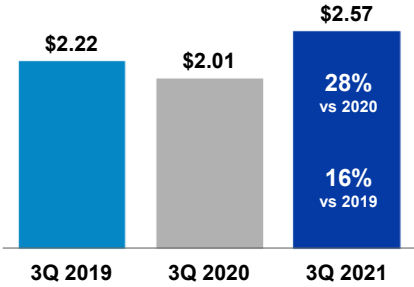


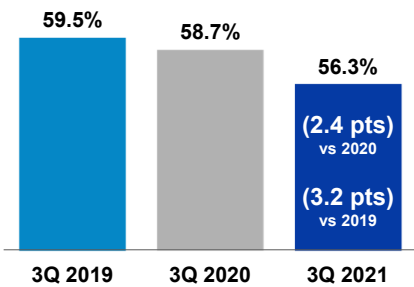


Third Quarter 2021 Results

Earnings Per Share



Operating Ratio



Key Themes

- Strong Core Results
- Network Recovery
- Global Supply Chain Disruptions





THIRD QUARTER 2021 MARKETING & SALES REVIEW

Kenny Rocker

Executive Vice President – Marketing & Sales



THIRD QUARTER 2021

Bulk

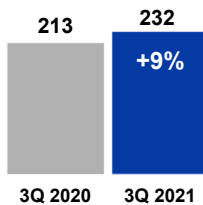
Revenue \$1,687 (+14%)

Volume 520K (+4%)

ARC \$3,244 (+9%)

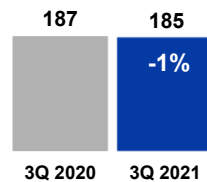
Major Markets

Coal & Renewables



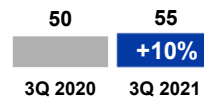
vs 2Q 2021 +17%

Grain & Grain Products



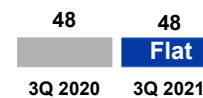
vs 2Q 2021 -9%

Fertilizer



vs 2Q 2021 +2%

Food & Refrigerated



vs 2Q 2021 Flat

Quarterly Drivers

Increased Coal Demand

Lower Grain Supply

COVID-19 Recovery

4 Volume in thousands of carloads.



THIRD QUARTER 2021

Industrial

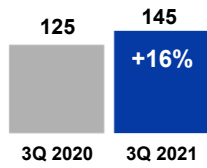
Revenue \$1,911 (+22%)

Volume 549K (+14%)

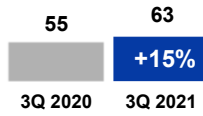
ARC \$3,482 (+6%)

Major Markets

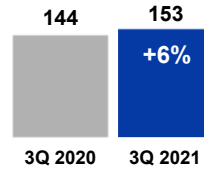
Energy & Specialized



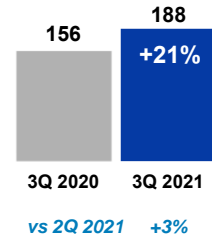
Forest Products



Industrial Chemicals & Plastics



Metals & Minerals



Quarterly Drivers

Industrial Production

Favorable Energy Comparison

Strength in Housing

⁵ Volume in thousands of carloads.



THIRD QUARTER 2021

Premium

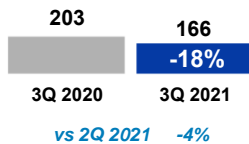
Revenue \$1,568 (+1%)

Volume 975K (-9%)

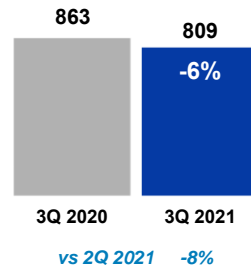
ARC \$1,608 (+11%)

Major Markets

Automotive



Intermodal



Quarterly Drivers

Semi-Conductor Shortage

Port Congestion

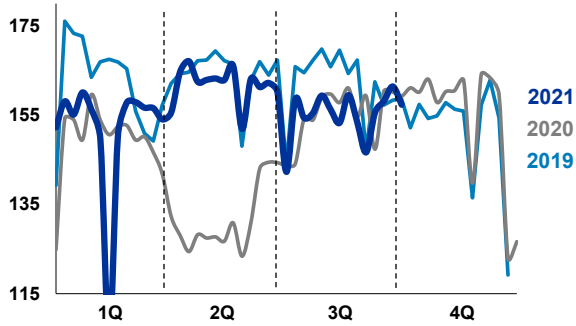
Global Supply Chain Disruptions

⁶ Volume in thousands of carloads.



2021 Volume Outlook

7-Day Weekly Carloadings*
(000s)



7 *Volume through October 16, 2021

4th Quarter Year over Year

Bulk

- ← Grain & Grain Products
- + Food & Refrigerated
- + Coal

Industrial

- + Industrial Production
- + Forest Products
- ← Energy Markets

Premium

- Auto Production
- + Tight Truck Capacity
- Global Supply Chain Challenges



THIRD QUARTER 2021 OPERATIONS REVIEW

Eric Gehringer

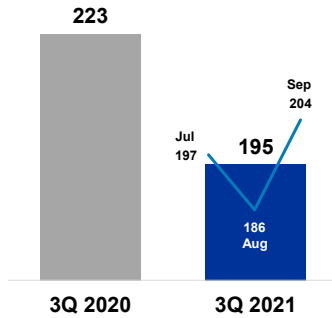
Executive Vice President – Operating



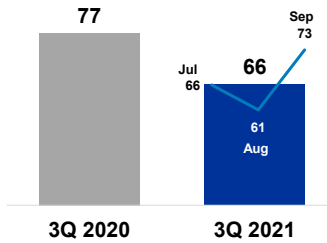
THIRD QUARTER 2021

Key Performance Metrics

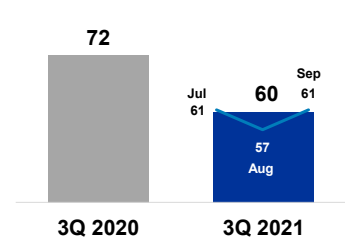
FREIGHT CAR VELOCITY*
(Daily Miles per Car)



INTERMODAL TRIP PLAN COMPLIANCE
(% of Boxes On Time)



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



Quarterly Drivers

Wildfires and Bridge Outage

Global Supply Chain Disruptions

Impact of Re-Routing

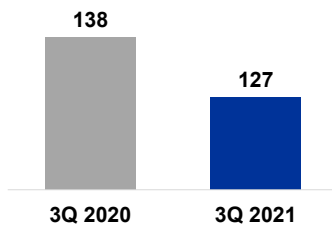
⁹ *Prior years have been realigned to conform to the current year presentation.



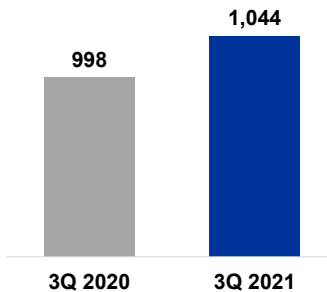
THIRD QUARTER 2021

Key Performance Metrics

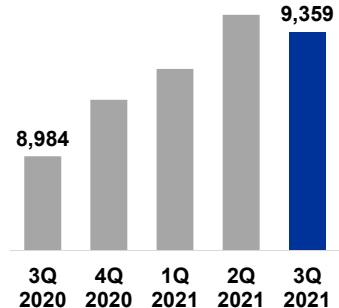
LOCOMOTIVE PRODUCTIVITY
(GTM's Per HP Day)



WORKFORCE PRODUCTIVITY
(Daily Miles per FTE)



TRAIN LENGTH
(Max on Route, in Feet)



Quarterly Drivers

Network Recovery Actions

Labor Efficiency

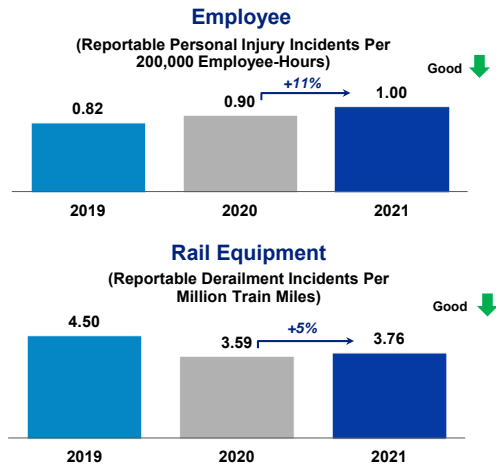
Continuous Improvement



Operating Safely and Efficiently to Drive Customer Service

- Focus on Safety
- Increasing Train Length
 - Completed Nine 15,000' Sidings
 - Begun Construction on 26 More
- Third Quarter Record Fuel Consumption Rate
 - Overcame Inefficiencies from Network Disruptions and Re-Routes

Year to Date Safety Performance



11



Network Fluidity and Service Focus

- Safety First
- Deliver a Highly Consistent and Reliable Service Product
- Drive Productivity Initiatives
- Volume Variable Plus
- Focus on Asset Utilization and Terminal Efficiency



12





THIRD QUARTER 2021 FINANCIAL REVIEW

Jennifer Hamann
Executive Vice President & Chief Financial Officer



Strong Core Results Offset Weather and Fuel Headwinds

Favorable / (Unfavorable)

	Operating Ratio	EPS
Third Quarter 2020	58.7%	\$2.01
Wildfires and Weather	(0.5) pts	(\$0.05)
Fuel Price	(1.4) pts	\$0.05
Core Results	4.3 pts	\$0.56
Third Quarter 2021	56.3%	\$2.57



Third Quarter Income Statement

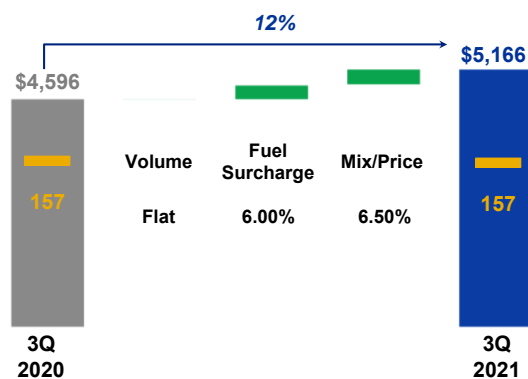
	2021	2020	2021 vs. 2020		2019	2021 vs. 2019	
Operating Revenues	\$5,566	\$4,919	13	%	\$5,516	1	%
Operating Expenses	3,134	2,888	9		3,282	(5)	
Operating Income	2,432	2,031	20		2,234	9	
Other Income	38	37	3		53	(28)	
Interest Expense	(290)	(295)	(2)		(266)	9	
Income Taxes	(507)	(410)	24		(466)	9	
Net Income	\$1,673	\$1,363	23	%	\$1,555	8	%
Weighted Average Diluted Shares	650.3	676.8	(4)		701.9	(7)	
Diluted EPS	\$2.57	\$2.01	28		\$2.22	16	
Operating Ratio	56.3%	58.7%	(2.4)	pts	59.5%	(3.2)	pts

15 \$ in Millions, except EPS

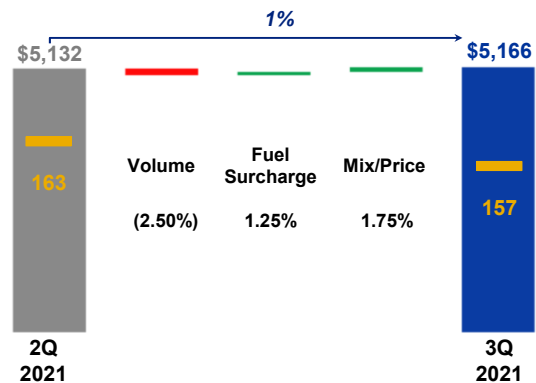


Core Pricing Gains and Mix Drive Freight Revenue

Year Over Year



Sequential



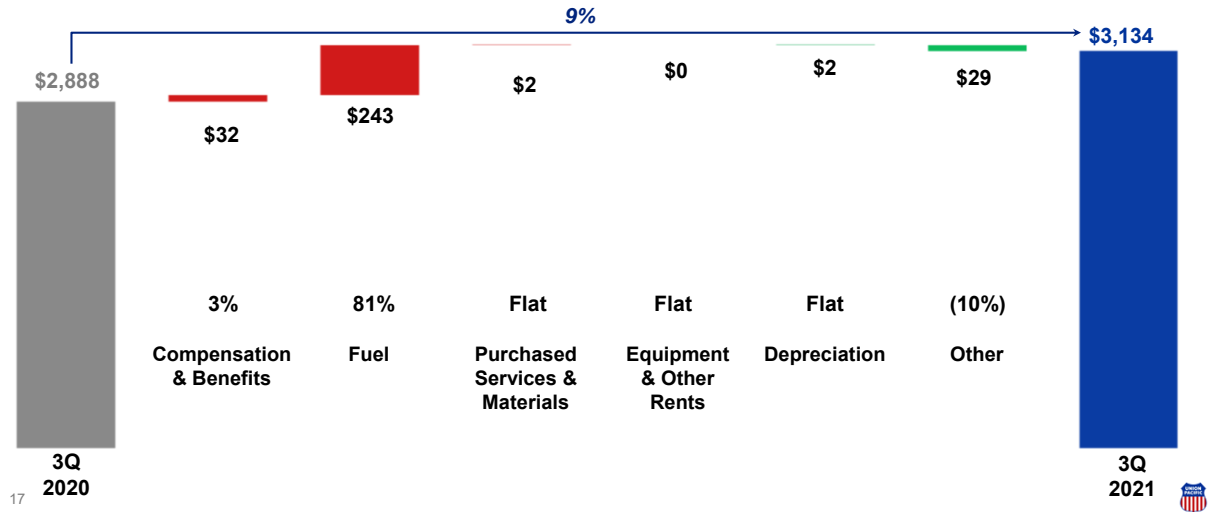
16

7 Day Volume (000s)



Increased Expenses Driven by Rising Fuel Prices

\$ in Millions

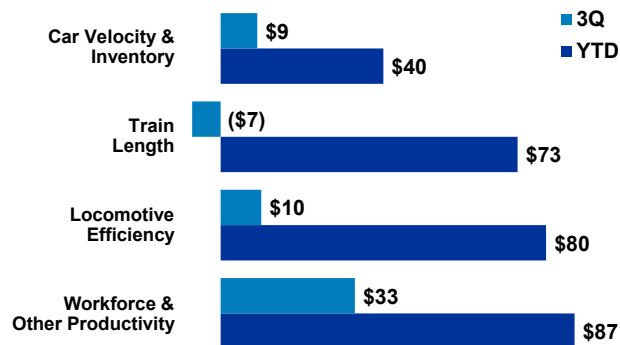


17



Strong Incremental Margins Drive Improvement

2021 Net Productivity
(\$ in millions)



Incremental Margins

94% 3rd Quarter

86% YTD

18

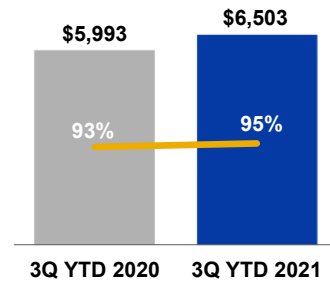


Strong Cash Generation & Returns to Shareholders

2021 Year to Date Results

- 95% Cash Flow Conversion Rate*
- Returned \$7.9 Billion in Cash to Shareholders
 - Increased Dividend by 10%
 - \$2.0 Billion Accelerated Share Repurchase Program
- Repurchased 27.5 million Shares for a 3% Reduction in the Average Share Balance
- Comparable Adjusted Debt / EBITDA of 2.8x*

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

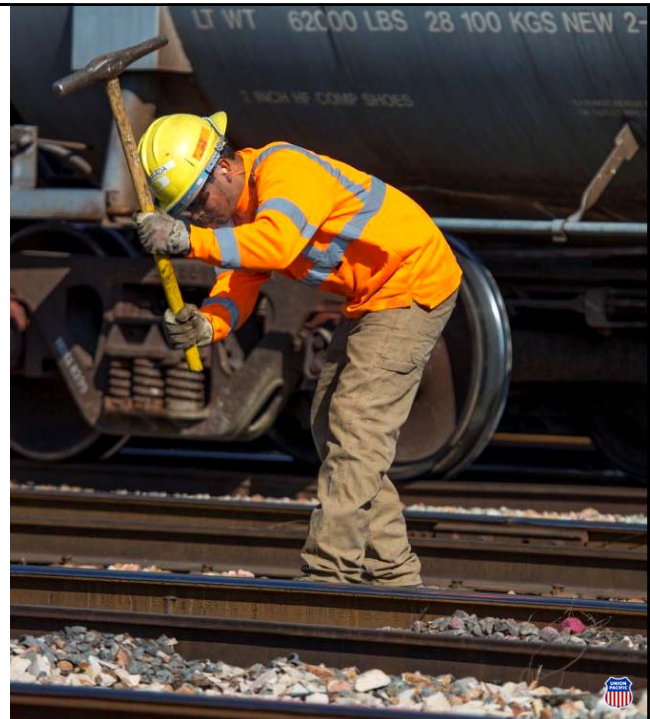


19 *See Union Pacific website under Investors for a reconciliation to GAAP.



Expecting Solid Finish to Record 2021

- Full Year Volume Growth of 5%
- Productivity of \$350 Million
- Operating Ratio Improvement of +/- 175 Basis Points
- Pricing Gains in Excess of Inflation Dollars
- Capital Spending < 15% of Revenue
- Dividend Target Payout of 45% of Earnings
- Strong Share Repurchases of \$7 Billion



20





THIRD QUARTER 2021

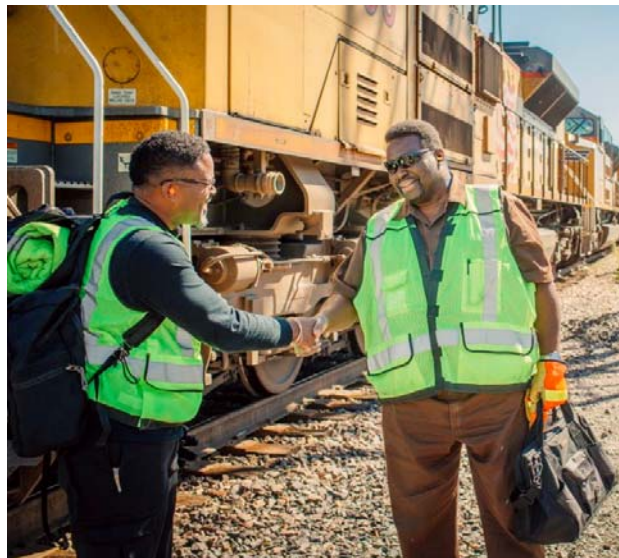
—
Lance Fritz
Chairman, President & CEO

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Driving Performance for All Stakeholders

- Commitment to Safety
- Operational Excellence
- Deliver a Highly Consistent and Reliable Service Product
- Win with Customers
- Provide Value to All Stakeholders



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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.

