SAFETY

Union Pacific's first priority is to operate safely. During 2004, a year when thousands of new train crew personnel were hired and record volumes were moved, the number of new claims for lost work days due to injuries declined by 9 percent. Incidents reportable to the Federal Railroad Administration (FRA) also decreased. The approach with new employees incorporates training, communication and quality assurance. Through additional handson field training, one-on-one performance reviews and sharply focused on-the-job coaching, we are providing more effective employee training and development.

We were able to better control track and equipment-related derailments by employing new technology to identify potential mechanical and track defects before failure. From sophisticated wayside detectors that identify wheel wear and temperature, to specialized on-track vehicles that evaluate and communicate track conditions, we have incorporated the latest technology into our quality assurance process. Operating practice improvements have also been implemented. We have accelerated skill development and promoted situational awareness in train and yard crews through the use of state-of-the art train simulators, evaluation of tapes that record train handling and emphasis on crew communication.

Trespasser incidents declined by 11 percent versus 2003, while grade crossing accidents were up slightly. The Railroad has a continuous focus on public safety, working to reduce grade-crossing incidents by closing 333 crossings and upgrading another 300 crossings. During 2004, we also trained 2,800 law-enforcement personnel in accident investigation procedures, educated over 470,000 citizens on the risks associated with highway-rail crossings and conducted more than 100 traffic blitzes with local law enforcement agencies to deter motorists from unsafe driving at crossings. In 2005, efforts continue to close and upgrade crossings, sustain and maintain visibility at crossings and install video cameras on locomotives. We will also enhance public education on crossing safety.



2004

2002

2002

SAFETY STATISTICS

	2004	2003	2002
New Claims with Lost Work Day Cases	679	744	871
FRA Reportable Incidents (per 200,000 person hours)	1.85	2.16	2.57
FRA Reported Derailments (per million train miles)	4.47	4.18	4.41
Trespasser Incidents (per million train miles)	1.22	1.46	1.49
FRA Reported Grade Crossing Accidents (per million train miles)	2.67	2.61	2.81