



BE IT RESOLVED: Shareholders request that Berkshire Hathaway Inc.'s ("Berkshire Hathaway") holding companies annually publish reports assessing their diversity and inclusion efforts, at reasonable expense and excluding proprietary information. At a minimum the report should include:

- the process that the Board follows for assessing the effectiveness of its diversity, equity and inclusion programs,
- the Board's assessment of program effectiveness, as reflected in any goals, metrics, and trends related to its promotion, recruitment, and retention of protected classes of employees.

SUPPORTING STATEMENT: Investors seek quantitative, comparable data to understand the effectiveness of the company's diversity, equity, and inclusion programs.

WHEREAS: Numerous studies have pointed to the corporate benefits of a diverse workforce. These include:

- Companies with the strongest racial and ethnic diversity are 35 percent more likely to have financial returns above their industry medians.
- Companies in the [top quartile](#) for gender diversity are 21 percent more likely to outperform on profitability and 27 percent more likely to have superior value creation.
- A 2019 [study](#) of the S&P 500 by the *Wall Street Journal* found that the 20 most diverse companies had an average annual five year stock return that was 5.8 percent higher than the 20 least-diverse companies.

Despite such benefits, significant barriers exist for diverse employees advancing within their careers. Women enter the workforce in almost equal numbers as men (48 percent). However, women [comprise](#) only 22 percent of the executive suite. Similarly, people of color comprise 33 percent of entry level positions, but only 13 percent of the c-suite.

Berkshire Hathaway holding companies, however, do not release meaningful information that would allow investors to determine the effectiveness of their human capital management as it relates to workplace diversity. A number of Berkshire Hathaway companies have faced allegations of sexism and racism.

Investor desire for information on this issue is significant. As of October, 2020, \$1.9 trillion in represented assets released an [Investor Statement](#) on the importance of increased corporate transparency on workplace equity data. It stated:



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2021 Shareholder Resolution

Berkshire Hathaway | Greater Disclosure of Material Corporate Diversity, Equity and Inclusion Data

It is essential that investors have access to the most up-to-date and accurate information related to diverse workplace policies, practices, and outcomes.