

**UNION PACIFIC CORPORATION
CORPORATE GOVERNANCE AND NOMINATING
COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER**

Purpose

The Corporate Governance and Nominating Committee (the “Committee”) will assist the Board of Directors (the "Board) in fulfilling its responsibilities relating to corporate governance principles and practices applicable to the Board and the Company and to the oversight of Board composition, evaluation, procedures and composition of Board committees. In connection with fulfilling its function of promoting excellence in governance, the purposes of the Committee are to (i) advise the Board with respect to corporate governance matters, (ii) oversee the Corporate Governance Guidelines and Policies of the Company (the “Guidelines”) and recommend modifications of the Guidelines to the Board and (iii) identify qualified individuals to serve as directors of the Company consistent with criteria approved by the Board, recommend candidates to the Board of Directors as director nominees for election at the Annual Meeting of Shareholders and fill Board vacancies.

Membership

The Committee will be composed of three or more Directors appointed by the Board, each of whom will meet the New York Stock Exchange standards of "independence" and any other applicable standards as determined by the Board in its business judgment. One member of the Committee will be appointed by the Board as Chair of the Committee.

Meetings and Procedures

The Committee will meet as often as may be deemed necessary to fulfill its responsibilities. 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, including the sole authority to retain and terminate any search firm for identifying qualified director candidates and to approve the firm's fees and other retention terms.

Duties and Responsibilities

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

- (1) Develop and recommend to the Board criteria for identifying and evaluating candidates for the Board, including standards for assessing independence. Among these criteria are business and management experience, familiarity with the business, customers and suppliers of the Company, diverse talents, backgrounds and perspectives, and relevant regulatory and stock exchange membership requirements for the Board and its committees.
- (2) Identify and recruit qualified director candidates for the Board and review such director candidates as may be recommended to the Committee by the shareholders or directors of the Company.
- (3) Review annually the contributions and independence of existing directors and recommend director nominee candidates to the Board for election or re-election at the Annual Meeting of Shareholders and to fill such Board vacancies as may occur during the year.

- (4) Conduct a periodic review of (i) corporate governance trends and practices, including evaluation of Board size, composition and activities, (ii) committees and committee membership, (iii) director compensation and stock ownership, (iv) the director retirement policy, and (v) the Guidelines, and make recommendations to the Board with respect to the modification of the Company's practices and the Guidelines.
- (5) Oversee the Company's Code of Business Conduct and Ethics for Members of the Board of Directors, make recommendations to the Board with respect to modifications of the code and oversee procedures for administering and promoting compliance with the code, including any reports to be submitted to the Chair of the Committee.
- (6) Establish and maintain procedures for the conduct of executive sessions of non-management directors.
- (7) Oversee the Company's process for evaluation of senior management.
- (8) Oversee the annual self-evaluation by the Board of Directors.
- (9) Review the Company's orientation program for new members of the Board and continuing education programs provided to directors to assist them in performing their Board responsibilities.
- (10) 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.