

Following is a notice about Union Pacific Corporation's prescription drug coverage and Medicare prescription drug coverage for individuals on Medicare. As plan sponsor, Union Pacific Corporation is required under the Medicare Prescription Drug, Improvement and Modernization Act of 2003 to provide you this "creditable coverage notice". You should keep a copy of this notice for your records.

(Medicare eligibility is most commonly attained by reaching age 65, but can also be attained by individuals of any age who have a qualifying disability or End Stage Renal Disease.)

Important Notice from Union Pacific Corporation About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about the prescription drug coverage available in 2026 with Union Pacific Corporation and options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining a Medicare drug plan, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Union Pacific Corporation has determined that the prescription drug coverage offered by the Union Pacific Corporation Group Health Plan for 2026 to its covered management employees and dependents is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, if you are Medicare Part D eligible, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th. However, if you lose creditable prescription drug coverage, through no fault of your own, you will be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your Union Pacific Corporation coverage may be affected.

Generally, you will still be eligible to receive all of your health and prescription drug benefits if you (or a covered dependent) choose to enroll in a Medicare prescription drug plan. However, if you are Medicare eligible and receive LTD benefits under the Union Pacific Corporation Long-Term Disability Plan, you, your spouse, or dependents may lose coverage under the Union Pacific Corporation Group Health Plan if you, your spouse or dependent enroll in a Medicare prescription drug plan. If you drop your coverage under the Union Pacific Corporation Group Health Plan and enroll in a Medicare prescription drug plan, you may not be able to get this coverage back later. This loss of coverage includes medical and mental health/substance abuse benefits, in addition to your prescription drug benefits.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you are Medicare Part D eligible and drop or lose your coverage with Union Pacific Corporation and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For more information about this notice or your current prescription drug coverage...

Contact Human Resources at 1-877-275-8747. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Union Pacific Corporation changes. You also may request a copy from Workforce Resources by submitting a ticket. Employees with access to the Union Pacific network can submit a ticket by navigating to the Human Resources webpage and clicking "Create a ticket for Human Resources." Employees without access to the Union Pacific network can submit a ticket by navigating to UP.com and selecting Employees > Retirees > Create a Ticket for HR

For more information about your options under Medicare prescription drug coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. If you (and/or a covered spouse or dependent) are Medicare Part D eligible, you'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help,
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date:	10/01/2025
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