



**WHEREAS:** The increasing rate and number of climate-related disasters affecting society is causing alarms to be raised within the executive, [legislative](#) and [judicial](#) branches of government, making the corporate sector's contribution to climate mitigation a significant policy issue;

The Commodity Futures Trading Commission recently issued a [report](#) finding that climate change poses a significant risk to, and could impair the productive capacity of, the U.S. economy;

Shareholders are increasingly concerned about material climate risk to both their companies and their portfolios and seek clear and consistent disclosures from the companies in which they invest, including credible climate transition plans. BlackRock [notes](#) that investment flows into "sustainable" and climate aligned assets will drive long term outperformance;

In response to material climate risk, the steering committee of the Climate Action 100+ initiative, a coalition of more than 500 investors with over \$47 trillion in assets, [issued](#) a Net Zero Company Benchmark (Benchmark) outlining metrics that create climate accountability for companies and transparency for shareholders on greenhouse gas (GHG) emissions, GHG targets, improved climate governance, and climate related financial disclosures;

Climate-related decisions by a company have portfolio-wide and economy-wide implications. Disclosing reduction targets, detailing strategies for embedding climate change throughout a company's business models and services, and providing progress therein to shareholders, is an important means of assuring shareholders that management is taking seriously the physical and transition risks associated with climate change. Shareholders believe that planning and reporting by Union Pacific Corp. on its climate transition plans and strategies will benefit the company and its investors, as well as global climate change objectives.

**BE IT RESOLVED:** Shareholders request that the Board of Directors issue a climate transition report, at least 120 days prior to the next annual meeting, and updated annually, that addresses the scale and pace of its responsive measures associated with climate change.

**SUPPORTING STATEMENT:** Shareholders recommend that the transition report, in the board and management's discretion:



- Quantifies the Company's Scope 1, 2 and 3 greenhouse gas emissions; (The Greenhouse Gas Protocol Initiative defines scopes of GHG emissions. Scope 1 emissions address direct emissions from sources owned or controlled by the company. Scope 2 referred to generation of purchased electricity consumed by the company. Scope 3 includes all other indirect emissions from activities of the company but occurring from sources not owned or controlled by the company, for example use of products.)
- Sets forth a Reduction Plan with goals, ambitions, and time frames that the Company has adopted (or proposes to adopt) to reduce those greenhouse gas emissions over time, if any;
- Benchmarks the Reduction plan and progress against segment peers and scientifically based consensus standards (such as the Net Zero Benchmark, Science Based Targets - The Science-Based Targets Initiative (SBTi) has established a credible means of assuring that corporate targets align with climate science. The initiative's robust validation process helps to provides investors a standardized view for evaluating climate targets.)
- Discloses any other information that the Board deems appropriate.