

**UNION PACIFIC CORPORATION**  
**FINANCE COMMITTEE OF THE BOARD OF DIRECTORS**  
**CHARTER**

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Purpose

The Finance Committee (the “Committee”) will assist the Board of Directors (the “Board”) in fulfilling its responsibility to oversee: (i) the Company's financial position, financing plans and programs, and dividend policy and actions, (ii) the strategic options and opportunities for the Company, including acquisitions and divestitures, and (iii) the investment management of assets held by the Company's pension, thrift and other funded employee benefit programs.

Membership

The Committee will be composed of three or more Directors appointed by the Board. One member of the Committee will be appointed by the Board as Chair of the Committee.

Meetings and Procedures

The Committee will meet at least four times each year. Meetings will be conducted in accordance with applicable provisions of the Utah Revised Business Corporation Act. The Committee will keep written minutes of its meetings, which minutes will be maintained with the books and records of the Company. The Committee will provide the Board regular reports of its activities.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that no subcommittee will consist of fewer than two members. The Committee will not delegate to a subcommittee any power or authority required by any law, regulation or listing standards to be exercised by the Committee as a whole.

## Outside Advisors

The Committee will have the authority, at the expense of the Company, to retain such outside advisors as it deems appropriate to assist it in the performance of its duties and responsibilities.

## Duties and Responsibilities

As part of its duties and responsibilities, the Committee will:

- (1) Monitor the Company's financial policies and financial condition, including the review of the Company's financing plans and programs and the Company's capital structure.
- (2) Review the Company's liquidity position, including the Company's credit facilities and its bank group.
- (3) Review the Company's short and long-term credit ratings.
- (4) Review periodically the Company's insurance programs.
- (5) Review and approve as necessary the Company's management policy statement regarding practices with respect to the use of derivatives, and make recommendations with respect to modification of the Company's practices and the policy statement.
- (6) Review and make recommendations to the Board as appropriate with respect to dividend declarations and the Company's dividend policy.
- (7) Review as necessary the Company's stock repurchase activities and plans and make recommendations to the Board with respect to stock repurchase programs.
- (8) Oversee the Company's Investment Committee, which manages the assets of the Company's funded employee benefit programs, and review and approve the Investment Committee's recommendations regarding asset allocation strategies.

- (9) Recommend to the Board for approval the appointment of trustees for the Company's funded employee benefit programs.
- (10) Review annually the funded status of the Company's employee benefit programs, as well as the appropriate pension accounting assumptions.
- (11) Review the Company's investor relations programs, including shareholders' current focus areas and key Company messages to the investor community.
- (12) Evaluate the performance of the Committee and assess the adequacy of the Committee's charter on an annual basis and make reports thereon to the Board.