




UNION PACIFIC CORPORATION

FIRST QUARTER 2024 EARNINGS

APRIL 25, 2024


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EXECUTIVE SUMMARY FIRST QUARTER 2024

Jim Vena
Chief Executive Officer

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First Quarter Highlights & Executive Summary

Highlights

- ▲ \$2.69 Earnings per Share
- \$6.0B Operating Revenue
- ▲ \$2.4B Operating Income
- ▼ 60.7% Operating Ratio
- ▲ Freight Car Velocity up 4%
- ▲ Locomotive Productivity up 10%

Executive Summary

- Continuous improvement driven by strategy of safety, service, and operational excellence
- Solid core pricing gains and productivity offset lower fuel surcharge revenue and inflationary pressures to drive strong operating ratio improvement
- Service product continuing to meet the marketplace demand
- Efficiency metrics exhibiting positive momentum

SAFETY + SERVICE & OPERATIONAL EXCELLENCE

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FINANCIAL REVIEW FIRST QUARTER 2024

Jennifer Hamann

Executive Vice President & Chief Financial Officer

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First Quarter Income Statement

| | 2024 | 2023 | Variance | |
|-------------------------------|---------|---------|----------|-----|
| Freight Revenue Ex. Fuel | \$4,951 | \$4,773 | 4 | |
| Fuel Surcharge | 665 | 883 | (25) | |
| Freight Revenue | 5,616 | 5,656 | (1) | |
| Other Revenue | 415 | 400 | 4 | |
| Operating Revenue | 6,031 | 6,056 | - | |
| Operating Expenses | 3,659 | 3,762 | (3) | |
| Operating Income | \$2,372 | \$2,294 | 3 | % |
| Other Income | 92 | 184 | (50) | |
| Interest Expense | (324) | (336) | (4) | |
| Income Taxes | (499) | (512) | (3) | |
| Net Income | \$1,641 | \$1,630 | 1 | % |
| Weight Average Diluted Shares | 610.2 | 611.5 | - | |
| Diluted EPS | \$2.69 | \$2.67 | 1 | |
| Operating Ratio | 60.7% | 62.1% | (1.4) | pts |

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Freight Revenue Drivers:

- + Price/Mix 3.50%
- Volume (0.50%)
- Fuel Surcharge (3.75%)

Operating Expense Drivers:

- + Lower Fuel Prices
- + Productivity
- + Greater Network Fluidity
- Inflationary Pressure
- Higher TE&Y Workforce Levels
- Depreciation



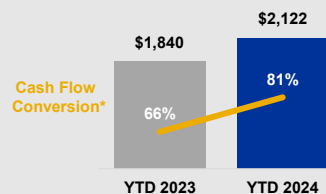
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Cash Generation & Returns to Shareholders

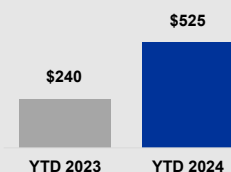
Year to Date Results

- Generated \$2.1 Billion in Cash From Operations
- Returned \$795 Million to Shareholders
- Free Cash Flow* of \$525 Million
- Adjusted Debt / EBITDA* of 2.9x
 - Paid down \$1.3B in long-term debt
 - “A” rated by Moody’s, S&P, and Fitch

Cash From Operations (\$ in millions)



Free Cash Flow* (\$ in millions)



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



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Current 2024 Outlook

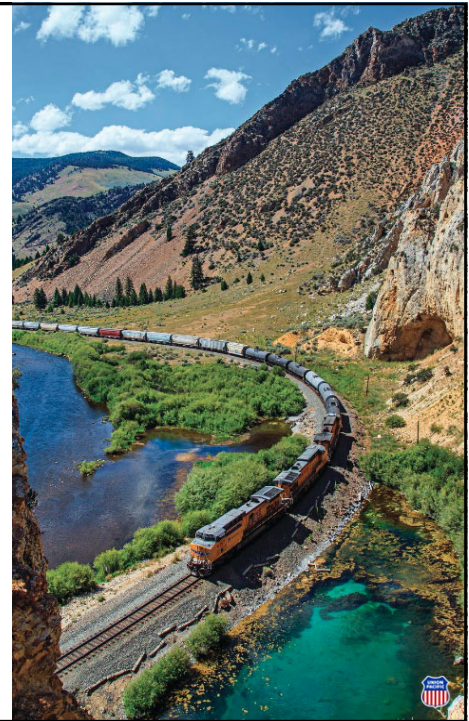
Updated

- Profitability outlook gaining momentum with strong service product, improving network efficiency, and solid pricing
- Restarting Share Repurchases in Second Quarter

Affirmed

- Volume Outlook Muted by International Intermodal Business Loss, Lower Coal Demand, and Soft Economic Conditions
- Pricing Dollars in Excess of Inflation Dollars
- No Change to Long-Term Capital Allocation Strategy
 - Capital Plan of \$3.4 Billion

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MARKETING & SALES REVIEW FIRST QUARTER 2024

Kenny Rocker

Executive Vice President – Marketing & Sales

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First Quarter Commodity Review

| Commodity | Revenue (Millions) | Volume (Thousands) | ARC | Quarterly Drivers |
|---|-----------------------|-----------------------|-----------------|--|
| Bulk <small>vs. 1Q'23</small> | \$1,817 ▼ 4% | 480 ▼ 5% | \$3,787 ▲ 1% | <ul style="list-style-type: none"> • Low Coal Demand due to Mild Winter and Record Low Natural Gas Prices • Increased Export Grain • Food & Refrigerated Business Development Wins |
| Industrial <small>vs. 1Q'23</small> | \$2,104 ▲ 4% | 541 ▲ 1% | \$3,886 ▲ 3% | <ul style="list-style-type: none"> • Petroleum Business Development Wins • Improved Petrochemicals Demand • Rock Inventory and Weather Challenges |
| Premium <small>vs. 1Q'23</small> | \$1,695 ▼ 3% | 946 ▲ 1% | \$1,792 ▼ 4% | <ul style="list-style-type: none"> • Strength in West Coast Imports • Automotive Growth Due to Business Development Wins & Dealer Inventory Replenishment • Softness in Domestic Intermodal |

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2024 Volume Outlook

| | | |
|---|---|--|
| <div data-bbox="248 1308 581 1354" data-label="Section-Header"> <h2>Bulk</h2> </div> <div data-bbox="248 1362 581 1596" data-label="Image"> </div> <div data-bbox="248 1617 581 1764" data-label="List-Group"> <ul style="list-style-type: none"> − Coal ↔ Grain + Grain Products </div> | <div data-bbox="643 1308 976 1354" data-label="Section-Header"> <h2>Industrial</h2> </div> <div data-bbox="643 1362 976 1596" data-label="Image"> </div> <div data-bbox="643 1617 976 1764" data-label="List-Group"> <ul style="list-style-type: none"> − Rock + Petroleum + Petrochemicals </div> | <div data-bbox="1037 1308 1370 1354" data-label="Section-Header"> <h2>Premium</h2> </div> <div data-bbox="1037 1362 1370 1596" data-label="Image"> </div> <div data-bbox="1037 1617 1370 1764" data-label="List-Group"> <ul style="list-style-type: none"> − Domestic Intermodal ? International Intermodal + Automotive </div> |
|---|---|--|

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OPERATIONS REVIEW FIRST QUARTER 2024

Eric Gehringer
Executive Vice President – Operations

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FIRST QUARTER 2024

Key Performance Metrics

YTD Reportable Personal Injury and Derailment Rates Improved

| Freight Car Velocity | Intermodal Service Performance Index | Manifest/Auto Service Performance Index |
|--|---|--|
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Quarterly Drivers

Greater Network Fluidity

Improved Train Speed

Lower Freight Car Dwell

12 Year-over-year change in metrics.

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FIRST QUARTER 2024

Key Efficiency Metrics

Locomotive
Productivity

135

▲ 10%

Workforce
Productivity

1,000

▲ 1%

Train
Length

9,287

▲ 1%

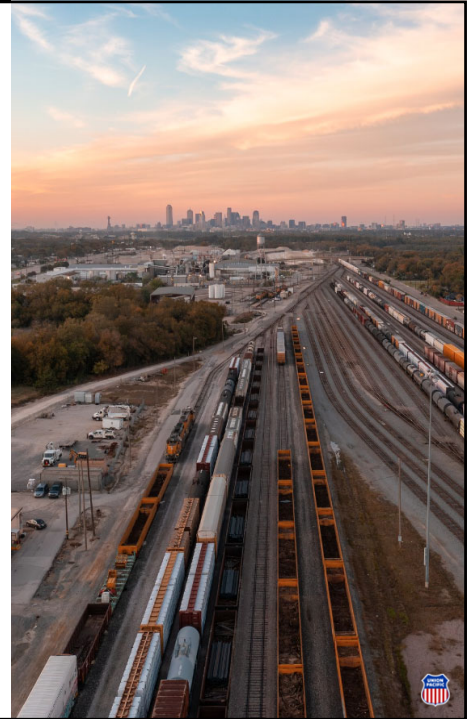
Quarterly Drivers

Storing Excess
Locomotives

Improved Resource
Utilization

Reduced
Car Handling

13 Year-over-year change in metrics.



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HOW WE WIN FIRST QUARTER 2024

Jim Vena

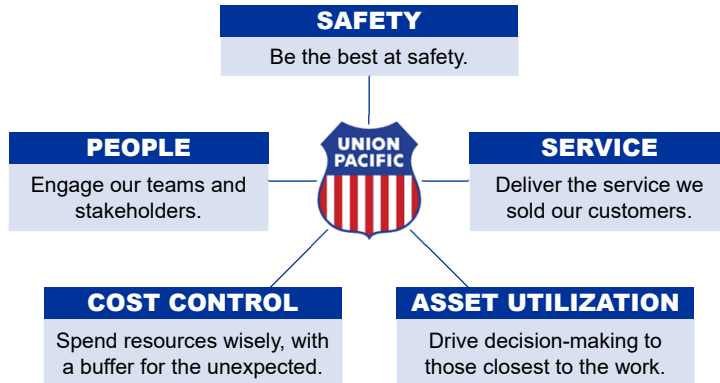
Chief Executive Officer

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Safety, Service and Operational Excellence = Growth



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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.

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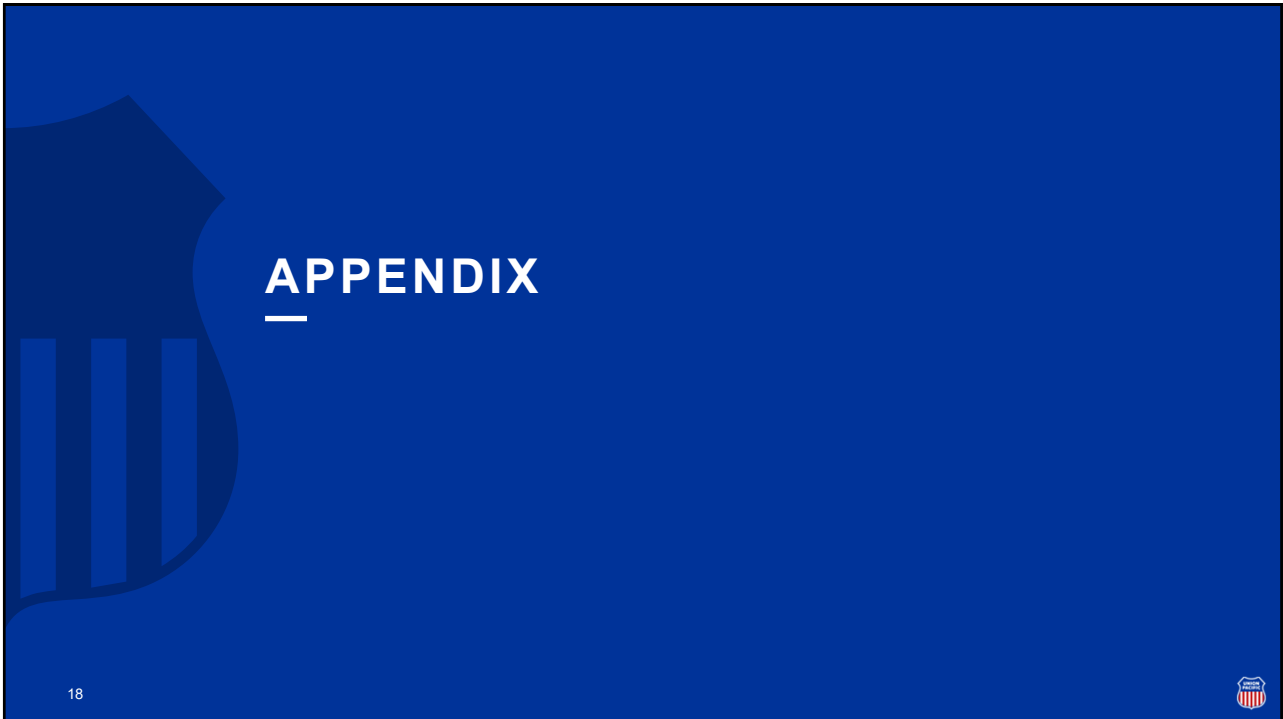


UNION PACIFIC CORPORATION

QUESTION & ANSWER

APRIL 25, 2024

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First Quarter 2024 Operating Ratio and EPS

Favorable / (Unfavorable)

| | Operating Ratio | EPS |
|-----------------------|-----------------|----------|
| First Quarter 2023 | 62.1% | \$2.67 |
| Fuel Price (net) | (0.6) pts | (\$0.15) |
| 2023 Real Estate Gain | - | (\$0.14) |
| Core Results | 2.0 pts | \$0.31 |
| First Quarter 2024 | 60.7% | \$2.69 |

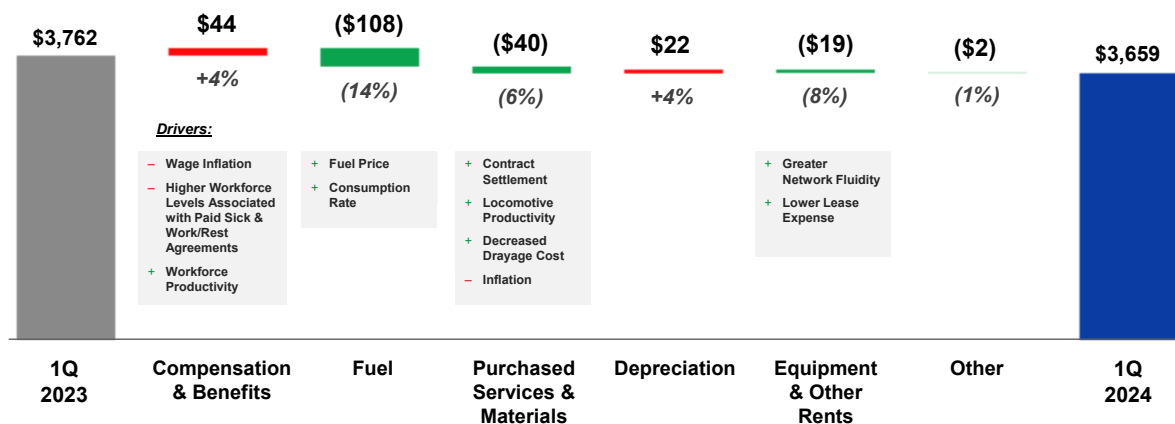
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Lower Fuel Prices and Improved Productivity Partially Offset by Inflation

Operating Expenses \$ in Millions



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