BNSF by the Numbers

32,500
Route Miles

28
States

3
Canadian Provinces

25
Intermodal Facilities

40+
Ports

~8,000
Locomotives

44,000
Employees*

*BNSF Railway Employees as of December 31, 2018.
BNSF Railway is a major North American freight transportation company operating a vast network of 32,500 miles of track in 28 U.S. states and three Canadian provinces.

Of course, BNSF is much more than route miles. We are going the extra mile – for our customers and our communities, for our employees and our environment.

We transport grain, coal, consumer products, industrial goods and more. Every day we help bring important commodities where they need to go.

This is a vital link in the global supply chain, central to the health of the U.S. economy, and critical to providing food, power and more to people across the country.
We have many things to celebrate as we reflect on 2018, including an all-time volume record. Times of growth are both encouraging and challenging, and we responded to market opportunities, focusing on increasing productivity, all while making sufficient investments in our railroad to grow with our customers.

We always begin with safety. Nothing is more important than safety and we cannot consider ourselves successful until we have eliminated all injuries. By the close of 2018, our injury frequency and severity rates were both improved compared with 2017, but we know we must continue to drive improvement. We remain confident that we have the right safety processes in place to reach and sustain our safety vision.

We also cannot be successful unless we provide service levels that meet our customers’ expectations. Our volumes increased 4 percent over 2017 reflective of a robust economy and our ability to gain market share. However, in 2018 we were not consistent in our service. In response, we moved quickly to add resources, including people and our available locomotive fleet. We know we can and will do better.

We know we can provide consistent and reliable service that is best-in-class because we have done it. We delivered another perfect holiday shipping season in 2018 for one of the largest package delivery companies in the world. We handled more than 34,000 of their loads carrying about 70 million packages during the holidays. And we delivered that volume without a single service failure, enabling them to deliver on their promise to their customers.

This is just one example of the continued growth we are seeing in our domestic intermodal business where volumes were up 3 percent compared with 2017. The increase was driven in large part by economic growth and tight truck capacity leading to conversion from highway to rail.

Our industrial products segment volumes increased 10 percent compared with 2017. This was primarily due to strength in the industrial and energy sectors, which drove higher demand for petroleum products, rock, steel and plastics.

Volumes in our agricultural products segment increased 9 percent, due to strong export and domestic grain shipments, as well as higher fertilizer and other grain products volumes. These volumes represented an all-time record for our agricultural business.

Coal volumes decreased 1 percent compared with 2017 primarily due to plant retirements combined with competition from natural gas and renewables, partially offset by market share gains and improved export volumes. While these declines were less than we anticipated, we expect additional declines in the years ahead.

As we look to the future, we must remain focused on who we are as a railroad and what will continue to drive our success. A key part of delivering the level of service our customers expect is having the capacity to say yes to our customers’ growth. Since 2000 we have invested nearly $65 billion in our railroad, ensuring it’s in the best shape it has ever been. Our Southern Transcon route is virtually entirely double-tracked, and our Northern Corridor has been significantly rebuilt with sufficient capacity for our existing business and capability to grow with our customers. This year we will invest $3.57 billion to continue to maintain the strength and reliability of our infrastructure, while selectively expanding where we need more capacity. This positions us to use our network in new ways to increase efficiency. Through our investments and technology, we should expect to have a better cost structure as we harness our increased capabilities to achieve higher velocity, healthier asset utilization and improved productivity across all aspects of our business.

Our strength and resilience will always be reflected in the most important reason we will remain successful – our people. We can be proud of what we are achieving because what we do is important – safely moving the freight our customers need and the goods that are vital to our nation and our economy. I am optimistic about what’s ahead because I have confidence in our team and know what we can accomplish together. This Is BNSF and I know our best years are still ahead of us.

Carl Ice
President and Chief Executive Officer
SAFETY

An approach built from the ground up, based on the care every BNSF team member brings to our colleagues, our communities and the freight that we move.

THIS IS BNSF

BNSF Safety Vision

Our employees inspire us to embrace a vision of operating free of accidents and injuries. We aspire to prevent safety incidents in the first place through training, technology and safety programs.

Prevention

35 million messages are generated daily by our network of 4,000+ trackside detectors to help us identify defects before they create an issue.

Mitigation

Though BNSF does not own the tank cars we use to ship ethanol and crude oil, we work with our customers to ensure we have the safest tank cars in which to move these commodities.

Response

BNSF trained 6,800+ first responders in 2018.
Recognizing Our Employees’ Commitment to Safety

Every year BNSF celebrates several employees who embody our commitment to safety by recognizing them as Safety Employees of the Year. Key considerations for the honor include demonstrating leadership in our safety programs, promoting safety through innovative ideas and proactively identifying risks and reinforcing safe behaviors with positive feedback. Safety Employees of the Year for 2018 include Humberto Briones Jr. (Intermodal), Dan Drobny (Engineering-Track & Structures), Phillip Jody (Engineering-Signal & Network Control Systems), Alejandra Sanchez (Engineering-Telecommunications), Tohmer Soltes (Mechanical) and Jessica Stone (Transportation).

“There are a lot of people at our facilities. I may not know you, but you should know I’m going to look out for you. I learned that as a Marine, and it applies at the railroad as well.”

Humberto Briones Jr.
Intermodal Safety Employee of the Year
Seattle, Washington

“Our team just celebrated 17 years injury-free. We take care of ourselves and look out for each other to make sure no one gets hurt and everyone goes home the same way they came to work – and back to our family, kids and grandkids.”

Phillip Jody
Engineering-Signal & NCS Safety Employee of the Year
Winslow, Arizona
Training Our Team

BNSF trains our employees on an array of technical rules and safety topics, including federal regulations, rail industry recommendations and BNSF-specific initiatives. A key venue is the BNSF Technical Training Center (TTC) in Overland Park, Kansas. There, employees take courses and utilize simulation and lab tools that represent equipment, including locomotives, cranes and crossing gates. In 2018, we trained more than 4,300 employees at TTC and close to 20,000 in the field, as well as more than 500 rail industry employees.

Approaching Others About Safety

Our Approaching Others About Safety initiative continued strong in 2018. The initiative is designed to address the risk associated with the exposures that result in 97 percent of the fatalities and serious injuries in the rail industry. In 2018, more than 20,000 employees received Approaching Others About Safety training.

Injury Prevention

The U.S. rail industry has made significant gains in safety over the years, and BNSF is a leader in this area.

<table>
<thead>
<tr>
<th>2018 Injury Rate Per 200,000 Employee Hours</th>
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<tbody>
<tr>
<td>0.95 BNSF</td>
</tr>
<tr>
<td>1.8 RAIL TRANSPORTATION</td>
</tr>
<tr>
<td>2.4 MINING (EXCEPT OIL &amp; GAS)</td>
</tr>
<tr>
<td>2.5 HEAVY &amp; CIVIL ENGINEERING CONSTRUCTION</td>
</tr>
<tr>
<td>4.0 TRANSPORTATION EQUIPMENT MANUFACTURING</td>
</tr>
<tr>
<td>4.2 TRUCK TRANSPORTATION</td>
</tr>
<tr>
<td>4.4 PRIMARY METAL MANUFACTURING</td>
</tr>
<tr>
<td>6.1 AIR TRANSPORTATION</td>
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</tbody>
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Injury rates for BNSF and the rail industry are quoted based on Federal Railroad Administration 2018 year-end data. All other data is from the year 2017 from the Bureau of Labor Statistics.
First Responder Training

BNSF continues to play a major role in training emergency hazmat responders in the communities in which we operate. In 2018, we helped train more than 6,800 first responders. This training is provided by BNSF and railroad industry partners through the Transportation Community Awareness and Emergency Response (TRANSCAER) program.

Hazmat Response Resources

BNSF maintains a network of more than 250 hazardous materials responders who are trained to handle situations from small non-accident releases to major releases. To support their efforts, we have strategically placed emergency response equipment at more than 70 locations across our network.

Grade-Crossing Safety

BNSF has achieved one of the industry’s lowest highway-railroad grade-crossing collision rates. In collaboration with communities and landowners, we have been able to close more than 6,400 grade crossings since 2000. We also regularly participate in programs such as International Level Crossing Awareness Day in communities across our network. For the past several years, BNSF has spent an average of approximately $140 million annually on programs related to grade-crossing safety, including approximately $80 million on grade-crossing maintenance.

Highway-Rail Grade-Crossing Collisions

Source: Federal Railroad Administration 2018 year-end data.
Positive Train Control

At BNSF, we are leading the North American freight rail industry in the implementation of Positive Train Control (PTC). In fact, we completed installation of all federally mandated PTC infrastructure on our network in 2017, well in advance of the December 31, 2018, deadline. We are also installing PTC in locations beyond the mandate. Nevertheless, in 2018 we requested an extension, because to be considered fully implemented requires that all other railroads operating across any of our PTC-equipped lines must also be capable of operating with our PTC system.

Moving forward, our focus will continue to be on PTC interoperability. We have achieved interoperability, and PTC is active for several passenger railroads, including Amtrak, where they run on BNSF. This is an important achievement because one of the primary purposes of PTC is to provide protection where railroads run freight and passenger service. We have also accomplished interoperability with several shortline railroads.

We look forward to expanding interoperability and continue to work with the Federal Railroad Administration to ensure PTC enhances rail safety wherever it operates.

Extensive Inspections

BNSF regularly conducts rigorous track, weather event, bridge and rail inspections across our network that meet all federal requirements. Efforts include routine visual inspections by specially trained track and bridge inspectors. We supplement their inspections by leveraging sophisticated instrumented railcars and trucks, bridge inspection vehicles and unmanned aerial vehicles. These various tools are equipped with a variety of high-tech capabilities including track measurement systems that use ultrasound for internal rail inspections and ground-penetrating radar, high-definition cameras and accelerometers used to analyze the roadbed, track and bridges.
A network that meets our customers’ needs for reliability, market reach and consistency.

THIS IS BNSF

2018 Capital Investments

$3.4B Total

3% Positive Train Control
13% Locomotives, Freight Cars and Other Equipment
15% Expansion and Efficiency
69% Core Network and Related Assets
Results of 2018 Capital Investments

- ~230 Bridge Projects
- ~200 New Miles Under Centralized Traffic Control
- ~15 Miles of Double Track Added
- ~3M Railroad Ties Replaced

What We Carried in 2018

Total Units 10,698
Y/Y Change +4%
(Thousands of units, with year-over-year change)

- 5,597 Consumer Products, Y/Y Change +3%
- 1,991 Industrial Products, Y/Y Change +10%
- 1,208 Agricultural Products, Y/Y Change +9%
- 1,902 Coal, Y/Y Change -1%
Enabling Customer Success

BNSF customers showed their confidence in our ability to help them succeed by collectively investing nearly $3 billion in 2018 in BNSF rail-served facilities. These investments are expected to generate approximately 1,400 new jobs in local communities.

Customer investments highlights:

**Kubota Tractor Corporation**
- Expanded Logistics Park Kansas City facility
- Invested ~$87M
- Added 1M square feet to distribution center
- Increased employees by 150+

**Dakota Plains**
- New corn shuttle facility
- Invested $40M
- Created new employment opportunities

**WinChill**
- New 326,000-square-foot cold storage facility
- Invested $67M
- Located at a BNSF Certified Site in Sioux Falls, South Dakota
- Resulted in 105 new jobs

**Dolese Bros. Co.**
- New White Eagle sand facility
- Invested $35M
- 1,000 tons of concrete sand per hour capacity
- Capacity for 120+ railcars on a loop track

2018 is the 8th consecutive year BNSF customers and local economic development organizations have invested more than $1B for new or expanded facilities.
Maintaining and Expanding Our Network

As America’s largest mover of intermodal freight, BNSF devotes significant resources to maintaining our network as well as expansion projects aimed at meeting our customers’ demands. In 2018, BNSF invested approximately $1 billion into our Southern Transcon, which serves as our primary intermodal route connecting Southern California to Chicago.

Southern Transcon Major Projects 2018

Amarillo, Texas
BNSF added a fourth main line through Amarillo, Texas. As a crew change point, Amarillo sees a great deal of activity. An extra lane allows faster traffic to bypass the area and enables trains that have completed their crew change to get moving again more expeditiously.

Belen, New Mexico
BNSF completed a third main line in New Mexico between Belen and Dalies. The third main line enhances capacity and improves traffic flow along this portion of the Southern Transcon.

Bosworth, Missouri
Five bridge spans were replaced on the Bosworth Bridge about 90 miles northeast of Kansas City, Kansas. This double-track bridge crosses the Grand River in Bosworth, Missouri.

BNSF moves 5M+ intermodal shipments a year.
New and Improved BNSF Facilities

BNSF operates some of the industry’s most innovative facilities. Recent additions include:

Logistics Center Oklahoma City
BNSF Logistics Centers offer direct rail service in multi-customer, multi-commodity business parks in key strategic sites. The new Logistics Center Oklahoma City provides unrivaled access to the state’s largest population center and one of the United States’ most prominent energy centers. It is well-situated for both rail and highway access. The 195-acre site accommodates both manifest and unit train customers, and provides a resource for storage.

Terminal Process Control Technology at Hump Yards
In 2018, BNSF completed the installation of state-of-the-art Terminal Process Control (TPC) technology at all of our hump yard facilities. Hump yards are rail classification facilities where railcars are classified and grouped by moving them over summits, or humps, enlisting the power of gravity. TPC uses specific calculations for each yard, such as number of switches and grade incline or decline percentage, to generate precise calculations that help safely and efficiently sort railcars.

New Services

To meet our customers’ growing shipping needs, BNSF launched two new intermodal services in 2018.

Seattle/Tacoma-Portland
Our new service between Seattle/Tacoma, Washington, and Portland, Oregon, expands opportunities for shippers in the Pacific Northwest. With this service, export customers can load their shipments at the Port of Portland to move northbound on BNSF trains to Seattle/Tacoma, where they can be loaded onto cargo ships. The service also handles imported goods that move southbound from Washington to Oregon.

Southern California-Ohio Valley
BNSF now offers a direct-rail intermodal service between Los Angeles and the Ohio Valley region. The new service provides access to some of the fastest-growing industrial and consumer markets in and around northwest Ohio. Shippers can now traverse BNSF’s Southern Transcon to Chicago and continue to North Baltimore, Ohio, streamlining supply chains. The new service runs eastbound and westbound five days a week.
BNSF Certified Sites

To streamline the development of rail-served sites for our customers, BNSF’s Site Certification Program selects strategically located sites across our network and makes them available for immediate development. In 2018, three new Certified Sites were added, in Oklahoma, Montana and – for the first time – in Canada. Shippers who build new rail-served facilities on a BNSF Certified Site are expected to save six to nine months of construction time as a result of the site’s advanced level of preparedness for development.

New BNSF Certified Sites:

_Easterly Industrial Park in Enid, Oklahoma_  
> Served by three major U.S. highways  
> 300+ acres  
> Zoned for heavy industrial use

_Kootenai Business Park in Libby, Montana_  
> 5,000-foot lead track connecting to BNSF’s Northern Corridor  
> On U.S. Highway 2  
> 400 acres, with 120 acres ready for development

_Ceres Northgate Terminal in Northgate, Saskatchewan_  
> On Saskatchewan Highway 9  
> Features two high-efficiency loop tracks  
> 1,300 acres ready for development
Award-Winning Service

BNSF’s commitment to the highest level of service is regularly recognized by our customers. Honors received in 2018 include:

> President’s Award for Rail Logistics Excellence from Toyota Logistics Services
> Premier Partner Award from Honda Motor Co.
> Distinguished Service Award from the National Defense Transportation Association

National Guard Collaboration

In 2018, BNSF supported a large-scale training exercise conducted by the Arkansas National Guard. During the exercise, designed to simulate an emergency deployment, hundreds of artillerymen spent three days at the BNSF railyard in Guernsey, Wyoming. They were supported by BNSF employees, who helped coordinate movement of railcars. BNSF also regularly serves the National Guards of various states in moving large amounts of military equipment.

Blockchain Alliance

To improve data security across the supply chain, BNSF became the first Class I railroad to join the Blockchain in Transport Alliance (BiTA) in 2018. BiTA includes more than 200 freight transportation companies working to develop blockchain standards for the logistics industry. Blockchain functions as a distributed ledger, with all members of a particular blockchain having access to all the data within it. By housing information with each member, altering the information within a blockchain is difficult. BNSF and our BiTA partners will define what data goes into the freight transportation blockchain, how data is formatted and in what circumstances the blockchain will be deployed.

In 2018, BNSF transported nearly 3M vehicles.
In order to pilot emissions-reducing technologies in and around railyards, BNSF, along with the San Joaquin Valley Air Pollution Control District, was awarded a $22.6 million grant from the California Air Resource Board. As part of the program, BNSF will partner with Wabtec Corporation on developing and testing a battery-electric locomotive. This innovative locomotive will be tested while paired with diesel locomotives to power a freight train traveling from Stockton to Barstow, California. The battery-electric locomotive is expected to store 2,400 kilowatt-hours of power and could reduce a freight train’s total fuel consumption by 10 to 15 percent.

BNSF also continues to invest in other sustainable technologies, including:

- **Idle Control**
- **Electric Wide-Span Cranes**
- **Electric Hostlers**
- **Automated Gates at Intermodal Facilities**
- **More Fuel-Efficient Tier 4 Locomotives**
Customer Carbon Reduction

By converting their shipments from trucks to trains, BNSF customers are significantly decreasing their carbon footprints. A single double-stack intermodal train removes several hundred long-haul freight trucks from the highway. No other form of land freight transportation is more fuel- and resource-efficient than rail. Rail also provides environmental benefits by reducing our country’s overall transportation emissions and carbon footprint.

In 2018, shipping with BNSF enabled our customers to reduce their total carbon emissions by 35.4 million metric tons.

This carbon savings is equivalent to:

7.5M+ VEHICLES annually

41.6M+ ACRES of CO₂ sequestration by U.S. forests in one year

Reduced BNSF Emissions

Over the last decade, BNSF has upgraded the majority of our locomotive fleet to more energy-efficient technologies. This helps us increase fuel efficiency and decrease CO₂ and particulate emissions. Improvements in operations and maintenance practices also contribute to enhanced fuel-efficiency.
Recycling efforts further reduce BNSF’s environmental impact. Materials recycled in 2018 included approximately:

- **3M** Railroad Ties
- **1M** Pounds of Batteries
- **5.2M** Gallons of Lube Oil

**Legacy Site Rehabilitation**

BNSF is actively addressing environmental impacts at legacy sites – places where predecessor railroads and others may have conducted operations for up to a century. In the last decade, BNSF has rehabilitated approximately 205 sites and invested approximately $470 million toward remediation efforts.
Diversity

BNSF believes in the power of diversity in our workforce. Diversity-related highlights in 2018 include:

> More than 40 percent of teammates hired were minorities or women
> Recognized as a Top 50 STEM Native American Employer
> Named to Forbes America’s Best Employers
> Included in Minority Engineer’s Top 50 Employer List
> Identified as a top employer for U.S. military veterans

We also promote diversity by participating in scholarship programs that benefit minority students, such as Girls Inc., and through the BNSF Railway Foundation we support organizations, including the American Indian Science and Engineering Society and the United Negro College Fund.

More than 40 percent of BNSF’s new hires in 2018 were minorities or women.
Veterans

BNSF values veterans. We employ more than 7,400 military veterans (approximately 17 percent of our workforce). BNSF supports reservists as well, enabling time off for training and deployment.

BRAVE

In 2018, as part of our ongoing commitment to diversity and inclusion, we established a business resource group for veterans, reservists and first responders. BRAVE, which stands for Business Resource and Veterans Engagement, is designed to support all veterans working across our network. BRAVE works to engage communities, build the leadership skills of its members, and provide ongoing career development support to help drive success for them and for our company.
Training

At BNSF, every employee has access to targeted, role-based training and on-boarding, with an emphasis on safety, technical expertise and leadership. BNSF team members receive training on best-in-class simulators, through structured on-the-job rotations and from industry experts, their peers and BNSF leaders. In 2018, the quality of our leadership development, and technical and safety training programs was recognized with a Top 5 global ranking from Training Magazine.

Career Development

Multiple programs promote career development, including our Management Trainee, Experienced First Line Supervisor and First Line Supervisor programs. Other career development resources include formalized feedback and coaching, leadership training, mentoring programs, tuition reimbursement and experiential job-rotation assignments.

The average employee tenure at BNSF is more than 12 years.

Employee Assistance

In 2018, the BNSF Employee Assistance Program (EAP) received the prestigious Quality Award from the Employee Assistance Professional Association (EAPA). BNSF EAP provides professional and personalized assistance for employees and family members facing work and home challenges.
The BNSF Railway Foundation is the primary vehicle through which BNSF contributes to our communities. Through scholarships, funding for community groups and other endeavors, the BNSF Railway Foundation donated more than $9 million to deserving causes in 2018.

**Veteran Support**

One of the key areas of philanthropy BNSF supports is veteran-related giving. One of the many veteran-supporting nonprofit organizations we are proud to help is Wreaths Across America. With trucking partners, we help transport wreaths that are placed on military veterans’ graves at more than 1,600 locations.
**First Responder Express**

One way BNSF shows our regard for police officers, firefighters and other first responders and their families is by giving them a memorable train ride on the BNSF First Responder Express. In 2018, First Responder Express stops included Galveston, Texas; Houston; Oklahoma City; Spokane, Washington and Topeka, Kansas. Since its founding in 2015, the First Responder Express has traveled to 17 cities and through 12 states. At each stop, the BNSF Railway Foundation awards grants to local organizations that support first responders and their families.

![First Responder Express Image](image1)

**BNSF Employee Appreciation Special**

BNSF honors our own with fun-filled trips for BNSF employees and their families on the BNSF Employee Appreciation Special. The train features immaculately restored vintage passenger railcars from the 1950s and 1960s. In 2018, the Special ran a total of 37 round trips for more than 9,000 BNSF employees and their families in communities in Kansas, Oklahoma, Texas and Louisiana. We also gave rides to organizations such as the Boys & Girls Club and local first responders as part of these events.

![BNSF Employee Appreciation Special Image](image2)

**Holiday Express**

Continuing one of our most enjoyable annual traditions, the BNSF Holiday Express provided military families with a merry little train trip including food, entertainment and, of course, Santa. Over the past 11 years, more than 26,500 military personnel and their families have enjoyed the hospitality of the Holiday Express. At each stop, the BNSF Railway Foundation adds to the cheer by making donations to charitable organizations that support military families. To date, those donations total approximately $750,000.

![Holiday Express Image](image3)
Heritage Community Awards

As a company whose tracks run deep into America’s history, BNSF has established long-lasting, mutually rewarding ties with many communities. Every year, we celebrate a selection of them with our BNSF Railway Heritage Community Award. In 2018, the communities recognized were Arkansas City, Kansas; Enid, Oklahoma; Bonner County, Idaho and Galveston, Texas. Festivities typically include a reception, a prized model locomotive given to local officials and donations from the BNSF Railway Foundation to local nonprofits.

Tribal Relations

The Tribal Relations Team, the first of its kind among U.S. Class I railroads, works to strengthen our ties with the many diverse tribal nations along our network. In 2018, BNSF was proud to show our appreciation for the many valiant contributions of Native American veterans through the BNSF Railway Foundation’s $500,000 donation to help create the National Native American Veterans Memorial in Washington, D.C.

Rail Talk

In 2018, we launched Rail Talk on bnsf.com. The online news outlet spotlights stories on safety, service, communities and BNSF heritage. From fascinating stories about dealing with the challenges of operating trains through Avalanche Alley to heartwarming features on how BNSF is invested in our communities, Rail Talk gives people a closer look at our railroad and our people.
Hope After Harvey

In 2018, BNSF employees organized a community project to help rebuild homes in Beaumont, Texas, that were damaged by Hurricane Harvey. The initiative, dubbed Hope After Harvey, was started by concerned members of BNSF’s Industrial Products team and grew to include local BNSF employees, as well as BNSF customers, the Federal Emergency Management Agency, the Port of Beaumont and the Southeast Texas Economic Development Foundation. BNSF volunteers worked on nine homes of elderly and disabled Beaumont citizens, hanging sheetrock, installing insulation and generally helping to make the homes habitable again. To supplement the sweat and hard work of BNSF volunteers, we also supported the cause through the BNSF Railway Foundation and matching contributions of our employees.
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Berkshire Hathaway and its subsidiaries engage in diverse business activities, including insurance and reinsurance, utilities and energy, freight rail transportation, finance, manufacturing, retailing and services.