




UNION PACIFIC CORPORATION

SECOND QUARTER 2024 EARNINGS

JULY 25, 2024

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EXECUTIVE SUMMARY SECOND QUARTER 2024

Jim Vena

Chief Executive Officer

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Second Quarter Highlights & Executive Summary

Highlights

- ▲ \$2.74 Earnings per Share
- ▲ \$6.0B Operating Revenue
- ▲ \$2.4B Operating Income
- ▼ 60.0% Operating Ratio
- Freight Car Velocity Flat
- ▲ Locomotive Productivity up 6%

Executive Summary

- Quarterly results provide another proof point that multi-year strategy is driving success
- Financial performance driven by core pricing gains, improved operational efficiency and sale of intermodal equipment
- Demonstrating volume growth in the face of challenges from coal and broader freight environment
- Focus on operational excellence provides resiliency in wake of multiple weather disruptions

SAFETY + SERVICE & OPERATIONAL EXCELLENCE

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FINANCIAL REVIEW SECOND QUARTER 2024

Jennifer Hamann

Executive Vice President & Chief Financial Officer

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Second Quarter Income Statement

	2024	2023	Variance
Freight Revenue Ex. Fuel	\$4,969	\$4,862	2
Fuel Surcharge	669	707	(5)
Freight Revenue	5,638	5,569	1
Other Revenue	369	394	(6)
Operating Revenue	6,007	5,963	1
Operating Expenses	3,607	3,759	(4)
Operating Income	\$2,400	\$2,204	9 %
Other Income	103	93	11
Interest Expense	(319)	(339)	(6)
Income Taxes	(511)	(389)	31
Net Income	\$1,673	\$1,569	7 %
Weight Average Diluted Shares	610.3	609.5	-
Diluted EPS	\$2.74	\$2.57	7
Operating Ratio	60.0%	63.0%	(3.0) pts

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Freight Revenue Drivers:

- + Price/Mix 1.50%
- + Volume 0.50%
- Fuel Surcharge (0.75%)

Operating Expense Drivers:

- + Productivity
- + 2023 Brakeperson Buyout
- + Intermodal Equipment Sale
- + Lower Fuel Prices
- Inflationary Pressure
- Casualty Expense
- Environmental Remediation at Legacy Site
- Depreciation



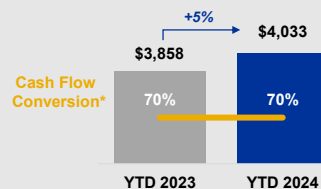
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Driving Strong Cash & Returns to Shareholders

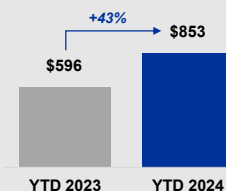
Year to Date Results

- Generated \$4.0 Billion in Cash From Operations
- Returned \$1.7 Billion to Shareholders
- Free Cash Flow* of \$853 Million
- Adjusted Debt / EBITDA* of 2.8x
 - "A" rated by Moody's, S&P, and Fitch

Cash From Operations (\$ in millions)



Free Cash Flow* (\$ in millions)



⁶ *See Union Pacific website under Investors for a reconciliation to GAAP.



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Current 2024 Outlook

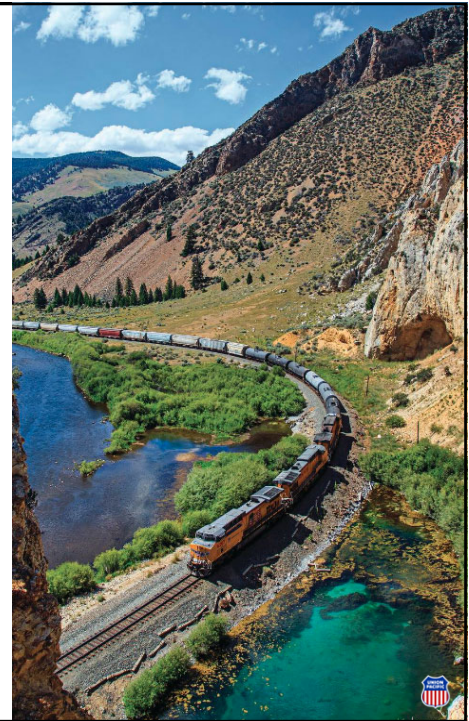
Updated

- Second Half Volume Outlook Remains Uncertain Based on Economic Indicators and Coal Demand
- Profitability Outlook Continues Positive Momentum With Strong Service Product, Improving Network Efficiency, and Solid Pricing
- Share Repurchases of ~\$1.5 Billion in 2024

Affirmed

- Pricing Dollars in Excess of Inflation Dollars
- No Change to Long-Term Capital Allocation Strategy
 - Capital Plan of \$3.4 Billion

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MARKETING & SALES REVIEW SECOND QUARTER 2024

Kenny Rocker

Executive Vice President – Marketing & Sales

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Second Quarter Commodity Review

Commodity	Revenue (Millions)	Volume (Thousands)	ARC	Quarterly Drivers
Bulk <small>vs. 2Q'23</small>	\$1,721 ▼ 2%	466 ▼ 5%	\$3,692 ▲ 3%	<ul style="list-style-type: none"> • Coal Down 23% Due to High Inventories & Natural Gas Competition • Record Export Potash • Strong Grain Products Market Demand & New Business Wins
Industrial <small>vs. 2Q'23</small>	\$2,123 ▲ 2%	555 ▼ 3%	\$3,825 ▲ 5%	<ul style="list-style-type: none"> • Strong Core Pricing Gains & Positive Business Mix • Business Development wins in Petroleum and Petrochemicals • High Rock Inventories and Weather Challenges
Premium <small>vs. 2Q'23</small>	\$1,794 ▲ 4%	1,016 ▲ 6%	\$1,766 ▼ 2%	<ul style="list-style-type: none"> • Automotive Growth from Business Development Wins Partially Offset by Unplanned Production Adjustments • Strength in International West Coast Imports • Domestic Intermodal Growth Despite Soft Market Conditions
Total <small>vs. 2Q'23</small>	\$5,638 ▲ 1%	2,037 <i>Flat</i>	\$2,768 ▲ 1%	<div style="border: 1px solid gray; padding: 5px; background-color: #f0f0f0;"> Freight Revenue Excluding Fuel Surcharge Up 2% </div>

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2024 Volume Outlook

Commodity	Outlook	2024 Volume Drivers
Bulk	↓	<ul style="list-style-type: none"> ⊖ Coal ⊕ Grain ⊕ Grain Products
Industrial	↓	<ul style="list-style-type: none"> ⊖ Rock ⊕ Petroleum ⊕ Petrochemical
Premium	↑	<ul style="list-style-type: none"> ⊕ International Intermodal ↔ Domestic Intermodal ⊕ Automotive

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OPERATIONS REVIEW SECOND QUARTER 2024

Eric Gehringer
Executive Vice President – Operations

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SECOND QUARTER 2024

Key Performance Metrics



YTD Reportable Personal Injury and Derailment Rates Improved

Freight Car Velocity	Intermodal Service Performance Index	Manifest/Auto Service Performance Index
201	93	84
Flat	▲ 4 pts	Flat

Quarterly Drivers

- Challenging Weather Environment
- Balancing Intermodal Growth
- Lower Freight Car Dwell

12 Year-over-year change in metrics.

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SECOND QUARTER 2024

Key Efficiency Metrics

Locomotive
Productivity

134

▲ 6%

Workforce
Productivity

1,031

▲ 5%

Train
Length

9,544

▲ 2%

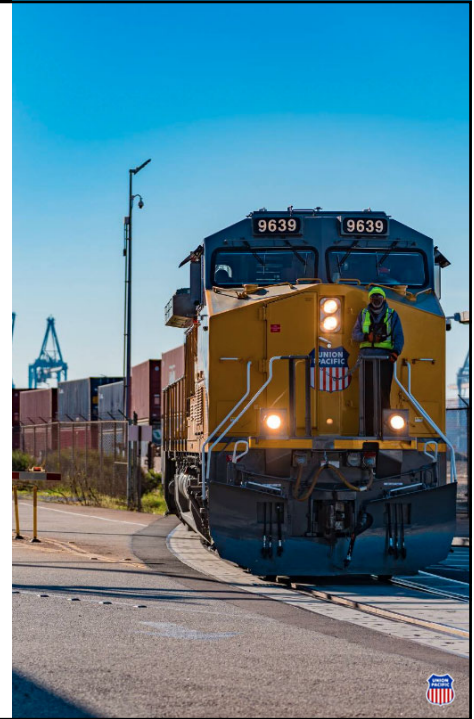
Quarterly Drivers

Improving Asset
Utilization

Lower Workforce
Levels

Optimizing
Transportation Plan

13 Year-over-year change in metrics.



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HOW WE WIN SECOND QUARTER 2024

Jim Vena

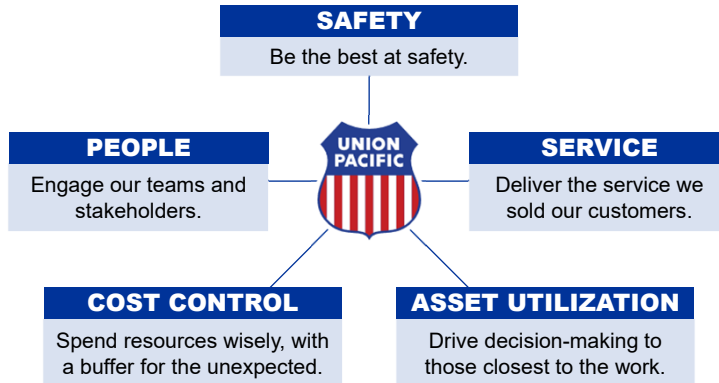
Chief Executive Officer

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Safety, Service and Operational Excellence = Growth



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This presentation and related materials contain statements about the Company's future that are not statements of historical fact, including specifically the statements regarding the Company's expectations with respect to economic conditions and demand levels, its ability to improve network performance (including those in response to increased traffic), its results of operations, and potential impacts of public health crises, including pandemics, epidemics or the outbreak of other contagious diseases, such as coronavirus and its variants (COVID), and the Russia-Ukraine and Israel-Hamas wars and other geopolitical tensions in the middle east. These statements are, or will be, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements also generally include, without limitation, information or statements regarding: projections, predictions, expectations, estimates or forecasts as to the Company's and its subsidiaries' business, financial, and operational results, and future economic performance; and management's beliefs, expectations, goals, and objectives and other similar expressions concerning matters that are not historical facts.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times that, or by which, such performance or results will be achieved. Forward-looking information, including expectations regarding operational and financial improvements and the Company's future performance or results are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statement. Important factors, including risk factors, could affect the Company's and its subsidiaries' future results and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements. Information regarding risk factors and other cautionary information are available in the Company's Annual Report on Form 10-K for 2023, which was filed with the SEC on February 9, 2024. The Company updates information regarding risk factors if circumstances require such updates in its periodic reports on Form 10-Q and its subsequent Annual Reports on Form 10-K (or such other reports that may be filed with the SEC).

Forward-looking statements speak only as of, and are based only upon information available on, the date the statements were made. The Company assumes no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information. If the Company does update one or more forward-looking statements, no inference should be drawn that the Company will make additional updates with respect thereto or with respect to other forward-looking statements. References to our website are provided for convenience and, therefore, information on or available through the website is not, and should not be deemed to be, incorporated by reference herein.

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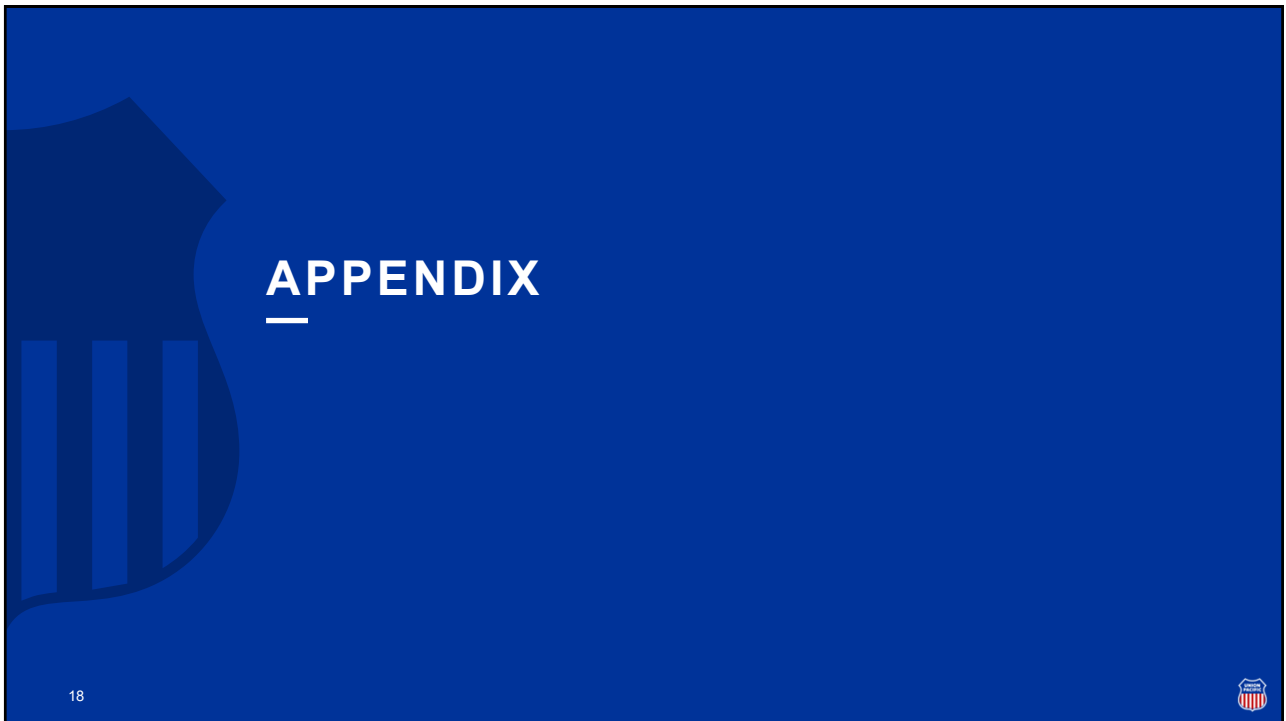


UNION PACIFIC CORPORATION

QUESTION & ANSWER

JULY 25, 2024

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Second Quarter 2024 Operating Ratio and EPS

Favorable / (Unfavorable)

	Operating Ratio	EPS
Second Quarter 2023	63.0%	\$2.57
2023 Brakeperson Buyout	1.1 pts	\$0.09
Gain on Sale of Intermodal Equipment	0.7 pts	\$0.06
Environmental Remediation at Legacy Site	(0.3) pts	(\$0.03)
Fuel Price (net)	(0.1) pts	(\$0.04)
Core Results	1.6 pts	\$0.21
2023 Nebraska State Income Tax Benefit	N/A	(\$0.12)
Second Quarter 2024	60.0%	\$2.74

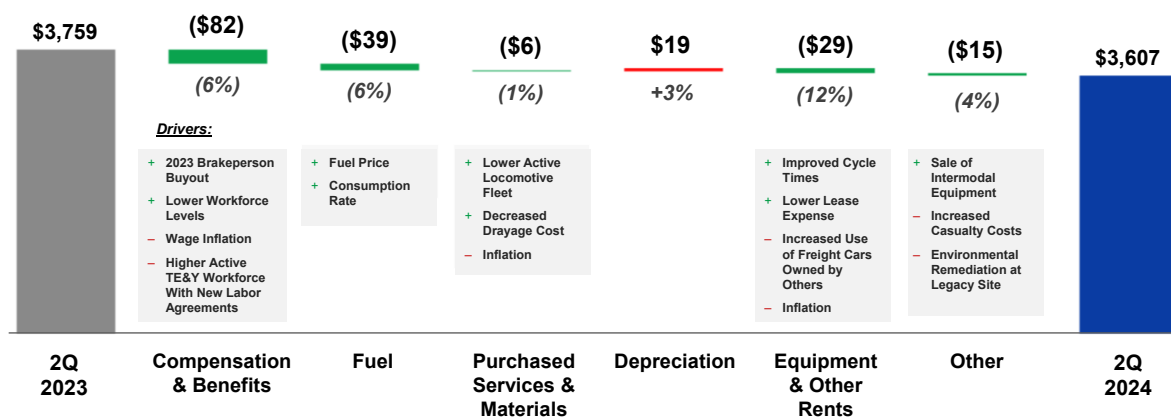
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One-Time Items, Productivity and Lower Fuel Prices Reduce Expenses

Operating Expenses \$ in Millions



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