

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

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, and (ii) the strategic options and opportunities for the Company, including acquisitions and divestitures. The Committee also will perform such duties and responsibilities as may be assigned to it under the terms of the Company’s general 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 and affirm the metrics and key financial parameters of the annual budget and long-term plan for use by the Compensation Committee.
- (3) Review the Company's liquidity position, including the Company's credit facilities and its bank group.
- (4) Review the Company's short and long-term credit ratings.
- (5) Review periodically the Company's insurance programs.
- (6) 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. This will include discussion with management regarding applicable policies governing the Company's use of swaps and other derivatives subject to the "end-user exception" regulations established by the Commodity Futures Trading Commission.¹
- (7) Annually review and approve the Company's authority to elect the end-user exception, allowing the Company to enter into swaps and other derivative transactions that are exempt from exchange-execution and clearing under the end-user exception.
- (8) Review and make recommendations to the Board as appropriate with respect to dividend declarations and the Company's dividend policy.

¹ For companies that use swaps to manage risk and plan to rely on the new "end-user exception" that the CFTC adopted under the Dodd-Frank Act, the CFTC requires annual review and approval by the Board or one of its governing Committees. In light of the fact that UP does utilize swaps to manage risk and such matters are routinely discussed at the Finance Committee meetings, management is recommending that the Company include language in the Finance Committee Charter to address the end-user exception.

- (9) Review as necessary the Company's stock repurchase activities and plans and make recommendations to the Board with respect to stock repurchase programs.
- (10) Oversee the Company's Investment Committee, which manages the assets of the Company's funded employee benefit programs, as provided in such programs.
- (11) Review annually the funded status of the Company's employee benefit programs, as well as the appropriate pension accounting assumptions.
- (12) Review the Company's investor relations programs, including shareholders' current focus areas and the Company's interaction with² the investor community.
- (13) 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.

Approved: September 26, 2019

² The additional edits are intended to reflect a more general oversight of dealings with the investment community.