



# UNION PACIFIC

## RAYMOND JAMES 41<sup>ST</sup> ANNUAL INSTITUTIONAL INVESTORS CONFERENCE

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March 3, 2020



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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; its ability to generate financial returns, improve resource productivity; enhancing the customer experience; implementing corporate strategies; and providing excellent service to its customers and returns to its shareholders. These statements are, or will be, forward-looking statements as defined by the Securities Act of 1933 and 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.

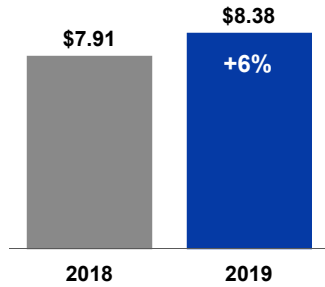
Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times that, or by which, such performance or results will be achieved. Forward-looking information, including expectations regarding operational and financial 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 2019, which was filed with the SEC on February 7, 2020. 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.

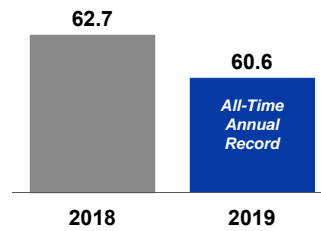


## 2019 Financial Results

Earnings Per Share



Operating Ratio



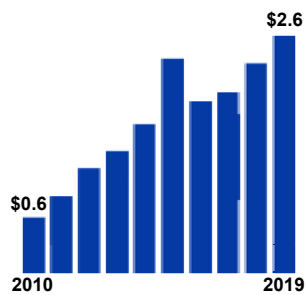
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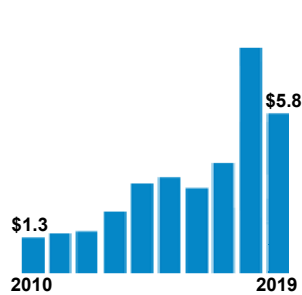
## Increased Shareholder Value

\$ in Billions

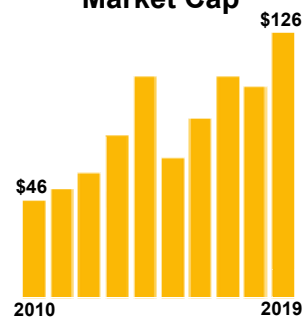
Dividends



Share Repurchases



Market Cap



**\$17 Billion**  
Dividends Paid

+

**\$34 Billion**  
Share  
Repurchases

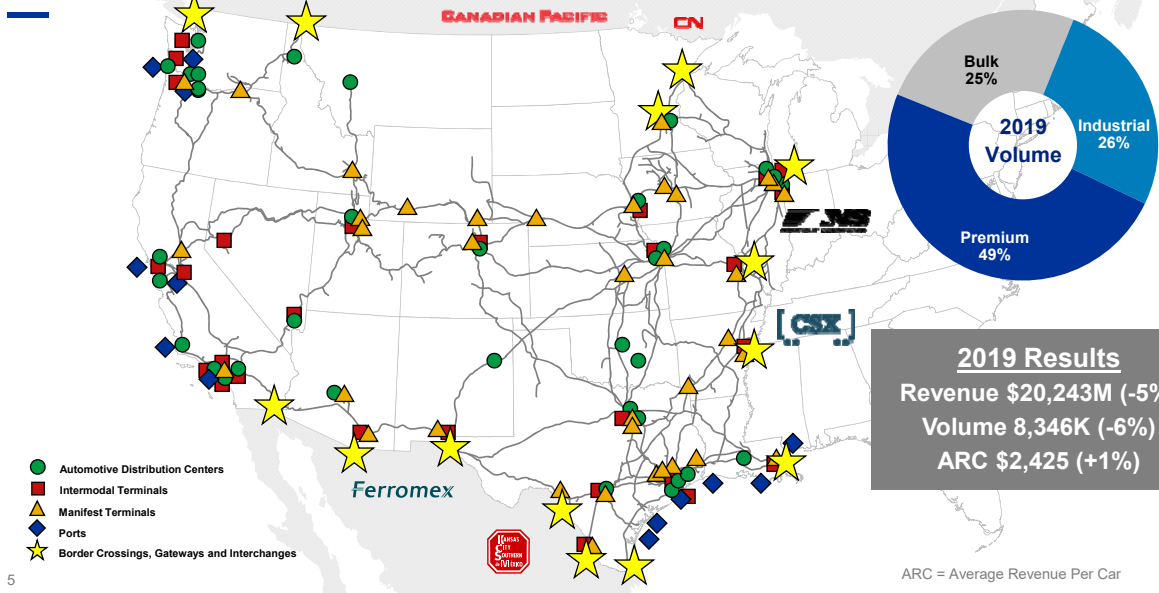
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**\$51 Billion**  
Returned to  
Shareholders

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## Diverse Portfolio of Business



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## Food & Beverage

- Food network reaching coast to coast
- Cold Connect competitive advantage to truck
  - Full service logistics
  - Warehouse capacity
- New generation of refrigerated boxcars
  - Hybrid refrigeration unit improves efficiency and reduces emissions
  - Double-sealed doors and customized air distribution preserve freshness and quality

### Food Network



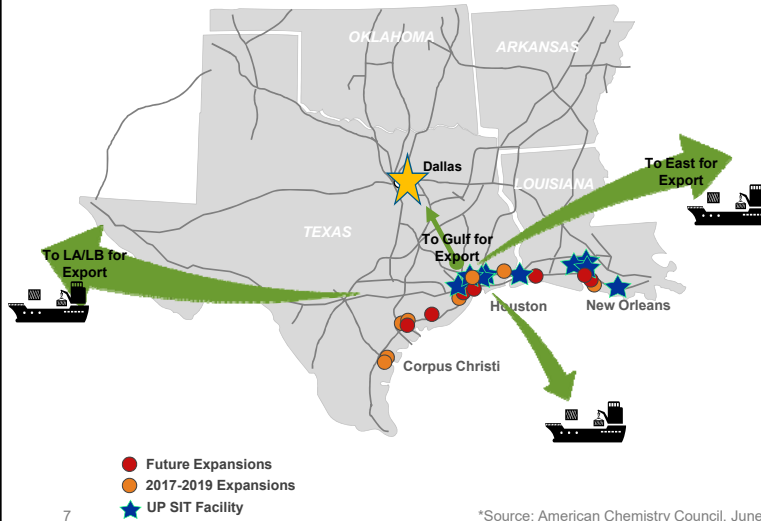
### New Refrigerated Boxcars

Re-engineered for Optimal Performance



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# Plastics Opportunities

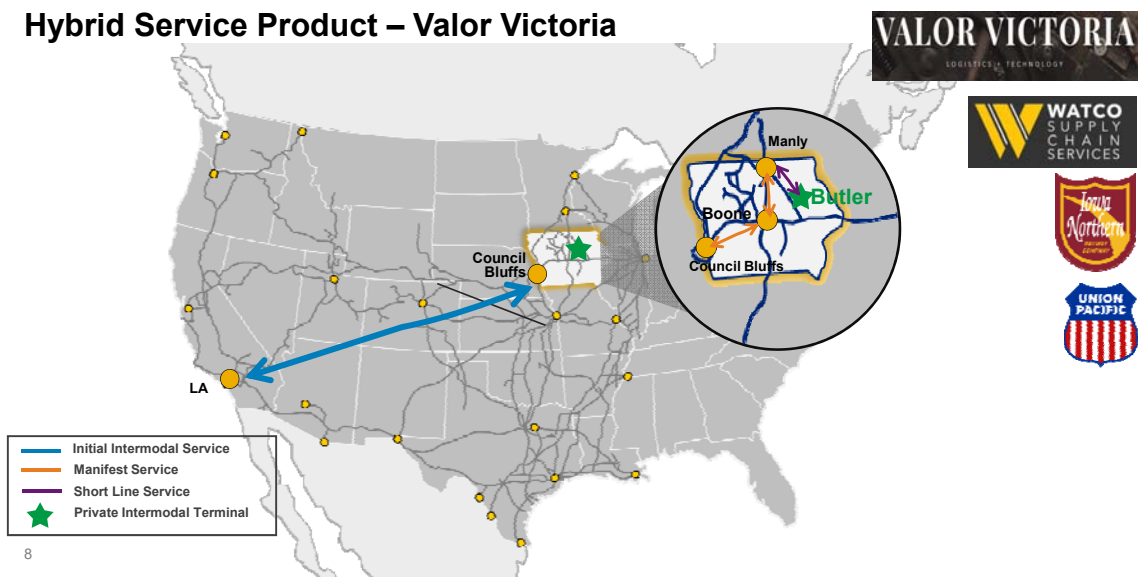


- \$204 billion petrochemical investment in Gulf\*
- Comprehensive product offerings & service excellence
- Dallas to Dock service solution for export plastics
  - Plastic pellets travel in hopper cars from Gulf region to Dallas
  - Pellets are packaged and transferred into intermodal containers for export



# Butler Intermodal Terminal

Hybrid Service Product – Valor Victoria



## Improving the Customer Experience Through APIs

- 13 API services in 2019 with additional services in 2020
- Real-time access to data between applications and devices
- Streamline and automate workflows
- Enables customer to take action on their shipments from their interfaces
- Expands visibility into the supply chain



**Shipment**  
Learn about your shipment(s) including their locations, events, product, status and ETA



**Location/Tracks**  
Display information about tracks at your facility



**Order In**  
Request rail car if you are an *Order In* customer



**Release**  
Identify rail cars to be released to/from an industry track



**Equipment**  
Display details and characteristics of specific equipment IDs



**Cases (Service Issues)**  
Retrieve case (service issue) status, details and responses



**Gate Reservation**  
Provides intermodal specific services, like create and view gate reservations



**Accounts/Contacts**  
Retrieve information associated with your business(s) and people



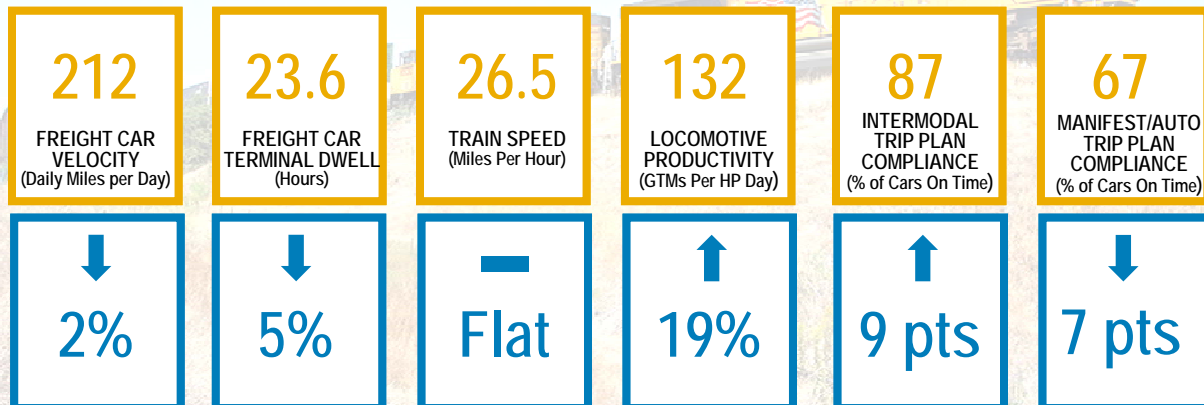
**UPGo - Intermodal**  
Provides intermodal driver services to expedite the intermodal terminal experience

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## Unified Plan 2020

### Key Performance Metrics – January 2020 vs. January 2019



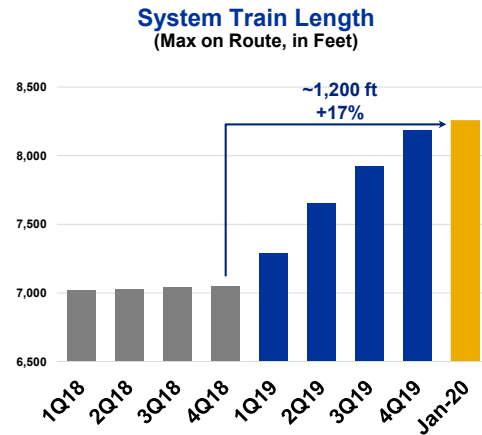
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## Unified Plan 2020

### Train Length Improvement

- Continued improvement in train length
- Blending service networks
- Additional work events
- Strategic capital investments



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## Protecting the Environment

### Fuel Efficiency

- Union Pacific can move one ton of freight 444 miles on a single gallon of diesel fuel
- Our customers eliminate GHG emissions by choosing rail over truck
- Innovative locomotive software to help save fuel installed on the majority of high horsepower units

### One Train



### Equals

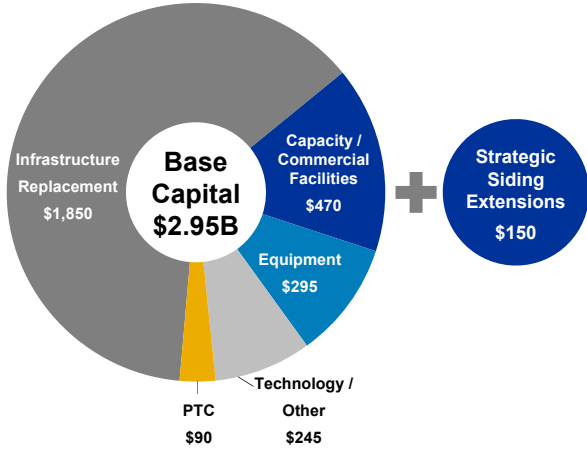


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# Strengthening the Franchise

## 2020 Capital Plan (\$ In Millions)

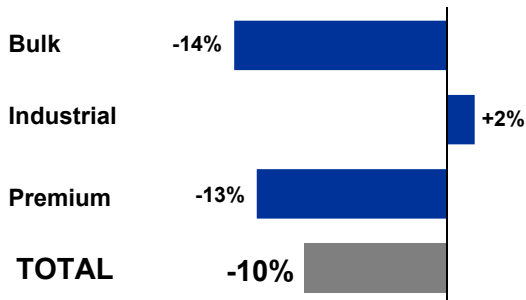


- 2020 Capital Plan:
  - Base capital of \$2.95 billion, plus
  - \$150 million for siding extensions
- Safe & resilient infrastructure
- Equipment acquisitions:
  - Locomotive modernizations
  - Targeted freight car purchases
- Capacity & commercial facilities
- PTC spending

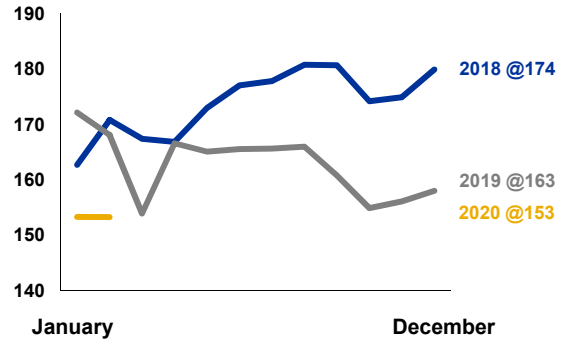


# 2020 Business Trends

## Volume Growth\*



## 7-Day Monthly Carloadings (000s)



## A Look Ahead to 2020

- Volumes Improving – Slightly Positive Overall
  - Pricing Gains in Excess of Inflation Dollars
  - Force Levels Down 8% +/-
  - At Least \$500 Million of Productivity
  - Operating Ratio of ~59% in 2020
- Capital Allocation:
  - Capital Spending < 15% of Revenue
  - Dividend Target Payout 40-45% of Earnings
  - Complete \$20B Share Repurchase Program

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