FINANCIAL OUTLOOK

Jennifer Hamann, EVP and Chief Financial Officer

May 4, 2021
Delivering Significant Shareholder Returns

2018 – 2020

- Dividends: $7.5 B
- Share Repurchases: $17.7 B

$25.2 Billion Returned to Shareholders

Increased Annual Dividend per Share 56%

Repurchased 114 Million Shares (15% of Average Market Cap) Totaling $17.7 Billion

Returned 145% of Net Income to Shareholders
Shareholder Cash Returns Outpacing Peers

2018 – 2020

Shareholder Cash Returns = Dividends + Share Repurchases / Average Market Capitalization

UP Total Return:
Solid Share Repurchases Combined with Steady Dividend Increases
Improving Margins vs. Rail Peers

2018

62.7%

UP

4th

Operating Ratios exclude disclosed non-GAAP items
Improving Margins vs. Rail Peers

Operating Ratios exclude disclosed non-GAAP items
Improving Margins vs. Rail Peers

2020

Change from prior year

Better
Worse

Operating Ratios exclude disclosed non-GAAP items. Union Pacific's results excludes Brazos impairment. See Union Pacific website under Investors for a reconciliation to GAAP.
Clear Path to Industry Leading Operating Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>7-Day Volume (000s)</th>
<th>PSR</th>
<th>Operating Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>174</td>
<td>62.7%</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>163</td>
<td>60.6%</td>
<td></td>
</tr>
<tr>
<td>2020*</td>
<td>151</td>
<td>58.5%</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td>56.5 - 57.0%</td>
<td>~6%</td>
</tr>
<tr>
<td>2022</td>
<td></td>
<td>55.x%</td>
<td></td>
</tr>
<tr>
<td>2023-2024</td>
<td></td>
<td></td>
<td>Industry Leading</td>
</tr>
</tbody>
</table>

* Excludes Brazos impairment. See Union Pacific website under Investors for a reconciliation to GAAP for Union Pacific's results.
Driving Growth with Lower Capital Intensity

$ in billions

Return-Focused Capital Program

2022-2024 Capital Plan: <15% of Revenue
Growing Return on Invested Capital*

Maintaining Strong Investment Grade Credit Rating and Delivering Consistent Financial Performance

2014: 16.2%
2018: 15.1%
2019: 15.0%
2020*: 14.3%
2021: +3 pts
2022-2024: ~17%

Excludes Brazos impairment
* See Union Pacific website under Investors for a reconciliation to GAAP.
Strong and Growing Cash Generation Supports Shareholder Returns

$ in billions

Cash Flow Conversion*

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021 Outlook</th>
<th>2022-2024 Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow</td>
<td>88%</td>
<td>87%</td>
<td>101%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

Share Repurchases

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021 Outlook</th>
<th>2022-2024 Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>$10.5</td>
<td>$8.4</td>
<td>$6.3</td>
<td>$2.3</td>
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</tr>
</tbody>
</table>

Consistent Dividend Increases, 45% Payout

Dividends

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021 Outlook</th>
<th>2022-2024 Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>$8.2</td>
<td>$5.8</td>
<td>$3.7</td>
<td>$2.6</td>
<td></td>
</tr>
</tbody>
</table>

Cash Returns

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021 Outlook</th>
<th>2022-2024 Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>$6</td>
<td>~$6</td>
<td>$6</td>
<td>$6</td>
<td></td>
</tr>
</tbody>
</table>

Strong Cash Conversion, 100%

Consistent Dividend Increases, 45% Payout

Share Repurchases, 17% of Market Cap

* See Union Pacific website under Investors for a reconciliation to GAAP.
WIN – Industry Leading Financial Results

2022 – 2024

Revenue Growth
Volume: Exceed Industrial Production, ~3% CAGR
Core Price Gains Above Inflation $

Profitability
55.x% Operating Ratio Full Year 2022; Industry Leader
Mid to High 60% Incremental Margins
Low Double Digit EPS Growth CAGR

Capital, Leverage, and Returns
Capital Investments <15% of Revenue
Strong Investment Grade Credit Rating
ROIC ~17%

Cash to Shareholders
100% Cash Conversion
Share Repurchases $18 - 19 Billion
Dividend Payout Ratio 45%
VALUES
Passion for Performance
High Ethical Standards
Work as a Team
Financial Drivers

Economic Indicators

**Industrial Production**
- 2020: 6.7%
- 2021 Outlook: 6.5%
- 2022-2024 Average: 2.8%

**Housing Starts** (millions of units)
- 2020: 1.40 (7.7%)
- 2021 Outlook: 1.55 (10.9%)
- 2022-2024 Average: 1.31 (15.5%)

**Light Vehicle Sales** (millions of units)
- 2020: 14.4 (14.9%)
- 2021 Outlook: 16.4 (13.8%)
- 2022-2024 Average: 16.4 (Flat)

**Consumer Spending***
- 2020: 4.0%
- 2021 Outlook: 8.6%
- 2022-2024 Average: 1.4%

Core Assumptions

**Inflation** 2.25%

**Fuel Price** $1.85 per Gallon

**Effective Tax Rate** ~24%

1% Tax Rate Change = ~$70 Million

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

* Durable and Nondurable Goods; excludes Services
Carload Growth Trends

Annual Carload Growth

UP Carload Mix

Volume CAGR
UP: (1%)
Rail Peers: Flat

Mix Headwinds
Intermodal Growth
Coal Decline