

# 2019 ANNUAL REVIEW

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## A MESSAGE FROM CARL ICE

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we are living in a very serious and somber time in our history as a nation and across the globe. As the COVID-19 pandemic has instantly changed daily life for all Americans, I am incredibly proud of the way in which our employees have responded. Every day without fail we have thousands of men and women answering the call to safely keep essential goods moving in spite of this unprecedented public health crisis.

As railroaders, we understand our country needs our services now more than ever. So many of the things that are needed most during this crisis move on our railroad. Whether it's the chlorine to keep water supplies safe, food, essential consumer products or energy sources needed to provide electricity, we deliver on our promise each and every day.

To look back and reflect on where we were last year may seem trivial in light of our current situation. Yet it is important to think about the challenges as well as the tremendous progress we made in 2019.

As I have said many times, nothing is more important than safety at BNSF. Last year, for the very first time in our long history, we finished the calendar year without an employee fatality. This is a significant event that we should all celebrate – and it's certainly an indication of continuous improvement. We know that every injury is preventable and that eliminating workplace accidents and injuries is in our hands. We do this by building trusting relationships and looking out for each other. I'm confident that by working together we can achieve our vision of zero accidents and injuries.

After responding to the major flood-related outages during the first half of 2019, we finished the year with strong gains in our service performance. This momentum was no accident. It's a credit to the teams who minimized the impact of service interruptions while completing our capital projects, improving asset utilization and delivering for our customers.

As we entered last year, we expected to see modest growth; unfortunately, the freight environment was much softer than anticipated and volume was down 4.5 percent from the previous year. A slower economy, trade uncertainty, excess truck capacity and the negative impacts of unprecedented weather conditions played a role in our volume decline. Although we saw weaker demand for rail freight service in 2019, we can be proud of our efforts to capture available business in the marketplace.

So far 2020 is shaping up to be a year like no other for our railroad and our nation. We know that the COVID-19 pandemic will result in a softening freight environment and less volume

overall moving across the country. In spite of the challenges we face this year, we will continue to capture every opportunity to improve efficiency and productivity across our organization.

We have the talented and dedicated people needed to get us through this very difficult time. We have a remarkable and irreplaceable rail network that's in the best shape it's ever been. We will continue in 2020 to put everything we have into making us safer, improving service and being more efficient. In doing so, we can realize our tremendous potential. This is BNSF, and together we are stronger.



**Carl Ice**  
President and Chief Executive Officer



## **A Foundation of Training**

We have a robust multi-layered approach when it comes to safety training. While we have formal programs driven by technical rules, rail industry recommendations and federal regulations, we also have BNSF-specific training initiatives developed and conducted by employees themselves. Additionally, at the BNSF Technical Training Center (TTC) in Overland Park, Kansas, BNSF employees take courses and simulate the safe operation of locomotives, cranes, crossing gates and other important equipment.

**BNSF trained 4.5K+ employees at TTC, 14.5K+ in the field and 500+ rail industry employees.**

# Safety

**Our approach to safety is built on the personal responsibility every BNSF team member brings for themselves, their colleagues, communities and our customers' freight.**

**THIS IS BNSF**

## **Our Safety Vision**

*The BNSF safety vision is to operate free of accidents and injuries.*



## Celebrating Safety

Every year, BNSF recognizes employees in several departments who are helping our company move toward our safety vision by naming them as Safety Employees of the Year.

Key considerations for the award:

**Demonstrating leadership in safety programs**

**Promoting safety through innovative ideas**

**Proactively identifying risks**

**Reinforcing safe behaviors with positive feedback**

2019 Safety Employees of the Year include:

### Wylie Baker

*Intermodal Safety Employee of the Year  
Intermodal Equipment Operator & Safety Instructor, Seattle*

### Thomas Dodge

*Engineering-Structures Safety Employee of the Year  
Bridge Foreman and Safety Facilitator, San Bernardino, California*

### Kendrick Gallien

*Engineering-Signal & Network Control Systems Safety Employee of the Year  
Signal Maintainer, Rosenberg, Texas*

### Patrick McClelland

*Mechanical Safety Employee of the Year  
Carman & Safety Assistant, Newton, Kansas*

### Mario Rubio

*Transportation Safety Employee of the Year  
Locomotive Engineer, Clovis, New Mexico*



▲ **“As a leader, I try to give and build confidence in others. If you treat people with respect and show them that you care, you build good morale – and get great outcomes. It comes down to paying attention and listening. Plus, I never give up on the one person who might be negative. If you’re persistent about building a relationship, eventually, they come along.”**  
– Kendrick Gallien

**“Being a safety leader is not always easy. You have to practice what you preach. We all have the right to work in a safe environment, so as a leader, I try to listen, to educate and to find the right way to talk to co-workers. If they have questions, I may not have the answer – but I’ll make sure I get one.”**  
– Mario Rubio

## SAFETY BELLS

For 20 years, BNSF has been recognizing the teams that achieve the lowest reportable injury-frequency ratios with Safety Bell Awards. These coveted awards – the actual brass bells once rung by locomotive crews of BNSF predecessor railways – are proudly displayed in the winning locations. Recognition also includes celebrations with BNSF leadership and lapel pins to commemorate each team’s commitment to safety.

### 2019 Safety Bell Winners

**Division: Kansas Division**

**Transportation: Kansas Division**

**Mechanical: Kansas Division (Zone 4),  
Lincoln, Nebraska, Diesel Shop & Commerce, California, Shop**

**Engineering: Heartland Division**



## Approaching Others About Safety

In 2019, we continued to be focused on integrating Approaching Others About Safety into all of our trainings and work practices. The initiative addresses the risk associated with the exposures that result in 97 percent of the fatalities and serious injuries that occur in the rail industry.

**BNSF completed the year with ZERO employee fatalities.**

## Preventing Injuries

The U.S. rail industry, with BNSF helping lead the way, has made significant gains in safety in recent years. Here is how rail compares with other industries in injury frequency.

### 2019 Injury Rate Per 200,000 Employee Hours



Injury rates for BNSF and the rail industry are quoted based on Federal Railroad Administration 2019 year-end data. All other data is from the year 2018 from the Bureau of Labor Statistics.

## Hazmat Response Training & Resources

To optimize safety, BNSF has established a network of more than 180 hazardous materials responders and advisors trained to handle everything from small non-accident releases to major releases. Strategically placed emergency response equipment at more than 60 locations across our network supports a responder's ability to react quickly and effectively.

Through the Transportation Community Awareness and Emergency Response (TRANSCAER) program, BNSF, along with other rail industry partners, provides training for emergency hazmat responders.

With our special mobile classroom, BNSF directly delivers high-quality hazmat training to first responders across our network. The classroom, a modified

boxcar, provides theater-style seating for up to 37 and is accompanied by a training tank car fitted with the various valves used on different tank car types. Every year, the mobile classroom brings hands-on training to municipalities and saves them the cost of having responders travel.

Another vital resource for first responders is the AskRail app. Developed by the rail industry, this app enables responders to immediately access information about a train and the hazardous materials it may be carrying.

**BNSF helped train 6.8K first responders to deal with hazmat emergencies.**

## Fire-Fighting Trains

BNSF routinely stages tank cars full of water in areas on our network that are prone to wildfire. In Washington state, where dry, hot weather conditions and large undeveloped areas of brush and grass can combine to create prime conditions for wildfires, we have deployed two special trains devoted to helping fight fires.

### The Pasco Fire-Fighting Train

2 tank cars with 30K gallons of water

1 fire car with aqueous fire-fighting foam

1 caboose command center with generator to power emergency equipment

### The Wishram Fire-Fighting Train

3 tank cars with generators, pipes and pump systems

Caboose command center with spray bar and water cannon

These trains allow BNSF to fight fires near track ourselves or to work with local firefighters. Firefighters can board the caboose at designated access points and BNSF crews then move the train to the fire, often in areas fire trucks can't easily access.

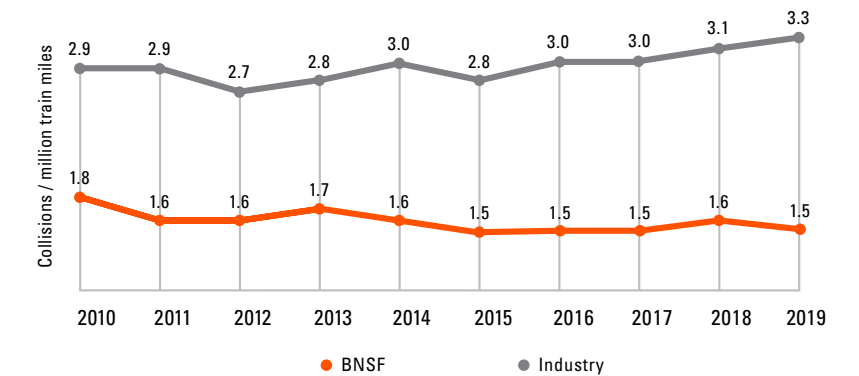
**The average fire truck holds about 500 gallons of water; BNSF tank cars carry 30,000 gallons each.**



## Grade-Crossing Safety

BNSF has one of the lowest highway-railroad grade-crossing collision rates in the industry. One powerful factor in lowering the rate of collisions is to close grade crossings altogether. Working with communities and landowners, BNSF has closed more than 6,400 grade crossings since 2000. In addition, we participate in public safety programs such as International Level Crossing Awareness Day in communities across our network.

### Highway-Rail Grade-Crossing Collisions



Source: Federal Railroad Administration 2019 year-end data.

## Positive Train Control

BNSF leads the North American freight rail industry in the implementation of Positive Train Control (PTC), a federally mandated safety system. With PTC infrastructure installed on our network and beyond the federal mandate in certain locations, we are now focused on interoperability with the other railroads that operate across our PTC-equipped lines.



## Rigorous Inspections

BNSF regularly conducts extensive track, bridge, rail and weather event inspections across our network, meeting all federal requirements. BNSF uses a combination of instrument-equipped rail cars and trucks, bridge inspection vehicles, unmanned aerial vehicles and specially trained inspectors. Tools include autonomous track measurement systems, ultrasound for internal rail inspections, ground-penetrating radar, high-definition cameras and accelerometers to analyze roadbed, track and bridges.

**Machine vision systems across BNSF's network capture 750K wheel images per day, which we analyze to detect possible defects.**

## Safety-Enhancing Technology

BNSF leverages technology to continuously improve safety. Machine Vision Systems (MVS) are a recent example.

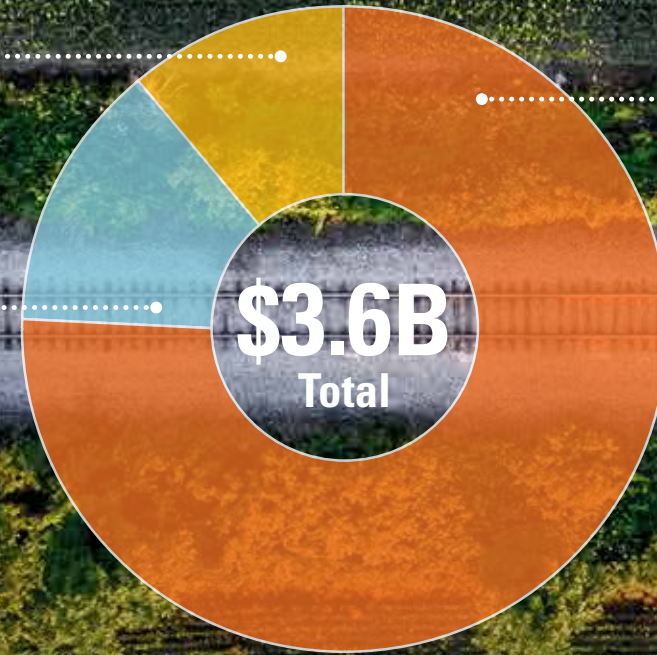
MVS technology combines digital images of rail car components with sophisticated data analysis to identify defects before they lead to larger issues, such as equipment failure or a derailment. Our MVS is now using artificial intelligence (AI) models to teach machines how to identify potential defects through images. Leveraging AI helps us immediately take corrective actions, enabling us to safely transport the goods our customers and communities need every day.



## 2019 Capital Investments

**11%**

Locomotives, Freight Cars and Other Equipment



**76%**

Core Network and Related Assets

**13%**

Expansion and Efficiency

## Results of 2019 Capital Investments



**350**

Bridge Projects



**2.3M**

Railroad Ties Replaced



**~12K**

Miles of Track Resurfacing/Undercutting



**~515**

Miles of Rail Replacement

# Service

From expanding facilities to offering new services to collaborating on unique solutions, our focus at BNSF is always on finding ways to serve our customers reliably and consistently.

**THIS IS BNSF**

BNSF customers and local economic development organizations invested **\$1.2B** in new or expanded facilities for the ninth consecutive year.





## What We Carried in 2019

# Total Units: 10,221

## Y/Y change -4.5%

(Thousands of units, with year-over-year change)



## Supporting Customer Growth

When our customers are ready to grow, BNSF is ready to meet their needs. In 2019 our customers and local economic development organizations collectively invested \$1.2 billion to establish or expand rail-served facilities. This level of investment is expected to generate 2,000 new jobs.

2019 Customer Investment Highlights:

**Ag Processing Inc.** – A \$300 million investment led to the opening of its 10th soybean processing location in Aberdeen, South Dakota. Ag Processing Inc.'s newest facility is expected to process more than 50 million bushels of soybeans annually and create 60 new jobs.

**Hostess Brands, LLC** – Located in Edgerton, Kansas, the new distribution center supports 200 new jobs. The \$35 million investment strengthens the company's distribution strategy with a direct connection to the nation's supply chain through Logistics Park Kansas City.

**SeaCa Packaging** – A subsidiary of Seattle-Tacoma Box Company, the plastics manufacturer invested \$18 million in opening its first plant location in Surprise, Arizona, creating boxes for agriculture products and gaining access to demand in the Southwest.



## Adding BNSF Certified Sites

Through the BNSF Site Certification Program, BNSF selects strategically located sites across our network and prepares them for immediate customer development. This significantly streamlines the development of rail-served locations, saving customers six to nine months of construction time.

In 2019, BNSF added eight new Certified Sites, bringing the total BNSF Certified Sites to 24.

New BNSF Certified Sites in 2019:

### 1 Becker Industrial Park in Becker, Minnesota

Adjacent to US Highway 10  
67 acres available for development

### 2 Clovis Industrial Park in Clovis, New Mexico

240 acres available for development  
Located near BNSF Southern Transcon and highways 60, 70 and 84

### 3 Duane Michie Industrial Park in Hayti, Missouri

Half mile from Pemiscot County Port Authority  
Close to two state highways and two interstate highways  
250 acres available for development

### 4 Elion Logistics Park 55 in Wilmington, Illinois

12 million square feet available for development  
Access to BNSF Southern Transcon

### 5 Lincoln Prairie South in Yorkville, Illinois

At intersections of state highways 34, 47, 71 and 126  
Access to I-88, I-80 and I-55  
220+ acres available for development

### 6 Logistics Park Galesburg in Galesburg, Illinois

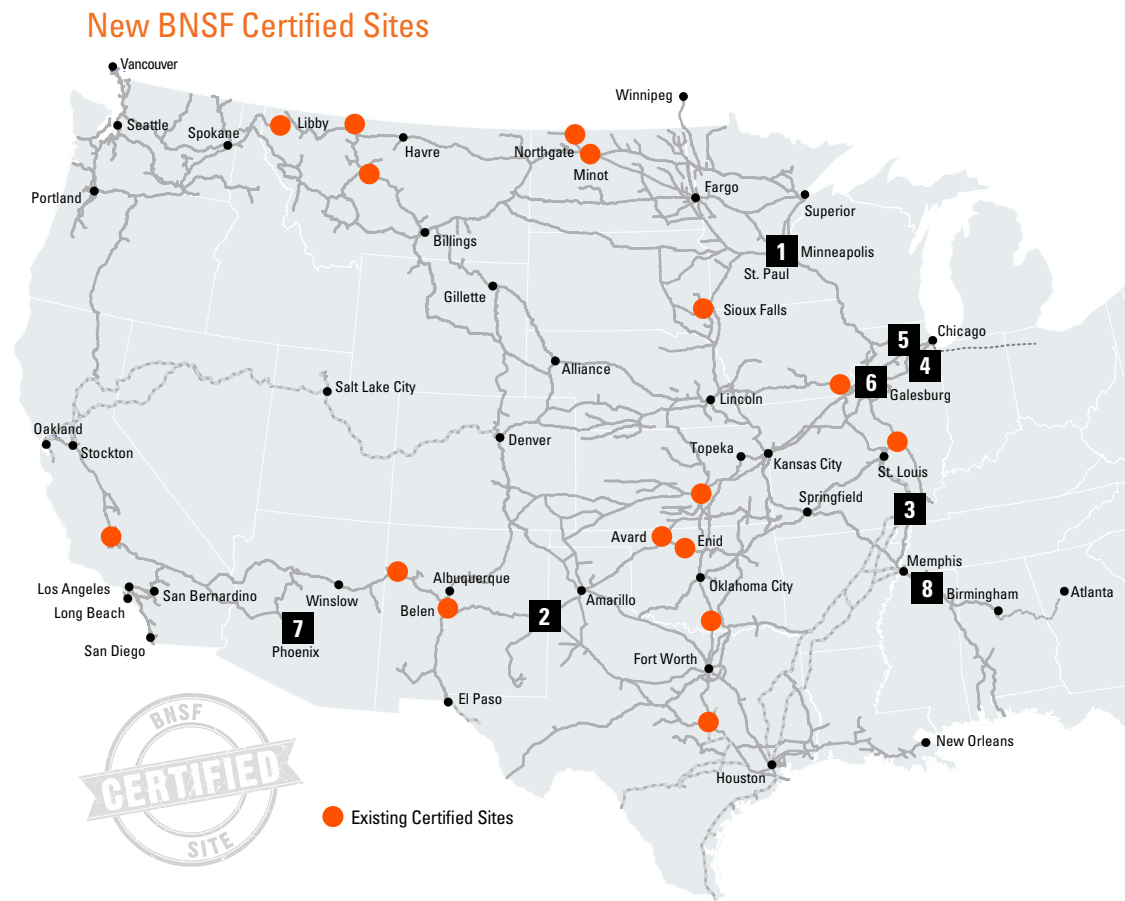
Along BNSF main line and I-74  
300+ acres of shovel-ready land

### 7 Railplex Industrial Park in Surprise, Arizona

292 acres available for development  
Attracted more than \$150 million in capital investment

### 8 Springs Industrial Park in Holly Springs, Mississippi

North of Highway 22, 40 miles southeast of Memphis International Airport  
1,200+ acres available for development



### MAINTENANCE SPOTLIGHT: Floating a Great Idea

In 2019, BNSF replaced two bridges on our Fallbridge Subdivision. The first one in North Bonneville, Washington, runs across Hamilton Creek. The second one in Home Valley, Washington, involved the use of a distinctive float-in, float-out method. After erecting a new 260-foot truss bridge on a barge 60 miles down the Columbia River in Portland, Oregon, we shipped the barge to Home Valley. We moved in another barge, ballasted by about 2 million pounds of water, under the existing bridge, slowly releasing water until the barge rose up and lifted the old bridge off its existing foundations. Then we moved the new bridge on its barge to the site of the new location. Using strand jacks, it was lowered onto its new foundations. This challenging feat of engineering resulted in a much lighter environmental footprint for the project, with far less impact on local marine life and fishing enterprises.

## Maintaining and Expanding Our Network

We devote significant resources every year to make sure our network is optimized to meet our customers' needs. Keeping the network well maintained limits the need for unscheduled service outages and maximizes the velocity and capacity we can deliver to customers.

**BNSF invested \$3.2B on maintenance and expansion of our core network.**

## Expanding and Adding New Facilities

BNSF is committed to growing with our customers, expanding as well as establishing new facilities for carload and intermodal customers to meet their growing capacity demands.

### Logistics Center Hudson

In March 2019, BNSF broke ground on our new Logistics Center Hudson, which will provide BNSF-rail-served sites that allow customers to reach Denver and surrounding markets more easily. By investing directly in facilities in strategic locations, BNSF helps customers save time and money in developing rail-served facilities.

Logistics Center Hudson:

*25 miles northeast of Denver International Airport*

*30 miles north of downtown Denver*

*430 acres*

*15 sites for customers who ship by the carload*

*Site for customers who ship by the trainload*

*Access to BNSF network*

*Access to I-76*

### Barstow Intermodal Facility

In July 2019, BNSF began eastbound and westbound service from our new Barstow Intermodal Facility, providing a new connection between Southern California and Chicago. The new premium container-only service unlocks additional capacity in this vital region, where transportation options are in extremely high demand.

### Intermodal Facility Expansions

BNSF initiated a significant facility expansion project at our Alliance Intermodal Facility in Fort Worth, Texas. This multi-year project includes constructing new production tracks, increasing parking capacity and acquiring lift equipment. We also added more parking capacity at our Corwith Intermodal Facility in Chicago as well as our intermodal facilities in Denver, Phoenix and Portland, Oregon.



## Expanding Service to the Ohio Valley

In 2019, BNSF added new service options for shippers between Southern California and the Ohio Valley region. These new services build on the popularity of recently introduced direct-rail intermodal service connecting Los Angeles, Stockton and the Ohio Valley region, providing our customers access to some of the fastest-growing industrial and consumer markets, including Toledo, Columbus, Cleveland, Cincinnati, Detroit, Louisville and Pittsburgh.

## Responding to Record Flooding

Beginning in March 2019, BNSF dealt with the impact of months of record flooding in the Midwest. Service was affected in portions of South Dakota, Iowa, Nebraska and Missouri. At one point, nearly every section of our railway in the Northern Plains or Upper Midwest was either partially or fully out of service due to flooding.

Areas especially impacted were the Hannibal Subdivision in Missouri north of St. Louis, the River Subdivision in Missouri and the Napier Subdivision in Iowa and Missouri.

While transit times were unavoidably impacted due to washouts and high water, the people of BNSF, particularly our Engineering teams, along with our valued contractors, rose to the occasion of restoring service as quickly and safely as possible. BNSF teams worked round the clock to clear affected locations and repair damaged tracks.

In 2019 BNSF:

**Launched a new direct service between Stockton, California, and northwest Ohio.**

**Added Sunday morning eastbound service from our Los Angeles – Hobart facility to northwest Ohio.**

**Added a Monday morning westbound service from North Baltimore in northwest Ohio to Los Angeles – Hobart.**

Efforts included:

***Re-routing trains wherever possible***

***Speed restrictions where necessary as areas came back into service***

***Ongoing track inspections by BNSF personnel***

***Use of drones to inspect areas unsafe for BNSF personnel***

***New 3,000-foot causeway constructed near Bartlett, Iowa***

***150+ route miles of track repaired and restored***

***2.2 million tons of material used to repair tracks***

**Unprecedented Midwest flooding caused new record river levels in 42 different locations.**

## Wheeling Out a Milestone

About 90 percent of the wheels used on BNSF trains come from our Havelock Wheel Plant in Lincoln, Nebraska. We are the only U.S. Class I railroad that owns and operates our own wheel shop, the largest in the United States. In 2019, the facility, which opened in 1978, rolled out a major achievement: its 3 millionth wheel set!



### ► SERVICE SPOTLIGHT: One Solution for Two Customers

One customer needed to get corn to chickens in Arizona. Another needed to get hay to cattle in Saudi Arabia. We served both with one facility, and we were able to keep the cows, the chickens and the customers satisfied. Working with Rose Acre Farms, an egg producer in western Arizona, and the shortline railway, the Arizona & California, BNSF developed an agricultural shuttle facility capable of delivering two 100-covered hopper shuttle trains of corn to the farm every month. We were then able to leverage the facility to also serve another customer, Fondamonte, to replace an over-the-road component in their shipping of nutrient-rich hay to Saudi Arabia via our international intermodal service.

### ► SERVICE SPOTLIGHT: Perfect Peak!

Did you get what you wanted last holiday season? There's a good chance BNSF helped get it to you as we had a role in delivering more than 70 million packages. Indeed, the end of every year is our Peak Season, when we coordinate closely with package delivery companies to ensure items are delivered on time during this crucial period. In 2019, we delivered another Perfect Peak holiday shipping season, which means there were no service interruptions for one of the largest package delivery companies in the world!

## Recognized Service Excellence

BNSF is committed to providing the highest level of customer service, and we are pleased when our customers recognize our excellence.

Customer recognition in 2019 included:

**Railway Industrial Clearance Association awards** for *Clearance Group of the Year, Highest-Rated Railroad of the Year, Marketing Group of the Year and Highest-Rated Railroad for Operations/Transportation Performance*

**GoalZERO safety award** from LyondellBasell

**Toyota Logistics:** *President's Award for Rail Logistics Excellence – Best Railroad, fifth year in a row; Toyota Logistics Excellence Award for kaizen and customer service*

**Fiat Chrysler Automobile (FCA):** *FCA Logistics award; FCA Outstanding Railroad award*

**Honda:** *Origin-Loading Facility award; Destination-Loading Facility award*

## BNSF transported approximately 3.2M vehicles in 2019.





**We also aim to establish a new generation of environmentally-friendly locomotives that can boost efficiency and reduce cost.**

# Efficiency

**At BNSF, we consistently invest in our network to enhance its efficiency, and we continuously look for ways to control costs and increase the value our railway delivers.**

**THIS IS BNSF**

**BNSF is always analyzing new technologies that we can adapt to improve the efficiency, safety and customer service at our intermodal facilities.**



## Improving Efficiency at Intermodal Hubs

BNSF is always looking for new technologies that we can use to enhance the efficiency, safety and customer service at our intermodal facilities. Below are a few examples.

### Automating Yard Checks at Alliance

BNSF has completed the transition from manual to automated yard checks at our Alliance Intermodal Facility in the Dallas-Fort Worth area. Deploying image analytics and machine learning, we are able to keep track of our yard inventory in a much more efficient way, yielding significant improvements in cost, time and fuel consumption.

Automated Yard Check:

**Uses a network of approximately 40 cameras**

**Provides real-time visibility to thousands of containers, trailers and chassis over hundreds of acres**

**Machine learning allows the system to keep an account of containers, trailers and chassis as well as their parking locations**

**Parking locations are now updated in less than 20 minutes at our Alliance Intermodal Facility vs. previous manual lag time of up to six hours.**

### Piloting Automation at LPKC

In 2019, BNSF began implementing an “attended automation” pilot on the east end of our Logistics Park Kansas City (LPKC) Intermodal Facility that would be used to test capabilities for automated straddle carriers (autostrads) that interface with production cranes and drivers and are attended by remote operators. The autostrads module at LPKC moved from the pilot phase to production in 2020.

Autostrads will allow us to complete horizontal movements, placing and stacking containers at BNSF intermodal facilities more efficiently and more safely.

### Innovative Cranes at Corwith and Alliance

At our Corwith Intermodal Facility in Chicago we added an additional Cantilevered Rubber-Tired Gantry Crane, bringing our total at that location and at our Alliance Intermodal Facility to three each. These innovative cranes, the first of their kind in the world, combine the benefits of modern wide-span rail-mounted gantry cranes with those of more traditional rubber-tired gantry cranes. The cantilever design and overall height enable BNSF to significantly increase lift capacity and improve operational efficiency.

At the end of 2019, we also introduced remote crane operations at Logistics Park Chicago. This technology greatly enhances safety and efficiency by allowing one crane operator to control more than one crane from a work station that is away from the active operational footprint.

## Testing Tomorrow’s Locomotive Today

In addition to shorter-term cost-saving measures, BNSF is looking to develop the next generation of locomotives to reduce our environmental impact, increase our fuel efficiency and lower our operational costs.

We are currently developing a prototype 100-percent battery-electric locomotive, along with Wabtec and assisted by a grant from the California Air Resources Board.

In 2020, we will install a charger for battery-electric locomotives at our Mormon Yard in Stockton, California.

We plan to test the battery-electric locomotive between Stockton and Barstow, California, in the coming years. After being initially charged in Stockton, the locomotive will provide additional regenerative power through dynamic braking.

While on the main line, the battery-electric locomotive will be combined with diesel locomotives to power the train. In the yard, however, the diesel locomotives can be powered down so the train will be pulled only by the

battery-electric locomotive. BNSF expects that even when running with diesel locomotives, the fuel economy for the entire consist will significantly improve and the environmental impact from emissions will be significantly reduced with the battery-electric locomotive.

BNSF is also testing next-generation cargo-handling equipment in California at our San Bernardino, Hobart and Stockton intermodal facilities including:

**Battery-Electric Hostlers**

**Battery-Electric Forklifts**

**Battery-Electric Drayage Trucks**

**Hybrid-Electric Rubber-Tired Gantry Cranes**

**Early indications suggest battery-electric hostlers to be three times more energy efficient than diesel-powered hostlers.**

## Bots Do Lots

To increase internal efficiency, BNSF is deploying robotic process automation (RPA) to perform thousands of repetitive tasks in multiple departments, including Finance, Human Resources, Labor Relations and Law.

RPA is a form of automation wherein software robots – or bots – are capable of sorting through redundant tasks, freeing BNSF personnel to handle more complex or critical assignments. So far, BNSF has put more than 50 bots in production.

**RPA bots save BNSF an estimated +38K hours per year in task processing.**



## Developing Cleaner Technology

BNSF is actively pursuing multiple means to reduce our carbon emissions and utilize more sustainable technology in our operations.

Cleaner technologies we invest in include:

*Battery-Electric Locomotives (see page 25)*

*Battery-Electric Hostlers, Forklifts & Drayage Trucks (see page 25)*

*Idle Control*

*Electric Wide-Span Cranes*

*Automated Gates at Intermodal Facilities*

*More Fuel-Efficient Tier 4 Locomotives*

# ENVIRONMENT

**BNSF is committed to working closely with our customers and our communities to respect our environment and become an ever more sustainable enterprise.**

**THIS IS BNSF**

**We believe it is important to minimize our impact on the planet and contribute to the long-term sustainability of every community we serve, by cutting emissions, saving fuel, relieving highway congestion and more.**



## Cutting Our Customers' Carbon

The fact is: No other form of land-freight transportation is more fuel- and resource-efficient than rail. When BNSF customers convert shipments from trucks to trains, they significantly decrease their carbon emissions. A single double-stack intermodal train can effectively remove several hundred long-haul freight trucks from the highway.

Shipping with BNSF enabled our customers to reduce their total carbon emissions by **32.8 million metric tons.**

*This carbon savings is equivalent to:*

**6.9M+**   **VEHICLES** annually

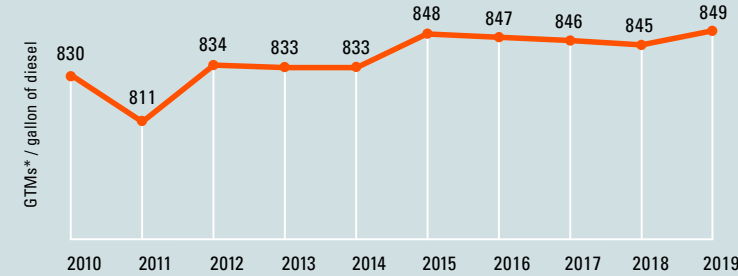
**42.8M+**    **ACRES** of CO<sub>2</sub> sequestration by U.S. forests in one year

Source: U.S. EPA's Greenhouse Gas Equivalencies Calculator

## Lowering BNSF Emissions

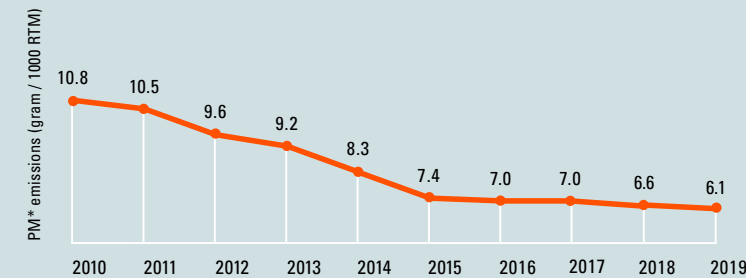
By upgrading the majority of our locomotive fleet to more energy-efficient technologies, BNSF has been able to increase fuel efficiency and decrease emissions over the last several years. Improved operations and maintenance practices contribute to increased fuel efficiency as well.

### Fuel Efficiency



\*Gross ton miles (GTM) are the weight of the train (minus the locomotive) multiplied by the miles traveled.

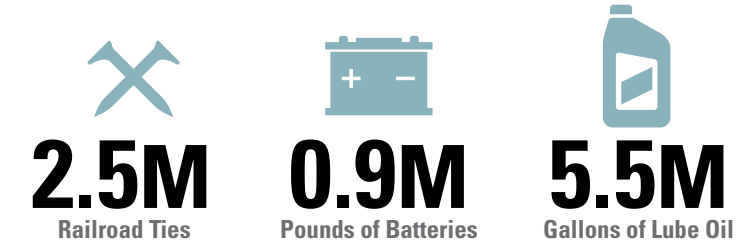
### Diesel Particulate Emissions



\*Particulate Matter (PM) is a mixture of solid particles and liquid droplets found in the air.

## Recycling Commitment

BNSF recycling efforts further reduce our environmental impact. Materials recycled in 2019 include approximately:



## Rehabbing Legacy Sites

BNSF continues to address the environmental impacts created by legacy sites – places where our predecessor railroads and others may have conducted operations for up to 100 years. Over the last 10 years, BNSF has rehabilitated approximately 190 sites and invested approximately \$400 million toward remediation efforts.

## Supporting the Wind Industry

In the course of our everyday operations, BNSF serves many customers also committed to sustainability. We are well positioned to offer wind energy customers a more environmentally-friendly option than trucks to transport wind turbine components, including blades, towers, hubs and nacelles. With the newest and largest rail-controlled fleet of specialty flatcars in the industry, BNSF can handle the oversized and dimensional loads required by these shippers.

**BNSF had a record year for moving wind energy components while continuing to safely transport oversized and dimensional freight.**







## Promoting Diversity

BNSF believes diversity makes us a stronger company and inclusion helps drive commitment to our employees and communities in which we operate. In 2019, more than 36.8 percent of our new hires were minorities or women. We also promote diversity by participating in scholarship programs that benefit minority students, such as Girls Inc., the Hispanic Women's Network of North Texas and the National Association of Asian Americans. Also, the BNSF Railway Foundation supports organizations such as the American Indian Science and Engineering Society and the United Negro College Fund.

Other diversity-related 2019 highlights include:

*Recognized as a Top 50 Workplace for Indigenous STEM Professionals by the American Indian Science and Engineering Society*

*Named to Forbes' Best Employers List*

*Identified as a top employer for U.S. military veterans*

# EMPLOYEES

**BNSF believes in the potential of each of our more than 40,000 employees, valuing their diversity, strengthening their skills and advancing their careers.**

**THIS IS BNSF**

**36.8% of BNSF's new hires were minorities or women.**





## Valuing Veterans

More than 7,300 BNSF employees are either military veterans or are still serving as members of the Guards or Reserves. We proudly support reservists, enabling time off for training and deployment. Recently established, BRAVE (Business Resource and Veterans Engagement) is BNSF's resource group for veterans, reservists and first responders, working to engage communities, build leadership skills of members and provide ongoing career development support.

Recent recognition includes:

*Military-Friendly Award*

*Employer Support of the Guard and Reserve Award*

*Secretary of Defense Employer Support Freedom Award*

*Seven Seals Award*

*Pro Patria Award*

**One out of six BNSF employees has served in a branch of the U.S. armed forces.**



## Targeted Training

Every BNSF employee can take advantage of targeted, role-based training and on-boarding, with an emphasis on safety, leadership and technical expertise. Development occurs through best-in-class training with simulators, on-the-job rotations and through guidance from industry experts, peers and BNSF leaders.

**BNSF earned a Top 5 ranking from *Training Magazine*.**

## Advancing Careers

BNSF offers multiple career development programs, including our Management Trainee, Experienced First-Line Supervisor and First-Line Supervisor programs. Additional resources include opportunities for formalized feedback and coaching, leadership training, mentoring and tuition reimbursement.

**The average employee tenure at BNSF is 13 years.**

## Providing Employee Assistance

The BNSF Employee Assistance Program provides professional and personalized assistance for employees and family members facing work and home challenges.





## **BNSF Railway Foundation**

The primary vehicle BNSF uses to contribute to our communities is the BNSF Railway Foundation. The Foundation funds scholarships, community groups, veterans' causes and other worthy endeavors throughout the year.

# **COMMUNITY**

**Through the BNSF Railway Foundation and the generosity of our employees, BNSF is proud to contribute to the well-being of the communities where we live and work.**

**THIS IS BNSF**

**The BNSF Railway Foundation gave \$9.4M to worthy causes in our communities.**





## Helping Veterans

Supporting veterans and their families is a cause close to our hearts. One effort we annually support is Wreaths Across America, in which, with trucking partners, we help transport wreaths to be placed on veterans' graves at more than 1,600 locations. Others include Toys for Tots, Military Miles Marathons and the Wounded Warrior Project.

### ▲ CAUSE SPOTLIGHT: Big Red Challenge

In 2019 BNSF once again supported the Big Red Challenge. Every year since its inception in 2014, BNSF has provided sponsorship for the obstacle course race in Lincoln, Nebraska. Proceeds from the event help veterans overcome the obstacles in transitioning back to civilian life. The race attracts 1,000 participants and features military-themed obstacles like a "save your buddy" tire carry and belly crawling "under fire."

## Holiday Express

Once again, the BNSF Holiday Express provided seasonal merriment for military families with a scenic trip, decorated rail cars, food, entertainment and, naturally, Santa Claus himself. Stops included: Bend, Oregon; Great Falls, Montana; Klamath Falls, Oregon; Pasco, Washington; Rathdrum, Idaho; Richmond, California; and Spokane, Washington.

**Over the last 12 years, we have had the honor to host more than 30,000 military personnel and their families on the BNSF Holiday Express.**

Other holiday-themed train trips for kids in need and other guests in 2019 included:

*BNSF Topeka Christmas Train in Topeka, Kansas*

*Santa Claus Express in San Bernardino, Fullerton and Barstow, California*

*Northstar Holiday Train in St. Paul, Minnesota*

## First Responder Express

Every year, BNSF takes the opportunity to celebrate police officers, firefighters and other first responders and their families by giving them a fun day out on the First Responder Express. In 2019, this special train made a stop in Tulsa, Oklahoma, where a local nonprofit that supports first responders was awarded a grant by the BNSF Railway Foundation.

## Employee Appreciation Special

A scenic train trip on immaculately restored vintage passenger rail cars from the 1950s and 1960s is one special way BNSF shows our appreciation to our employees and their families. In 2019, the Employee Appreciation Special ran 40 round trips for more than 10,000 employees and their families in Alabama, Kansas, Missouri, Oklahoma and Tennessee.



## Tribal Relations

BNSF's Tribal Relations program, the first of its kind among U.S. Class I railroads, continues to strengthen our ties with the many diverse tribal nations along our network. This includes ensuring communications protocols are established between tribes, First Nations and BNSF, and fostering collaboration on key agreements from project permitting to tax agreements, as well as hazmat and first responder training.

We continue our tradition of supporting nonprofit organizations focused on helping Native Americans, including an almost 25-year history of funding scholarships for Native American youth through the American Indian Science and Engineering Society. And in 2020, we will join other top sponsors at the commemoration of the National Native American Veterans Memorial, now under construction on the Mall in Washington, D.C.

## Generous Employees

Here's a small sample of the generous giving of BNSF employees in 2019:

***Seattle Diesel Shop employees supported the Make a Change Foundation and Hand in Hand Snohomish County, with the shop's three shifts collecting enough items to fulfill the holiday wishes of nearly 70 kids transitioning from neglectful homes to foster care.***

***Employees at BNSF's Chicago facilities donated more than 1,000 toys to the Chicago Diversity Council's Toys for Tots Campaign.***

***BNSF employees in locations including Fort Worth, Texas, and Kansas City, Kansas, supported Salvation Army Angel Tree programs to provide clothing and toys for local families.***



***For the third year, employees at the Car and Locomotive Shop in Commerce, California, held a toy drive for kids in need at Children's Hospital of Los Angeles.***

***A dozen BNSF employees in Topeka, Kansas, volunteered at the Topeka Rescue Mission Christmas Shop.***

***Members of BNSF's Industrial Products team volunteered for a day at Mission Arlington Christmas Store in Arlington, Texas.***

***At BNSF headquarters, the Fort Worth Business Resource Group hosted a month-long drive for the Hearts of the Military, supplying care packages to deployed military personnel.***

### ► BNSF RAILWAY IS A BERKSHIRE HATHAWAY COMPANY.

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.



**On the cover:**  
A BNSF train located near  
Java, California.