



# 2023 WELLS FARGO INDUSTRIALS CONFERENCE



Jennifer Hamann – Executive Vice President & Chief Financial Officer  
Eric Gehringer – Executive Vice President - Operations

## Cautionary Information

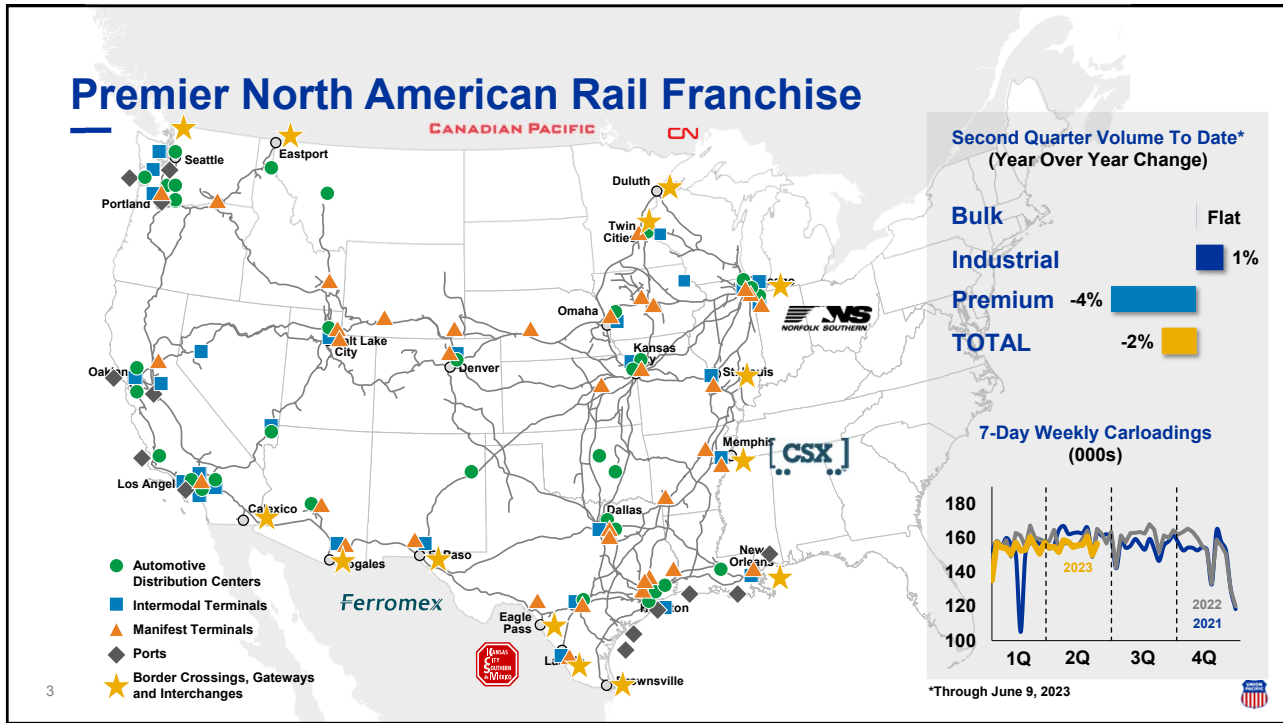
This presentation and related materials contain statements about the Company's future that are not statements of historical fact, including specifically the statements regarding the Company's expectations with respect to economic conditions and demand levels, its ability to improve network performance (including those in response to increased traffic), its results of operations, and potential impacts of public health crises, including the outbreak of pandemic or contagious disease, such as COVID, 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 2022, which was filed with the SEC on February 10, 2023. 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.

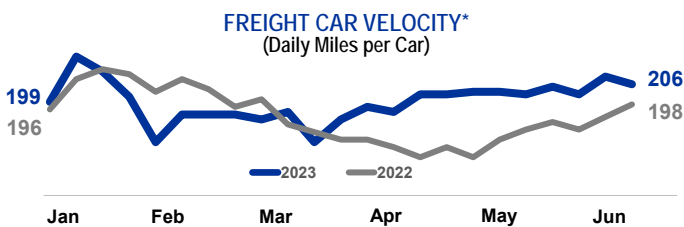


# Premier North American Rail Franchise



## Improving Network Performance and Efficiency

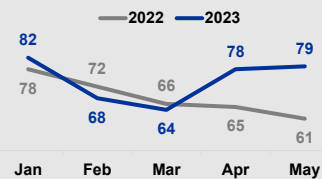
- Operating metrics improving both year-over-year and sequentially
- Focus on Asset Utilization and Network Efficiency
  - Storing Locomotives: ~230 2nd Quarter to Date
  - Recrew rates have declined by nearly 3 points year to date



\* As reported weekly through June 9, 2023. See Union Pacific website under Investors for definitions of the metrics.

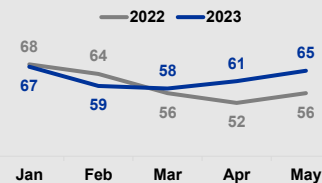
### INTERMODAL TRIP PLAN COMPLIANCE

(% of Boxes On Time)



### MANIFEST/AUTO TRIP PLAN COMPLIANCE

(% of Cars On Time)



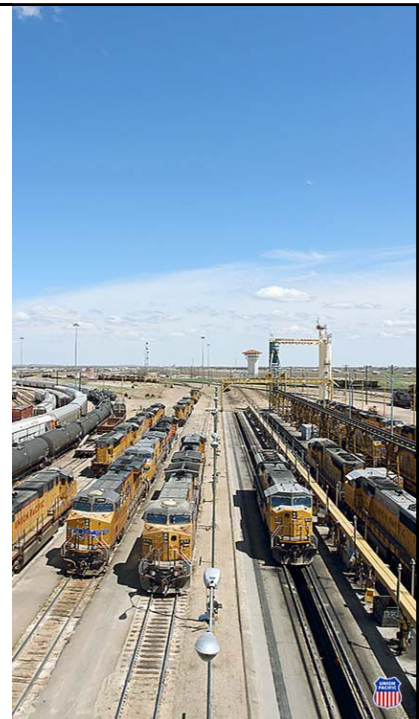
## Driving Engagement with Historic Agreements

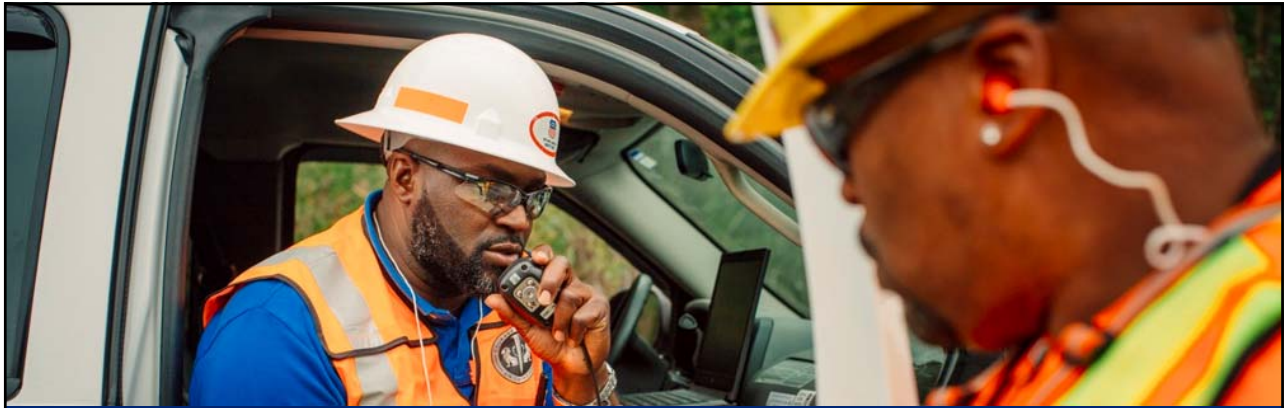
- **Union Pacific is committed to creating win-win solutions that provide our workforce with an enhanced quality of life while delivering a consistent service product**
- **Paid Sick Leave**
  - Provides access to up to seven paid sick days
  - 12 of 13 unions, covering 68% of craft professionals
- **SMART TD Crew Consist**
  - Provides UP flexibility to redeploy brake persons
  - Establishes ground-based positions with predictable, scheduled work
- **BLET Work-Rest (Tentative Agreement)**
  - Enhances quality of life with more predictable schedules
  - Allows UP to better manage staffing levels



## Driving Change in 2023, But Outlook Challenged

- **One-Time Items Impacting Second Quarter:**
  - Brake person buyout payment of ~\$70 million (*Pre-Tax*)
    - 1.2 pt Headwind to Operating Ratio
  - Nebraska state income tax benefit of nearly \$75 million (*After-Tax*)
- **Impact of new labor agreements results in Reported Full Year Operating Ratio likely exceeding 2022 levels.**
- **Affirming full year guidance for volume, price and capital allocation.**





# QUESTION & ANSWER SESSION

