

**RESOLVED** that shareholders of Berkshire Hathaway Inc. (“Berkshire Hathaway” or “Company”) request the Board of Directors establish a new Board Committee on Environmental and Social Issues. The Committee shall be composed of independent directors with relevant expertise. The Committee should provide an ongoing review of corporate policies and practices, above and beyond legal and regulatory matters, to assess how Berkshire Hathaway manages material sustainability factors, including issues related to the environment, human capital, and social capital. At its discretion, the Board should publish a formal charter for the Committee and a summary of its functions, and direct the Committee to issue periodic reports.

### **SUPPORTING STATEMENT**

Berkshire Hathaway is a holding company whose subsidiaries are engaged in a myriad of business activities that include insurance, reinsurance, railroad, utilities and energy, manufacturing, as well as servicing and retail. Despite the vast coverage of its operations, the Company appears to provide minimal reporting on environmental, social, and human capital factors of material importance to shareholders.

Climate Action 100+, an investor-led initiative to ensure the world’s largest corporate greenhouse gas (“GHG”) emitters take necessary action on climate change, conducts an assessment of top carbon emitting companies against ten indicators, evaluating company performance on its transition to a net zero emissions future. The assessment reviews corporate disclosures on GHG emissions, capital allocation alignment, and climate governance among other factors. Berkshire Hathaway fails to meet the criteria on any of the ten indicators.<sup>1</sup>

The Company also was the subject of a “vote no” campaign run by the advocacy group Majority Action in response to its failure to publicly communicate a climate transition plan. The Company does not appear to charge any board committee with express oversight of environmental, social, and human capital factors. As indicated in a 2021 report on the Company’s annual stockholder’s meeting from proxy research provider ISS, “Upon review of its disclosures, environmental considerations such as pollution prevention and resource efficiency or social topics such as human rights and labor rights appear to be unaddressed.”<sup>2</sup>

The Company does not have a policy on diversity for board recruitment purposes nor does it appear to publicly report its EEO-1 data on workforce diversity. Employee health and welfare is also an area well-suited to fall under preview of the Committee. The Company falls among the top 50 companies (#42) with the highest number of employed individuals associated with Medicaid in the State of Washington.<sup>3</sup>

In our view, the establishment of the Committee could lead to enhanced governance and oversight practices, as well as more robust disclosure and transparency to shareholders on the Company’s management of sustainability risks and opportunities.

We urge shareholders to vote for this proposal.

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<sup>1</sup> “Company Assessment Berkshire Hathaway.” *Climate Action 100+*, available at: <https://www.climateaction100.org/company/berkshire-hathaway/>.

<sup>2</sup> “Berkshire Hathaway, Inc.” *ISS Proxy Analysis & Benchmark Policy Voting Recommendations*. April 16, 2021.

<sup>3</sup> “Employment Status of Washington Apple Health (Medicaid) Care Clients and Non-Client Individuals with Dependents Who Are Medicaid Clients.” *Washington State Health Care Authority*. October 30, 2020, available at: <https://www.dshs.wa.gov/sites/default/files/rda/reports/research-9-120a.pdf>.