

**Shareholder Proposal on the Markel Group, Inc.'s
2026 Proxy Statement:
Report on the Company's Strategy and Action Plans to Mitigate Material Environmental Risks
Markel Group, Inc. Symbol: (MKL)
Filed by: Green Century Capital Management, Inc.**

Green Century Capital Management, Inc. ("Green Century") seeks your support for the climate-related proposal filed at Markel Group, Inc. ("Markel" or the "Company") in its 2026 proxy statement. The proposal asks the Company to issue a report assessing if and how it will increase disclosure on its management of the environmental risks that are material to its business. The Proponent believes that taking such action would allow investors to better analyze risks and opportunities that may impact the value of the business and keep it competitive with peers.

RESOLVED: Shareholders request that Markel issue a report, at reasonable cost and omitting proprietary information, describing whether, and how, it will increase the scale, pace, and rigor of its strategies and action plans to mitigate material environmental risks related to the business.

SUPPORTING STATEMENT: Proponents suggest, at management's discretion, that the report be prepared in accordance with a recognized framework such as the TCFD, International Sustainability Standards Board, or Sustainability Accounting Standards Board.

RATIONALE FOR A "YES" VOTE

1. **Failure to meet investor expectations** – Markel's disclosures fail to report its exposure, contribution, and response to environmental risks and exclude material information to aid investors in evaluating portfolio risk.
2. **Physical and Transition Risks** – Markel faces growing physical and transition risks from climate change. A key step toward mitigating these risks is regularly reporting the Company's assessment of and response to them.
3. **Competitive Risk** – Markel lags peers in sustainability reporting, creating competitive risks as peers better address climate-related risks and meet stakeholder expectations for reporting on mitigation efforts.
4. **Reputational Risk** – As the government and media scrutinize insurance companies' role in and response to climate change, Markel's failure to align its reporting with its sustainability claims exposes it to reputational risk.

This is not a solicitation of authority to vote your proxy. Please DO NOT send us your proxy card; Green Century Capital Management is not able to vote your proxies, nor does this communication contemplate such an event. Green Century Capital Management urges shareholders to vote for the shareholder proposal, Report on the Company's Strategy and Action Plans to Mitigate Material Environmental Risks, following the instructions provided on the management's proxy mailing.

BACKGROUND

The insurance industry is exposed to significant financial risk from climate change. In 2025, insured global losses reached \$107 billion, and the U.S accounted for more than 80% of that total.¹ Modelling

¹ <https://www.swissre.com/press-release/Wildfires-storms-floods-contribute-to-record-92-of-global-insured-losses-in-2025-says-Swiss-Re-Institute/7b39b1a5-b878-4a55-a5ff-bf5aa561a675>; <https://www.moodys.com/web/en/us/insights/insurance/2025-moodys-catastrophe-review-wildfires-severe-convective-storms-dominate-global-losses.html>

from Swiss Re predicts that insured losses could reach up to \$320 billion in 2026 and are expected to double within the next ten years without action.²

Climate change impacts insurers' ability to set prices that compensate for volatile climate risk—a key aspect of generating competitive returns.³ As climate disasters become more frequent and unpredictable, insurance companies are less able to model climate risk and adjust prices accordingly.⁴ While testifying before the U.S. Senate, the president of Aon PLC expressed that climate change has produced “a crisis of confidence around the ability to predict loss.”⁵ Due to this volatility, insurance companies are leaving high-risk markets and increasing premium.⁶

Raising premiums and reducing coverage to address historically high losses threatens the long-term financial sustainability of insurers and the overall market. Increased premiums are linked to higher rates of non-renewal and underinsurance.⁷ A U.S. Senate Budget Committee study warns of a resulting collapse in property values that may “trigger a full-scale financial crisis similar to what occurred in 2008.”⁸

Many insurance companies are leveraging climate data to mitigate the risks of climate change. In a 2025 survey of insurers representing 90% of global written premiums, 86% use or track climate-related indicators and 75% reported using climate scenario analysis to inform their strategy.⁹ Climate data augments insurers' understanding of how physical and transition risks impact returns and actions to mitigate negative impacts.

In its 10-K, Markel acknowledges that “changes in the frequency, severity, and location of weather-related catastrophes... may result in insured losses that exceed our expectations or make it more difficult for us to predict and model catastrophic events, reducing our ability to accurately price our exposure to such events and mitigate our risks.”¹⁰ It reported \$61.9 million in net losses from natural catastrophes in 2025.¹¹

Nevertheless, Markel Group has not disclosed a sustainability report that would outline material environmental risks related to the business and actions and strategies to address them. The failure to report on how the Company is assessing and responding to a widely acknowledged industry sustainability threat leaves investors uncertain whether the Company is adequately addressing material issues, including climate change, and therefore exacerbating transition, physical, competitive, and reputational risks to the Company and shareholder value.

I. FAILURE TO MEET INVESTOR EXPECTATIONS

² <https://www.swissre.com/press-release/New-record-of-142-natural-catastrophes-accumulates-to-USD-108-billion-insured-losses-in-2023-finds-Swiss-Re-Institute/a2512914-6d3a-492e-a190-aac37feca15b>; <https://www.swissre.com/press-release/Wildfires-storms-floods-contribute-to-record-92-of-global-insured-losses-in-2025-says-Swiss-Re-Institute/7b39b1a5-b878-4a55-a5ff-bf5aa561a675>

³ <https://www.cbo.gov/publication/60674>.

⁴ <https://www.cbo.gov/publication/60674>

⁵ <https://www.scientificamerican.com/article/climate-change-is-destabilizing-insurance-industry/>

⁶ <https://www.newyorker.com/news/the-financial-page/the-home-insurance-crisis-that-wont-end-after-hurricane-season>;

<https://www.newsweek.com/map-shows-9-states-where-homeowners-are-losing-their-insurance-1875252>

⁷ <https://www.forbes.com/sites/monicanders/2026/03/31/billion-dollar-disasterswhy-your-insurance-is-getting-more-expensive/>

⁸ https://www.budget.senate.gov/imo/media/doc/next_to_fall_the_climate-driven_insurance_crisis_is_here_and_getting_worse.pdf, 2

⁹ <https://content.naic.org/sites/default/files/inline-files/Global-Insurance-Market-Report-2025.pdf>, 59

¹⁰ <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001096343/9efcdeea-78a6-48e6-ad57-9e1e58524fbd.pdf>, 30

¹¹ <https://ir.mklgroup.com/investor-relations/news/news-details/2026/Markel-Group-reports-2025-financial-results/default.aspx>

Sustainability reporting, which includes how a company is mitigating material environmental risks, is a useful tool for companies to disclose information on sustainability issues that impact their business and are thus important to their shareholders.

Sustainability disclosures, particularly those on climate, provide decision-useful information for investors and company-wide benefits.¹²

- Studies have found that companies that provide sustainability disclosures aligned with a robust framework such as the GRI standards have improved access to capital.¹³
- A survey of institutional asset owners and managers found that 93% of investors believe climate-related risks are likely to affect the performance of investments over the next two to five years.¹⁴
- A PwC 2024 survey of investors found that 75% of respondents agreed that they would moderately or significantly increase their investment in companies that are taking a range of climate-related actions. 64% urged companies to moderately or significantly increase their investment to reduce carbon emissions.¹⁵
- An MSCI survey found that 88% of investors in both North America and Europe analyze the emissions of their investments to more fully consider risk.¹⁶

The failure to measure, report, and adequately address climate-related risks also extends beyond individual company performance; it also poses portfolio-wide risks to diversified investors. Because overall market performance is the major determinant of diversified portfolio returns, systemic risks such as climate change threaten returns in ways investors cannot out-diversify.

The U.S. economy stands to lose between about 1-4% of GDP annually by the end of the century due to climate change.¹⁷ When companies fail to reduce their contributions to climate change, they are not only increasing firm-specific costs but amplifying these systemic risks. Thus, climate mitigation becomes a material issue that concerns the preservation of stable markets and is a precondition for sustained shareholder returns.

Markel has yet to publish a sustainability report at either the group or company level, failing to provide investors with decision-useful information on material environmental topics such as climate change.

Although Markel reports that it “appropriately considers and evaluates climate risks,”¹⁸ investors can neither understand nor track the effectiveness of these considerations in the absence of sustainability reporting. Such reporting would provide critical information on Markel's exposure and response to material environmental topics, including:

- Details on board oversight and governance of climate risk;
- Climate-related risks and opportunities aligned with the TCFD framework;
- Underwriting criteria for high-emitting sectors;
- Strategies to promote climate resilience;

¹² <https://acrobat.adobe.com/id/urn:aaid:sc:US:935181e6-8e45-4a3b-af6b-735c49d06924>, 14

¹³ <https://www.globalreporting.org/media/xbibyphy/gri-research-impact-to-income.pdf>

¹⁴ https://www.gsb.stanford.edu/sites/default/files/publication/pdfs/cgri-survey-2024-institutional-investor-survey-sustainability_0.pdf, 4

¹⁵ <https://www.pwc.com/gx/en/news-room/press-releases/2024/pwc-2024-global-investor-survey.html>

¹⁶ <https://www.msci-institute.com/themes/climate/climate-change-dominates-investors-outlook-stanford-msci-sustainability-institute-survey-finds/>

¹⁷ <https://epic.uchicago.edu/area-of-focus/climate-change-and-the-us-economic-future/>

¹⁸ <https://ir.mklgroup.com/investor-relations/financials/sec-filings/sec-filings-details/default.aspx?FilingId=18341790>, 12

- Climate scenario analyses and catastrophe modeling;
- Value-chain emission disclosures;
- Strategies and targets for reducing emissions associated with the company’s operations, insuring, investing, and underwriting.

Without these disclosures, whether and how Markel is addressing climate risk is unclear. Sustainability reporting would increase investor understanding of how Markel contributes and responds to enterprise climate risk and the exposure of diversified investors to portfolio-level climate risk.

II. TRANSITION AND PHYSICAL RISK

Insurance companies face transition and physical risks from climate change. As the economy shifts to renewables, companies continuing to finance and invest in carbon-intensive industries may face negative impacts on asset valuations, profitability, investments, and shareholder returns.¹⁹ A sustainability report would allow Markel and its investors to better assess the Company’s contribution to climate change, exposure to climate-related risks, and the impact of any mitigation steps over time.

Insurance companies are projected to incur substantial losses on fossil fuel investments.

- An International Association of Insurance Supervisors study reported that there would be a drop in insurers' available capital of over 14% under a disorderly transition scenario and to almost 50% under a “too little, too late” scenario.²⁰
- Global estimates of potential stranded fossil fuel assets amount to at least \$1 trillion, and much of the market risk (15%) falls on private investors in OECD countries.²¹
- A 2025 BlackRock survey of global insurers found the greatest sustainability risk “is not investment risk or lack of demand for [sustainable investments]; instead, it is a disorderly transition.”²²

Insurance companies, including Markel, face physical risks to profitability from more frequent and severe weather.²³

- Climate-attributed losses are increasing by 6.5% annually, outpacing overall insured weather losses.²⁴
- In 2024, Markel Group incurred USD \$70.6M of net losses and loss adjustment expenses due to Hurricane Helene and Hurricane Milton, both of which were intensified by climate change.²⁵
- Markel notes that “ports and terminal operations is certainly a higher risk industry” in terms of climate impact, and as a “leading global provider of insurance to this vital industry, we are

¹⁹ <https://www.mckinsey.com/capabilities/sustainability/our-insights/the-economic-transformation-what-would-change-in-the-net-zero-transition>; <https://www.nature.com/articles/s41558-022-01356-y>; <https://www.lse.ac.uk/granthaminstitute/explainers/what-are-stranded-assets/>; <https://www.nature.com/articles/s41558-022-01356-y>

²⁰ <https://kpmg.com/xx/en/our-insights/regulatory-insights/regulating-for-climate-change-in-insurance.html>

²¹ <https://www.lse.ac.uk/granthaminstitute/explainers/what-are-stranded-assets/>; <https://www.nature.com/articles/s41558-022-01356-y>

²² <https://www.blackrock.com/gls-download/literature/presentation/global-insurance-report.pdf>, 33

²³ <https://www.spglobal.com/esg/insights/climate-risks-for-insurers-why-the-industry-needs-to-act-now-to-address-climate-risk-on-both-sides-of-the-balance-sheet>

²⁴ <https://greencentralbanking.com/2024/12/10/increasing-climate-change-losses-insurance-industry-financial-stability/>

²⁵ <https://www.forbes.com/sites/amyfeldman/2024/10/21/climate-change-made-hurricane-milton-more-destructive-amazon-data-centers-nuclear-power-batteries/>; <https://www.climate.gov/news-features/event-tracker/hurricane-helene-extreme-rainfall-and-catastrophic-inland-flooding>; <https://ir.mklgroup.com/investor-relations/news/news-details/2026/Markel-Group-reports-2025-financial-results/default.aspx>

acutely aware of... the need to factor the shifting risk landscape into future underwriting and coverage considerations.”²⁶

- Markel reports that its insurance business is the core of its company and provides the capital base that collectively increases Markel Group's durability.²⁷ Negative financial consequences from climate change on its insurance business will impact its overall portfolio of businesses and investments as a holding company.

In the absence of sustainability reporting, Markel lacks key disclosures to demonstrate that the Company has a robust process for assessing and mitigating the physical and transition risks of climate change.

III. COMPETITIVE RISK

While Markel fails to provide investors with material sustainability information, its competitors have reliably reported on such topics for years, making it easier for their investors to understand how they address material environmental issues such as climate change.

Insurers have and continue to report on their performance, policies, and impact regarding material environmental topics:

- Arch Capital Group, Chubb, Travelers, AIG, The Hartford, Allianz, and Zurich Insurance Group all publish annual sustainability reports with decision-useful information on initiatives and outcomes to address environmental topics, particularly climate change.
- A survey of insurers representing 90% of global written premiums found that 68% of insurers include both the impact of climate-related risks on their financial position and the impact their organization has on climate change, with respondents publicly reporting on these topics in alignment with the Corporate Sustainability Reporting Directive (CSRD) and/or TCFD.²⁸
- In 2023, nearly all of the U.S. insurance market disclosed the processes they use to identify, assess, and manage climate-related risks within their operations and portfolios.²⁹

Without regular sustainability reporting, it is unclear if Markel is adequately managing the impacts of climate-related risks and opportunities on company profitability.

- PwC notes that calculating emissions can lead to a competitive advantage by creating transparency for stakeholders and better managing climate-related transition risks.³⁰
- A 2025 MSCI study found that companies with strong ESG ratings outperformed peers with lower earnings variability and lower stock price volatility.³¹
- Sector-wide analysis conducted by Boston Consulting Group reported that less-carbon-intensive peers saw higher valuations, all else being equal, than their more-carbon-intensive rivals, and that the carbon effect was statistically significant and increased over time.³²

The regular, enterprise-wide evaluation of climate impacts aids insurers in developing more resilient business models and identifying market opportunities. Comprehensive sustainability disclosures assure investors that climate considerations are embedded in governance structures, risk management processes, and business planning. The Company may confront competitive risks as peers more effectively evaluate

²⁶ <https://www.markel.com/international/news-and-insights/future-proofing-against-climate-change>

²⁷ <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001096343/a1a1238a-df8d-452d-b6c0-84b4bee0eeef0.pdf>, 2

²⁸ <https://content.naic.org/sites/default/files/inline-files/Global-Insurance-Market-Report-2025.pdf>, 59

²⁹ <https://acrobat.adobe.com/id/urn:aaid:sc:US:935181e6-8e45-4a3b-af6b-735c49d06924>, 7;

<https://www.forbes.com/sites/mindylubber/2025/09/10/how-us-insurers-must-move-beyond-climate-disclosure-to-strategic-action/>

³⁰ https://www.casact.org/sites/default/files/2023-06/23_Spring_CS-3.pdf, 7

³¹ <https://www.msci.com/research-and-insights/paper/msci-esg-ratings-in-global-equity-markets-a-long-term-performance-review>

³² <https://www.bcg.com/publications/2021/value-creation-toward-a-decarbonized-economy>

and disclose their actions to address material environmental issues, including the risks and opportunities of climate change.

IV. REPUTATIONAL RISK

As media and government pressure on insurers mounts for failing to mitigate the climate risks impacting their business and customers, companies that do not demonstrate they are managing their environmental impact will also experience heightened reputational risk.

The media and legislators are drawing attention to the insurance industry's role in enabling climate change and asking for disclosures on how companies are addressing climate risk.

- Major news outlets are increasingly covering insurers' contribution to and mishandling of climate risk, including *The Wall Street Journal*,³³ *The Washington Post*,³⁴ *Bloomberg*,³⁵ and *The New York Times*.³⁶
- In 2022, 16 U.S. representatives sent a public letter to Markel regarding its ongoing investment in fossil fuel expansion projects despite the risks the projects pose to the country's economic stability and the climate.³⁷
- The Connecticut General Assembly passed legislation requiring the Connecticut Insurance Commissioner to consider the insurer's approach to climate risk in its oversight, and the New York State Department of Financial Services issued guidance for insurers to incorporate climate risk into financial risk management.³⁸
- The Insurer Climate Risk Disclosure Survey was adopted by the NAIC in 2010 and asks insurers to describe how they incorporate climate risks into their mitigation, risk management, and investment plans.³⁹

Markel Group states on its website that it supports the insurance industry's push for carbon neutrality and has multiple statements acknowledging the threat of climate change to its business.⁴⁰ However, the Company provides little information on how it handles climate-related risks. By fulfilling the request of the proposal, Markel would take an important step toward aligning its public statements with its business' actions and mitigating potential reputational risk.

³³ <https://www.wsj.com/personal-finance/wildfires-and-other-disasters-push-up-home-insurance-rates-thousands-of-miles-away-f0a20085>; <https://www.wsj.com/finance/california-fires-costs-rebuilding-money-fa201dc4>; <https://www.wsj.com/articles/pricier-insurance-makes-sense-as-climate-risk-grows-chubb-ceo-says-5e5d53b2>;

<https://www.wsj.com/business/entrepreneurship/climate-change-ai-california-texas-insurance-1d993873>;
<https://www.wsj.com/business/entrepreneurship/climate-risk-is-becoming-uninsurable-better-forecasting-can-help-b9c94ca6>

³⁴ <https://www.washingtonpost.com/climate-environment/2023/06/09/investigation-insurance-companies-fossil-fuels/>;
<https://www.washingtonpost.com/post-next/interactive/2026/dave-Jones/>

³⁵ <https://www.bloomberg.com/news/articles/2025-01-09/extreme-weather-drives-insured-losses-to-highest-since-2017>;
<https://www.bloomberg.com/features/2024-home-loan-mortgage-insurance-climate-risks/>;
<https://www.bloomberg.com/news/articles/2023-11-09/insurers-back-oil-and-gas-industry-amid-rising-climate-threat?embedded-checkout=true>

³⁶ <https://www.nytimes.com/2024/12/19/climate/how-the-climate-crisis-became-an-insurance-crisis.html>;
<https://www.nytimes.com/interactive/2024/12/18/climate/insurance-non-renewal-climate-crisis.html>;
<https://www.nytimes.com/2024/05/15/podcasts/the-daily/climate-insurance.html>;

<https://www.nytimes.com/interactive/2024/05/13/climate/insurance-homes-climate-change-weather.html>

³⁷ <https://huffman.house.gov/media-center/press-releases/rep-huffman-and-jones-call-out-us-insurance-company-for-investing-in-fossil-fuel-projects-despite-climate-risks>

³⁸ <https://content.naic.org/sites/default/files/capital-markets-special-reports-municipalbonds-ye2022.pdf>, p.4;
https://s26.q4cdn.com/410417801/files/doc_financials/2023/ar/Travelers-2023-Annual_Report.pdf, p.81

³⁹ <https://www.insurance.ca.gov/0250-insurers/0300-insurers/0100-applications/ClimateSurvey/index.cfm>

⁴⁰ <https://www.markel.com/about-us/news-and-press/spotlight-on-renewable-energy>

IV. RESPONSE TO OPPOSITION STATEMENT

In its opposition statement, the board states that “the Company’s business model appropriately considers and evaluates environmental risks, including climate risks.”⁴¹

However, the proposal does not ask for specific environmental policy implementation or proprietary information; rather, investors seek disclosure to better understand how the Company’s business model considers and evaluates climate risk, which impacts profits and value over time. The supporting statement requests Markel to report in alignment with recognized frameworks—which most U.S. insurers have long done.

Without a comprehensive sustainability report, material information about Markel’s environmental risk mitigation strategies is unclear to investors. Furthermore, while Markel notes that “The Company actively engages with shareholders and listens and responds to their requests,” it declined Green Century Capital Management’s request to meet and discuss its management of environmental issues and sustainability reporting in 2025.

CONCLUSION

Markel lacks sustainability disclosures addressing the material environmental risks to its core insurance business. To better meet investor expectations for information on whether and how Markel is addressing physical, transition, competitive, and reputational environmental risks, the Company should disclose a report describing how it will increase the scale, pace, and rigor of its strategies and action plans to mitigate material environmental risks.

Shareholders are urged to vote FOR the proposal asking Markel Group to issue a report, at reasonable cost and omitting proprietary information, describing whether, and how, it will increase the scale, pace, and rigor of its strategies and action plans to mitigate material environmental risks related to the business.

For questions regarding this proposal, please contact Giovanna Eichner, Green Century Capital Management, geichner@greencentury.com

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⁴¹<http://proxy.markelcorp.com/materials/2026/Markel%20Group%20Inc.%20-%20Notice%20and%20Proxy%20Statement%20for%202026%20Annual%20Meeting.pdf>, 19