The responses included herein are submitted on behalf of the Berkshire Hathaway group of insurance companies and intended to address the Insurer Climate Risk Disclosure Survey. This response is submitted on behalf of all insurance companies within NAIC Group Code 0031.

Governance – narrative

1. Disclose the insurer's governance around climate-related risks and opportunities.

In disclosing the insurer's governance around climate-related risks and opportunities insurers should consider including the following:

• Identify and include any publicly stated goals on climate-related risks and opportunities.

• Describe where climate-related disclosure is handled within the insurer's structure, e.g., at a group level, entity level, or a combination. If handled at the group level, describe what activities are undertaken at the company level.

A. Describe the board and/or committee responsible for the oversight of climate-related risks and opportunities.

In describing the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks, insurers should consider including the following:

• Describe the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks.

B. Describe management's role in assessing and managing climate-related risks and opportunities.

Berkshire Hathaway Inc. ("Berkshire") is a holding company owning subsidiaries engaged in a number of diverse business activities. These activities include insurance business conducted on both a direct and reinsurance basis. Berkshire is domiciled in the state of Delaware and headquartered in Omaha, Nebraska.

The Berkshire Hathaway Inc. Audit Committee Charter includes "the duty and responsibility to discuss guidelines and policies and internal controls and procedures,…to discuss guidelines and policies governing the process by which senior management of the Company and the relevant departments of the Company assess and manage the Company's exposure to risk, including environmental and social risks such as climate change and diversity, respectively, and to discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures." The Audit Committee Charter is available on Berkshire's website at https://berkshirehathaway.com/govern/audit.pdf.

Berkshire's insurance and reinsurance business activities are conducted through numerous domestic and foreign-based insurance entities. Berkshire's insurance businesses provide insurance and reinsurance of property and casualty risks worldwide and also reinsure life, accident, and health risks worldwide. Berkshire's insurance companies maintain capital strength at high levels. This strength differentiates Berkshire's insurance companies from their competitors. Collectively, the combined statutory surplus of Berkshire's U.S.-based insurers was approximately $301.0 billion as of December 31, 2021 and maintained an aggregate GAAP equity of $341.2 billion. As of the report date, all of Berkshire's major insurance subsidiaries are rated AA+ by Standard & Poor's and A++ (superior) by A.M. Best with respect to their financial condition and operating performance.

Berkshire's insurance underwriting operations include the following sub-groups: (1) GEICO and its subsidiaries, (2) Berkshire Hathaway Reinsurance Group, and (3) Berkshire Hathaway Primary Group. For the sake of this exercise, these three sub-groups make up the Berkshire Hathaway group of insurance companies ("Group"). Effective as of October 19, 2022, Berkshire Hathaway acquired Alleghany Corporation and its various insurance and reinsurance companies (the "Alleghany insurers"). The Alleghany insurers will be incorporated into the Group's Enterprise Risk Management framework.

Climate-related disclosures are addressed at the Group level through collaboration with Company representatives. Collaboration occurs through Group sponsored workshops and Enterprise Risk Management ("ERM") Committee Meetings. The ERM Committees include representatives from the significant Business Units.

The ERM Committees assist the various Boards and Chief Risk Officers in fulfilling their climate-related risk oversight responsibilities regarding risk appetite, risk management, and governance. The consideration of climate-related risk is deeply embedded in the Group's ERM framework and addressed by each of the insurance sub-groups. Climate-related risk considerations are actively considered within a number of the key risks in the enterprise risk inventory. This includes underwriting, reputational, and investment risk categories.

Climate-related risk is also a stand-alone risk in the Group's key risk inventory. The risk is assigned to the Chief Compliance Officer, Berkshire Hathaway Reinsurance Group ("BHRG") and the Deputy Chief Risk Officer, BHRG to own and continuously monitor. This includes assessing the Group's potential exposure to climate-related risk and the effectiveness of the controls designed to mitigate such risk. Additionally, the Group has instituted climate-related risk specific stress testing (the Group's approach to stress testing will be addressed throughout this disclosure). The ERM Committees will communicate potential areas of improvement to the appropriate sub-group executives (if needed). Board escalation would also be considered based on the severity of the potential exposure.

The Group's risk decisions are solely dictated by an expectation of an economic profit within the aggregate risk tolerance limits regardless of marketplace acceptance of those risk decisions. The decisions include consideration of climate-related risk.

Currently, the Group does not have any publicly stated goals with regard to climate-related risks and opportunities, however, multiple entities within the Group adopted the following Sustainability Statement (or similar):

We are committed to adopting environmentally sustainable business practices to help protect and preserve the environment and the availability of its natural resources for future generations. It is our intent to rationally implement energy efficient technologies, conserve limited natural resources, and provide tools and information to encourage sustainability.

The Group's insurance operations do not directly generate significant carbon emissions. While some of Berkshire Hathaway's non-insurance businesses generate higher levels of carbon emissions, they have also developed publicly stated emission-related goals. This includes significant entities Berkshire Hathaway Energy ("BHE") and Burlington Northern Santa Fe ("BNSF"). Each operation has long been engaged in delivering sustainable outcomes that benefit all constituencies including customers, communities, state and federal governments, and Berkshire's shareholders. The two businesses generated aggregate net earnings of $10.0 billion in 2021 and their direct Greenhouse Gas ("GHG") emissions represent more than 90% of Berkshire's direct emissions. The Insurance Group accounts for a small fraction of the remaining 10% of Berkshire's direct emissions.

BHE has invested heavily in owned wind, solar, and geothermal generation with cumulative investments of $30.1 billion through 2021 and has retired 16 coal generating units. As a result, BHE has reduced its annual GHG emissions by about 20% from 2005 levels. BHE plans to continue investing in wind, solar, and other low-carbon generation in the future and to retire an additional 16 coal generation units between 2022 and 2030 in a reliable and cost-effective manner, thereby achieving a 50% reduction in GHG emissions from 2005 levels in 2030. BHE has also committed to comply with the Paris Agreement and is well on track to retire all of its coal-based units before 2050. BHE has developed a Green Financing Framework that aligns with the Green Bond Principles published by the International Capital Markets Association and the Loan Market Association Green Loan Principles, under which BHE may issue bonds, loans, commercial paper or other financial instruments to finance or refinance eligible projects related to renewable energy, clean transportation, climate change adaptation and energy efficiency with intended environmental benefits under BHE's Green Financing Framework. Further details regarding the Green Financing Framework are available on BHE's website at https://brkenergy.com/esg-sustainability/green-financing.aspx.

BNSF, one of the largest railroads in the US, is taking active steps to manage and reduce its air emissions to help mitigate BNSF's environmental impact in the communities in which it operates. BNSF management has committed to a broad sustainability model, applying science-based approaches, that will provide a 30% reduction in BNSF's GHG emissions by 2030 from its baseline year of 2018. BNSF intends to continue improvements in fuel efficiency and increased utilization of renewable diesel fuel. Long-term solutions, such as battery-electric and hydrogen locomotives, are also being evaluated and field-tested.

Strategy – narrative

2. Disclose the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy, and financial planning where such information is material.

In disclosing the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy and financial planning, insurers should consider including the following:

• Describe the steps the insurer has taken to engage key constituencies on the topic of climate risk and resiliency.

• Describe the insurer's plan to assess, reduce, or mitigate its greenhouse gas emissions in its operations or organizations.

A. Describe the climate-related risks and opportunities the insurer has identified over the short, medium, and long term.

In describing the climate-related risks and opportunities the insurer has identified over the short, medium, and longer term, insurers should consider including the following:

• Define short, medium, and long-term, if different than 1-5 years as short term, 5-10 years as medium term, and 10-30 years as long term.

B. Describe the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning.

In describing the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning, insurers should consider including the following:

• Discuss if and how the insurer provides products or services to support the transition to a low carbon economy or helps customers adapt to climate-related risk.

• Discuss if and how the insurer makes investments to support the transition to a low carbon economy.

C. Describe the resilience of the insurer's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.

The structure of the Group provides opportunities for the various business units to consider individual initiatives to assess, reduce, and mitigate GHG emissions in their operations as part of the strategic planning process and share those initiatives as best practices. This informal process typically estimates the rate of return on investments in carbon-reduction technologies and the overall benefit to the environment. Ongoing GHG and other related environmental conservation initiatives within the Group's daily operations include the following:

- Analyzing the potential for electricity and natural gas usage savings in both new and existing office space and data centers;
- Implementing technology, equipment, and processes to reduce electricity and natural gas usage, such as transitioning from fluorescent to LED lighting, motion sensor lighting, installing high efficiency window blinds, and computer controlled thermostats;
- Updating computer equipment to take advantage of cutting-edge technology, often reducing energy usage as well as adding more computing power while using less equipment;
- Considering the benefits of increased work location flexibility and virtual meetings. This includes assessing the carbon footprint impacts associated with office space, commuting and associated travel;
- Advocating the recycling of paper, glass, and plastics to all personnel and providing options to make recycling convenient at office locations;
- Encouraging electronic communication versus paper usage;
- Supporting the use of reusable cups to reduce one time use products, including providing personnel with washable/reusable mugs and water bottles;

- Promoting the use of technology to the customer base to reduce the amount of paper distributed; and
- Employing imaging technology to replace paper usage and long-term information storage.

The Group's primary exposure to climate risk arises from its Property and Casualty ("P&C") insurance and reinsurance business. P&C insurance policies and reinsurance agreements are customarily written for one year terms and repriced annually to reflect changing exposures (increased possibilities of loss translate promptly into increased premiums). The Group closely monitors and evaluates the potential frequency and severity of natural catastrophe risks, including those that could be potentially impacted by climate risk.

Climate change will likely have different implications for the different lines of insurance that are underwritten in the Group – personal lines, commercial liability lines, commercial property lines, and reinsurance. Each insurance business within the Group is focused on the implications for its particular underwriting specialties and will modify its underwriting approach based on a variety of actuarial and underwriting techniques that consider the potential frequency and severity of natural catastrophes. Management of each insurance business regularly monitors potential shifts in customer demand for products, as well as market developments that affect pricing decisions.

Where appropriate, the Group's underwriting process includes a review of potential exposures to natural catastrophe risk and the risk mitigation measures taken by policyholders in response to potential climate change-influenced events. An underwriter's consideration of these climate risk mitigation actions can lead to a rate reduction.

Directors and Officers Liability, Commercial General Liability, and Professional Liability insurance policies written by the Group insure specific parties are customarily written for one year and repriced annually to reflect changing exposures. The Group continuously monitors the impact climate-related risk could have on these lines of business and assesses the potential impact on pricing as well as underwriting and risk selection. As a result of this monitoring and assessment process, it is possible that policy terms and conditions could be updated or revised to reflect changes in such risk (i.e. revisions to standard pollution and environmental liability exclusions). Likewise, opportunities to create new lines may be identified as a result of these reviews.

As noted above, the Group's risk decisions are dictated by an expectation of an economic profit within the aggregate risk tolerance limits regardless of marketplace acceptance of those risk decisions. The Group has demonstrated willingness to assume multiples of its current levels of risks if the opportunities exist and an equal demonstrated willingness to assume only a fraction of the current risks if market conditions do not allow the risk assessments to prevail.

Robust catastrophe modeling provides insight into climate-related risk. For the traditional reinsurance segment, the Group takes a hybrid approach that reflects both modeled and limits-based exposures when aggregating catastrophe accumulations for severe weather events that may have a linkage to or be exacerbated by climate change. The remaining Group risks are modeled using a range of catastrophe models (RMS, AIR, etc.). The Group incorporates these exposures by including each business unit's 250-, 500-, and 1,000-year exposure by catastrophe zone and event in the overall analysis. The Group then confirms that the net risk associated with one catastrophic event does not exceed 15% of each legal entity's surplus. This risk tolerance level ensures that each underlying legal entity is more than capable of meeting policyholder obligations.

The Group also performs various climate risk focused stress testing as part of its ORSA process. The ORSA climate-related risk focused stress testing accounts for the following impacts:

- **Natural Catastrophe Risk** – The Group is exposed to physical risks of climate change, including a potential increase in severe weather-related events. The stresses include multiple 500-year events. The ERM Committees believe this approach is more meaningful/conservative than focusing only on thermal stress testing.
- **Transition Risk** – The Group could face Transition Risk if companies in the investment portfolio face sudden drops in asset values or increased credit risk as a result of the transition to a lower carbon economy.
- **Litigation Risk** – The Group could be exposed to Litigation Risk if parties who have suffered losses and damages from climate change seek to recover from insureds whom they believe are responsible.
- **Pricing Risk** –The Group protects itself against pricing risk in its P&C insurance policies in the coverage term, which is customarily written for one year and repriced annually to reflect changing exposures (increased possibilities of loss translate promptly into increased premiums). This reduces the climate change driven residual pricing risk significantly. As a result, a pricing risk stress is not warranted at this time.
- **Underwriting Risk** – Certain climate change mitigation efforts are expected to decrease the demand for insurance for industries that produce non-renewable resources (i.e. coal, natural gas, and oil). Other mitigation efforts are likely to reduce the population of insureds for certain business units (i.e. auto and airline) leading to a decreased pool of insureds and associated premium.

Risk Management – narrative

3. Disclose how the insurer identifies, assesses, and manages climate-related risks.

In disclosing how the insurer identifies, assesses, and manages climate-related risks, insurers should consider including the following:

• Describe how the insurer considers the impact of climate-related risks on its underwriting portfolio, and how the company is managing its underwriting exposure with respect to physical, transition and liability risk.

• Describe any steps the insurer has taken to encourage policyholders to manage their potential physical and transition climate-related risks, if applicable.

• Describe how the insurer has considered the impact of climate-related risks on its investment portfolio, including what investment classes have been considered.

A. Describe the insurers' processes for identifying and assessing climate-related risks.

In describing the insurers' processes for identifying and assessing climate-related risks, insurers should consider including the following:

• Discuss whether the process includes an assessment of financial implications and how frequently the process is completed.

B. Describe the insurer's processes for managing climate-related risks.

C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management.

In describing how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management, insurers should consider including the following:

• Discuss whether climate-related risks are addressed through the insurer's general enterprise-risk management process or a separate process and how frequently the process is completed.

• Discuss the climate scenarios utilized by the insurer to analyze its underwriting risks, including which risk factors the scenarios consider, what types of scenarios are used, and what timeframes are considered.

• Discuss the climate scenarios utilized by the insurer to analyze risks on its investments, including which risk factors are utilized, what types of scenarios are used, and what timeframes are considered.

As referenced herein, consideration of climate-related risk is deeply embedded in the Group's ERM framework and addressed by each of the insurance sub-groups.

The Group's annual stress testing exercise considers the potential climate-related risk posed to the Group's diverse underwriting portfolio. This includes consideration of physical, transition, and liability risk.

The Group has taken measures to encourage policyholders within the Group to mitigate the impact of climate change in their operations and, thus, to the planet.

Berkshire's corporate office senior management participates in and is ultimately responsible for the significant capital allocation decisions and investment activities of the Group. The Group's investment portfolio has experienced superior long-term performance in comparison to its peers. There are also various mechanisms of control in place to ensure the Group has the liquid assets to meet cash needs under current conditions or possible future environments. As noted above, these controls include stress test modeling that presents how certain key solvency-related financial statement entries of the insurance companies are affected by modifications in key asset valuations (stocks and bonds). This includes Transition Risk. As part of the Transition Risk Assessment, the investment portfolios for the insurance companies are assessed to identify holdings that are susceptible to sudden drops in asset values or increased credit risk as a result of a significant shift or acceleration of the transition to a lower carbon economy or reduced demand for certain types of products and services.

The Group considers developing legal and regulatory changes that may adversely impact its future operating results. Over time, in response to financial market crises, global economic recessions, and social and environmental issues, regulatory initiatives have been adopted in the United States and elsewhere that may impact operating results. These initiatives impact all businesses, albeit in varying ways. Increased regulatory compliance constraints could have a significant negative impact on Berkshire's operating businesses as well as on the businesses in which Berkshire maintains a significant, but not controlling, economic interest.

Metrics and Targets – narrative

4. Disclose the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material.

In disclosing the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material, insurers should consider including the following:

Discuss how the insurer uses catastrophe modeling to manage the climate-related risks to your business. Please specify for which climate-related risks the insurer uses catastrophe models to assess, if any.

A. Disclose the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process.

In disclosing the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process, insurers should consider including the following:

• In describing the metrics used by the insurer to assess and monitor climate risks, consider the amount of exposure to business lines, sectors, and geographies vulnerable to climate-related physical risks [answer in absolute amounts and percentages if possible], alignment with climate scenarios, [1 in 100 years probable maximum loss, Climate VaR, carbon intensity], and the amount of financed or underwritten carbon emissions)

B. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

C. Describe the targets used by the insurer to manage climate-related risks and opportunities and performance against targets.

The Group does not use a one-size-fits-all probabilistic economic capital model to manage its risks and deploy its capital. The Group maintains a significantly higher level of capitalization than any other insurance group in the United States. The Group therefore relies on the significant expertise of its experienced managers, clear risk tolerance limits and bespoke stress testing to manage its risks.

As highlighted above, the Group completes robust annual stress testing that accounts for the multiple risks posed by climate change. The 2022 (using year-end 2021 data) scenario contemplates the combination of the following stresses:

- A 500-year United States Gulf Coast Windstorm.
- A 500-year Australia Windstorm.
- Non-affiliated common stocks that are subject to Transition Risk decrease from their baseline statement date carrying value by 50%.
- Non-insurance subsidiaries subject to Transition Risk decrease from their baseline statement carrying value by 16%.

- Loss and Loss Adjustment Expense Reserves are deficient by 5%.
- A Premium reduction of 5%.

The post-stress results are examined against minimum risk-based capital ratios established by the Group's ERM Committees. The domestic insurers' post-stress benchmark is the "Authorized Control Level RBC." A ratio below 350% requires increased management monitoring and potential corrective action. Active P&C insurance companies subject to Solvency II requirements seek to maintain a post-stress Authorized Control Level RBC of at least 150%. A ratio below 150% Authorized Control Level RBC requires increased management monitoring and potential corrective action.

The Group has estimated its annual Scope 1 emissions to be approximately 13,000 metric tons of Carbon Dioxide (CO_2) equivalent and Scope 2 emissions to be approximately 50,000 metric tons of Carbon Dioxide (CO_2) equivalent. Scope 3 emissions are not currently tracked/analyzed.

As noted above, Berkshire's significant non-insurance entities have publicly disclosed GHG reduction targets. The Insurance Group has not developed separate formal climate-related targets.