



UNION PACIFIC CORPORATION

May 2021



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, its results of operations, and potential impacts of the COVID-19 pandemic. 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 2020, which was filed with the SEC on February 5, 2021. 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.



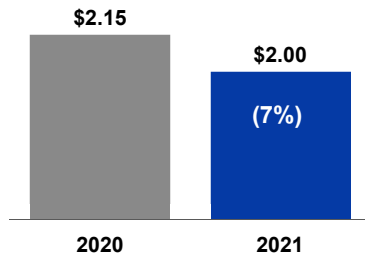
CURRENT OVERVIEW / BUSINESS UPDATE

May 2021

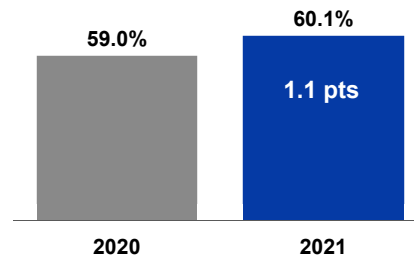


First Quarter 2021 Results

Earnings Per Share



Operating Ratio



Key Themes

Strong Core Results

Negative Weather & Fuel

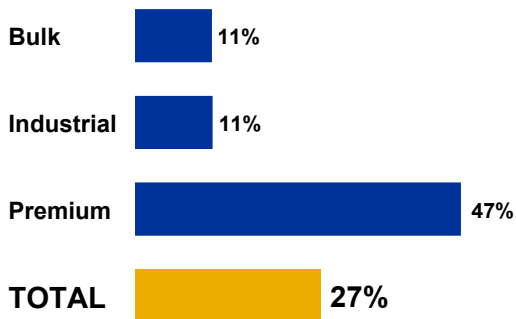
Affirm 2021 Guidance

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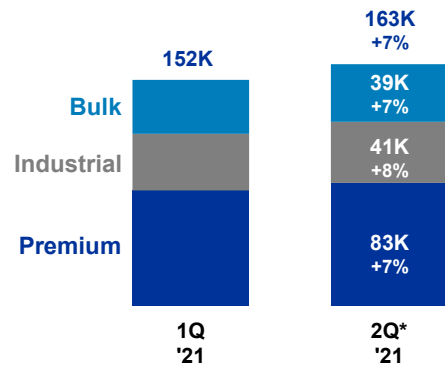


Second Quarter Volume & Outlook

Second Quarter Volume To Date* (Year Over Year Change)



7 Day Carloads (Sequential Change)



5 * Volume through May 12



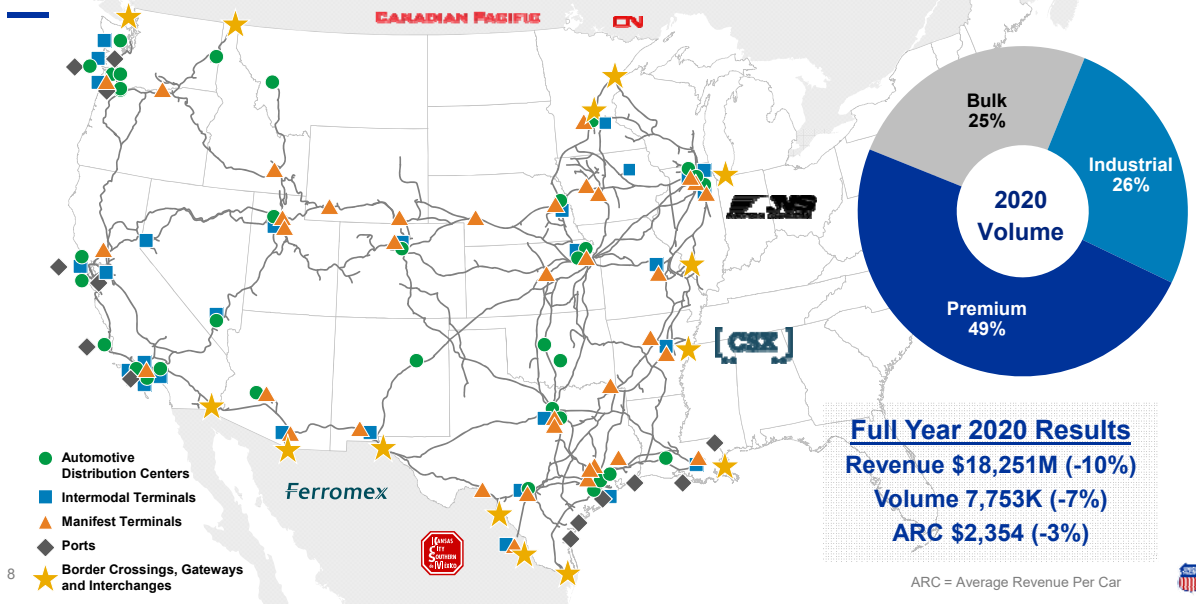
BUSINESS TEAM REVIEW

May 2021

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Premier North American Rail Franchise



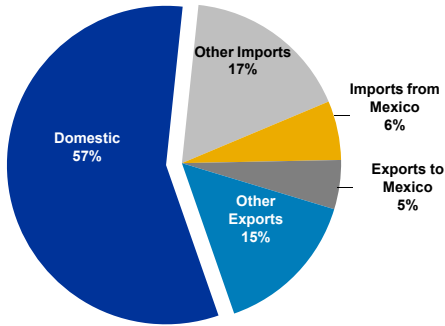
Economic Indicators

| |  |  |  |  |  |  |
|------|---|---|---|--|---|---|
| | Industrial Production | GDP | Housing Starts (MM) | Light Vehicle Sales (MM) | Imports of Goods | Exports of Goods |
| 2020 | (6.7%) | (3.5%) | 1.40 | 14.4 | (9.3%) | (12.9%) |
| 2021 | 5.8% | 6.7% | 1.59 | 16.8 | 13.9% | 6.0% |
| 2022 | 5.6% | 4.7% | 1.44 | 16.8 | 4.3% | 7.8% |

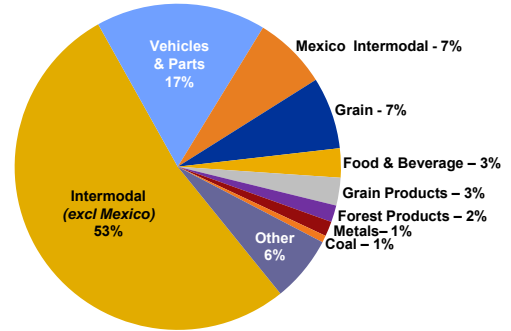


International Trade

2020 Freight Volumes



International Volumes



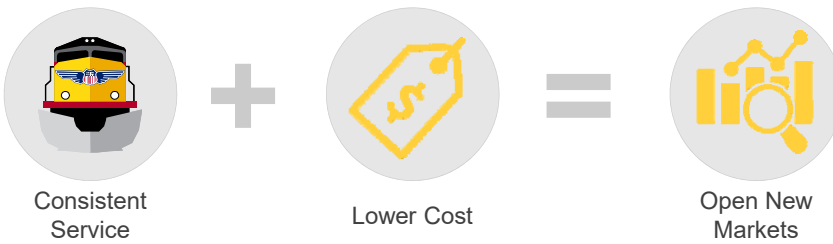
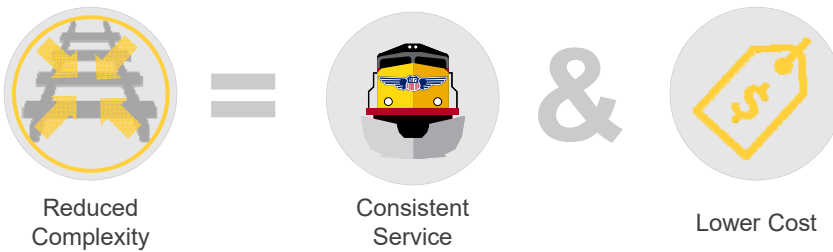
Diverse Franchise
Creates Opportunity

Off-Shoring/Near-Shoring
of U.S. Manufacturing

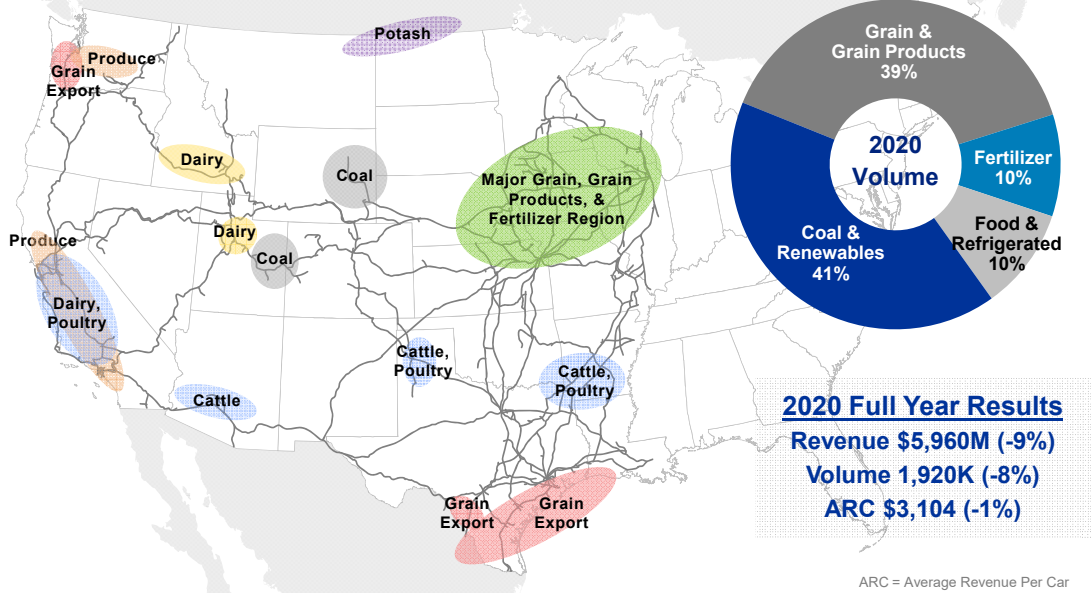
Demand for
Grain & Food



Foundation to Grow With Customers



Bulk

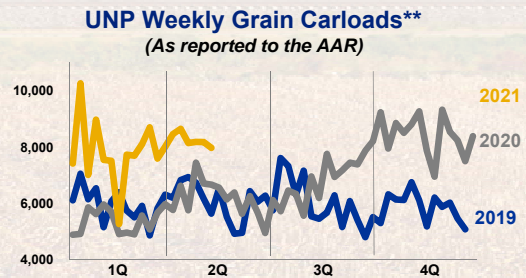
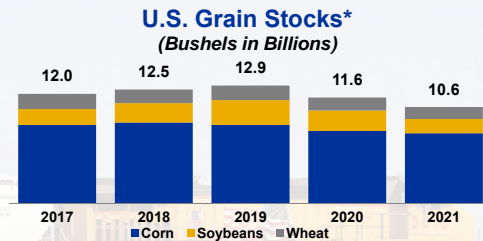


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Grain

Volume Drivers & Outlook

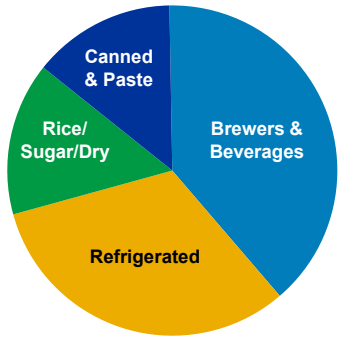
- **Feed demand:** Global protein consumption will increase driven by a growing population and higher standards of living
- **Exports:** Great growth possibilities with China continuing to grow and buy agricultural products from the U.S.
- **UP network:** Advantages through efficient access from the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



*Source: Quarterly Grain Stocks Report Issued by USDA - March
 **Through May 15, 2021

Growth in Emerging Beverage Markets

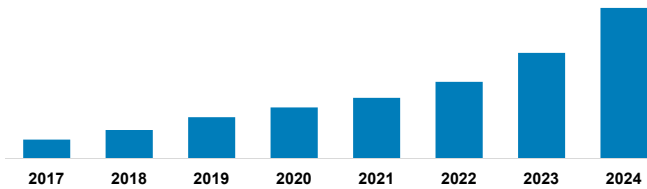
Food & Beverage Volume



Strategic Focus

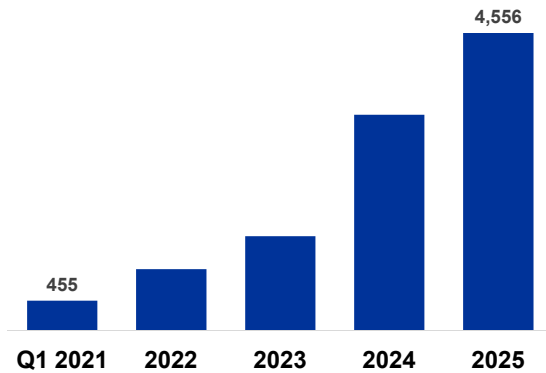
- Expand Beverage Product Breadth
- Expand Rail Connectivity to Supply Chain
- Replicate Success

US Hard Seltzer Market Size (2017-2024)

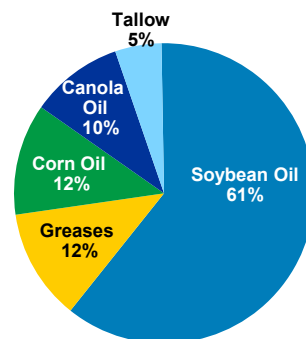


Capitalize on ESG through Renewable Diesel

Announced Renewable Diesel Projects By Planned Production Gallons



Feedstock Inputs to Biomass Diesel Industry

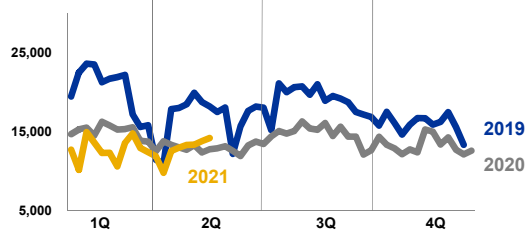


Coal

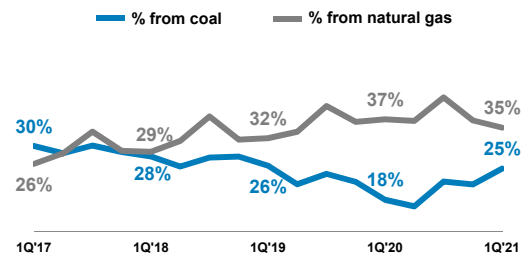
- Volume Drivers
 - Weather impacts demand
 - Natural gas prices
 - Coal inventory levels



UNP Weekly Coal Carloads*
(As reported to the AAR)



Electricity Generation Market Share**



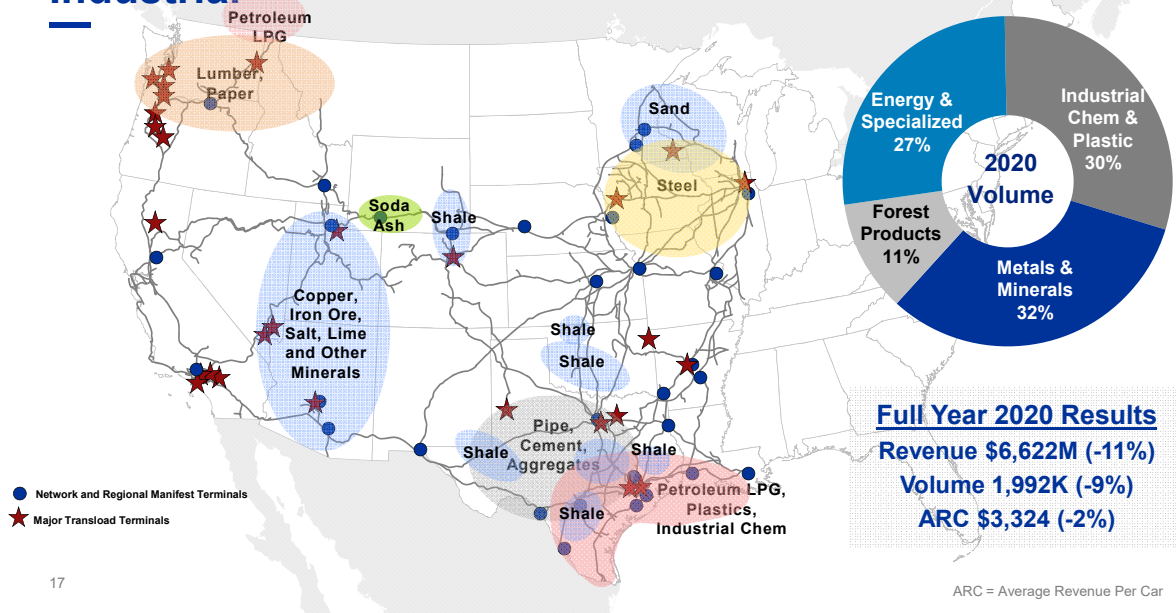
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*Through May 15, 2021

**Source: U.S. Energy Information Administration (EIA)



Industrial



Full Year 2020 Results

Revenue \$6,622M (-11%)

Volume 1,992K (-9%)

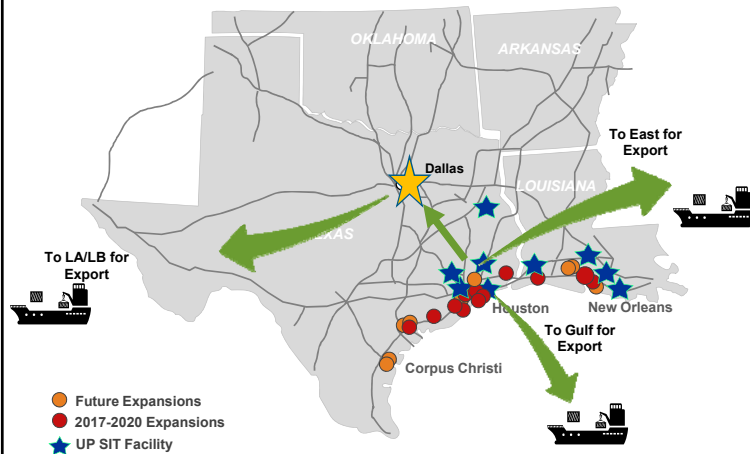
ARC \$3,324 (-2%)

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ARC = Average Revenue Per Car



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

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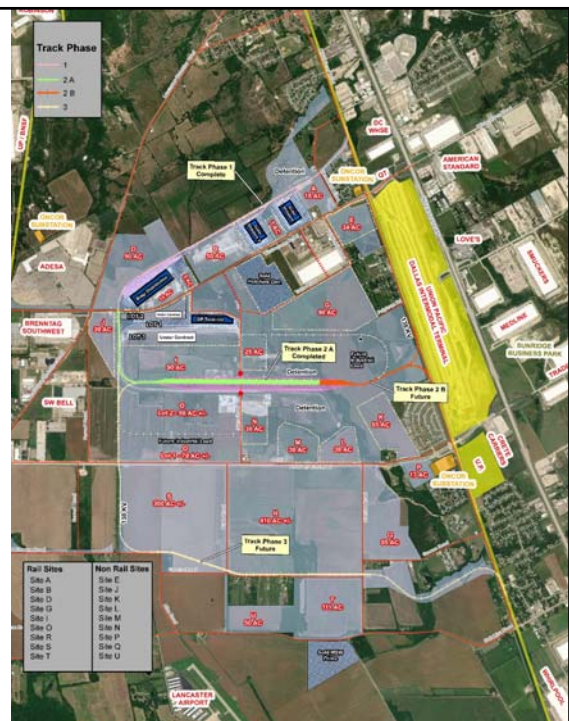
*Source: American Chemistry Council, February 2021



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



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Shale Related Volumes

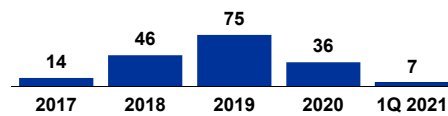
| First Quarter 2021 | Volume (000s) | % Change (vs 1Q 2020) | % of Total UP Volume |
|--------------------|---------------|-----------------------|----------------------|
| Crude | 7 | (71%) | 0.4% |
| Frac Sand** | 15 | (28%) | 0.8% |

* Excludes pipe related to shale activity
 **Includes Barites

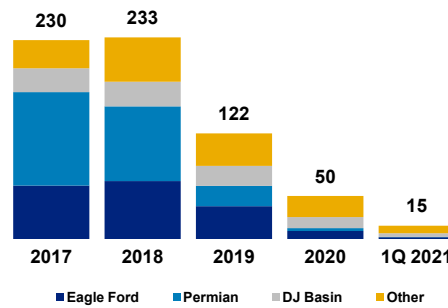
- Crude oil drivers
 - Crude oil price spreads
 - Production & demand
 - Pipeline capacity
- Frac sand drivers
 - Energy prices
 - Rig counts
 - Enhanced fracing technology
 - White / brown sand mix

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Crude Oil Volume (000s)



Frac Sand Volume** (By Shale, 000s)

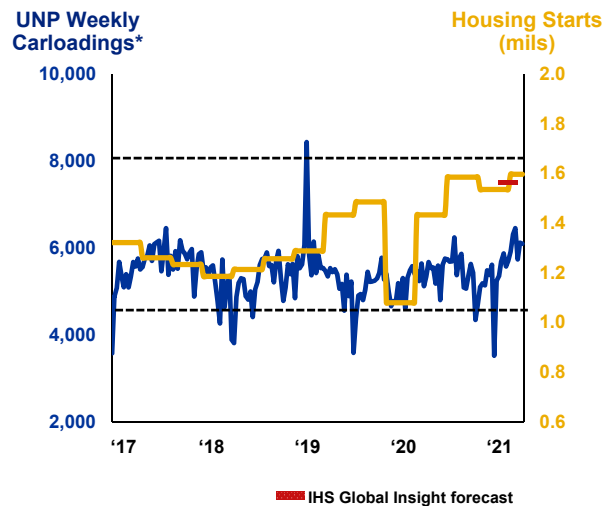


Housing Trends

- Housing market still well below historical averages
- UP lumber, stone & glass business correlates with housing starts
- Housing also drives appliances, roofing, rebar, aggregates, and cement demand
- Housing related shipments represent ~ 5 % of current UP volumes

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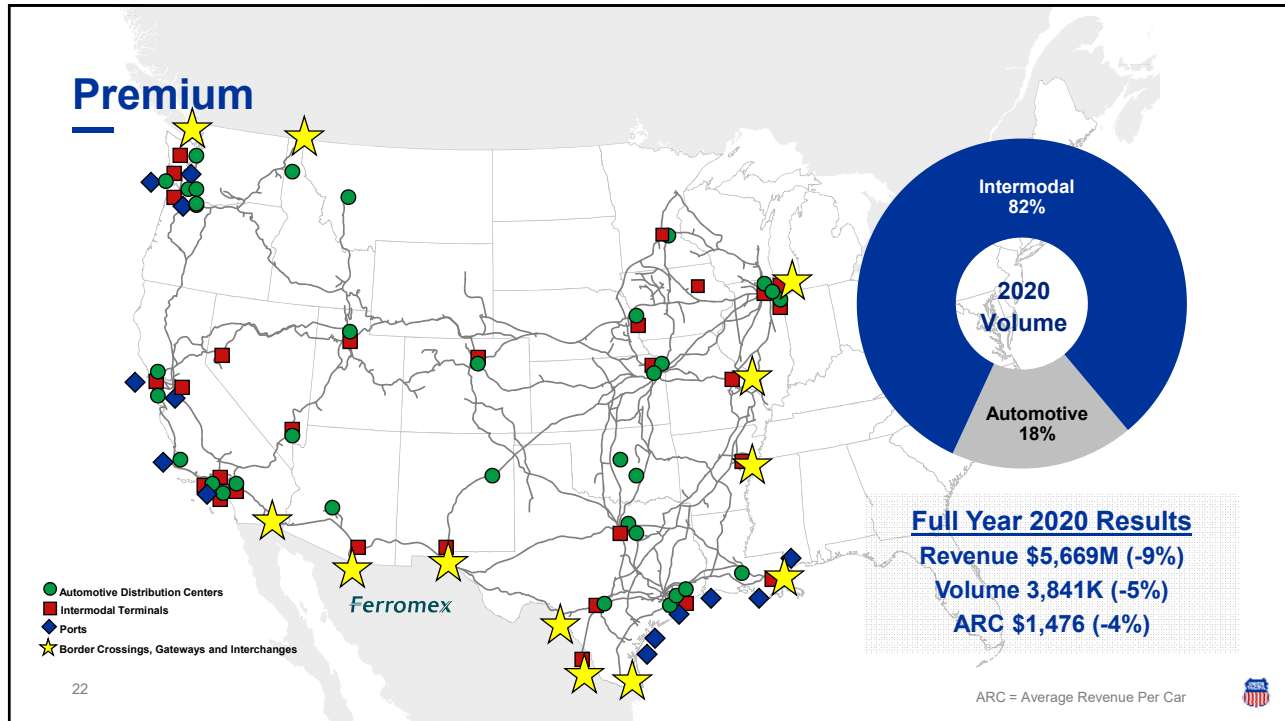
Lumber, Stone & Glass



*Through May 15, 2021

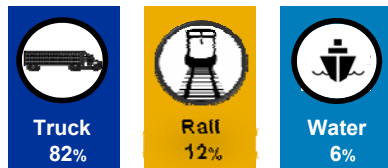


Premium

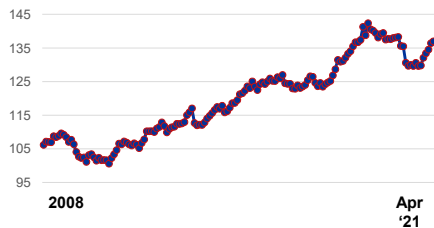


Highway Conversion Growth Opportunities

Transportation Mode
(By Tonnage)



Cass Truckload Linehaul Index



- Highway conversion opportunities in all business groups
- High insurance costs
- Drug & alcohol testing
- Truck capacity
- Loup



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



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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

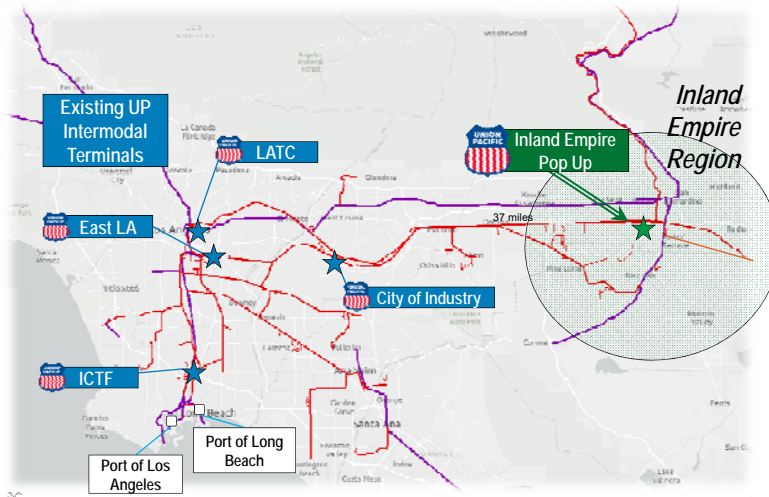


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Inland Empire Intermodal Terminal

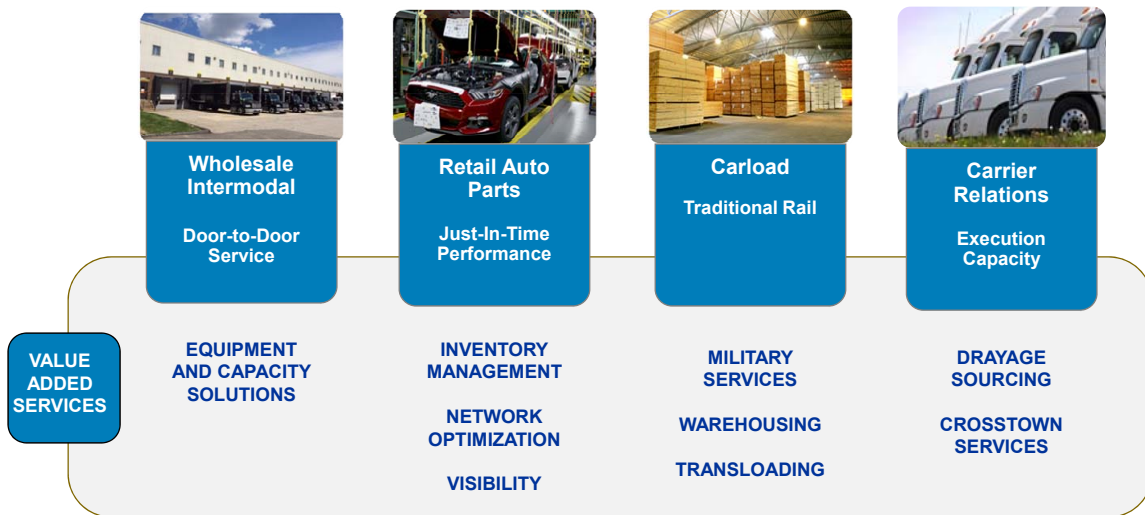
Expanding Our Footprint to Capture New Markets



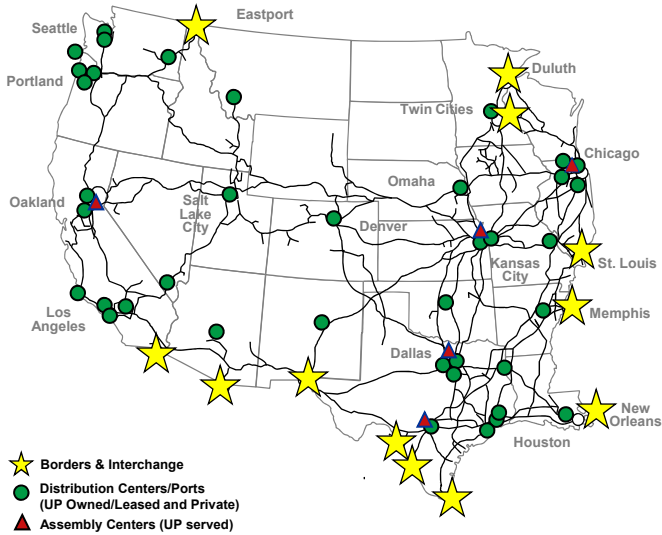
- 2 million imports (in cargo capacity units) trucked annually to Inland Empire
- Estimated ~15 million truckloads of long and short haul freight
- Inland Empire Intermodal Terminal is within 10 miles radius of most industrial warehousing



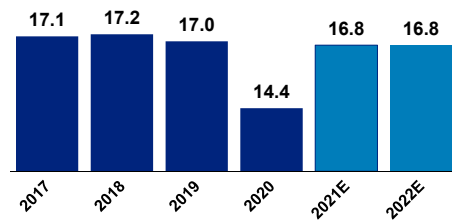
Loup – Providing Total Supply Chain Logistics



Finished Vehicles



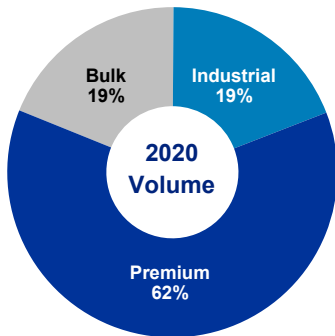
U.S. Light Vehicle SAAR*



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



Mexico



ARC = Average Revenue Per Car



OPERATIONS OVERVIEW

May 2021

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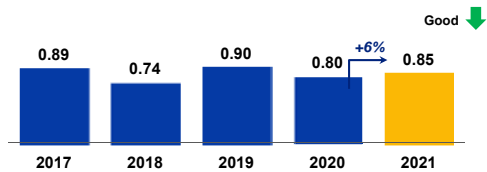


FIRST QUARTER RESULTS

Safety – Foundation of Operational Excellence

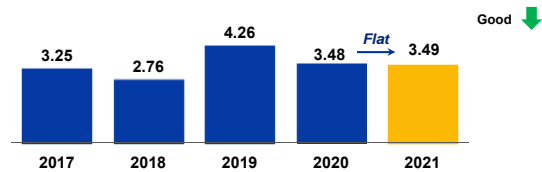
Employee

(Reportable Personal Injury Incidents Per 200,000 Employee-Hours)



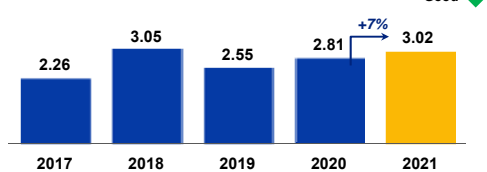
Rail Equipment

(Reportable Derailment Incidents Per Million Train Miles)



Public

(Crossing Accidents Per Million Train Miles)



- Ever Evolving
- Empower Teams
- Using Technology

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Balancing Service and Efficiency

Key Performance Metrics April YTD 2021 vs. April YTD 2020

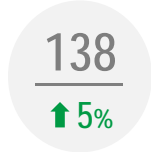
Freight Car Velocity
(Daily Miles per Car)



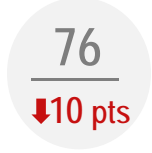
Freight Car Terminal Dwell
(Hours)



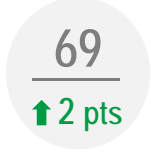
Locomotive Productivity
(GTM per HP Day)



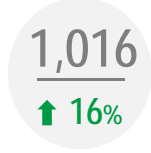
Intermodal Trip Plan Compliance
(% of Boxes on Time)



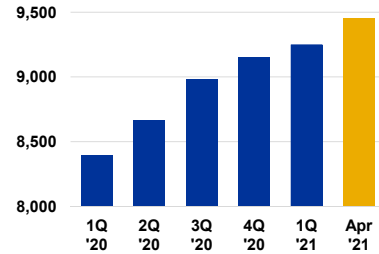
Manifest/Auto Trip Plan Compliance
(% of Cars on Time)



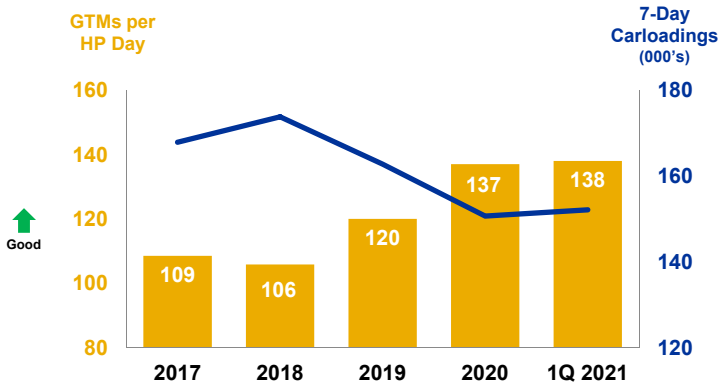
Workforce Productivity
(Daily Miles per FTE)



Train Length (Max on Route, in Feet)



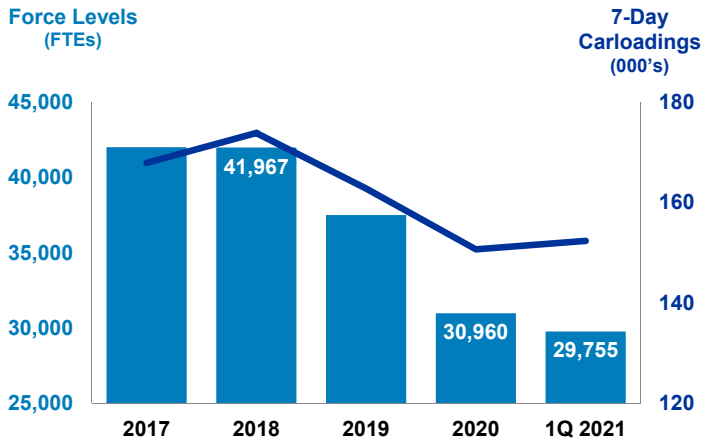
Lean Locomotive Fleet – Ready for Growth



- Result of using the locomotive fleet more efficiently
- First quarter GTMs per horsepower day increased 5% compared to first quarter 2020
- Driven by less units, increased train length and reduced dwell



Employee Force Levels

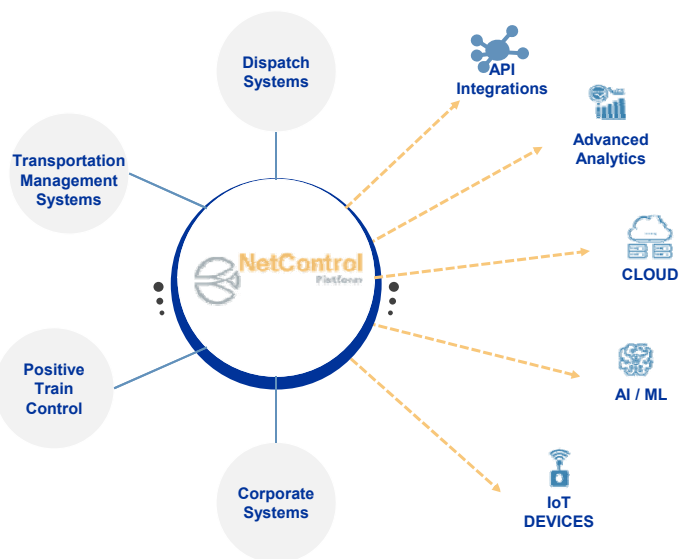


- Significant reduction in FTEs
- Lowest number of FTEs in the last 15 years
- Driven by asset utilization and process improvements



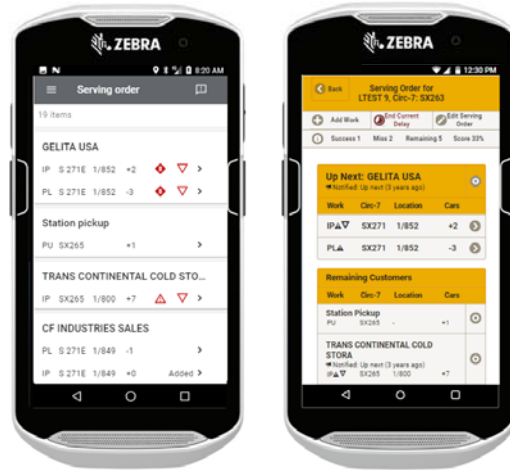
Foundational Platform Enabling a Connected Future

- Connects Operational Systems
- Enables Smart Capabilities
- Provides Frictionless Integrations
- Delivers Ability to Evolve with Business



Mobile Work Order

- Improve Reporting
- Enables Direct Communication with Customer
- More Efficient and Employee-Friendly Processes

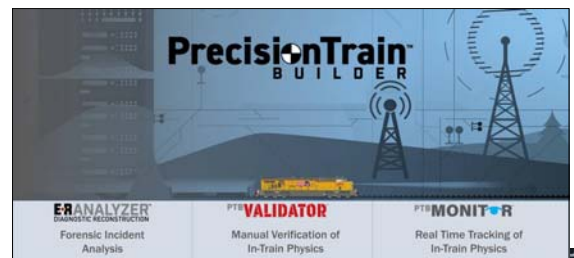


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Terminal Planner & Precision Train Builder

- Optimizes Terminal Connections and Train Profiles
- Creates Terminal Capacity
- Enables More Efficient Operation
- Improves Customer Experience



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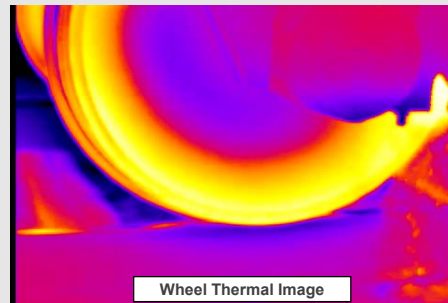
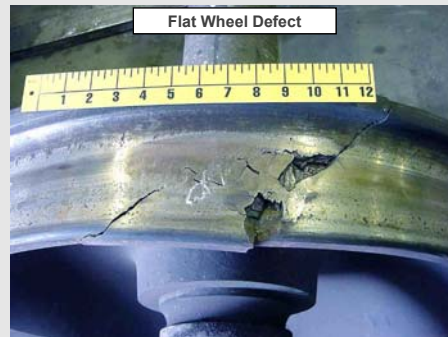


Mechanical Technology

Trending Performance & Component Replacement

- Hot Box / Wheel Journal
- Hot Wheel
- Flat Wheel

Reduces Online Failure
Variability & Associated Costs



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Engineering Technology – Rail Sensor

Improving Reliability, Performance and Efficiency

Geometry Car



Boxcar



Locomotive



Semi Autonomous
Track Inspections via:

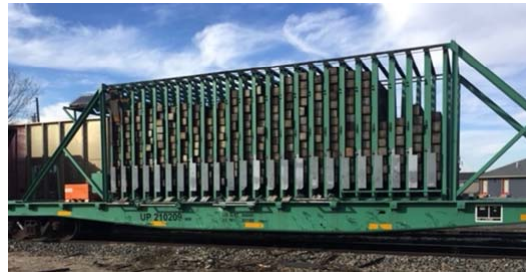
- Geometry Car
- Boxcars
- Locomotives

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Wood Tie Unloading Automation

- Simplify Process
- Reduce Touch Points
- Reduce Cost



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Tie Plate Distribution Automation



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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

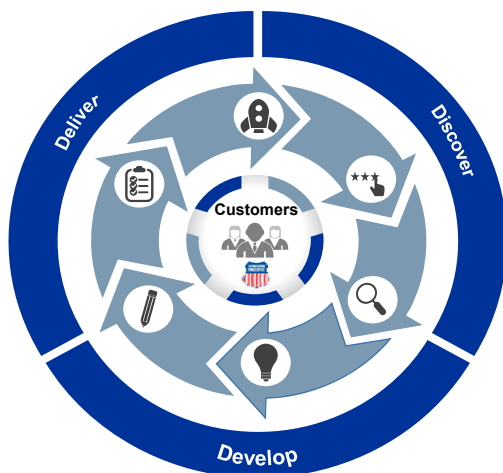


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Working Differently to Deliver for Our Customers

Continuous Customer Experience Delivery Loop

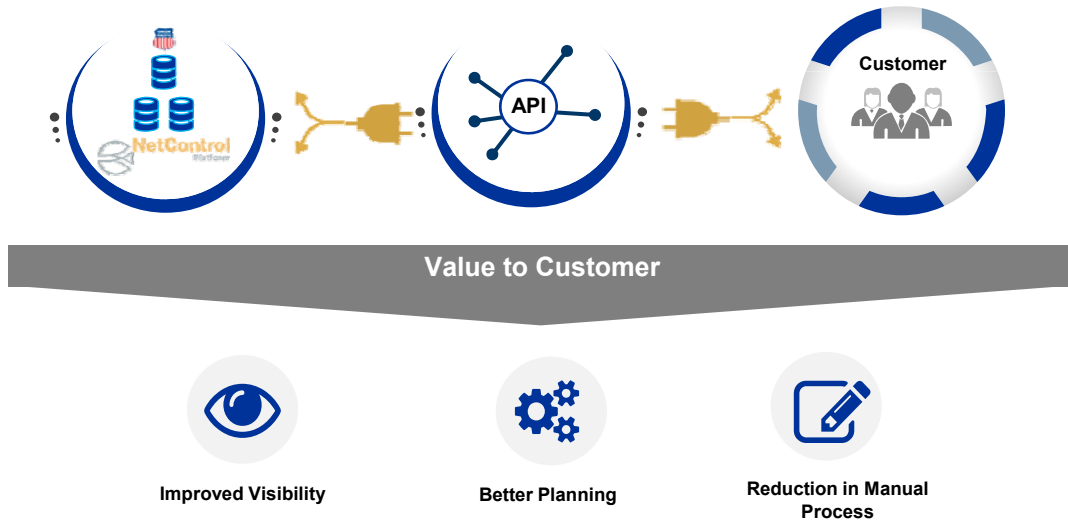


- Driven by Voice of the Customer
- Delivered in Agile Manner with Speed
- Reducing Friction and Improving Experience

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Driving Customer Value with Data Integration



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Improving the Customer Experience Through APIs

- Developed close to 40 integration services for customers based on their needs
- 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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ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

May 2021



Building a Sustainable Future 2030



Investing in Our Workforce

Diversity & Inclusion
Talent Attraction, Development, and Retention



Driving Sustainable Solutions

Improved Customer Service
Profitable and Responsible Growth

Championing Environmental Stewardship

Sustainable Transportation for Our Customers










Strengthening Our Communities

Investments Where We Work and Live



Sustainability Development Goals

Union Pacific has a role to play in all of the UN's Sustainability Goals, with a focus on these seven:

-  Quality education
-  Gender equality
-  Decent work and economic growth
-  Industry, innovation and infrastructure
-  Reduced inequalities
-  Sustainable cities and communities
-  Responsible consumption and production



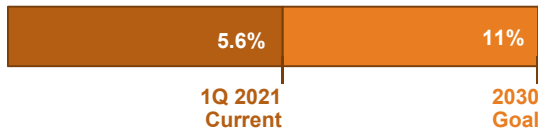
Four Pillars of Diversity & Inclusion



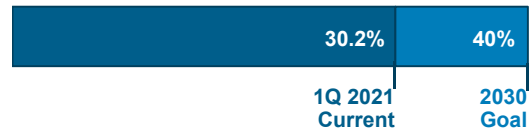
Diversity & Inclusion



Female = 100% Improvement
(Goal compared to 2019 at 5.5%)



Minorities = 36% Improvement
(Goal compared to 2019 at 29.4%)



Expanding Educational Opportunities



- Innovative partnership with the University of Nebraska at Omaha
- Reimburse employees 100% of tuition* for classes to earn an undergraduate or graduate degree, or a certification program directly related to the employee's job



Moving Environmentally Responsible Products



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Protecting the Environment



- We move one ton of freight 444 miles on a single gallon of diesel fuel
- Rail moves 33% of all freight ton miles in U.S. but responsible for 2% of transportation emissions*
- Committed to setting science-based targets to reduce emissions by 2030
- Innovative locomotive software to help save fuel installed on the majority of high-horsepower units

LESS FUEL = CLEANER AIR



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*Source: EPA Inventory of U.S. Greenhouse Gas Emissions and Sinks 1990-2017; Bureau of Transportation Statistics 2017



Reducing the Impact on the Environment



In 2020

- Union Pacific reduced greenhouse gas (GHG) emissions by 1.2M metric tons or 12% due to economic effects of the COVID-19 pandemic, combined with increases in operational efficiency and modernization of locomotives
- Our customers eliminated an estimated 21.9 million metric tons of GHG emissions by choosing rail over truck transportation

A screenshot of a web form titled 'Carbon Emissions Estimator'. It includes fields for 'Origin City, State:', 'Destination City, State:', 'Commodity:' (with a dropdown menu), and 'Number of Truckloads:'. There are 'Clear' and 'Submit' buttons. To the right of the form is a decorative image of green leaves.

"If just 10% of the freight shipped in the largest trucks went by rail instead, we would be removing 3,300,000 cars from the road."
 - President Joe Biden

- Carbon Emissions Estimator
 - Calculate GHG emissions savings
 - Sending emissions savings estimate to customers since 2013



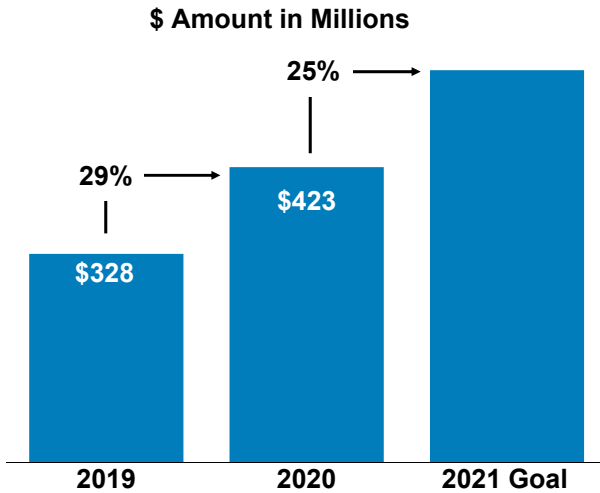
Innovations Conserve Fuel



Science-based target to reduce GHG emissions by 26% by 2030*



Growth in Diverse Supplier Spending



Strengthening Our Communities



\$6.4M Community Spaces

- 200 Community buildings constructed or enhanced.
- 1,600 Green spaces created or enhanced.
- 400 Public spaces cleaned.

\$4.1M Workforce Development

- 38,000 Trained in job skills.
- 9,800 Job placements.
- 1.1M Hours of career-related classroom training provided.

\$3.5M Safety

- 112,000 Trained in safety procedures.
- 23,000 Hours of safety training.
- 4,300 Emergency services equipment procured.

\$9.4M Local Community Support

- Corporate Sponsorships, Memberships and local needs grants.

\$3.3M Matching Gifts

- GivePlus and Fund for Effective Government (FEG)



FINANCIAL REVIEW

May 2021

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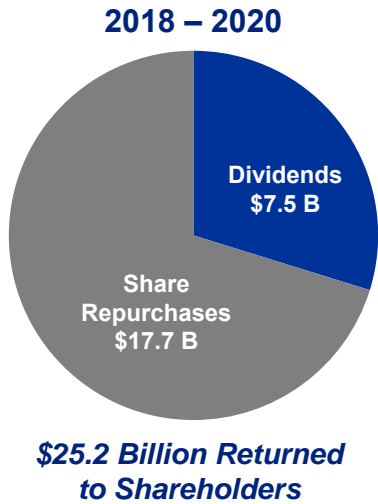
2021 Guidance

- Full Year Volume Growth of ~6%
- Business Mix Headwinds Continue
- Pricing Gains in Excess of Inflation Dollars
- \$500 Million of Productivity
- 150-200 Basis Points of Operating Ratio Improvement
- Capital Allocation
 - Capital Spending < 15% of Revenue
 - Dividend Target Payout 40-45% of Earnings
 - Strong Share Repurchases
 - Targeting ~\$6 Billion in 2021

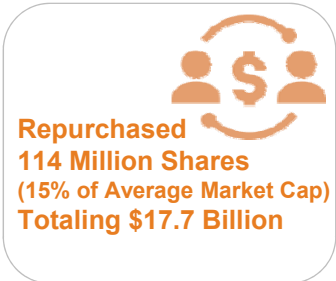
59



Delivering Significant Shareholder Returns

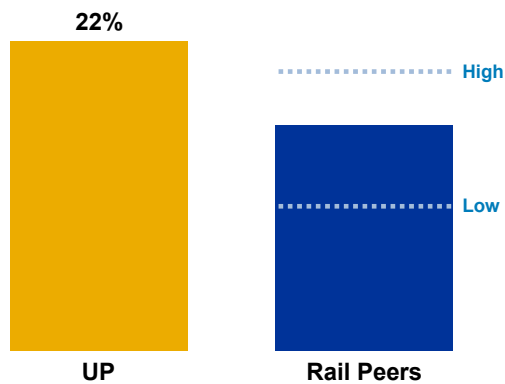


60



Shareholder Cash Returns Outpacing Peers

2018 – 2020



**UP Total Return:
Solid Share Repurchases
Combined with Steady
Dividend Increases**

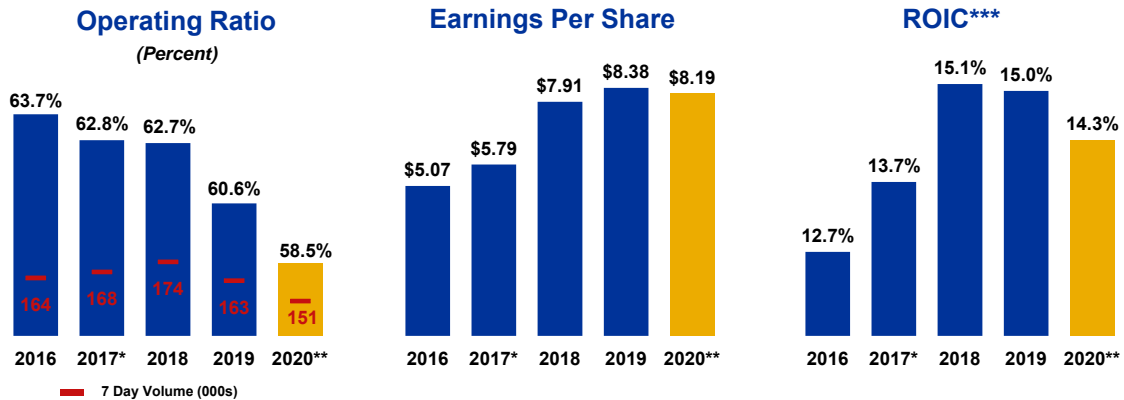
61

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



Financial Performance

Expanding Margins and Driving Returns

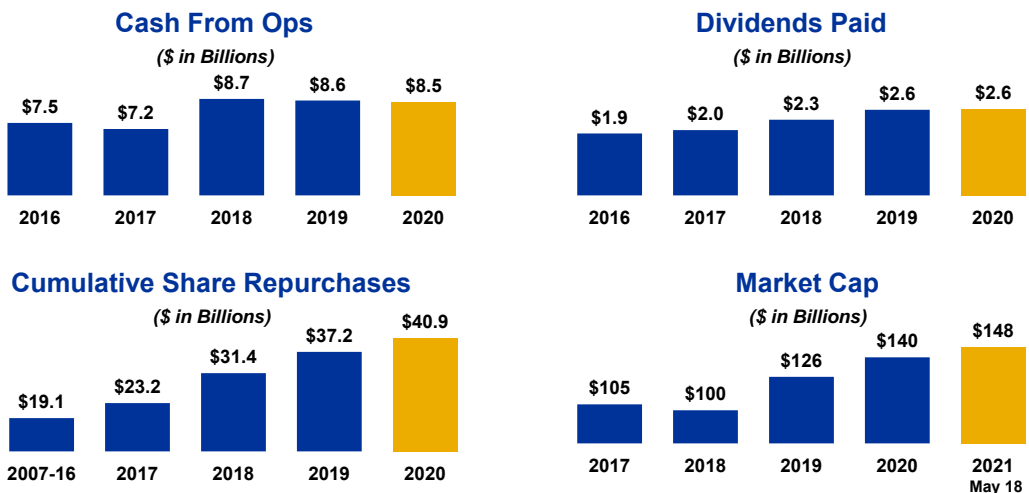


62 *2017 Adjusted to exclude the impact of Corporate Tax Reform.
 ** 2020 Adjusted to exclude the Brazos non-cash impairment charge.
 *** See Union Pacific website under Investors for a reconciliation to GAAP.



Financial Performance

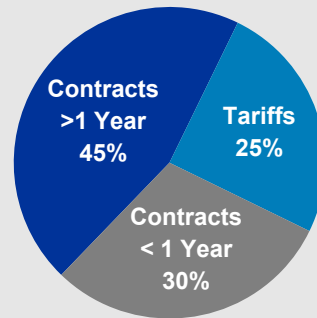
Growing Cash Flow and Shareholder Returns



Pricing Fundamentals

- Unified Plan 2020 service reliability drives cost savings to the customer
- Balanced portfolio provides flexibility for repricing as value grows
- Pricing above inflation

Balanced Revenue Portfolio



64

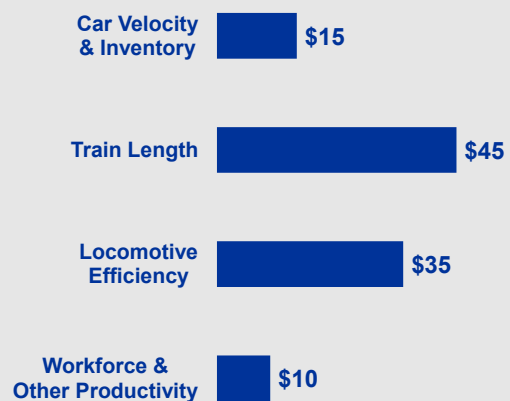


FIRST QUARTER 2021 RESULTS

Productivity Results

- Net Productivity of \$105 Million
- Weather Resulted in a \$35 Million Headwind
- Maintain Full-Year Productivity Outlook of at Least \$500 Million

Net Productivity (\$ in millions)



65

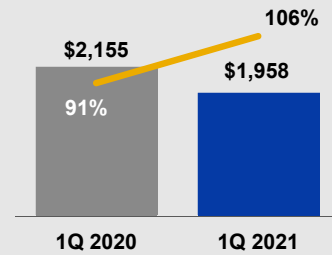


Cash Generation & Shareholder Returns

First Quarter Results

- Cash Flow Conversion Rate* Equal to 106% of Net Income
- Repurchased 7 million Shares for a 2% Reduction in the Average Share Balance
- Returned \$2.0 Billion in Cash to Shareholders
- Adjusted Debt Decreased \$0.2 Billion since Year-End 2020
- Comparable Adjusted Debt / EBITDA of 2.8x*

Cash From Operations vs. Cash Conversion* (\$ in millions)

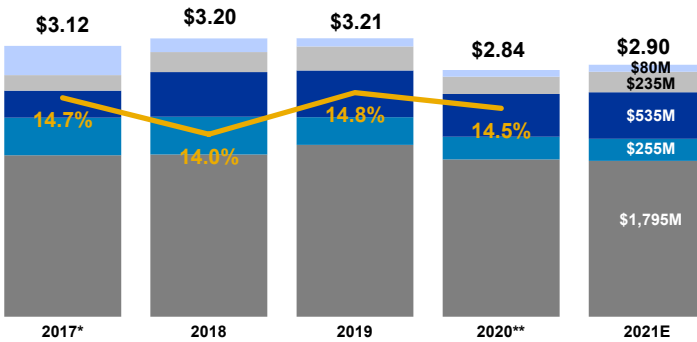


66 *See Union Pacific website under Investors for a reconciliation to GAAP.



Strong Core, Investing for Future

Capital Spending % of Revenue



- Positive Train Control
- Technology / Other
- Capacity / Commercial Facilities
- Locomotives / Equipment
- Infrastructure Replacement

* 2017 Adjusted to exclude the impact of Corporate Tax Reform.
 ** 2020 Adjusted to exclude the Brazos non-cash impairment charge.
 *** See Union Pacific website under Investors for a reconciliation to GAAP.



- Return-focused capital program
- Productivity through G55+0 initiatives
- Capex less than 15% of revenue longer-term

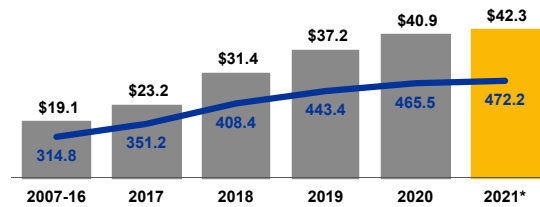
Shareholder Returns

- Dividend payout target of 45%
- Repurchased ~45% of shares since 2007
- Strong Share Repurchases
 - Targeting ~\$6 Billion in 2021
 - 2022 – 2024 Plan to Repurchase \$18 – 19 Billion

Declared Dividend Per Share



Cumulative Share Repurchases (\$ In Billions, Shares in Millions)



68

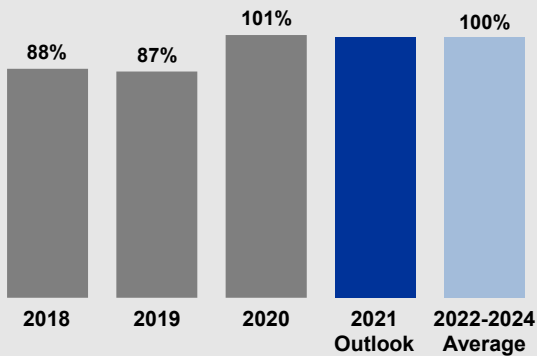
*Through March 31, 2021



Strong and Growing Cash Generation Supports Shareholder Returns

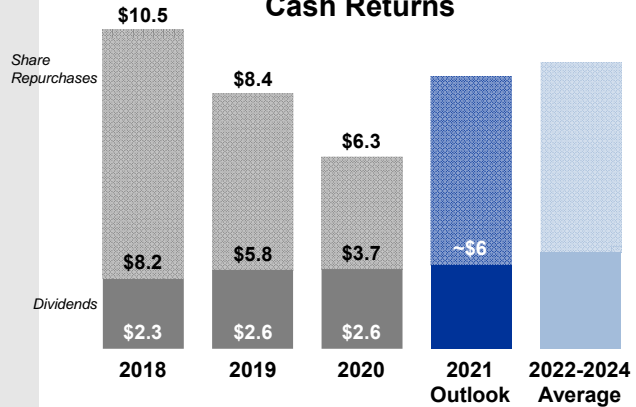
\$ in billions

Cash Flow Conversion*



Strong Cash Conversion, 100%

Cash Returns



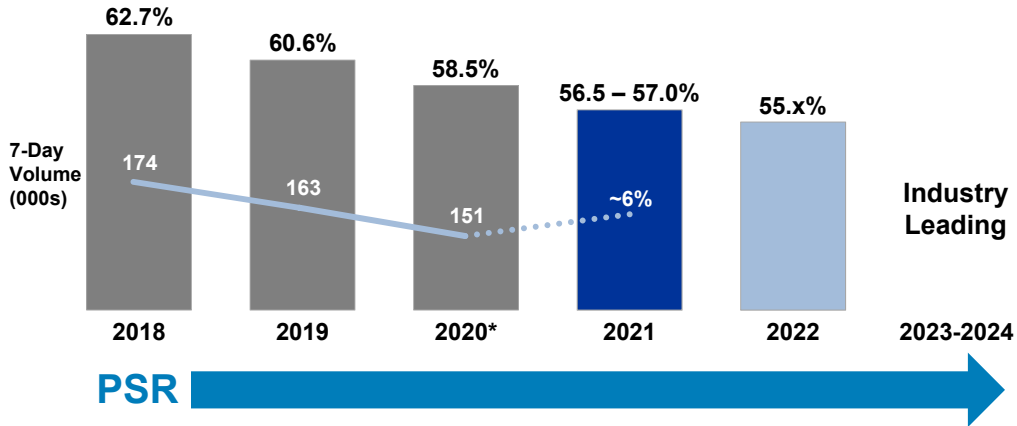
Consistent Dividend Increases, 45% Payout Share Repurchases, 17% of Market Cap

69

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



Clear Path to Industry Leading Operating Ratio

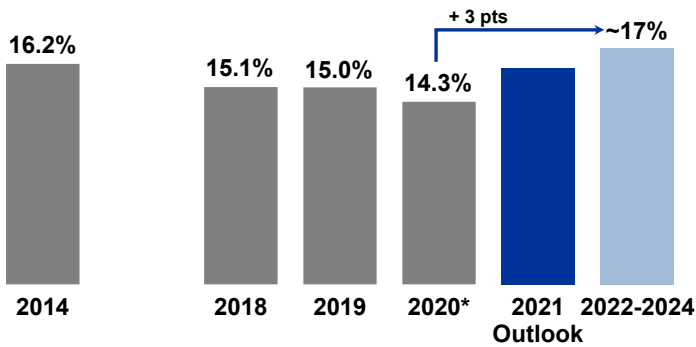


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* Excludes Brazos impairment. See Union Pacific website under Investors for a reconciliation to GAAP for Union Pacific's results.



Growing Return on Invested Capital*



**Maintaining Strong
Investment Grade
Credit Rating and
Delivering Consistent
Financial Performance**

71

Excludes Brazos impairment.
* 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%

