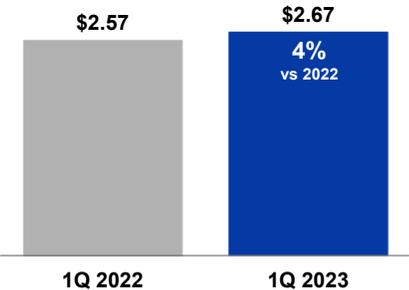


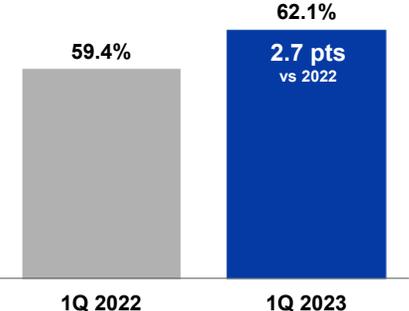


First Quarter 2023 Results

Earnings Per Share



Operating Ratio



Key Themes

- Significant Weather Interruptions
- Excess Service Costs and Inflationary Pressure
- Higher Fuel Surcharges and Core Pricing Gains





FIRST QUARTER 2023 MARKETING & SALES REVIEW

Kenny Rocker

Executive Vice President – Marketing & Sales



FIRST QUARTER 2023

Bulk

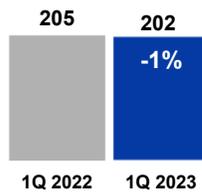
Revenue \$1,897 (+4%)

Volume 507K (-3%)

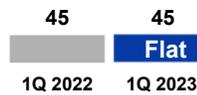
ARC \$3,743 (+7%)

Major Markets

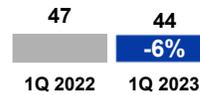
Grain & Grain Products



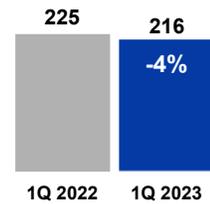
Fertilizer



Food & Refrigerated



Coal & Renewables



Quarterly Drivers

Weaker Export Grain Shipments

Reduced Beverage Imports

Service & Weather Challenges
Limited Coal Shipments

⁴ Volume in thousands of carloads.



FIRST QUARTER 2023

Industrial

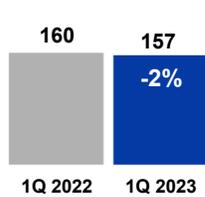
Revenue \$2,017 (+5%)

Volume 536K (Flat)

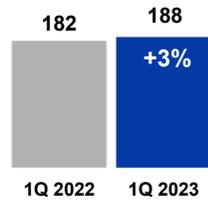
ARC \$3,760 (+5%)

Major Markets

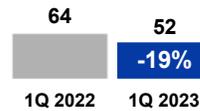
Industrial Chemicals & Plastics



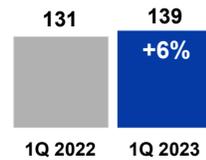
Metals & Minerals



Forest Products



Energy & Specialized



Quarterly Drivers

Construction Growth Supports Rock Shipments

Weaker Housing and Corrugated Box Demand

LPG & Petroleum Products Strength

⁵ Volume in thousands of carloads.



FIRST QUARTER 2023

Premium

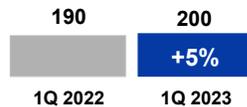
Revenue \$1,742 (+3%)

Volume 934K (-1%)

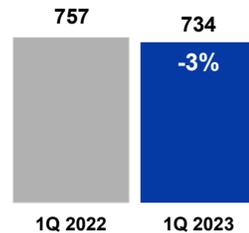
ARC \$1,866 (+5%)

Major Markets

Automotive



Intermodal



Quarterly Drivers

Continued Autos Strength

Increased Inland International Intermodal Shipments

High Retail Inventories & Increased Truck Capacity

⁶ Volume in thousands of carloads.



2023 Volume Outlook

Bulk



- Grain
- ↔ Coal
- + Biofuels

Industrial



- Industrial Production
- Forest Products
- + Metals
- + Construction

Premium



- ↔ Domestic Intermodal
- ↔ International Intermodal
- + Automotive



FIRST QUARTER 2023 OPERATIONS REVIEW

Eric Gehringer
Executive Vice President – Operating



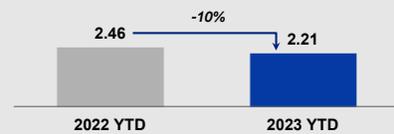
March Toward Zero Safety Incidents

- Rail is the safest way to move freight over land
- Deraiment prevention initiatives are fundamental to safe train operations at Union Pacific
 - State-of-the-art technology
 - Operating Practices Command Center
 - More than 7,000 wayside detection devices
- In March, the industry announced a set of key steps in our drive towards zero accidents
 - Wayside Detectors – Spacing, Thresholds and Shared Trending Analysis
 - First Responder Training



UP Deraiment Performance

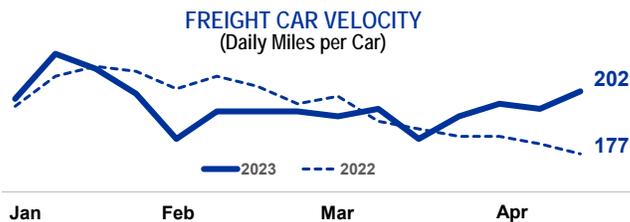
(Reportable Deraiment Incidents Per Million Train Miles)



9



Building Network Resiliency



10 * As reported weekly. See Union Pacific website under Investors for definitions of the metrics.



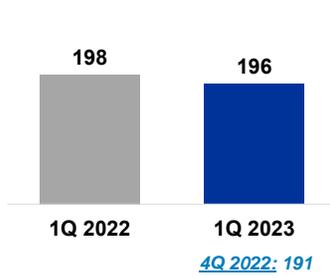
Train, Engine, & Yard Employees



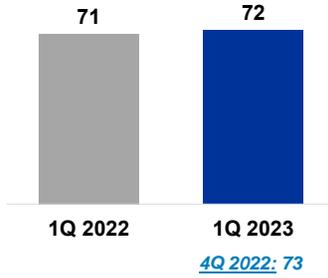
FIRST QUARTER 2023

Key Performance Metrics

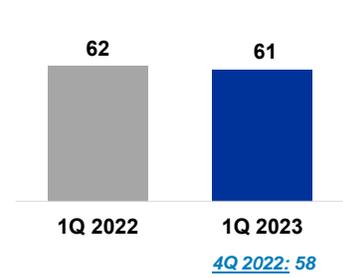
FREIGHT CAR VELOCITY (Daily Miles per Car)



INTERMODAL TRIP PLAN COMPLIANCE (% of Boxes On Time)



MANIFEST/AUTO TRIP PLAN COMPLIANCE (% of Cars On Time)



Quarterly Drivers

Improved Crew Availability

Resource Imbalances

Weather Impacts Across Northern Region

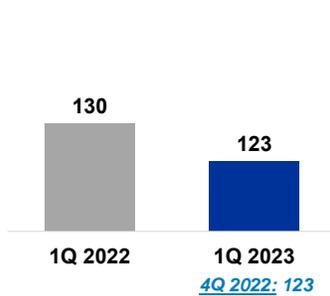
11



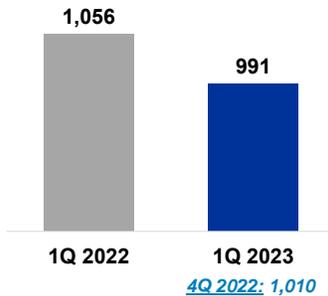
FIRST QUARTER 2023

Key Performance Metrics

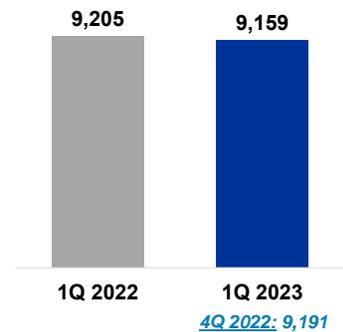
LOCOMOTIVE PRODUCTIVITY (GTMs Per HP Day)



WORKFORCE PRODUCTIVITY (Daily Miles per FTE)



TRAIN LENGTH (Max on Route, in Feet)



Quarterly Drivers

Larger Active Locomotive Fleet

Larger Training Pipeline

Lower Intermodal Volumes

12



2023 Operating Success Drivers



World Class Safety

- Enhance and drive robust Safety Management Systems



Engagement

- Improve quality of life for craft professionals



Service

- Consistent and reliable
- Increase resiliency



Productivity

- Recover lost productivity
- Pursuing tech enabled process initiatives



FIRST QUARTER 2023 FINANCIAL REVIEW

Jennifer Hamann

Executive Vice President & Chief Financial Officer



First Quarter Income Statement

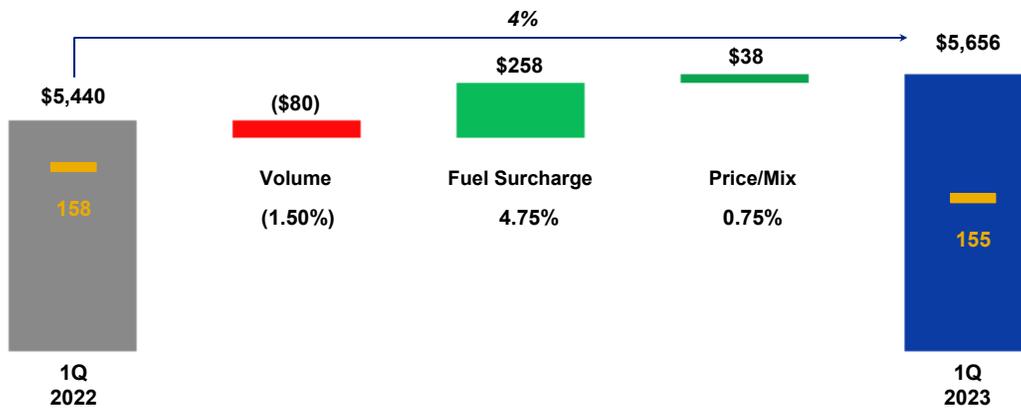
	2023	2022	2023 vs. 2022	
Operating Revenues	\$6,056	\$5,860	3	%
Operating Expenses	3,762	3,483	8	
Operating Income	2,294	2,377	(3)	
Other Income	184	47	F	
Interest Expense	(336)	(307)	9	
Income Taxes	(512)	(487)	5	
Net Income	\$1,630	\$1,630	-	%
Weighted Average Diluted Shares	611.5	633.6	(3)	
Diluted EPS	\$2.67	\$2.57	4	
Operating Ratio	62.1%	59.4%	2.7	pts

15 \$ in Millions, except EPS



Fuel Surcharge and Core Pricing Gains Offset Negative Mix and Lower Volumes

Freight Revenues \$ in Millions



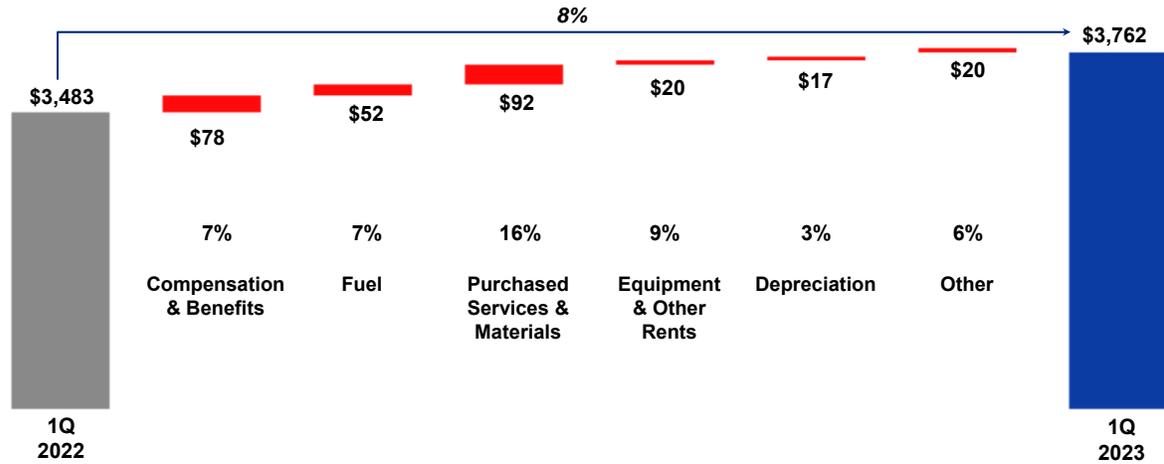
16

7 Day Volume (000s)



Service Recovery, Inflation, and Weather Impact Cost Structure

Operating Expenses \$ in Millions



17



Cash Generation & Returns to Shareholders

- **Generated \$1.8 Billion in Cash From Operations**

- Decrease driven by Presidential Emergency Board back pay settlements of \$383 million

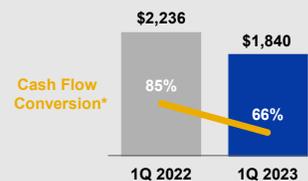
- **Returned \$1.4 Billion to Shareholders**

- \$575 Million in Share Repurchases
 - Repurchased 2.9 million shares
- \$795 Million in Dividends

- **Maintained Adjusted Debt / EBITDA of 2.9x**

- “A” rated by Moody’s, S&P and Fitch

Cash From Operations (\$ in millions)



Cash Returns to Shareholders (\$ in millions)



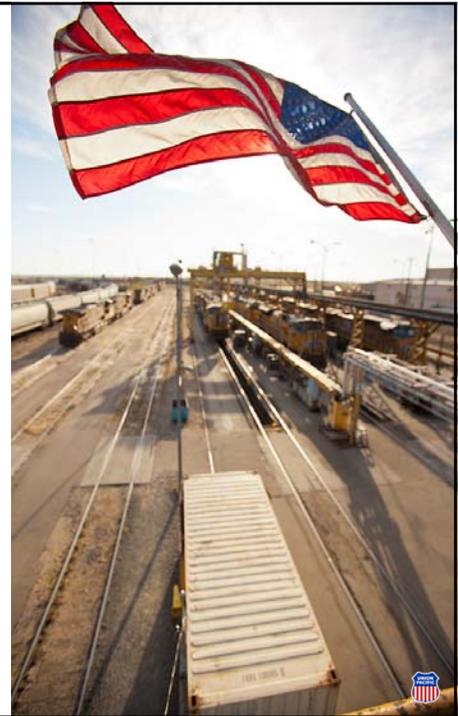
18 *See Union Pacific website under Investors for a reconciliation to GAAP.



Maintaining 2023 Full Year Guidance

- **Carloads to Exceed Industrial Production**
 - Current Industrial Production Forecast: -0.7%
- **Operating Ratio Improvement**
- **Pricing Dollars in Excess of Inflation Dollars**
- **Capital Allocation:**
 - Capital Spending Less than 15% of Revenue
 - Capital Plan of \$3.6 Billion
 - Long Term Dividend Payout Target of ~45% of Earnings
 - Excess Cash to Share Repurchases

19



FIRST QUARTER 2023

Lance Fritz
Chairman, President & CEO

20



2023 Success Drivers

**Safety &
Service
Reliability**

**Rebuild &
Engage**



**Right Business,
Right Price**

**Invest Wisely;
Drive Efficiency**

21



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 the outbreak of pandemic or contagious disease, such as coronavirus and its variants (COVID), and the Russian-Ukraine conflict. 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 2022, which was filed with the SEC on February 10, 2023. 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.

22





23



APPENDIX

First Quarter Operating Ratio and EPS

First Quarter Operating Ratio and EPS

Favorable / (Unfavorable)

	Operating Ratio	EPS
First Quarter 2022	59.4%	\$2.57
Fuel Price (net)	1.9 pts	\$0.25
Core Results	(4.6) pts	(\$0.29)
Real Estate Gain	N/A	\$0.14
First Quarter 2023	62.1%	\$2.67

