

BERKSHIRE HATHAWAY ENERGY GREEN FINANCING FRAMEWORK

INTRODUCTION

Berkshire Hathaway Energy's portfolio consists of locally managed businesses that share a vision to be the best energy company in serving our customers, while delivering sustainable energy solutions. These businesses deliver affordable, safe and reliable service each day to millions of customers. As part of our sustainable business strategy, we are implementing a Green Financing Framework to communicate how we are aligning our financing strategy with our focus on minimizing the impacts of our operations on the environment.

ENVIRONMENTAL RESPECT AT BERKSHIRE HATHAWAY ENERGY

Our core principle of Environmental RESPECT recognizes the importance of minimizing the impacts of our operations on the environment as we strive to achieve net zero greenhouse gas emissions. We are supporting a transition to net zero in a manner our customers can afford, our regulators will allow and technology advances support. Our approach centers around increasing renewables, investing in transmission infrastructure and exploring innovative ways to use existing fossil resources in a more carbon friendly way. Based on current business plans and dependent on sufficient and cost-effective technological advancements in the industry, we expect to complete our transition to net zero emissions by 2050.

Our efforts have established a strong foundation from which to advance our net zero future. Berkshire Hathaway Energy has invested \$37 billion in renewable energy generation through September 2022 – few energy businesses have demonstrated that level of leadership and commitment. Our commitments are demonstrated by the tangible actions being taken to ensure our customers have access to cleaner energy.

Our businesses are deploying noncarbon generation, exploring advanced technologies such as carbon capture, retiring coal units in phases throughout our regulatory jurisdictions, advancing transmission infrastructure to more effectively develop and integrate noncarbon resources and leveraging those efforts with the deployment of energy storage. We are also preparing for the future by building electric vehicle infrastructure and looking at new opportunities such as recovering lithium from heat-depleted geothermal brine to advance responsibly-produced domestic lithium supplies and support the electrification of vehicles. Berkshire Hathaway Energy is leading the way to net zero greenhouse gas emissions thanks to strong, comprehensive business planning and the competitive advantage and financial strength that comes from being owned by Berkshire Hathaway Inc. We will remain focused on carrying out the company's vision as we deliver the benefits of sustainable energy solutions for all stakeholders in the decades to come.

GREEN FINANCING FRAMEWORK

Berkshire Hathaway Energy, and its subsidiaries with primary operations in the U.S., (each an “Issuing Entity”) may issue bonds, loans, commercial paper or other financial instruments to finance or refinance projects with intended environmental benefits (hereinafter referred to as “Green Financing Instruments”) that are in-line with this Green Financing Framework (“Framework”). Berkshire Hathaway Energy intends to allocate an amount equal to the net proceeds of any Green Financing Instrument to eligible green projects (“Eligible Projects”) defined, selected, tracked and reported on in accordance with this Framework.

This Framework follows the International Capital Markets Association Green Bond Principles 2021 (“GBP”) and the Loan Market Association Green Loan Principles 2021 (“GLP”), which provide guidance in four key areas:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The Framework may be modified or amended from time to time at our discretion.

USE OF PROCEEDS

Each Issuing Entity intends to allocate an amount equal to the net proceeds from each Green Financing Instrument to Eligible Projects meeting one or more of the project eligibility criteria outlined on the following page.

Eligible Projects include new or existing investments and/or expenditures made by an Issuing Entity beginning with the issuance date of each Green Financing Instrument or in the 24 months prior to any such issuance. Each Issuing Entity intends to allocate an amount equal to the net proceeds within 24 months of the Green Financing Instrument issuance.



Proceeds will not knowingly be allocated to:

1. The same portion of a project that received allocation of proceeds under any other Green Financing Instrument, or
2. Activities related to the exploration, production, transportation, or consumption of fossil fuels

While Berkshire Hathaway Energy acknowledges the role of nuclear energy in achieving our decarbonization and emissions reduction goals, nuclear activities will be excluded from financing under this Green Financing Framework.

Eligible Project Category	Eligibility Criteria	UN SDG Alignment ¹
Renewable Energy	<p>Investments and expenditures related to:</p> <ul style="list-style-type: none"> • Acquisition, conception, development, maintenance, procurement, storage, expansion and/or operation of renewable energy generation and infrastructure, including: <ul style="list-style-type: none"> ○ Solar ○ Wind ○ Long term (≥ 5 years) power purchase agreements or virtual power purchase agreements entered into prior to commencement of commercial operations, or in the case of rehabilitated projects, the recommencement, of commercial operations of the renewable project that meet our objective of bringing additional renewable energy generation capacity to the grid, such as solar, solar and battery storage and wind energy ○ Battery storage ○ Transmission infrastructure enabling the connection and/or increased deployment of renewable energy <p>Objectives</p> <p>Avoid greenhouse gas emissions by increasing usage of renewably generated electricity and providing diversity of generation sources in service territories;</p> <p>Enhance access to renewable generation resources by building transmission that will:</p> <ul style="list-style-type: none"> • Enable new renewable connections; • Enable new directional flows of renewably generated electricity (e.g. north to south in addition to east to west); and <p>Contribute to grid stability and further adoption of renewables via transmission and battery storage infrastructure that will decrease potential congestion, curtailment, and intermittency related to the delivery of renewably generated electricity</p>	<p>SDG 7: <i>Affordable and Clean Energy</i></p> <p>SDG 13: <i>Climate Action</i></p>
Clean Transportation	<p>Investments and expenditures related to sustainable mobility, such as:</p> <ul style="list-style-type: none"> • Electric vehicle purchases for the company fleet • Electric vehicle charging stations • Installation and maintenance of infrastructure supporting clean transportation, such as network extensions or capacity upgrades <p>Objectives</p> <p>Reduce greenhouse gas emissions from fossil fuel vehicles by investing in electric vehicles for our own operations and in infrastructure that will enable broader adoption and use of electric vehicles</p>	<p>SDG 11: <i>Sustainable Cities and Communities</i></p>

¹ United Nations Sustainable Development Goals (<https://sdgs.un.org/goals>)

Eligible Project Category	Eligibility Criteria	UN SDG Alignment ¹
Climate Change Adaptation	<p>Investments designed to improve grid resiliency and customer reliability when considering climate change related impacts such as wildfires and floods. Investments may include:</p> <ul style="list-style-type: none"> • Infrastructure hardening (e.g., replacement of overhead bare conductor with covered or underground conductor, installation of fast-acting fuses) • Technology and community resiliency programs, improved fire situational awareness (observation and warning technology) <p>Objectives Maintain safe and reliable energy supplies during significant weather events, reduce the likelihood and severity of such events, protect natural resources, preserve biodiversity, and reduce greenhouse gas emissions</p>	<p>SDG 13: <i>Climate Action</i></p>
Energy Efficiency	<p>Investments and expenditures related to technologies or assets that improve system efficiency, reduce energy consumption and emissions, and/or contribute to the addition or reliability of renewable energy generation. Examples include:</p> <ul style="list-style-type: none"> • Smart meters and related communication networks, power control devices, and/or other projects targeting energy savings <p>Objectives Reduce greenhouse gas emissions by reducing power usage, lowering costs for customers to maintain energy affordability and increasing grid efficiency</p>	<p>SDG 7: <i>Affordable and Clean Energy</i></p> <p>SDG 13: <i>Climate Action</i></p>

PROCESS FOR PROJECT EVALUATION AND SELECTION

Eligible Projects will be selected by a group of treasury and sustainability team representatives from Berkshire Hathaway Energy or its subsidiaries and the chief financial officer of the Issuing Entity. This group will determine which projects are eligible and select projects according to overall financing needs. As part of project due diligence, Berkshire Hathaway Energy considers environmental and social risks working in conjunction with its sustainability team, led by the Chief Sustainability Officer, and internal legal and operations teams to identify and manage such risks. All Eligible Projects must be approved by Berkshire Hathaway Energy’s chief financial officer.

MANAGEMENT OF PROCEEDS

The accounting function for each Issuing Entity will oversee the internal tracking system to allocate an amount equal to the net proceeds from any Green Financing Instruments to Eligible Projects. Pending allocation, net proceeds will be managed in accordance with each Issuing Entity’s normal liquidity practices.

If a project no longer meets the eligibility criteria, the Issuing Entity will use reasonable efforts to reallocate the funds to other Eligible Projects in a timely manner.

REPORTING

Berkshire Hathaway Energy and/or each Issuing Entity intends to report on the allocation, and where feasible, the environmental impact, of the use of proceeds from each Green Financing Instrument annually, until full allocation.

Each report (“Green Financing Report”) will be available on Berkshire Hathaway Energy’s website and may include:

- Net proceeds allocated by project, where feasible, and/or Eligible Project category
- Estimated portion of proceeds used for financing vs. refinancing
- Remaining balance of proceeds yet to be allocated to Eligible Projects, if applicable
- Examples of projects to which proceeds have been allocated
- Impact reporting metrics where feasible and subject to confidentiality considerations

Sample impact reporting metrics may include the following, to the extent information is available:

Eligible Project Category	Illustrative Potential Reporting Metrics
Renewable Energy	<ul style="list-style-type: none">• Renewable energy capacity added or connected (MW)• Renewable energy produced (MWh)• Estimated CO2 equivalent emissions avoided (CO2e)• Battery storage added or connected (MW)
Clean Transportation	<ul style="list-style-type: none">• Number of electric vehicle charging points• Number of electric vehicles purchased• Estimated CO2 equivalent emissions avoided (CO2e)
Climate Change Adaptation	<ul style="list-style-type: none">• High fire risk area bare conductor mitigated (circuit miles of covered conductor and undergrounded conductor)
Energy Efficiency	<ul style="list-style-type: none">• Estimated energy savings per year (MWh)• CO2 emissions avoided (CO2e)

Such quantitative impact performance measures will be accompanied by disclosure of the key underlying methodology used, where feasible (e.g. emissions avoided calculated using the U.S. Environmental Protection Agency’s Avoided Emissions and Generation Tool (AVERT) and geographically specific data corresponding to applicable generation resources).

EXTERNAL REVIEW

S&P Global Ratings has provided a second party opinion regarding Berkshire Hathaway Energy’s Green Financing Framework environmental credentials and its alignment with the GBP and GLP.

Each Green Financing Report will be accompanied by an assertion by management regarding the allocation of net proceeds and a report from either an independent auditor or an external consultant with expertise in environmental, social and governance matters.

DISCLAIMER

The information contained in this framework is provided as of the date of this framework and is subject to change without notice. Berkshire Hathaway Energy reserves the right to update this Framework at any time and does not assume any responsibility or obligation to update or revise the statements contained in this Framework, regardless of whether those statements are affected by the results of new information, future events or otherwise.

This Framework is not intended to, nor can it be relied on, to create legal relations, rights or obligations. This Framework is intended to provide non-exhaustive, general information. This framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Berkshire Hathaway Energy and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Berkshire Hathaway Energy as to the fairness, accuracy, reasonableness or completeness of such information.

This Framework contains statements regarding Berkshire Hathaway Energy's plans with respect to its possible issuances of Green Financing Instruments and other statements about future events and expectations that are forward-looking statements. Forward-looking statements are not based on historical facts but instead represent Berkshire Hathaway Energy's current expectations and assumptions regarding its business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Future events or circumstances may change Berkshire Hathaway Energy's approach to possible issuances of Green Financing Instruments or result in changes to this Framework. Thus, there can be no assurance that the financing for any project will be implemented in the manner set forth in this Framework or achieve the results or outcome originally expected or anticipated by Berkshire Hathaway Energy or as contemplated by this Framework. Berkshire Hathaway Energy's activities in general, which may affect any Green Financing Instrument that it issues, are also subject to certain risks, uncertainties and additional information that are described in Berkshire Hathaway Energy's annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K filed with the Securities and Exchange Commission. Those reports are available on Berkshire Hathaway Energy's website (www.brkenergy.com/investors/financial-filings.aspx) and on the Securities and Exchange Commission's website (www.sec.gov). Berkshire Hathaway Energy does not undertake to update any forward-looking statements. None of the projections, expectations, estimates or prospective statements in this Framework should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such projections, expectations, estimates or prospective statements have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in this Framework.

No representation is made as to the suitability of any issuance of Green Financing Instruments to fulfill environmental, sustainability, or other criteria required by prospective investors. Each prospective investor should determine for itself the relevance of the information contained or referred to in this Framework or the relevant offering documentation regarding the use of proceeds and its purchase should be based upon such investigation as it deems necessary. Each prospective investor should be aware that projects may not satisfy the investor's expectations concerning environmental or sustainability benefits, and may result in adverse impacts.

The material provided herein is for informational purposes only. This Framework does not constitute a recommendation regarding any securities of Berkshire Hathaway Energy or any of its subsidiaries. This Framework is not, does not contain and is not intended as an offer to sell or a solicitation of any offer to buy any securities issued by Berkshire Hathaway Energy or any of its subsidiaries. Neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution. If any offer to sell or solicitation of any offer to buy any securities issued by Berkshire Hathaway Energy or any of its subsidiaries is made, it will be done so pursuant to separate and distinct documentation in the form of a prospectus supplement, an accompanying prospectus or other equivalent document (collectively, the "Offering Documents"). Any decision to subscribe for or purchase any securities pursuant to such offer or solicitation should be made only after carefully reviewing such Offering Documents, including any documents incorporated by reference therein, and consulting with any legal, tax, financial and other advisors, as appropriate. No decision to subscribe for or purchase any securities of Berkshire Hathaway Energy or its subsidiaries should be made on the basis of the information contained in this Framework.