are four times more fuel efficient than trucks. That means moving freight by rail instead of truck reduces greenhouse gas emissions by 75 percent. According to Environmental Protection Agency (EPA) data, freight railroads account for just 0.6 percent of U.S. greenhouse gas emissions from all sources and just 2.2 percent of emissions from transportation-related sources."	Canadian Pacific is actively engaged as a member of the Environmental Affairs Committee. Through our participation on this committee we are engaged directly with the association and support the position as described.

CC2.3d

Do you publicly disclose a list of all the research organizations that you fund?

CC2.3e

Do you fund any research organizations to produce or disseminate public work on climate change?

CC2.3f

Please describe the work and how it aligns with your own strategy on climate change

CC2.3g

Please provide details of the other engagement activities that you undertake

CC2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Individuals that play a role in the engagement activities mentioned are responsible for communicating all actions and policy developments to senior management within the company. Activities are also reported to the Health, Safety, Security and Environment Committee of the Board of Directors to ensure consistency with the company's climate change strategy.

CC2.3i

Please explain why you do not engage with policy makers

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

No opinion

CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

Further Information

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Intensity target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
Int1	Scope 1	96%	3.67%	Other: kilograms of CO2e per thousand gross-ton mile	2013	12.17	2014	

CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	Decrease	2.6	No change		

CC3.1d

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Int1	100%	100%	

CC3.1e

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

No

CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	
To be implemented*	0	
Implementation commenced*	0	
Implemented*	1	2573
Not to be implemented	0	

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Transportation: fleet	Acquisition of new SD20ECO locomotives.	2573	Scope 1	Voluntary	787500	102000000	>25 years	21-30 years	Payback period is based solely on monetary savings from fuel consumption. There are several other factors involved in terms of train handling, replacement ratio, and reliability etc that in reality reduce the payback period substantially. This is a voluntary initiative as the existing units, while older, could still have been used.

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Standards for locomotive emissions are set by the US EPA in the United States and shortly by Transport Canada in Canada. These standards are the baseline and drive investment in locomotive overhaul emission kits, idle-reduction technology at purchase and other technological initiatives.
Dedicated budget for energy efficiency	A continuous goal of improving fuel efficiency is in place at Canadian Pacific. In order to support this goal we allocate funds for obtaining new equipment (e.g. locomotives, railcars, lubrication systems, software systems) and to promote fuel conservation programs in house.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

Page: CC4. Communication

CC4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document
In mainstream financial reports but have not used the CDSB Framework	Complete	Pages 58-59	https://www.cdp.net/sites/2015/66/2666/Climate Change 2015/Shared Documents/Attachments/CC4.1/cp-ar-2014.pdf
In voluntary communications	Complete	Pages 2,3,7,23-28, 53	https://www.cdp.net/sites/2015/66/2666/Climate Change 2015/Shared Documents/Attachments/CC4.1/csr-report-2014.pdf

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Carbon taxes	Carbon taxation systems are evolving at the provincial level in Canada. At this time, two of the provinces in which CP operates have carbon tax systems: British Columbia and Quebec. While different in the means of implementation and which provincial agency is responsible for the program, each is based on the	Increased operational cost	1 to 3 years	Direct	Likely	Low-medium	CP pays 7.67 cents for each litre of locomotive diesel fuel consumed within British Columbia which translates to approximately $15-20M per year based on provincial consumption. In Quebec, the price was 1.16 cents per litre under the Green Levy which is expected to increase as the program changes to the Cap and	Canadian Pacific has created a tariff that addresses the BC Carbon Tax. Through CP tariff 9800, we require that all freight customers, with the exception of CTA regulated grain movements, pay a carbon tax surcharge per mile or container for movements within the province of British Columbia. Carload customers are charged 4.2 cents per mile	The cost of management involves the manpower and IT costs to collect the carbon tax surcharge as outlined as well as monitoring regulatory changes.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	amount of fossil fuel consumed within the province. In the case of British Columbia, CP is directly responsible for payment of the carbon tax amount per unit volume. In Quebec the tax is rolled down from fuel suppliers. There is the potential that these taxes could increase in the future and programs be created in other provinces.						Trade program in 2015. Any potential increase in these charges would result in an increase in costs for fuel purchased for rail operations.	while Intermodal customers are charged based on each unit that is shipped within the boundaries of BC dependant on the size of the unit and the distance it travels. Long distance (250 miles or more): $5.48 per twenty foot equivalent unit (TEU) Short haul (<250 miles): $1.58 per TEU CP continues to monitor any regulatory developments with respect to an increase in the carbon tax and potential changes in the Quebec program.	
Uncertainty surrounding new regulation	CP is not currently regulated in Canada or the United States on emissions of greenhouse gases from locomotive operations. A	Increased operational cost	3 to 6 years	Direct	More likely than not	High	The financial implications of such a regulatory instrument are difficult to forecast without specific details. Potential impacts could	CP Environmental Risk personnel monitor developments in locomotive emission regulations and are in regular contact	The cost of management involves work time and traveling costs to participate in discussions with the

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	potential regulation could take the form of a cap, mandatory emission intensity levels or other similar requirement. This would have a direct impact the cost of delivering freight service to our customers. It could potentially require modifications or newly designed locomotives or alternative fuels.						range from simple modifications to existing approaches which may not increase the cost of business to the requirement for new locomotive designs, fuel types and associated infrastructure which could potentially result in costs in the billions.	with regulators in both Canada and the US on this matter. CP is actively participating in the development of a voluntary agreement on greenhouse gas emission from the rail sector with Transport Canada and the US EPA which would include an intensity target to be achieved within five years. By participating in this process we are better able to inform the process to ensure there is a balance between improvements in emissions and the cost of achieving those improvements.	regulatory agencies for one FTE in the Environmental Risk group.

CC5.1b

Please describe your inherent risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	This is both a current and anticipated risk which is felt throughout the network but focused in floodplains or in areas that present unique risks such as snow avalanche, landslide or subgrade failure. Experience over the past several years has shown the impact of these natural events and their capacity to affect the business. Flood events such as those seen in Calgary in 2013 can shut down the rail line for extended periods of time, require complete track replacements, and increase the	Reduction/disruption in production capacity	Up to 1 year	Direct	Very likely	High	In June 2013, both of CP's main routes to the Western Canadian ports were out of service due to flooding. Floods resulted in more than 40 washouts over a four-day period of historic flooding in Calgary and Southern Alberta. Network interruptions during the quarter impacted revenue growth by approximately $25 million or 2 per cent. This included the flood and a main line derailment in Ontario. Flooding in Saskatchewan in 2014 resulted in line outages	Improvements to infrastructure design and planning are used to mitigate the potential risks posed by weather events. The Company maintains flood plans, winter operating plans, an avalanche risk management program and geotechnical monitoring of slope stability. Post-flood projects were completed in 2013 and 2014 to improve slope stability and armouring on the Bow River in Southern Alberta.	Upgrading the network rail infrastructure is the most significant cost associated with this particular risk. Spending ranges from $500-800M per year on this infrastructure.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	risk of derailments. Significant flooding was experienced in Iowa, Saskatchewan and Ontario in 2014.						and other related delays.		
Change in temperature extremes	Extreme temperatures represent risks to railway infrastructure. Track buckling, unacceptable levels of rail movement, increased frequency of broken rails, frozen switches and resulting need to replace track and equipment more frequently are all possible outcomes. Several of these can result in derailments or other incidents requiring shutdown of portions of the	Reduction/disruption in production capacity	Up to 1 year	Direct	Very likely	High	The most likely financial implication due to extreme temperatures is due to the increased risk of derailments which carry the cost of recovery and clean-up as well as disruption of operations and impact on reputation.	Track infrastructure is monitored on a regular basis both visually by our track inspection personnel but also through newer scanning technology that we have been acquiring over the last number of years. Such technology includes track evaluation cars, hi-rail trucks that measure track geometry and rail wear and ultrasonic rail detection. This technology identifies defects prior to	Upgrading the network rail infrastructure is the most significant cost associated with this particular risk. Spending ranges from $500-800M per year on this infrastructure.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	network exposing the company to financial risks.							in-service failure. Other wayside technology is being acquired and installed to identify issues at the point of the wheel/rail interaction.	

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other drivers	CP is exposed to commodity risk related to purchases of diesel fuel and the potential reduction in net income due to increases in the price of diesel. Fuel expense constitutes a large portion of our operating costs and volatility in diesel fuel prices can have	Increased operational cost	Up to 1 year	Direct	Very likely	High	Any increase in the price of fuel can impact the potential for revenues. Based on 2014 fuel costs an increase in pricing of even 1% would result in an additional $10M in fuel costs for the company.	CP employs a fuel cost recovery program designed to automatically respond to fluctuations in fuel prices and help mitigate the financial impact of rising fuel prices. Fuel surcharge revenue is earned on individual	The short-term volatility in fuel prices may adversely or positively impact expenses and revenues due to fuel surcharge revenue as described.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	a significant impact on income. Items affecting volatility in diesel prices include, but are not limited to, fluctuations in world markets for crude oil and distillate fuels, which can be affected by supply disruptions, geopolitical events and climate change related developments.							shipments; as such, our fuel surcharge revenue is a function of our freight volumes. In addition, we manage fuel expenditures through a continual focus on fuel efficiency programs in our operating plan. In 2014 we acquired 60 new EMD SD-20 locomotives to help modernize our switching locomotive fleet. These locomotives use older locomotive bodies and replace the engine with one that is 15-20% more fuel efficient than their predecessors.	
Other drivers	As a Class 1 rail carrier, CP is required to accept products for shipment that are offered for transportation under common carrier obligations. Certain	Reduced demand for goods/services	Up to 1 year	Indirect (Client)	Likely	High	CP's coal business represented approximately 10% of total freight revenues in 2014, while crude oil was approximately	There are inherent limitations to the ability to manage any reputational risks due to the company's common carrier obligations. The risk of future reductions in the	Potential costs of management would include the need to build new track or yard infrastructure to offer services to new customers.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	products such as crude oil and thermal coal can present both reputation and longer-term economic risks. Environmental policy changes and public interest are expected to increase the pressure to reduce the use of these types of products which can impact these lines of business.						7%. Reduction in the demand for these products or policy changes that restrict their use will affect these lines of business for the company.	volumes of these products is managed in part through the diversification of our service offering and offset more recent commitment to increasing revenues through identifying new business lines.	

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
General	Increased	New	1 to 3	Indirect	Virtually	High	The increased	CP is	Costs

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
environmental regulations, including planning	attention on environmental assessment regulations and greenhouse gas emissions for new pipeline projects has led to opportunities for Canadian Pacific to provide service to shippers who would otherwise move product on these new pipelines.	products/business services	years	(Client)	certain		demand for crude by rail services has led to a significant increase in revenues associated with crude oil movements. Over the next few years there is the potential for the overall percentage of revenue from crude by rail to double to 10%. Based on current revenues this could potentially add an additional $300M in revenue. In 2014, crude oil represented 7% of revenues.	managing this opportunity through working with crude oil shippers and transloading companies to develop transload facilities near point of origin to allow for the transfer of crude oil from truck to rail and ultimately to refineries in the United States. As an example, the Exxon Mobil crude-by-rail facility in Edmonton, AB is expected to come online in 2015 which will represent the largest in Canada. The terminal is a direct result of the delays in pipeline projects both	associated with this opportunity include human resources to manage transload opportunities as well as any necessary construction costs.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								in Canada and between Canada and the United States.	

CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	We consider our inherent carbon intensity advantage over other surface	Increased demand for existing products/services	Up to 1 year	Direct	Virtually certain	Medium-high	Based on 2014 revenues, Each 1% increase in	This opportunity is managed through a renewed approach to	Main costs associated with the opportunity include multi-million dollar

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	modes such as long-haul truck to be a significant opportunity to increase revenues in particular portions of the business, most notably intermodal services. A significant amount of national greenhouse gas emissions come from the transportation sector (roughly 30%), however freight rail only contributes 2-3% of that sector as a whole, despite moving a large amount of surface freight. Customers are continually looking at ways to improve on their carbon footprint in their supply chain which provides an advantage to rail.						intermodal business could contribute $64M in additional revenues for the company.	marketing and sales within the company. Efforts have been made to improve efficiency for intermodal routes and to reduce the cycle times as a means of making the service more attractive to potential customers. Commissions for sales staff are being increased in frequency from bi-annual to quarterly to monthly in an attempt to incentivize increasing sales.	improvements to intermodal facilities and improvements in IT systems to provide better tools for existing and potential customers.

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

The expected changes in physical climate parameters may indeed present some opportunities on a regional basis due to long term changes in land productivity, notably in the agricultural sector, however these will be offset by similar changes in other regions where productivity will decrease due to increased temperatures and reduced water availability. As a result the company does not expect substantive opportunities due to the changes in physical climate parameters.

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Sun 01 Jan 2012 - Mon 31 Dec 2012	3399665
Scope 2	Sun 01 Jan 2012 - Mon 31 Dec 2012	104852.77

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
ISO 14064-1

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Not applicable

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	Other: ASHRAE Standard 34
Other: HCFCs (R-22)	Other: IPCC (2007), Changes in Atmospheric Constituents and in Radiative Forcing

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Biodiesels	2.80555	kg CO2e per liter	National Inventory Report 1990–2013: Greenhouse Gas Sources and Sinks in Canada
Diesel/Gas oil	3.02155	kg CO2e per liter	(Locomotive/Offroad) National Inventory Report 1990–2013: Greenhouse Gas Sources and Sinks in Canada
Diesel/Gas oil	2.75428	kg CO2e per liter	(Road) National Inventory Report 1990–2013: Greenhouse Gas Sources and Sinks in Canada
Distillate fuel oil No 2	2.76239	kg CO2e	(Stove Oil) National Inventory Report 1990–2013: Greenhouse Gas Sources and Sinks in Canada

Fuel/Material/Energy	Emission Factor	Unit	Reference
		per liter	
Diesel/Gas oil	2.72295	kg CO2e per liter	(Locomotive/Road US) Solid, gaseous, liquid and biomass fuels: Federal Register (2009) EPA; 40 CFR Parts 86, 87, 89 et al; Mandatory Reporting of Greenhouse Gases; Final Rule, October 30, 2009, Tables C-1 and C-3. With Amendments from 2013 Memo
Diesel/Gas oil	2.72143	kg CO2e per liter	(Offroad US) Federal Register (2009) EPA; 40 CFR Parts 86, 87, 89 et al; Mandatory Reporting of Greenhouse Gases; Final Rule, October 30, 2009, Tables C-1 and C-3. With Amendments from 2013 Memo
Electricity	282.11	kg CO2e per MWh	Average of BC, AB, SK, MB, ON and QC from Canada National Inventory Report (1990-2013)
Electricity	700.76	kg CO2e per liter	MRO-West eGRID (2010) from World Resources Institute (2014) GHG Protocol Tool for Stationary Combustion Version 4.5
Electricity	248.7	kg CO2e per MWh	NPCC Upstate NY eGRID (2010) from World Resources Institute (2014) GHG Protocol Tool for Stationary Combustion Version 4.5
Motor gasoline	2.32606	kg CO2e per liter	(Road) National Inventory Report 1990–2013: Greenhouse Gas Sources and Sinks in Canada
Motor gasoline	2.3984	kg CO2e per liter	(Off Road) National Inventory Report 1990–2013: Greenhouse Gas Sources and Sinks in Canada
Motor gasoline	2.34005	kg CO2e per liter	Federal Register (2009) EPA; 40 CFR Parts 86, 87, 89 et al; Mandatory Reporting of Greenhouse Gases; Final Rule, October 30, 2009, Tables C-1 and C-3. With Amendments from 2013 Memo
Natural gas	1.54778	kg CO2e per liter	Average of Marketable Natural Gas (BC, AB, SK, MB, ON, QC) from Canada National Inventory Report (1990-2013)
Natural gas	54.5	Other: g CO2e per scf	Federal Register (2009) EPA; 40 CFR Parts 86, 87, 89 et al; Mandatory Reporting of Greenhouse Gases; Final Rule, October 30, 2009, Tables C-1 and C-3. With Amendments from 2013 Memo
Other: Ethanol	1.51906	kg CO2e per liter	National Inventory Report 1990–2013: Greenhouse Gas Sources and Sinks in Canada
Other: Ethanol	1.53961	kg CO2e per liter	Federal Register (2009) EPA; 40 CFR Parts 86, 87, 89 et al; Mandatory Reporting of Greenhouse Gases; Final Rule, October 30, 2009, Tables C-1 and C-3. With Amendments from 2013 Memo
Other: Methanol	1.09316	kg CO2e per liter	The Climate Registry (2013); General Reporting Protocol for the Voluntary Reporting Program Version 2.0, Default Emission Factors, Table 13.1 US Default CO2 Emission Factors for Transport Fuels.

Further Information

Note: Base year emissions were updated to reflect changes in the GWP for methane and nitrous oxide from those used in the IPCC Second Assessment Report to those used in the IPCC Fourth Assessment Report. They were further adjusted due to the implementation of the 2006 IPCC Guidelines where the carbon dioxide emission factors are based on the carbon content of the fuel and represent 100% oxidation of the fuel carbon.

Page: CC8. Emissions Data - (1 Jan 2014 - 31 Dec 2014)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Financial control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

3193530.35

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

87456.18

CC8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
Purchased electricity in leased space.	No emissions from this source	Emissions are not relevant	Data not available. Emissions are anticipated to account for less than 1% of total Scope 2 emissions.
Halocarbon emissions from US operations.	Emissions are not relevant	No emissions from this source	Data not currently being collected as part of US operations, emissions are anticipated to account for less than 0.001% of total Scope 1 emissions.
Propane consumption from US operations.	Emissions are not relevant	No emissions from this source	Data was unreliable and therefore excluded. It is anticipated to reflect less than 0.1% of total Scope 1 emissions.
Non-contract off-road fuel consumption	Emissions are not relevant	No emissions from this source	Gasoline and diesel purchased locally by facilities not under corporate contracts are not currently tracked and are therefore not included. Expected volumes would represent less than 0.1% of total Scope 1 emissions.

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope	More than 2% but	Data Gaps	Carbon dioxide emissions for locomotive fuel which comprise 96% of overall scope 1 emissions were

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
1	less than or equal to 5%	Assumptions	calculated assuming no biodiesel content, unless known. In reality the biodiesel content will vary from 0 to 5%, however the specific percentages are not provided by fuel suppliers. The result will be that carbon dioxide emissions for locomotive fuel will be 2-5% higher on average and the corresponding biological carbon dioxide emissions are 2-5% lower as reported. The methane and nitrous oxide emissions would be unaffected by this issue. Small volumes of off-road fuels (gasoline and diesel) are not included in the analysis as purchases are made directly and volumes not recorded. As stated the emissions would represent less than 0.1% of total Scope 1 emissions. Certain sources of off-road diesel are used in mixed service as far as the equipment consuming the fuel. Emissions were assumed to be for off-road mobile equipment in order to perform calculations. However it can be used for smaller equipment as well such as chainsaws, generators, etc. These volumes would be expected to be very small and the different in emission factor minimal thus resulted in a negligible impact on the overall reported total.
Scope 2	More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints	Scope 2 purchased electricity is based on monthly billing records collected and summarized by a third party vendor. Not all billing is collected in this manner which then represents an under-reporting situation. This billing is anticipated to represent less than 5% of purchased electricity.

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance underway for the reporting year but not yet complete - last year’s statement attached

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/66/2666/Climate Change 2015/Shared Documents/Attachments/CC8.6a/078384-RPT-4-Verification Report.pdf	PDF Pages 27-29	ISO14064-3	100

CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance underway for the reporting year but not yet complete - last year’s statement attached

CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/66/2666/Climate Change 2015/Shared Documents/Attachments/CC8.7a/078384-RPT-4-Verification Report.pdf	PDF Pages 27-29	ISO14064-3	100

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
No additional data verified	

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Yes

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

1849.26

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Canada	2434042.48
United States of America	759487.87

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By GHG type
By activity

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
HFCs	25.33
Other: HCFCs	78.65
CO2	2926162.48
N2O	262703.24
CH4	4560.64

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Locomotives	3065551.03
On-Road Vehicle Fleet	58615.23
Off-Road Equipment	24514.38
Off-Road On-Track Equipment	12324.64
Heating Oil	482.47
Propane (Canada)	5254.37
Natural Gas (Building Heat)	26528.86
Halocarbon Emissions	103.98

CC9.2e

Please break down your total gross global Scope 1 emissions by legal structure

Legal structure	Scope 1 emissions (metric tonnes CO2e)

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
Canada	68590	243127	0
United States of America	18866	29577	0

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO2e)

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO2e)

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)

CC10.2d

Please break down your total gross global Scope 2 emissions by legal structure

Legal structure	Scope 2 emissions (metric tonnes CO2e)

Further Information

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 20% but less than or equal to 25%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	11724816.95
Electricity	272703.83
Heat	0
Steam	0
Cooling	0

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Biodiesels	117.89
Biogasoline	1706.51
Diesel/Gas oil	11408116.86
Motor gasoline	146605.14

Fuels	MWh
Natural gas	144167.69
Propane	24102.86

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	

Further Information

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	3.09	Decrease	With the vast majority of corporate emissions coming from locomotives (96%) it is presumed that the vast majority of the change in emissions from year to year also comes from this source. Due to improvements in operational efficiency such as lengthening trains and increasing trains weights while improving on HP/ton ratios, emissions decreased since last year. Total global emissions 2013 = 3,395,663 mtCO2e Reduction due to emissions reductions activities in 2014 = 104,838 mtCO2e mtCO2e 1(104,838 mtCO2e/ 3395663 mtCO2e)*100 = 3.09% decrease due to emissions reductions activities
Divestment	0.29	Decrease	CP completed the sale of the DM&E rail line west of Tracy, MN in mid-2014. In order to determine the relative contribution of this section, 2013 fuel consumption data was reviewed to determine typical volumes. This number was then use to determine the relative amount of fuel that would no longer be required in the second half of 2014. Purchased electricity would have been reduced by a similar percentage. This would be partially offset by any increase in business in the remaining portion of the line. This amount of fuel was converted to GHG emissions and divided by the difference below. 2013 Scope 1+2 emissions: 3,395,663 MT 2014 Scope 1+2 emissions: 3,280,987 MT Difference = -114,676.73 (3.4% decrease)
Acquisitions	0		
Mergers	0		
Change in output	0		
Change in methodology	0		
Change in boundary	0		
Change in physical operating conditions	0		
Unidentified	0		
Other	0		

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.0005	metric tonnes CO2e	unit total revenue	10.5	Decrease	Revenues increased by 7.9% and the corporate fuel efficiency improvements due to emission reduction activities were approximately 3% resulting in less GHG emissions.

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
225.11	metric tonnes CO2e	FTE employee	0.49	Decrease	Improvements in fuel efficiency of rail operations (3%) due to emission reduction activities, offset by a 2.9% decrease in employee counts.

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
21.89	metric tonnes CO2e	Other: Million revenue ton-miles	6.99	Decrease	3% improvement in fuel efficiency of rail operations due to emission reduction activities and 3.9% improvement in RTM.

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, not yet calculated				Information is not collected in a form that allows for calculation of emissions at this time.
Capital goods	Relevant, not yet calculated				Information is not collected in a form that allows for calculation of emissions at this time
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, not yet calculated				Information is not collected in a form that allows for calculation of emissions at this time
Upstream transportation and distribution	Relevant, not yet calculated				Information is not collected in a form that allows for calculation of emissions at this time
Waste generated in operations	Relevant, not yet calculated				Information is tracked but associated emissions have not been calculated.
Business travel	Relevant, calculated	18375	Air Travel: Data on flight lengths are obtained from the corporate travel agent. This information is then classified into domestic, short and long haul and corresponding emission factors from the UK Department for Environment, Food and Rural Affairs (2015) are used to calculate the total GHG emissions. Air Travel (2014): 2,864 metric tonnes of CO2e Car Rentals: The total mileage of each class of rental vehicle is provided by our third party travel management company. Then using the average km/L for that class, the litres of fuel consumed is derived and multiplied by the corresponding country emission factor for road gasoline. Car Rentals (2014): 825.37 metric tonnes of CO2e Hotel Accommodations: Total hotel nights are obtained from our third	100.00%	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			party travel management company and then multiplied by an average emission factor for all hotel types obtained from "Hotel Energy and Carbon Efficiency Report, Brighter Planet (2012). Hotel Accomodations (2014): 14,685.61 metric tonnes of CO2e.		
Employee commuting	Not relevant, explanation provided				The contribution of this item is expected to be insignificant in comparison to other Scope 3 emissions such as business travel.
Upstream leased assets	Not relevant, explanation provided				CP does not have any relevant upstream leased assets.
Downstream transportation and distribution	Relevant, not yet calculated				Information is tracked but associated emissions have not been calculated.
Processing of sold products	Not relevant, explanation provided				CP is a railway freight service provider and does not sell any products.
Use of sold products	Not relevant, explanation provided				CP is a railway freight service provider and does not sell any products.
End of life treatment of sold products	Not relevant, explanation provided				CP is a railway freight service provider and does not sell any products.
Downstream leased assets	Not relevant, explanation provided				CP does not have any relevant downstream leased assets.
Franchises	Not relevant, explanation				CP does not have any franchises.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
	provided				
Investments	Not relevant, explanation provided				Not anticipated to be material.
Other (upstream)	Not relevant, explanation provided				No material items in this category.
Other (downstream)	Not relevant, explanation provided				No material items in this category.

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance underway for the reporting year but not yet complete - last year’s statement attached

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/66/2666/Climate Change 2015/Shared Documents/Attachments/CC14.2a/078384-RPT-4-Verification Report.pdf	PDF Pages 27-29	ISO14064-3	100

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business travel	Change in output	12.5	Decrease	Majority of the reduction in business travel was on air travel. This is expected to be in part due to a reduction in over employee numbers but also an emphasis on less air travel. Updated emission factors for air travel were also lower. We also sold a rail line which represented about 4.3% of our total track mileage as of mid-2014.

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our customers

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

Customers approach our customer account managers who in turn work with the Environmental Risk group to provide information on our climate change program and initiatives. Either a member of the Environmental Risk group or the customer account manager will also present the information directly to the customer at their offices.

Prioritization is based on demand from customers and success is measured based on timely response and any feedback received from the customer.

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comment

CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details

CC14.4d

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Further Information

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Ken Roberge	Manager, Environment & Regulatory	Environment/Sustainability manager

Further Information

CDP 2015 Climate Change 2015 Information Request