


2023 IMPACT REPORT



At BNSF Railway every day our team moves the freight that moves the nation, playing a vital role in the success of our customers and the strength of the American economy. We strive to operate free of accidents and injuries, with sustainability at the top of our minds, to serve our customers and our team members with respect and to demonstrate the resilience and commitment to our customers that will empower us to keep our nation moving forward for decades to come.

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2023 Impactful Figures

20%
Drop In Injury Rate
vs 2022, part of our
record year for safety.




99.99%
of hazmat shipments
reached destination w/o
release caused by train
incident in 2023

100/100
Score on LGBTQ+ Equality
on the Human Rights
Campaign Foundation's
Corporate Equality Index.



23.9M
Metric Tons
of reduced emissions by
BNSF Customers in 2023




35%
Drop In Injury Severity
vs 2022, part of our
record year for safety.

\$3.92B
of capital investments
in 2023



Who We Are

BNSF BY THE NUMBERS

32,500
Route Miles



28
States



3
Canadian
Provinces



27
Intermodal
Facilities



40+
Ports



~7,500
Locomotives



~37,000
Employees*

*as of December 31, 2023.

THE BNSF NETWORK



Our Vision and Values

Our Vision is to realize the tremendous potential of BNSF Railway by providing transportation services that consistently meet our customers' expectations.

Our Business Model

Our business model illustrates the links between our financial performance and other areas of our business. Each of the four components – growth, value, execution and investment – supports and leads into the next. When we succeed in growth, value and execution, we are able to continue to grow with our customers, our people and our communities.



Our Commitment to Leadership

Internally, we follow our Leadership Model of developing talent and building trust through competence, openness and integrity. Externally, we aim to lead our industry in areas including safety, service, growth and community involvement.

Our History

In 2024, BNSF celebrates 175 years of railroad heritage, stretching back to the Aurora Branch Railroad in 1849.

Dedicated to Serving Our Customers



Since BNSF was formed in 1995, we have invested more than \$85 billion to maintain and expand our network to meet the needs of our customers. We are committed to having the capacity, the equipment and the people that enable us to grow with our customers and say yes to new business opportunities.

In 2023, BNSF made \$3.92 billion in capital investments, including:

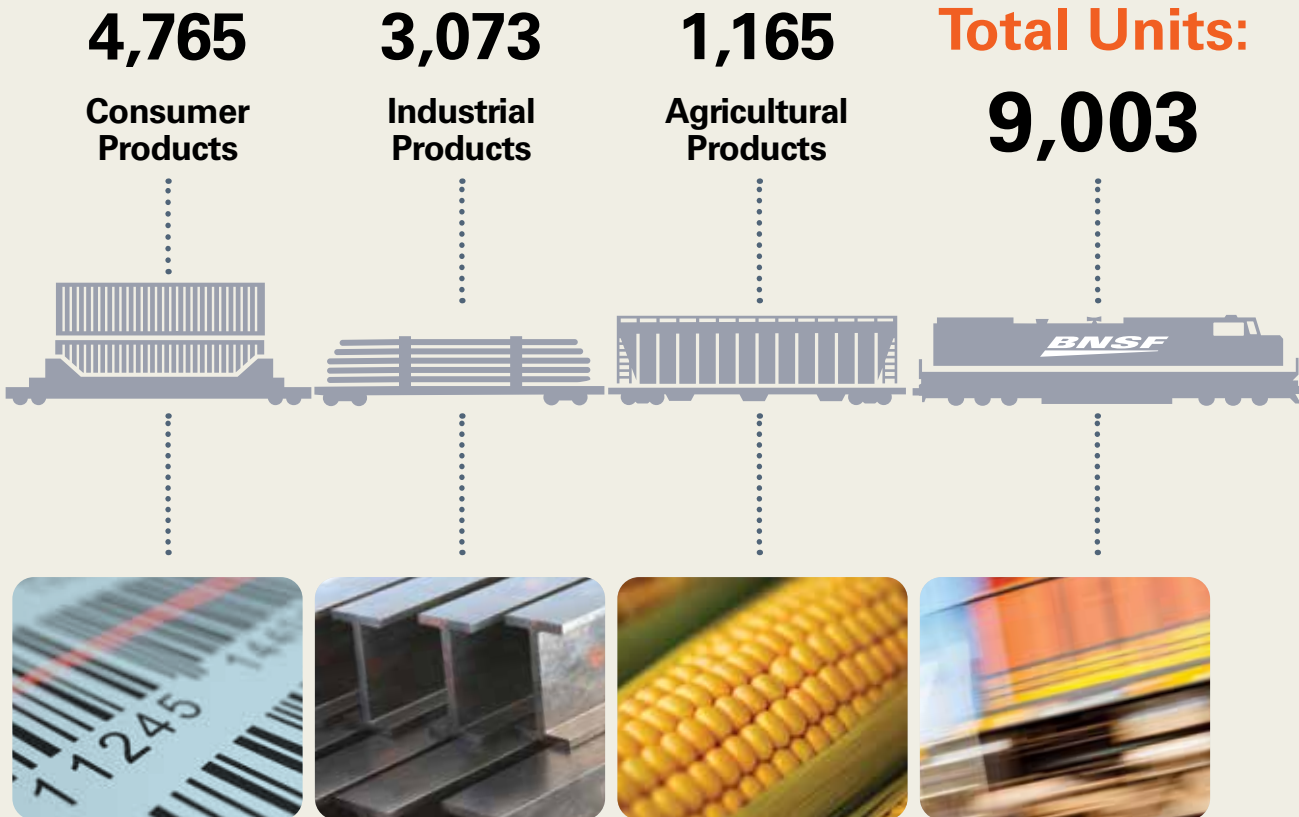
- Adding several segments of new track in Eastern Kansas and Southern California.
- Beginning a terminal and fueling project near Belen, New Mexico.
- Completing second main track expansion in Fort Worth, Texas.
- Continuing intermodal facility projects in Chicago (Cicero) and Stockton, California.
- Continuing track efficiency projects and property acquisitions to prepare for development of the Barstow International Gateway.

Other 2023 Highlights

- Quantum, a J.B. Hunt and BNSF service, launched to serve intermodal customers' most service-sensitive over-the-road freight.
- 3 new BNSF Certified Sites added in Fort Madison, Iowa; Glenwood, Iowa; and DeSoto, Kansas.
- BNSF customers and local economic development organizations invested \$4.1 billion for new or expanded rail-served facilities and supported the creation of more than 4,200 new jobs in local communities in 2023. See our history of growth.

What We Carried in 2023

(thousands of units)



Awards & Honors



PEOPLE

We Care About People

The safety and well-being of the people on Team BNSF and in the communities where we live and work is an enduring value.



Purpose Driven Work

BNSF is a place where people work with true purpose, find many ways to build interesting and meaningful careers and become an essential part of one of the best teams in the nation.

Day in, day out, we are empowered to use our strengths, our knowledge, and our experience to move our company – and our country – forward, doing what it takes to move freight safely and efficiently while we drive innovation, create growth opportunities, and build a stronger and smarter future for us all.

At BNSF, we move the nation every day, powering a supply chain that's the lifeblood of our economy and sustaining the American way of life in communities across the country. What we do is a team sport, and we're driven to win – pulling ahead of the competition while always putting safety first, taking care of each other, and delivering a level of collaboration, service and capability for our customers that no one else can.

We take pride in our rich heritage of innovation and service that stretches back 175 years. We're building on our history of resilience and moving forward with what we've learned along the way.

Together, we're creating the railroad of the future, one that combines technology, innovation, and hard work to create new opportunities for our customers, our communities, and for each other.



Vision, Values & Leadership

Our Vision and Values

Our vision is to realize BNSF's tremendous potential by providing transportation services that consistently meet our customers' expectations.

Shared Values

To live the vision, BNSF's employees embrace a set of shared values:

- Listening to customers and doing what it takes to meet their expectations
- Empowering one another, showing concern for our colleagues' well-being and respect for their talents and achievements
- Continuously improving by striving to do the right thing safely and efficiently
- Celebrating our rich heritage and building on our success as we shape our future

Success in living our Vision & Values is evident when we fulfill the highest expectations of our four key stakeholder groups and when:

- **Our employees** work in a safe and secure environment, are focused on continuous improvement, share in the opportunity for personal and professional growth available to all team members and take pride in their association with BNSF.
- **Our customers** find it easy to do business with us as they receive on-time, damage-free service, accurate and timely information regarding their shipment and the best transportation value.
- **Our owners** earn financial returns as a result of BNSF's revenue growth and operating ratio and a return on invested capital that is greater than our cost of capital.
- **The communities** we serve benefit from our sensitivity to their interests and to the environment in general, our adherence to the highest legal and ethical standards and the participation of our company and our employees in community activities.

Our Leadership Model

Leaders at BNSF have embraced a leadership model whose tenets include:

- Create a compelling vision
- Model the way
- Lead more; manage less
- Communicate, communicate, communicate
- Make development a priority



Safety is an Enduring Value

Employee Safety

At BNSF, we believe every accident or injury is preventable.

We will achieve an operation free of accidents and injuries through:

- A Culture where safety is a core value and the most important thing we do.
- A Work Environment that provides resources and tools to eliminate or safeguard all known hazards.
- Work Practices and Training for all employees that help drive continuous improvement in safety processes and performance.
- An Empowered Workforce where employees take responsibility for their personal safety as well as the safety of fellow employees and the communities we serve.

Celebrating an Industry-Leading, Record-Setting Year

We completed a record year for workplace safety in 2023, with the lowest injury frequency rate in our company's 175-year history. We operated our 32,500-mile network without loss of life, and with the fewest number of employee injuries ever.



Industry Leading
2023 Safety Performance



Employee injury rates decreased
more than 20%.



Injury severity was down nearly 35%.



Employee Training

Our multi-faceted approach to safety training for BNSF team members includes formal training programs based on technical rules, rail industry recommendations and federal regulations, as well as BNSF-specific initiatives developed and conducted by our experts. We invest in a combination of field, on-the-job, long-distance and technical safety training programs.

Internal Recognition

Two prominent annual awards, one recognizing individuals and one teams, celebrate our culture of safety and the people who make it possible.

2023 Safety Employees of the Year

Recognizing team members in multiple departments who embody the BNSF commitment to safety.

Engineering

Robert Malone, *Signals Inspector, Red River Division*

John Garcez, *Gang/Section Foreman, California Division*

Mechanical

Waylon Marr, *Heartland Division Carman Freight, Heartland Division*

Transportation

Thomas Starr, *Switch Foreman, Twin Cities Division*

2023 Safety Bell Recipients

Recognizing BNSF teams that achieve the lowest injury-frequency ratios.

Best Overall Division – *Heartland Division*

Best Transportation Team – *Northwest Division*

Best Mechanical Shop – *Commerce, California, Diesel Shop*

Best Field Mechanical – *Montana Division*

Best Engineering Team – *California Division*





Customer Safety & Security

From pickup to delivery, we are committed to keeping our customers' shipments safe and secure. We employ our own fully certified state law enforcement officers who carry full police and arrest powers. BNSF Police conduct proactive, uniformed patrol to combat trespassing and cargo theft across the network. We have a collaborative approach with state and local authorities, customers and citizens, and we partner with customers, providing free, on-site security consultation.

At our intermodal facilities, we utilize site-specific security procedures, processes, and physical security to deliver a high degree of protection. At select locations, BNSF installed automated gate systems to verify the contents of the shipment, the driver's identity, freight destination and equipment condition.

Additionally, our policy of timely Rail Incident Reports by BNSF supervisors ensures we take appropriate accountability for any incidents and damage to cargo and develop solutions to prevent them in the future.



Community Safety

Resources for Responders

BNSF is committed to transporting hazardous materials safely – 99.99% of BNSF hazmat shipments reach their destination without a release caused by a train incident. Our rigorous approach to hazmat safety is informed by a framework of measures focused on prevention, mitigation and response. Resources include a network of over 120 responders and advisors trained to deal with all types of hazmat releases and emergency response equipment strategically positioned at 54 locations across our network.

Resources for responders include:

- Free training to first responders through the Transportation Community Awareness and Emergency Response (TRANSCAER) program.
- BNSF trained 8,000 local emergency responders in Railroad Emergency Response and Hazardous Material Awareness through online and in-person sessions in communities across our network in 2023.
- The AskRail App gives responders access to real-time data on each railcar in a train and its contents, as well as providing railroad contacts during incidents.
- The [bnsfhazmat.com](https://www.bnsfhazmat.com) website arms community responders with railroad and hazmat information and tools for training.



Since 1996, BNSF has provided training to nearly **144,000** responders.

Grade Crossings

Improving safety at highway-rail grade crossings is an ongoing focus. Efforts include community education and awareness campaigns, train crew education and testing, the deployment of new safety technology and crossing closures. We have one of the lowest highway-railroad grade crossing collision rates in the rail industry and, as an industry leader, will continue to work with the states and the communities we serve to further improve grade crossing safety.



For the past several years, we have spent an average of approximately \$141 million annually on programs related to grade-crossing safety. Our expenditures include 24 total full-time employees in charge of crossing safety efforts plus various staff for crossing/signal maintenance and vegetation control. The amount spent on grade-crossing safety includes an annual average of approximately \$22 million to maintain grade-crossing road surfaces.

Network Inspections

We regularly inspect all aspects of our network, including our locomotives, track, rail and bridges, and we conduct additional weather-event inspections as conditions demand. Our team of trained inspectors deploys advanced equipment including instrument-equipped rail cars, bridge inspection vehicles and unmanned aerial vehicles (UAVs). BNSF inspections are consistent with federal regulations, and we are committed to timely maintenance, repair and replacement whenever issues or potential issues are detected.

Safety-enhancing technology includes:

- Machine Vision Systems (MVS)
- Autonomous track measurement systems
- Ultrasound for internal rail inspections
- Ground penetrating radar
- High-Definition cameras and accelerometers

Valuing Team Members

Total Rewards

We believe in providing competitive total rewards, including compensation, bonus opportunities, investment and retirement packages, health and welfare coverage, holistic wellness & employee assistance programs, career development, and paid time-off. Our total reward programs are designed to compensate employees fairly, promote internal equity, reward individual performance, and link pay directly with key business strategies and company goals. Our competitive total rewards approach enhances BNSF Railway's ability to recruit, retain, and motivate strong-performing employees.



Benefits for Employees & Their Families

A large part of the value of working for BNSF comes through our range of benefits that many employees can utilize. Some of the benefits highlighted below apply to both exempt and union employees, dependent upon agreement.

Financial Benefits include:

- Competitive pay and bonus (including paid vacation and overtime-eligible pay)
- BNSF-sponsored 401(k) plan company match contribution (match varies per union agreement)
- Railroad Retirement Benefits
- Comprehensive healthcare benefits including telemedicine, prescription, and second-opinion care (including eligible dependents)
- Family building and support services (pregnancy, adoption, surrogacy, and parental support)
- Dependent care and/or daycare assistance programs
- Career growth, advancement opportunities and paid training
- Competitive tuition reimbursement program (subject to eligibility)
- Award-winning diversity and inclusion culture with employee-led business resource groups
- Wellness programs, including fitness discounts and health coaching
- Employee Assistance Program (EAP), behavioral health services and a broad suite of work, life and financial resources
- Employee Stock Purchase Plan – Berkshire Hathaway (BRK.B) stock



Employee Development

Training and Development

Our team members have opportunities to enhance their skills through best-in-class training including using life-size and virtual reality simulators, technical apprenticeships, on-the-job rotations and guidance from industry experts, peers and BNSF leaders. We promote career development in several ways, including programs for management trainees and first-line supervisors, along with opportunities for formalized feedback and coaching, leadership training, mentoring and tuition reimbursement.

BNSF Railway's award winning People Leader Training (PLT) program began in 2001 and serves all exempt employees. The purpose is to grow leadership capability and evolve our culture, while supporting the consistent implementation of the BNSF Leadership Model.



The average employee tenure at BNSF is **14** years.

Attracting & Retaining Team Members

College & Military Recruiting

At BNSF, we have a variety of job opportunities for high school and college graduates, as well as for those who have served in the military. We have relationships with more than 68 schools, including Historically Black Colleges and Universities, Hispanic-Serving Institutions, Asian American and Pacific Islander-Serving Institutions and Native American-Serving Institutions with diverse student groups where we recruit interns and management trainees. From college campuses and military bases to vocational/technical colleges and high schools, we engage to attract diverse individuals for trainee and professional positions, experienced first-line supervisor opportunities (Mechanical, Transportation, Engineering positions), conductor and maintenance of way positions and more.



For **25** years, we have offered BNSF's **Technology Awareness Day** promoting careers in technology and achievement in STEM for high schoolers. In 2023, we opened our doors to over **200** students from underserved schools in the Dallas-Ft. Worth area.

We recognize the growing demand for STEM professionals and the projected deficit of 2 million jobs going unfilled in the U.S. by 2025. To ensure we are ready to fill our roles with diverse talent, we have increased our engagement with student groups on campus including AESES (Society of Asian Scientists and Engineers) at UT Arlington, AISES (American Indian Science and Engineering Society), SASE (Society of Asian Scientists and Engineers), SWE (Society of Women Engineers), and NSBE (National Society of Black Engineers).

Scholarships

We champion diversity by participating in scholarship programs that benefit diverse students, including Girls Inc., the Hispanic Women's Network of North Texas and the National Association of Asian Americans. The BNSF Railway Foundation also supports organizations such as the American Indian Science and Engineering Society and the United Negro College Fund.

Diversity & Inclusion

At BNSF, diversity and inclusion are foundational values, and have been core to our shared Vision and Values since our inception.

As members of the BNSF community, our employees are entitled to:

- Be treated with dignity and respect.
- Have equal access to tools, resources, training and development opportunities.
- Have equal opportunity to achieve their full potential.

Recognition includes:

- 2023-2024 Equality 100 Award, Human Rights Campaign, 100/100 Score
- 2023 50 Best Companies for Latinas to Work for in the US, Latina Style
- 2023 NDC Index, Best U.S. Companies for Diversity
- 2023 Best Companies for Diversity, Women and Millennials, Women's Choice Awards
- 2023 Best Employers for Women, Forbes
- 2023 DEI and Leadership Awards, Brandon Hall
- 2023 Diversity Impact Awards
- 2023 Best Place to Work for Disability Inclusion, DEI
- 2023 Military Friendly Employers
- 2023 Best Place for Working Parents
- 2023 Military Times Best for Vets Employers

Nearly **40%** of our management team is diverse.

Our field (non-management) team is **26%** diverse.

Through December 2023, **43.3%** of all new hires were diverse.

65% of our management trainee hires through December 2023 were diverse.



Self-Identification

We recently expanded our voluntary self-identification form to include LGBTQ+ to better understand the composition of our workforce and expand our diversity and inclusion initiatives. This helped us improve our score from 90 to 100/100 on the 2023 Corporate Equality Index Score by the Human Rights Campaign.

Three Pillars of Focus

To promote diversity and inclusion initiatives we are guided and inspired to action through Three Pillars of Focus.

- 1. Representation:** Increase diversity throughout the organization.
- 2. Development:** Develop leaders who create a diverse and inclusive culture.
- 3. Accountability:** Ensure diversity and inclusion remain a strategic priority to have a greater impact.

Diversity Councils

Diversity Councils spread throughout our network give employees an opportunity to promote a positive culture, including educating and heightening diversity awareness. The Diversity Councils engage members in community service projects as well as spread “Respect Every Day.” This initiative is focused on improving awareness about what constitutes offensive or inappropriate behavior and providing tools to stop it.

Business Resource Groups

We recently expanded our voluntary self-identification form to include LGBTQ+ to better understand the composition of our workforce and expand our diversity and inclusion initiatives. This helped us improve our score from 90 to 100/100 on the 2023 Corporate Equality Index Score by the Human Rights Campaign.

Within our company and our communities, we have many ways for our employees and their teams to get involved as a member of one of our Business Resource Groups (BRGs) and employee-led groups. Our groups provide employees development opportunities, the ability to network, to gain exposure to senior leaders and to work together to build creative solutions to business problems.

Employee-Led Groups

Diversity Council
Women EnRoute



Business Resource Groups (BRGs)

Black Organization for Leadership Development (BOLD)
Asian Pacific Islander Network (APIN)
Business Resource and Veterans Engagement (BRAVE)
Emerging Leaders Network (ELN)
Hispanic Leadership Council (HLC)
PRIDE+
North American Nations (NAN)
Women’s Network (WN)
Working Caregivers (WC)
Disability Inclusion Alliance (DIA)



Supporting Women

Though historically the rail industry has been predominantly male, females continue to make an increasing impact, especially at BNSF. We are committed to a fully inclusive environment, and we've established resources to help every BNSF employee reach their full potential. Two prime examples are our Women's Network BRG and our Women EnRoute groups across the network.

Recognition includes:

2023 Best Companies to Work for Women, Women's Choice Awards

2023 Best Employers for Women, Forbes

Women's Network

The Women's Network (WN) was the first BRG at BNSF and is designed to support all women – both salaried and scheduled employees. The Women's Network's mission is to support women in personal and professional growth, but anyone can join. Even if employees don't identify as a woman, they're welcome to join and receive the title of "ally." The WN sponsors an annual Making a Difference Award and has an established mentoring program focused on strategic networking and development opportunities.



Women EnRoute

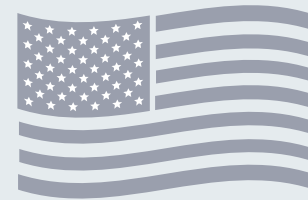
BNSF's Women EnRoute (WER) groups provide female leaders in the field an outlet for growth and development as well as a space to share unique experiences. WER has groups in each of our 10 operating divisions that collaborate with each other. WER often serves as a resource for women transitioning to management from a union-represented position.

Supporting Veterans

We know that military veterans have the experience, determination and dependability to be teammates that can always be counted on. That's why we have a long legacy as a top employer of military veterans. In fact, nearly a fifth of our workforce has served in the U.S. Armed Forces. We also support reservists by providing time off for training and deployment. Our BRAVE (Business Resource and Veterans Engagement) group helps veterans, reservists and first responders engage with communities, improve leadership skills and develop their careers.

Recognition includes:

2023 Military Friendly Employers



Nearly **1 in 5** BNSF employees
has served in a branch of the
U.S. Armed Forces.

Valuing Our Customers & Suppliers

We are committed to fair treatment of all our customers and suppliers. We regularly collaborate with our customers to create enhanced supply chain solutions. For instance, in 2023, we launched Quantum, a J.B. Hunt and BNSF service, a new breakthrough intermodal service that offers our customers the consistency, agility and speed needed to transport service-sensitive highway freight using rail. And we work closely with companies to help them integrate more rail into their supply chains in order to decrease their costs and carbon emissions.

Another example of working closely with customers is our Agricultural Ombudsman program. Through the program, BNSF Managers of Agricultural Development are placed in key locations around the BNSF network to build critical relationships with farmers and their crop associations, locally and nationally. Building and maintaining these relationships are crucial to ensuring open and productive communication between farmers, grain companies, farm organizations and appointed and elected officials. Additionally, our Ombudsmen work with customers to address issues across the gamut of the customer-railroad relationship and serve as a critical starting point for customers who wish to expand and grow on BNSF.

We also value our suppliers. We purchase material and service items from an extensive list of sources. We seek to acquire quality goods and services at the lowest total cost of ownership by working resourcefully, efficiently, effectively and ethically with both current and prospective suppliers.



Valuing Our Customers & Suppliers

We expect our suppliers to deliver high-quality products and services and demonstrate integrity and a commitment to the highest level of ethical standards. Our [Supplier Guide](#) describes the ethical, legal and procurement standards that we expect in our business relationships with suppliers.

Community Engagement & Philanthropy

Special Train Trips for Special Communities

To say thank you to our employees, their families and the communities they live in, we run the Employee Appreciation Special. This beautiful train tours various parts of our 32,500-mile network bringing fun activities and scenic rides in vintage stainless steel passenger cars. In 2023, the EAS – made up of 14 restored passenger railcars – visited Gallup, New Mexico; Winslow and Phoenix, Arizona; and Needles, Barstow, San Bernardino, Los Angeles, and Bakersfield, California. Almost 6,800 passengers boarded the business cars throughout June. Our employees and their families enjoyed a 90-minute round-trip ride.

Another beloved tradition is the BNSF Holiday Express, making festive visits to several communities on the BNSF network and entertaining the families of military veterans and first responders. Visits typically include donations to local nonprofits that support veterans.



BNSF Foundation

The primary way we contribute to national, regional and local charitable organizations is through the BNSF Railway Foundation. The BNSF Railway Foundation supports causes and programs including:

- Veteran-focused groups including Wreaths Across America, the USO, Toys for Tots, Military Miles Marathons, the Wounded Warrior Project and the Big Red Challenge.
- Groups who promote health and education in our communities, such as All Kids Bike, the Tulsa Dream League and the Museum of Science & History in Memphis.
- Groups who support environmental protection and conservation efforts, such as Friends of the Mississippi River and the Lake Effect Conservancy.



The BNSF Railway Foundation gave **\$9.6M** to worthy causes in 2023.



Employee Giving

Every year, our generous BNSF team members, at locations across our network, volunteer and contribute their time and talents to numerous charitable causes in their communities. The BNSF Railway Foundation's Employee Matching Gift Program matches employees' financial donations to public charities dollar for dollar up to \$20,000 per employee per year. The foundation matches about \$1 million annually to more than 700 organizations.

ENVIRONMENT

We Care About Our Environment

BNSF is working to minimize our impact on the planet and to contribute to the long-term sustainability of our customers and the communities in which we live and operate.



Addressing Greenhouse-Gas Emissions

Addressing greenhouse-gas emissions is a high priority for BNSF. Internal and external stakeholders identified and prioritized the most important sustainability issues, and reducing carbon emissions topped the list.

1. Carbon Emission Reduction
2. Human Capital Development
3. Diversity and Inclusion
4. Expansion Permitting
5. Innovation
6. Sustainable Operations
7. Critical Incident Risk Management
8. Labor Management

BNSF is committed to cutting absolute scope 1 and 2 GHG emissions by **30%** by **2030**.

Reducing Carbon Emissions

BNSF set a science-based target that was reviewed and validated by the Science Based Targets initiative (SBTi) in 2023. We've committed to reducing absolute scope 1 and 2 and well-to-wheel locomotive GHG emissions 30 percent by 2030 (from a baseline year of 2018). We plan to do so in two ways: by continuing to improve the fuel-efficiency of our locomotives and through the increased utilization of renewable fuels.



Testing Low-Carbon Fuels in Our Locomotives

In 2022, we began testing a B20/R80 blend of fuel, which is a mixture of 20% biodiesel and 80% renewable diesel. By working with our locomotive manufacturing partners and the other railroads, we hope to increase the amount of biodiesel and renewable diesel fuels we can use to operate our locomotives, which would translate into significant carbon intensity and emission reductions for our fleet. Initial testing results now indicate up to 10% biodiesel and up to 50% renewable diesel can be used in our locomotives. However, we anticipate continued testing will push those percentage blends even higher.

Promoting Adaptation & Resilience

Weather-Related Service Interruptions

Water & Flooding

The most common concern is around water and flooding. Many railroad bridges have been around for nearly a century or more, largely without issue. Increased impervious surfaces (urbanization) reduce water infiltration into the ground, sending even more surface water to the railroad faster with more intensity. We are also experiencing added impacts by communities and developers using our ditches for drainage. Additionally, development on hillsides above tracks can increase landslide and mudslide risks with water irrigation.

We continue to work diligently on public and agency coordination to seek mutually beneficial solutions. For example, when we renew bridges, we complete hydraulic analyses each time to estimate the flood impacts. In the cases where development has increased runoff intensity, we can have larger bridges, bigger culverts and/or raise track elevation.

Wildfires

BNSF has had wildfire response plans and equipment to protect our critical infrastructure for many years, but this program has been expanded significantly due to the increase in wildfire risk. Today we have more than 50 wildfire response tank cars and infrastructure protection trailers, and we have developed Infrastructure Wildfire Protection plans for BNSF's critical bridges, tunnels and snowsheds.



Increasing Fuel Efficiency

More Fuel-efficient with Energy Management Systems Onboard

We have equipped more than 4,000 locomotives with Energy Management Systems (EMS), such as Trip Optimizer, which allows the throttle and dynamic brakes to be controlled automatically, like cruise control. EMS factors the train makeup (length, weight and horsepower), track geometry, grade, curvature and speed restrictions to determine the most fuel-efficient way to operate the train across a territory while maintaining appropriate train handling.

Fuel-saving Automatic Engine Stop/Start (AESS) System

Automatic Engine Stop/Start (AESS) is another fuel-saving system. AESS automatically shuts down a locomotive that is idling to minimize wasted fuel and eliminate unnecessary emissions. AESS then automatically restarts the locomotive if it's needed for power or necessary for the health of the engine. Currently, more than 99% of our active locomotive fleet is AESS-equipped.

Horsepower Per Trailing Ton (HPT) Reduction

Reducing the effort required to move the weight of a train, measured in Horsepower Per Trailing Ton (HPT), is another effective method to improve our fuel efficiency. Practices we have implemented to minimize HPT include reducing excess horsepower; implementing speed-based throttle limiting to reduce fuel consumption at higher speeds; and isolating, or potentially shutting down, engines when a train has more locomotives than it needs for a given segment of its route.



Freight trains move one ton of freight **~500 miles** on just **one gallon** of diesel fuel.



Freight trains are **3-4X** more fuel efficient than their highway counterparts. "Moving freight by rail instead of truck lowers GHG emissions by up to **75%**, on average."

Association of American Railroads (AAR)

Sustainable Solutions for Customers

Reducing Our Customers' Carbon Emissions

Sustainability has become a larger contributing factor to customers' supply chain decisions, with many setting net zero carbon targets that include supply chain emissions. Rail is the most fuel-efficient mode of surface transportation. By using rail to transport goods, our customers can reduce their supply chain emissions while remaining competitive in the market.

Railroads handle 40 percent of the nation's long-distance freight volume, yet account for only 0.5 percent of total U.S. GHG emissions and only 1.9 percent of the transportation related emission sources, according to the U.S. EPA. According to the AAR, if 25 percent of truck traffic moving at least 750 miles shifted to rail, annual GHG emissions would fall by 13.6 million tons.

An annual GHG emissions reduction
of **13.6** tons:



Using the EPA's conversion methodology, that's the equivalent of taking **5.2** million vehicles off the road.

Collaborating with Customers to Promote Sustainability

Sustainable Freight Leadership Council (SFLC)

We work with customers on sustainable innovation end markets through our Sustainable Freight Leadership Council (SFLC). The SFLC brings together thought leaders from several industries to build insights and alignment on shared actions to reduce carbon emissions and create more sustainable supply chains.

2023 SFLC members include:

J.B. Hunt	Chevron Renewable Energy Group
Maersk	Chevron Phillips Chemical (CP Chem)
Amazon	Geocycle (GCC)
Berkshire Hathaway Energy	United States Steel Corporation
Global Clean Energy	Ford
Marathon Petroleum	Shell Chemicals



Launching a Joint Intermodal Service

In 2023, we launched **Quantum**, a J.B. Hunt and BNSF service for intermodal. Quantum allows customers with service-sensitive freight to benefit from the cost savings of intermodal transport, while reducing their carbon footprints. This premium service delivers speeds up to a full day faster than standard intermodal shipments.

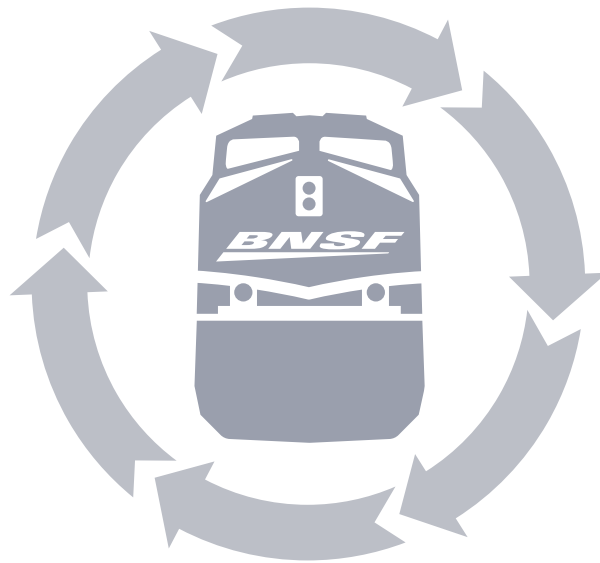


Celebrating Sustainability

Through our annual BNSF Sustainability Awards, we recognize companies that work with us to make their operations more sustainable. Recipients are recognized for achievement in categories including: Investments in Circular Economy Infrastructure, Supply Chain Efficiencies and Sustainable Technology Implementation.

Winners of BNSF's 2023 Sustainability Awards:

Amazon
American Honda
Chevron Renewable Energy Group
CMA CGM
Hereford Ethanol Partners
Maersk
Montana Renewables
Nucor
Shell Chemicals
Unilever



Supporting a Circular Economy

We are helping to support new sustainable business markets built around the circular economy, where materials are perpetually reused in closed-loop supply chains and upcycled into higher-value goods. We provide sustainable supply chain solutions for enterprises involved in plastics recycling, low-carbon steel manufacturing, renewable fuels and other emerging markets.

Co-Locating BNSF & Customers for Efficient, Convenient Services

Streamlined Supply Chain Solutions

BNSF Logistics Parks are BNSF-owned facilities anchored by a BNSF intermodal hub and surrounded by distribution centers to provide streamlined supply chain solutions for intermodal customers. By providing the setup for customers to operate in close quarters with us, we optimize the operating footprint and limit the transportation emissions required between intermodal and distribution activities.

Resources & Emissions Reductions

Co-locating at these facilities gives customers direct access to BNSF services and reduces the number of truck miles driven on public roads.

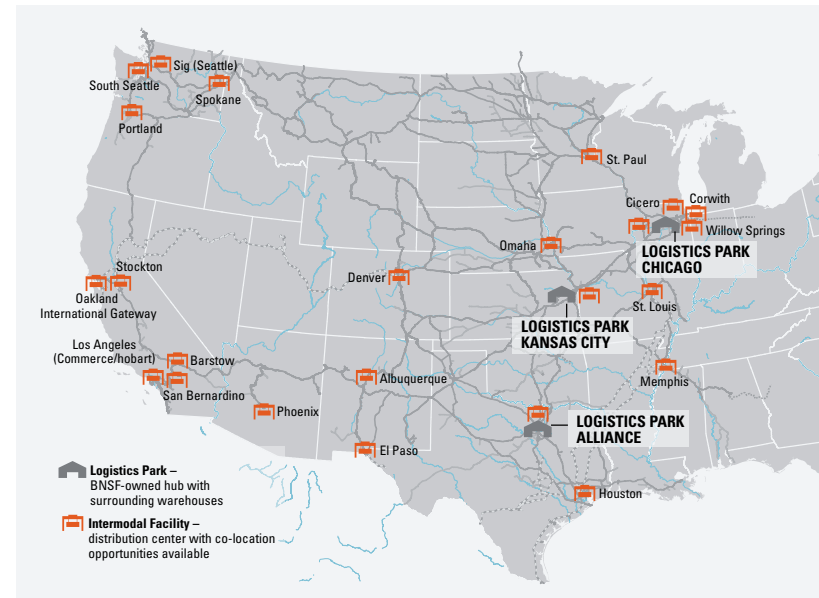
Efficiency Advantages

Our customers can enjoy the operational and logistical efficiency advantages of co-locating at our Logistics Parks and Logistics Centers.

Investing in Our Rail to Decarbonize America’s Supply Chain

We invest directly in the development of new facilities and sites in under-served, strategic, and primarily end-user markets to provide customers a low-carbon solution for moving their carloads. BNSF Logistics Centers serve customers with direct-rail service in multi-customer, multi-commodity business parks. We are taking strides to meet customers where they need efficient transportation solutions most.

Logistics Parks and Intermodal Hubs



Logistics Centers



Reducing Operational Emissions & Improving Efficiencies at Our Intermodal Facilities

With 27 facilities in 14 states, We boast the industry's largest network of intermodal hubs, connecting consumer goods to most U.S. markets. In 2023 4.5 million intermodal shipments were transported on our rail lines instead of on the nation's congested highways.

We continuously look for ways to increase efficiency and reduce our operational carbon footprint with the use of leading-edge equipment and technology at our intermodal hubs.

BNSF intermodal facilities utilize the following equipment and technology to support reduced carbon emissions:

- Wide-span electric cranes that produce zero emissions and reduce the number of diesel-powered hostlers required.
- Battery-electric hostlers, forklifts and drayage trucks.
- Real time Inventory: A combination of data sources is used to simultaneously verify and update inventory operating systems for the railroad, improving customer experience and providing a foundation for more accurate capacity planning in the future.
- Automated yard checks that utilize image analytics and machine learning.
- Remote cranes: "Wireless" remote cranes operate at Logistics Park Chicago (LPC). This remote capability improves productivity and safety.
- Automated Gate Systems (AGS) to speed entry and reduce truck idling on entering intermodal facilities.
- Load Plan Optimization: By using an AI-based algorithm that creates a load plan for an outbound train in seconds, we can ensure that the right containers and trailers are located where they need to be on the production tracks, minimizing the overall distance our hostler drivers need to travel, ultimately improving hostler utilization, reducing fuel consumption and improving track turn times.



A BIG New Development

We have begun development of the 4,500-acre Barstow International Gateway (BIG). BIG will be a uniquely integrated operation, consisting of a rail yard, intermodal facility and warehouses for transloading freight from international containers to domestic carriers. The first of its kind, the facility will allow direct transfer of containers from ships at the Ports of Los Angeles and Long Beach to trains headed to our mainline. By putting freight directly onto rail from Southern California ports, we will aid in reducing congestion, local emissions, and improving supply chain and transportation network fluidity and efficiency. BIG has the potential to meaningfully reduce carbon emissions in the ports and within the corridor between the coast and the inland facility while creating thousands of jobs. At the facility, containers will be processed using zero- and near-zero emission cargo-handling equipment. Supporting a sustainable transportation network and supply chain along with reducing carbon emissions in our operations are key initiatives in the BIG development.



Advanced Energy Innovation

In 2023, the Advanced Energy Innovation team continued to explore decarbonization solutions including assessing battery-electric locomotives, hydrogen fuel cell locomotives, hybrid locomotives, hybrid rubber-tired gantry cranes, zero-emission solutions for cargo handling, as well as solar power and microgrid technologies for facility resiliency and expense reduction.



Supporting Innovative Locomotive Development to Decarbonize Rail

We continue to develop the industry's next generation of locomotives. In 2021, we tested a prototype battery-electric locomotive in collaboration with Wabtec. Initial revenue service testing of the locomotive was completed between Stockton and Barstow, California. The battery-powered locomotive was situated between two Tier 4 diesel locomotives, creating a battery-electric hybrid consist that powered the train. The battery-electric locomotive was charged in Stockton and stored additional kinetic energy captured through dynamic braking once on the road.

We are also continuing to evaluate and monitor developments in the advanced energy locomotive space, including both hydrogen and battery electric locomotives. We are partnered with Chevron and Progress Rail for a hydrogen fuel cell locomotive demonstration, which is expected to begin early phase testing in mid-2025.

The hydrogen fuel cell locomotive configuration will include on-board hydrogen storage, a fuel cell to create electricity from the hydrogen, batteries to store electricity, and standard electric traction motors to power the locomotive. We are committed to evaluating the technical, operational, and economic feasibility of emerging locomotive technologies and understanding their potential integration into our rail operations.

Additionally, we are exploring the suitability of Tier 4 hybrid locomotives, whereby a battery will be added to a standard Tier 4 locomotive to improve fuel efficiency through the capture and re-use of "free energy" from regenerative braking.

Facility Electrification

We continue to implement next-generation battery-electric and hybrid-powered cargo-handling equipment at intermodal facilities in California and in the Pacific Northwest (PNW). Electric cargo-handling equipment operates with less noise and more cleanly with zero-emissions compared to traditional diesel machines, contributing to a safer, and more comfortable work environment while reducing sound pollution and environmental impacts on surrounding communities.



First Fully Electric U.S. Hostler Facility

Our Stockton, California yard is the first fully electric hostler facility in the United States, with 21 electric hostlers and a hybrid-electric rubber-tired gantry crane, which reduces carbon emissions at the facility by 90%. Additionally, this facility has a 0.75 mega-watt solar array providing renewable energy to feed the facility's electrical grid to charge their equipment.



Zero-Emissions, Battery-Powered Hostlers

In 2023 we replaced 12 diesel hostlers with zero-emissions battery-electric hostlers in our South Seattle intermodal facility. Over five years, we estimate that replacing 12 diesel yard trucks with all-electric yard trucks will reduce 29.5 tons of nitrogen oxides (NOx), 4.3 tons of fine particulate matter (PM2.5), and 3,328 tons of CO2e. This is equivalent to removing greenhouse gas emissions from 741 gasoline-powered passenger vehicles driven for one year, based on EPA's Greenhouse gas equivalencies calculator.

At our San Bernardino intermodal facility, we began the installation of 12 electric chargers that will support 12 battery-electric hostlers recently purchased by our service partner, Con Global. In 2024, we will deploy those trucks and then potentially replace an additional 38 trucks in 2025.

Sustainable Development & Conservation

Our Commitment to Sustainable Development

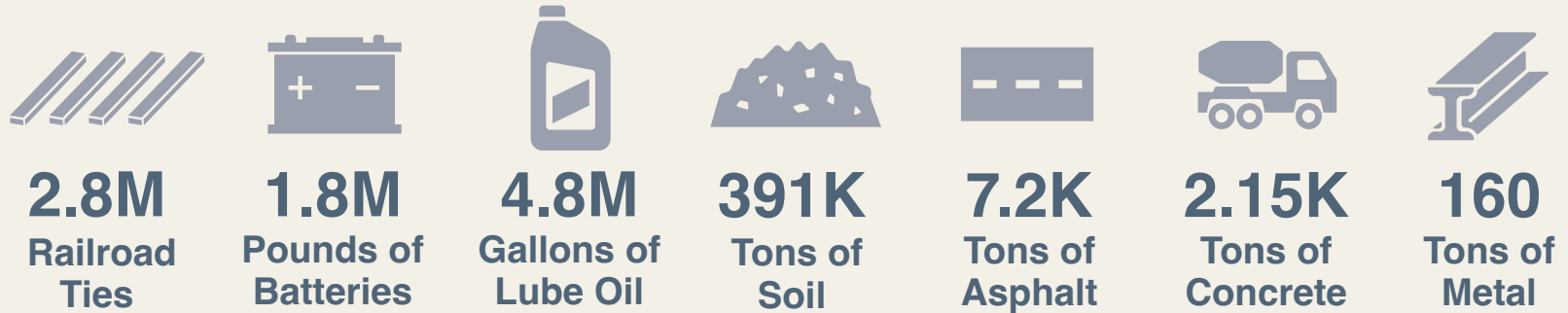
BNSF is focused on sustainable development with respect to the environment, the communities in which we live and operate, and our business. In 2023, BNSF executed a deep dive into our development project processes and established a company-specific playbook with a focus on sustainable development and communities, that encompasses the entire lifespan of a project, from site selection, design and construction to operation and maintenance. This new tool provides guidance to engineering project managers by reinforcing current processes with the integration of sustainability measures.

We measure sustainable development by the project's impact on and by (1) the community, (2) project management, (3) efficient resource allocation, (4) natural world conservation, and (5) climate and resiliency. The vision for our playbook is for BNSF project owners and teams to develop sites that provide business value while minimizing environmental impacts and improving community engagement.



Recycling & Other Sustainability Initiatives

BNSF engages in an intensive recycling program. Materials recycled in 2023 included approximately:



These actions allowed us to reduce overall trucking miles, avoiding ~1,475 Mtons CO₂ from emissions. We also reduced annual energy use by ~2,000 MWh and annual Natural Gas use by ~94,400 therms, for a combined ~1,450 MTons/year CO₂e carbon emissions.

Other sustainability initiatives include:

- **Responsible Care Management System – Rail Carrier Partner**, which promotes continuous environmental, health, safety, and security improvement.
- **Operation Clean Sweep**, which focuses on prevention of plastic spills.
- **The Cyclyx Coalition**, which aims to build supply chains and support technologies to recycle up to 90 percent of U.S. plastic.



Environmental Protections

Natural world conservation is revisited throughout our sustainable development playbook. The playbook recommends project teams look for opportunities to minimize our impacts to natural resources, such as rivers and streams, endangered species habitats, and wetlands in watersheds during site-location, site layout and design of development projects. Well-informed site selection allows projects to screen potential environmental permitting requirements and potentially avoid any sensitive or protected areas. We aim to optimize the site layout of every project by working with engineering and environmental professionals to strategically and efficiently develop operational areas and provide prompt service to our customers.

We continue to work closely with partners such as the National Fish and Wildlife Foundation (NFWF) and PNW Tribal Governments to promote conservation projects.

Our ongoing work with the NFWF supports conservation projects by reducing impacts to wildlife across the BNSF system, such as minimizing grizzly bears strikes in the Northern Rockies, improving habitats for the Mojave Desert tortoises in the southwest, and fostering a healthier marine ecosystem for Chinook salmon and orca whales in the Pacific Northwest.

- Desert Tortoise Recovery Partnership
- Killer Whale Research and Conservation Fund
- Chi-Cal Rivers Fund



Investing in Remediation

We actively address environmental impacts at legacy sites – locations where predecessor railroads and others may have conducted operations for up to a century. In the last decade, we have rehabilitated approximately 100 sites and invested approximately \$230 million toward remediation efforts.

An Ongoing Focus on Sustainable Operations

We are committed to pollution prevention and environmental stewardship and manage that commitment through our Sustainable Operations Program (SOP). As part of the SOP, we provide guidance and best management practices for twelve operational areas as listed. Each of these are evaluated to identify sustainable solutions that provide operational benefit to our on-site teams. These include waste minimization/recycling, equipment/infrastructure, economic and environmental improvements, or operational changes that improve our environmental footprint. Imbedding environmental stewardship and sustainability into our everyday operations drive sustainability throughout the organization and lead to risk reduction, cost savings and a more sustainable railroad.

1. **Fueling**
2. **Maintenance**
3. **Wastewater**
4. **Stormwater**
5. **Waste Management**
6. **Equipment/Materials Storage**
7. **Property Operations & Maintenance**
8. **Contractor/Leased Operations**
9. **Construction and Expansion Activities**
10. **Transportation Operations**
11. **Adjacent Sensitive Receptors (e.g., Rivers, Wetlands)**
12. **Agency/Community Involvement**

INTEGRITY

We Care About Integrity

At BNSF, we operate our company to comply with the highest standards of business ethics and integrity.



A Culture of Integrity

Our team members recognize the important shared value of continuously improving by striving to do the right thing safely and efficiently. As a company, we've built a strong reputation for doing the right thing in our relationships with customers, suppliers, team members and our communities.

All BNSF employees are accountable for our actions and are responsible for promoting honest and ethical conduct and complying with company policy, legal and regulatory obligations.

Code of Conduct

Our culture of integrity is manifested in our Code of Conduct. Each year, all exempt employees are required to certify to the Code of Conduct, confirming that they understand and agree to comply with company policies and expectations regarding employee conduct.

The BNSF Code of Conduct provides standards and guidelines for:

- Workplace Conduct
- Business Ethics
- Conflicts of Interest

Our Code works hand in hand with our policies to define our expectations for acceptable conduct at BNSF regarding:

- Gifts and Entertainment
- Bribery and Corruption
- Cybersecurity
- Confidential Information and Intellectual Property
- Records and Information Management
- Antitrust and Dealing with Competitors
- Environmental, Health and Safety



Anti-Bribery, Anti-Corruption & Prohibited Business Practices

Compliance with anti-corruption, international trade and anti-money laundering laws are key requirements for BNSF. Our compliance procedures include conducting third-party due diligence, monitoring accounts payables and receivables and travel and entertainment expenses, and periodic training of employees. Every two years, select BNSF exempt employees are required to complete an Anti-Bribery, Anti-Corruption, and Prohibited Business Practices Training Course. This training is intended to give employees the knowledge and tools necessary to conduct business in compliance with these laws and provide awareness of export control, sanctions, anti-boycott, and customs laws.

Avoiding Conflicts of Interest

As part of the annual Code of Conduct review and certification process, employees must report any relationships or activities that may create a potential or actual conflict of interest. Employees are required to keep their conflicts of interest disclosures current throughout the year and report any new or changed conflicts of interest as soon as it is known. Potential conflicts of interest reviewed include vendor and family relationships, industry and board memberships, and secondary employment. Potential conflicts are reviewed by our Compliance Team and the employee's leadership, and employees are provided with safeguards to ensure the reported relationship or other activity doesn't become or appear to become a conflict of interest.

Reporting Unethical Behavior

At BNSF, everyone can contribute to sustaining our culture of integrity by watching for and speaking out about behavior that is unethical, illegal or in conflict with our Vision and Values or Code of Conduct. We have strong controls to prevent and detect fraud and abuse, but nothing can replace a vigilant workforce. Employees are encouraged to raise concerns with their supervisor or department leadership. If they are unable to talk with their leadership, they can reach out to our Human Resources or Compliance teams. One tool always available is the BNSF Hotline (800-533-BNSF or brk-hotline.com). Hotline reports may be made anonymously and are thoroughly investigated. We prohibit retaliation for good faith reporting of apparent or actual illegal or unethical conduct.

Policies & Corporate Rules

BNSF Policies, Rules and Procedures help define employee expectations and provide guidance to ensure we are in alignment with our Code of Conduct and Vision and Values. All BNSF employees are required to understand and comply with applicable BNSF policies, which identify high-level requirements. Corporate rules provide details supporting the policies and procedures lay out instructions for complying.

BNSF policies address areas including:

- Anti-Corruption and Prohibited Business Practices
- Anti-Retaliation
- Antitrust Compliance
- Confidentiality of Medical Information and PHI
- Contracts and Payments
- Corporate Relations
- Environmental, Health and Safety
- Equal Employment Opportunity, Anti-Discrimination and Harassment
- Gifts and Entertainment
- Information Governance and Confidentiality
- Information Security
- Intellectual Property
- Investment Activities
- Purchasing and Payment Methods
- Records and Information Management
- Secure Facility Access
- Social Media
- Travel and Entertainment Expenses
- Use of Alcohol and Drugs
- Violence in the Workplace



Role of Board of Directors & Executive Team

As well as overseeing the execution of our Vision & Values, Leadership Model, and overall strategic direction of the company, the Board of Directors has a formal role in annually approving the Code of Conduct and all disclosed conflicts in respective areas of responsibility. The Executive Team is responsible for leading by example in all areas of ethical business activity and for ensuring policies are in place that promote the highest levels of business ethics and integrity. They also review all new policies and policy changes.

BNSF Board of Directors:

Warren Buffett
Marc Hamburg
Gregory Abel
Carl Ice
Katie Farmer
Paul Bischler
Steve Bobb
Matt Igoe
Jill Mulligan

BNSF Executive Team

(as of December 31, 2023):

Katie Farmer – President and Chief Executive Officer
Steve Bobb – Executive Vice President and Chief Marketing Officer
Matt Igoe – Executive Vice President and Chief Operations Officer
Jill Mulligan – Executive Vice President and Chief Legal Officer
Paul Bischler – Executive Vice President and Chief Financial Officer
Judy Carter – Senior Vice President and Chief Human Resources Officer
Zak Andersen – Chief of Staff and Vice President, Communications

Financial Transparency

The management of BNSF is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of BNSF's financial statements for external reporting purposes in accordance with accounting principles in the United States of America.

Reporting includes:

- SEC Filings
- Surface Transportation Board Reports (STB) R-1 Annual Reports
- Consolidated Financial Statements
- Quarterly Performance Summaries

Regulatory Compliance

BNSF Railway's rail operations are subject to the regulatory jurisdiction of the Surface Transportation Board (STB), the Federal Railroad Administration of the United States Department of Transportation (DOT), the Occupational Safety and Health Administration (OSHA), the Environmental Protection Agency (EPA), as well as other federal and state regulatory agencies and Canadian regulatory agencies for operations in Canada.

The STB has jurisdiction over disputes and complaints involving certain rates, routes and services, the sale or abandonment of rail lines, applications for line extensions and construction, and consolidation or merger with, or acquisition of control of, rail common carriers.

DOT, OSHA, and EPA have jurisdiction under several federal statutes over a number of safety, health, and environmental aspects of rail operations, including the transportation of hazardous materials. State agencies regulate some health, safety, and environmental aspects of rail operations in areas not otherwise preempted by federal law.

Enterprise Risk Management (ERM)

Effective Enterprise Risk Management is at the foundation of BNSF's compliance and audit functions, and our strategic corporate initiatives. On an annual basis, the Compliance team leads the formal review of our enterprise risks, analyzing changes in our business and the broader risk landscape, and seeking input from departmental and executive leadership. Results are discussed with BNSF's senior leadership to ensure appropriate management activities and initiatives are in place to mitigate identified risks. Results are also used by the Compliance and Audit Department to shape the annual compliance and audit plans, and results are shared with Berkshire Hathaway.

Some examples of how we identify and mitigate risks include designing and implementing an enhanced monitoring program for BNSF's key material and service providers to mitigate material risks associated with potential vendor disruption or nonperformance. We also establish cross-functional coordination within BNSF in response to increased criminal activity impacting our network and implement a strategy to collaboratively engage industry participants, law enforcement and government agencies to seek long-term solutions.

Enhancing Data Privacy

We are committed to continuing to enhance our data privacy compliance program responsive to the evolving federal and state data privacy laws by protecting the privacy and security of the personal information of our employees, customers, vendors and other third parties.

The BNSF Privacy Statement is posted on BNSF.com, and it shares our commitment to protecting privacy and data for those visiting our Internet site and using our services. It provides details on the information we collect, our use of that information and our data security practices. The information we collect is used only for internal business purposes. We do not, nor do we plan to, sell any information collected through our website. Further, we do not plan to divulge information to any party other than BNSF affiliates, service providers and other third parties we use to help run our business.



BNSF[®]
RAILWAY