

A Union Pacific freight train is shown traveling from left to right across a vast, open landscape. The train is led by a yellow locomotive with the number 3012 and the Union Pacific logo. It is pulling several black freight cars. In the background, there are large, rugged mountains covered in snow under a clear blue sky. The foreground consists of dry, yellowish-brown grass and some green shrubs.

2026 CAPITAL PROGRAM CONTRACTOR, SUPPLIER OPPORTUNITIES

—
Russell Rohlfs, VP Engineering

January 9, 2026

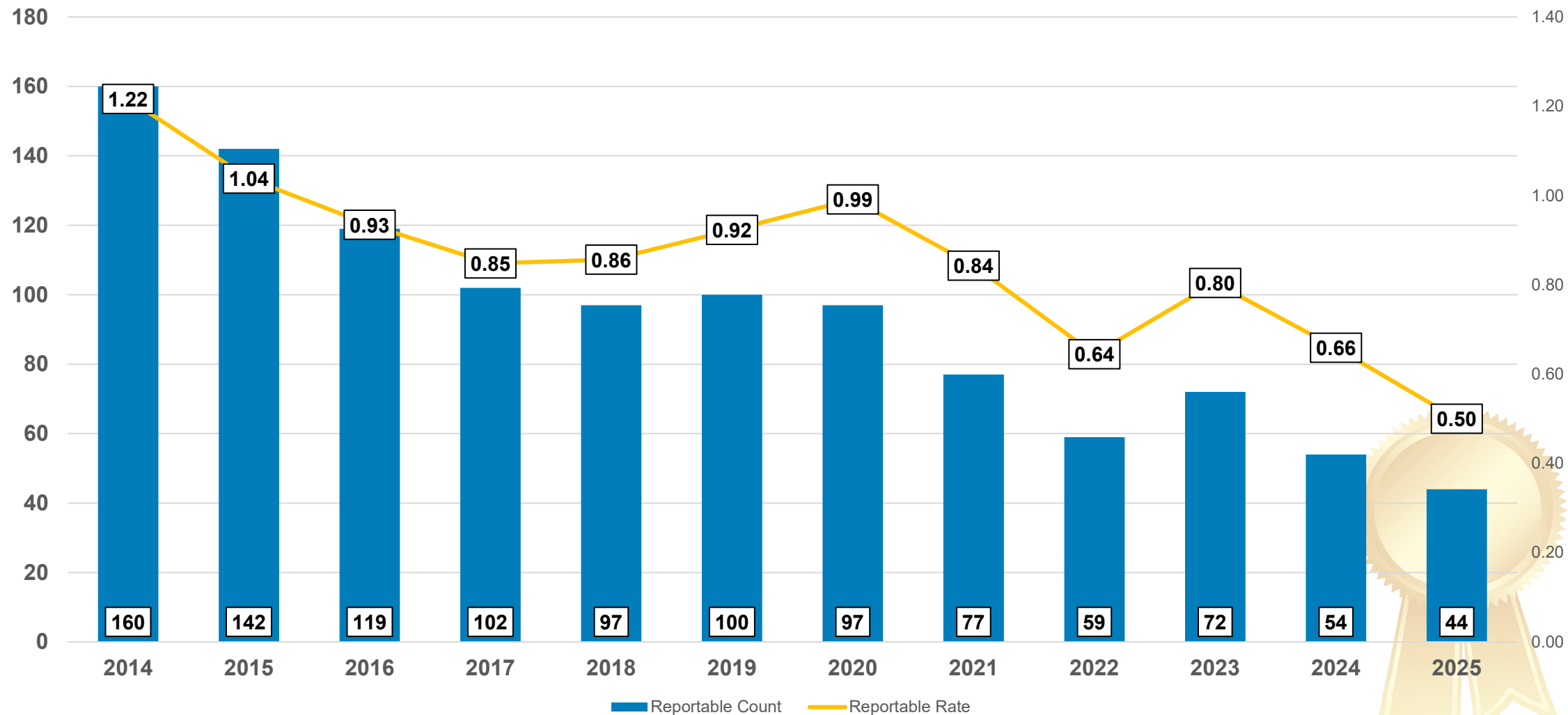


Infrastructure Statistics



- 32,880 Route Miles
- 18,848 Bridges (407 miles)
 - Wood: 52 miles
 - Concrete: 172 miles
 - Steel: 182 miles
- 294 Tunnels (61 miles)
- 19,865 Active Public Crossings
- 4,772 Buildings
- 5,000 Vehicles

Engineering's Safest Year EVER



ATTN: NEW, CURRENT SUPPLIERS

Workplace Safety Is #1

Company ID: 400-128708

Union Pacific

A

Grade Scorecard	Grade Scorecard			
	Grade Component	Status	Points	Gaps
Questionnaire	Written Programs	RAVS score is 89.13	15 / 25	⚠️
	Health & Safety Prequalification	Satisfactory	20 / 20	✅
	TRIR (Total Recordable Incident Rate)	Below Industry Average	25 / 25	✅
	Fatalities	No fatalities in the past 3 years	10 / 10	✅
	Citations	Satisfactory	10 / 10	✅
	Experience Modifier	Rate is 0.89	10 / 10	✅
	Is the contractor FRA 219-Regulated?	No	110 / 110	✅
	If FRA 219-Regulated: Is FRA 219 Approval Letter Accepted?	Yes (Accepted)	0 / 0	✅
	Is the contractor FRA 243-Regulated?	Yes - FRA 243 Letter Required	0 / 110	⚠️
	If FRA 243-Regulated: Is FRA 243 Approval Letter Accepted?	Yes (Accepted)	0 / 0	✅
Scorecard Insights	eRailSafe	eRailSafe Compliance Percentage is -1	0 / 0	✅
	Total		200 / 320	

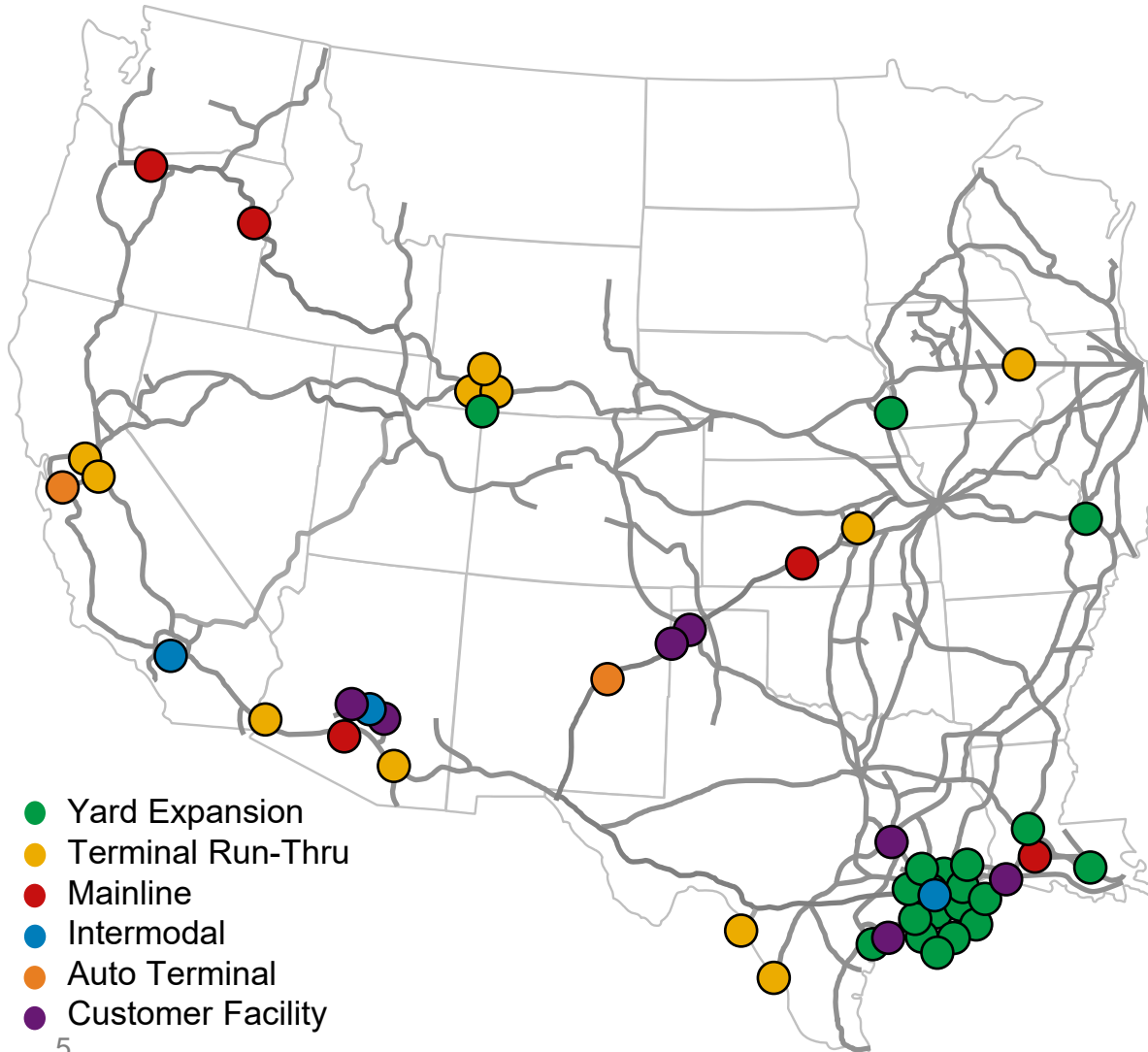
“A” or “B” grade required to win business

Contractors below required grade follow established exception process

Grade Since 10/31/2023

Grade	Details	Low Range	High Range
A	Recommended to use this contractor	90	320
B	Acceptable to use this contractor	80	89.99
C	VP approval required prior to using this contractor	70	79.99
F	VP approval required prior to using this contractor and company escort required	-540	69.99
Total		200 / 320	

Infrastructure Expansion Investment

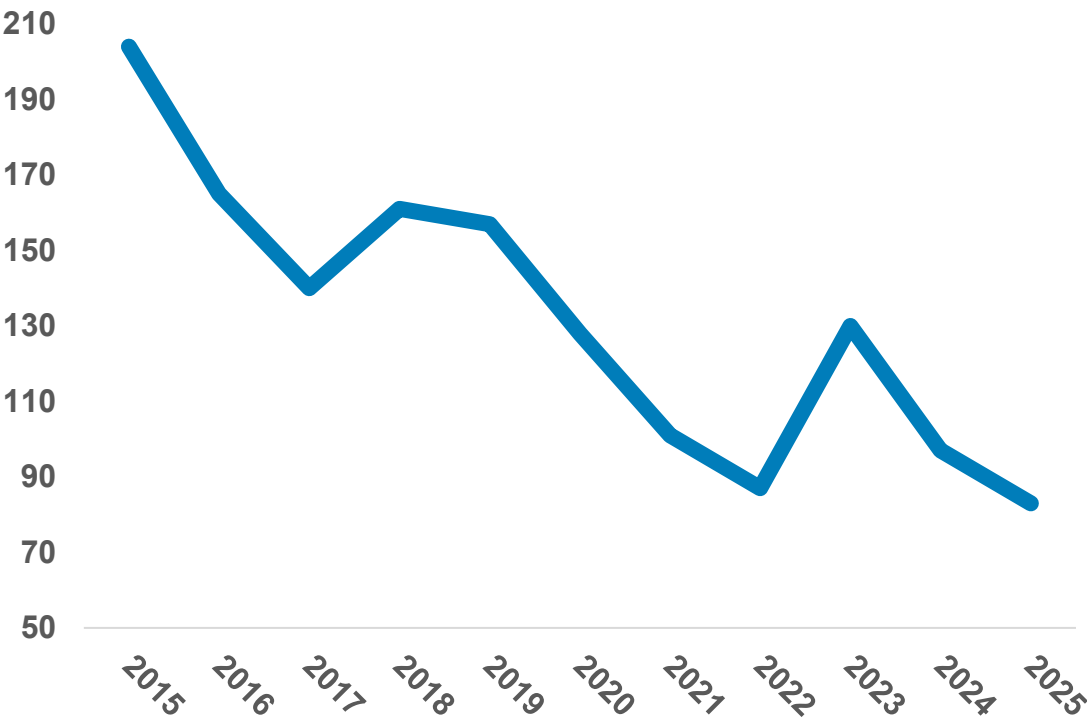


- Yard expansions support **Houston & Gulf Coast** carload growth
- **Run-thru projects** improve terminal fluidity, work events, and service
- **Mainline projects** increase line capacity and promote train length
- **Intermodal expansions** at Inland Empire, Phoenix & Houston
- **Auto Terminal investment** in pavement rehab & drainage repairs
- Infrastructure to support new and expanding **customer facilities**

Consistent, Reliable Service

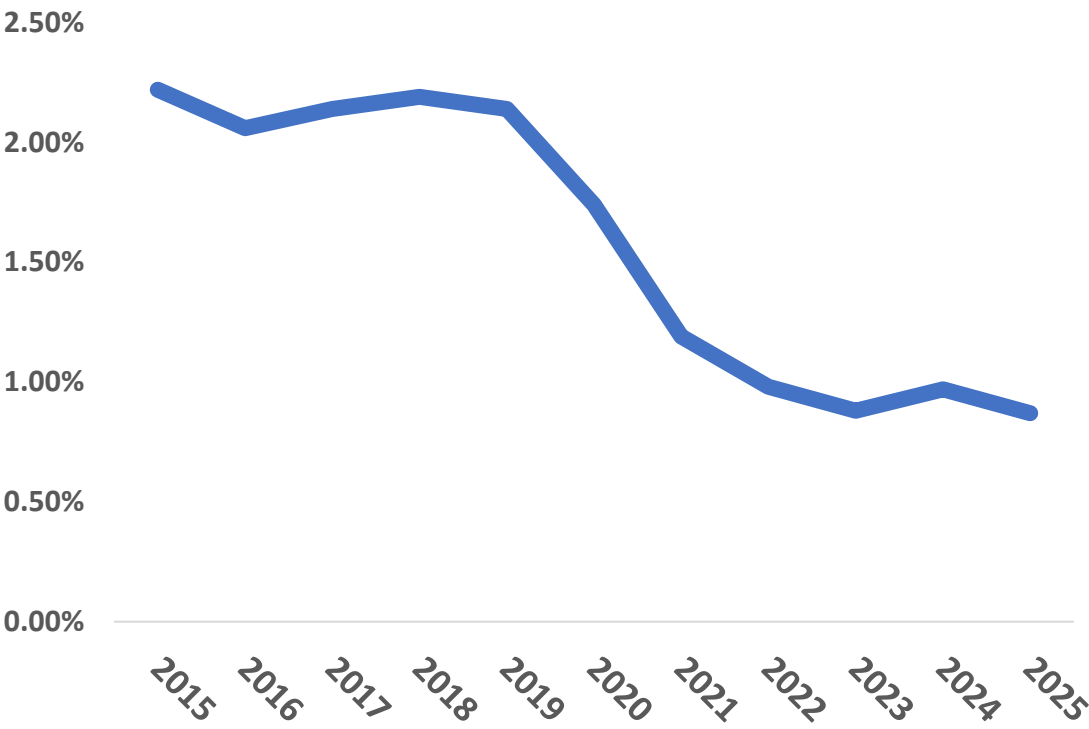
Track Caused Derailments

▼ 59%



% Network Slow Orders

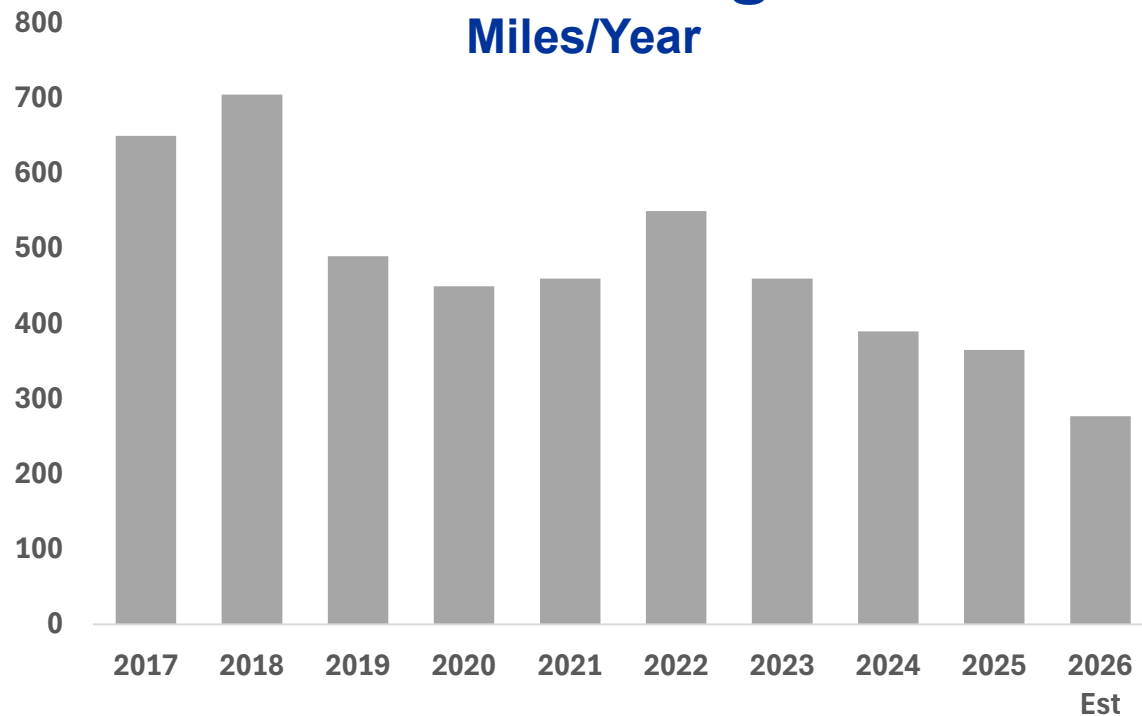
▼ 61%



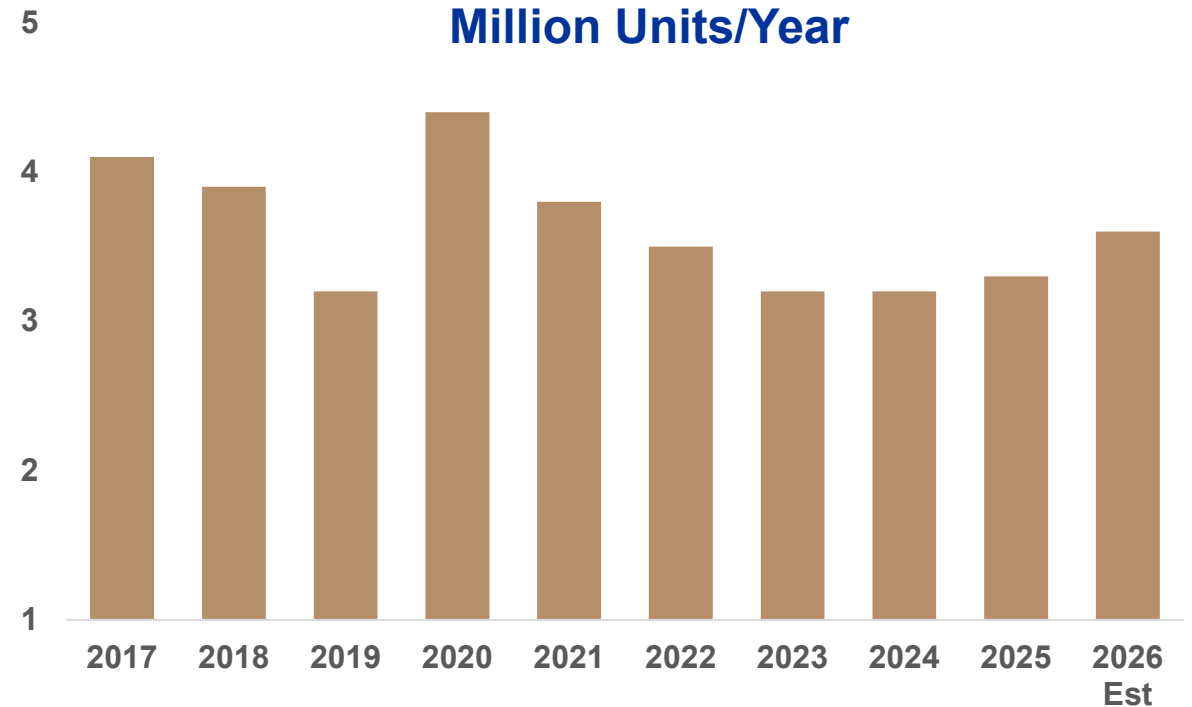
TOTAL TIES (MILLIONS); TOTAL RAIL (MILES)

2026 Renewal Program

2026 Rail Program Miles/Year

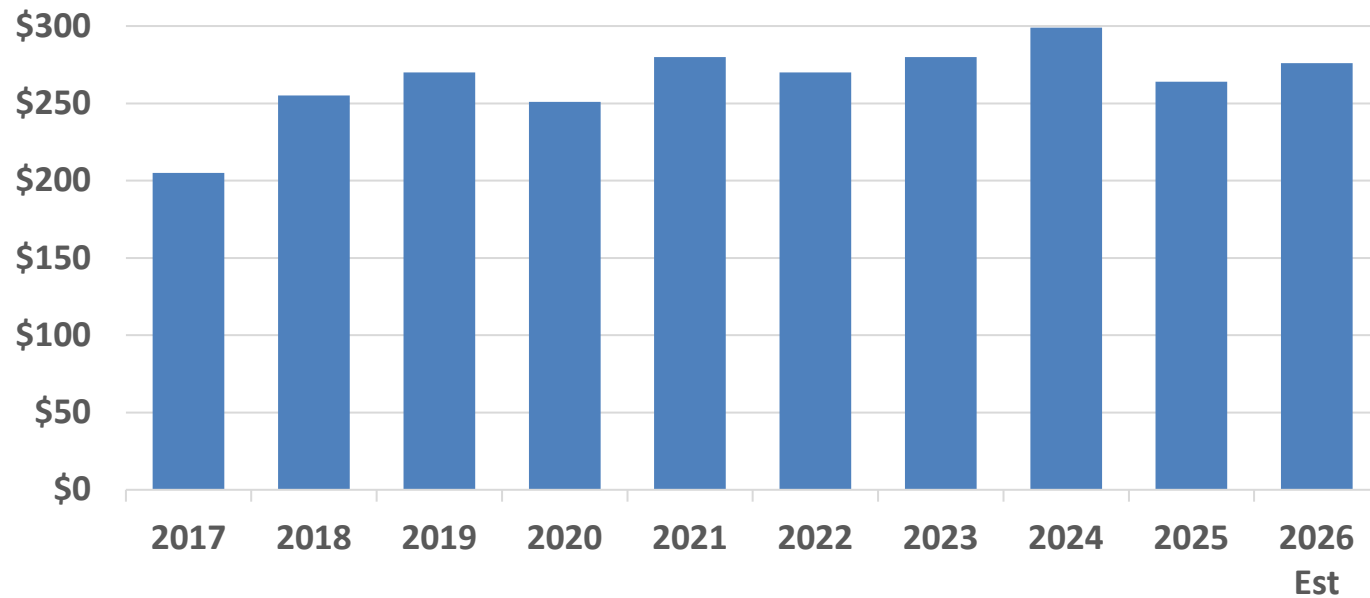


2026 Tie Program Million Units/Year



SPEND (\$ MILLIONS)

2026 Structures Renewal Program

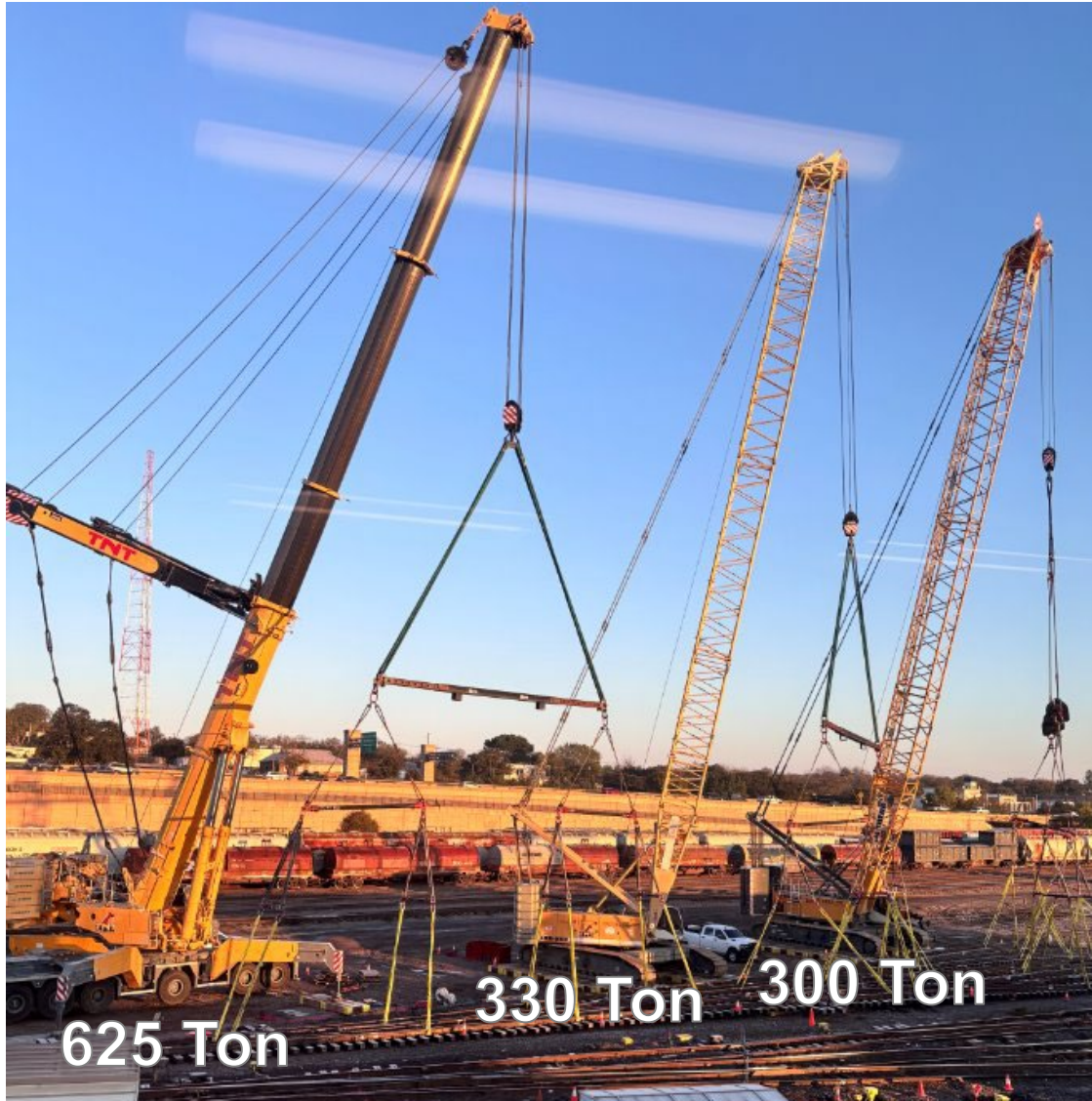


- Continued focus on timber bridges.
- 2026 contracted projects:
 - Bridge and culvert replacement
 - Open-deck tie replacement
 - Tunnel stabilization
 - Movable bridge electrical/mechanical system upgrades



DAVIDSON YARD, TEXAS

Massive Switch Project Protects Service Product



Reducing Engineering's On-Track Footprint

Project: Replace 3 switches and 3 overlapping switches and corresponding group retarder.
Contractor Spend: \$1.3M

24-hour curfew request = **Not Approved**

Solution: Off-Track Construction
Team constructed the 6 switches into one panel, installing via large cranes.

16-hour curfew request = **Approved**

Reducing Unintended Train Stops

Detecting Broken Rails

- Defect Type: Defective Field Weld
- Detectable: No
- Weld Date: 5/28/25



48% of broken rails are field-weld related.

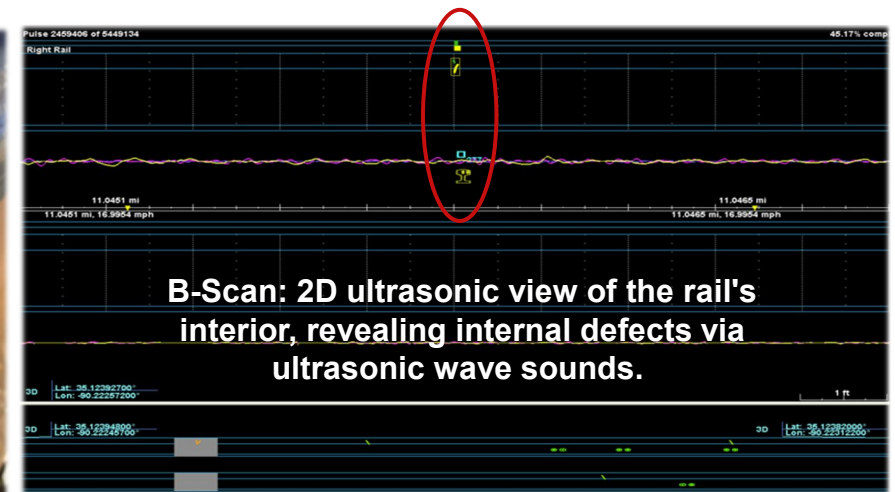


Rail Flaw Detection

- Identifies defects not visible from the surface.



Reduced broken rails by 31% YOY.



DEFINING WHAT'S POSSIBLE

Technology Enabled Operations

Off-Track Tie Removal, Install

Removes, installs ties with 'shots' of time off track.



Rail Unloading Machine

Unloads rail 150% faster and offers 24x7 unloading.



Advanced Anchoring Program

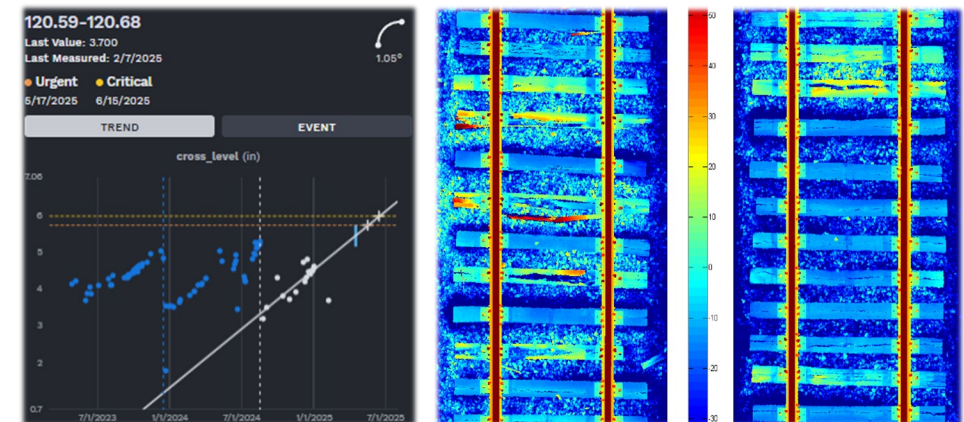
Viper anchors resist slipping and reduce tie damage.



Viper-1® features 75% more bearing surface than standard drive on anchor

Machine Vision

Technology evaluates track maintenance, predicts failure.



Reducing Thermal Forces

Engineering's hyrail paint truck sprays white paint across areas historically prone to thermal misalignment.

Early results show a 10-degree reduction in rail temperature.

▼ 10°



Southern CA Theft Prevention

Intermodal Theft Cases



Commerce, CA, Before & After



Operating Plan Safely Delivers Faster Transit and Enhanced Service

Base
Plan

Optimized
Plan

Growth
Plan

2,400 Handlings
Reduced Each Day



Blocking Adjustments

4,700 Train-Miles
Reduced Each Day



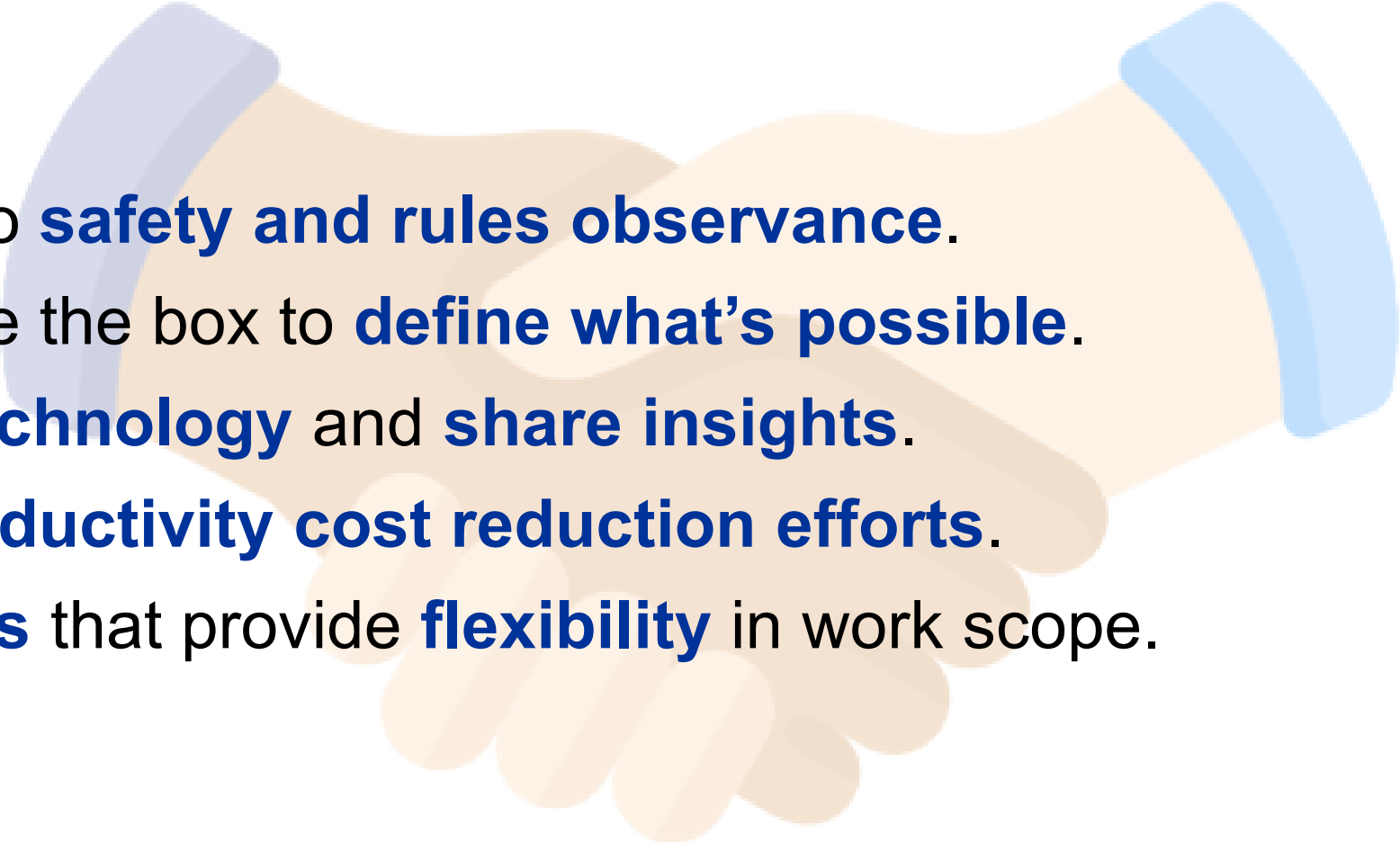
Rerouting Traffic

60,000 Car-Miles
Reduced Each Day



Reducing Touches

What Does this Mean for Our Suppliers / Contractors

- 
- Committed to **safety and rules observance**.
 - Think outside the box to **define what's possible**.
 - **Leverage technology** and **share insights**.
 - Share in **productivity cost reduction efforts**.
 - **Partnerships** that provide **flexibility** in work scope.



THANK YOU
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