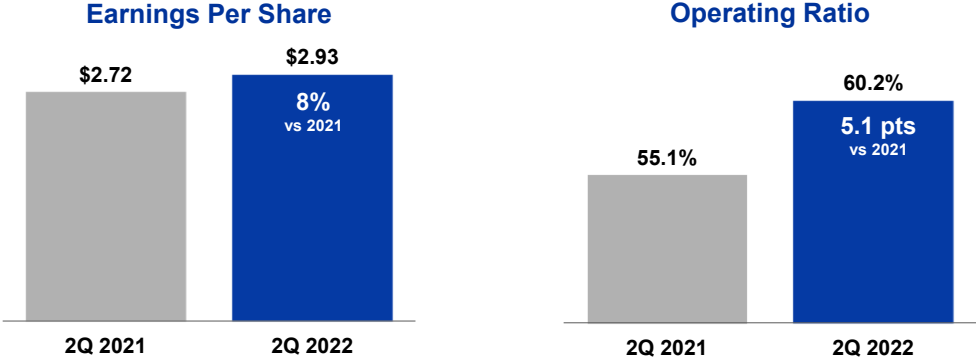




Second Quarter 2022 Results



Key Themes

- Positive Price and Mix
- Restoring Network Fluidity
- Record High Fuel Prices





SECOND QUARTER 2022 MARKETING & SALES REVIEW

Kenny Rocker

Executive Vice President – Marketing & Sales

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SECOND QUARTER 2022

Bulk

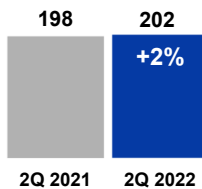
Revenue \$1,813 (+10%)

Volume 498K (-1%)

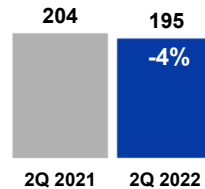
ARC \$3,642 (+12%)

Major Markets

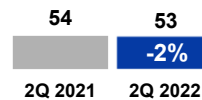
Coal & Renewables



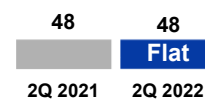
Grain & Grain Products



Fertilizer



Food & Refrigerated



Quarterly Drivers

Favorable Natural Gas Prices

Increased Shuttle Cycle Times

Decreased Car Supply

4 Volume in thousands of carloads.



SECOND QUARTER 2022

Industrial

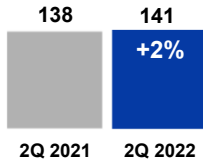
Revenue \$2,091 (+12%)

Volume 570K (+6%)

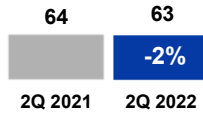
ARC \$3,674 (+7%)

Major Markets

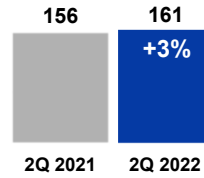
Energy & Specialized



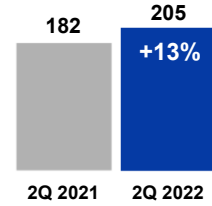
Forest Products



Industrial Chemicals & Plastics



Metals & Minerals



Quarterly Drivers

Inventory Reduction Efforts

Plastic Demand and Wins

Metals and Construction Growth

⁵ Volume in thousands of carloads.



SECOND QUARTER 2022

Premium

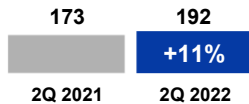
Revenue \$1,938 (+19%)

Volume 997K (-5%)

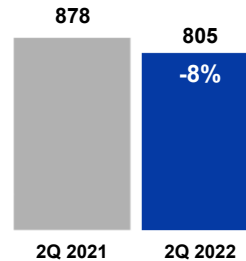
ARC \$1,943 (+26%)

Major Markets

Automotive



Intermodal



Quarterly Drivers

Improved Autos Demand

Global Supply Chain Disruption

Service Constraints

⁶ Volume in thousands of carloads.



Second Half 2022 Volume Outlook

Bulk



- + Biofuels
- + Coal
- ↔ Grain

Industrial



- + Industrial Production
- + Chemicals and Plastics
- Petroleum

Premium



- + Domestic Intermodal
- ↔ International Intermodal
- + Auto Sales

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SECOND QUARTER 2022 OPERATIONS REVIEW

Eric Gehringer
Executive Vice President – Operating

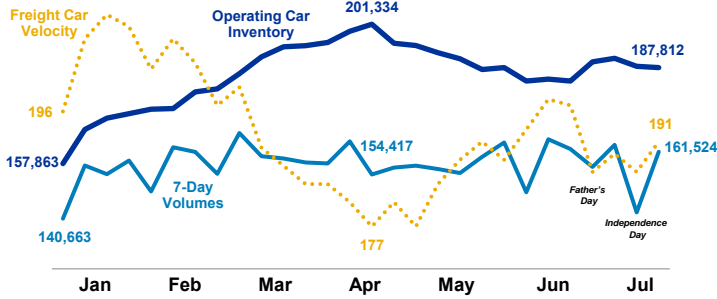


8

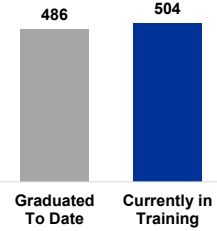


Focus on Improving Service, Hiring Crews and Increasing Efficiency

Operating Inventory, Volume, and Freight Car Velocity*



2022 Transportation Employee Hiring Progress



Expect to hire and train ~1,400 new transportation employees in 2022

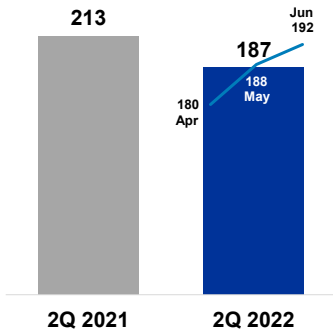
9 *As reported weekly. See Union Pacific website under Investors for definitions of the metrics.



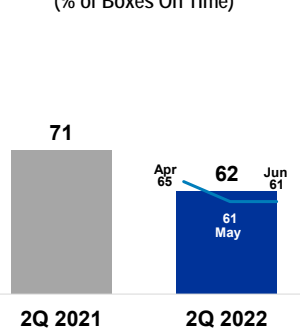
SECOND QUARTER 2022

Key Performance Metrics

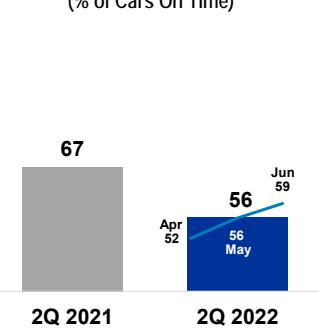
FREIGHT CAR VELOCITY
(Daily Miles per Car)



INTERMODAL TRIP PLAN COMPLIANCE
(% of Boxes On Time)



MANIFEST/AUTO TRIP PLAN COMPLIANCE
(% of Cars On Time)



Quarterly Drivers

Reducing Operating Car Inventory

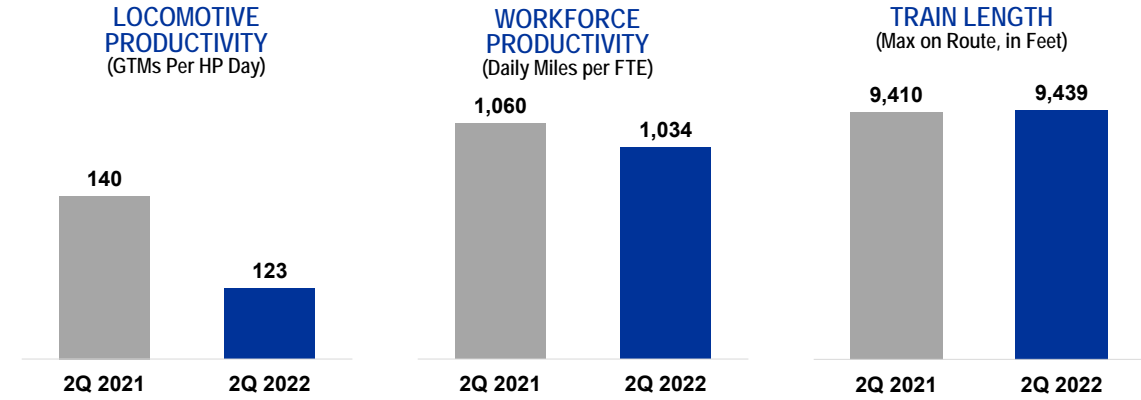
Resource Utilization

Crew Availability



SECOND QUARTER 2022

Key Performance Metrics



Quarterly Drivers

Larger Active Locomotive Fleet

Executing Hiring Initiatives

Modifying Transportation Plans

11

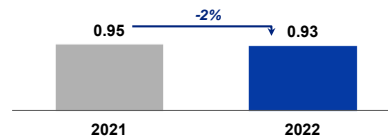


Sustaining a Safe and Resilient Rail Network

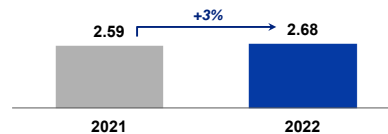
- Enhance Safety Programs
- Continue to Execute Network Recovery Initiatives
- Strengthening Crew Training Pipeline
- Improve Operational Performance While Handling Growing Volumes

Year to Date Safety Performance

Employee
(Reportable Personal Injury Incidents Per 200,000 Employee-Hours)



Derailments
(Reportable Derailment Incidents Per Million Train Miles)



12





SECOND QUARTER 2022 FINANCIAL REVIEW

Jennifer Hamann
Executive Vice President & Chief Financial Officer

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Second Quarter Operating Ratio and EPS

Favorable / (Unfavorable)

	Operating Ratio	EPS
Second Quarter 2021	55.1%	\$2.72
Fuel Price (net)	(1.3) pts	\$0.18
Core Results	(3.8) pts	(\$0.02)
2022 Real Estate Gain & Lower Tax Rate	N/A	\$0.18
2021 Real Estate Gain & Lower Tax Rate	N/A	(\$0.13)
Second Quarter 2022	60.2%	\$2.93

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Second Quarter Income Statement

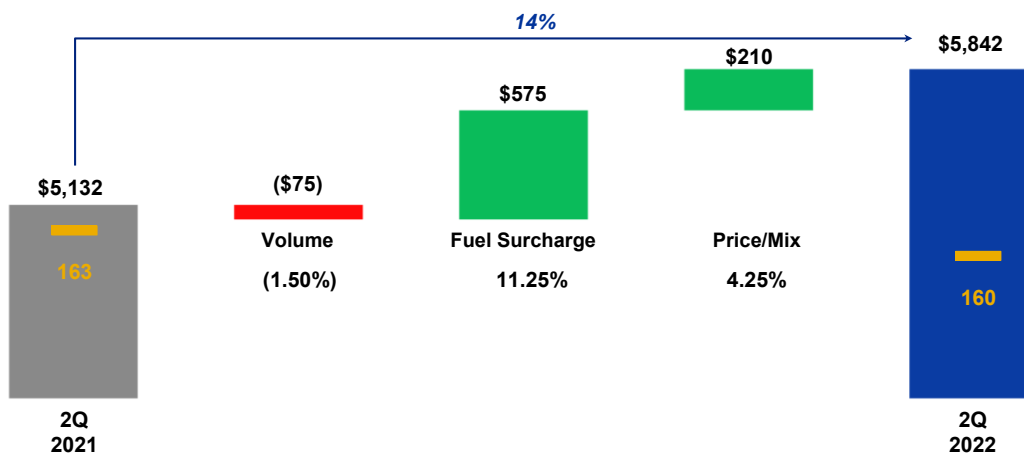
	2022	2021	2022 vs. 2021	
Operating Revenues	\$6,269	\$5,504	14	%
Operating Expenses	3,774	3,031	25	
Operating Income	2,495	2,473	1	
Other Income	163	125	30	
Interest Expense	(316)	(282)	12	
Income Taxes	(507)	(518)	(2)	
Net Income	\$1,835	\$1,798	2	%
Weighted Average Diluted Shares	626.8	660.1	(5)	
Diluted EPS	\$2.93	\$2.72	8	
Operating Ratio	60.2%	55.1%	5.1	pts

15 \$ in Millions, except EPS



Fuel Surcharge, Price and Positive Mix Offset Lower Volumes

\$ in Millions

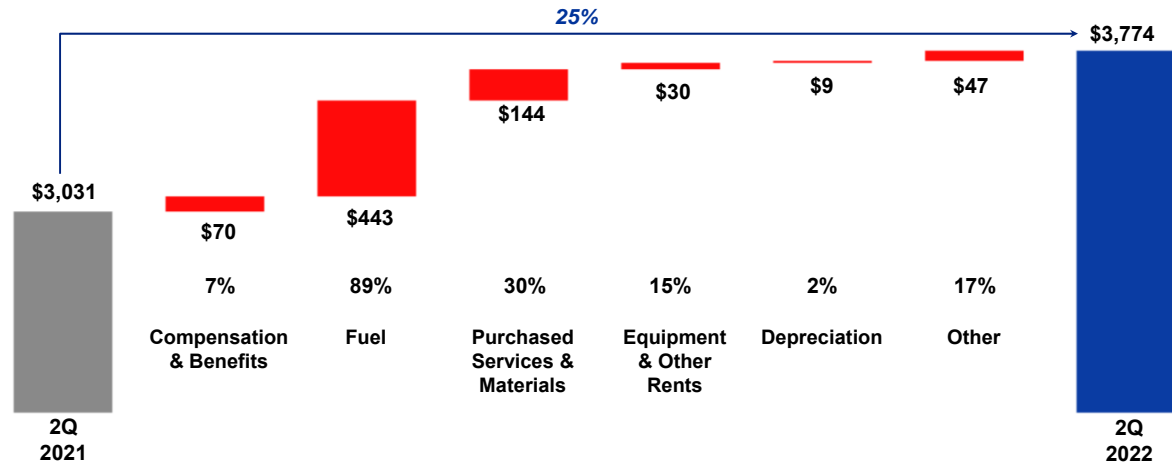


16



Recovery and Fuel Impact Quarterly Operating Expenses

\$ in Millions



17

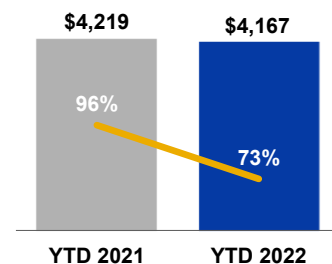


Solid Cash Generation and Shareholder Returns

Year to Date Results

- \$4.2 Billion Cash From Operations, a decrease of 1%
- Cash Capital Spending of \$1.6 Billion, an increase of 38%
- 73% Cash Flow Conversion Rate*
- Returned \$5.0 Billion in Cash to Shareholders
 - 10% Dividend per Share Increase in 2nd Quarter
 - Repurchased 14.1 million Shares for a 5% Reduction in the Average Share Balance

Cash From Operations vs. Cash Conversion* (\$ in millions)



18 *See Union Pacific website under Investors for a reconciliation to GAAP.



First Half 2022 Results Challenge Previous Full Year Volume and Operating Ratio Targets

Updated

- Stronger Second Half Volumes Should Produce Full Year Carload Growth of 4% to 5%
- Full Year Operating Ratio Around 58%
- Second Half Operating Ratio Improvement vs. 2021
- Second Half Incremental Margins Around 50%

Affirmed

- Pricing Gains in Excess of Inflation Dollars
- Capital Spending of \$3.3 Billion
- Long Term Dividend Payout Target of 45% of Earnings
- Share Repurchases in Line with 2021



SECOND QUARTER 2022

Lance Fritz
Chairman, President & CEO



2022 Success Drivers

Enhance Safety Programs

Operational Excellence

Provide Value to All Stakeholders

ESG Leader



Advance Customer Experience

Expand Reach to Service New Markets and Industries

Win with Customers

Industry Leading Cash Returns



Cautionary Information

This presentation and related materials contain statements about the Company's future that are not statements of historical fact, including specifically the statements regarding the Company's expectations with respect to economic conditions and demand levels, its ability to improve network performance (including those in response to increased traffic), its results of operations, and potential impacts of the COVID-19 pandemic and the Russian-Ukraine conflict. These statements are, or will be, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements also generally include, without limitation, information or statements regarding: projections, predictions, expectations, estimates or forecasts as to the Company's and its subsidiaries' business, financial, and operational results, and future economic performance; and management's beliefs, expectations, goals, and objectives and other similar expressions concerning matters that are not historical facts.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times that, or by which, such performance or results will be achieved. Forward-looking information, including expectations regarding operational and financial improvements and the Company's future performance or results are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statement. Important factors, including risk factors, could affect the Company's and its subsidiaries' future results and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements. Information regarding risk factors and other cautionary information are available in the Company's Annual Report on Form 10-K for 2021, which was filed with the SEC on February 4, 2022. The Company updates information regarding risk factors if circumstances require such updates in its periodic reports on Form 10-Q and its subsequent Annual Reports on Form 10-K (or such other reports that may be filed with the SEC).

Forward-looking statements speak only as of, and are based only upon information available on, the date the statements were made. The Company assumes no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information. If the Company does update one or more forward-looking statements, no inference should be drawn that the Company will make additional updates with respect thereto or with respect to other forward-looking statements. References to our website are provided for convenience and, therefore, information on or available through the website is not, and should not be deemed to be, incorporated by reference herein.





QUESTION & ANSWER SESSION