Premier North American Rail Franchise

- Operations in 23 States
- 32K+ Route Miles
- 10K+ Shippers
- 7K+ Locomotives
- 52K+ Freight Cars
- Capital Spending $2.8B*

*Capital spending reflects full year 2020 investments
Economic Outlook

**Industrial Production**
- CAGR (’21-’24): +2.8%
- 2020: 6.5%
- 2021: 4.4%
- 2022: 2.2%
- 2023: 2.0%
- 2024: (6.7%)

**Housing Starts**
- CAGR (’21-’24): -6.5%
- 2020: 7.7%
- 2021: 10.9%
- 2022: (10.0%)
- 2023: (8.5%)
- 2024: (0.9%)

**Light Vehicle Sales**
- CAGR (’21-’24): Flat
- 2020: 13.8%
- 2021: 0.2%
- 2022: 0.1%

**Consumer Spending**
- CAGR (’21-’24): +1.4%
- 2020: 4.0%
- 2021: 8.6%
- 2022: 0.2%
- 2023: 1.9%
- 2024: 3.2%

*Source: IHS Markit U.S. Economic Outlook, April 2021*

* Durable and Nondurable Goods; excludes Services
Commercial Focus – It’s All About Growth

Grow with PSR
Transform the Sales Culture
Advance the Customer Experience
Expand our Network Reach
Grow with PSR

Capitalize on ESG through Renewable Diesel

Announced Renewable Diesel Projects
By Planned Production Gallons

Q1 2021 2022 2023 2024 2025
4,556

Feedstock Inputs to Biomass Diesel Industry

- Soybean Oil 61%
- Corn Oil 12%
- Greases 12%
- Canola Oil 10%
- Tallow 5%

Sources: California Advanced Biofuels Alliance, World Agricultural Supply and Demand Estimates (WASDE), and Internal Analysis
Bulk

Grow with PSR

Coal & Renewables 41%
Fertilizer 10%
Food & Refrigerated 10%
Grain & Grain Products 39%

Major Grain, Grain Products, & Fertilizer Region

Cattle, Poultry
Cattle
Dairy
Dairy, Poultry
Produce
Grain Export
Potash
Coal

Grain Export
Grain Export

Produce Grain Export
Produce
Grain

U.S. Grain Stocks*
(Bushels in Billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Corn</th>
<th>Soybeans</th>
<th>Wheat</th>
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<tr>
<td>2017</td>
<td>12.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>12.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>12.9</td>
<td></td>
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<tr>
<td>2020</td>
<td>11.6</td>
<td></td>
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</tr>
<tr>
<td>2021</td>
<td>10.6</td>
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</tbody>
</table>

Volume Drivers & Outlook

- **Feed demand:** Global protein consumption will increase driven by a growing population and higher standards of living
- **Exports:** Great growth possibilities with China continuing to grow and buy agricultural products from the U.S.
- **UP network:** Advantages through efficient access from the Midwest to key domestic markets and export terminals

*Source: Quarterly Grain Stocks Report Issued by USDA - March | **Through April 24, 2021
Network and Regional Manifest Terminals

Major Transload Terminals

Petroleum, LPG

Plastics

Industrial Chem

Pipe, Cement, Aggregates

Lumber, Paper

Copper, Iron Ore, Salt, Lime and Other Minerals

Soda Ash

Sand

Shale

Energy & Specialized

27%

Metals & Minerals

32%

Forest Products

11%

2020 Volume

Energy & Specialized

27%

Metals & Minerals

32%

Forest Products

11%

2020 Volume

Network and Regional Manifest Terminals

Major Transload Terminals

Grow with PSR
Supporting Sustainability Efforts

Shipping Eco-Friendly and Recyclable Products
Finished Vehicles

U.S. Light Vehicle SAAR*

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021E</th>
<th>2022E</th>
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<tbody>
<tr>
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<td>17.2</td>
<td>17.0</td>
<td>14.4</td>
<td>16.4</td>
<td>16.5</td>
</tr>
</tbody>
</table>

*Source: IHS Markit U.S. Economic Outlook, April 2021
Grow with PSR

Premium

Intermodal 82%
2020 Volume
Automotive 18%

Automotive Distribution Centers
Intermodal Terminals
Ports
Border Crossings, Gateways and Interchanges

Ferromex
Transforming the Sales Culture

People
• More agile structure
• Engage with all players in the supply chain

Technology
• Robust pricing tools
• Integrated CRM system

Processes
• Pursue growth with “hunter” mentality
• Targeted campaigns
Advancing Customer Experience

Working Differently to Deliver for Our Customers

Continuous Customer Experience Delivery Loop

- Driven by Voice of the Customer
- Delivered in Agile Manner with Speed
- Reducing Friction and Improving Experience
Driving Customer Value with Data Integration

Value to Customer

- Improved Visibility
- Better Planning
- Reduction in Manual Process
Advancing Customer Experience

Technology Driving Intermodal Excellence

• Systems integration with customers enables better planning and service priority

• Greater intermodal ramp capacity through technology and processes

• Gate automation improves railroad and dray carrier productivity

• Real-time ramp inventory and load planning tools increase train utilization

• New visibility tools empower intermodal managers
Growth in Emerging Beverage Markets

Strategic Focus
- Expand Beverage Product Breadth
- Expand Rail Connectivity to Supply Chain
- Replicate Success

US Hard Seltzer Market Size (2017-2024)

Food & Beverage Volume

Expanding Network Reach

Source: Grandview Research
Expanding Network Reach

Loup – Providing Total Supply Chain Logistics

Wholesale Intermodal
Door-to-Door Service

Retail Auto Parts
Just-In-Time Performance

Carload
Traditional Rail

Carrier Relations
Execution Capacity

VALUE ADDED SERVICES

EQUIPMENT AND CAPACITY SOLUTIONS

INVENTORY MANAGEMENT

NETWORK OPTIMIZATION

VISIBILITY

MILITARY SERVICES

WAREHOUSING

TRANSLOADING

DRAYAGE SOURCING

CROSSTOWN SERVICES
Expanding Network Reach

Prime Pointe Industrial Park

Hutchins, TX (12 miles south of Dallas)

- 3,000-acre site for premier rail service
- Close proximity to Interstates 45, 20, 30 and 35
- Adjacent to UP’s Dallas Intermodal Terminal
- Rail-served sites for manufacturing and distribution along with refrigerated/cold storage
- Shovel ready sites increasing customers speed to market
Strong Franchise to Support Plastics Growth

- $209 billion completed and planned petrochemical investment in Gulf*
- Industry leader in plastics rail transportation
  - Comprehensive product offerings & service excellence
  - Expansive Storage in Transit (SIT)
  - Export Optionality
  - Dallas to Dock service solution for export plastics

*Source: American Chemistry Council, February 2021
Global IV Grain Transload

- Union Pacific grain facility operated by JCT, 50/50 joint venture between Consolidated Grain and Barge and Gavilon Grain
- Competitive Joliet area transload with on site containerization
- Converting empty containers to loaded westbound exports from Chicago
- Aligns international service product to be more competitive
- First Loads – Fourth Quarter 2021
Twin Cities Intermodal Terminal

Expanding Market Reach for Growth

• Opened Twin Cities Intermodal Terminal in January 2021

• Located in heart of the Twin Cities metropolitan area

• Service between Twin Cities and Los Angeles, and Twin Cities and Lathrop

• Gives customers in the Twin Cities metro efficient access to Union Pacific’s intermodal network

• Initially capable of handling 20,000 annual lifts
  – Expected to expand to 100,000 annual lifts
Expanding Network Reach

Inland Empire Intermodal Terminal

Expanding Our Footprint to Capture New Markets

- 2 million imports (in cargo capacity units) trucked annually to Inland Empire
- Estimated ~15 million truckloads of long and short haul freight
- Inland Empire Intermodal Terminal is within 10 miles radius of most industrial warehousing

Existing UP Intermodal Terminals

Port of Los Angeles

Port of Long Beach

City of Industry

East LA

LATC

ICTF

Inland Empire Region

Inland Empire Pop Up

37 miles
VALUES
Passion for Performance
High Ethical Standards
Work as a Team