



UNION PACIFIC 2024

Investor Day

PURSUIT OF WHAT'S POSSIBLE

UNION PACIFIC CORPORATION



September 19, 2024



WELCOME

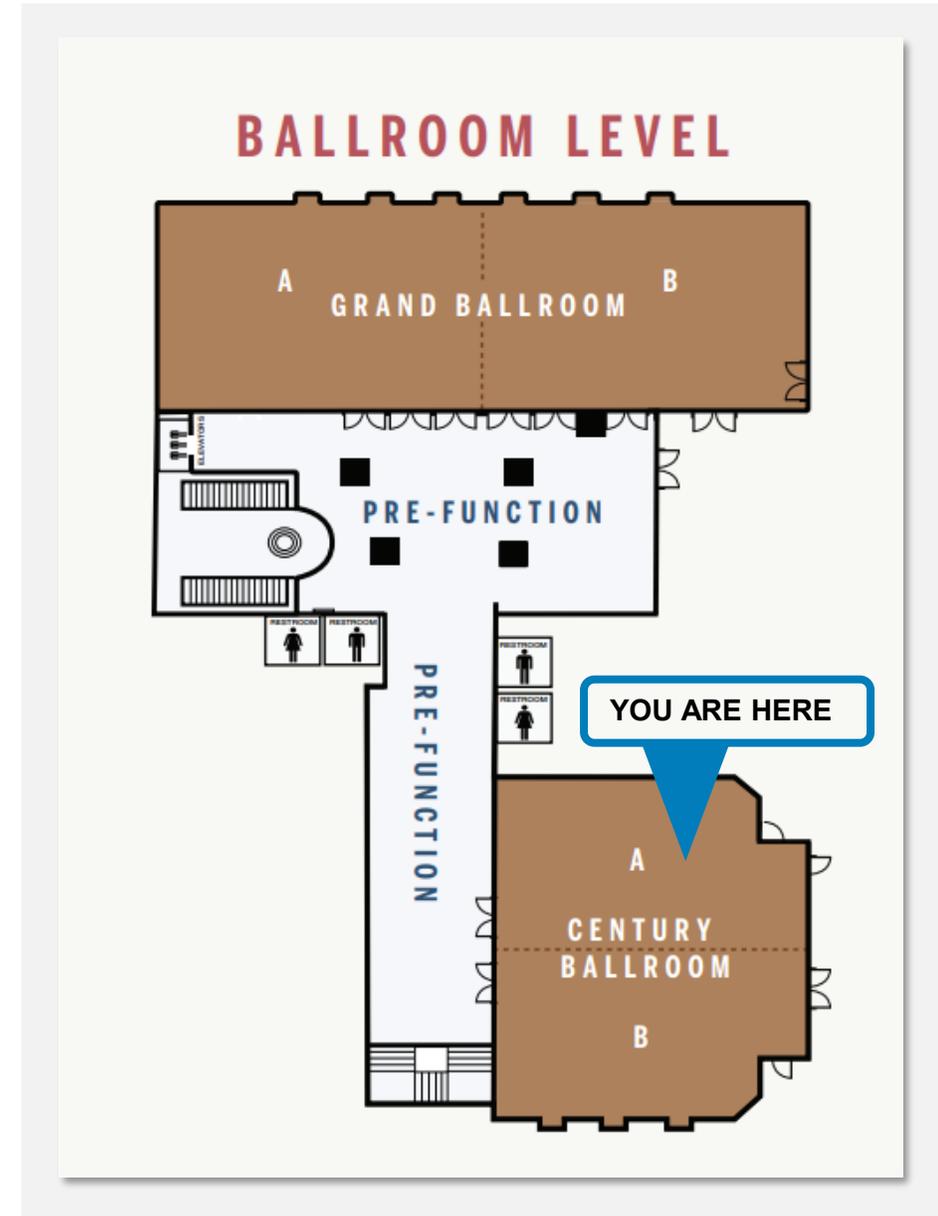


BRAD STOCK
Assistant Vice President –
Investor Relations



Safety Briefing

- Restrooms
- Inclement Weather
- Fire Extinguisher, Exits & Meeting Locale
- Medical Emergency
 - First Aid
 - 911
 - CPR
 - AED
- Run, Hide, Fight



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 public health crises, including pandemics, epidemics or the outbreak of other contagious diseases, such as coronavirus and its variants (COVID), and the Russia-Ukraine and Israel-Hamas wars and other geopolitical tensions in the middle east. 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 2023, which was filed with the SEC on February 9, 2024. 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.





‘How We Win – Safety, Service &
Operational Excellence = Growth’

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PURSUIT OF WHAT'S POSSIBLE



JIM VENA
Chief Executive Officer



Dallas, TX Metroplex Key to UP Franchise



Prime Pointe Industrial Park

Rail Served Industrial Park
3,000-acres



Davidson Yard

Classification Yard
Daily Switches: 1,825



Dallas Yard

Classification Yard
Daily Switches: 330



Dallas Intermodal Terminal

Intermodal Terminal
Daily Lift Capacity: 750

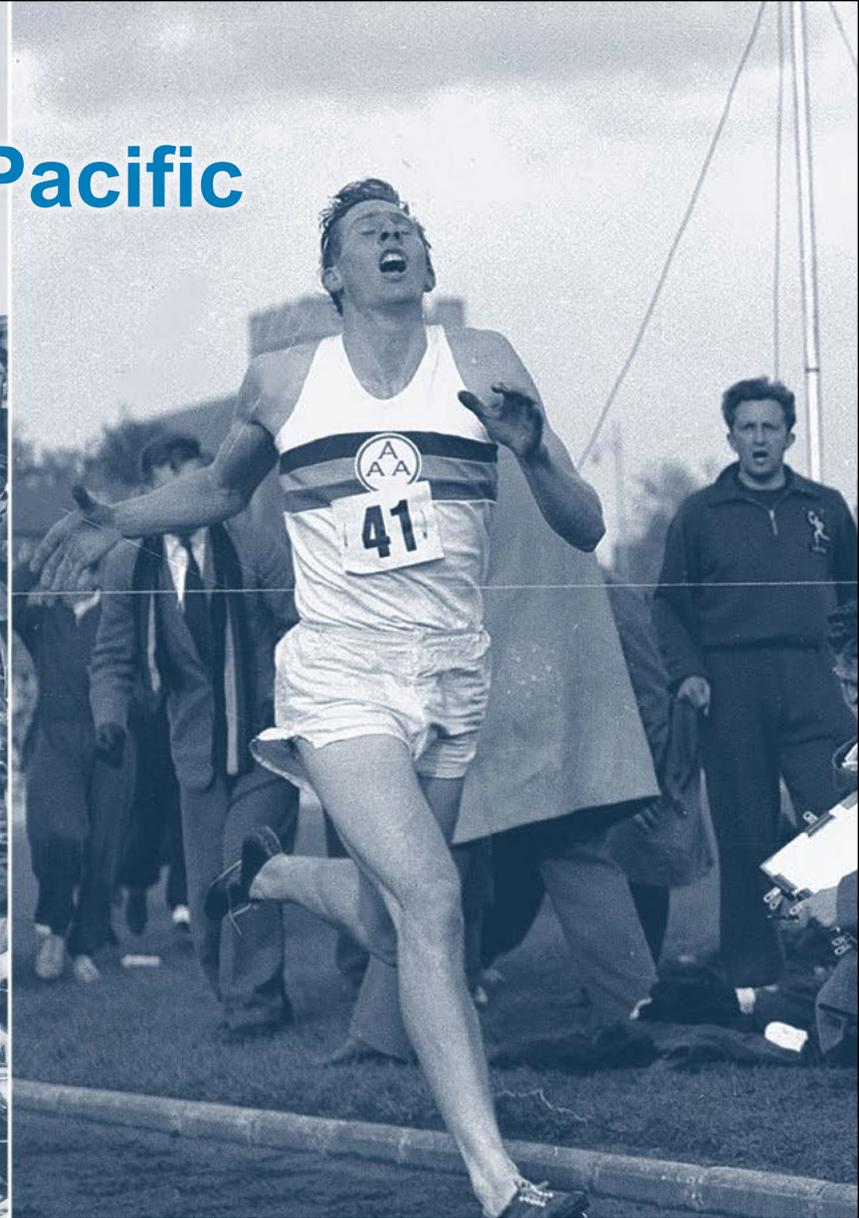
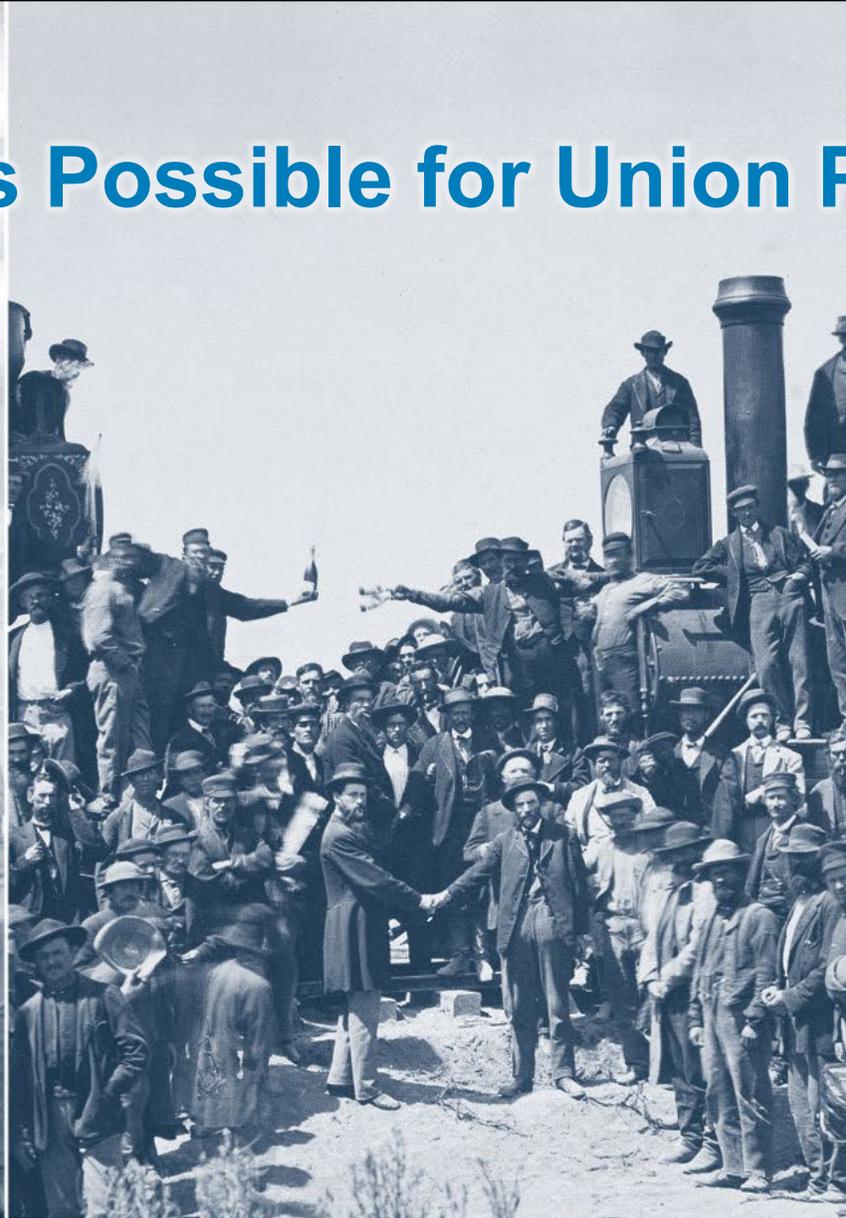
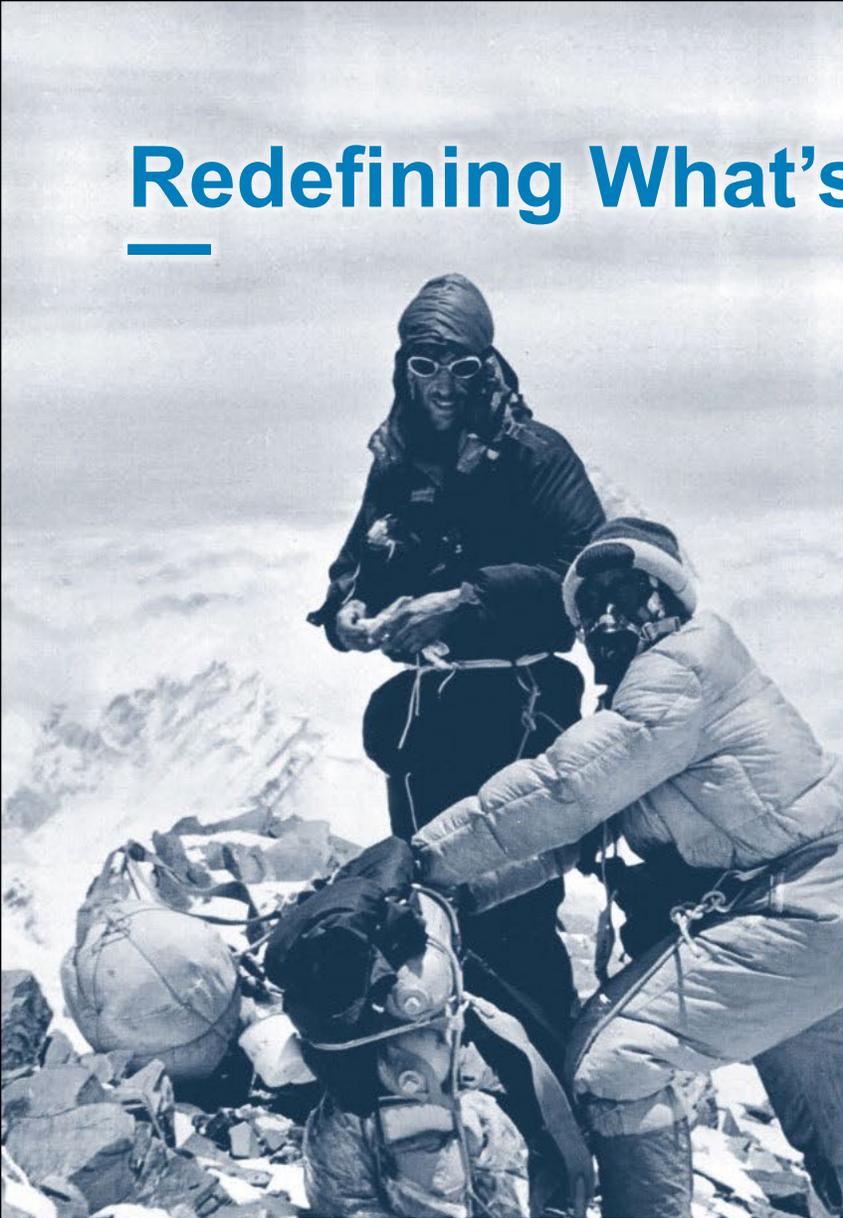


Mesquite Intermodal & Automotive Ramp

Intermodal & Automotive Terminal
Daily Lift Capacity: 1,025



Redefining What's Possible for Union Pacific



UNION PACIFIC 2024

Investor Day



Laying Foundation For Success

YEAR OVER YEAR IMPROVEMENTS FOR TRAILING 12 MONTHS ENDED JUNE 30, 2024



Reportable Injury Rates*

*YTD August 2024

↓ 22%



Freight Car Velocity

Daily Miles per Car

↑ 6%



Freight Car Terminal Dwell

Average Hours at Terminal

↓ 4%



Intermodal Service Performance Index

% of Boxes On Time

↑ 11 pts



Manifest Service Performance Index

% of Cars On Time

↑ 7 pts



Locomotive Productivity

GTMS per HP Day

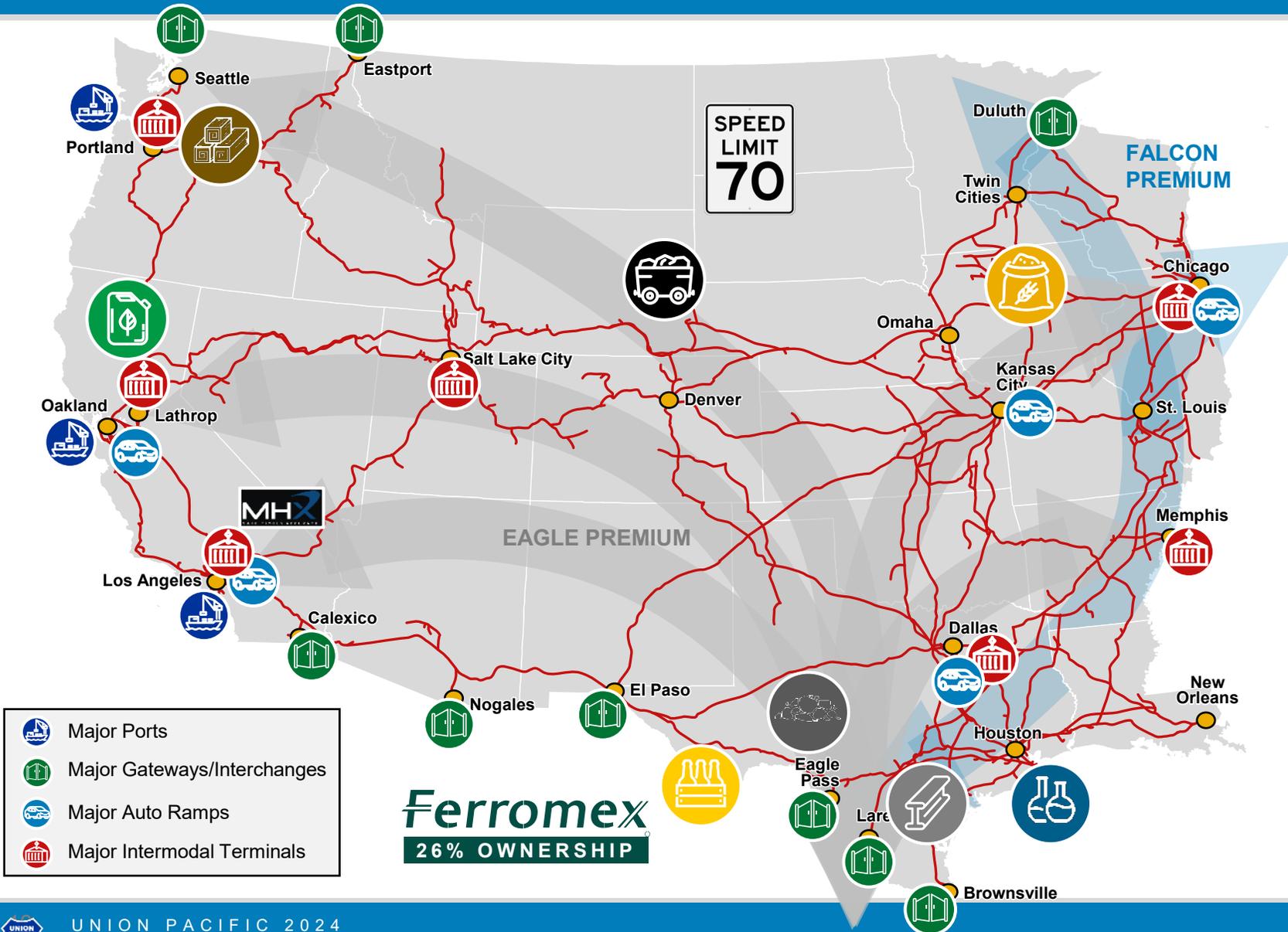
↑ 9%



UNION PACIFIC 2024

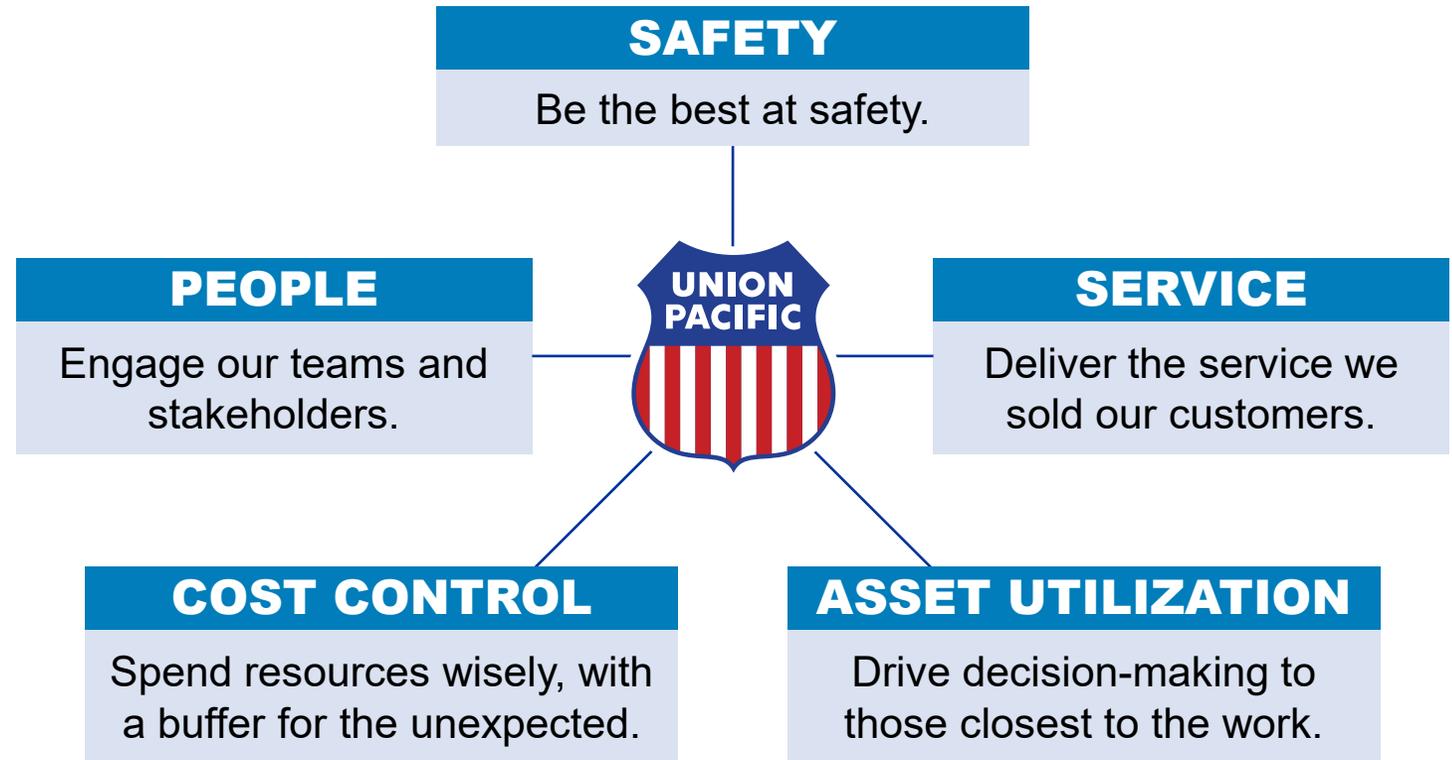
Investor Day

A Unique Opportunity to Lead Premier Rail Franchise

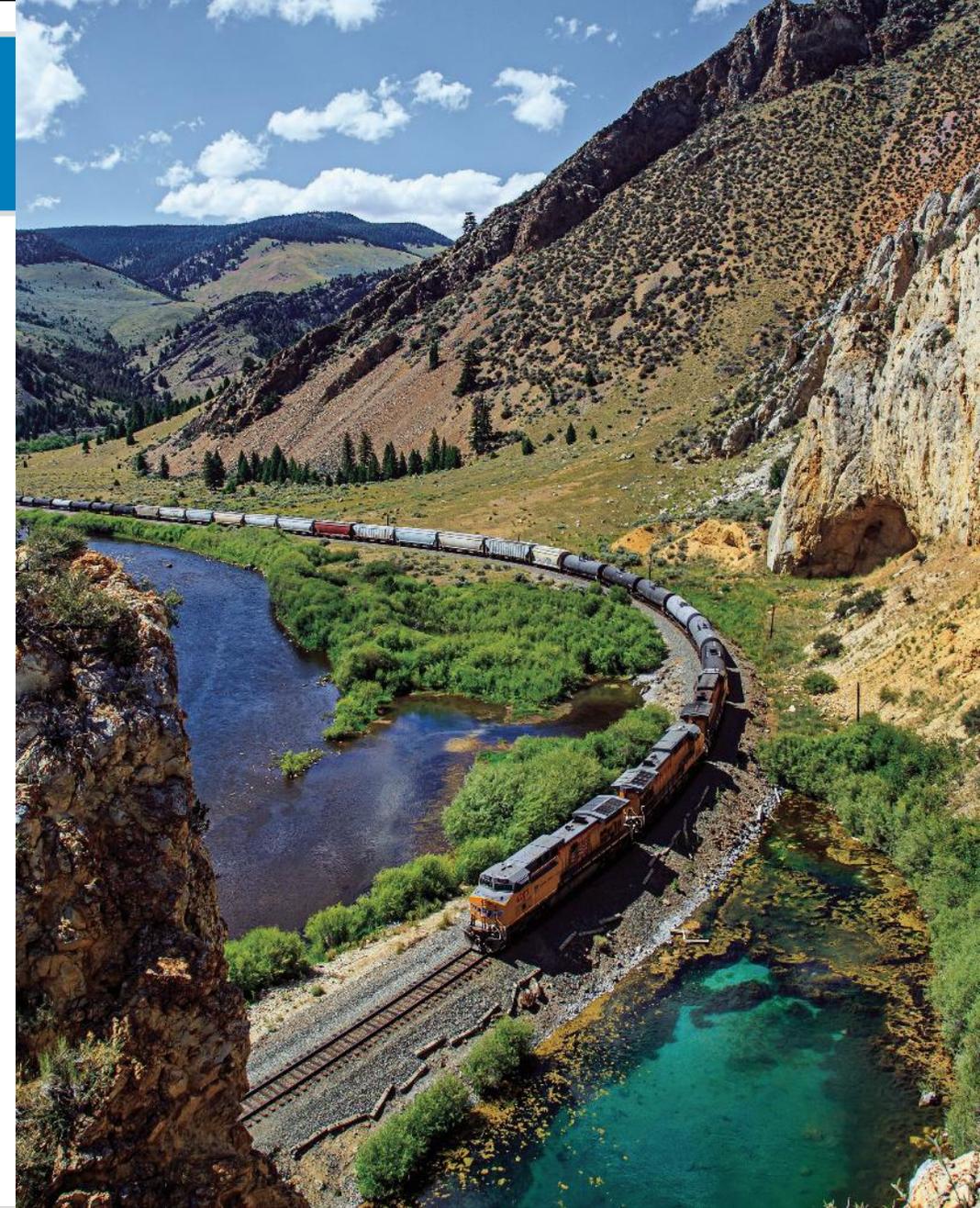


- Connects 23 States in Western Two-Thirds of U.S.
- Diversified Business Mix
- Serves Fastest-Growing U.S. Population Centers
- Only Railroad Serving All Six Major Mexico Gateways
- Operates From All Major West Coast & Gulf Coast Ports
- Unparalleled Petrochemical Footprint In South
- Connects With Canada's Rail Systems

Safety, Service & Operational Excellence Leads to Growth



Balancing Expectations & Results



Agenda



Pursuit of What's Possible

Jim Vena, Chief Executive Officer



Pursuit of Safety, Service & Operational Excellence

Eric Gehringer, Executive Vice President – Operations



Pursuit of Smarter Operations Through Innovation

Rahul Jalali, EVP & Chief Information Officer



Customer-Driven Pursuit of Growth

Kenny Rocker, Executive Vice President – Marketing & Sales



Pursuit of Tomorrow, Today

Beth Whited, President



Pursuit of Industry Leadership

Jennifer Hamann, EVP & Chief Financial Officer





'Tech-Enabled Operations'

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PURSUIT OF SAFETY, SERVICE & OPERATIONAL EXCELLENCE

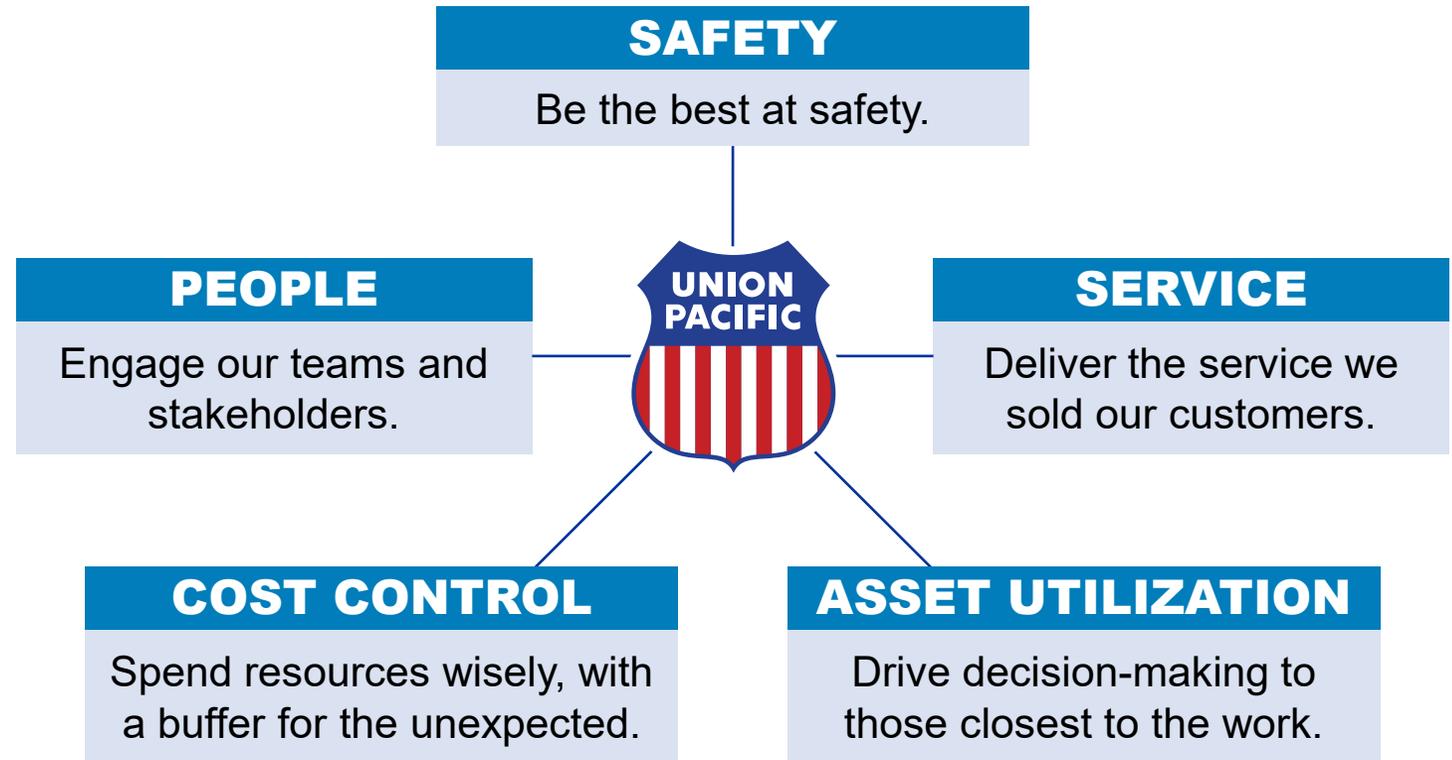


ERIC GEHRINGER

Executive Vice President –
Operations



Safety, Service & Operational Excellence Leads to Growth



World-Class Safety

Injury Prevention



Emphasis on specific, critical rules to reduce risk of injury or derailment

Leverage Technology



Incorporate new technology to eliminate or automate activities with most risk

COMMIT Testing



Observation, testing and coaching of employees to ensure understanding and compliance with rules

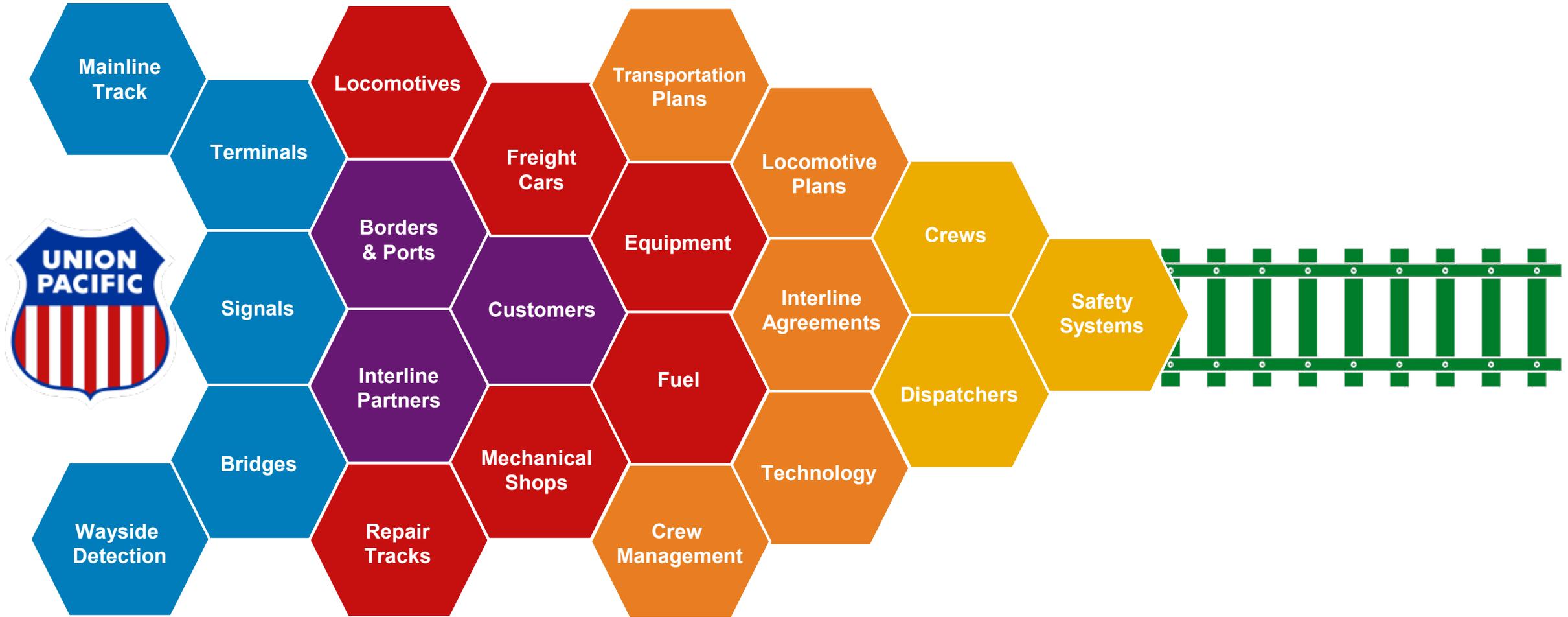
Peer-to-Peer Engagement



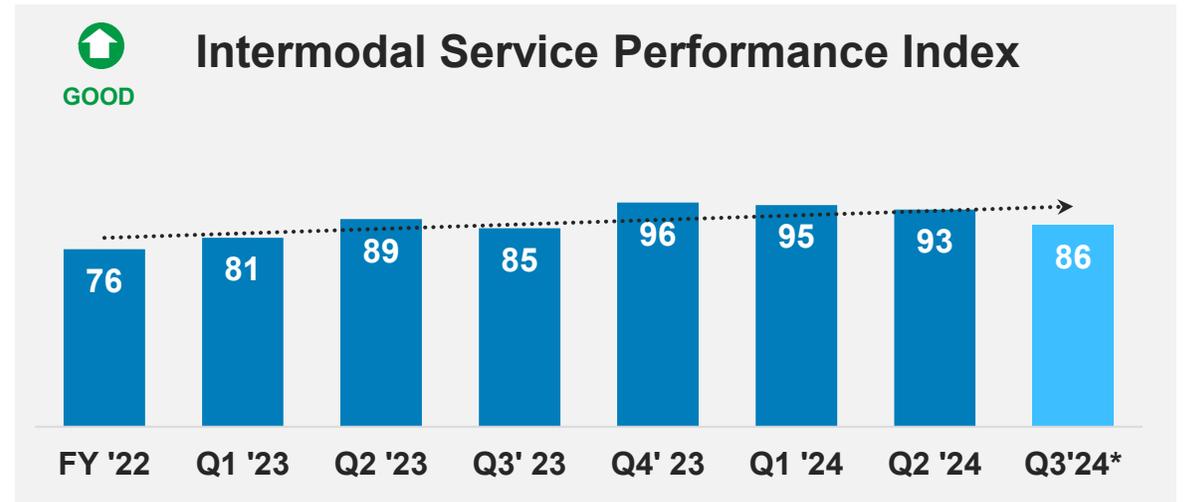
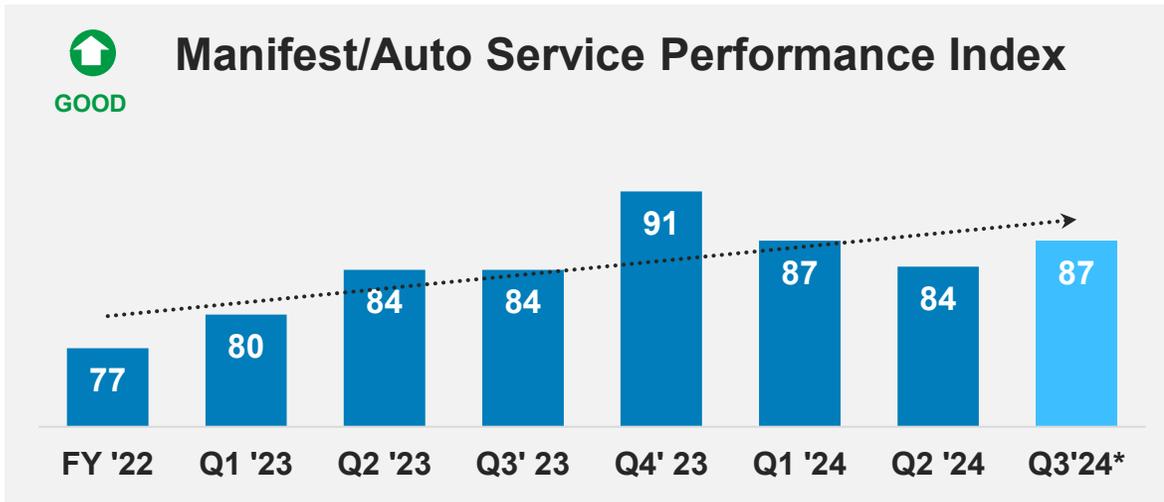
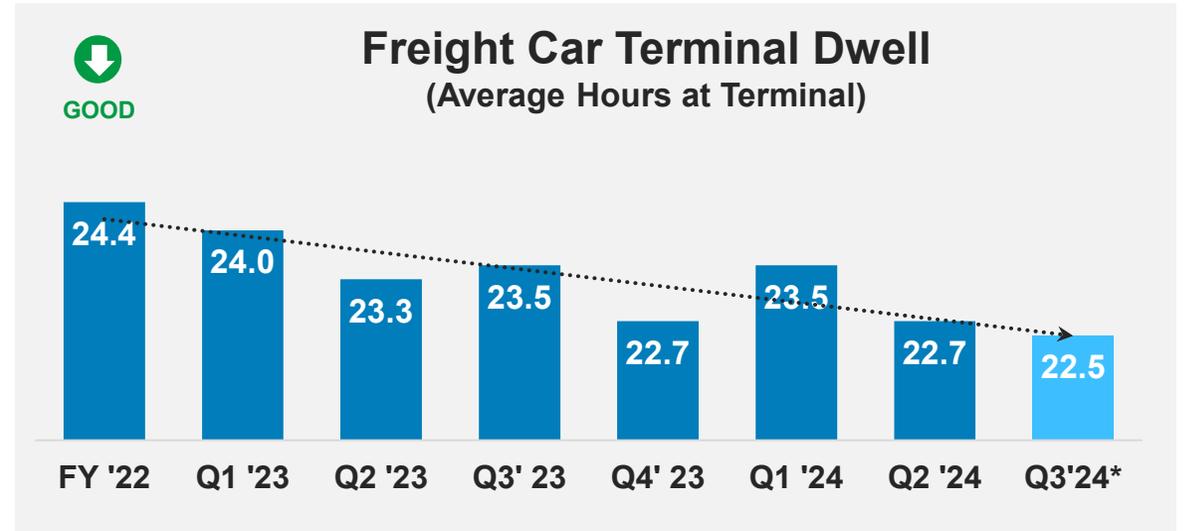
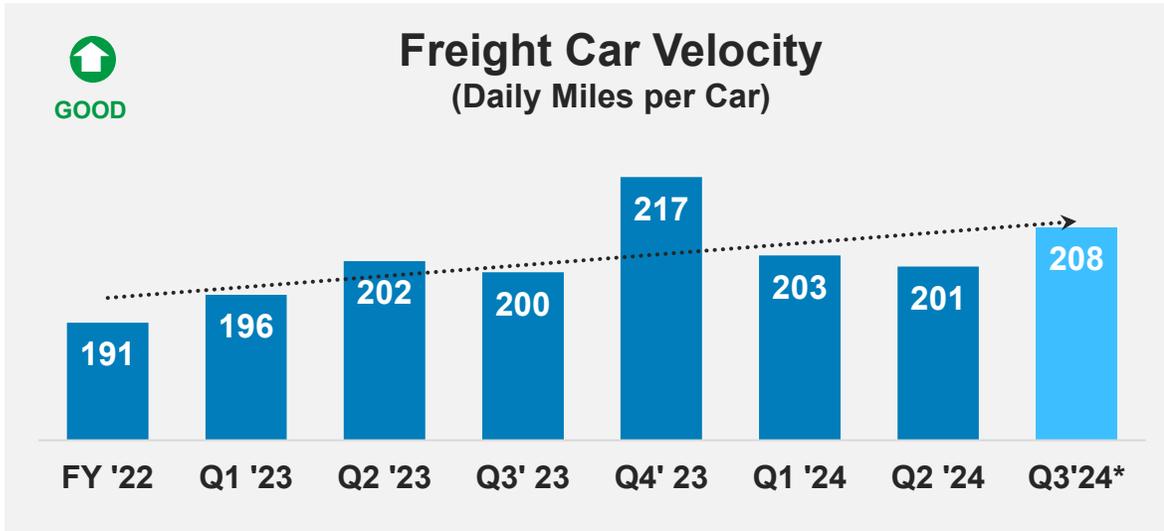
Employee ownership through engagement with Safety programs



Managing Variables to Deliver Strong Service Product



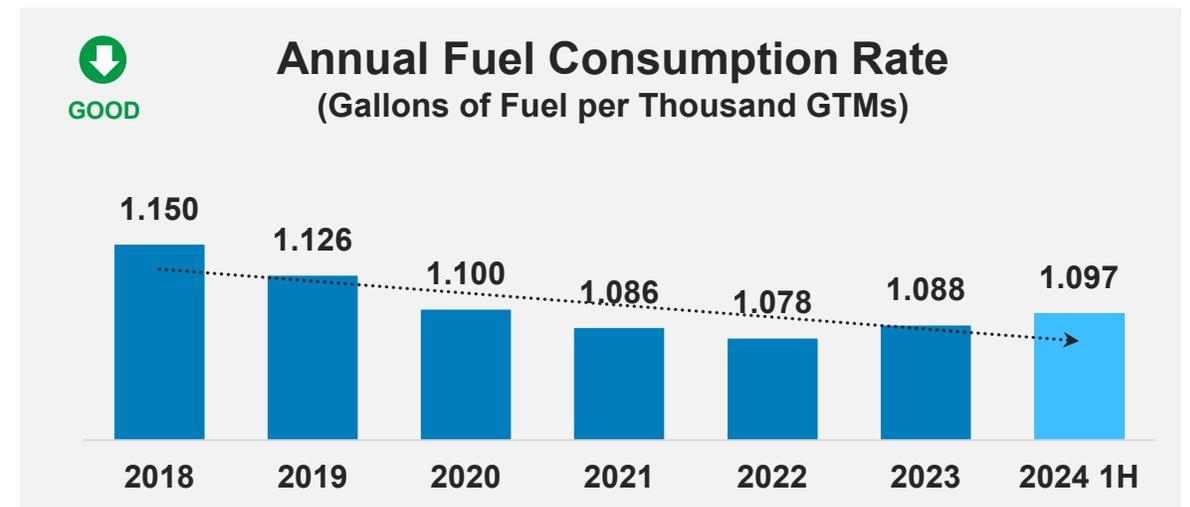
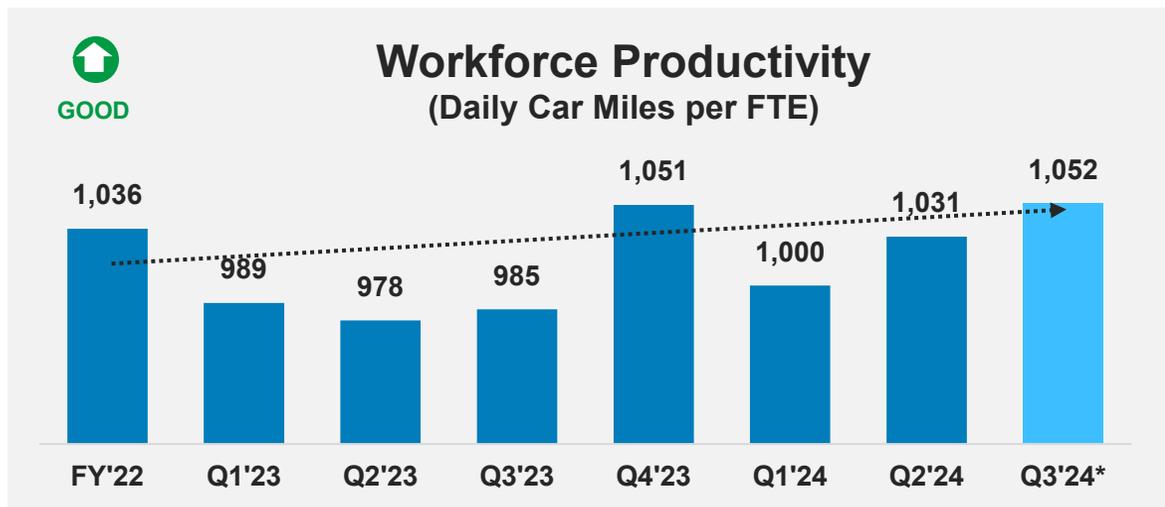
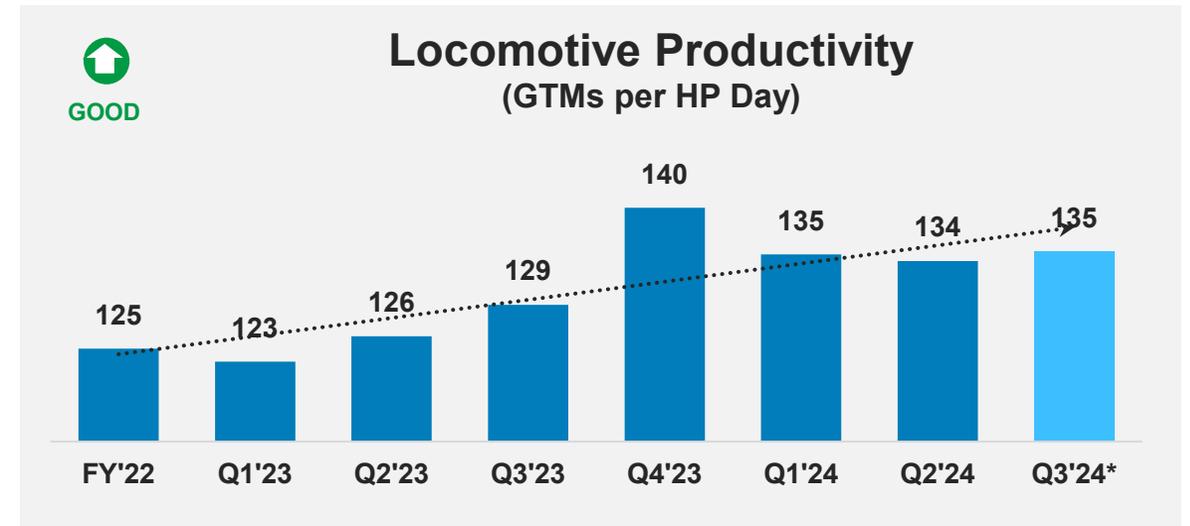
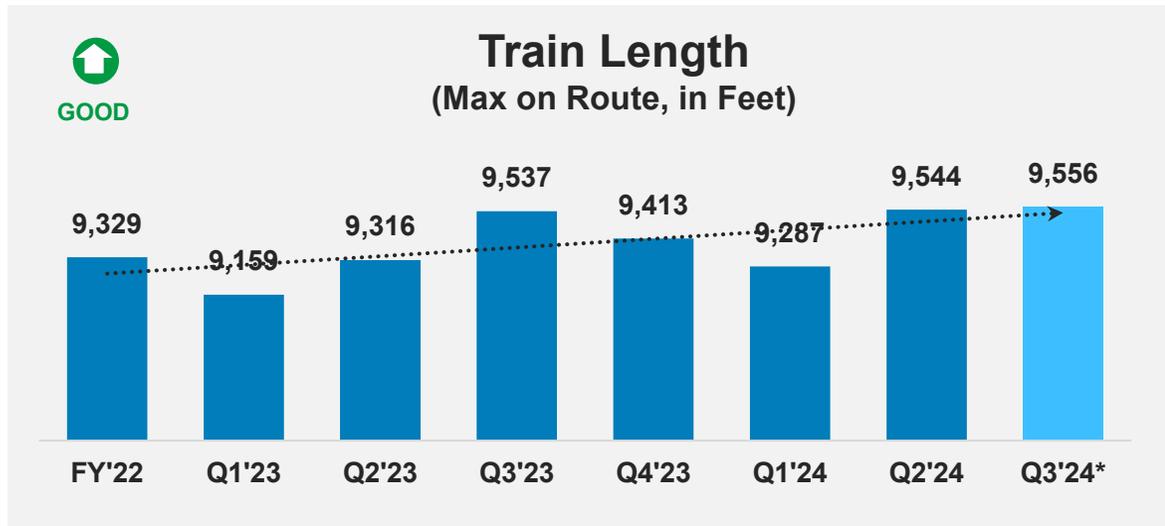
Service – What We Sold Our Customers



*QTD Through 9/9/2024



Productivity = Resource & Fuel Efficiency

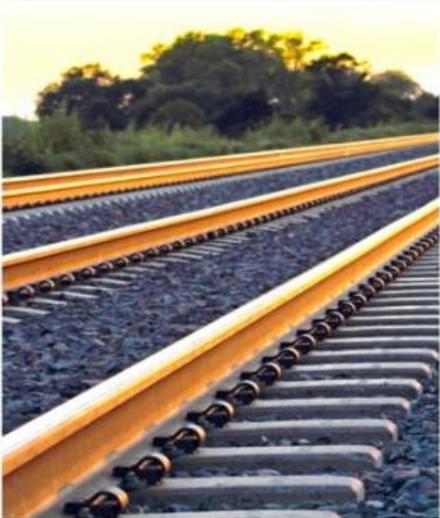


*QTD Through 9/9/2024

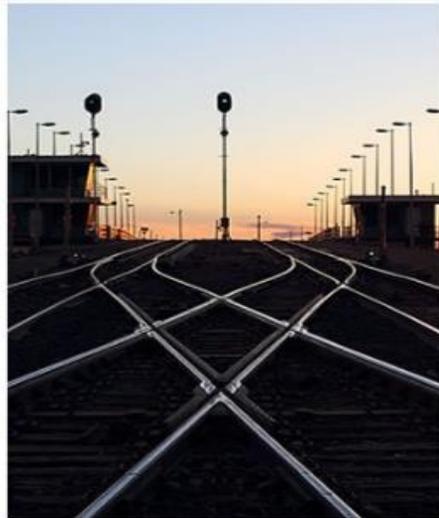


Capacity to Grow

Line Capacity



Terminal Capacity



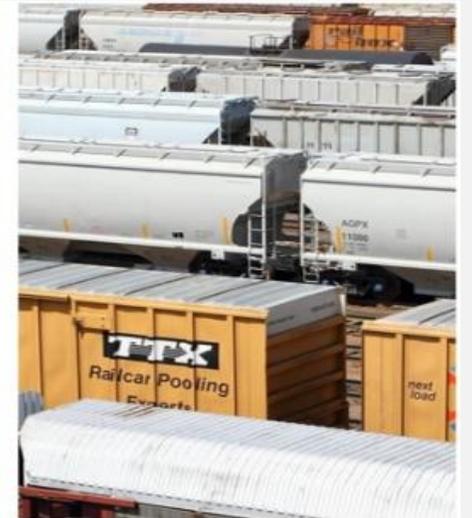
Locomotives



People



Freight Cars

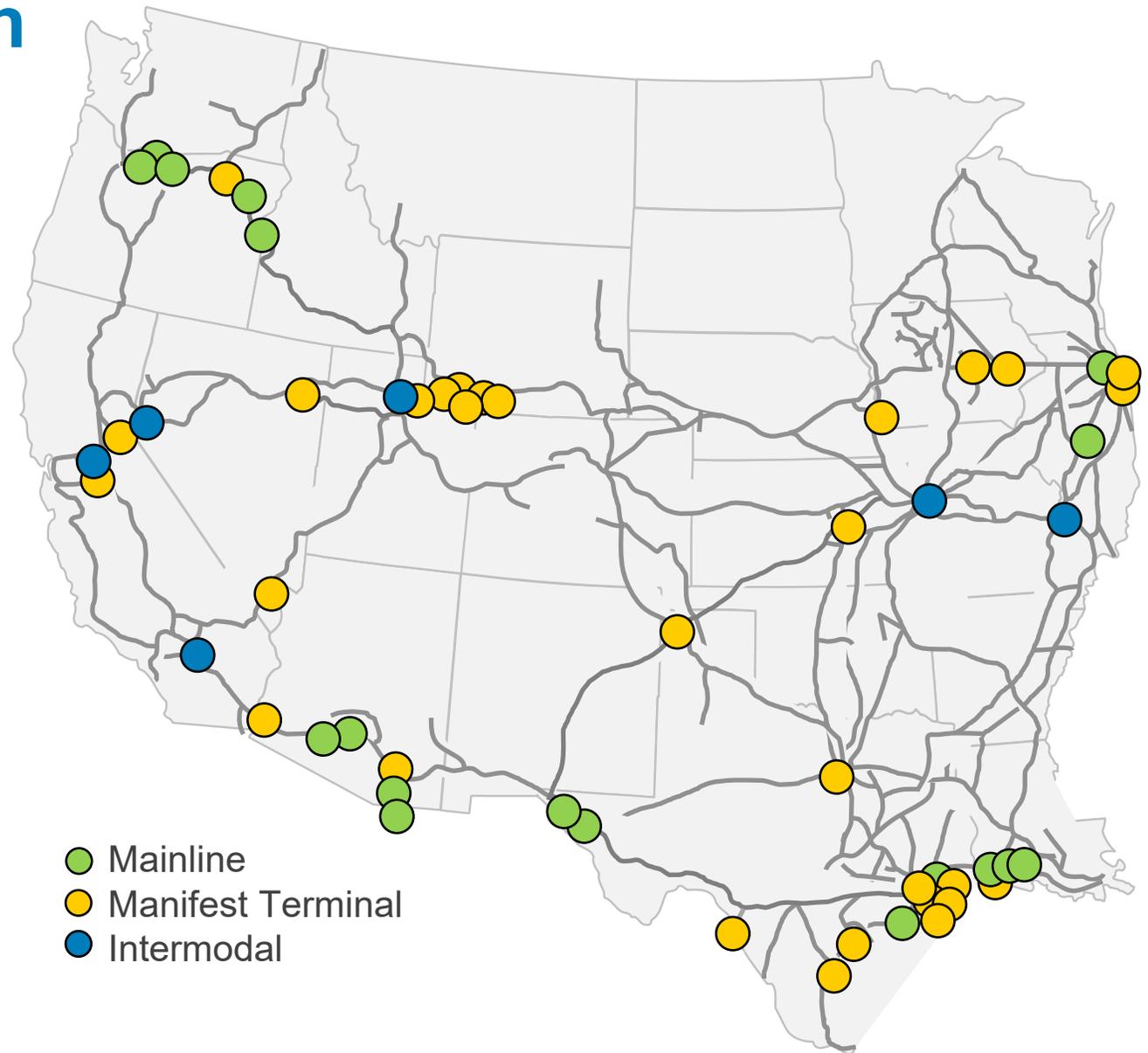


- Buffer capacity available to **capture growth and respond to major variability events**
- Mainline investments increase train length, **adding network capacity and generate productivity**
- Terminal investments increase throughput to **improve velocity and Service Performance Index**

Investing for Future Growth

2025 - 2027

- **Focus on Terminal Investments**
 - Resiliency & Recoverability
- **Building Out in the High Growth Areas**
- **Increased Investment in Carload Growth**



Speed to Market Captures Growth

L.A. Basin



L.A. to Chicago



Phoenix



Falcon/Eagle Premium



- Collaborating to **speed up** the new customer onboarding process
- Constructing “pop up” terminals and **building out incremental capacity** to capture carloads sooner
- **Repurposing facilities** to take advantage of new business opportunities
- **New Premium Service Products**

PURSUIT OF SMARTER OPERATIONS THROUGH INNOVATION



RAHUL JALALI
EVP & Chief Information Officer



Technology Results Advanced By Strong Foundation

➤ Best-in-Class Cybersecurity

Secure by design

➤ Integrated, Scalable Platforms

Connected solutions thread data with plug and play integrations

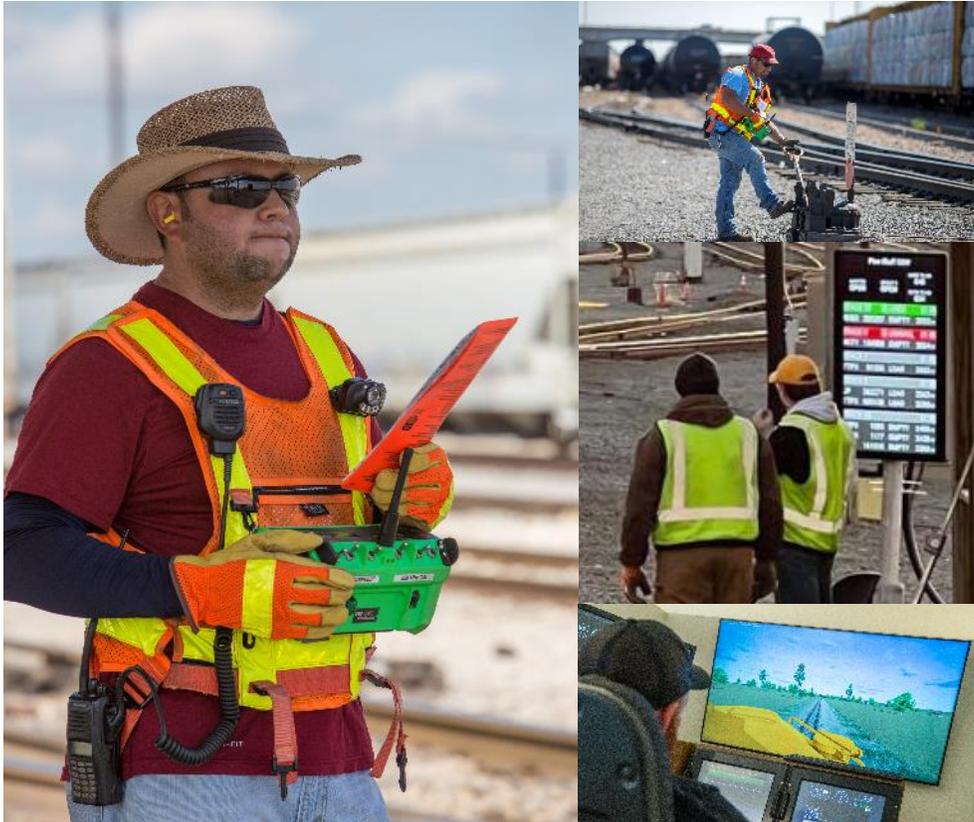
➤ Next Generation Operating Systems

First Class I with real-time data feed from Positive Train Control, Dispatch & our Transportation Management systems harmonized for insights



Combining Real-Time Data With AI Drives Productivity

Productivity of \$100M+ Over Next 3 Years



- **Agile Transportation Planning**
Cost Reduction
- **Optimized Resource Placement**
Maximize Efficiency
- **Frontline Decision-Support Tools**
Consistent, Reliable Service
- **Automation**
Productivity & Capacity

Simplifying the Customer Experience Empowers Growth

Accelerated Shopping Journey

Faster onboarding, robust sales team solutions

Streamlined Ease of Doing Business

Supply chain connectivity with direct integrations

Advanced Customer Visibility

Single pane centralized dashboard view



OPERATING & TECHNOLOGY PANEL DISCUSSION



Eric Gehringer

Executive Vice
President – Operations



Rahul Jalali

EVP & Chief
Information Officer



John Turner

Senior Vice President
– Northern Region



Steven Bybee

Senior Vice President
– Southern Region



Carl Garrison

Vice President –
Network Planning &
Operations



Video

'How We Grow'

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CUSTOMER-DRIVEN PURSUIT OF GROWTH



KENNY ROCKER

Executive Vice President –
Marketing & Sales



Driving Revenue Growth – Rethinking What’s Possible



BUSINESS DEVELOPMENT
Unleashing the Hustle Culture



PRODUCT DEVELOPMENT
Innovating to Meet Customer Needs



PRICE
Maximizing to the Value Sold

Empowering the Commercial Team

Unleashing What's Possible Through Our Hustle

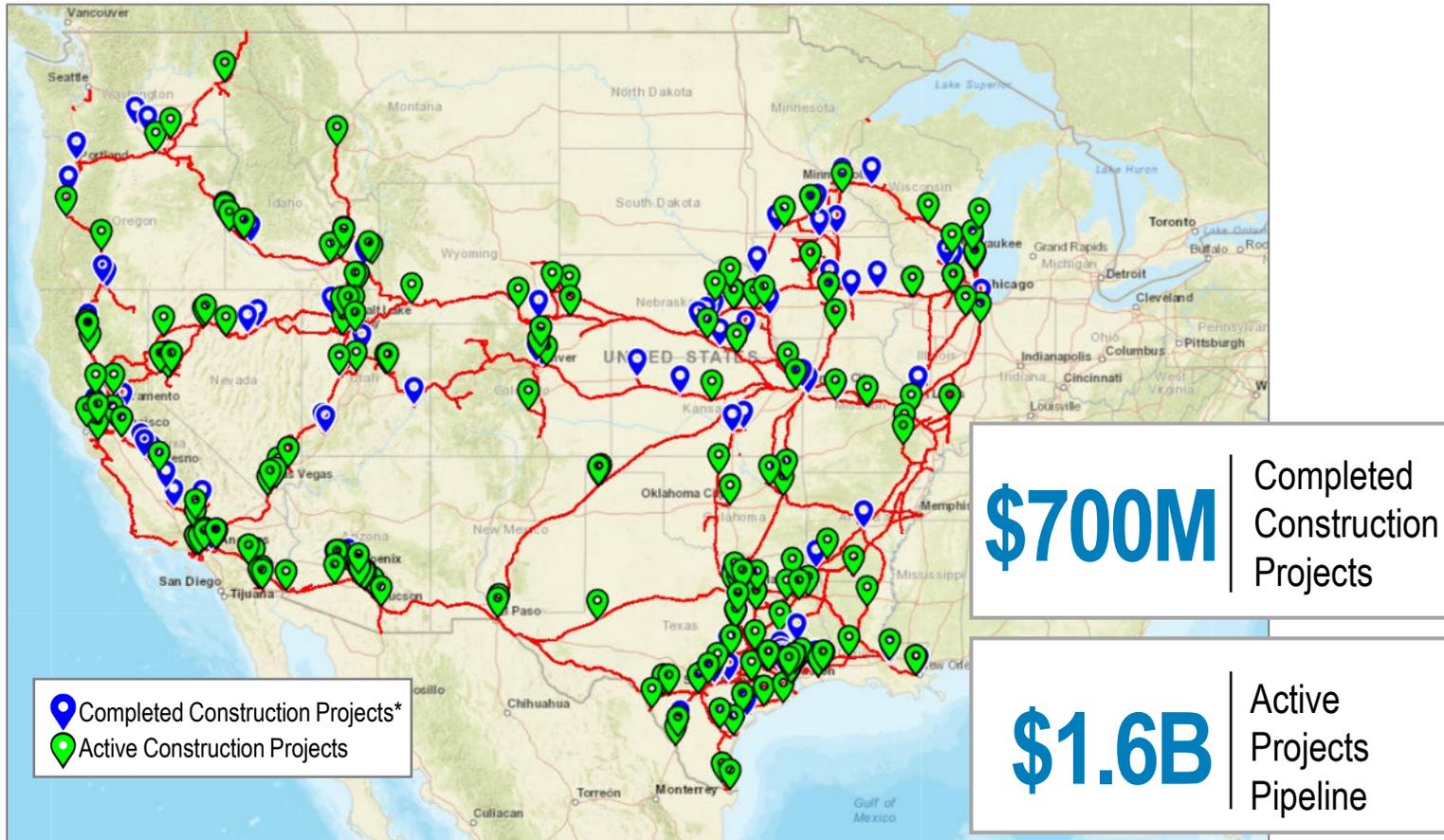
- Nimble and Faster Decision Making
- Increasing Customer Touchpoints
- Leveraging Technology to Grow
- Driving Results through Commercial Incentive Program
- Building Targeted Campaigns to Drive Business Development

— EVERY CARLOAD COUNTS —



Adding Business to UP

Attracting Customers to Rail-Served Facilities



- 182 track construction projects completed from 2021 – 2024 YTD, generating **over \$700M** of revenue annually
- Proactively engaging with customers, developers and community partners on new construction facilities
- Construction pipeline generates **high ROI** carload business
- Active pipeline of 200+ construction projects, potential **\$1.6 billion** in revenue opportunities

Delivering What Customers Need

New Products and Innovation

Intermodal Service Offerings

- Los Angeles to Chicago Premium Service – removing 2 days transit
- Phoenix Intermodal Facility
- Port Houston On-Dock
- Mexico to Southeast
- Falcon / Eagle Premium
- Inland Empire Intermodal Facility
- Twin Cities Intermodal Facility
- Global IV Ag Transload Facility

Extending Reach Rail Served Sites & Transloads

- Expanded SIT and Lease Tracks
- Loup & MHX Transload Facilities
- Industrial Parks and Site Selection Properties
- Grain & Grain Products Facilities
- Rock Yards
- Dallas 2 Dock

Customer Experience Tools & Applications

- Improved Car Order Fulfillment
- Onboarding Enhancements
- Improved Invoice Management
- Loup Supply Chain Solutions
- Container GPS
- RailPulse
- UP API Services
- UPGo



Key Growth Markets

Grain & Grain Products



Growing Agricultural Landscape

1B | Bushels of Production

Petrochemicals



Continued Production Expansions

3.2M | Production Tons Added

Mexico



Nearshoring & USMCA

\$140B | Announced Investments

Truck Conversions



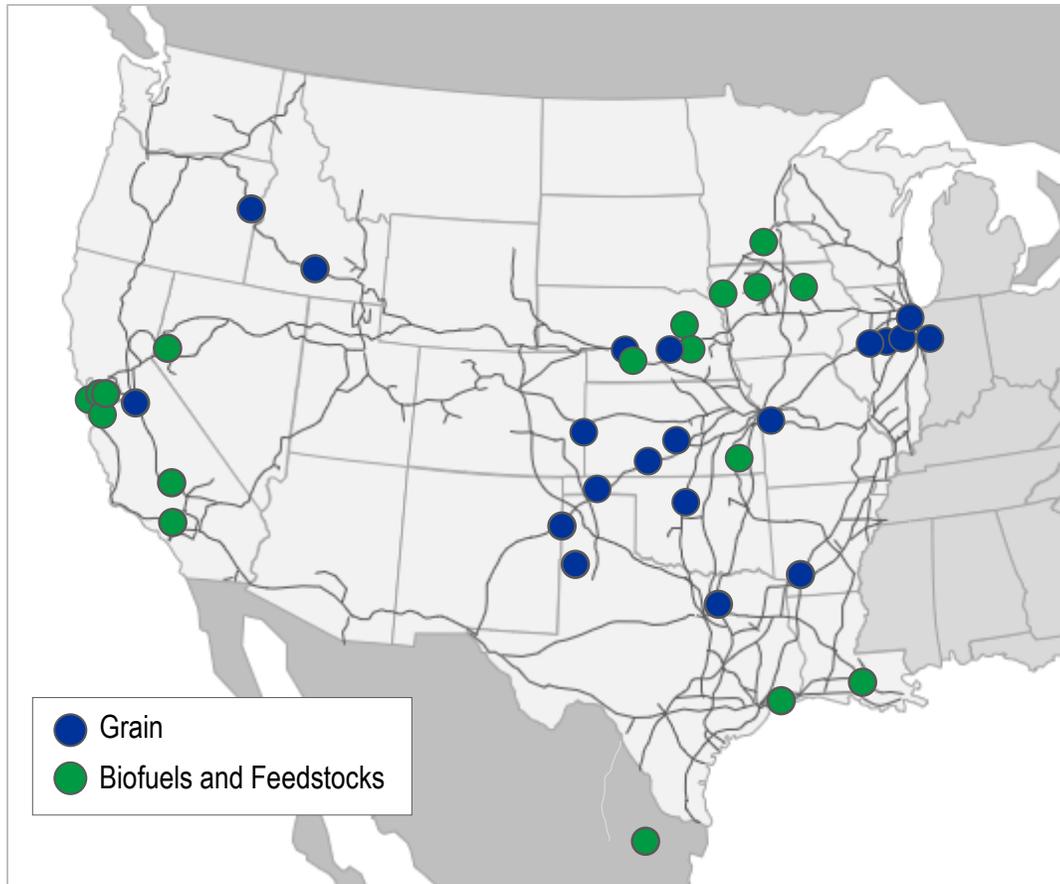
Sustainable Solutions

17M | Truckloads



Grain & Grain Products Opportunities

UP's Network Supports the Growing Agricultural Landscape



➤ Renewable Fuels

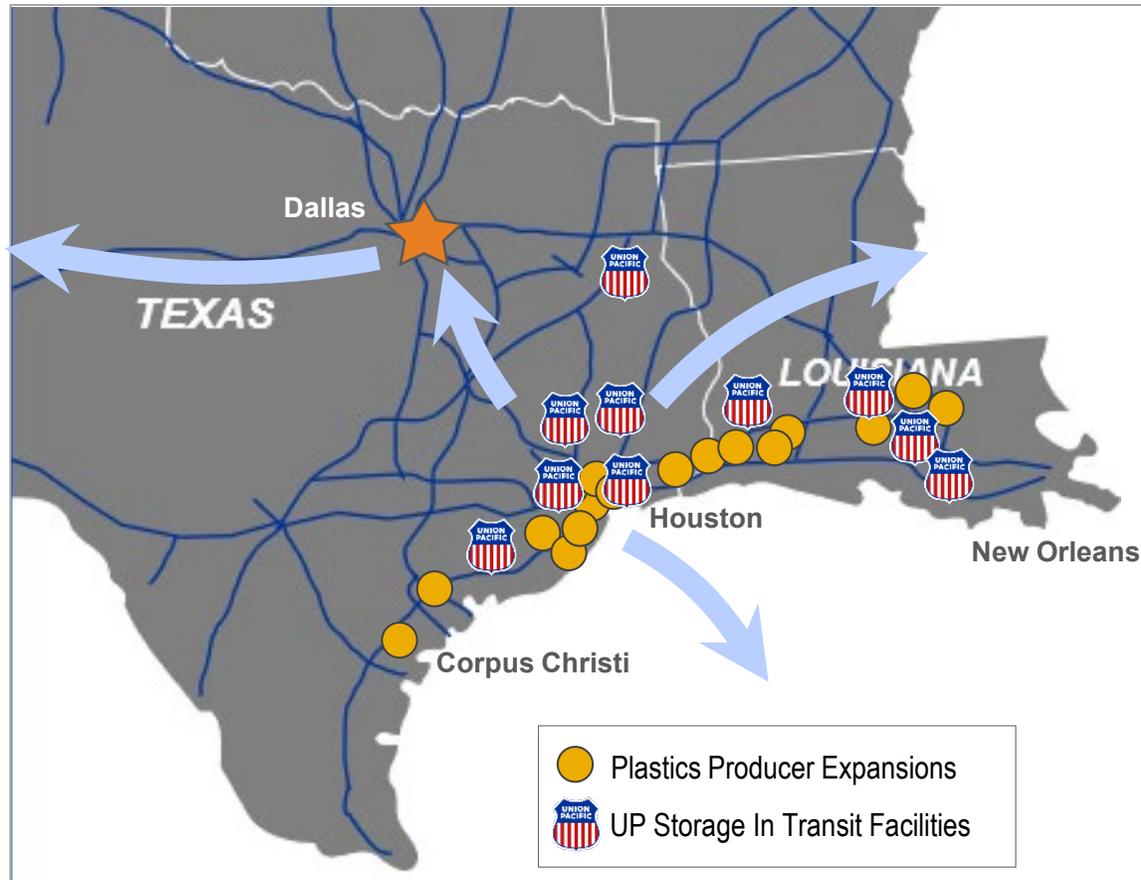
- Since 2021, UP volume has grown over 30% from renewable fuel demand
- Continued feedstock demand driving new soy crush facilities across U.S.
- **18+ new or expanded** facilities with forecasted production of 800M bushels of soybeans

➤ New Grain Expansion

- Winning new business from **20+ grain facilities** – newly constructed, expanded or announced in last two years

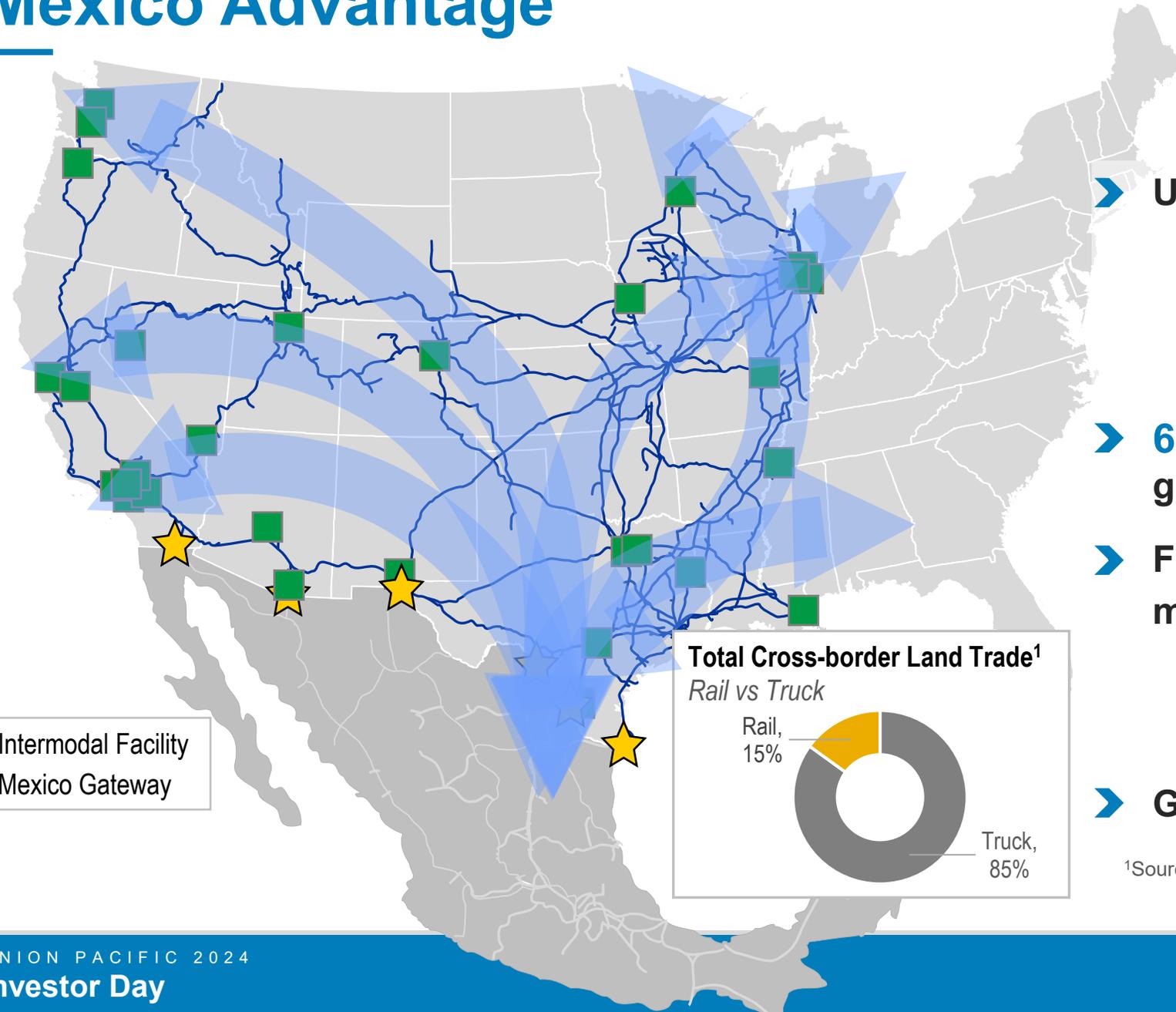
Petrochemical Market Wins

Unmatched Gulf Coast Franchise



- Petrochemicals production has been expanding in Gulf Coast since 2017
 - UP Plastics volume grown over 35%
 - **Five more** expansions expected in next 2 years
- Developed innovative product solutions for customers
 - Export optionality with Dallas to Dock service
 - Premier Storage In Transit network with **2x more** capacity than our competitors
- Strong capital investments along Gulf Coast, more than **\$430 million** over last 5 years to support growth

Mexico Advantage



➤ **Unmatched access to North America**

- 6 gateways to Mexico
- Connection to interline partners in the East and Canada

➤ **60%+ rail share in Mexico and growing**

➤ **Fastest, shortest routes serving markets 7-days per week**

- Falcon Premium
- Eagle Premium

➤ **Gateway volume up 7% since 2021**

¹Source: U.S. Transportation Bureau, AMTI.



Truck Conversion Opportunities

Winning and Poised for Growth

2021

- Twin Cities Intermodal Terminal
- Inland Empire Intermodal Terminal
- Precision Gate Technology

2022

- Won Knight-Swift
- Doubled Inland Empire capacity
- **Added 335K+** lifts of capacity

2023

- Won Schneider
- Doubled Inland Empire capacity
- Falcon Premium
- Port Houston on-dock
- Mexico to U.S. Southeast
- Container GPS
- **Added 450K+** lifts of capacity

2024

- Doubled Inland Empire capacity
- New Service LA-Chicago
- Phoenix Intermodal
- New markets for Port Houston
- **Added 110K+** lifts of capacity

Future State

- Long term relationships with key domestic customers
- New Kansas City Intermodal Terminal
- Expanding Inland Empire
- **Adding 250K+** lifts of capacity



Win = Revenue Growth

- Maximize What's Possible
- Winning with:
 - Strong Business Development
 - Maximizing Price and Expanding Margins
 - Innovative Production Solutions



PURSUING TOMORROW, TODAY



BETH WHITED

President



Pursuing New Ways to Drive Long-Term Growth



Expanding Network through
Acquisitions and Partnerships



Developing our Culture for a
Growth Mindset



Delivering Sustainable
Advantage vs. Trucks

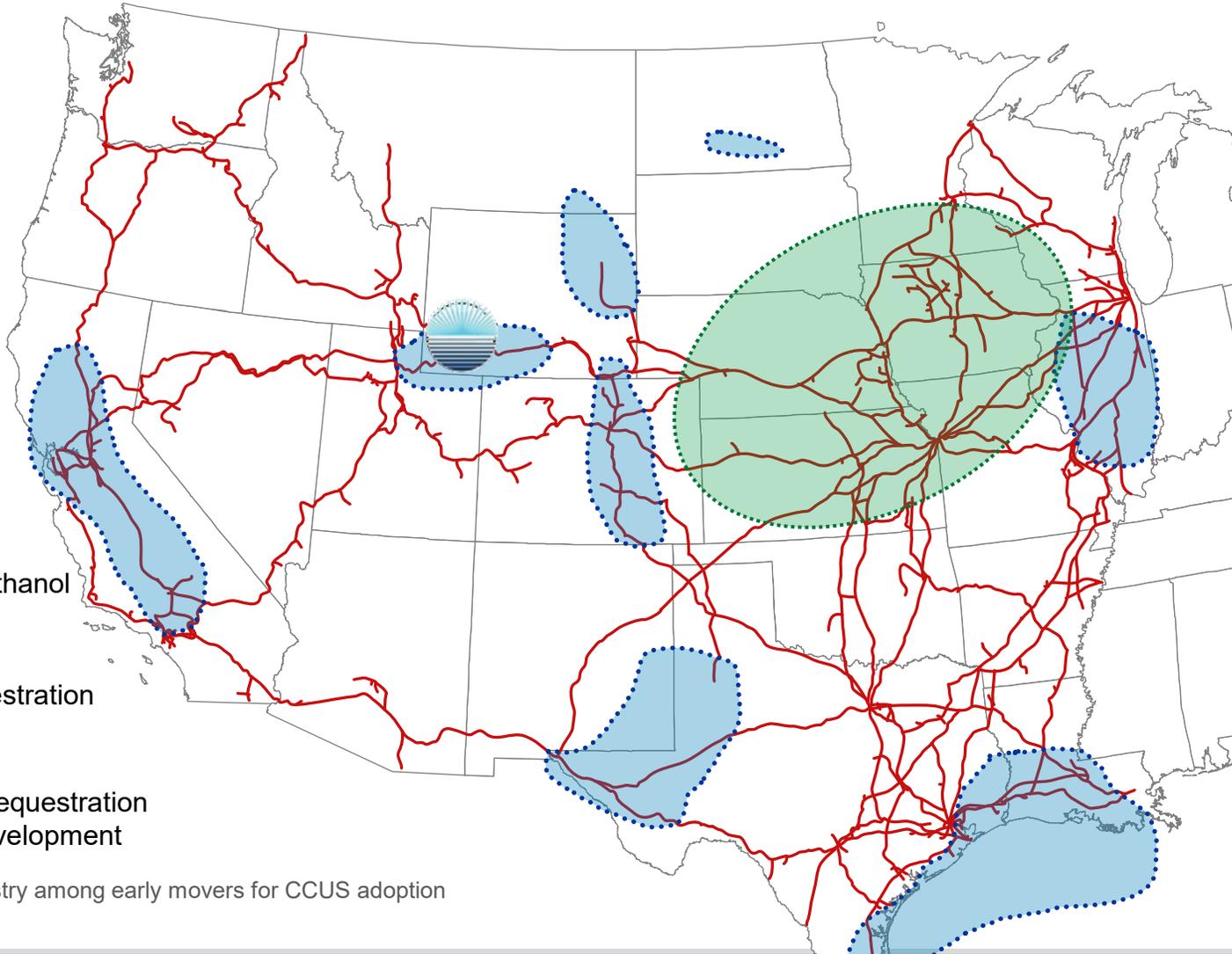


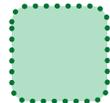
Leveraging Our
Real Estate Assets



Identifying Emerging
Growth Markets

Carbon by Rail Unlocks Supply Chain Opportunities



-  Rail-Aligned Ethanol Industry²
-  Primary Sequestration Formations
-  Rail-Aligned Sequestration Site Under Development



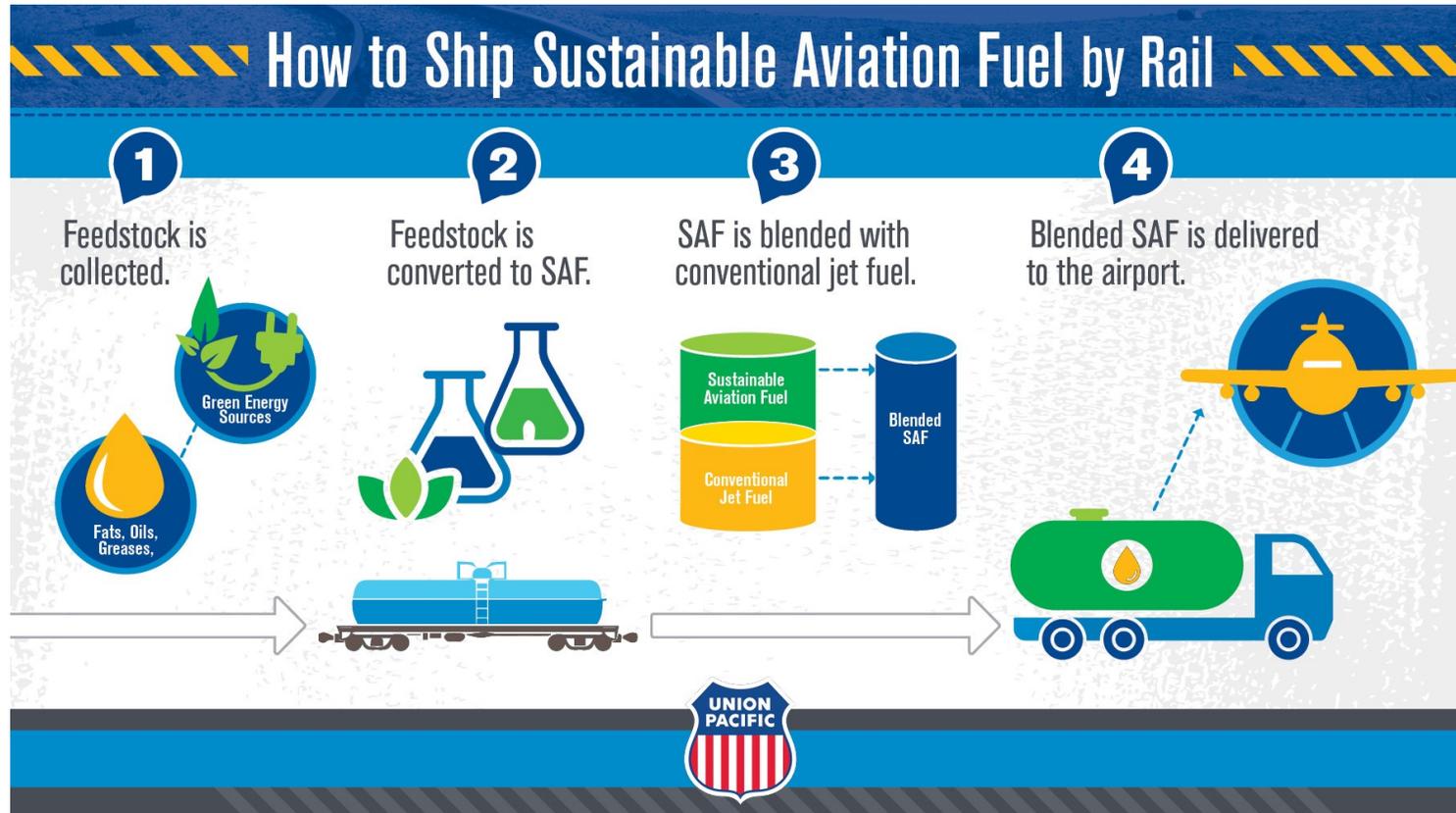
²Ethanol Industry among early movers for CCUS adoption

- Emitters Opportunity:**
- Move carbon without pipeline access
 - Increased destination optionality
 - Decarbonize hard to abate industries
- Storage Companies Opportunity:**
- Diversify feedstock sources
 - Expand potential customer base
 - Mitigate market risks
 - More flexible, resilient supply chain

Companies must capture 4.2B+ tons per year by 2050 to meet global net-zero goals¹

¹McKinsey | Scaling the CCUS industry to achieve net-zero

New Growth on Horizon – Sustainable Aviation Fuel (SAF)



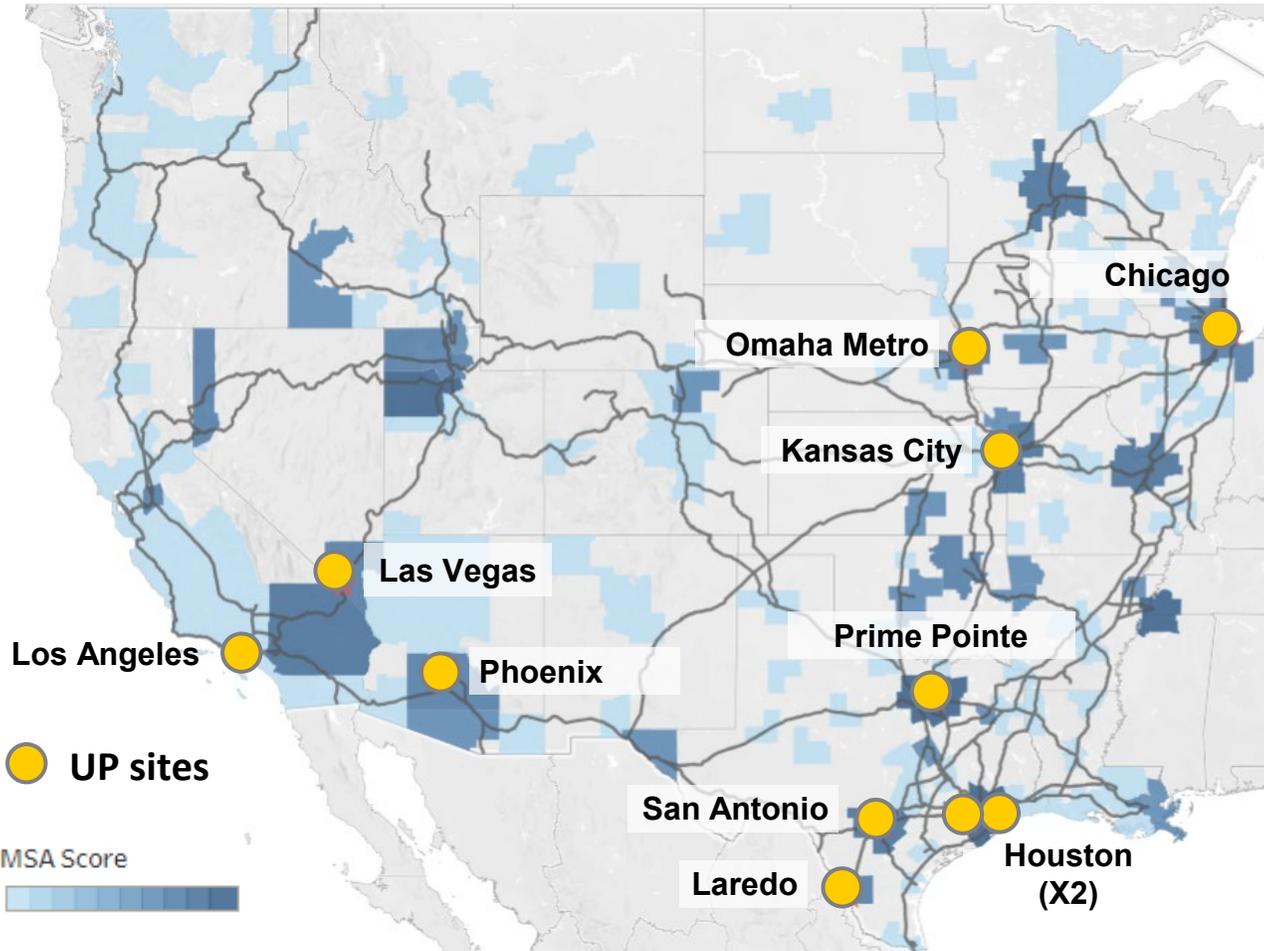
A Market in Motion:

- Comprehensive conversion to Sustainable Aviation Fuel (SAF) underway
- US SAF consumption expected to be **35B gallons by 2050¹**
- UP's rail network is optimally positioned to support the market
- Well-aligned to manage the transportation of SAF, blended products, and feedstocks

¹Sustainable Aviation Fuel Grand Challenge | Department of Energy

Developing Land for Growth

Current projects have alignment with top metro areas



MSA = Metropolitan Statistical Areas; CBRE MSA score based on labor, transportation infrastructure, climate risk, tax environment and incentives

Putting UP on the Map:

- Driving early role in site selection process
- Creating shovel ready sites
- Streamlining processes for faster delivery
- Early customer interest with emerging technologies, light manufacturing, packagers, liquid terminals and cold storage warehouses



GROWTH & STRATEGY PANEL DISCUSSION



Beth Whited

President



Kenny Rocker

**Executive Vice
President – Marketing
& Sales**



Jason Hess

**Senior Vice
President – Bulk**



Jacque Bendon

**Senior Vice
President – Industrial**



Kari Kirchhoefer

**Senior Vice
President - Premium**



PURSUIT OF INDUSTRY LEADERSHIP

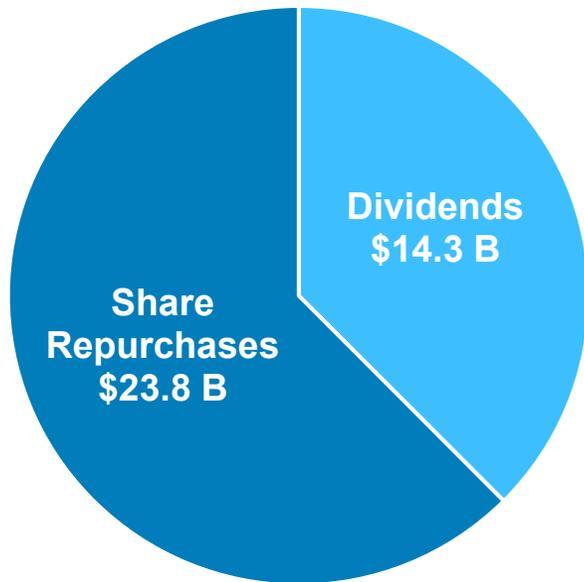


JENNIFER HAMANN
EVP & Chief Financial Officer



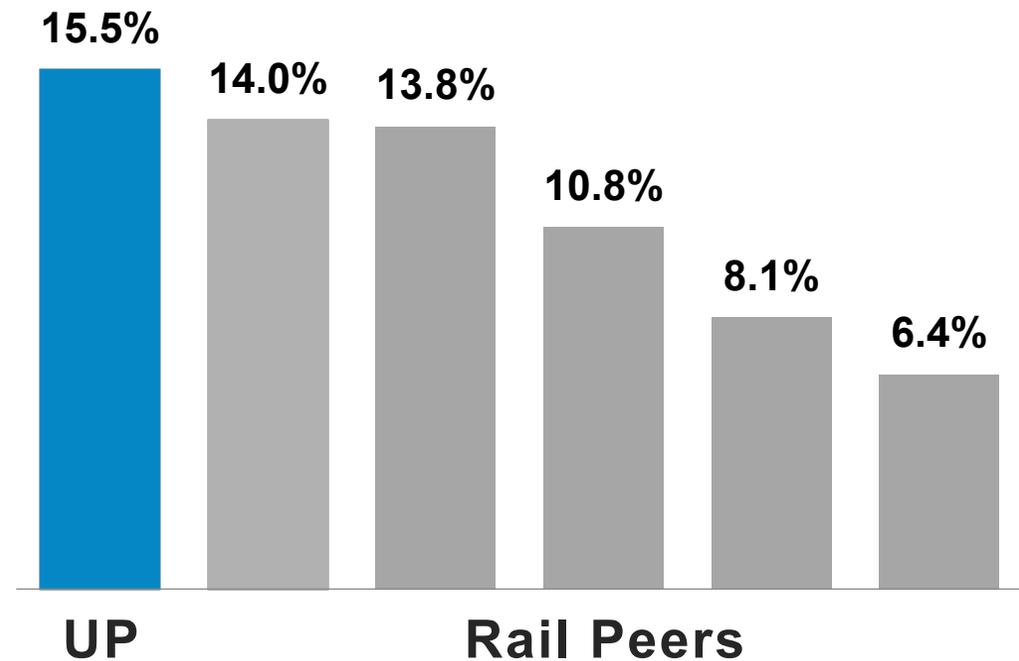
Track Record of Strong Returns

Cash Returns To Shareholders
2019 – 2023: \$38.1 Billion



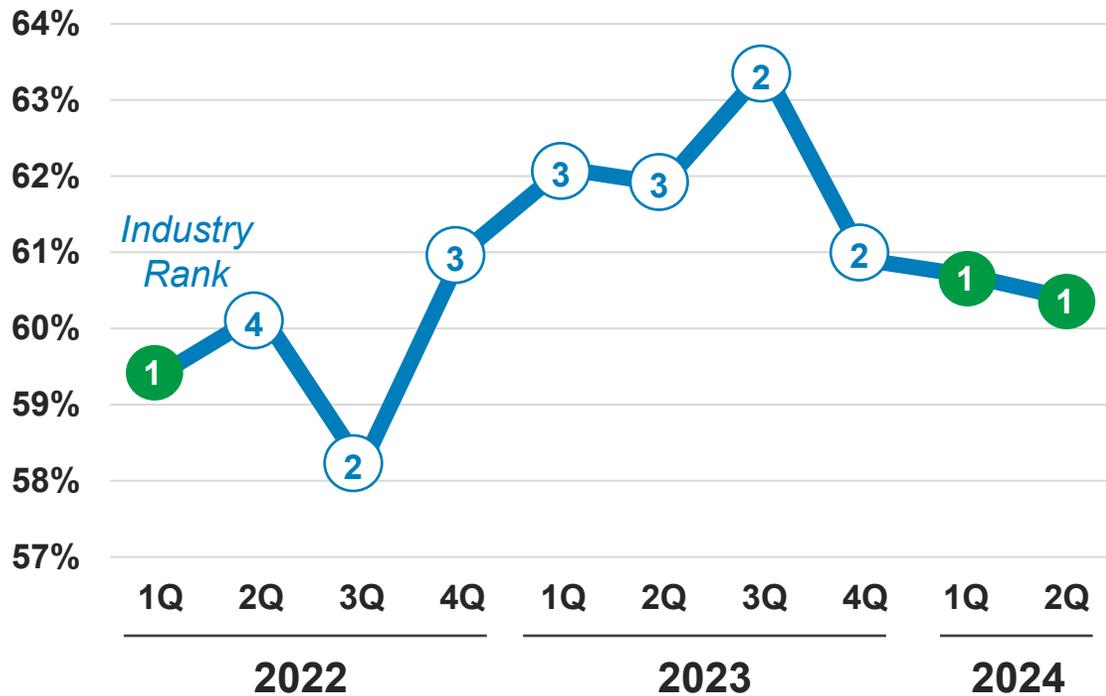
~40% of Market Capitalization

Return on Invested Capital
2023 Industry Leading

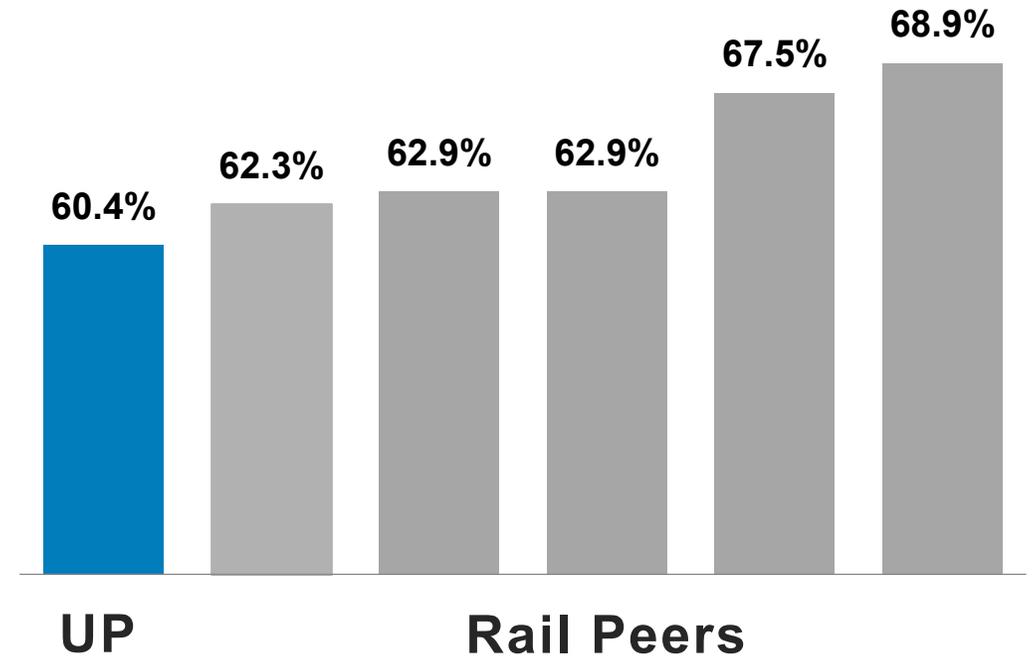


Goal: Industry Leading Operating Ratio

Historical Operating Ratio Performance*



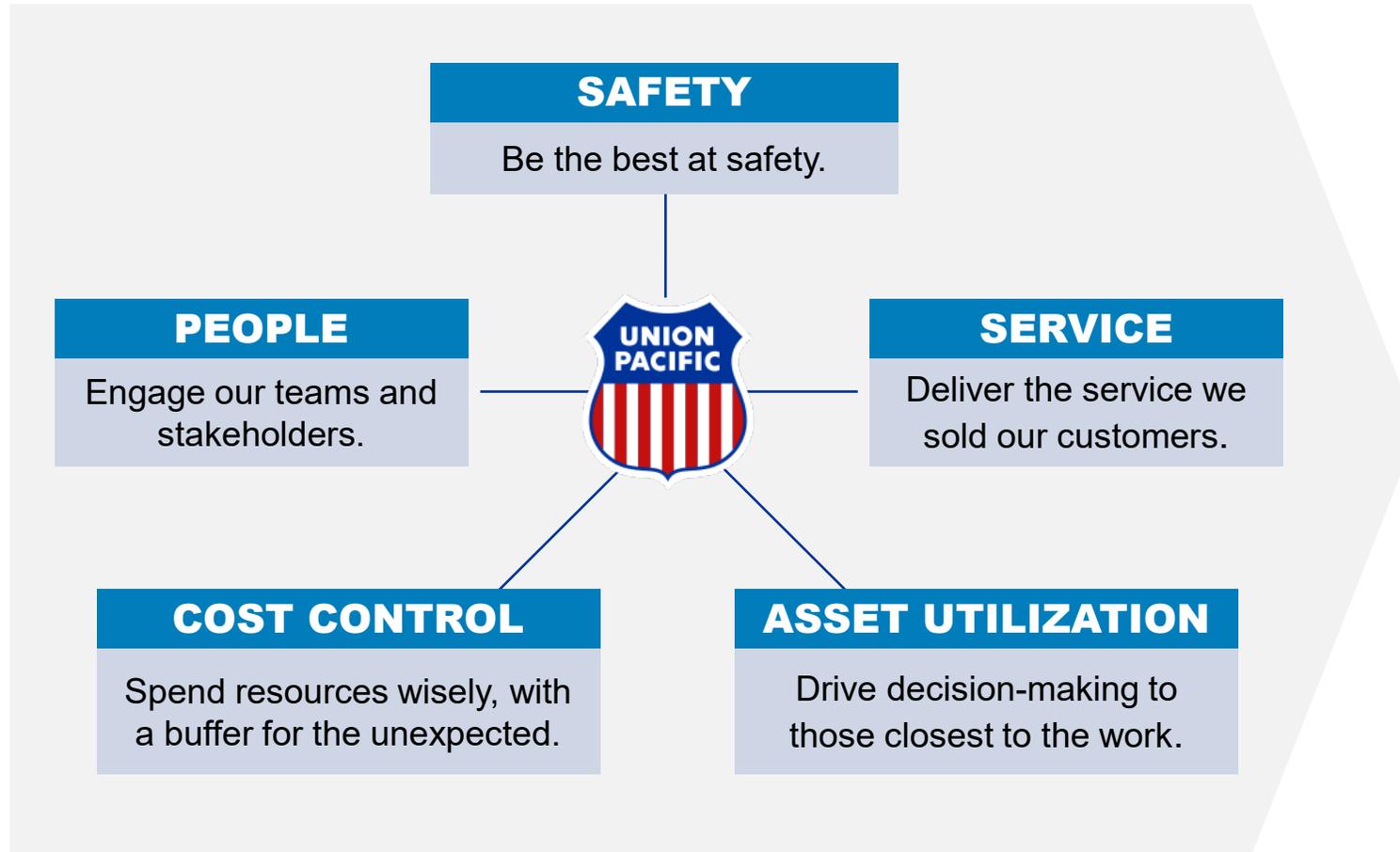
First Half 2024 Operating Ratio*



*Adjusted for disclosed non-GAAP items and other items for comparability.



Connecting the Strategy to Profit Drivers



+ Productivity

Industry leading safety & operational excellence

+ Price

Consistent, reliable service product

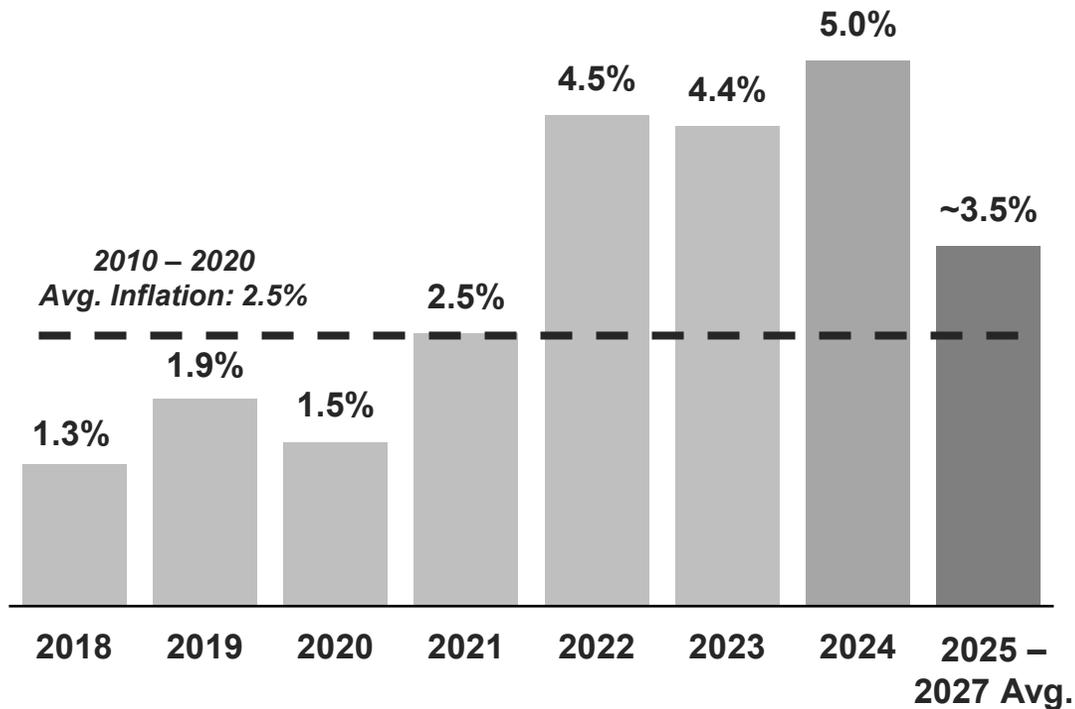
+ Volume

Differentiated services & products to win new business

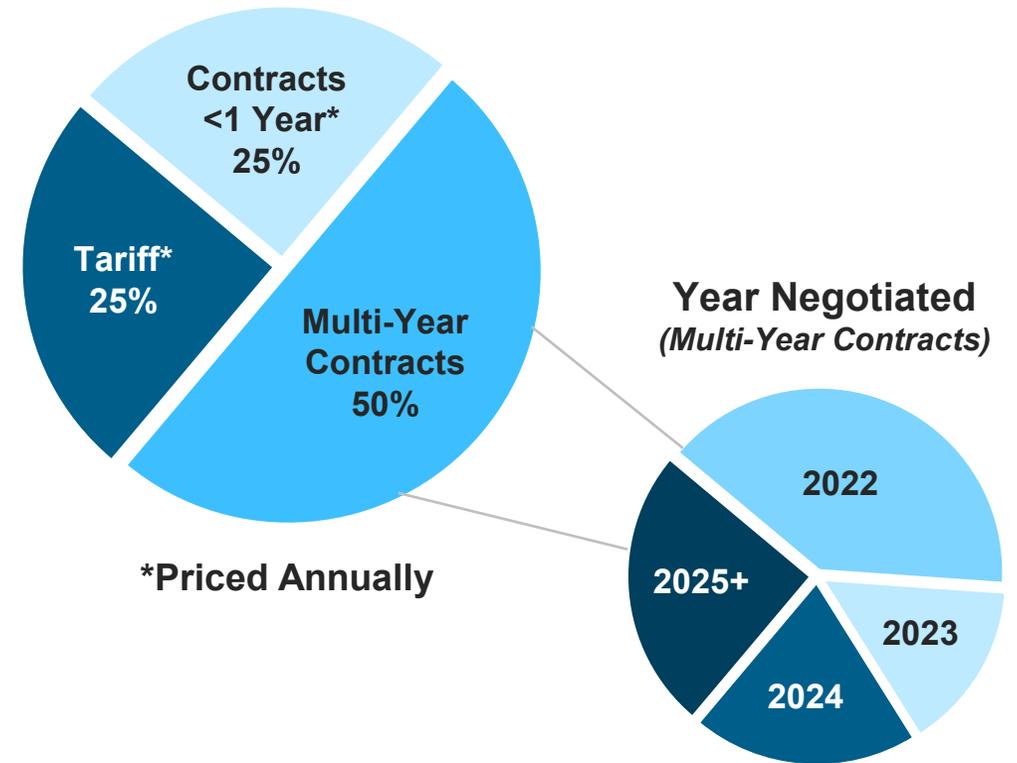


Pricing Opportunities to Recapture Inflation

Historical Inflation Levels

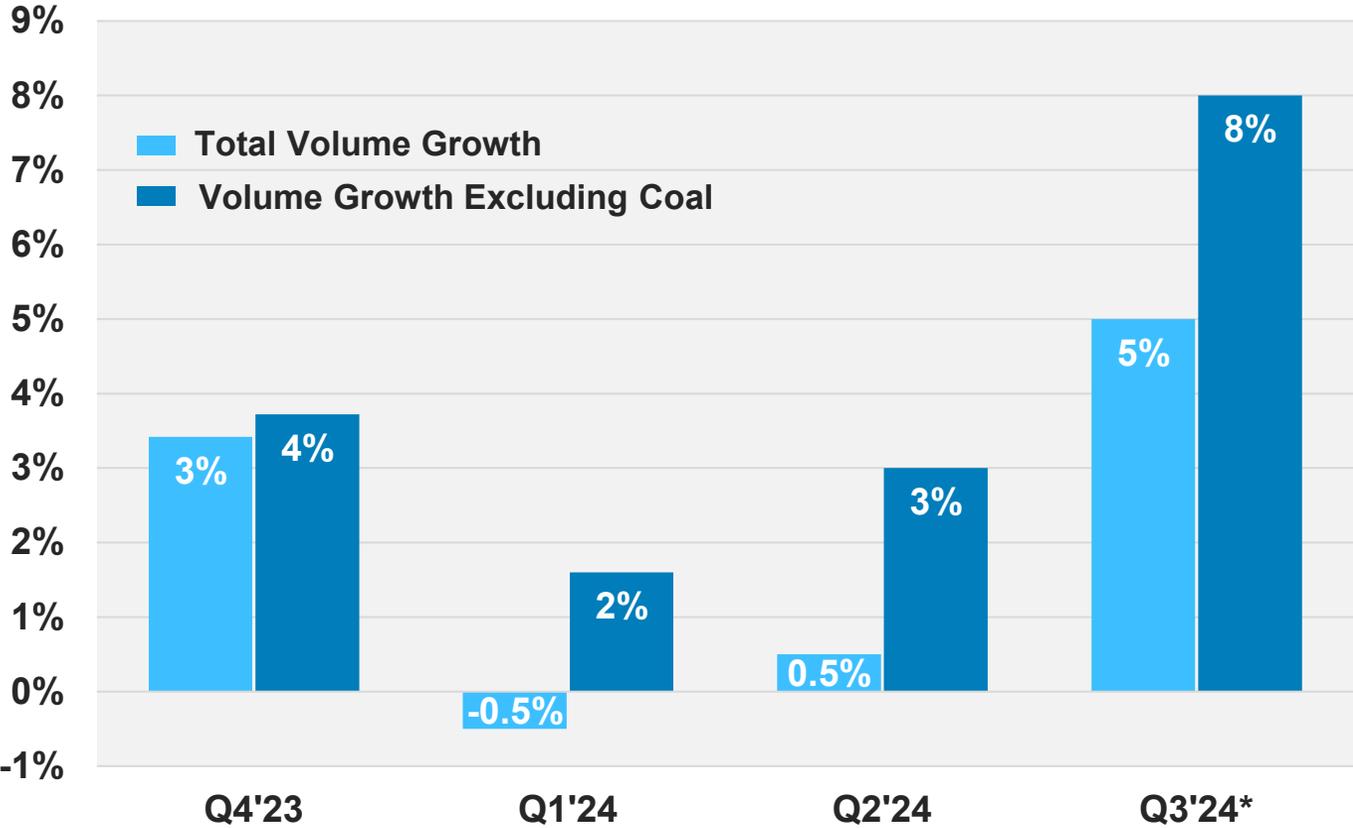


Revenue Portfolio



Achieving Volume Growth

Year-Over-Year Volume Growth

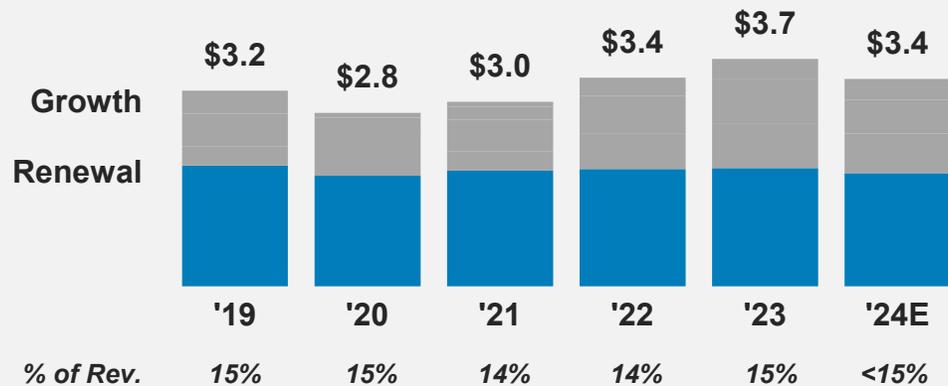


*AAR Volumes Through Week 37

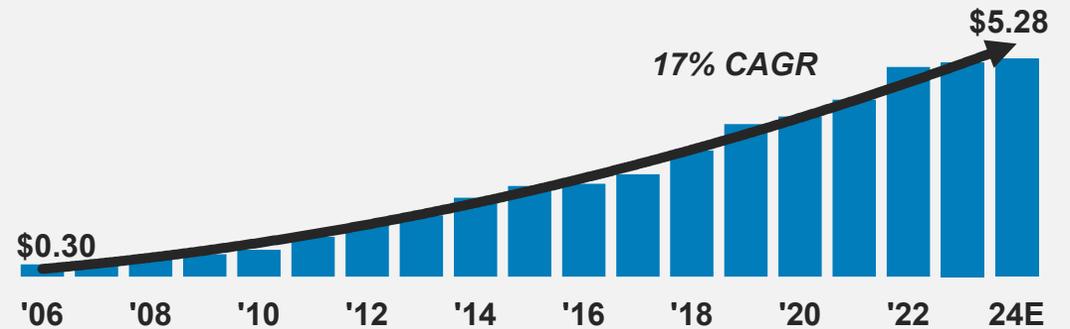


Efficient Capital Deployment Supporting Growth & Returns

Return Focused Capital Program

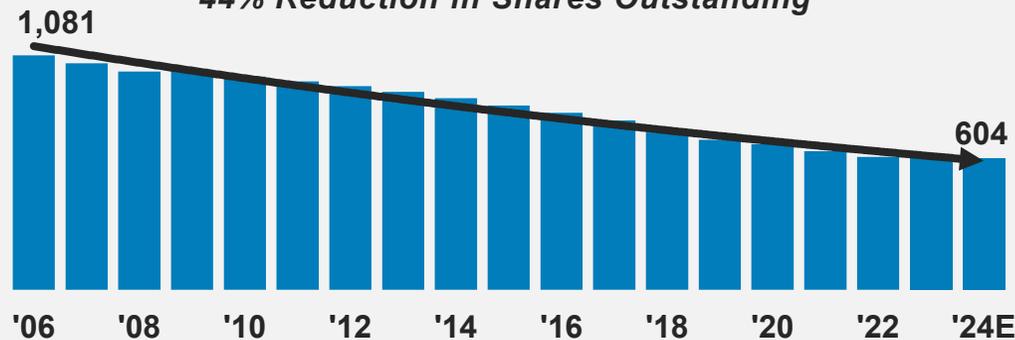


18 Consecutive Years of Increased Annual Dividends

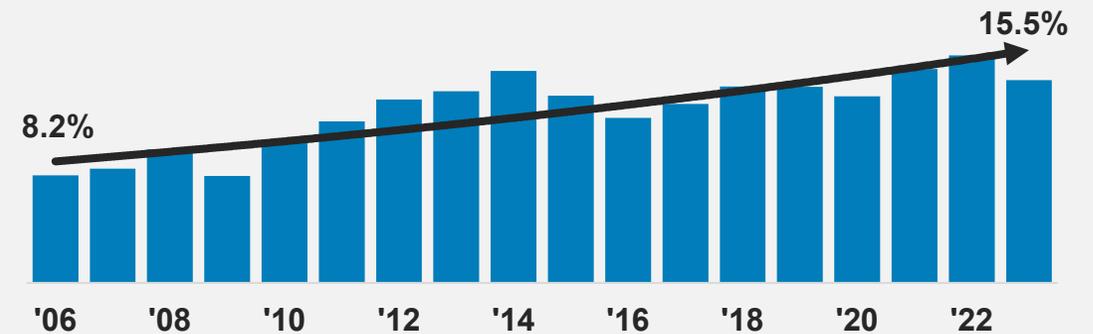


Accretive Share Repurchases

44% Reduction in Shares Outstanding

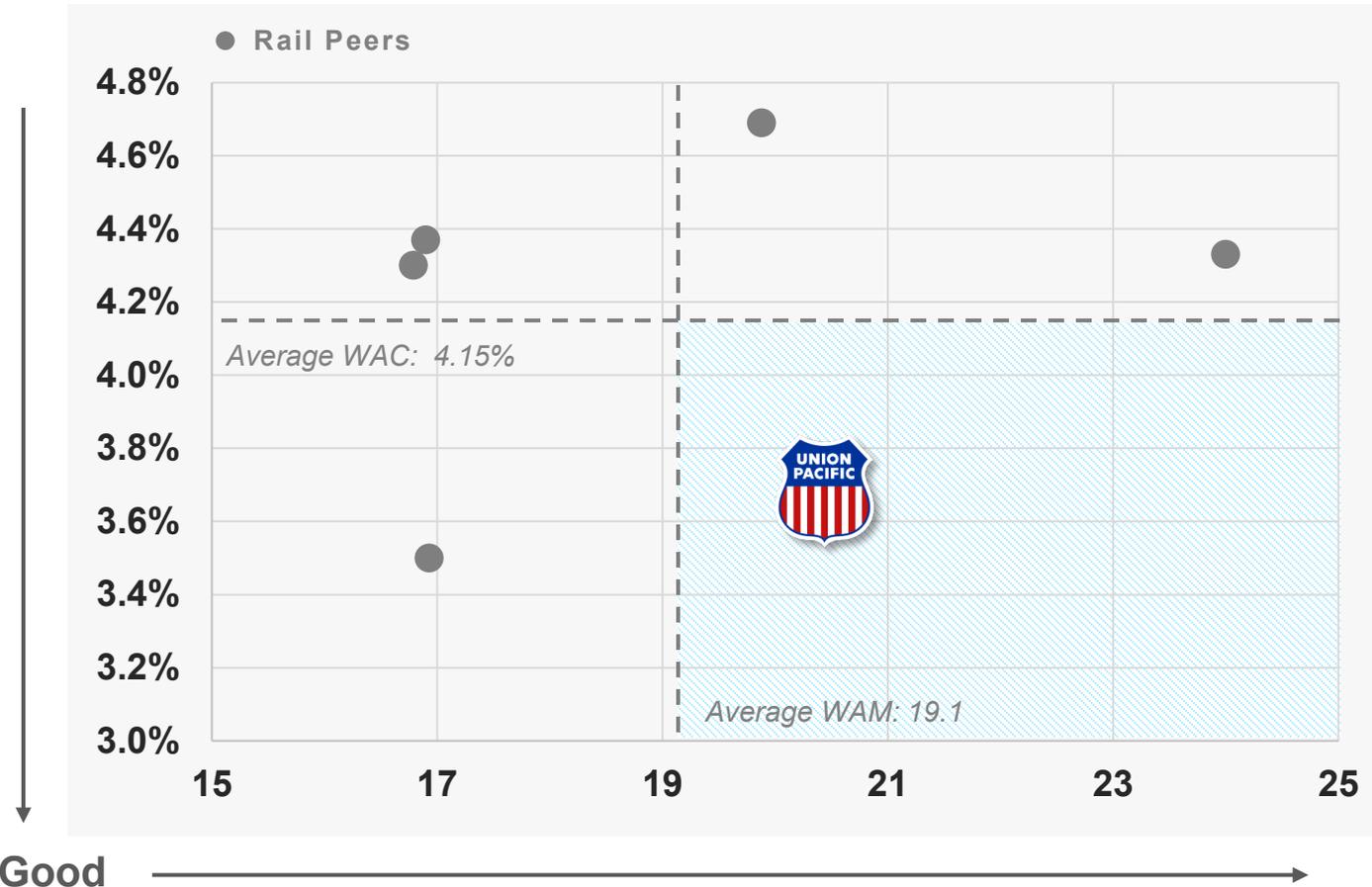


Strong Return on Invested Capital



Strong Balance Sheet & Capital Access

Weighted Average Maturity (Years) vs. Coupon (%)



Optimized Balance Sheet:

➤ **Weighted Average Coupon**
~3.7%

➤ **Weighted Average Maturity**
~20 Years

➤ **Manageable Debt Towers**
< \$2.0 Billion per Year

➤ **Strong Investment Grade Credit Ratings**

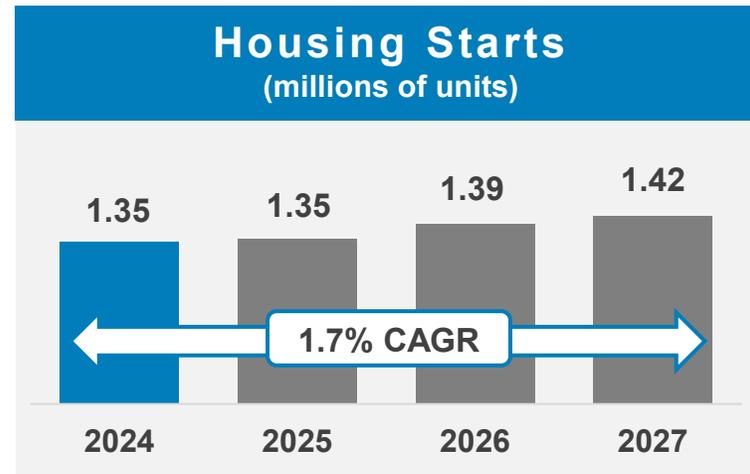
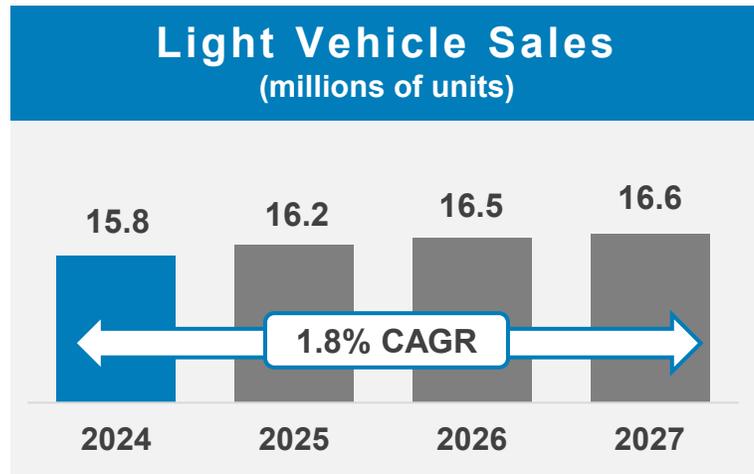
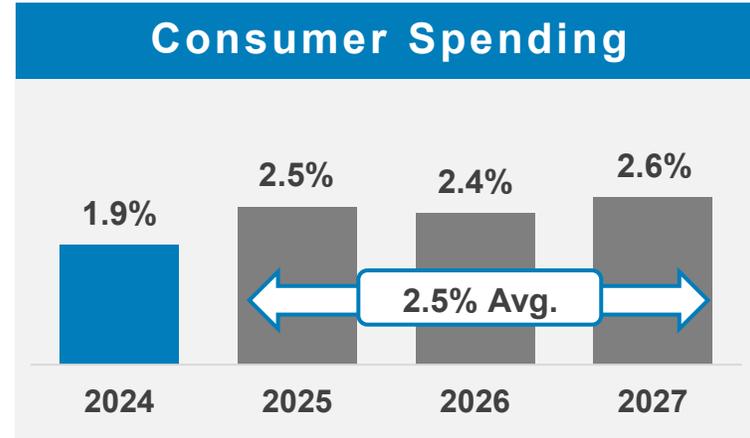
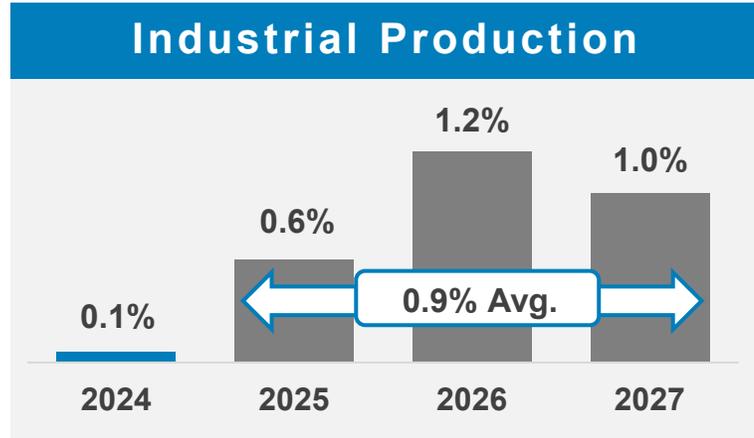
Fitch A-

Moody's A3

S&P A-



Economic Indicators – Growth Prospects Improving



Source: S&P Global Market Intelligence, U.S. Economic Outlook, September 2024



Industry Leading Financials – Driving Shareholder Returns

2025 - 2027

Revenue Growth

- Revenue > Volume > Markets*
- Pricing Dollars Accretive to Operating Ratio

Profitability

- Industry Leading Operating Ratio
- High Single to Low Double Digit EPS Growth CAGR

Capital, Leverage & Returns

- Annual Capital Investments of \$3.5 – \$3.7 Billion
- Strong Investment Grade Credit Rating
- Industry Leading Return on Invested Capital

Cash to Shareholders

- Annual Share Repurchases of \$4 – \$5 Billion
- Consistent, Annual Dividend Increases
- Dividend Payout Ratio ~45%

**Revenue Excluding Fuel; Volume Excluding Coal*



QUESTION & ANSWER SESSION



**Jim
Vena**

**Chief
Executive
Officer**



**Beth
Whited**

President



**Jennifer
Hamann**

**EVP & Chief
Financial
Officer**



**Kenny
Rocker**

**Executive Vice
President –
Marketing &
Sales**



**Eric
Gehringer**

**Executive Vice
President -
Operations**



**Rahul
Jalali**

**EVP & Chief
Information
Officer**



CLOSING REMARKS



JIM VENA
Chief Executive Officer



Key Investor Takeaways

- **RIGHT STRATEGY** to achieve industry leadership.
- **RIGHT TEAM** to execute and deliver on that strategy.
- **DETAILED ACTION PLANS** to be the leader in safety, service, and operational excellence.
- Will **INNOVATE** to drive productivity & improve customer experience.
- Will deliver **REVENUE GROWTH** by selling UP's service and capacity at a price that recognizes the value we offer.
- Setting ourselves up for **FUTURE GROWTH**.
- Will deliver **INDUSTRY LEADING RETURNS** to our owners.





UNION PACIFIC 2024

Investor Day

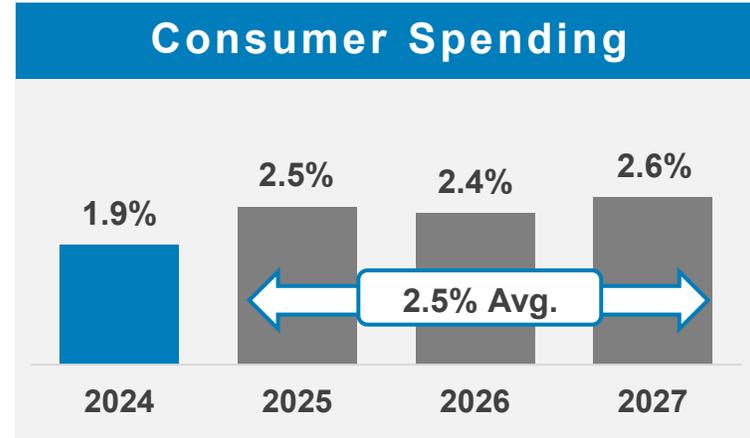
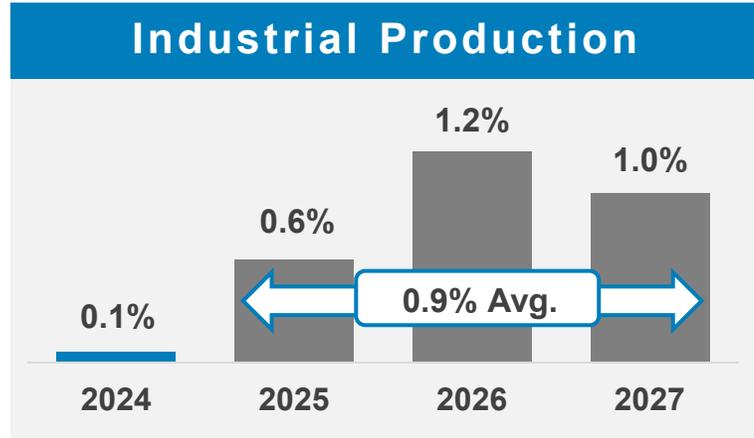
THANK YOU



APPENDIX

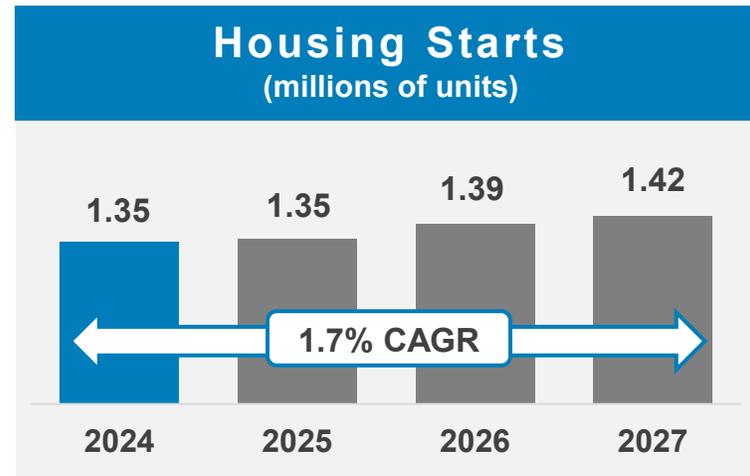
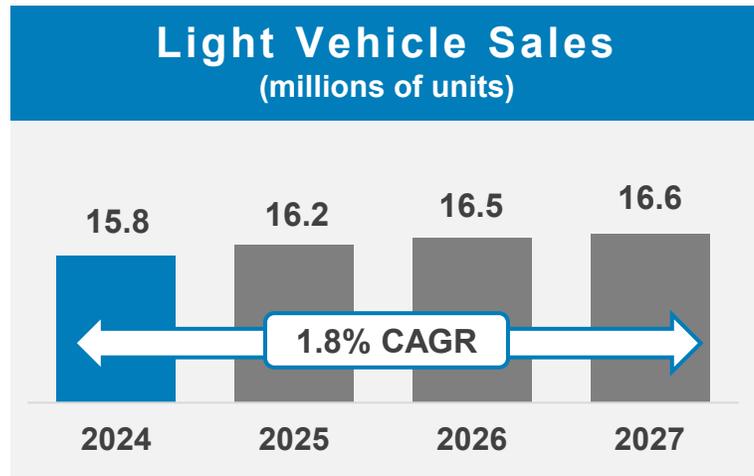


Core Assumptions



Key Modeling Data:

| | |
|-------------------------|--------|
| ➤ Inflation | ~3.5% |
| ➤ Fuel Price Per Gallon | \$2.60 |
| ➤ Effective Tax Rate | ~24% |



Source: S&P Global Market Intelligence, U.S. Economic Outlook, September 2024

