

巴菲特告别股东信 (2025-11-10)



中文翻译

致伯克希尔哈撒韦的各位股东：

我将不再撰写伯克希尔的年度报告，也不再在年会上滔滔不绝。用英国人的话说，我要“淡出”了。算是吧。

格雷格·阿贝尔将在年底接任掌门人。他是一位杰出的管理者，工作孜孜不倦，沟通坦诚直率。祝愿他任期长久。

我将通过每年的感恩节寄语，继续与你们和我的孩子们交流伯克希尔的事。

伯克希尔的个人股东是一个非常特殊的群体，他们异常慷慨，乐于与那些不那么幸运的人分享自己的收益。我很珍惜能与你们保持联系的机会。

今年请容我先追忆一些往事。之后，我会讨论我名下伯克希尔股票的分配计划。最后，我会分享一些商业和个人方面的观察与思考。

感恩节将至，我心怀感激，也惊讶于自己能活到95岁的好运气。年轻时，这看起来可不像是个大概率事件。早年，我差点就夭折了。

那是在1938年，当时的奥马哈市民认为医院要么是天主教的，要么是新教的。我们的家庭医生哈雷·霍兹是一位友善的天主教徒，总是拎着一个黑色提包出诊。他叫我“小船长”，而且诊费从不昂贵。

有一次我肚子疼得厉害，霍兹医生来家诊治，告诉我第二天早上就会好的。他然后回家吃了晚饭，打了一会儿桥牌。然而，他始终对我那些有点奇怪的症状放心不下，当晚晚些时候，把我送到了圣凯瑟琳医院做急诊阑尾切除手术。

接下来的三周，我感觉自己像是住进了修道院，并且开始喜欢上我这个新的“演讲台”。我喜欢说话——没错，即便在那时就是——修女们也都接纳了我。

更棒的是，我的三年级老师马德森小姐让我班上的30个同学每人都给我写了一封信。男生的信我大概都扔掉了，但女生的信我却读了又读；住院也有它的好处。

我康复期间最开心的事，是收到了我亲爱的伊迪阿姨送的一套非常专业的指纹采集工具。我立刻就给所有照顾我的修女都采集了指纹。（我大概是圣凯瑟琳医院收治的第一个新教小孩。）

我那完全异想天开的理论是：万一哪天有个修女变坏了，而联邦调查局却疏忽了，没有采集修女的指纹。我幻想着胡佛先生亲自来到奥马哈，查阅我这套无比珍贵的收藏。我还进一步幻想，我和他能迅速识别并逮捕那个误入歧途的修女。看来全国闻名是肯定的了。

显然，我的幻想从未实现。但具有讽刺意味的是，几年后事情变得很清楚，我当初真该采集胡佛本人的指纹，因为他后来滥用职权而身败名裂。

嗯，那就是1930年代的奥马哈。一个雪橇、一辆自行车、一只棒球手套和一辆电动火车，就是我和我的朋友们梦寐以求的东西。

让我们再看看那个年代另外几个孩子，他们就在附近长大，对我的人生产生了巨大影响。

我从查理·芒格开始，他是我64年的挚友。在1930年代，查理住的地方，离我自1958年起拥有并居住的房子只有一个街区之遥。

早年，我差点就结识了查理。查理比我大6岁8个月，在1940年夏天，他曾在我祖父的杂货店工作。第二年，我也在店里做了类似的工作，但我直到1959年才见到查理。

二战后，查理从哈佛法学院毕业，然后永久移居加利福尼亚。然而，查理永远认为他在奥马哈的早年岁月是塑造他的时期。

60多年来，查理对我影响巨大，他是一位无与伦比的良师和护佑我的“大哥”。我们有过分歧，但从未争吵过。

1958年，我买下了我第一套也是唯一一套房子。当然，它在奥马哈。

我们再谈谈另一位奥马哈人，斯坦·利普西。斯坦在1968年将他经营的《奥马哈太阳报》卖给了伯克希尔，十年后应我的请求搬到了布法罗。

当时，伯克希尔旗下的《布法罗晚报》正与其晨报竞争对手进行着一场生死之战。而我们正在输掉这场战争。

斯坦最终为我们打造了新的周日版产品。有几年，我们这家曾经严重亏损的报纸，在我们3300万美元的投资上，每年获得了超过100%（税前）的回报。这在1980年代初对伯克希尔来说是一笔重要的资金。

斯坦在离我家大约五个街区的地方长大。他的一位邻居是沃尔特·斯科特。你们会记得，沃尔特在1999年将中美能源带到了伯克希尔。

他直到2021年去世前，还一直是伯克希尔一位宝贵的董事，也是我非常亲密的朋友。沃尔特是内布拉斯加州几十年来慈善事业的领袖。

沃尔特就读于本森高中，我原本也计划去那里上学——直到1942年我父亲在国会选举中击败一位连任四届的现任议员，让所有人大吃一惊。生活充满了意外。

等等，还有呢。

1959年，唐·基奥和他年轻的家人住在我家正对面的一所房子里。唐当时是一名咖啡推销员，但后来注定成为可口可乐公司的总裁，并且也是伯克希尔一位尽心尽力的董事。

我认识唐的时候，他年收入12,000美元，而他和妻子米琪要抚养五个孩子。我们两家很快成了亲密的朋友。

唐来自爱荷华州西北部的一个农场。加入可口可乐公司后，唐逐渐成为全球传奇人物。

1985年，当唐担任可口可乐公司总裁时，公司推出了命运多舛的“新可乐”。唐发表了一次著名的演讲，向公众道歉并恢复了“经典”可乐。

做出这个转变，是在唐解释说，寄给“头号白痴”的可口可乐来信都会迅速送到他的办公桌之后。他欣然承认，事实上，可口可乐产品属于公众，而非公司。此后，销量猛增。

和查理·芒格一样，唐永远是一个中西部的孩子，热情、友好，骨子里是纯粹的美国人。

最后，阿吉特·贾因，以及我们即将上任的CEO格雷格·阿贝尔，each在20世纪末都曾在奥马哈居住过几年。事实上，在1990年代，格雷格就住在离我家只有几个街区的地方，不过我们当时从未见过面。

难道奥马哈的水里有什么神奇的成分吗？

我青少年时期在华盛顿特区住过几年，1954年我在曼哈顿找了一份我以为会是永久的工作。在那里，本·格雷厄姆和杰里·纽曼待我极好。

然而，在1956年，仅仅待了一年半之后，我回到了奥马哈，此后再未离开。

后来，我的三个孩子以及几个孙辈都在奥马哈长大。我的孩子们一直上公立学校。

我们国家有很多伟大的公司、伟大的学校、伟大的医疗机构。但我感到非常幸运，能有幸结交许多终身朋友，遇见我的两任妻子，在公立学校接受了良好的启蒙教育。

简而言之，内布拉斯加就是家。

回首往事，我觉得伯克希尔和我本人都因为扎根奥马哈而比住在其他任何地方发展得更好。美国中部是一个非常棒的出生地、养家糊口地和创业地。由于纯粹的运气，我在出生时抽到了一根长得离谱的好签。

现在，让我们谈谈我的高龄。我的基因并没有特别大的帮助——家族有记录以来的长寿纪录是92岁，直到我的出现。

但我有幸遇到了睿智、友好、尽职的奥马哈医生。至少有三次，我的生命得以挽救。（不过，我已经不再给护士采集指纹了。95岁时，你可以有很多怪癖……但总有限度。）

那些活到老年的人需要极大的好运，每天都要避开香蕉皮、自然灾害、醉酒或分心的司机、雷击等等。

但幸运女神是变幻无常的，而且——没有别的词更合适——极度不公平。在很多情况下，我们的领导人和富人得到的运气远远超过了他们应得的份额。

世家继承者们从子宫里出来的那一刻就实现了终身的财务独立，而另一些人则一出生就面对着困境，或者更糟的是，身患使他们丧失能力的疾病。

我于1930年出生，健康、智力尚可、白人、男性，并且在美国。哇！谢谢你，幸运女神。我的姐妹们拥有同等的智力，性格也比我好，但她们面临的未来却大不相同。

幸运女神在我生命的大部分时间里继续眷顾，但她有比关照90多岁老人更重要的事情要做。运气有其限度。

相反，时间老人现在发现随着我年事渐高，我对他更有趣了。而他从未被击败过。

当平衡感、视力、听力和记忆力都持续走下坡路时，你就知道时间老人就在附近了。我变老得比较晚，但一旦出现，就无法否认。

让我惊讶的是，我总体上感觉良好。虽然我行动缓慢，阅读越来越困难，但我每周仍去办公室工作五天。偶尔，我会想到一个有用的主意。

然而，我意想不到的长寿，对我的家庭和我的慈善目标的实现，带来了不可避免的重大影响。

接下来的安排

我的孩子们都已超过了正常的退休年龄。如果押注他们三个都能像我一样幸运地延缓衰老，那将是一个错误。

为了提高他们在接替的受托人上任之前，能够处理掉基本上是我的全部遗产的概率，我需要加快向他们三个基金会进行生前赠予的步伐。

我的孩子们现在正处于经验和智慧的黄金时期，但尚未进入老年。这个“蜜月期”不会永远持续下去。

幸运的是，调整方向很容易执行。

然而，还有一个额外的因素需要考虑：我希望保留相当数量的“A”股，直到伯克希尔的股东们对格雷格建立起像查理和我长期以来所享有的那种信任。

这种信任水平应该不需要太长时间。我的孩子们以及伯克希尔的董事们都已经百分百支持格雷格。

现在，我的三个孩子都具备了成熟、智慧、精力和本能来管理一大笔财富。他们还有一个优势，就是在我离世很久之后他们仍然在世，并且可以适应变化的世界。

来自坟墓的指令历来效果不佳，我也从未有过这样做的冲动。

幸运的是，我的三个孩子都从他们母亲那里继承了主要的基因。随着几十年的过去，我也成为了他们思考和行为的更好榜样。然而，我永远无法达到他们母亲那样的高度。

我的孩子们有三名候补受托人。这三个人都是杰出的人，并且深谙世故。他们没有动机冲突。

我向我的孩子们保证，他们不需要创造奇迹，也不必害怕失败或失望。这些是不可避免的。

他们只需要比政府活动和/或私人慈善通常所达到的效果稍好一些就行。

早年，我曾设想过各种宏大的慈善计划。尽管我很固执，但这些计划被证明并不可行。在我多年的生涯中，我也目睹了考虑不周的财富转移。

如果我的孩子们只是做得还不错，他们就可以确信，他们的母亲和我会感到欣慰。他们的本能很好，而且他们每个人都有过多年的实践。他们三人都喜欢长时间工作，以各自的方式帮助他人。

我加速向孩子们基金会的生前赠予，绝不反映我对伯克希尔前景的看法有任何改变。

格雷格·阿贝尔已经远远超出了我最初对他的高期望。他对我们许多业务和人员的理解远胜于我，而且他学习速度非常快。

我无法想出任何一个人能让我觉得比格雷格更值得托付你我的积蓄。

例如，格雷格对我们财产险业务的理解，比许多资深财产险高管都要深刻。我希望他身体健康几十年。

只要有一点运气，伯克希尔在未来一个世纪里应该只需要五到六位CEO。它尤其应该避免那些目标是追求个人炫富或试图建立世家的人。

一个不愉快的现实：偶尔，一位出色而忠诚的CEO会患上痴呆症或其他长期疾病。查理和我遇到过几次这个问题，但未能采取行动。这种失误可能是巨大的错误。

董事会必须对CEO层面保持警惕。这说起来容易做起来难。董事们应该保持警惕并直言不讳，这是我唯一能给出的建议。

在我有生之年，改革者们试图通过要求披露老板与普通员工的薪酬对比来让CEO们难堪。但良好的意图并未奏效；反而适得其反。

新规则产生的是嫉妒，而非节制。这种攀比愈演愈烈。让非常富有的CEO们常常烦恼的是——其他CEO变得更富有了。嫉妒和贪婪携手同行。

总体而言，伯克希尔的业务前景略优于平均水平。然而，一二十年后，将会有许多公司比伯克希尔做得更好；我们的规模带来了负担。

伯克希尔发生毁灭性灾难的可能性比我所知的任何企业都要小。而且，伯克希尔拥有更以股东为中心的管理层和董事会。

最后，伯克希尔将始终以使其存在成为美国一项资产的方式来管理。我们的经理们应该会变得相当富有，但他们没有追求世家或个人炫富的欲望。

我们的股价会反复无常地波动，偶尔会下跌50%左右。不要绝望；美国会复苏，伯克希尔的股票也会。

几点最后的思考

也许有一点自我标榜的看法。我很高兴地说，我对后半生的感觉比前半生更好。

我的建议是：不要为过去的错误过分自责——至少从中吸取一点教训，然后继续前进。改进永远不晚。

找到正确的榜样并效仿他们。你可以从汤姆·墨菲开始；他是最棒的。

记住阿尔弗雷德·诺贝尔——据报道，他读到了自己的讣告，那是报社在他兄弟去世时搞混了误印的。他读到内容后感到震惊，意识到应该改变自己的行为。

别指望报社搞错：想好你希望自己的讣告说些什么，然后努力过上与之一致的生活。

伟大不是通过积累巨额财富、获得大量宣传或掌握政府大权来实现的。当你以任何方式帮助他人时，你就是在帮助世界。

善良无需成本，却也无比珍贵。无论你是否信仰宗教，“己所不欲，勿施于人”这条黄金法则作为行为准则都很难被超越。

我写这些，是作为一个曾无数次考虑不周、犯过许多错误，但又非常幸运地从一些良师益友那里学会如何做得更好的人。

请记住，清洁工和董事长一样都是人。

我祝愿所有读到这封信的人感恩节快乐。是的，即使是那些混蛋；改变永远不晚。

记得要感谢美国最大限度地提供了机会。但它在分配回报时——不可避免地——反复无常，有时甚至唯利是图。

非常仔细地选择你的英雄，然后效仿他们。你永远不会完美，但你总能变得更好。

沃伦·E·巴菲特

2025年11月10日

英文版全文

To My Fellow Shareholders:

I will no longer be writing Berkshire's annual report or talking endlessly at the annual meeting. As the British would say, I'm "going quiet."

Sort of.

Greg Abel will become the boss at yearend. He is a great manager, a tireless worker and an honest communicator. Wish him an extended tenure.

I will continue talking to you and my children about Berkshire via my annual Thanksgiving message. Berkshire's individual shareholders are a very special group who are unusually generous in sharing their gains with others less fortunate. I enjoy the chance to keep in touch with you. Indulge me this year as I first reminisce a bit. After that, I will discuss the plans for distribution of my Berkshire shares. Finally, I will offer a few business and personal observations.

As Thanksgiving approaches, I'm grateful and **surprised** by my luck in being alive at 95. When I was young, this outcome did *not* look like a good bet. Early on, I nearly died.

It was 1938 and Omaha hospitals were then thought of by its citizens as either Catholic or Protestant, a classification that seemed natural at the time.

Our family doctor, Harley Hotz, was a friendly Catholic who made house calls toting a black bag. Dr. Hotz called me Skipper and never charged much for his visits. When I experienced a bad bellyache in 1938, Dr. Hotz came by and, after probing a bit, told me I would be OK in the morning.

He then went home, had dinner and played a little bridge. Dr. Hotz couldn't, however, get my somewhat peculiar symptoms out of his mind and later that night he dispatched me to St. Catherine's Hospital for an emergency appendectomy. During the next three weeks, I felt like I was in a nunnery, and began enjoying my new "podium." I liked to talk — yes, even then — and the nuns embraced me.

To top things off, Miss Madsen, my third-grade teacher, told my 30 classmates to each write me a letter. I probably threw away the letters from the boys but read and reread those from the girls; hospitalization had its rewards.

The highlight of my recovery — which actually was dicey for much of the first week — was a gift from my wonderful Aunt Edie. She brought me a very professional-looking fingerprinting set, and I promptly fingerprinted all of my attending nuns. (I was probably the first Protestant kid they had seen at St. Catherine's and they didn't know what to expect.)

My theory — totally nutty, of course — was that someday a nun would go bad and the FBI would find that they had neglected to fingerprint nuns. The FBI and its director, J. Edgar Hoover, had become revered by Americans in the 1930s, and I envisioned Mr. Hoover, himself, coming to Omaha to inspect my invaluable collection. I further fantasized that J. Edgar and I would quickly identify and apprehend the wayward nun. National fame seemed certain.

Obviously, my fantasy never materialized. But, ironically, some years later it became clear that I should have fingerprinted J. Edgar himself as he became disgraced for misusing his post.

Well, that was Omaha in the 1930s, when a sled, a bicycle, a baseball glove and an electric train were coveted by me and my friends. Let's look at a few other kids from that era, who grew up very nearby and greatly influenced my life *but* of whom I was for long unaware.

I'll begin with Charlie Munger, my best pal for 64 years. In the 1930s, Charlie lived a block away from the house I have owned and occupied since 1958.

Early on, I missed befriending Charlie by a whisker. Charlie, $6\frac{2}{3}$ years older than I, worked in the summer of 1940 at my grandfather's grocery store, earning \$2 for a 10-hour day. (Thrift runs deep in Buffett blood.) The following year I did similar work at the store, but I never met Charlie until 1959 when he was 35 and I was 28.

After serving in World War II, Charlie graduated from Harvard Law and then moved permanently to California. Charlie, however, forever talked of his early years in Omaha as formative. For more than 60 years, Charlie had a huge impact on me and could not have been a better teacher and protective "big brother." We had differences but *never* had an argument. "I told you so" was not in his vocabulary.

In 1958, I bought my first and only home. Of course, it was in Omaha, located about two miles from where I grew up (loosely defined), less than two blocks from my in-laws, about six blocks from the Buffett grocery store and a 6-7-minute drive from the office building where I have worked for 64 years.

Let's move on to another Omahan, Stan Lipsey. Stan sold the Omaha Sun Newspapers (weeklies) to Berkshire in 1968 and a decade later moved to Buffalo at my request. The Buffalo Evening News, owned by a Berkshire affiliate, was then locked in a battle to the death with its morning competitor who published Buffalo's *only* Sunday paper. And we were losing.

Stan eventually built our new Sunday product, and for some years our paper — formerly hemorrhaging cash — earned over 100% annually (pre-tax) on our \$33 million investment.

This was important money to Berkshire in the early 1980s.

Stan grew up about five blocks from my home. One of Stan's neighbors was Walter Scott, Jr. Walter, you will remember, brought MidAmerican Energy to Berkshire in 1999. He was also a valued Berkshire director until his death in 2021 and a very close friend. Walter was Nebraska's philanthropic leader for decades and both Omaha and the state carries his imprint.

Walter attended Benson High School, which I was scheduled to attend as well — until my dad surprised everyone in 1942 by beating a four-term incumbent in a Congressional race. **Life is full of surprises.**

Wait, there's more.

In 1959, Don Keough and his young family lived in a home located directly across the street from my house and about 100 yards away from where the Munger family had lived. Don was then a coffee salesman but was destined to become president of Coca-Cola as well as a devoted director of Berkshire.

When I met Don, he was earning \$12,000 a year while he and his wife Mickie were raising five children, all destined for Catholic schools (with tuition requirements).

Our families became fast friends. Don came from a farm in northwest Iowa and graduated from Omaha's Creighton University. Early on, he married Mickie, an Omaha girl. After joining Coke, Don went on to become legendary around the globe.

In 1985, when Don was president of Coke, the company launched its ill-fated New Coke. Don made a famous speech in which he apologized to the public and reinstated "Old" Coke. This change of heart took place after Don explained that Coke incoming mail addressed to "Supreme Idiot" was promptly delivered to his desk. His "withdrawal" speech is a classic and can be viewed on YouTube. He cheerfully acknowledged that, in truth, the Coca-Cola product belonged to the public and not to the company. Sales subsequently soared.

You can watch Don on CharlieRose.com in a wonderful interview. (Tom Murphy and Kay Graham have a couple of gems as well.) Like Charlie Munger, Don forever remained a Midwestern boy, enthusiastic, friendly and American to the core.

Finally, Ajit Jain, born and raised in India, as well as Greg Abel, our Canadian CEO-to-be, each lived in Omaha for several years late in the 20th Century. Indeed, in the 1990s, Greg lived only a few blocks away from me on Farnam Street, though we never met at the time.

Can it be that there is some magic ingredient in Omaha's water?

I lived a few teenage years in Washington, DC (when my dad was in Congress) and in 1954 I took what I thought would be a permanent job in Manhattan. There I was treated

wonderfully by Ben Graham and Jerry Newman and made many life-long friends. New York had unique assets — and still does. Nevertheless, in 1956, after only 1½ years, I returned to Omaha, never to wander again.

Subsequently, my three children, as well as several grandchildren, were raised in Omaha. My children always attended public schools (graduating from the same high school that educated my dad (class of 1921), my first wife, Susie (class of 1950) as well as Charlie, Stan Lipsey, Irv and Ron Blumkin, who were key to growing Nebraska Furniture Mart, and Jack Ringwalt (class of 1923), who founded National Indemnity and sold it to Berkshire in 1967 where it became the base upon which our huge P/C operation was constructed.

Our country has many great companies, great schools, great medical facilities and each definitely has its own special advantages along with talented people. But I feel very lucky to have had the good fortune to make many lifelong friends, to meet both of my wives, to receive a great start in education at public schools, to meet many interesting and friendly adult Omahans when I was very young, and to make a wide variety of friends in the Nebraska National Guard. In short, Nebraska has been home.

Looking back I feel that both Berkshire and I did better because of our base in Omaha than if I had resided anywhere else. The center of the United States was a very good place to be born, to raise a family, and to build a business. Through dumb luck, I drew a ridiculously long straw at birth.

Now let's move on to my advanced age. My genes haven't been particularly helpful — the family's all-time record for longevity (admittedly family records get fuzzy as you work backwards) was 92 until I came along. But I have had wise, friendly and dedicated Omaha doctors, starting with Harley Hotz, and continuing to this day. At least three times, my life has been saved, each with doctors based within a few miles from my home. (I have given up fingerprinting nurses, however. You can get away with many eccentricities at 95 but there *are* limits.)

Those who reach old age need a huge dose of good luck, daily escaping banana peels, natural disasters, drunk or distracted drivers, lightning strikes, you name it.

But Lady Luck is fickle and — *no* other term fits — *wildly unfair*. In many cases, our leaders and the rich have received far more than their share of luck — which, too often, the recipients prefer not to acknowledge. Dynastic inheritors have achieved lifetime financial independence the moment they emerged from the womb, while others have arrived, facing a hell-hole during their early life or, worse, disabling physical or mental infirmities that rob them

of what I have taken for granted. In many heavily-populated parts of the world, I would likely have had a miserable life and my sisters would have had one even worse.

I was born in 1930 healthy, reasonably intelligent, white, male and in America. Wow! Thank you, Lady Luck. My sisters had equal intelligence and better personalities than I but faced a much different outlook. Lady Luck continued to drop by during much of my life, but she has better things to do than work with those in their 90s. Luck has its limits. Father Time, to the contrary, now finds me *more* interesting as I age. And he is undefeated; for him, everyone ends up on his score card as "wins." When balance, sight, hearing and memory are all on a persistently downward slope, you *know* Father Time is in the neighborhood.

I was late in becoming old — its onset materially varies — but once it appears, it is not to be denied.

To my surprise, I generally feel good. Though I move slowly and read with increasing difficulty, I am at the office five days a week where I work with wonderful people. Occasionally, I get a useful idea or am approached with an offer we might not otherwise have received. Because of Berkshire's size and because of market levels, ideas are few — but not zero.

My unexpected longevity, however, has unavoidable consequences of major importance to my family and the achievement of my charitable objectives.

Let's explore them.

What Comes Next

My children are all above normal retirement age, having reached 72, 70 and 67. It would be a mistake to wager that all three — now at their peak in many respects — will enjoy my exceptional luck in delayed aging. To improve the probability that they will dispose of what will essentially be my entire estate before alternate trustees replace them, I need to step up the pace of lifetime gifts to their three foundations. My children are now at their prime in respect to experience and wisdom but have yet to enter old age. That "honeymoon" period will not last forever.

Fortunately, a course correction is easy to execute. There is, however, one additional factor to consider: I would like to keep a significant amount of "A" shares until Berkshire shareholders develop the comfort with Greg that Charlie and I long enjoyed. That level of confidence shouldn't take long. My children are already 100% behind Greg as are the Berkshire directors.

==All three children now have the maturity, brains, energy and instincts to disburse a large fortune. They will also have the advantage of being above ground when I am long gone and, if necessary, can adopt policies both anticipatory and reactive to federal tax policies or other developments affecting philanthropy. ==They may well need to adapt to a significantly

changing world around them. Ruling from the grave does not have a great record, and I have never had an urge to do so.

Fortunately, all three children received a dominant dosage of their genes from their mother. As the decades have passed, I have also become a better model for their thinking and behavior. I will never, however, achieve parity with their mother.

My children have three alternate trustees in case of any premature deaths or disabilities. The alternates are not ranked or tied to a specific child. All three are exceptional humans and wise in the ways of the world. They have no conflicting motives.

I have assured my children that they do *not* need to perform miracles nor fear failures or disappointments. These are inevitable, and I have made my share. They simply need to improve somewhat upon what generally is achieved by government activities and/or private philanthropy, recognizing these other methods of redistribution of wealth have shortcomings as well.

Early on, I contemplated various grand philanthropic plans. Though I was stubborn, these did not prove feasible. During my many years, I've also watched ill-conceived wealth transfers by political hacks, dynastic choices and, yes, inept or quirky philanthropists.

If my children simply do a decent job, they can be certain that their mother and I would be pleased. Their instincts are good and they *each* have had years of practice with very small sums initially that have been irregularly increased to more than \$500 million annually.

All three *like* working long hours to help others, each in their own way.

The acceleration of my lifetime gifts to my children's foundations in no way reflects any change in my views about Berkshire's prospects. Greg Abel has more than met the high expectations I had for him when I first thought he should be Berkshire's next CEO. He understands many of our businesses and personnel far better than I now do, and he is a very fast learner about matters many CEOs don't even consider. I can't think of a CEO, a management consultant, an academic, a member of government — you name it — that I would select over Greg to handle your savings and mine.

Greg understands, for example, far more about both the upside potential and the dangers of our P/C insurance business than do a great many long-time P/C executives. My hope is that his health remains good for several decades. With a little luck, Berkshire should require only five or six CEOs over the next century. It should particularly avoid those whose goal is to retire at 65, to become look-at-me rich or to initiate a dynasty.

One unpleasant reality: Occasionally, a wonderful and loyal CEO of the parent or a subsidiary will succumb to dementia, Alzheimer's or another debilitating and long-term disease.

Charlie and I encountered this problem several times and failed to act. This failure can be a huge mistake. The Board *must* be alert to this possibility at the CEO level and the CEO must be alert to the possibility at subsidiaries. This is easier said than done; I could cite a few examples from the past at major companies. Directors should be alert and speak up is all that I can advise.

During my lifetime, reformers sought to *embarrass* CEOs by requiring the disclosure of the compensation of the boss compared to what was being paid to the average employee. Proxy statements promptly ballooned to 100-plus pages compared to 20 or less earlier.

==But the good intentions didn't work; instead they backfired. ==Based on the majority of my observations — the CEO of company "A" looked at his competitor at company "B" and subtly conveyed to his board that he should be worth more. Of course, he also boosted the pay of directors and was careful who he placed on the compensation committee. The new rules produced envy, not moderation.

The ratcheting took on a life of its own. What often bothers very wealthy CEOs — they are human, after all — is that other CEOs are getting even richer. ==Envy and greed walk hand in hand. ==And what consultant ever recommended a serious cut in CEO compensation or board payments?

In aggregate, Berkshire's businesses have moderately better-than-average prospects, led by a few non-correlated and sizable gems. However, a decade or two from now, there will be many companies that have done better than Berkshire; our size takes its toll.

Berkshire has less chance of a devastating disaster than any business I know. And, Berkshire has a more shareholder-conscious management and board than almost *any* company with which I am familiar (and I've seen a lot). Finally, Berkshire will always be managed in a manner that will make its existence an asset to the United States and eschew activities that would lead it to become a supplicant. Over time, our managers should grow quite wealthy — they have important responsibilities — but do not have the desire for dynastic or look-at-me wealth.

Our stock price will move capriciously, occasionally falling 50% or so as has happened three times in 60 years under present management. Don't despair; America will come back and so will Berkshire shares.

A Few Final Thoughts

One perhaps self-serving observation. I'm happy to say I feel better about the second half of my life than the first. My advice: Don't beat yourself up over past mistakes — learn at least a little from them and move on. It is never too late to improve. Get the right heroes and copy them. You can start with **Tom Murphy**; he was the best.

Remember Alfred Nobel, later of Nobel Prize fame, who — reportedly — read his *own* obituary that was mistakenly printed when his brother died and a newspaper got mixed up. He was horrified at what he read and realized he should change his behavior.

Don't count on a newsroom mix-up: Decide what you would like your obituary to say and live the life to deserve it.

Greatness does *not* come about through accumulating great amounts of money, great amounts of publicity or great power in government. **When you help someone in any of thousands of ways, you help the world. Kindness is costless but also priceless. Whether you are religious or not, it's hard to beat The Golden Rule as a guide to behavior.

I write this as one who has been thoughtless countless times and made many mistakes but also became very lucky in learning from some wonderful friends how to behave better (still a long way from perfect, however). Keep in mind that the cleaning lady is as much a human being as the Chairman.

I wish all who read this a very happy Thanksgiving. Yes, even the jerks; it's never too late to change. Remember to thank America for maximizing your opportunities. But it is — inevitably — capricious and sometimes venal in distributing its rewards.

Choose your heroes very carefully and then emulate them. You will never be perfect, but you can always be better.

Warren E. Buffett
November 10, 2025