UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to ___________

Commission File Number 1-6075

UNION PACIFIC CORPORATION

(Exact name of registrant as specified in its charter)

Utah	**13-2626465**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1400 Douglas Street, Omaha, Nebraska	**68179**
(Address of principal executive offices)	(Zip Code)

(402) 544-5000

(Registrant’s telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class	Trading Symbol	Name of each exchange on which registered
Common Stock (Par Value $2.50 per share)	UNP	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☑ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☑	Accelerated Filer	☐	Non-Accelerated Filer	☐
Smaller Reporting Company	☐	Emerging Growth Company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☑ No

As of April 17, 2025, there were 597,475,610 shares of the Registrant's Common Stock outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Income (Unaudited)
Union Pacific Corporation and Subsidiary Companies

Millions, except per share amounts, for the three months ended March 31,	***2025***	*2024*
Operating revenues:		
Freight revenues	**$ 5,691**	$ 5,616
Other revenues	**336**	415
Total operating revenues	**6,027**	6,031
Operating expenses:		
Compensation and benefits	**1,212**	1,223
Purchased services and materials	**631**	613
Depreciation	**610**	594
Fuel	**603**	658
Equipment and other rents	**241**	216
Other	**359**	355
Total operating expenses	**3,656**	3,659
Operating income	**2,371**	2,372
Other income, net (Note 6)	**78**	92
Interest expense	**(322)**	(324)
Income before income taxes	**2,127**	2,140
Income tax expense	**(501)**	(499)
Net income	**$ 1,626**	$ 1,641
Share and per share (Note 7):		
Earnings per share - basic	**$ 2.71**	$ 2.69
Earnings per share - diluted	**$ 2.70**	$ 2.69
Weighted average number of shares - basic	**601.0**	609.2
Weighted average number of shares - diluted	**601.9**	610.2

Condensed Consolidated Statements of Comprehensive Income (Unaudited)
Union Pacific Corporation and Subsidiary Companies

Millions, for the three months ended March 31,	***2025***	*2024*
Net income	**$ 1,626**	$ 1,641
Other comprehensive income/(loss):		
Defined benefit plans	**3**	1
Foreign currency translation	**-**	3
Unrealized gain on derivative instruments	**-**	-
Total other comprehensive income/(loss) [a]	**3**	4
Comprehensive income	**$ 1,629**	$ 1,645

[a] Net of deferred taxes of $(0.2) million and ($0.1) million during the three months ended March 31, 2025 and 2024, respectively.

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

Condensed Consolidated Statements of Financial Position (Unaudited)

Union Pacific Corporation and Subsidiary Companies

Millions, except share and per share amounts	*Mar. 31, 2025*	*Dec. 31, 2024*
Assets		
Current assets:		
Cash and cash equivalents	**$ 1,411**	$ 1,016
Accounts receivable, net (Note 9)	**1,965**	1,894
Materials and supplies	**747**	769
Other current assets	**416**	342
Total current assets	**4,539**	4,021
Investments	**2,704**	2,664
Properties, net (Note 10)	**58,710**	58,343
Operating lease assets	**1,142**	1,297
Other assets	**1,397**	1,390
Total assets	**$ 68,492**	$ 67,715
Liabilities and common shareholders' equity		
Current liabilities:		
Accounts payable and other current liabilities (Note 11)	**$ 3,995**	$ 3,829
Debt due within one year (Note 13)	**2,227**	1,425
Total current liabilities	**6,222**	5,254
Debt due after one year (Note 13)	**30,615**	29,767
Operating lease liabilities	**758**	925
Deferred income taxes	**13,144**	13,151
Other long-term liabilities	**1,714**	1,728
Commitments and contingencies (Note 14)		
Total liabilities	**52,453**	50,825
Common shareholders' equity:		
Common shares, $2.50 par value, 1,400,000,000 authorized; 1,113,186,248 and 1,113,018,733 issued; 598,992,024 and 604,241,260 outstanding, respectively	**2,783**	2,783
Paid-in-surplus	**5,075**	5,334
Retained earnings	**66,450**	65,628
Treasury stock	**(57,549)**	(56,132)
Accumulated other comprehensive loss (Note 8)	**(720)**	(723)
Total common shareholders' equity	**16,039**	16,890
Total liabilities and common shareholders' equity	**$ 68,492**	$ 67,715

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

Condensed Consolidated Statements of Cash Flows (Unaudited)
Union Pacific Corporation and Subsidiary Companies

Millions, for the three months ended March 31,		***2025***		*2024*
Operating activities				
Net income	**$**	**1,626**	$	1,641
Adjustments to reconcile net income to cash provided by operating activities:				
Depreciation		**610**		594
Deferred and other income taxes		**(7)**		23
Other operating activities, net		**(22)**		(80)
Changes in current assets and liabilities:				
Accounts receivable, net		**(71)**		(89)
Materials and supplies		**22**		(27)
Other current assets		**(75)**		(55)
Accounts payable and other current liabilities		**(236)**		(220)
Income and other taxes		**363**		335
Cash provided by operating activities		**2,210**		2,122
Investing activities				
Capital investments		**(906)**		(797)
Other investing activities, net		**(32)**		(5)
Cash used in investing activities		**(938)**		(802)
Financing activities				
Debt issued (Note 13)		**1,996**		400
Share repurchase programs (Note 15)		**(1,420)**		-
Dividends paid		**(804)**		(795)
Debt repaid		**(370)**		(1,358)
Accelerated share repurchase programs pending final settlement (Note 15)		**(300)**		-
Net Issued/(paid) commercial paper (Note 12)		**-**		296
Other financing activities, net		**20**		6
Cash used in financing activities		**(878)**		(1,451)
Net change in cash, cash equivalents, and restricted cash		**394**		(131)
Cash, cash equivalents, and restricted cash at beginning of year		**1,028**		1,074
Cash, cash equivalents, and restricted cash at end of period	**$**	**1,422**	$	943
Supplemental cash flow information				
Non-cash investing and financing activities:				
Capital investments accrued but not yet paid	**$**	**173**	$	135
Cash paid during the period for:				
Income taxes, net of refunds	**$**	**(61)**	$	(46)
Interest, net of amounts capitalized		**(439)**		(463)
Reconciliation of cash, cash equivalents, and restricted cash				
to the Condensed Consolidated Statement of Financial Position:				
Cash and cash equivalents	**$**	**1,411**	$	925
Restricted cash equivalents in other current assets		**3**		10
Restricted cash equivalents in other assets		**8**		8
Total cash, cash equivalents, and restricted cash equivalents per above	**$**	**1,422**	$	943

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

Condensed Consolidated Statements of Changes in Common Shareholders' Equity (Unaudited)
Union Pacific Corporation and Subsidiary Companies

Millions	*Common shares*	*Treasury shares*	*Common shares*	*Paid-in-surplus*	*Retained earnings*	*Treasury stock*	*AOCI [a]*	*Total*
Balance at January 1, 2024	1,112.9	(503.2)	$ 2,782	$ 5,193	$ 62,093	$ (54,666)	$ (614)	$ 14,788
Net income			-	-	1,641	-	-	1,641
Other comprehensive income/(loss)			-	-	-	-	4	4
Conversion, stock option exercises, forfeitures, ESPP, and other [b]	0.1	0.2	1	20	-	5	-	26
Share repurchase programs (Note 15)	-	-	-	-	-	-	-	-
Dividends declared ($1.30 per share)	-	-	-	-	(794)	-	-	(794)
Balance at March 31, 2024	1,113.0	(503.0)	$ 2,783	$ 5,213	$ 62,940	$ (54,661)	$ (610)	$ 15,665
Balance at January 1, 2025	1,113.0	(508.8)	$ 2,783	$ 5,334	$ 65,628	$ (56,132)	$ (723)	$ 16,890
Net income			-	-	1,626	-	-	1,626
Other comprehensive income/(loss)			-	-	-	-	3	3
Conversion, stock option exercises, forfeitures, ESPP, and other [b]	0.2	0.3	-	41	-	24	-	65
Share repurchase programs (Note 15)	-	(5.7)	-	(300)	-	(1,441)	-	(1,741)
Dividends declared ($1.34 per share)	-	-	-	-	(804)	-	-	(804)
Balance at March 31, 2025	**1,113.2**	**(514.2)**	**$ 2,783**	**$ 5,075**	**$ 66,450**	**$ (57,549)**	**$ (720)**	**$ 16,039**

[a] AOCI = accumulated other comprehensive income/loss (Note 8)
[b] ESPP = employee stock purchase plan

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For purposes of this report, unless the context otherwise requires, all references herein to "Union Pacific", “Corporation”, “Company”, “UPC”, “we”, “us”, and “our” mean Union Pacific Corporation and its subsidiaries, including Union Pacific Railroad Company, which will be separately referred to herein as “UPRR” or the “Railroad”.

1. Basis of Presentation

Our Condensed Consolidated Financial Statements are unaudited and reflect all adjustments (consisting of normal and recurring adjustments) that are, in the opinion of management, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Pursuant to the rules and regulations of the Securities and Exchange Commission (SEC), certain information and note disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. Accordingly, this Quarterly Report on Form 10-Q should be read in conjunction with our Consolidated Financial Statements and notes thereto contained in our 2024 Annual Report on Form 10-K. Our Consolidated Statement of Financial Position at December 31, 2024, is derived from audited financial statements. The results of operations for the three months ended March 31, 2025, are not necessarily indicative of the results for the entire year ending December 31, 2025.

The Condensed Consolidated Financial Statements are presented in accordance with GAAP as codified in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Certain prior period amounts have been reclassified to conform to the current period financial statement presentation.

2. Accounting Pronouncements

In December 2023, the FASB issued Accounting Standards Update No. (ASU) 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires business entities to expand their annual disclosures of the effective rate reconciliation and income taxes paid. The ASU is effective for fiscal years beginning after December 15, 2024, may be adopted on a prospective or retrospective basis, and early adoption is permitted. The Company is currently evaluating the effect that the new guidance will have on our related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses,* which requires disclosure of additional information about specific expense categories in the notes to the financial statements. The ASU is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, may be adopted on a prospective or retrospective basis, with early adoption permitted. The Company is currently evaluating the effect that the new guidance will have on our related disclosures.

3. Operations and Segmentation

The Railroad, along with its subsidiaries and rail affiliates, is our one reportable operating segment. Although we provide and analyze revenues by commodity group, we treat the financial results of the Railroad as one segment due to the integrated nature of our rail network.

The Company’s Chief Operating Decision Maker (CODM) is our Chief Executive Officer. The CODM assesses performance for our rail network and decides how to allocate resources based on net income as reported on our Consolidated Statements of Income. The measure of segment assets is reported on our Consolidated Statements of Financial Position as total assets.

Our operating revenues are primarily derived from contracts with customers for the transportation of freight from origin to destination.

Although our revenues are principally derived from customers domiciled in the U.S., the ultimate points of origination or destination for some products we transport are outside the U.S. Freight revenues from each of our commodity groups, as described in the table below, includes revenues from shipments to and from Mexico, which amounted to $719 million and $790 million for the three months ended March 31, 2025 and 2024, respectively.

Our significant segment expenses as monitored by the CODM are shown in the table below. This breakout of revenues and expenses is used by the CODM to monitor and assess the financial performance of our rail network by comparing actual results to prior years and plans.

Millions, for the three months ended March 31,	***2025***	*2024*
Bulk	**$ 1,836**	$ 1,817
Industrial	**2,082**	2,104
Premium	**1,773**	1,695
Total freight revenues	**$ 5,691**	$ 5,616
Other subsidiary revenues	**194**	217
Accessorial revenues	**118**	174
Other	**24**	24
Total operating revenues	**$ 6,027**	$ 6,031
Operating [a]	**1,684**	1,661
Administrative [a]	**193**	191
Locomotive fuel	**591**	645
Other segment items [b]	**578**	568
Depreciation	**610**	594
Other income, net	**(78)**	(92)
Interest expense	**322**	324
Income tax expense	**501**	499
Net income	**$ 1,626**	$ 1,641

[a] Operating and Administrative includes compensation and benefits, purchased services and materials, equipment and other rents, non-locomotive fuel, and other expenses.
[b] Other segment items includes car hire and leases, casualty costs, state and local taxes, subsidiary expense, and other overhead expense.

4. Stock-Based Compensation

We have several stock-based compensation plans where employees receive nonvested stock options, nonvested retention shares, and nonvested stock units. We refer to the nonvested shares and stock units collectively as “retention awards”. Employees may also participate in our employee stock purchase plan (ESPP).

Information regarding stock-based compensation expense appears in the table below:

Millions, for the three months ended March 31,	***2025***	*2024*
Stock-based compensation, before tax:		
Stock options	**$ 6**	$ 4
Retention awards	**22**	17
ESPP	**6**	5
Total stock-based compensation, before tax	**$ 34**	$ 26
Excess income tax benefits from equity compensation plans	**$ 7**	$ 9

Stock options – Stock options are granted at the closing price on the date of grant, have 10-year contractual terms, and vest no later than 3 years from the date of grant. None of the stock options outstanding at March 31, 2025, is subject to performance or market-based vesting conditions.

The table below shows the annual weighted-average assumptions used for Black-Scholes valuation purposes:

Weighted-average assumptions	***2025***	*2024*
Risk-free interest rate	**4.3%**	4.2%
Dividend yield	**2.2%**	2.1%
Expected life (years)	**4.3**	4.4
Volatility	**22.4%**	28.7%
Weighted-average grant-date fair value of options granted	**$ 48.70**	$ 61.75

The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant; the expected dividend yield is calculated as the ratio of dividends paid per share of common stock to the stock price on the date of grant; the expected life is based on historical and expected exercise behavior; and expected volatility is based on the historical volatility of our stock price over the expected life of the stock option.

A summary of stock option activity during the three months ended March 31, 2025, is presented below:

	Options (thous.)	*Weighted-average exercise price*	*Weighted-average remaining contractual term (in yrs.)*	*Aggregate intrinsic value (millions)*
Outstanding at January 1, 2025	1,981	$ 195.81	5.8	$ 74
Granted	423	243.51	N/A	N/A
Exercised	(223)	164.76	N/A	N/A
Forfeited or expired	-	-	N/A	N/A
Outstanding at March 31, 2025	2,181	$ 208.24	6.3	$ 70
Vested or expected to vest at March 31, 2025	2,160	$ 207.96	6.3	$ 70
Options exercisable at March 31, 2025	1,462	$ 193.18	4.9	$ 66

At March 31, 2025, there was $30 million of unrecognized compensation expense related to nonvested stock options, which is expected to be recognized over a weighted-average period of 1.3 years. Additional information regarding stock option exercises appears in the following table:

Millions, for the three months ended March 31,	***2025***	*2024*
Intrinsic value of stock options exercised	**$ 20**	$ 12
Cash received from option exercises	**41**	15
Treasury shares repurchased for employee payroll taxes	**(6)**	(4)
Income tax benefit realized from option exercises	**2**	3
Aggregate grant-date fair value of stock options vested	**16**	15

Retention awards – Retention awards are granted at no cost to the employee, vest over periods lasting up to 4 years, and have dividends and dividend equivalents paid to participants during the vesting periods.

Changes in our retention awards during the three months ended March 31, 2025, were as follows:

	Shares (thous.)	*Weighted-average grant-date fair value*
Nonvested at January 1, 2025	915	$ 222.50
Granted	228	243.51
Vested	(223)	204.69
Forfeited	(7)	227.18
Nonvested at March 31, 2025	913	$ 232.06

At March 31, 2025, there was $108 million of total unrecognized compensation expense related to nonvested retention awards, which is expected to be recognized over a weighted-average period of 1.5 years

Performance stock unit awards – In February 2025, our Board of Directors approved performance stock unit grants. This plan is based on performance targets for annual return on invested capital (ROIC) and operating income growth (OIG) compared to companies in the S&P 100 Industrials Index plus the Class I railroads. We define ROIC as net operating profit adjusted for interest expense (including interest on average operating lease liabilities) and taxes on interest divided by average invested capital adjusted for average operating lease liabilities.

The February 2025 stock units awarded to executives are subject to continued employment for 37 months, the attainment of certain levels of ROIC, and the relative three-year OIG. We expense two-thirds of the fair value of the units that are probable of being earned based on our forecasted ROIC over the three-year performance period, and with respect to the third year of the plan, we expense the remaining one-third of the fair value subject to the relative three-year OIG. We measure the fair value of performance stock units based upon the closing price of the underlying common stock as of the date of grant. Dividend equivalents are accumulated during the service period and paid to participants only after the units are earned.

Changes in our performance stock unit awards during the three months ended March 31, 2025, were as follows:

	Shares (thous.)	*Weighted-average grant-date fair value*
Nonvested at January 1, 2025	607	$ 219.08
Granted	254	243.51
Vested	(68)	246.21
Unearned	(83)	244.35
Forfeited	(67)	214.99
Nonvested at March 31, 2025	643	$ 223.03

At March 31, 2025, there was $29 million of total unrecognized compensation expense related to nonvested performance stock unit awards, which is expected to be recognized over a weighted-average period of 2.1 years. This expense is subject to achievement of the performance measures established for the performance stock unit grants.

5. Retirement Plans

We provide defined benefit retirement income to eligible non-union employees through qualified and non-qualified (supplemental) pension plans. Qualified and non-qualified pension benefits are based on years of service and the highest compensation during the latest years of employment, with specific reductions made for early retirements. Non-union employees hired on or after January 1, 2018, are no longer eligible for pension benefits, but are eligible for an enhanced 401(k) plan.

Expense

Pension expense is determined based upon the annual service cost of benefits (the actuarial cost of benefits earned during a period) and the interest cost on those liabilities, less the expected return on plan assets. The expected long-term rate of return on plan assets is applied to a calculated value of plan assets that recognizes changes in fair value over a 5-year period. This practice is intended to reduce year-to-year volatility in pension expense, but it can have the effect of delaying the recognition of differences between actual returns on assets and expected returns based on long-term rate of return assumptions. Differences in actual experience in relation to assumptions are not recognized in net income immediately but are deferred in accumulated other comprehensive income/loss and, if necessary, amortized as pension expense.

The components of our net periodic pension benefit/cost were as follows:

Millions, for the three months ended March 31,	***2025***	*2024*
Service cost	**$ 11**	$ 13
Interest cost	**45**	46
Expected return on plan assets	**(60)**	(63)
Amortization of actuarial loss	**2**	2
Net periodic pension (benefit)/cost	**$ (2)**	$ (2)

Cash contributions

For the three months ended March 31, 2025, cash contributions totaled $0 to the qualified pension plans. Any contributions made during 2025 will be based on cash generated from operations and financial market considerations. Our policy with respect to funding the qualified pension plans is to fund at least the minimum required by law and not more than the maximum amount deductible for tax purposes. At March 31, 2025, we do not have minimum cash funding requirements for 2025.

6. Other Income

Other income included the following:

Millions, for the three months ended March 31,	***2025***	*2024*
Real estate income	**$ 64**	$ 65
Net periodic pension benefit/(costs)	**13**	15
Non-operating property environmental remediation and restoration	**(5)**	(6)
Other	**6**	18
Total	**$ 78**	$ 92

7. Earnings Per Share

The following table provides a reconciliation between basic and diluted earnings per share:

Millions, except per share amounts, for the three months ended March 31,	***2025***	*2024*
Net income	**$ 1,626**	$ 1,641
Weighted-average number of shares outstanding:		
Basic	**601.0**	609.2
Dilutive effect of stock options	**0.3**	0.5
Dilutive effect of retention shares and units	**0.6**	0.5
Diluted	**601.9**	610.2
Earnings per share - basic	**$ 2.71**	$ 2.69
Earnings per share - diluted	**$ 2.70**	$ 2.69
Stock options excluded as their inclusion would be anti-dilutive	**0.9**	0.5

8. Accumulated Other Comprehensive Income/Loss

Reclassifications out of accumulated other comprehensive income/loss were as follows (net of tax):

Millions		*Defined benefit plans*	*Foreign currency translation*	*Unrealized gain on derivative instruments [a]*	*Total*
Balance at January 1, 2025	$	(498) $	(241) $	16 $	(723)
Other comprehensive income/(loss) before reclassifications		3	-	-	3
Amounts reclassified from accumulated other comprehensive income/(loss) [b]		-	-	-	-
Net quarter-to-date other comprehensive income/(loss), net of taxes of ($0.2) million		3	-	-	3
Balance at March 31, 2025	$	(495) $	(241) $	16 $	(720)
Balance at January 1, 2024	$	(484) $	(146) $	16 $	(614)
Other comprehensive income/(loss) before reclassifications		2	3	-	5
Amounts reclassified from accumulated other comprehensive income/(loss) [b]		(1)	-	-	(1)
Net quarter-to-date other comprehensive income/(loss), net of taxes of ($0.1) million		1	3	-	4
Balance at March 31, 2024	$	(483) $	(143) $	16 $	(610)

[a] Related to interest rate swaps from equity method investments.
[b] The accumulated other comprehensive income/loss reclassification components are 1) prior service cost/credit and 2) net actuarial loss, which are both included in the computation of net periodic pension benefit/cost. See Note 5 Retirement Plans for additional details.

9. Accounts Receivable

Accounts receivable include freight and other receivables reduced by an allowance for doubtful accounts. At both March 31, 2025, and December 31, 2024, our accounts receivable were reduced by $6 million. Receivables not expected to be collected in one year and the associated allowances are classified as other assets in our Condensed Consolidated Statements of Financial Position. At March 31, 2025, and December 31, 2024, receivables classified as other assets were reduced by allowances of $72 million and $69 million, respectively.

Receivables securitization facility – The Railroad maintains an $800 million, 3-year receivables securitization facility (the Receivables Facility) maturing in July 2025, with the intent to renew under comparable terms and conditions. Under the Receivables Facility, the Railroad sells most of its eligible third-party receivables to Union Pacific Receivables, Inc. (UPRI), a consolidated, wholly-owned, bankruptcy-remote subsidiary that may subsequently transfer, without recourse, an undivided interest in accounts receivable to investors. The investors have no recourse to the Railroad's other assets except for customary warranty and indemnity claims. Creditors of the Railroad do not have recourse to the assets of UPRI.

The amount recorded under the Receivables Facility was $0 at both March 31, 2025, and December 31, 2024. During the three months ended March 31, 2025, we issued $0 and repaid $0 under the Receivables Facility. The Receivables Facility was supported by $1.7 billion and $1.6 billion of accounts receivable as collateral at March 31, 2025, and December 31, 2024, which, as a retained interest, is included in accounts receivable, net in our Condensed Consolidated Statements of Financial Position.

The outstanding amount the Railroad maintains under the Receivables Facility may fluctuate based on current cash needs. The maximum allowed under the Receivables Facility is $800 million with availability directly impacted by eligible receivables, business volumes, and credit risks, including receivables payment quality measures such as default and dilution ratios. If default or dilution ratios increase one percent, the allowable outstanding amount under the Receivables Facility would not materially change.

The costs of the Receivables Facility include interest, which will vary based on prevailing benchmark and commercial paper rates, program fees paid to participating banks, commercial paper issuance costs, and fees of participating banks for unused commitment availability. The costs of the Receivables Facility are included in interest expense and were $1 million for both the three months ended March 31, 2025 and 2024, respectively.

10. Properties

The following tables list the major categories of property and equipment, as well as the weighted-average estimated useful life for each category (in years):

Millions, except estimated useful life *As of March 31, 2025*	*Cost*	*Accumulated depreciation*	*Net book value*	*Estimated useful life*
Land	$ 5,449	N/A	$ 5,449	N/A
Road:				
Rail and other track material	19,392	$ 7,717	11,675	45
Ties	12,473	4,166	8,307	34
Ballast	6,531	2,216	4,315	34
Other roadway [a]	24,041	5,793	18,248	47
Total road	62,437	19,892	42,545	N/A
Equipment:				
Locomotives	9,731	3,785	5,946	18
Freight cars	3,074	1,061	2,013	23
Work equipment and other	1,247	499	748	17
Total equipment	14,052	5,345	8,707	N/A
Technology and other	1,390	611	779	12
Construction in progress	1,230	-	1,230	N/A
Total	$ 84,558	$ 25,848	$ 58,710	N/A

Millions, except estimated useful life *As of December 31, 2024*	*Cost*	*Accumulated depreciation*	*Net book value*	*Estimated useful life*
Land	$ 5,441	N/A	$ 5,441	N/A
Road:				
Rail and other track material	19,283	$ 7,642	11,641	46
Ties	12,358	4,109	8,249	34
Ballast	6,495	2,182	4,313	34
Other roadway [a]	23,913	5,681	18,232	47
Total road	62,049	19,614	42,435	N/A
Equipment:				
Locomotives	9,517	3,724	5,793	18
Freight cars	3,011	1,037	1,974	22
Work equipment and other [b]	1,222	482	740	17
Total equipment	13,750	5,243	8,507	N/A
Technology and other	1,431	640	791	12
Construction in progress	1,169	-	1,169	N/A
Total	$ 83,840	$ 25,497	$ 58,343	N/A

[a] Other roadway includes grading, bridges and tunnels, signals, buildings, and other road assets.
[b] For retirements of depreciable railroad properties that do not occur in the normal course of business, a gain or loss may be recognized if the retirement meets each of the following three conditions: (a) is unusual, (b) is material in amount, and (c) varies significantly from the retirement profile identified through our depreciation studies. In the second quarter of 2024, we sold a large portion of an intermodal equipment asset class resulting in a $46 million gain recognized in other expense in our Condensed Consolidated Statements of Income.

11. Accounts Payable and Other Current Liabilities

Millions	***Mar. 31, 2025***	*Dec. 31, 2024*
Income and other taxes payable	**$ 982**	$ 605
Accounts payable	**898**	847
Compensation-related accruals	**510**	618
Accrued casualty costs	**338**	319
Current operating lease liabilities	**304**	346
Interest payable	**248**	372
Equipment rents payable	**109**	109
Other	**606**	613
Total accounts payable and other current liabilities	**$ 3,995**	$ 3,829

12. Financial Instruments

Short-term investments – All of the Company's short-term investments consist of time deposits and government agency securities. These investments are considered Level 2 investments and are valued at amortized cost, which approximates fair value. As of both March 31, 2025, and December 31, 2024, the Company had $20 million of short-term investments, which is included in other current assets in our Condensed Consolidated Statements of Financial Position. All short-term investments have a maturity of less than one year and are classified as held-to-maturity.

Fair value of financial instruments – The fair value of our short- and long-term debt was estimated using a market value price model, which utilizes applicable U.S. Treasury rates along with current market quotes on comparable debt securities. All of the inputs used to determine the fair market value of the Corporation's long-term debt are Level 2 inputs and obtained from an independent source. At March 31, 2025, the fair value of total debt was $27.4 billion, approximately $5.4 billion less than the carrying value. At December 31, 2024, the fair value of total debt was $25.3 billion, approximately $5.9 billion less than the carrying value. The fair value of the Corporation's debt is a measure of its current value under present market conditions. The fair value of our cash equivalents approximates their carrying value due to the short-term maturities of these instruments.

13. Debt

Credit facilities – At March 31, 2025, we had $2.0 billion of credit available under our revolving credit facility (the Facility), which is designated for general corporate purposes and supports the issuance of commercial paper. Credit facility withdrawals totaled $0 during the three months ended March 31, 2025. Commitment fees and interest rates payable under the Facility are similar to fees and rates available to comparably rated, investment-grade borrowers. The Facility allows for borrowings at floating rates based on Term Secured Overnight Financing Rate (SOFR), plus a spread, depending upon credit ratings for our senior unsecured debt. The Facility, set to expire May 20, 2027, requires UPC to maintain an adjusted debt-to-EBITDA (earnings before interest, taxes, depreciation, and amortization) coverage ratio.

The definition of debt used for purposes of calculating the adjusted debt-to-EBITDA coverage ratio includes, among other things, certain credit arrangements, finance leases, guarantees, unfunded and vested pension benefits under Title IV of the Employee Retirement Income Security Act of 1974 (ERISA), and unamortized debt discount and deferred debt issuance costs. At March 31, 2025 , the Company was in compliance with the adjusted debt-to-EBITDA coverage ratio, which allows us to carry up to $46.7 billion of debt (as defined in the Facility), and we had $34.6 billion of debt (as defined in the Facility) outstanding at that date. The Facility does not include any other financial restrictions, credit rating triggers (other than rating-dependent pricing), or any other provision that could require us to post collateral. The Facility also includes a $150 million cross-default provision and a change-of-control provision.

During the three months ended March 31, 2025, we issued $0 and repaid $0 of commercial paper. At March 31, 2025, we had $0 of commercial paper outstanding. Our revolving credit facility supports our outstanding commercial paper balances, and, unless we change the terms of our commercial paper program, our aggregate issuance of commercial paper will not exceed the amount of borrowings available under the Facility.

Shelf registration statement and significant new borrowings – We filed an automatic shelf registration statement with the SEC that became effective on February 13, 2024. Under our shelf registration, we may issue, from time to time, any combination of debt securities, preferred stock, common stock, or warrants for debt securities or preferred stock in one or more offerings. The Board of Directors authorized the issuance of up to $9.0 billion of debt securities.

During the three months ended March 31, 2025, we issued the following unsecured, fixed-rate debt securities under our shelf registration:

Date	*Description of Securities*
February 13, 2025	$1.00 billion of 5.100% Notes due February 20, 2035
	$1.00 billion of 5.600% Notes due December 1, 2054

We used the net proceeds from the offering for general corporate purposes, including the repurchase of common stock pursuant to our share repurchase programs. These debt securities include change-of-control provisions. At March 31, 2025, we had remaining authority from the Board of Directors to issue up to $7.0 billion of debt securities under our shelf registration.

Receivables securitization facility – As of both March 31, 2025, and December 31, 2024, we recorded $0 of borrowings under our Receivables Facility as secured debt. (See further discussion in the "Receivables Securitization Facility" section of Note 9).

14. Commitments and Contingencies

Asserted and unasserted claims – Various claims and lawsuits are pending against us and certain of our subsidiaries. We cannot fully determine the effect of all asserted and unasserted claims on our consolidated results of operations, financial condition, or liquidity. We have recorded a liability where asserted and unasserted claims are considered probable and where such claims can be reasonably estimated. We currently do not expect that any known lawsuits, claims, environmental costs, commitments, contingent liabilities, or guarantees will have a material adverse effect on our consolidated results of operations, financial condition, or liquidity after taking into account liabilities and insurance recoveries previously recorded for these matters.

In December 2019, we received a putative class action complaint under the Illinois Biometric Information Privacy Act, alleging violation due to the use of a finger scan system developed and managed by third parties. While we believe that we have strong defenses to the claims made in the complaint and will vigorously defend ourselves, there is no assurance regarding the ultimate outcome. The outcome of this litigation is inherently uncertain, and we cannot reasonably estimate any loss or range of loss that may arise from this matter.

Personal injury – The Federal Employers' Liability Act (FELA) governs compensation for work-related accidents. Under FELA, damages are assessed based on a finding of fault through litigation or out-of-court settlements. We offer a comprehensive variety of services and rehabilitation programs for employees who are injured at work.

Because of the uncertainty surrounding the ultimate outcome of personal injury claims, it is reasonably possible that future costs to settle these claims may range from approximately $365 million to $480 million. We record an accrual at the low end of the range as no amount of loss within the range is more probable than any other. Estimates can vary over time due to evolving trends in litigation.

Our personal injury liability activity was as follows:

Millions, for the three months ended March 31,	***2025***	*2024*
Beginning balance	**$ 379**	$ 383
Current year accruals	**26**	29
Changes in estimates for prior years	**2**	(4)
Payments	**(42)**	(32)
Ending balance at March 31,	**$ 365**	$ 376
Current portion, ending balance at March 31,	**$ 117**	$ 112

Environmental costs – We are subject to federal, state, and local environmental laws and regulations. We have identified 352 sites where we are or may be liable for remediation costs associated with alleged contamination or for violations of environmental requirements. This includes 31 sites that are the subject of actions taken by the U.S. government, including 19 that are currently on the Superfund National Priorities List. Certain federal legislation imposes joint and several liability for the remediation of identified sites; consequently, our ultimate environmental liability may include costs relating to activities of other parties, in addition to costs relating to our own activities at each site.

Our environmental liability activity was as follows:

Millions, for the three months ended March 31,	***2025***	*2024*
Beginning balance	**$ 268**	$ 245
Accruals	**17**	28
Payments	**(21)**	(19)
Ending balance at March 31,	**$ 264**	$ 254
Current portion, ending balance at March 31,	**$ 76**	$ 92

The environmental liability includes future costs for remediation and restoration of sites, as well as ongoing monitoring costs, but excludes any anticipated recoveries from third parties. Cost estimates are based on information available for each site, financial viability of other potentially responsible parties, and existing technology, laws, and regulations. The ultimate liability for remediation is difficult to determine because of the number of potentially responsible parties, site-specific cost sharing arrangements with other potentially responsible parties, the degree of contamination by various wastes, the scarcity and quality of volumetric data related to many of the sites, and the speculative nature of remediation costs. Estimates of liability may vary over time due to changes in federal, state, and local laws governing environmental remediation. Current obligations are not expected to have a material adverse effect on our consolidated results of operations, financial condition, or liquidity.

Indemnities – Our maximum potential exposure under indemnification arrangements, including certain tax indemnifications, can range from a specified dollar amount to an unlimited amount, depending on the nature of the transactions and the agreements. Due to uncertainty as to whether claims will be made or how they will be resolved, we cannot reasonably determine the probability of an adverse claim or reasonably estimate any adverse liability or the total maximum exposure under these indemnification arrangements. We do not have any reason to believe that we will be required to make any material payments under these indemnity provisions.

15. Share Repurchase Programs

Effective April 1, 2025, our Board of Directors authorized the repurchase of up to 100 million shares of our common stock by March 31, 2028. These repurchases may be made on the open market or through other transactions. Our management has sole discretion with respect to determining the timing and amount of these transactions.

Our previous authorization, which was effective April 1, 2022, through March 31, 2025, was approved by our Board of Directors for up to 100 million shares of common stock. As of March 31, 2025, we repurchased a total of 31.7 million shares of our common stock under the 2022 authorization.

The table below represents shares repurchased under repurchase programs in the three months ended March 31, 2025 and 2024:

	Number of shares purchased		*Average price paid [a]*	
	2025	*2024*	***2025***	*2024*
First quarter [b]	**5,745,601**	-	**$ 250.74**	$ -

[a] In the period of the final settlement, the average price under the accelerated share repurchase programs is calculated based on the total program value less the value assigned to the initial delivery of shares. The average price of the initial settlement of the 2025 accelerated share repurchase programs was $251.73.

[b] Includes 4,815,022 shares repurchased in February 2025 under accelerated share repurchase programs.

Management's assessments of market conditions and other pertinent factors guide the timing, manner, and volume of all repurchases. We expect to fund any share repurchases under this program through cash generated from operations, the sale or lease of various operating and non-operating properties, debt issuances, and cash on hand. Open market repurchases are recorded in treasury stock at cost, which includes any applicable commissions, fees, and excise taxes.

Subsequent event – From April 1, 2025, through April 23, 2025, we repurchased 2.0 million shares at an aggregate cost of approximately $434 million.

Accelerated share repurchase programs – The Company has established accelerated share repurchase programs (ASRs) with financial institutions to repurchase shares of our common stock. These ASRs have been structured so that at the time of commencement, we pay a specified amount to the financial institutions and receive an initial delivery of shares. Additional shares may be received at the time of settlement. The final number of shares to be received is based on the volume weighted average price of the Company's common stock during the ASR term, less a discount and subject to potential adjustments pursuant to the terms of such ASR.

On February 18, 2025, the Company received 4,815,022 shares of its common stock repurchased under ASRs for an aggregate of $1.5 billion. When the shares were received, the exchange was accounted for as an equity transaction with $1.2 billion of the aggregate amount allocated to treasury stock and the remaining $0.3 billion allocated to paid-in-surplus. This delivery of shares represents the initial and likely minimum number of shares that we may receive under the ASRs initiated in 2025. The final settlement is expected to be completed prior to the end of the third quarter of 2025.

ASRs are accounted for as equity transactions, and at the time of receipt, shares are included in treasury stock at fair market value as of the corresponding initiation or settlement date. The Company reflects shares received as a repurchase of common stock in the weighted average common shares outstanding calculation for basic and diluted earnings per share.

16. Related Parties

UPRR and other North American railroad companies jointly own TTX Company (TTX). UPRR has a 37.03% economic interest in TTX while the other North American railroads own the remaining interest. In accordance with ASC 323 *Investments - Equity Method and Joint Venture*, UPRR applies the equity method of accounting to our investment in TTX.

TTX is a rail car pooling company that owns rail cars and intermodal wells to serve North America’s railroads. TTX assists railroads in meeting the needs of their customers by providing rail cars in an efficient, pooled environment. All railroads may utilize TTX rail cars through car hire (i.e., renting rail cars at stated rates).

UPRR had $1.9 billion recognized as investments related to TTX in our Condensed Consolidated Statements of Financial Position as of both March 31, 2025, and December 31, 2024. TTX car hire expense of $112 million and $102 million for the three months ended March 31, 2025 and 2024, respectively, are included in equipment and other rents in our Condensed Consolidated Statements of Income. In addition, UPRR had accounts payable to TTX of $74 million and $70 million at March 31, 2025, and December 31, 2024, respectively.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES
RESULTS OF OPERATIONS

Three months ended March 31, 2025, compared to
three **months ended March 31, 2024**

For purposes of this report, unless the context otherwise requires, all references herein to "Union Pacific", “UPC”, “Corporation”, “Company”, “we”, “us”, and “our” shall mean Union Pacific Corporation and its subsidiaries, including Union Pacific Railroad Company, which we separately refer to as “UPRR” or the “Railroad”.

The following discussion should be read in conjunction with the Condensed Consolidated Financial Statements and applicable notes to the Condensed Consolidated Financial Statements, Item 1, and other information included in this report. Our Condensed Consolidated Financial Statements are unaudited and reflect all adjustments (consisting only of normal and recurring adjustments) that are, in the opinion of management, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America (GAAP).

The Railroad, along with its subsidiaries and rail affiliates, is our one reportable business segment. Although revenues are analyzed by commodity, we analyze the net financial results of the Railroad as one segment due to the integrated nature of the rail network.

Critical accounting estimates

The preparation of these financial statements requires estimation and judgment that affect the reported amounts of revenues, expenses, assets, and liabilities. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. If these estimates differ materially from actual results, the impact on the Condensed Consolidated Financial Statements may be material. Our critical accounting estimates are available in Item 7 of our 2024 Annual Report on Form 10-K. During the first three months of 2025, there have not been any significant changes with respect to our critical accounting estimates.

RESULTS OF OPERATIONS

Quarterly summary

The Company reported earnings of $2.70 per diluted share on net income of $1.6 billion and an operating ratio of 60.7% in the first quarter of 2025 compared to earnings of $2.69 per diluted share on net income of $1.6 billion and an operating ratio of 60.7% for the first quarter of 2024. Freight revenues increased 1% in the first quarter of 2025 compared to the same period in 2024 driven by a 7% volume increase and core pricing gains, largely offset by unfavorable business mix (for example, a relative increase in international intermodal shipments, which have a lower average revenue per car (ARC)), lower fuel surcharge revenues, and one less day due to leap year in 2024. Volume increases were primarily driven by international intermodal and coal, partially offset by weaker demand for automotive and decreased petroleum product shipments.

Second half of 2024's operating momentum continued as we ran a fluid network in the first quarter of 2025 while handling 7% more volume than last year, including elevated international intermodal business, which was 33% more than first quarter of 2024. Terminal dwell and freight car velocity are key indicators of that fluidity, both improving 6% compared to last year. We continue to utilize our resources effectively as locomotive productivity improved 1% and workforce productivity improved 9% year-over-year. Manifest service performance index and train length improved from the first quarter of 2024, while intermodal service performance index was essentially flat.

Operating expenses decreased slightly compared to the first quarter of 2024 due to productivity and lower fuel prices. These decreases were partially offset by volume-related costs, inflation, and higher depreciation. Operating income of $2.4 billion and operating ratio of 60.7% remained unchanged from last year, despite the business mix, fuel price impact, and having one less day in 2025.

Operating revenues

Millions, for the three months ended March 31,	***2025***	*2024*	***Change %***
Freight revenues	**$ 5,691**	$ 5,616	**1%**
Other subsidiary revenues	**194**	217	**(11)**
Accessorial revenues	**118**	174	**(32)**
Other	**24**	24	**-**
Total	**$ 6,027**	$ 6,031	**-%**

We generate freight revenues by transporting products from our three commodity groups. Freight revenues vary with volumes (carloads) and ARC. Changes in price, traffic mix, and fuel surcharges drive ARC. Customer incentives, which are primarily provided for shipping to/from specific locations or based on cumulative volumes, are recorded as a reduction to operating revenues. Customer incentives that include variable consideration based on cumulative volumes are estimated using the expected value method, which is based on available historical, current, and forecasted volumes, and recognized as the related performance obligation is satisfied. We recognize freight revenues over time as shipments move from origin to destination. The allocation of revenues between reporting periods is based on the relative transit time in each reporting period with expenses recognized as incurred.

Other subsidiary revenues (primarily logistics and commuter rail operations) are generally recognized over time as shipments move from origin to destination. The allocation of revenues between reporting periods is based on the relative transit time in each reporting period with expenses recognized as incurred. Accessorial revenues are recognized at a point in time as performance obligations are satisfied.

Freight revenues increased 1% in the first quarter of 2025 compared to the same period in 2024 driven by a 7% increase in volumes and core pricing gains, largely offset by unfavorable business mix (for example, a relative increase in international intermodal shipments, which have a lower ARC), lower fuel surcharge revenues, and one less day due to leap year in 2024. Volume increases were primarily driven by international intermodal and coal, partially offset by weaker demand for automotive and decreased petroleum product shipments.

Each of our commodity groups includes revenues from fuel surcharges. Freight revenues from fuel surcharge programs decreased $100 million to $565 million in the first quarter of 2025 compared to $665 million in the same period of 2024 due to lower fuel prices and the lag impact on fuel prices (it can generally take up to two months for changing fuel prices to affect fuel surcharge recoveries), partially offset by higher volumes.

Other subsidiary revenues decreased in the first quarter of 2025 compared to 2024 primarily driven by the partial transfer of our commuter operations to Metra and a weaker demand for intermodal shipments at our subsidiary that brokers intermodal and transload logistics services. Accessorial revenues decreased in the first quarter of 2025 compared to 2024 driven by lower intermodal accessorial revenues as a result of our intermodal equipment sale and a one-time contract settlement recognized in the first quarter of 2024.

The following tables summarize the year-over-year changes in freight revenues, revenue carloads, and ARC by commodity type:

Freight revenues

Millions, for the three months ended March 31,	***2025***	*2024*	***Change %***
Grain & grain products	**$ 950**	$ 943	**1%**
Fertilizer	**210**	201	**4**
Food & refrigerated	**260**	285	**(9)**
Coal & renewables	**416**	388	**7**
Bulk	**1,836**	1,817	**1**
Industrial chemicals & plastics	**607**	572	**6**
Metals & minerals	**521**	515	**1**
Forest products	**321**	338	**(5)**
Energy & specialized markets	**633**	679	**(7)**
Industrial	**2,082**	2,104	**(1)**
Automotive	**581**	611	**(5)**
Intermodal	**1,192**	1,084	**10**
Premium	**1,773**	1,695	**5**
Total	**$ 5,691**	$ 5,616	**1%**

Revenue carloads

Thousands, for the three months ended March 31,	***2025***	*2024*	***Change %***
Grain & grain products	**214**	210	**2%**
Fertilizer	**49**	47	**4**
Food & refrigerated	**43**	46	**(7)**
Coal & renewables	**185**	177	**5**
Bulk	**491**	480	**2**
Industrial chemicals & plastics	**169**	164	**3**
Metals & minerals	**174**	170	**2**
Forest products	**51**	53	**(4)**
Energy & specialized markets	**143**	154	**(7)**
Industrial	**537**	541	**(1)**
Automotive	**195**	207	**(6)**
Intermodal [a]	**874**	739	**18**
Premium	**1,069**	946	**13**
Total	**2,097**	1,967	**7%**

Average revenue per car

For the three months ended March 31,	***2025***	*2024*	***Change %***
Grain & grain products	**$ 4,434**	$ 4,494	**(1%)**
Fertilizer	**4,339**	4,271	**2**
Food & refrigerated	**6,058**	6,231	**(3)**
Coal & renewables	**2,250**	2,189	**3**
Bulk	**3,744**	3,787	**(1)**
Industrial chemicals & plastics	**3,601**	3,486	**3**
Metals & minerals	**2,986**	3,030	**(1)**
Forest products	**6,264**	6,297	**(1)**
Energy & specialized markets	**4,433**	4,416	**-**
Industrial	**3,877**	3,886	**-**
Automotive	**2,971**	2,947	**1**
Intermodal [a]	**1,364**	1,468	**(7)**
Premium	**1,658**	1,792	**(7)**
Average	**$ 2,714**	$ 2,855	**(5%)**

[a] For intermodal shipments each container or trailer equals one carload.

Bulk – Bulk includes shipments of grain and grain products, fertilizer, food and refrigerated, and coal and renewables. Freight revenues from bulk shipments increased in the first quarter of 2025 compared to 2024 due to core pricing gains and a 2% volume increase, partially offset by business mix from increased coal shipments and lower fuel surcharge revenues. The volume increase was driven by higher demand for coal used in electricity generation, due to colder weather and higher natural gas prices, and strength in export grain and grain products from increased soybean crush production and strong ethanol demand.

Industrial – Industrial includes shipments of industrial chemicals and plastics, metals and minerals, forest products, and energy and specialized markets. Freight revenues from industrial shipments decreased in the first quarter of 2025 compared to 2024 due to business mix from decreased soda ash and lumber shipments, lower fuel surcharge revenues, and volume declines, partially offset by core pricing gains. Volume decreases in first quarter of 2025 compared to 2024 were driven by decreased shipments of petroleum due to business losses, a weaker global soda ash market, and a soft housing market along with ongoing tariff uncertainties that drove declines in lumber. Partially offsetting some of the volume declines was strength in rock, industrial chemicals, and plastics.

Premium – Premium includes shipments of finished automobiles, automotive parts, and merchandise in intermodal containers, both domestic and international. Premium freight revenues increased in the first quarter of 2025 compared to 2024 due to a 13% rise in volume and core pricing gains, partially offset by business mix and lower fuel surcharge revenues. The volume increase was primarily due to continued elevated U.S. West Coast imports in the first quarter of 2025, reflecting a 33% increase compared to the first quarter of 2024. In addition, business development efforts in domestic intermodal contributed to year-over-year volume growth. Automotive shipments decreased in the first quarter of 2025 compared to 2024 due to reduced production and tariff uncertainties, which offset some of the volume gains from intermodal shipments.

Mexico business – Freight revenues from each of our commodity groups includes revenues from shipments to and from Mexico, which decreased 9% to $719 million in the first quarter of 2025 compared to 2024 driven by a 5% volume decline and a 4% decrease in ARC. Volume declines were driven by lower automotive shipments in both parts and finished vehicles.

Operating expenses

Millions, for the three months ended March 31,	***2025***	*2024*	***Change %***
Compensation and benefits	**1,212**	1,223	**(1%)**
Purchased services and materials	**631**	613	**3**
Depreciation	**610**	594	**3**
Fuel	**603**	658	**(8)**
Equipment and other rents	**241**	216	**12**
Other	**359**	355	**1**
Total	**$ 3,656**	$ 3,659	**-%**

Operating expenses decreased slightly in the first quarter of 2025 compared to 2024 driven by productivity and lower fuel prices. These decreases were partially offset by volume-related costs, inflation, and higher depreciation.

Compensation and benefits – Compensation and benefits include wages, payroll taxes, health and welfare costs, pension costs, and incentive costs. For the first quarter of 2025, expense decreased 1% compared to 2024 due to lower employee levels, partially offset by wage inflation.

Purchased services and materials – Expense for purchased services and materials includes the costs of services purchased from outside contractors and other service providers (including equipment maintenance and contract expense incurred by our subsidiaries for external transportation services); materials used to maintain the Railroad's lines, structures, and equipment; costs of operating facilities jointly used by UPRR and other railroads; transportation and lodging for train crew employees; trucking and contracting costs for intermodal containers; leased automobile maintenance expense; and tools and supplies. Purchased services and materials increased 3% in the first quarter of 2025 compared to 2024, driven by inflation, volume-related costs (including an increase in our active locomotive fleet), and a 2024 favorable contract settlement, partially offset by decreased volume-related drayage costs incurred at one of our subsidiaries.

Depreciation – The majority of depreciation relates to road property, including rail, ties, ballast, and other track material. Depreciation expense was up 3% for the first quarter of 2025 compared to 2024, driven by a higher depreciable asset base.

Fuel – Fuel includes locomotive fuel and gasoline for highway and non-highway vehicles and heavy equipment. Fuel expense decreased in the first quarter of 2025 compared to the same period in 2024 driven by a decrease in locomotive diesel fuel prices and a 1% improvement in the fuel consumption rate (computed as gallons of fuel consumed divided by gross ton-miles in thousands), partially offset by an increase in gross ton-miles. Locomotive diesel fuel prices averaged $2.51 and $2.81 per gallon (including taxes and transportation costs) in the first quarter of 2025 and 2024, respectively.

Equipment and other rents – Equipment and other rents expense primarily includes rental expense that the Railroad pays for freight cars owned by other railroads or private companies; freight car, intermodal, and locomotive leases; and office and other rent expense, offset by equity income from certain equity method investments. Equipment and other rents expense increased 12% in the first quarter of 2025 compared to 2024, driven by increased car hire for auto racks, inflation, and increased demand in business (mainly intermodal) utilizing freight cars owned by others, partially offset by a reduction in equipment leases.

Other – Other expense includes state and local taxes; freight, equipment, and property damage; utilities; insurance; personal injury; environmental remediation; employee travel; telephone and cellular; computer software; bad debt; and other general expenses. Other expense increased 1% in the first quarter of 2025 compared to 2024, driven by higher costs associated with destroyed equipment, partially offset by lower bad debt expense and environmental remediation costs.

Non operating items

Millions, for the three months ended March 31,	***2025***	*2024*	***Change %***
Other income, net	**$ 78**	$ 92	**(15)%**
Interest expense	**(322)**	(324)	**(1)**
Income tax expense	**(501)**	(499)	**-**

Other income, net – Other income decreased in the first quarter of 2025 compared to 2024. See Note 6 to the Condensed Consolidated Financial Statements, Item 1, for additional detail.

Interest expense – Interest expense decreased in the first quarter of 2025 compared to 2024 due to a decreased weighted-average debt level of $31.9 billion in 2025 compared to $32.3 billion in 2024, partially offset by a slightly higher effective interest rate of 4.1% in 2025 compared to 4.0% in 2024.

Income tax expense – Income tax expense was essentially flat in the first quarter of 2025 compared to 2024. Our effective tax rates for the first quarter 2025 and 2024 were 23.6% and 23.3%, respectively.

OTHER OPERATING/PERFORMANCE AND FINANCIAL STATISTICS

We report a number of key performance measures weekly to the Surface Transportation Board (STB). We provide these on our website at https://investor.unionpacific.com/key-performance-metrics.

Operating/performance statistics

Management continuously monitors these key operating metrics to evaluate our operational efficiency in striving to deliver the service product we sold to our customers.

Railroad performance measures are included in the table below:

For the three months ended March 31,	***2025***	*2024*	***Change %***
Gross ton-miles (GTMs) (billions)	**212.8**	206.0	**3%**
Revenue ton-miles (billions)	**104.0**	101.3	**3**
Freight car velocity (daily miles per car) [a]	**215**	203	**6**
Average train speed (miles per hour) [a]	**23.7**	24.1	**(2)**
Average terminal dwell time (hours) [a]	**22.1**	23.5	**(6)**
Locomotive productivity (GTMs per horsepower day)	**136**	135	**1**
Train length (feet)	**9,490**	9,287	**2**
Intermodal service performance index (%)	**94**	95	**(1)pts**
Manifest service performance index (%)	**93**	87	**6pts**
Workforce productivity (car miles per employee)	**1,091**	1,000	**9**
Total employees (average)	**30,146**	31,052	**(3)**
Operating ratio (%)	**60.7**	60.7	**-pts**

[a] As reported to the STB.

Gross and revenue ton-miles – Gross ton-miles are calculated by multiplying the weight of loaded and empty freight cars by the number of miles hauled. Revenue ton-miles are calculated by multiplying the weight of freight by the number of rate miles. Both gross ton-miles and revenue ton-miles increased 3%, in the first quarter of 2025 compared to 2024, while carloadings increased 7% in the first quarter of 2025 compared to 2024. Changes in business mix drove the year-over-year variances between gross ton-miles, revenue ton-miles, and carloads due to increased international intermodal shipments that are generally lighter.

Freight car velocity – Freight car velocity measures the average daily miles per car on our network. The two key drivers of this metric are the speed of the train between terminals (average train speed) and the time a rail car spends at the terminals (average terminal dwell time). Freight car velocity increased 6% in the first quarter of 2025 compared to 2024 driven by a 6% improvement in terminal dwell.

Locomotive productivity – Locomotive productivity is gross ton-miles per average daily locomotive horsepower available. Locomotive productivity increased 1% in the first quarter of 2025 compared to 2024 driven by improved network fluidity and asset utilization despite the increase in active fleet to handle the additional volumes.

Train length – Train length is the average maximum train length on a route measured in feet. Our train length increased 2% in the first quarter of 2025 compared to 2024 due to train length improvement initiatives and increases in international intermodal shipments.

Service performance index (SPI) – SPI is a ratio of the service customers are currently receiving relative to the best monthly performance over the last three years. Measuring our performance relative to a historical benchmark demonstrates our focus on continuously improving service for our customers. Our SPI is calculated for intermodal and manifest products. Intermodal SPI was essentially flat in the first quarter of 2025 compared to 2024, while handling 18% more volume. Manifest SPI improved 6 points in the first quarter of 2025 compared to 2024 driven by improved network fluidity.

Workforce productivity – Workforce productivity is average daily car miles per employee. Workforce productivity improved 9% in the first quarter of 2025 as average daily car miles increased 6% and employees decreased 3% compared to 2024. In the first quarter of 2025, we continued to adjust our active train, engine, and yard (TE&Y) workforce to enable responsiveness in an ever-changing demand and operating environment. As a result, we were able to handle 7% more volume with 1% fewer active TE&Y employees.

Operating ratio – Operating ratio is our operating expenses reflected as a percentage of operating revenues. Our operating ratio of 60.7% for the first quarter of 2025 was consistent with 2024 driven by core pricing gains and productivity initiatives, offset by the year-over-year impact of the business mix, inflation, the year-over-year impact from lower fuel prices, and other costs.

Debt / net income

Millions, except ratios for the trailing twelve months ended [1]	***Mar. 31, 2025***	*Dec. 31, 2024*
Debt	**$ 32,842**	$ 31,192
Net income	**6,732**	6,747
Debt / net income	**4.9**	4.6

Adjusted debt / adjusted EBITDA

Millions, except ratios for the trailing twelve months ended [1]	***Mar. 31, 2025***	*Dec. 31, 2024*
Net income	**$ 6,732**	$ 6,747
Add:		
Income tax expense	**2,049**	2,047
Depreciation	**2,414**	2,398
Interest expense	**1,267**	1,269
EBITDA	**$ 12,462**	$ 12,461
Adjustments:		
Other income, net	**(336)**	(350)
Interest on operating lease liabilities [2]	**40**	48
Adjusted EBITDA (a)	**$ 12,166**	$ 12,159
Debt	**$ 32,842**	$ 31,192
Operating lease liabilities	**1,062**	1,271
Adjusted debt (b)	**$ 33,904**	$ 32,463
Adjusted debt / adjusted EBITDA (b/a)	**2.8**	2.7

[1] The trailing twelve months income statement information ended March 31, 2025, is recalculated by taking the twelve months ended December 31, 2024, subtracting the three months ended March 31, 2024, and adding the three months ended March 31, 2025.

[2] Represents the hypothetical interest expense we would incur (using the incremental borrowing rate) if the property under our operating leases were owned or accounted for as finance leases.

Adjusted debt (total debt plus operating lease liabilities plus after-tax unfunded pension and OPEB (other post-retirement benefit) obligations) to adjusted EBITDA (earnings before interest, taxes, depreciation, amortization, and adjustments for other income and interest on present value of operating leases) is considered a non-GAAP financial measure by SEC Regulation G and Item 10 of SEC Regulation S-K and may not be defined and calculated by other companies in the same manner. We believe this measure is important to management and investors in evaluating the Company's ability to sustain given debt levels (including leases) with the cash generated from operations. In addition, a comparable measure is used by rating agencies when reviewing the Company's credit rating. Adjusted debt to adjusted EBITDA should be considered in addition to, rather than as a substitute for, other information provided in accordance with GAAP. The most comparable GAAP measure is debt to net income ratio. The tables above provide reconciliations from net income to adjusted EBITDA, debt to adjusted debt, and debt to net income to adjusted debt to adjusted EBITDA. At both March 31, 2025, and December 31, 2024, the incremental borrowing rate on operating leases was 3.8%. Pension and OPEB were funded at March 31, 2025, and December 31, 2024.

LIQUIDITY AND CAPITAL RESOURCES

Financial condition

Cash flows

Millions, for the three months ended March 31,	***2025***	*2024*
Cash provided by operating activities	**$ 2,210**	$ 2,122
Cash used in investing activities	**(938)**	(802)
Cash used in financing activities	**(878)**	(1,451)
Net change in cash, cash equivalents, and restricted cash	**$ 394**	$ (131)

Operating activities

Cash provided by operating activities increased slightly in the first three months of 2025 compared to the same period of 2024.

Investing activities

Cash used in investing activities increased in the first three months of 2025 compared to the same period of 2024 driven by the timing of capital investments.

The table below details cash capital investments:

Millions, for the three months ended March 31,		***2025***		*2024*
Rail and other track material	**$**	**118**	$	124
Ties		**141**		100
Ballast		**43**		35
Other [a]		**127**		120
Total road infrastructure replacements		**429**		379
Line expansion and other capacity projects		**48**		40
Commercial facilities		**77**		38
Total capacity and commercial facilities		**125**		78
Locomotives and freight cars [b]		**257**		246
Technology and other		**95**		94
Total cash capital investments [c]	**$**	**906**	$	797

[a] Other includes bridges and tunnels, signals, other road assets, and road work equipment.
[b] Locomotives and freight cars include early lease buyouts of $127 million in 2025 and $96 million in 2024.
[c] Weather-related damages for the three months ended March 31, 2025 and 2024, are immaterial.

Capital plan

In 2025, we expect our capital plan to be approximately $3.4 billion, consistent with 2024. We plan to continue to make investments to support our growth strategy, improve the safety, resiliency, and operational efficiency of the network, harden our infrastructure, and replace older assets, including modernization of our locomotive fleet and acquiring freight cars to support replacement and growth opportunities. In addition, the plan includes investments in growth-related projects to drive more carloads to the network and enhance productivity. This includes siding construction and extension projects, terminal investments supporting our manifest network, and investments in certain ramps to efficiently handle volumes from new and existing intermodal customers. The capital plan may be revised if business conditions warrant or if laws or regulations affect our ability to generate sufficient returns on these investments.

Financing activities

Cash used in financing activities decreased in the first three months of 2025 compared to the same period of 2024 driven by an increase of debt issued and less debt repaid, partially offset by more share repurchases, including entering into accelerated share repurchase programs.

See Note 13 of the Condensed Consolidated Financial Statements, Item 1, for a description of all our outstanding financing arrangements and significant new borrowings and Note 15 of the Condensed Consolidated Financial Statements, Item 1, for a description of our share repurchase programs.

Free cash flow – Free cash flow is defined as cash provided by operating activities less cash used in investing activities and dividends paid. Cash flow conversion rate is defined as cash provided by operating activities less cash used for capital investments as a ratio of net income.

Free cash flow and cash flow conversion rate are not considered financial measures under GAAP by SEC Regulation G and Item 10 of SEC Regulation S-K and may not be defined and calculated by other companies in the same manner. We believe free cash flow and cash flow conversion rate are important to management and investors in evaluating our financial performance and measures our ability to generate cash without external financing. Free cash flow and cash flow conversion rate should be considered in addition to, rather than as a substitute for, cash provided by operating activities.

The following table reconciles cash provided by operating activities (GAAP measure) to free cash flow (non-GAAP measure):

Millions, for the three months ended March 31,	***2025***	*2024*
Cash provided by operating activities	**$ 2,210**	$ 2,122
Cash used in investing activities	**(938)**	(802)
Dividends paid	**(804)**	(795)
Free cash flow	**$ 468**	$ 525

The following table reconciles cash provided by operating activities (GAAP measure) to cash flow conversion rate (non-GAAP measure):

Millions, except percentages, for the three months ended March 31,	***2025***	*2024*
Cash provided by operating activities	**$ 2,210**	$ 2,122
Cash used in capital investments	**(906)**	(797)
Total (a)	**$ 1,304**	$ 1,325
Net income (b)	**$ 1,626**	$ 1,641
Cash flow conversion rate (a/b)	**80%**	81%

Current liquidity status

We are continually evaluating our financial condition and liquidity. We analyze a wide range of economic scenarios and the impact on our ability to generate cash. These analyses inform our liquidity plans and activities outlined below and indicate we have sufficient borrowing capacity to sustain an extended period of lower volumes.

During the first quarter of 2025, we generated $2.2 billion of cash provided by operating activities, paid our quarterly dividend, and repurchased $1.4 billion worth of shares under our share repurchase programs, including entering into accelerated share repurchase programs for $1.5 billion ($1.2 billion assigned to the initial delivery of shares). On March 31, 2025, we had $1.4 billion of cash and cash equivalents, $2.0 billion of credit available under our revolving credit facility, and up to $800 million undrawn on the Receivables Facility. In January 2025, we redeemed all $350 million of outstanding 3.25% notes due January 15, 2025. In February 2025, we issued $2.0 billion of debt (see Note 13 to the Condensed Consolidated Financial Statements, Item 1). We have been, and we expect to continue to be, in compliance with our debt covenants.

As described in the notes to the Condensed Consolidated Financial Statements and as referenced in the table below, we have contractual obligations that may affect our financial condition. Based on our assessment of the underlying provisions and circumstances of our contractual obligations, other than the risks that we and other similarly situated companies face with respect to the condition of the capital markets, as of the date of this filing, there is no known trend, demand, commitment, event, or uncertainty that is reasonably likely to occur that would have a material adverse effect on our consolidated results of operations, financial condition, or liquidity. In addition, our commercial obligations, financings, and commitments are customary transactions that are like those of other comparable corporations, particularly within the transportation industry.

The following table identifies material contractual obligations as of March 31, 2025:

		Apr. 1, through	Payments Due by Dec. 31,				
Millions	*Total*	*Dec. 31, 2025*	*2026*	*2027*	*2028*	*2029*	*After 2029*
Debt [a]	$ 61,298	$ 1,874	$ 2,724	$ 2,455	$ 2,402	$ 2,360	$ 49,483
Purchase obligations [b]	1,790	568	621	264	195	134	8
Operating leases [c]	1,176	182	268	219	171	123	213
Other post-retirement benefits [d]	368	29	39	38	38	38	186
Finance lease obligations [e]	136	23	42	36	14	21	-
Total contractual obligations	$ 64,768	$ 2,676	$ 3,694	$ 3,012	$ 2,820	$ 2,676	$ 49,890

[a] Excludes finance lease obligations of $124 million as well as unamortized discount and deferred issuance costs of ($1,707) million. Includes an interest component of $26,873 million.

[b] Purchase obligations include locomotive maintenance contracts; purchase commitments for ties, ballast, and rail; and agreements to purchase other goods and services.

[c] Includes leases for locomotives, freight cars, other equipment, and real estate. Includes an interest component of $114 million.

[d] Includes estimated other post-retirement, medical, and life insurance payments and payments made under the unfunded pension plan for the next ten years.

[e] Represents total obligations, including interest component of $12 million.

OTHER MATTERS

Asserted and unasserted claims – See Note 14 to the Condensed Consolidated Financial Statements, Item 1.

Indemnities – See Note 14 to the Condensed Consolidated Financial Statements, Item 1.

CAUTIONARY INFORMATION

Certain statements in this report, and statements in other reports or information filed or to be filed with the SEC (as well as information included in oral statements or other written statements made or to be made by us), are, or will be, forward-looking statements as defined by the Securities Act of 1933 and the Securities Exchange Act of 1934. These forward-looking statements and information include, without limitation, statements and information set forth under the captions “Liquidity and Capital Resources” regarding our capital plan, share repurchase programs, contractual obligations, and "Other Matters" in this Item 2 of Part I. Forward-looking statements and information also include any other statements or information in this report (including information incorporated herein by reference) regarding: potential impacts of public health crises, including pandemics, epidemics, and the outbreak of other contagious disease, such as the coronavirus and its variant strains (COVID); the Russia-Ukraine and Israel-Hamas wars and other geopolitical tensions in the Middle East, and any impacts on our business operations, financial results, liquidity, and financial position, and on the world economy (including customers, employees, and supply chains), including as a result of fluctuations in volumes and carloadings; closing of customer manufacturing, distribution or production facilities; expectations as to operational or service improvements; expectations as to hiring challenges; availability of employees; expectations regarding the effectiveness of steps taken or to be taken to improve operations, service, infrastructure improvements, and transportation plan modifications (including those discussed in response to increased traffic); expectations as to cost savings, revenue growth, and earnings; the time by which goals, targets, aspirations, or objectives will be achieved; projections, predictions, expectations, estimates, or forecasts as to our business, financial, and operational results, future economic performance, and general economic conditions; proposed new products and services; estimates of costs relating to environmental remediation and restoration; estimates and expectations regarding tax matters; estimates and expectations regarding current or potential tariffs; expectations that claims, litigation, environmental costs, commitments, contingent liabilities, labor negotiations or agreements, cyber-attacks or other matters will not have a material adverse effect on our consolidated results of operations, financial condition, or liquidity and any other similar expressions concerning matters that are not historical facts. Forward-looking statements may be identified by their use of forward-looking terminology, such as “believes,” “expects,” “may,” “should,” “would,” “will,” “intends,” “plans,” “estimates,” “anticipates,” “projects,” and similar words, phrases, or expressions.

Forward-looking statements should not be read as a guarantee of future performance, results, or outcomes, and will not necessarily be accurate indications of the times that, or by which, such performance, results, or outcomes will be achieved, if ever. Forward-looking statements and information are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements and information. Forward-looking statements and information reflect the good faith consideration by management of currently available information, and may be based on underlying assumptions believed to be reasonable under the circumstances. However, such information and assumptions (and, therefore, such forward-looking statements and information) are or may be subject to variables or unknown or unforeseeable events or circumstances over which management has little or no influence or control, and many of these risks and uncertainties are currently amplified by and may continue to be amplified by, or in the future may be amplified by, among other things, macroeconomic and geopolitical conditions.

The Risk Factors in Item 1A of our 2024 Annual Report on Form 10-K, filed February 7, 2025, could affect our future results and could cause those results or other outcomes to differ materially from those expressed or implied in any forward-looking statements or information. To the extent circumstances require or we deem it otherwise necessary, we will update or amend these risk factors in a Form 10-Q, Form 8-K, or subsequent Form 10-K. All forward-looking statements are qualified by, and should be read in conjunction with, these Risk Factors.

Forward-looking statements speak only as of the date the statement was made. We assume no obligation to update forward looking information to reflect actual results, changes in assumptions, or changes in other factors affecting forward-looking information. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect thereto or with respect to other forward-looking statements.

AVAILABLE INFORMATION

Our Internet website is www.up.com. We make available free of charge on our website (under the “Investors” caption link) our Annual Reports on Form 10-K; our Quarterly Reports on Form 10-Q; our current reports on Form 8-K; our proxy statements; Forms 3, 4, and 5, filed on behalf of directors and certain executive officers; and amendments to such reports filed or furnished pursuant to the Securities Exchange Act of 1934, as amended (the Exchange Act). We provide these reports and statements as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. We also make available on our website previously filed SEC reports and exhibits via a link to EDGAR on the SEC’s Internet site at www.sec.gov. We provide these previously filed reports as a convenience and their contents reflect only information that was true and correct as of the date of the report. We assume no obligation to update this historical information. Additionally, our corporate governance materials, including By-Laws, Board Committee charters, governance guidelines and policies, and codes of conduct and ethics for directors, officers, and employees are available on our website. From time to time, the corporate governance materials on our website may be updated as necessary to comply with rules issued by the SEC and the New York Stock Exchange or as desirable to promote the effective and efficient governance of our Company. Any security holder wishing to receive, without charge, a copy of any of our SEC filings or corporate governance materials should send a written request to: Secretary, Union Pacific Corporation, 1400 Douglas Street, Omaha, NE 68179.

References to our website address in this report, including references in Management’s Discussion and Analysis of Financial Condition and Results of Operations, Item 2, are provided as a convenience and do not constitute, and should not be deemed, an incorporation by reference of the information contained on, or available through, the website. Therefore, such information should not be considered part of this report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There were no material changes to the Quantitative and Qualitative Disclosures About Market Risk previously disclosed in our 2024 Annual Report on Form 10-K.

Item 4. Controls and Procedures

As of the end of the period covered by this report, the Corporation carried out an evaluation, under the supervision and with the participation of the Corporation’s management, including the Corporation’s Chief Executive Officer (CEO) and Executive Vice President and Chief Financial Officer (CFO), of the effectiveness of the design and operation of the Corporation’s disclosure controls and procedures pursuant to Exchange Act Rules 13a-15 and 15d-15. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Based upon that evaluation, the CEO and the CFO concluded that, as of the end of the period covered by this report, the Corporation’s disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified by the SEC, and that such information is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Additionally, the CEO and CFO determined that there were no changes to the Corporation's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the last fiscal quarter that materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are involved in legal proceedings, claims, and litigation that occur in connection with our business. We routinely assess our liabilities and contingencies in connection with these matters based upon the latest available information and, when necessary, we seek input from our third-party advisors when making these assessments. Consistent with SEC rules and requirements, we describe below material pending legal proceedings (other than ordinary routine litigation incidental to our business), material proceedings known to be contemplated by governmental authorities, other proceedings arising under federal, state, or local environmental laws and regulations (including governmental proceedings involving potential fines, penalties, or other monetary sanctions in excess of $1,000,000), and such other pending matters that we may determine to be appropriate. See also Note 14 to the Condensed Consolidated Financial Statements, Item 1.

Environmental matters

We receive notices from the U.S. Environmental Protection Agency (EPA) and state environmental agencies alleging that we are or may be liable under federal or state environmental laws for remediation costs at various sites throughout the U.S., including sites on the Superfund National Priorities List or state superfund lists. We cannot predict the ultimate impact of these proceedings and suits because of the number of potentially responsible parties involved, the degree of contamination by various wastes, the scarcity and quality of volumetric data related to many of the sites, and the speculative nature of remediation costs.

Information concerning environmental claims and contingencies and estimated remediation costs is set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Estimates - Environmental, Item 7, and Note 17 of the Financial Statements and Supplementary Data, Item 8, of our 2024 Annual Report on Form 10-K.

Item 1A. Risk Factors

For a discussion of our potential risks and uncertainties, see the risk factors disclosed in our Form 10-K for the year ended December 31, 2024. These risks could materially and adversely affect our business, financial condition, results of operations (including revenues and profitability), and/or stock price. Our business also could be affected by risks that we are not presently aware of or that we currently consider immaterial to our operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of equity securities – The following table presents common stock repurchases during each month for the first quarter of 2025:

Period	*Total number of shares purchased [a]*	*Average price paid per share [b]*	*Total number of shares purchased as part of a publicly announced plan or program [c]*	*Maximum number of shares that may be purchased under current authority [d]*
Jan. 1 through Jan. 31	201,260	$ 251.17	198,682	73,890,179
Feb. 1 through Feb. 28	5,305,408	251.19	5,222,504	68,667,675
Mar. 1 through Mar. 31	329,745	237.61	324,415	68,343,260
Total	5,836,413	$ 250.42	5,745,601	N/A

[a] Total number of shares purchased during the quarter includes 90,812 shares delivered or attested to UPC by employees to pay stock option exercise prices and satisfy tax withholding obligations for stock option exercises or vesting of retention units or retention shares.
[b] The average price of the initial settlement of the 2025 accelerated share repurchase program was $251.73.
[c] Total number of shares purchased as part of a publicly announced plan or program includes 4,815,022 shares repurchased in February under ASRs.
[d] Effective April 1, 2022, our Board of Directors authorized the repurchase of up to 100 million shares of our common stock by March 31, 2025. These repurchases may be made on the open market or through other transactions. Our management has sole discretion with respect to determining the timing, manner, and amount of these transactions.

See Note 15 to the Condensed Consolidated Financial Statements, Item 1, for additional information.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

On February 10, 2025, Kenny G. Rocker, Executive Vice President - Marketing and Sales, adopted a trading plan intended to satisfy Rule 10b5-1(c) to sell up to 41,397 shares of Union Pacific Corporation common stock, of which 41,397 are to be acquired upon the exercise of vested stock options, between May 12, 2025, and May 8, 2026, subject to certain conditions.

On February 10, 2025, Jennifer L. Hamann, Executive Vice President and Chief Financial Officer, adopted a trading plan intended to satisfy Rule 10b5-1(c) to sell up to 2,000 shares of Union Pacific Corporation common stock between May 13, 2025, and January 13, 2026, subject to certain conditions.

Item 6. Exhibits

Exhibit No.	Description
Filed with this Statement	
31(a)	Certifications Pursuant to Rule 13a-14(a), of the Exchange Act, as Adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - V. James Vena.
31(b)	Certifications Pursuant to Rule 13a-14(a), of the Exchange Act, as Adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Jennifer L. Hamann.
32	Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - V. James Vena and Jennifer L. Hamann.
101	The following financial and related information from Union Pacific Corporation's Quarterly Report on Form 10-Q for the period ended March 31, 2025 (filed with the SEC on April 24, 2025), formatted in Inline Extensible Business Reporting Language (iXBRL) includes (i) Condensed Consolidated Statements of Income for the periods ended March 31, 2025, and 2024, (ii) Condensed Consolidated Statements of Comprehensive Income for the periods ended March 31, 2025, and 2024, (iii) Condensed Consolidated Statements of Financial Position at March 31, 2025, and December 31, 2024, (iv) Condensed Consolidated Statements of Cash Flows for the periods ended March 31, 2025, and 2024, (v) Condensed Consolidated Statements of Changes in Common Shareholders' Equity for the periods ended March 31, 2025, and 2024, and (vi) the Notes to the Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File, formatted in Inline XBRL (contained in Exhibit 101).
Incorporated by Reference	
3(a)	Restated Articles of Incorporation of UPC, as amended and restated through June 27, 2011, and as further amended May 15, 2014, are incorporated herein by reference to Exhibit 3(a) to the Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014.
3(b)	By-Laws of UPC, as amended, effective November 19, 2015, are incorporated herein by reference to Exhibit 3.2 to the Corporation's Current Report on Form 8-K dated November 19, 2015.
4(a)	Form of 5.100% Note due 2035 is incorporated by reference to Exhibit 4.1 to the Corporation's Current Report on Form 8-K dated February 13, 2025.
4(b)	Form of 5.600% Note due 2054 is incorporated by reference to Exhibit 4.2 to the Corporation's Current Report on Form 8-K dated February 13, 2025.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: April 24, 2025

UNION PACIFIC CORPORATION (Registrant)

By /s/ Jennifer L. Hamann
Jennifer L. Hamann
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

By /s/ Todd M. Rynaski
Todd M. Rynaski
Senior Vice President and
Chief Accounting, Risk, and Compliance Officer
(Principal Accounting Officer)

Exhibit 31(a)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, V. James Vena, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Union Pacific Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 24, 2025

/s/ V. James Vena

V. James Vena

Chief Executive Officer

Exhibit 31(b)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Jennifer L. Hamann, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Union Pacific Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 24, 2025

/s/ Jennifer L. Hamann

Jennifer L. Hamann
Executive Vice President and
Chief Financial Officer

Exhibit 32

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying quarterly report of Union Pacific Corporation (the Corporation) on Form 10-Q for the period ending March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, V. James Vena, Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

By: /s/ V. James Vena
V. James Vena
Chief Executive Officer
Union Pacific Corporation

April 24, 2025

A signed original of this written statement required by Section 906 has been provided to the Corporation and will be retained by the Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying quarterly report of Union Pacific Corporation (the Corporation) on Form 10-Q for the period ending March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Jennifer L. Hamann, Executive Vice President and Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

By: /s/ Jennifer L. Hamann
Jennifer L. Hamann
Executive Vice President and
Chief Financial Officer
Union Pacific Corporation

April 24, 2025

A signed original of this written statement required by Section 906 has been provided to the Corporation and will be retained by the Corporation and furnished to the Securities and Exchange Commission or its staff upon request.