

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2024

or

☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____

Commission File Number: 001-15811

MARKEL GROUP INC.
(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction of
incorporation or organization)

54-1959284
(I.R.S. Employer
Identification No.)

4521 Highwoods Parkway, Glen Allen, Virginia 23060-6148
(Address of principal executive offices) (Zip Code)

(804) 747-0136
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, no par value	MKL	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of the registrant's common stock outstanding at April 24, 2024: 13,002,646

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Form 10-Q
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PART I. FINANCIAL INFORMATION
Item 1. Financial Statements
**MARKEL GROUP INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**

	March 31, 2024 (unaudited)	December 31, 2023
<i>(dollars in thousands)</i>		
ASSETS		
Investments, at estimated fair value:		
Fixed maturity securities, available-for-sale (amortized cost of \$15,227,752 in 2024 and \$14,932,286 in 2023)	\$ 14,519,370	\$ 14,372,732
Equity securities (cost of \$3,573,927 in 2024 and \$3,497,071 in 2023)	10,570,975	9,577,871
Short-term investments, available-for-sale (estimated fair value approximates cost)	2,617,642	2,571,382
Total Investments	27,707,987	26,521,985
Cash and cash equivalents	3,627,142	3,747,060
Restricted cash and cash equivalents	649,598	584,974
Receivables	3,608,947	3,455,306
Reinsurance recoverables	9,575,066	9,235,501
Deferred policy acquisition costs	961,819	931,344
Prepaid reinsurance premiums	2,783,613	2,365,243
Goodwill	2,626,258	2,624,749
Intangible assets	1,545,709	1,588,684
Other assets	4,200,246	3,990,864
Total Assets	\$ 57,286,385	\$ 55,045,710
LIABILITIES AND EQUITY		
Unpaid losses and loss adjustment expenses	\$ 24,144,955	\$ 23,483,321
Life and annuity benefits	617,266	649,054
Unearned premiums	7,153,997	6,642,426
Payables to insurance and reinsurance companies	1,237,996	1,037,722
Senior long-term debt and other debt (estimated fair value of \$3,386,000 in 2024 and \$3,353,000 in 2023)	3,855,494	3,779,796
Other liabilities	3,959,161	3,927,498
Total Liabilities	40,968,869	39,519,817
Redeemable noncontrolling interests	499,993	469,685
Commitments and contingencies		
Shareholders' equity:		
Preferred stock	591,891	591,891
Common stock	3,547,912	3,517,146
Retained earnings	12,184,925	11,353,101
Accumulated other comprehensive loss	(595,009)	(478,210)
Total Shareholders' Equity	15,729,719	14,983,928
Noncontrolling interests	87,804	72,280
Total Equity	15,817,523	15,056,208
Total Liabilities and Equity	\$ 57,286,385	\$ 55,045,710

See accompanying notes to consolidated financial statements.

MARKEL GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
<i>(dollars in thousands, except per share data)</i>		
OPERATING REVENUES		
Earned premiums	\$ 2,127,627	\$ 1,967,704
Net investment income	218,269	159,335
Net investment gains	902,281	372,563
Products revenues	600,840	577,926
Services and other revenues	617,638	565,861
Total Operating Revenues	4,466,655	3,643,389
OPERATING EXPENSES		
Losses and loss adjustment expenses	1,287,747	1,173,014
Underwriting, acquisition and insurance expenses	738,752	675,705
Products expenses	523,247	515,756
Services and other expenses	536,838	480,619
Amortization of acquired intangible assets	44,285	44,399
Total Operating Expenses	3,130,869	2,889,493
Operating Income	1,335,786	753,896
Interest expense	(45,548)	(49,438)
Foreign exchange gains (losses)	51,500	(32,928)
Income Before Income Taxes	1,341,738	671,530
Income tax expense	(292,556)	(133,731)
Net Income	1,049,182	537,799
Net income attributable to noncontrolling interests	(23,998)	(49,147)
Net Income to Shareholders	1,025,184	488,652
Preferred stock dividends	—	—
Net Income to Common Shareholders	\$ 1,025,184	\$ 488,652
OTHER COMPREHENSIVE INCOME (LOSS)		
Change in net unrealized losses on available-for-sale investments, net of taxes:		
Net holding gains (losses) arising during the period	\$ (128,425)	\$ 161,206
Reclassification adjustments for net losses in net income	5,723	2,994
Change in net unrealized losses on available-for-sale investments, net of taxes	(122,702)	164,200
Change in discount rate for life and annuity benefits, net of taxes	6,418	(9,052)
Change in foreign currency translation adjustments, net of taxes	(475)	2,579
Change in net actuarial pension loss, net of taxes	20	18
Total Other Comprehensive Income (Loss)	(116,739)	157,745
Comprehensive Income	932,443	695,544
Comprehensive income attributable to noncontrolling interests	(24,058)	(49,179)
Comprehensive Income to Shareholders	\$ 908,385	\$ 646,365
NET INCOME PER COMMON SHARE		
Basic	\$ 75.56	\$ 37.33
Diluted	\$ 75.43	\$ 37.26

See accompanying notes to consolidated financial statements.

MARKEL GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)

Three Months Ended March 31, 2024 <i>(dollars in thousands)</i>	Preferred Stock	Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests
December 31, 2023	\$ 591,891	\$ 3,517,146	\$ 11,353,101	\$ (478,210)	\$ 14,983,928	\$ 72,280	\$ 15,056,208	\$ 469,685
Net income			1,025,184	—	1,025,184	15,524	1,040,708	8,474
Other comprehensive income (loss)			—	(116,799)	(116,799)	—	(116,799)	60
Comprehensive income					908,385	15,524	923,909	8,534
Repurchase of common stock	—	—	(160,882)	—	(160,882)	—	(160,882)	—
Restricted stock unit awards expensed	—	30,766	—	—	30,766	—	30,766	—
Adjustment of redeemable noncontrolling interests	—	—	(32,602)	—	(32,602)	—	(32,602)	32,602
Other	—	—	124	—	124	—	124	(10,828)
March 31, 2024	<u>\$ 591,891</u>	<u>\$ 3,547,912</u>	<u>\$ 12,184,925</u>	<u>\$ (595,009)</u>	<u>\$ 15,729,719</u>	<u>\$ 87,804</u>	<u>\$ 15,817,523</u>	<u>\$ 499,993</u>

Three Months Ended March 31, 2023 <i>(dollars in thousands)</i>	Preferred Stock	Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests
December 31, 2022	\$ 591,891	\$ 3,493,893	\$ 9,832,804	\$ (767,494)	\$ 13,151,094	\$ 62,791	\$ 13,213,885	\$ 523,154
Net income			488,652	—	488,652	44,693	533,345	4,454
Other comprehensive income			—	157,713	157,713	—	157,713	32
Comprehensive income					646,365	44,693	691,058	4,486
Repurchase of common stock	—	—	(81,964)	—	(81,964)	—	(81,964)	—
Restricted stock unit awards expensed	—	21,698	—	—	21,698	—	21,698	—
Adjustment of redeemable noncontrolling interests	—	—	13,473	—	13,473	—	13,473	(13,473)
Purchase of noncontrolling interest	—	(8,619)	—	—	(8,619)	—	(8,619)	(13,046)
Redemption of Markel CATCo Re noncontrolling interests	—	—	—	—	—	(62,646)	(62,646)	—
Other	—	—	2,436	—	2,436	—	2,436	(9,238)
March 31, 2023	<u>\$ 591,891</u>	<u>\$ 3,506,972</u>	<u>\$ 10,255,401</u>	<u>\$ (609,781)</u>	<u>\$ 13,744,483</u>	<u>\$ 44,838</u>	<u>\$ 13,789,321</u>	<u>\$ 491,883</u>

See accompanying notes to consolidated financial statements.

MARKEL GROUP INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
<i>(dollars in thousands)</i>		
OPERATING ACTIVITIES		
Net income	\$ 1,049,182	\$ 537,799
Adjustments to reconcile net income to net cash provided by operating activities	(418,528)	(253,618)
Net Cash Provided By Operating Activities	630,654	284,181
INVESTING ACTIVITIES		
Proceeds from sales, maturities, calls and prepayments of fixed maturity securities	546,793	592,004
Cost of fixed maturity securities purchased	(880,028)	(806,704)
Proceeds from sales of equity securities	40,101	64,030
Cost of equity securities purchased	(126,303)	(129,163)
Net change in short-term investments	(21,378)	210,177
Additions to property and equipment	(71,953)	(37,179)
Acquisitions, net of cash acquired	(48,980)	—
Other	(2,419)	(1,696)
Net Cash Used By Investing Activities	(564,167)	(108,531)
FINANCING ACTIVITIES		
Additions to senior long-term debt and other debt	272,449	161,151
Repayment of senior long-term debt and other debt	(209,415)	(369,227)
Repurchases of common stock	(160,882)	(81,964)
Redemption of Markel CATCo Re noncontrolling interests	—	(88,997)
Purchase of noncontrolling interests	—	(21,665)
Other	(4,887)	(11,452)
Net Cash Used By Financing Activities	(102,735)	(412,154)
Effect of foreign currency rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(19,046)	19,844
Decrease in cash, cash equivalents, restricted cash and restricted cash equivalents	(55,294)	(216,660)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	4,332,034	5,221,513
CASH, CASH EQUIVALENTS, RESTRICTED CASH AND RESTRICTED CASH EQUIVALENTS AT END OF PERIOD	\$ 4,276,740	\$ 5,004,853

See accompanying notes to consolidated financial statements.

MARKEL GROUP INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Markel Group Inc. (Markel Group) is a holding company comprised of a diverse group of companies and investments with specialty insurance at its core. Through its wholly owned subsidiary, Markel Ventures, Inc. (Markel Ventures), Markel Group owns controlling interests in businesses that operate in a variety of industries. See note 2 for details regarding reportable segments.

a) Basis of Presentation. The consolidated balance sheet as of March 31, 2024 and the related consolidated statements of income and comprehensive income and changes in equity for the three months ended March 31, 2024 and 2023, and the condensed consolidated statements of cash flows for the three months ended March 31, 2024 and 2023 are unaudited. In the opinion of management, all adjustments necessary for fair presentation of such consolidated financial statements have been included. Such adjustments consist only of normal, recurring items. Interim results are not necessarily indicative of results of operations for the entire year. The consolidated balance sheet as of December 31, 2023 was derived from Markel Group's audited annual consolidated financial statements.

The accompanying consolidated financial statements have been prepared in accordance with United States (U.S.) generally accepted accounting principles (GAAP) and include the accounts of Markel Group and its consolidated subsidiaries, as well as variable interest entities (VIEs) that meet the requirements for consolidation (the Company). All significant intercompany balances and transactions have been eliminated in consolidation. The Company consolidates the results of its Markel Ventures subsidiaries on a one-month lag, with the exception of significant transactions or events that occur during the intervening period. Certain prior period amounts have been reclassified to conform to the current period presentation.

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results may differ materially from the estimates and assumptions used in preparing the consolidated financial statements.

The consolidated financial statements and notes are presented as permitted by Form 10-Q and do not contain certain information included in the Company's annual consolidated financial statements and notes. For a more complete description of the Company's business and accounting policies, readers are urged to review the Company's 2023 Annual Report on Form 10-K.

b) Recent Accounting Pronouncements

Accounting Standards Not Yet Adopted

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The standard requires public companies to, among other things: (1) disclose, on an annual and interim basis, significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss; (2) disclose, on an annual and interim basis, an amount for other segment expenses that are not separately disclosed as significant segment expenses and a description of its composition; (3) provide all annual disclosures about a reportable segment's profit or loss and assets currently required by Topic 280 in interim periods; and (4) disclose the title and position of the chief operating decision maker and an explanation of how the chief operating decision maker uses the reported measures of segment profit or loss in assessing segment performance and deciding how to allocate resources. ASU No. 2023-07 becomes effective for the Company in the fourth quarter of 2024 and will be applied using a retrospective approach that requires recasting of all prior periods presented. The standard only impacts required disclosures and will not impact the Company's financial position, results of operations or cash flows.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The standard requires public companies, on an annual basis, to provide enhanced rate reconciliation disclosures, including disclosure of specific categories and additional information for reconciling items that meet a quantitative threshold. The standard also requires public companies to, among other things, disaggregate income taxes paid by federal, state and foreign taxes. ASU No. 2023-09 becomes effective for the Company's 2025 Annual Report on Form 10-K. The standard only impacts required disclosures and will not impact the Company's financial position, results of operations or cash flows.

2. Segment Reporting Disclosures

The Company has four reportable segments: Insurance, Reinsurance, Investing and Markel Ventures.

The chief operating decision maker reviews the Company's ongoing underwriting operations on a global basis in the following two segments: Insurance and Reinsurance. The Insurance segment includes all direct business and facultative reinsurance placements written on a risk-bearing basis within the Company's underwriting operations. The Reinsurance segment includes all treaty reinsurance written on a risk-bearing basis within the Company's underwriting operations.

The Company's other insurance operations primarily consist of the results of the Company's program services and other fronting business and insurance-linked securities operations. Other insurance operations also include results for lines of business discontinued prior to, or in conjunction with, acquisitions, including development on asbestos and environmental loss reserves and results attributable to the run-off of life and annuity reinsurance business, which are monitored separately from the Company's ongoing underwriting operations. For purposes of segment reporting, none of these other insurance operations are considered to be reportable segments.

The Company's Investing segment includes all investing activities related to the Company's insurance operations, as well as investing activities at Markel Group. Invested assets managed through our Investing segment include our portfolio of publicly traded fixed maturity and equity securities, as well as cash and short-term investments.

The Markel Ventures segment primarily consists of controlling interests in a diverse portfolio of businesses that operate in various industries. The Company's chief operating decision maker reviews and assesses Markel Ventures' performance in the aggregate, as a single operating segment.

Segment profit for all of the Company's segments is measured by operating income. Segment operating income excludes amortization of intangible assets arising from purchase accounting for acquisitions, which the chief operating decision maker does not consider in assessing the financial performance of, or allocating resources to, operating segments. Amortization of acquired intangible assets is considered a corporate expense because it is not a cost of operating the underlying businesses. For our Insurance and Reinsurance segments, segment operating income is typically consistent with underwriting profit, which the property and casualty insurance industry commonly defines as earned premiums net of losses and loss adjustment expenses and underwriting, acquisition and insurance expenses. Segment operating income for these two segments may also include other revenues and expenses that are not captured in underwriting profit.

Prior to 2024, the segment profitability metric for the Markel Ventures segment included amortization of acquired intangible assets. The new metric, as previously described, better aligns with how the chief operating decision maker reviews and assesses the performance of the Markel Ventures segment. Prior periods have been recast to conform to the current presentation. Management continues to evaluate the Company's segments as its business evolves and may further refine its segments and segment profitability metric.

For management reporting purposes, the Company allocates assets to its underwriting operations and to its Investing and Markel Ventures segments and certain of its other insurance operations, including its program services and other fronting business and insurance-linked securities business. Underwriting assets include assets attributed to the Company's Insurance and Reinsurance segments, discontinued underwriting lines of business, as well as assets that are not specifically allocated to the Company's other insurance operations. Generally, the Company manages its underwriting assets in the aggregate and therefore does not allocate assets to individual underwriting segments.

a) The following tables summarize the Company's segment disclosures.

	Three Months Ended March 31, 2024						
<i>(dollars in thousands)</i>	Insurance	Reinsurance	Investing	Markel Ventures	Other insurance operations	Corporate	Consolidated
Earned premiums	\$ 1,874,461	\$ 253,339	\$ —	\$ —	\$ (173)	\$ —	\$ 2,127,627
Net investment income	—	—	217,204	1,065	—	—	218,269
Net investment gains	—	—	902,281	—	—	—	902,281
Products revenues	—	—	—	600,840	—	—	600,840
Services and other revenues	—	—	20,846	538,701	58,091	—	617,638
Total operating revenues	1,874,461	253,339	1,140,331	1,140,606	57,918	—	4,466,655
Losses and loss adjustment expenses:							
Current accident year	(1,201,555)	(163,215)	—	—	—	—	(1,364,770)
Prior accident years	97,181	(3,398)	—	—	(16,760)	—	77,023
Underwriting, acquisition and insurance expenses:							
Amortization of policy acquisition costs	(373,778)	(60,809)	—	—	—	—	(434,587)
Other underwriting expenses	(288,999)	(13,907)	—	—	(1,259)	—	(304,165)
Products expenses	—	—	—	(523,247)	—	—	(523,247)
Services and other expenses	—	—	—	(513,444)	(23,394)	—	(536,838)
Amortization of acquired intangible assets	—	—	—	—	—	(44,285)	(44,285)
Operating income	\$ 107,310	\$ 12,010	\$ 1,140,331	\$ 103,915	\$ 16,505	\$ (44,285)	\$ 1,335,786
Interest expense							(45,548)
Net foreign exchange gains							51,500
Income before income taxes							\$ 1,341,738

	Three Months Ended March 31, 2023						
<i>(dollars in thousands)</i>	Insurance	Reinsurance	Investing	Markel Ventures	Other insurance operations	Corporate	Consolidated
Earned premiums	\$ 1,710,924	\$ 257,234	\$ —	\$ —	\$ (454)	\$ —	\$ 1,967,704
Net investment income	—	—	158,594	741	—	—	159,335
Net investment gains	—	—	372,563	—	—	—	372,563
Products revenues	—	—	—	577,926	—	—	577,926
Services and other revenues	—	—	(2,380)	526,013	42,228	—	565,861
Total operating revenues	1,710,924	257,234	528,777	1,104,680	41,774	—	3,643,389
Losses and loss adjustment expenses:							
Current accident year	(1,077,546)	(166,785)	—	—	—	—	(1,244,331)
Prior accident years	62,628	8,704	—	—	(15)	—	71,317
Underwriting, acquisition and insurance expenses:							
Amortization of policy acquisition costs	(360,354)	(61,778)	—	—	—	—	(422,132)
Other underwriting expenses	(239,148)	(13,141)	—	—	(1,284)	—	(253,573)
Products expenses	—	—	—	(515,756)	—	—	(515,756)
Services and other expenses	—	—	—	(496,746)	16,127	—	(480,619)
Amortization of acquired intangible assets	—	—	—	—	—	(44,399)	(44,399)
Operating income	\$ 96,504	\$ 24,234	\$ 528,777	\$ 92,178	\$ 56,602	\$ (44,399)	\$ 753,896
Interest expense							(49,438)
Net foreign exchange losses							(32,928)
Income before income taxes							\$ 671,530

b) The following table reconciles segment assets to the Company's consolidated balance sheets.

<i>(dollars in thousands)</i>	March 31, 2024	December 31, 2023
Segment assets:		
Investing	\$ 31,699,863	\$ 30,542,282
Underwriting	10,317,034	9,897,689
Markel Ventures	5,623,756	5,519,542
Total segment assets	47,640,653	45,959,513
Other insurance operations	9,645,732	9,086,197
Total assets	\$ 57,286,385	\$ 55,045,710

3. Investments

a) The following tables summarize the Company's available-for-sale investments. Commercial and residential mortgage-backed securities include securities issued by U.S. government-sponsored enterprises and U.S. government agencies. The net unrealized holding gains (losses) in the tables below are presented before taxes.

	March 31, 2024			
<i>(dollars in thousands)</i>	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Fixed maturity securities:				
U.S. Treasury securities	\$ 4,113,319	\$ 12,079	\$ (79,408)	\$ 4,045,990
U.S. government-sponsored enterprises	1,289,119	4,206	(99,430)	1,193,895
Obligations of states, municipalities and political subdivisions	4,041,845	10,059	(205,316)	3,846,588
Foreign governments	1,950,839	4,132	(126,930)	1,828,041
Commercial mortgage-backed securities	2,400,848	4,780	(137,472)	2,268,156
Residential mortgage-backed securities	463,710	155	(22,187)	441,678
Corporate bonds	968,072	5,424	(78,474)	895,022
Total fixed maturity securities	15,227,752	40,835	(749,217)	14,519,370
Short-term investments	2,618,162	597	(1,117)	2,617,642
Investments, available-for-sale	\$ 17,845,914	\$ 41,432	\$ (750,334)	\$ 17,137,012

	December 31, 2023			
<i>(dollars in thousands)</i>	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Fixed maturity securities:				
U.S. Treasury securities	\$ 3,811,293	\$ 35,824	\$ (62,404)	\$ 3,784,713
U.S. government-sponsored enterprises	1,225,426	7,292	(89,904)	1,142,814
Obligations of states, municipalities and political subdivisions	4,196,096	14,787	(181,578)	4,029,305
Foreign governments	1,858,845	21,450	(96,874)	1,783,421
Commercial mortgage-backed securities	2,371,406	8,605	(136,353)	2,243,658
Residential mortgage-backed securities	491,949	334	(21,861)	470,422
Corporate bonds	977,271	13,043	(71,915)	918,399
Total fixed maturity securities	14,932,286	101,335	(660,889)	14,372,732
Short-term investments	2,564,620	7,155	(393)	2,571,382
Investments, available-for-sale	\$ 17,496,906	\$ 108,490	\$ (661,282)	\$ 16,944,114

b) The following tables summarize gross unrealized investment losses on available-for-sale investments by the length of time that securities have continuously been in an unrealized loss position. Unrealized losses on available-for-sale investments are typically the result of declines in the fair value of the investments due to increases in interest rates.

	March 31, 2024					
	Less than 12 months		12 months or longer		Total	
	Estimated Fair Value	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Losses
<i>(dollars in thousands)</i>						
Fixed maturity securities:						
U.S. Treasury securities	\$ 1,553,613	\$ (10,383)	\$ 1,388,322	\$ (69,025)	\$ 2,941,935	\$ (79,408)
U.S. government-sponsored enterprises	244,720	(3,629)	746,832	(95,801)	991,552	(99,430)
Obligations of states, municipalities and political subdivisions	920,869	(8,138)	2,376,770	(197,178)	3,297,639	(205,316)
Foreign governments	322,098	(3,059)	1,079,889	(123,871)	1,401,987	(126,930)
Commercial mortgage-backed securities	275,805	(4,101)	1,722,270	(133,371)	1,998,075	(137,472)
Residential mortgage-backed securities	25,905	(456)	401,845	(21,731)	427,750	(22,187)
Corporate bonds	148,340	(2,336)	574,746	(76,138)	723,086	(78,474)
Total fixed maturity securities	3,491,350	(32,102)	8,290,674	(717,115)	11,782,024	(749,217)
Short-term investments	2,272,608	(1,117)	—	—	2,272,608	(1,117)
Total	\$ 5,763,958	\$ (33,219)	\$ 8,290,674	\$ (717,115)	\$ 14,054,632	\$ (750,334)

At March 31, 2024, the Company held 1,578 available-for-sale securities in an unrealized loss position with a total estimated fair value of \$14.1 billion and gross unrealized losses of \$750.3 million. Of these 1,578 securities, 1,126 securities had been in a continuous unrealized loss position for one year or longer and had a total estimated fair value of \$8.3 billion and gross unrealized losses of \$717.1 million.

	December 31, 2023					
	Less than 12 months		12 months or longer		Total	
	Estimated Fair Value	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Losses
<i>(dollars in thousands)</i>						
Fixed maturity securities:						
U.S. Treasury securities	\$ 317,027	\$ (2,147)	\$ 1,507,784	\$ (60,257)	\$ 1,824,811	\$ (62,404)
U.S. government-sponsored enterprises	145,143	(2,134)	723,537	(87,770)	868,680	(89,904)
Obligations of states, municipalities and political subdivisions	679,124	(3,881)	2,332,281	(177,697)	3,011,405	(181,578)
Foreign governments	49,056	(128)	1,113,616	(96,746)	1,162,672	(96,874)
Commercial mortgage-backed securities	169,557	(1,792)	1,790,637	(134,561)	1,960,194	(136,353)
Residential mortgage-backed securities	20,420	(80)	431,705	(21,781)	452,125	(21,861)
Corporate bonds	34,340	(266)	615,501	(71,649)	649,841	(71,915)
Total fixed maturity securities	1,414,667	(10,428)	8,515,061	(650,461)	9,929,728	(660,889)
Short-term investments	52,601	(393)	—	—	52,601	(393)
Total	\$ 1,467,268	\$ (10,821)	\$ 8,515,061	\$ (650,461)	\$ 9,982,329	\$ (661,282)

At December 31, 2023, the Company held 1,386 available-for-sale securities in an unrealized loss position with a total estimated fair value of \$10.0 billion and gross unrealized losses of \$661.3 million. Of these 1,386 securities, 1,131 securities had been in a continuous unrealized loss position for one year or longer and had a total estimated fair value of \$8.5 billion and gross unrealized losses of \$650.5 million.

The Company completes a detailed analysis each quarter to assess whether the decline in the fair value of any investment below its cost basis is the result of a credit loss. All available-for-sale securities with unrealized losses are reviewed. The Company considers many factors in completing its quarterly review of securities with unrealized losses for credit-related impairment to determine whether a credit loss exists, including the extent to which fair value is below cost, the implied yield to maturity, rating downgrades of the security and whether or not the issuer has failed to make scheduled principal or interest payments. The Company also takes into consideration information about the financial condition of the issuer and industry factors that could negatively impact the issuer.

If the decline in fair value of an available-for-sale security below its amortized cost is considered to be the result of a credit loss, the Company compares the estimated present value of the cash flows expected to be collected to the amortized cost of the security. The extent to which the estimated present value of the cash flows expected to be collected is less than the amortized cost of the security represents the credit loss, which is recorded as an allowance and recognized in net income. The allowance is limited to the difference between the fair value and the amortized cost of the security. Any remaining decline in fair value represents the non-credit portion of the impairment, which is recognized in other comprehensive income. The Company did not have an allowance for credit losses for any available-for-sale securities as of March 31, 2024 or December 31, 2023.

Quarterly, the Company also considers whether it intends to sell an available-for-sale security or if it is more likely than not that it will be required to sell a security before recovery of its amortized cost. In these instances, a decline in fair value is recognized in net income based on the fair value of the security at the time of assessment, resulting in a new cost basis for the security.

c) The amortized cost and estimated fair value of fixed maturity securities at March 31, 2024 are shown below by contractual maturity.

<i>(dollars in thousands)</i>	Amortized Cost	Estimated Fair Value
Due in one year or less	\$ 1,108,711	\$ 1,091,274
Due after one year through five years	5,268,266	5,082,020
Due after five years through ten years	4,482,619	4,278,074
Due after ten years	1,503,598	1,358,168
	12,363,194	11,809,536
Commercial mortgage-backed securities	2,400,848	2,268,156
Residential mortgage-backed securities	463,710	441,678
Total fixed maturity securities	\$ 15,227,752	\$ 14,519,370

d) The following table presents the components of net investment income.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Interest:		
Fixed maturity securities	\$ 119,476	\$ 82,128
Short-term investments	32,184	26,619
Cash and cash equivalents and restricted cash and cash equivalents	39,078	27,601
Dividends on equity securities	32,693	27,482
	223,431	163,830
Investment expenses	(5,162)	(4,495)
Net investment income	\$ 218,269	\$ 159,335

e) The following table presents the components of net investment gains included in net income and the change in net unrealized losses included in other comprehensive income (loss). Gross realized investment gains and losses on fixed maturity securities, short-term investments and other investments were not material to the consolidated financial statements and are presented on a net basis in the following table.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Fixed maturity securities, short-term investments and other investments:		
Net realized investment losses	\$ (4,488)	\$ (3,221)
Equity securities:		
Change in fair value of securities sold during the period	43	5,637
Change in fair value of securities held at the end of the period	906,726	370,147
Total change in fair value	906,769	375,784
Net investment gains	\$ 902,281	\$ 372,563
Change in net unrealized losses on available-for-sale investments included in other comprehensive income (loss):		
Fixed maturity securities	\$ (148,487)	\$ 209,179
Short-term investments	(7,282)	(810)
Net increase (decrease)	\$ (155,769)	\$ 208,369

4. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a three-level hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the assets or liabilities fall within different levels of the hierarchy, the classification is based on the lowest level input that is significant to the fair value measurement of the asset or liability.

Classification of assets and liabilities within the hierarchy considers the markets in which the assets and liabilities are traded and the reliability and transparency of the assumptions used to determine fair value. The hierarchy requires the use of observable market data when available. The levels of the hierarchy are defined as follows:

- Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities traded in active markets.
- Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and market-corroborated inputs.
- Level 3 – Inputs to the valuation methodology are unobservable for the asset or liability and are significant to the fair value measurement.

In accordance with ASC 820, the Company determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company uses various methods, including the market, income and cost approaches. The Company uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The following section describes the valuation methodologies used by the Company to measure assets and liabilities at fair value, including an indication of the level within the fair value hierarchy in which each asset or liability is generally classified.

Available-for-sale investments and equity securities. Available-for-sale investments and equity securities are recorded at fair value on a recurring basis. Available-for-sale investments include fixed maturity securities and short-term investments. Fair value is determined by the Company after considering various sources of information, including information provided by a third-party pricing service. The pricing service provides prices for substantially all of the Company's fixed maturity securities and equity securities. In determining fair value, the Company generally does not adjust the prices obtained from the pricing service. The Company obtains an understanding of the pricing service's valuation methodologies and related inputs, which include, but are not limited to, reported trades, benchmark yields, issuer spreads, bids, offers, duration, credit ratings, estimated cash flows and prepayment speeds. The Company validates prices provided by the pricing service by reviewing prices from other pricing sources and analyzing pricing data in certain instances.

The Company has evaluated the various types of securities in its investment portfolio to determine an appropriate fair value hierarchy level based upon trading activity and the observability of market inputs. Level 1 investments include those traded on an active exchange, such as the New York Stock Exchange. Level 2 investments include U.S. Treasury securities, U.S. government-sponsored enterprises, municipal bonds, foreign government bonds, commercial mortgage-backed securities, residential mortgage-backed securities and corporate debt securities. Level 3 investments include the Company's investments in insurance-linked securities funds that are in run-off, which are not traded on an active exchange and are valued using unobservable inputs.

Fair value for available-for-sale investments and equity securities is measured based upon quoted prices in active markets, if available. Due to variations in trading volumes and the lack of quoted market prices, fixed maturity securities are classified as Level 2 investments. The fair value of fixed maturity securities is normally derived through recent reported trades for identical or similar securities, making adjustments through the reporting date based upon available market observable data previously described. If there are no recent reported trades, the fair value of fixed maturity securities may be derived through the use of matrix pricing or model processes, where future cash flow expectations are developed based upon collateral performance and discounted at an estimated market rate. Significant inputs used to determine the fair value of obligations of states, municipalities and political subdivisions, corporate bonds and obligations of foreign governments include reported trades, benchmark yields, issuer spreads, bids, offers, credit information and estimated cash flows. Significant inputs used to determine the fair value of commercial mortgage-backed securities and residential mortgage-backed securities include the type of underlying assets, benchmark yields, prepayment speeds, collateral information, tranche type and volatility, estimated cash flows, credit information, default rates, recovery rates, issuer spreads and the year of issue.

Senior long-term debt and other debt. Senior long-term debt and other debt is carried at amortized cost with the estimated fair value disclosed on the consolidated balance sheets. Senior long-term debt and other debt is classified as Level 2 within the fair value hierarchy due to variations in trading volumes and the lack of quoted market prices. Fair value is generally derived through recent reported trades, making adjustments through the reporting date, if necessary, based upon available market observable data including U.S. Treasury securities and implied credit spreads. Significant inputs used to determine the fair value of senior long-term debt and other debt include reported trades, benchmark yields, issuer spreads, bids and offers.

The following tables present the balances of assets measured at fair value on a recurring basis by level within the fair value hierarchy.

<i>(dollars in thousands)</i>	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Fixed maturity securities, available-for-sale:				
U.S. Treasury securities	\$ —	\$ 4,045,990	\$ —	\$ 4,045,990
U.S. government-sponsored enterprises	—	1,193,895	—	1,193,895
Obligations of states, municipalities and political subdivisions	—	3,846,588	—	3,846,588
Foreign governments	—	1,828,041	—	1,828,041
Commercial mortgage-backed securities	—	2,268,156	—	2,268,156
Residential mortgage-backed securities	—	441,678	—	441,678
Corporate bonds	—	895,022	—	895,022
Total fixed maturity securities, available-for-sale	—	14,519,370	—	14,519,370
Equity securities:				
Insurance, banks and other financial institutions	4,177,578	—	1,157	4,178,735
Industrial, consumer and all other	6,392,240	—	—	6,392,240
Total equity securities	10,569,818	—	1,157	10,570,975
Short-term investments, available-for-sale	2,453,881	163,761	—	2,617,642
Total investments	\$ 13,023,699	\$ 14,683,131	\$ 1,157	\$ 27,707,987

<i>(dollars in thousands)</i>	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Fixed maturity securities, available-for-sale:				
U.S. Treasury securities	\$ —	\$ 3,784,713	\$ —	\$ 3,784,713
U.S. government-sponsored enterprises	—	1,142,814	—	1,142,814
Obligations of states, municipalities and political subdivisions	—	4,029,305	—	4,029,305
Foreign governments	—	1,783,421	—	1,783,421
Commercial mortgage-backed securities	—	2,243,658	—	2,243,658
Residential mortgage-backed securities	—	470,422	—	470,422
Corporate bonds	—	918,399	—	918,399
Total fixed maturity securities, available-for-sale	—	14,372,732	—	14,372,732
Equity securities:				
Insurance, banks and other financial institutions	3,694,375	—	994	3,695,369
Industrial, consumer and all other	5,882,502	—	—	5,882,502
Total equity securities	9,576,877	—	994	9,577,871
Short-term investments, available-for-sale	2,402,099	169,283	—	2,571,382
Total investments	\$ 11,978,976	\$ 14,542,015	\$ 994	\$ 26,521,985

The Company did not have any assets or liabilities measured at fair value on a non-recurring basis during the three months ended March 31, 2024 and 2023.

5. Equity Method Investments

The Company's equity method investments, which are included in other assets on the consolidated balance sheets, totaled \$633.6 million and \$605.9 million as of March 31, 2024 and December 31, 2023, respectively. The Company's proportionate share of earnings in its equity method investments was income of \$25.9 million and a loss of \$1.5 million for three months ended March 31, 2024 and 2023, respectively.

The Company's most significant equity method investment is an investment in Hagerty, Inc. (Hagerty), which is accounted for on a quarter lag. Hagerty is an automotive enthusiast brand offering integrated membership products and programs as well as a specialty insurance provider focused on the global automobile enthusiast market. The Company's ownership interest in Hagerty was 23% as of March 31, 2024 and December 31, 2023. The Company's investment is comprised of Class A common shares, which are listed for trading on the New York Stock Exchange, as well as Class V common shares, associated with the Company's original investment, that have special voting rights and can be converted on a one-for-one basis into Class A common shares. The Company accounts for its investment under the equity method as it is deemed to have the ability to exercise significant influence over Hagerty's operating and financial policies through a combination of its voting interest, its right to designate a board member and business it conducts with Hagerty. As of March 31, 2024 and December 31, 2023, the carrying value of the Company's investment in Hagerty was \$238.4 million and \$237.4 million, respectively.

As of March 31, 2024 and December 31, 2023, the estimated value of the Company's investment, based on the closing stock price of Hagerty's Class A common shares, was \$713.7 million and \$608.4 million, respectively. See note 11 for further details regarding related party transactions with Hagerty.

6. Products, Services, and Other Revenues

The following tables present revenues from contracts with customers by type, all of which are included in products revenues and services and other revenues, along with a reconciliation to total products revenues and services and other revenues.

<i>(dollars in thousands)</i>	Three Months Ended March 31,					
	2024			2023		
	Markel Ventures	Other	Total	Markel Ventures	Other	Total
Products	\$ 594,592	\$ —	\$ 594,592	\$ 565,895	\$ —	\$ 565,895
Services	498,290	2,133	500,423	486,481	2,854	489,335
Investment management	—	19,936	19,936	—	10,459	10,459
Total revenues from contracts with customers	1,092,882	22,069	1,114,951	1,052,376	13,313	1,065,689
Leasing revenues	40,753	—	40,753	41,752	—	41,752
Program services and other fronting fees	—	36,030	36,030	—	28,890	28,890
Equity method and other investments income (loss)	5,179	20,846	26,025	1,495	(2,380)	(885)
Other	727	(8)	719	8,316	25	8,341
Total	\$ 1,139,541	\$ 78,937	\$ 1,218,478	\$ 1,103,939	\$ 39,848	\$ 1,143,787

Receivables from contracts with customers were \$537.6 million and \$616.4 million as of March 31, 2024 and December 31, 2023, respectively.

7. Unpaid Losses and Loss Adjustment Expenses

The following table presents a reconciliation of consolidated beginning and ending reserves for losses and loss adjustment expenses.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Gross reserves for losses and loss adjustment expenses, beginning of year	\$ 23,483,321	\$ 20,947,898
Reinsurance recoverables on unpaid losses, beginning of year	8,820,567	7,994,884
Net reserves for losses and loss adjustment expenses, beginning of year	14,662,754	12,953,014
Effect of foreign currency rate changes on beginning of year balance	(33,620)	36,637
Adjusted net reserves for losses and loss adjustment expenses, beginning of year	14,629,134	12,989,651
Incurred losses and loss adjustment expenses:		
Current accident year	1,364,770	1,244,331
Prior accident years	(77,023)	(71,317)
Total incurred losses and loss adjustment expenses	1,287,747	1,173,014
Payments:		
Current accident year	75,509	72,167
Prior accident years	819,185	708,115
Total payments	894,694	780,282
Effect of foreign currency rate changes on current year activity	(1,018)	(3,649)
Change in net reserves for losses and loss adjustment expenses of Markel CATCo Re (see note 10)	(16,338)	(115,141)
Reinsurance recoverable for retroactive reinsurance transaction	—	(125,067)
Net reserves for losses and loss adjustment expenses, end of period	15,004,831	13,138,526
Reinsurance recoverables on unpaid losses	9,140,124	8,168,267
Gross reserves for losses and loss adjustment expenses, end of period	\$ 24,144,955	\$ 21,306,793

For the three months ended March 31, 2024, prior accident years losses and loss adjustment expenses included \$77.0 million of favorable development on prior years loss reserves, which included \$64.8 million of favorable development on the Company's international professional liability and marine and energy product lines within its Insurance segment.

For the three months ended March 31, 2023, prior accident years losses and loss adjustment expenses included \$71.3 million of favorable development on prior years loss reserves, which included \$63.8 million of favorable development on the Company's marine and energy, property, workers' compensation and programs product lines within its Insurance segment.

In March 2023, the Company completed a retroactive reinsurance transaction to cede its portfolio of policies comprised of liabilities for its run-off book of United Kingdom motor casualty business in exchange for payments totaling \$125.1 million, which approximated the carrying value of the Company's reserves for losses and loss adjustment expenses on the ceded policies.

8. Reinsurance

The following tables summarize the effect of reinsurance and retrocessional reinsurance on premiums written and earned.

(dollars in thousands)	Three Months Ended March 31,							
	2024				2023			
	Direct	Assumed	Ceded	Net Premiums	Direct	Assumed	Ceded	Net Premiums
Underwriting:								
Written	\$ 2,107,467	\$ 668,699	\$ (543,956)	\$ 2,232,210	\$ 1,969,363	\$ 688,895	\$ (440,029)	\$ 2,218,229
Earned	\$ 2,198,238	\$ 392,942	\$ (463,380)	\$ 2,127,800	\$ 1,971,876	\$ 398,719	\$ (402,440)	\$ 1,968,155
Program services and other fronting:								
Written	744,958	419,275	(1,164,406)	(173)	573,211	204,543	(778,205)	(451)
Earned	703,682	123,271	(827,126)	(173)	641,113	74,717	(716,281)	(451)
Consolidated:								
Written	\$ 2,852,425	\$ 1,087,974	\$ (1,708,362)	\$ 2,232,037	\$ 2,542,574	\$ 893,438	\$ (1,218,234)	\$ 2,217,778
Earned	\$ 2,901,920	\$ 516,213	\$ (1,290,506)	\$ 2,127,627	\$ 2,612,989	\$ 473,436	\$ (1,118,721)	\$ 1,967,704

Substantially all of the premiums written and earned in the Company's program services and other fronting operations for the three months ended March 31, 2024 and 2023 were ceded. The percentage of consolidated ceded earned premiums to gross earned premiums was 38% and 36% for the three months ended March 31, 2024 and 2023, respectively. The percentage of consolidated assumed earned premiums to net earned premiums was 24% for both the three months ended March 31, 2024 and 2023.

Substantially all of the incurred losses and loss adjustment expenses in the Company's program services and other fronting operations were ceded. These gross losses totaled \$603.7 million and \$496.6 million for the three months ended March 31, 2024 and 2023, respectively.

The following table summarizes the effect of reinsurance and retrocessional reinsurance on losses and loss adjustment expenses in the Company's underwriting operations.

(dollars in thousands)	Three Months Ended March 31,	
	2024	2023
Gross losses and loss adjustment expenses	\$ 1,693,847	\$ 1,392,348
Ceded losses and loss adjustment expenses	(406,167)	(219,255)
Net losses and loss adjustment expenses	\$ 1,287,680	\$ 1,173,093

9. Life and Annuity Benefits

The Company's run-off block of life and annuity reinsurance contracts consists primarily of Euro and U.S. Dollar denominated life-contingent payout annuities and traditional and universal life contracts. The following table presents the components of the Company's liabilities for life and annuity benefits.

(dollars in thousands)	March 31, 2024	December 31, 2023
Liability for future policyholder benefits	\$ 528,249	\$ 557,763
Deferred profit liability	50,483	52,287
Other	38,534	39,004
Total	\$ 617,266	\$ 649,054

The primary component of the Company's liabilities for life and annuity benefits is the liability for future policyholder benefits. Life and annuity benefit reserves are calculated for aggregated cohorts of contracts, which are determined based on the attributes of the underlying contracts, and are discounted using standard actuarial techniques and cash flow models. Since the development of the life and annuity reinsurance reserves is based upon cash flow projection models, the Company makes estimates and assumptions based on cedent experience and industry mortality tables. The cash flow assumptions used to determine the Company's life and annuity benefit reserves are reviewed, and updated as necessary, at least annually. The discount rate assumptions are updated at each reporting date. The following table presents a rollforward of the present value of the liability for future policyholder benefits.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Liability for future policyholder benefits, beginning of year	\$ 557,763	\$ 554,366
Liability for future policyholder benefits at original discount rate, beginning of year	642,877	667,761
Effect of changes in cash flow assumptions	—	—
Effect of actual variances from expected experience	—	—
Adjusted liability for future policyholder benefits, beginning of year	642,877	667,761
Interest accretion	3,605	3,815
Benefit payments	(13,290)	(13,283)
Effect of foreign currency rate changes	(11,706)	10,396
Liability for future policyholder benefits at original discount rate, end of period	621,486	668,689
Cumulative effect of changes in discount rate assumptions	(93,237)	(101,938)
Liability for future policyholder benefits, end of period ⁽¹⁾	\$ 528,249	\$ 566,751

⁽¹⁾ The undiscounted liability for future policyholder benefits was \$796.8 million and \$862.7 million as of March 31, 2024 and 2023, respectively.

The following table summarizes additional details for the Company's liability for future policyholder benefits.

	March 31, 2024	December 31, 2023
Weighted-average interest rate:		
Interest accretion rate	2.3 %	2.3 %
Current discount rate	4.1 %	3.8 %
Weighted-average liability duration	8.4 years	8.6 years

10. Variable Interest Entities

Markel CATCo Investment Management Ltd. (MCIM), a wholly-owned consolidated subsidiary of the Company, is an insurance-linked securities investment fund manager and reinsurance manager headquartered in Bermuda. Results attributable to MCIM are not included in a reportable segment.

MCIM serves as the insurance manager for Markel CATCo Re Ltd. (Markel CATCo Re), a Bermuda Class 3 reinsurance company, and as the investment manager for Markel CATCo Reinsurance Fund Ltd., a Bermuda exempted mutual fund company comprised of multiple segregated accounts (Markel CATCo Funds). Voting shares in Markel CATCo Reinsurance Fund Ltd. and Markel CATCo Re are held by MCIM, which has the power to direct the activities that most significantly impact the economic performance of these entities. The Markel CATCo Funds issued multiple classes of nonvoting, redeemable preference shares to investors, and the Markel CATCo Funds are primarily invested in nonvoting preference shares of Markel CATCo Re. The underwriting results of Markel CATCo Re are attributed to investors through its nonvoting preference shares. Both Markel CATCo Re and the Markel CATCo Funds were placed into run-off in July 2019.

In 2022, the Company completed a buy-out transaction with Markel CATCo Re and the Markel CATCo Funds that provided for an accelerated return of all remaining capital to investors in the Markel CATCo Funds. Under the terms of the transaction, the Company provided cash funding of \$45.1 million to purchase substantially all of the Markel CATCo Funds' interests in Markel CATCo Re. As part of the transaction, substantially all of the preference shares held by investors in the Markel CATCo Funds were redeemed, including preference shares previously held by the Company.

The Company has received a return of \$24.9 million of the initial cash funding provided, and the related preference shares were redeemed. As of March 31, 2024 and December 31, 2023, the Company's investment in the remaining preference shares of Markel CATCo Re totaled \$20.1 million, which comprised 18% and 23%, respectively, of the equity of Markel CATCo Re. Through that investment, the Company has exposure to adverse loss development on reinsurance contracts previously written by Markel CATCo Re for loss events that occurred from 2014 to 2020. If loss reserves held by Markel CATCo Re are sufficient to settle claims on the remaining open contracts, the Company will receive a full return of the remaining \$20.1 million in capital. Favorable development on loss reserves held by Markel CATCo Re, less operating expenses, will be distributed to the Markel CATCo Funds, and ultimately to investors in the Markel CATCo Funds.

Markel CATCo Re is considered a VIE, as the equity at risk does not have the right to receive residual returns that exceed the capital provided by the Company in the buy-out transaction. As a result of the preference shares acquired by the Company in the buy-out transaction, and the voting shares held by its consolidated subsidiary, MCIM, the Company consolidates Markel CATCo Re as its primary beneficiary. Results attributed to the run-off of Markel CATCo Re are reported with the Company's other insurance operations, within services and other revenues and expenses, and are not included in a reportable segment. For the three months ended March 31, 2024 and 2023, there was \$15.7 million and \$44.8 million, respectively, of favorable loss reserve development on the run-off of reinsurance contracts written by Markel CATCo Re, all of which was included in services and other expenses and attributable to noncontrolling interests. During the three months ended March 31, 2023, \$62.6 million of preference shares of Markel CATCo Re held by noncontrolling interests were redeemed.

The Company's consolidated balance sheets include the following amounts attributable to Markel CATCo Re.

<i>(dollars in thousands)</i>	March 31, 2024	December 31, 2023
Assets		
Cash and cash equivalents	\$ 96,252	\$ 91,301
Restricted cash and cash equivalents	169,280	173,800
Other assets and receivables due from cedents	18,742	19,292
Total Assets	<u>\$ 284,274</u>	<u>\$ 284,393</u>
Liabilities and Equity		
Unpaid losses and loss adjustment expenses	\$ 168,630	\$ 184,967
Other liabilities	2,380	1,842
Total Liabilities	<u>171,010</u>	<u>186,809</u>
Shareholders' equity	21,139	21,139
Noncontrolling interests	92,125	76,445
Total Equity	<u>113,264</u>	<u>97,584</u>
Total Liabilities and Equity	<u>\$ 284,274</u>	<u>\$ 284,393</u>

In connection with the buy-out transaction, the Company also entered into a tail risk cover with Markel CATCo Re to allow for the release of collateral to investors. Through this contract, the Company has \$95.0 million of uncollateralized exposure to adverse development on loss reserves held by Markel CATCo Re for loss exposures in excess of limits that the Company believes are unlikely to be exceeded.

11. Related Party Transactions

The Company engages in certain related party transactions in the normal course of business at arm's length.

Insurance-Linked Securities

Within the Company's insurance-linked securities operations, the Company provides investment and insurance management services through Nephila Holdings Ltd. (together with its subsidiaries, Nephila). Nephila serves as the investment manager to several Bermuda based private funds (the Nephila Funds). To provide access for the Nephila Funds to a variety of insurance-linked securities in the property catastrophe, climate and specialty markets, Nephila also acts as an insurance manager to certain Bermuda Class 3 and 3A reinsurance companies, Lloyd's Syndicate 2357 and Lloyd's Syndicate 2358 (collectively, the Nephila Reinsurers). Nephila receives management fees for investment and insurance management services provided through its insurance-linked securities operations, and, for certain funds, incentive fees based on their annual performance. For the three months ended March 31, 2024 and 2023, total revenues attributed to unconsolidated entities managed by Nephila were \$19.2 million and \$9.8 million, respectively.

Through the Company's program services and other fronting operations, the Company has programs with Nephila through which the Company writes insurance policies that are fully ceded to the Nephila Reinsurers. Through these programs, Nephila utilizes certain of the Company's licensed insurance companies to write U.S. catastrophe-exposed property and specialty risks that are then ceded to the Nephila Reinsurers. For the three months ended March 31, 2024 and 2023, gross premiums written through the Company's program services and other fronting platforms on behalf of Nephila were \$353.1 million and \$236.9 million, respectively, all of which were ceded to the Nephila Reinsurers.

As of March 31, 2024 and December 31, 2023, reinsurance recoverables on the consolidated balance sheets included \$785.9 million and \$794.3 million, respectively, due from the Nephila Reinsurers. Under its programs with the Nephila Reinsurers, the Company bears underwriting risk for annual aggregate agreement year losses in excess of a limit the Company believes is unlikely to be exceeded. To the extent losses under these programs exceed the prescribed limits, the Company is obligated to pay such losses to the cedents without recourse to the Nephila Reinsurers. While the Company believes losses under these programs are unlikely, those losses, if incurred, could be material to the Company's consolidated results of operations and financial condition.

The Company has also entered into other assumed and ceded reinsurance transactions with the Nephila Reinsurers in the normal course of business, which are not material to the Company's consolidated financial statements.

Hagerty

The Company holds a minority ownership interest in Hagerty, which operates primarily as a managing general agent and also includes Hagerty Reinsurance Limited (Hagerty Re), a Bermuda Class 3 reinsurance company. Through the Company's underwriting operations, the Company underwrites insurance for Hagerty, a portion of which is ceded to Hagerty Re. The amounts attributed to these arrangements are summarized in the following table.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Gross written premiums attributable to Hagerty	\$ 198,282	\$ 164,971
Premiums ceded to Hagerty Re	\$ 152,685	\$ 124,628

As of March 31, 2024 and December 31, 2023, reinsurance recoverables on the consolidated balance sheets included \$225.3 million and \$214.8 million, respectively, due from Hagerty Re.

12. Shareholders' Equity

a) The Company has 50,000,000 shares of no par value common stock authorized. The following table presents a rollforward of changes in common shares issued and outstanding.

	Three Months Ended March 31,	
	2024	2023
<i>(shares in ones)</i>		
Issued and outstanding common shares, beginning of period	13,131,672	13,422,692
Issuance of common shares	1,384	1,817
Repurchase of common shares	(109,545)	(62,896)
Issued and outstanding common shares, end of period	13,023,511	13,361,613

b) The Company also has 10,000,000 shares of no par value preferred stock authorized, of which 600,000 shares were issued and outstanding at March 31, 2024 and December 31, 2023.

c) Net income per common share was determined by dividing adjusted net income to common shareholders by the applicable weighted average common shares outstanding. Basic common shares outstanding include restricted stock units that are no longer subject to any contingencies for issuance, but for which corresponding shares have not been issued. Diluted net income per common share is computed by dividing adjusted net income to common shareholders by the weighted average number of common shares and dilutive potential common shares outstanding during the period. The following table presents basic net income per common share and diluted net income per common share.

	Three Months Ended March 31,	
	2024	2023
<i>(in thousands, except per share amounts)</i>		
Net income to common shareholders	\$ 1,025,184	\$ 488,652
Adjustment of redeemable noncontrolling interests	(32,602)	13,473
Adjusted net income to common shareholders	\$ 992,582	\$ 502,125
Basic common shares outstanding	13,137	13,450
Dilutive potential common shares from restricted stock units and restricted stock	22	25
Diluted common shares outstanding	13,159	13,475
Basic net income per common share	\$ 75.56	\$ 37.33
Diluted net income per common share	\$ 75.43	\$ 37.26

13. Contingencies

Contingencies arise in the normal course of the Company's operations and are not expected to have a material impact on the Company's financial condition or results of operations.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes included under Item 1 Financial Statements and our 2023 Annual Report on Form 10-K. The accompanying consolidated financial statements and related notes have been prepared in accordance with United States (U.S.) generally accepted accounting principles (GAAP) and include the accounts of our holding company, Markel Group Inc. (Markel Group), and its consolidated subsidiaries, as well as any variable interest entities that meet the requirements for consolidation. This section is divided into the following sections:

- Our Business
- Results of Operations
- Financial Condition
- Critical Accounting Estimates
- Safe Harbor and Cautionary Statement

Our Business

Markel Group is a holding company comprised of a diverse family of businesses and investments. The leadership teams of our businesses operate with a high degree of independence, while at the same time living the values that we call the Markel Style. Our specialty insurance business, Markel, sits at the core of our company. Through decades of sound underwriting, Markel has provided the capital base from which we built a system of businesses and investments that collectively increase Markel Group's durability and adaptability. We aspire to build one of the world's great companies by creating win-win-win outcomes for our customers, associates and shareholders. We deploy three financial engines in pursuit of this goal.

Insurance - markets and underwrites specialty insurance products using our underwriting, fronting and insurance-linked securities platforms that enable us to best match risk and capital

Investments - invests premiums received by our underwriting operations and any available earnings provided by our operating businesses in fixed maturity and equity securities

Markel Ventures - owns controlling interests in a diverse portfolio of businesses that operate in a variety of industries

Our three interdependent engines form a system that provides diverse income streams, access to a wide range of investment opportunities and the ability to efficiently move capital to the best ideas across our three engines. We allocate capital using a process that we have consistently followed for years. We first look to invest in our existing businesses for organic growth opportunities. After funding internal growth opportunities, we look to acquire controlling interests in businesses, build our portfolio of equity securities or repurchase shares of our common stock. We believe our system is uniquely equipped for long-term growth. To mitigate the effects of short-term volatility and align with the long-term perspective that we apply to operating our businesses and making investments, we generally use five-year time periods to measure our performance. We measure financial success using both operating income and total shareholder return. Operating income provides a reasonable proxy for the performance of each engine in support of our overall financial goal of growing intrinsic value. Prior to 2024, we used growth in book value per share, rather than operating income, to measure our performance. As our businesses diversified beyond underwriting operations, book value became less indicative of intrinsic value because a significant portion of our operations is not recorded at fair value. We believe total operating income across the Markel Group system is a better measure of our performance.

Insurance

Our insurance engine is comprised of the following types of operations:

- Underwriting - our risk-bearing insurance and reinsurance operations.
- Program services and other fronting - fronting platform that provides other insurance entities and capacity providers access to the property and casualty insurance market.
- Insurance-linked securities (ILS) - provides investment management services to third-party capital providers for a variety of insurance-related investment products.

Through our underwriting, program services and other fronting and ILS operations, we have a suite of capabilities through which we can access capital to support our customers' risks, which includes our own capital through our underwriting operations, as well as third-party capital through our program services and other fronting and ILS operations. Within each of these insurance platforms, we believe that our specialty product focus enables us to develop expertise and specialized market knowledge. We seek to differentiate ourselves from competitors by our expertise, service, continuity and other value-based considerations, including the multiple platforms through which we can manage risk and deploy capital. For example, through our program services and other fronting platform, we have programs through which we write insurance policies on behalf of our ILS operations that are supported by third-party capital. Additionally, we cede certain risks historically written through our underwriting operations to our ILS operations to the extent those risks are more aligned with the risk profile of our ILS investors than our own corporate tolerance. Our ability to access multiple insurance platforms allows us to achieve income streams from our insurance operations beyond the traditional underwriting model. We believe this multi-platform approach provides us with a unique advantage through which we have the ability to unlock additional value for our customers and business partners, which we refer to as "the power of the platform."

Underwriting

We monitor and assess the performance of our ongoing underwriting operations on a global basis in the following two segments: Insurance and Reinsurance. In determining how to allocate resources and assess the performance of our underwriting results, we consider many factors, including the nature of the insurance product sold, the type of account written and the type of customer served. The Insurance segment includes all direct business and facultative reinsurance placements written on a risk-bearing basis within our underwriting operations. The Reinsurance segment includes all treaty reinsurance written on a risk-bearing basis within our underwriting operations.

Our Insurance segment includes unique and hard-to-place risks written on a global basis. In the U.S., this includes business written on an excess and surplus lines basis and an admitted basis. The following products are included in this segment: general liability, professional liability, personal lines, marine and energy, primary and excess of loss property, workers' compensation, credit and surety coverages, specialty program insurance for well-defined markets and liability and other coverages tailored for unique exposures. Business in this segment is primarily written through our Market Specialty and Market International divisions.

Our Reinsurance segment includes casualty and specialty treaty reinsurance products offered to other insurance and reinsurance companies. We write quota share and excess of loss reinsurance on a local, national and global basis. Business in this segment is primarily written by our Global Reinsurance division. Principal lines of business include: general liability, professional liability, credit and surety, marine and energy and workers' compensation.

Program Services and Other Fronting

Our program services and other fronting business generates fee income in the form of ceding fees in exchange for fronting insurance and reinsurance business for other insurance carriers, including the Nephila Reinsurers, as defined below. Our program services business, which is provided through our State National division, and our other fronting business are managed separately from our underwriting operations. The results of our program services and other fronting operations are not included in a reportable segment.

Although we reinsure substantially all of the risks inherent in our program services and other fronting businesses, we have certain programs that contain limits on our reinsurers' obligations to us that expose us to underwriting risk, including loss ratio caps, aggregate reinsurance limits or exclusion of the credit risk of producers. Under certain programs, including programs and contracts with the Nephila Reinsurers, we also bear underwriting risk for annual aggregate agreement year losses in excess of a limit that we believe is unlikely to be exceeded. See note 11 of the notes to consolidated financial statements for further details regarding our programs with the Nephila Reinsurers.

Insurance-Linked Securities

Our insurance-linked securities operations are primarily comprised of our Nephila operations and are not included in a reportable segment. Nephila Holdings Ltd. (together with its subsidiaries, Nephila) provides investment and insurance management services through which we offer alternative capital to the insurance and reinsurance market while providing investors with investment strategies that typically are uncorrelated with traditional asset classes. We receive management fees for investment and insurance management services provided through these operations, and for certain funds, incentive fees based on their annual performance.

Nephila serves as the investment manager to several Bermuda-based private funds (the Nephila Funds). To provide access for the Nephila Funds to a variety of insurance-linked securities, Nephila acts as an insurance manager to certain Bermuda Class 3, collateralized and special purpose reinsurance companies, Lloyd's Syndicate 2357 and Lloyd's Syndicate 2358 (collectively, the Nephila Reinsurers). The results of the Nephila Reinsurers are attributed to the Nephila Funds primarily through derivative transactions between these entities. Neither the Nephila Funds nor the Nephila Reinsurers are subsidiaries of Markel Group, and as such, these entities are not included in our consolidated financial statements.

The Nephila Reinsurers subscribe to various property, climate, and specialty reinsurance contracts based on their investors' risk profiles, including business ceded by our program services and other fronting platforms. See note 11 of the notes to consolidated financial statements for further details regarding transactions with entities managed through our Nephila operations.

Investments

Our investment operations manage the capital held within our underwriting operations, as well as capital allocated by Markel Group, and are reported as the Investing segment. Invested assets managed through our investment operations include our portfolio of publicly traded fixed maturity and equity securities, as well as cash and short-term investments. Substantially all of our investment portfolio is managed by company employees.

Our underwriting operations provide our investment operations with steady inflows of premiums. These funds are invested predominantly in high-quality government and municipal bonds and mortgage-backed securities that generally match the duration and currency of our loss reserves. We typically hold these investments until maturity. As a result, unrealized holding gains and losses on these securities are generally expected to reverse as the securities mature. Premiums collected through our underwriting operations may also be held as short-term investments or cash and cash equivalents to provide short-term liquidity for projected claims payments, reinsurance costs and operating expenses.

Our investments in equity securities are predominantly held within our regulated insurance subsidiaries to support capital requirements. Capital held by our insurance subsidiaries beyond that which we anticipate will be needed to cover claims payments and operating expenses is available to be invested in equity securities, along with additional capital allocated for investment purposes by Markel Group. We allocate a higher percentage of capital to equity securities than most other insurance companies. Over the long run, equity securities have produced higher returns relative to fixed maturity securities and short-term investments. When purchasing equity securities, we seek to invest in profitable companies with high returns on capital and low debt, with honest and talented management and significant reinvestment opportunities and capital discipline, all while paying reasonable prices for those securities. We intend to hold these equity investments over the long-term.

Markel Ventures

Through our wholly owned subsidiary, Markel Ventures, Inc. (Markel Ventures), we own controlling interests in high-quality businesses that operate in a variety of different industries with shared values and the shared goal of positively contributing to the long-term financial performance of Markel Group. Management teams for each business operate autonomously and are responsible for developing strategic initiatives, managing day-to-day operations and making investment and capital allocation decisions for their respective companies. Our Markel Ventures management team is responsible for decisions regarding allocation of capital for acquisitions and new investments. Our strategy in making these acquisitions is similar to our strategy for purchasing equity securities. We seek to invest in profitable companies, with honest and talented management, that exhibit reinvestment opportunities and capital discipline, at reasonable prices. We intend to own the businesses acquired for a long period of time.

We allocate resources to and assesses the performance of these various businesses in the aggregate as the Markel Ventures segment. The following types of businesses are included in this segment: construction services, consumer and building products, transportation-related products, equipment manufacturing products and consulting services. These businesses offer various types of products and services to businesses and consumers across many markets. All of our businesses in this segment are headquartered in the U.S., with subsidiaries of certain businesses located outside of the U.S.

Results of Operations

The following table presents the components of operating revenues.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Insurance segment	\$ 1,874,461	\$ 1,710,924
Reinsurance segment	253,339	257,234
Other insurance operations	57,918	41,774
Insurance operations	2,185,718	2,009,932
Net investment income	217,204	158,594
Net investment gains	902,281	372,563
Other	20,846	(2,380)
Investing segment	1,140,331	528,777
Markel Ventures segment	1,140,606	1,104,680
Total operating revenues	\$ 4,466,655	\$ 3,643,389

The following table presents the components of operating income and comprehensive income to shareholders.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Operating income:		
Insurance segment	\$ 107,310	\$ 96,504
Reinsurance segment	12,010	24,234
Other insurance operations	16,505	56,602
Insurance operations	135,825	177,340
Investing segment	1,140,331	528,777
Markel Ventures segment	103,915	92,178
Amortization of acquired intangible assets	(44,285)	(44,399)
Operating income	1,335,786	753,896
Interest expense	(45,548)	(49,438)
Net foreign exchange gains (losses)	51,500	(32,928)
Income tax expense	(292,556)	(133,731)
Net income attributable to noncontrolling interests	(23,998)	(49,147)
Net income to shareholders	1,025,184	488,652
Net income to common shareholders	1,025,184	488,652
Other comprehensive income (loss) to shareholders	(116,799)	157,713
Comprehensive income to shareholders	\$ 908,385	\$ 646,365

The increase in operating income and comprehensive income to shareholders for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 was primarily due to pre-tax net investment gains on our equity securities of \$906.8 million in 2024 compared to \$375.8 million in 2023.

The components of comprehensive income to shareholders are discussed in further detail under "Insurance Results," "Investing Results," "Markel Ventures Results," "Other" and "Comprehensive Income to Shareholders."

Insurance Results

Our Insurance engine includes our underwriting, program services and other fronting and insurance-linked securities (ILS) operations. Our underwriting operations, which are primarily comprised of our Insurance and Reinsurance segments, produce revenues primarily by underwriting insurance contracts and earning premiums in the specialty insurance market. Our program services and other fronting and ILS operations, which are the primary components of our other insurance operations, produce revenues primarily through fees earned for fronting services and investment management services, respectively. Our other insurance operations also include the underwriting results of run-off lines of business that were discontinued prior to, or in conjunction with, insurance acquisitions, and the results of our run-off life and annuity reinsurance business. The following table presents the components of our Insurance engine gross premium volume, operating revenues and operating income.

<i>(dollars in thousands)</i>	Three Months Ended March 31,		
	2024	2023	% Change
Gross premium volume:			
Underwriting	\$ 2,776,166	\$ 2,658,258	4 %
Program services and other fronting ⁽¹⁾	1,164,233	777,754	50 %
Insurance operations	\$ 3,940,399	\$ 3,436,012	15 %
Operating revenues:			
Insurance segment	\$ 1,874,461	\$ 1,710,924	10 %
Reinsurance segment	253,339	257,234	(2)%
Other insurance operations	57,918	41,774	39 %
Insurance operations	\$ 2,185,718	\$ 2,009,932	9 %
Operating income:			
Insurance segment	\$ 107,310	\$ 96,504	11 %
Reinsurance segment	12,010	24,234	(50)%
Other insurance operations	16,505	56,602	(71)%
Insurance operations	\$ 135,825	\$ 177,340	(23)%

⁽¹⁾ Substantially all gross premiums from our program services and other fronting operations were ceded to third parties for the three months ended March 31, 2024 and 2023.

Underwriting Results

Underwriting profits are a key component of our strategy to build shareholder value. We believe that the ability to achieve consistent underwriting profits demonstrates knowledge and expertise, commitment to superior customer service and the ability to manage insurance risk. The property and casualty insurance industry commonly defines underwriting profit or loss as earned premiums net of losses and loss adjustment expenses and underwriting, acquisition and insurance expenses. We use underwriting profit or loss and the combined ratio as a basis for evaluating our underwriting performance. The U.S. GAAP combined ratio is a measure of underwriting performance and represents the relationship of incurred losses, loss adjustment expenses and underwriting, acquisition and insurance expenses to earned premiums. The combined ratio is the sum of the loss ratio and the expense ratio. The loss ratio represents the relationship of incurred losses and loss adjustment expenses to earned premiums. The expense ratio represents the relationship of underwriting, acquisition and insurance expenses to earned premiums. A combined ratio less than 100% indicates an underwriting profit, while a combined ratio greater than 100% reflects an underwriting loss.

In addition to the U.S. GAAP combined ratio, loss ratio and expense ratio, we also evaluate our underwriting performance using measures that exclude the impacts of certain items, such as catastrophes and other significant, infrequent loss events, on these ratios. During the three months ended March 31, 2024 and 2023, our results were not materially impacted by any such events. When analyzing our loss ratio, we evaluate losses and loss adjustment expenses attributable to the current accident year separate from losses and loss adjustment expenses attributable to prior accident years. Prior accident year reserve development, which can either be favorable or unfavorable, represents changes in our estimates of losses and loss adjustment expenses related to loss events that occurred in prior years. We believe a discussion of current accident year loss ratios, which exclude prior accident year reserve development, is helpful since it provides more insight into estimates of current underwriting performance and excludes changes in estimates related to prior year loss reserves.

The following table presents summary data for our consolidated underwriting operations, which are comprised predominantly of our Insurance and Reinsurance segments. Our consolidated underwriting results also include results from discontinued lines of business and the retained portion of our program services and other fronting operations.

<i>(dollars in thousands)</i>	Three Months Ended March 31,		
	2024	2023	% Change
Gross premium volume	\$ 2,775,993	\$ 2,657,807	4 %
Net written premiums	\$ 2,232,037	\$ 2,217,778	1 %
Earned premiums	\$ 2,127,627	\$ 1,967,704	8 %
Underwriting profit	\$ 101,128	\$ 118,985	(15)%
Underwriting Ratios ⁽¹⁾			
			Point Change
Loss ratio			
Current accident year loss ratio	64.1 %	63.2 %	0.9
Prior accident years loss ratio	(3.6)%	(3.6)%	—
Loss ratio	60.5 %	59.6 %	0.9
Expense ratio	34.7 %	34.3 %	0.4
Combined ratio	95.2 %	94.0 %	1.2

(1) Amounts may not reconcile due to rounding.

Premiums

The increase in gross premium volume in our underwriting operations for the three months ended March 31, 2024 was driven by targeted growth within our Insurance segment. Net retention of gross premium volume in our underwriting operations was 80% for the three months ended March 31, 2024 compared to 83% for the same period of 2023. The decrease in net retention for the three months ended March 31, 2024 was driven by lower retention across both of our underwriting segments. Within our underwriting operations, we purchase reinsurance and retrocessional reinsurance to manage our net retention on individual risks and overall exposure to losses and to enable us to write policies with sufficient limits to meet policyholder needs. The increase in earned premiums in our underwriting operations for the three months ended March 31, 2024 was primarily attributable to higher gross premium volume within our Insurance segment in recent periods.

In the first quarter of 2024, we continued to achieve modest rate increases across our diversified product portfolio. Similar to 2023, the primary exceptions where we are seeing modest rate decreases are within our workers' compensation, public directors and officers and cyber portfolios, which is consistent with the broader market trends in these product classes. We examine each of our product classes regularly by evaluating pricing and exposure, underwriting terms and conditions, deal structure, including limits and attachment points, and our expectations around loss cost trends, among other things. We target premium growth only in product lines where we are confident in the levels of rate adequacy.

We continued to achieve significant, but moderating, levels of rate increases within our personal lines, property and select marine and energy product lines, and they continue to produce profitable underwriting results. As a result, we are increasing our premium writings in these lines. Additionally, we achieved notable rate increases within many of our general liability product lines, and these rate increases are generally in line with, or better than, our assumptions on loss cost trends. We are being cautious in selecting which risks to pursue and are being intentional around pricing requirements, as well as rate adequacy and portfolio management considerations, as we rebalance our general liability portfolio and focus on growth in areas of the portfolio that we project will meet our profitability requirements.

Within our insurance and reinsurance professional liability product lines, overall, we saw modest rate decreases driven by the continued rate decreases within our public directors and officers product line. Within this product line, we are contracting our new premium writings when we believe rates are inadequate and are also allowing business to lapse. In other professional liability product lines, particularly within our international portfolio and our U.S. commercial book, we are generally seeing downward pressure on rates persist in 2024; however, these pockets of the portfolio have performed well overall, and we are continuing to pursue growth opportunities where we find the business to be adequately priced. During the first quarter of 2024, we discontinued writing our risk-managed architects and engineers and intellectual property collateral protection product lines within our professional liability portfolio due to these products being unable to meet our profitability targets.

Combined Ratio

For the three months ended March 31, 2024, the increase in our consolidated combined ratio compared to the same period of 2023 was primarily attributable to a higher attritional loss ratio within our Insurance segment.

Insurance Segment

(dollars in thousands)	Three Months Ended March 31,		
	2024	2023	% Change
Gross premium volume	\$ 2,208,587	\$ 2,097,938	5 %
Net written premiums	\$ 1,754,729	\$ 1,702,141	3 %
Earned premiums	\$ 1,874,461	\$ 1,710,924	10 %
Underwriting profit	\$ 107,310	\$ 96,504	11 %
Underwriting Ratios ⁽¹⁾			
			Point Change
Loss ratio			
Current accident year loss ratio	64.1 %	63.0 %	1.1
Prior accident years loss ratio	(5.2)%	(3.7)%	(1.5)
Loss ratio	58.9 %	59.3 %	(0.4)
Expense ratio	35.4 %	35.0 %	0.4
Combined ratio	94.3 %	94.4 %	(0.1)

(1) Amounts may not reconcile due to rounding.

Premiums

The increase in gross premium volume in our Insurance segment for the three months ended March 31, 2024 was driven by new business growth and more favorable rates within our personal lines and programs product lines, as well as increases on most classes of our international portfolio, partially offset by lower premium volume within select lines of our U.S. professional liability and general liability product lines. We have decreased writings within our risk-managed directors and officers professional liability product and our brokerage contractors, brokerage excess and umbrella and risk-managed excess casualty general liability products in response to underwriting actions aimed at achieving greater profitability within these product lines.

Net retention of gross premium volume was 79% for the three months ended March 31, 2024 compared to 81% for the same period of 2023. The decrease in net retention for the three months ended March 31, 2024 was driven by higher cessions on our professional liability product lines in 2024 compared to 2023.

The increase in earned premiums for the three months ended March 31, 2024 was primarily due to higher gross premium volume across most product lines in recent periods.

Combined Ratio

The increase in the Insurance segment's current accident year loss ratio for the three months ended March 31, 2024 compared to the same period of 2023 was primarily attributable to higher attritional loss ratios within our U.S. general liability and professional liability product lines. We have increased our attritional loss ratios on certain product classes within our general liability and professional liability product lines in response to unfavorable loss development trends in recent periods on these long-tail lines of business and uncertainty around future loss cost trends.

The Insurance segment's combined ratio for the three months ended March 31, 2024 included \$97.2 million of favorable development on prior accident years loss reserves compared to \$62.6 million for the same period of 2023. The increase in favorable development was primarily attributable to favorable development on our general liability and professional liability product lines in 2024 compared to minimal development on these lines in 2023. For the three months ended March 31, 2024, favorable development was most significant on more recent accident years within our international professional liability and marine and energy product lines, as well as on our general liability product lines. Despite net favorable development on these long-tail lines, we continue to approach reductions of prior year loss reserves on our longer tail U.S. professional liability and general liability product lines with caution given recent claims trend. The favorable development on prior years loss reserves in 2023 was most significant on our marine and energy, property, workers' compensation and programs product lines.

The modest increase in the Insurance segment's expense ratio for the three months ended March 31, 2024 compared to the same period of 2023 was primarily attributable to higher personnel costs, professional fees and other general and administrative expenses, which were largely offset by a lower policy acquisition cost ratio and the favorable impact of higher earned premiums.

Reinsurance Segment

<i>(dollars in thousands)</i>	Three Months Ended March 31,		
	2024	2023	% Change
Gross premium volume	\$ 553,245	\$ 552,061	0 %
Net written premiums	\$ 477,481	\$ 516,091	(7)%
Earned premiums	\$ 253,339	\$ 257,234	(2)%
Underwriting profit	\$ 12,010	\$ 24,234	(50)%
Underwriting Ratios ⁽¹⁾			Point Change
Loss ratio			
Current accident year loss ratio	64.4 %	64.8 %	(0.4)
Prior accident years loss ratio	1.3 %	(3.4)%	4.7
Loss ratio	65.8 %	61.5 %	4.3
Expense ratio	29.5 %	29.1 %	0.4
Combined ratio	95.3 %	90.6 %	4.7

⁽¹⁾ Amounts may not reconcile due to rounding.

Premiums

For the three months ended March 31, 2024 and 2023, gross premium volume in the Reinsurance segment was consistent. Higher gross premiums within our marine and energy, general liability and credit and surety product lines were offset by a significant decline in gross premiums within our professional liability product lines. Higher gross premiums within our marine and energy and general liability product lines were primarily due to increases on renewals, due to increased participation and exposures, as well as new business. Higher gross premiums within our credit and surety product lines were primarily driven by favorable timing differences on multi-year contracts. Lower gross premiums within our professional liability product lines were primarily due to the non-renewal of certain significant contracts and unfavorable timing differences. The non-renewals within our professional liability product lines were the result of our continued focus on rate adequacy and only writing business that meets our underwriting profit targets. The unfavorable timing differences within our professional liability product lines were the result of two large contracts written in the first quarter of 2023 that we expect to renew in the second quarter of 2024. Significant variability in gross premium volume can be expected in our Reinsurance segment due to individually significant contracts and multi-year contracts.

Net retention of gross premium volume for the three months ended March 31, 2024 was 86% compared to 93% for the same period of 2023. The decrease in net retention for the three months ended March 31, 2024 was driven by changes in mix of gross premium volume, as our professional liability business is fully retained and our marine and energy business carries a higher cession rate than the rest of the segment.

The decrease in earned premiums for the three months ended March 31, 2024 was primarily due to lower gross premium volume within our professional liability product lines, partially offset by higher gross premium volume within our general liability product lines in recent periods.

Combined Ratio

The Reinsurance segment's combined ratio for the three months ended March 31, 2024 included a \$3.4 million increase in prior accident years loss reserves, which was primarily attributable to additional exposures recognized on prior accident years related to net favorable premium adjustments on our general liability and professional liability product lines. For the three months ended March 31, 2023, the combined ratio included \$8.7 million of favorable development on prior accident years loss reserves, which was primarily attributable to modest favorable development on our professional liability and property product lines across several accident years. This favorable development in the first quarter of 2023 was partially offset by additional exposures recognized on prior accident years related to net favorable premium adjustments on our general liability product lines.

Other Insurance Operations

The following table presents the components of operating revenues and operating income attributable to our other insurance operations, which are not included in a reportable segment. We do not allocate amortization of acquired intangible assets to our operating segments, including our other insurance operations.

	Three Months Ended March 31,			
	2024		2023	
	Operating revenues	Operating income (loss)	Operating revenues	Operating income (loss)
<i>(dollars in thousands)</i>				
Program services and other fronting	\$ 36,193	\$ 28,554	\$ 29,190	\$ 21,903
Insurance-linked securities	19,240	(5,604)	9,778	(4,623)
Life and annuity ⁽¹⁾	(8)	(3,162)	25	(3,181)
Markel CATCo Re ⁽²⁾	—	15,681	—	44,792
Other	2,666	(772)	3,235	(536)
	58,091	34,697	42,228	58,355
Underwriting ⁽³⁾	(173)	(18,192)	(454)	(1,753)
Other insurance operations	\$ 57,918	\$ 16,505	\$ 41,774	\$ 56,602

(1) Investment income earned on the investments that support life and annuity policy benefit reserves is included in our Investing segment.

(2) Results attributable to Markel CATCo Re for both periods were entirely attributable to noncontrolling interest holders in Markel CATCo Re. See note 10.

(3) Underwriting results attributable to our other insurance operations include results from discontinued lines of business and the retained portion of our program services and other fronting operations.

Program Services and Other Fronting

The increase in operating revenues and operating income within our program services and other fronting operations for the three months ended March 31, 2024 was due to higher gross premium volume in 2024 compared to the same period of 2023. The following table summarizes gross premium volume in our program services and other fronting operations.

	Three Months Ended March 31,		
	2024	2023	% Change
<i>(dollars in thousands)</i>			
Program services	\$ 855,404	\$ 619,350	38 %
Other fronting	\$ 308,829	\$ 158,404	95 %

The increase in gross premium volume within our program services operations for the three months ended March 31, 2024 was primarily attributable to expansion of existing programs and growth from new programs. The increase in gross premium volume in our other fronting operations for the three months ended March 31, 2024 was driven by growth of our property catastrophe and specialty programs with the Nephila Reinsurers.

Insurance-Linked Securities

The increase in operating revenues in our Nephila insurance-linked securities operations for the three months ended March 31, 2024 was primarily due to changes in the mix of investment products within the funds. Nephila's net assets under management were \$6.8 billion as of March 31, 2024.

Underwriting

For the three months ended March 31, 2024, the underwriting operating loss in our other insurance operations was primarily attributable to loss adjustment expenses related to asbestos and environmental exposures. Development on asbestos and environmental loss reserves is monitored separately from our ongoing underwriting operations and is not included in the Insurance or Reinsurance segments.

Investing Results

We measure our investment performance by analyzing net investment income, which reflects the recurring interest and dividend earnings on our investment portfolio. We also analyze net investment gains, which include unrealized gains and losses on our equity portfolio. Based on the potential for volatility in the financial markets, we understand that the level of gains or losses may vary from one period to the next, and therefore believe that our investment performance is best analyzed over longer periods of time. As of March 31, 2024, the fair value of our equity portfolio included cumulative unrealized gains of \$7.0 billion.

The following table summarizes our consolidated investment performance, which consists predominantly of the results of our Investing segment. Net investment gains or losses in any given period are typically attributable to changes in the fair value of our equity portfolio due to market value movements. The change in net unrealized losses on available-for-sale investments in any given period is typically attributable to changes in the fair value of our fixed maturity portfolio due to changes in interest rates during the period. As of March 31, 2024, 98% of our fixed maturity portfolio was rated "AA" or better.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Net investment income	\$ 218,269	\$ 159,335
Yield on fixed maturity securities ⁽¹⁾	3.2 %	2.5 %
Yield on short-term investments ⁽¹⁾	5.0 %	4.0 %
Yield on cash and cash equivalents and restricted cash and cash equivalents ⁽¹⁾	3.5 %	2.0 %
Net realized investment losses	\$ (4,488)	\$ (3,221)
Change in fair value of equity securities	906,769	375,784
Net investment gains	\$ 902,281	\$ 372,563
Return on equity securities ⁽²⁾	9.8 %	5.2 %
Other ⁽³⁾	\$ 20,846	\$ (2,380)
Change in net unrealized losses on available-for-sale investments	\$ (155,769)	\$ 208,369

⁽¹⁾ Yields reflect the applicable annualized interest income as a percentage of the applicable monthly average invested assets at amortized cost.

⁽²⁾ Return on equity securities is calculated by dividing dividends and the change in fair value of equity securities by the monthly average equity securities at fair value and considers the timing of net purchases and sales.

⁽³⁾ Other income or losses within our investing operations primarily relate to equity method investments in our investing segment, which are managed separately from the rest of our investment portfolio.

For the three months ended March 31, 2024, net investment income increased 37%, primarily driven by higher interest income on fixed maturity securities due to a higher yield and higher average holdings of fixed maturity securities in 2024 compared to 2023. During 2024, we have continued to allocate cash and short-term investments to fixed maturity securities to take advantage of high interest rates and to support our growing underwriting business. Additionally, interest income on our cash equivalents and short-term investments increased due to higher short-term interest rates and a higher portion of our cash being invested in money market funds during the three months ended March 31, 2024 compared to the same period of 2023. See note 3(d) of the notes to consolidated financial statements for details regarding the components of net investment income.

Markel Ventures Results

We measure the operating performance of our Markel Ventures segment by its operating income, as well as earnings before interest, income taxes, depreciation and amortization (EBITDA). We consolidate the results of our Markel Ventures subsidiaries on a one-month lag, with the exception of significant transactions or events that occur during the intervening period. The following table summarizes the results from our Markel Ventures segment.

<i>(dollars in thousands)</i>	Three Months Ended March 31,		
	2024	2023	% Change
Operating revenues	\$ 1,140,606	\$ 1,104,680	3 %
Segment operating income	\$ 103,915	\$ 92,178	13 %
EBITDA	\$ 133,645	\$ 119,541	12 %

The increase in operating revenues for the three months ended March 31, 2024 compared to the same period of 2023 was driven by moderately higher revenues at our consumer and building products businesses, construction services businesses and transportation-related businesses, due to a combination of increased demand and higher prices. These increases in operating revenues were partially offset by the impact of delayed shipments at one of our equipment manufacturing businesses and decreased demand at one of our construction services businesses.

The increases in segment operating income and EBITDA for the three months ended March 31, 2024 compared to the same period of 2023 were driven by the impact of higher operating margins at our consumer and building products businesses as a result of declines in the cost of materials, freight and labor, as well as higher revenues. These increases were partially offset by the impact of lower revenues and operating margins at one of our construction services businesses due to decreased demand.

Markel Ventures segment EBITDA is a non-GAAP financial measure. We use Markel Ventures segment EBITDA as an operating performance measure in conjunction with our segment performance metric, segment operating income, to monitor and evaluate the performance of our Markel Ventures segment. Because EBITDA excludes interest, income taxes, depreciation and amortization, it provides an indicator of economic performance that is useful to both management and investors in evaluating our Markel Ventures businesses as it is not affected by levels of debt, interest rates, effective tax rates or levels of depreciation or amortization resulting from purchase accounting. The following table reconciles Markel Ventures segment operating income to EBITDA.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Markel Ventures segment operating income	\$ 103,915	\$ 92,178
Depreciation expense	29,730	27,363
Markel Ventures segment EBITDA	\$ 133,645	\$ 119,541

Other

The following table presents the components of consolidated net income that are not allocated to our operating segments.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Amortization of acquired intangible assets	\$ 44,285	\$ 44,399
Interest expense	\$ 45,548	\$ 49,438
Net foreign exchange (gains) losses	\$ (51,500)	\$ 32,928
Income tax expense	\$ 292,556	\$ 133,731
Effective tax rate	22 %	20 %

Interest Expense

The decrease in interest expense for the three months ended March 31, 2024 was attributable to the impact of the retirement of our 3.625% unsecured senior notes in March 2023 and lower debt held by our Markel Ventures subsidiaries.

Net Foreign Exchange Gains (Losses)

Net foreign exchange gains (losses) are primarily due to the remeasurement of our foreign currency denominated insurance loss reserves to the U.S. Dollar. The predominant foreign currencies within our insurance operations are the British Pound and the Euro. The U.S. Dollar strengthened against the Euro and British Pound during the first quarter of 2024, while it weakened against the British Pound and Euro during the first quarter of 2023. Pre-tax net foreign exchange gains and losses attributed to changes in exchange rates on available-for-sale securities supporting our insurance reserves, which are included in the changes in net unrealized losses on available-for-sale investments in other comprehensive income (loss), were losses of \$42.4 million and gains of \$33.9 million for the three months ended March 31, 2024 and 2023, respectively.

Income Taxes

The increase in the effective tax rate for the three months ended March 31, 2024 compared to the same period of 2023 was due to higher state taxes and a decrease in Markel CATCo Re income not subject to tax in 2024 compared to 2023.

Comprehensive Income to Shareholders

The following table summarizes the components of comprehensive income to shareholders.

<i>(dollars in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Net income to shareholders	\$ 1,025,184	\$ 488,652
Other comprehensive income (loss):		
Change in net unrealized losses on available-for-sale investments, net of taxes	(122,702)	164,200
Change in discount rate for life and annuity benefits, net of taxes	6,418	(9,052)
Other, net of taxes	(455)	2,597
Other comprehensive income attributable to noncontrolling interest	(60)	(32)
Other comprehensive income (loss) to shareholders	(116,799)	157,713
Comprehensive income to shareholders	\$ 908,385	\$ 646,365

Financial Condition

Liquidity and Capital Resources

We seek to maintain prudent levels of liquidity and financial leverage for the benefit and protection of our policyholders, creditors and shareholders. Our consolidated debt to capital ratio was 20% at March 31, 2024 and December 31, 2023, which is within the range of our target capital structure.

Investments, cash and cash equivalents and restricted cash and cash equivalents (invested assets) were \$32.0 billion and \$30.9 billion at March 31, 2024 and December 31, 2023, respectively. The following table presents the composition of our invested assets.

	March 31, 2024	December 31, 2023
Fixed maturity securities	45 %	47 %
Equity securities	33 %	31 %
Short-term investments, cash and cash equivalents and restricted cash and cash equivalents	22 %	22 %
Total	100 %	100 %

Our holding company had \$3.6 billion and \$3.5 billion of invested assets at March 31, 2024 and December 31, 2023, respectively. The increase was primarily due to an increase in the fair value of equity securities held by our holding company, largely offset by cash used to repurchase shares of our common stock. The following table presents the composition of our holding company's invested assets.

	March 31, 2024	December 31, 2023
Fixed maturity securities	4 %	4 %
Equity securities	54 %	49 %
Short-term investments, cash and cash equivalents and restricted cash and cash equivalents	42 %	47 %
Total	100 %	100 %

We have a share repurchase program, authorized by our Board of Directors, that provides for the repurchase of up to \$750 million of common stock. As of March 31, 2024, \$553.5 million remained available for repurchases under the program. This share repurchase program has no expiration date but may be terminated by the Board of Directors at any time.

We may from time to time seek to prepay, retire or repurchase our outstanding senior notes or preferred shares, through open market purchases, privately negotiated transactions or otherwise. Those prepayments, retirements or repurchases, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

We have access to various capital sources, including dividends from our subsidiaries, holding company invested assets, undrawn capacity under our revolving credit facility and access to the debt and equity capital markets. We believe we have, or have access to, adequate liquidity to meet our capital and operating needs, including that which may be required to support the operating needs of our subsidiaries. However, the availability of these sources of capital and the availability and terms of future financings will depend on a variety of factors.

Cash Flows

Net cash provided by operating activities was \$630.7 million for the three months ended March 31, 2024 compared to \$284.2 million for the same period of 2023. The increase in net cash flows from operating activities for the three months ended March 31, 2024 compared to the same period in 2023 was due in part to higher net premium collections. Additionally, during the three months ended March 31, 2023, a payment of \$125.1 million was made to complete a retroactive reinsurance transaction to cede our portfolio of policies comprised of liabilities related to our run-off book of U.K. motor casualty business.

Net cash used by investing activities was \$564.2 million for the three months ended March 31, 2024 compared to \$108.5 million for the same period of 2023. During the three months ended March 31, 2024, net cash used by investing activities included net purchases of fixed maturity securities, equity securities and short-term investments of \$333.2 million, \$86.2 million and \$21.4 million, respectively. During the three months ended March 31, 2023, net cash used by investing activities included net purchases of fixed maturity securities and equity securities of \$214.7 million and \$65.1 million, respectively, and net sales of short-term investments of \$210.2 million. Cash flows from investing activities is affected by various factors such as anticipated payment of claims, financing activity, acquisition opportunities and individual buy and sell decisions made in the normal course of our investment portfolio management.

Net cash used by financing activities was \$102.7 million for the three months ended March 31, 2024 compared to \$412.2 million for the same period of 2023. Cash of \$160.9 million and \$82.0 million was used to repurchase shares of our common stock during the first three months of 2024 and 2023, respectively. During the three months ended March 31, 2023, net cash used by financing activities included \$250.0 million to retire our 3.625% unsecured senior notes due March 30, 2023. Additionally, financing activities during the three months ended March 31, 2024 and 2023 reflected borrowings and repayments of debt at certain our Market Ventures businesses, primarily on revolving lines of credit.

Critical Accounting Estimates

Critical accounting estimates are those estimates that both are important to the portrayal of our financial condition and results of operations and require us to exercise significant judgment. The preparation of financial statements in accordance with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of material contingent assets and liabilities. These estimates, by necessity, are based on assumptions about numerous factors.

Our critical accounting estimates consist of estimates and assumptions used in determining the reserves for unpaid losses and loss adjustment expenses as well as estimates and assumptions used in the valuation of goodwill and intangible assets. We review the adequacy of reserves for unpaid losses and loss adjustment expenses quarterly. Estimates and assumptions for goodwill and intangible assets are reviewed in conjunction with acquisitions and impairment assessments. Goodwill and indefinite-lived intangible assets are reassessed for impairment at least annually. All intangible assets, including goodwill, are also reviewed for impairment when events or circumstances indicate that their carrying value may not be recoverable. Actual results may differ materially from the estimates and assumptions used in preparing the consolidated financial statements.

Readers are urged to review our 2023 Annual Report on Form 10-K for a more complete description of our critical accounting estimates.

Safe Harbor and Cautionary Statement

This report contains statements concerning or incorporating our expectations, assumptions, plans, objectives, future financial or operating performance and other statements that are not historical facts. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may use words such as "anticipate," "believe," "estimate," "expect," "intend," "predict," "project" and similar expressions as they relate to us or our management.

There are risks and uncertainties that may cause actual results to differ materially from predicted results in forward-looking statements. Factors that may cause actual results to differ are often presented with the forward-looking statements themselves. Additional factors that could cause actual results to differ from those predicted are set forth under "Business," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk" in our 2023 Annual Report on Form 10-K or under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk" in this report, or are included in the items listed below:

- the effect of cyclical trends or changes in market conditions on our Insurance, Investments and Market Ventures operations, including demand and pricing in the insurance, reinsurance and other markets in which we operate;
- actions by competitors, including the use of technology and innovation to simplify the customer experience, increase efficiencies, redesign products, alter models and effect other potentially disruptive changes in the insurance industry, and the effect of competition on market trends and pricing;
- our efforts to develop new products, expand in targeted markets or improve business processes and workflows may not be successful and may increase or create new risks (e.g., insufficient demand, change to risk exposures, distribution channel conflicts, execution risk, regulatory risk, increased expenditures);
- the frequency and severity of man-made, health-related and natural catastrophes may exceed expectations, are unpredictable and, in the case of some natural catastrophes, may be exacerbated by changing conditions in the climate, oceans and atmosphere, resulting in increased frequency and/or severity of extreme weather-related events;
- we offer insurance and reinsurance coverage against terrorist acts in connection with some of our programs, and in other instances we are legally required to offer terrorism insurance; in both circumstances, we actively manage our exposure, but if there is a covered terrorist attack, we could sustain material losses;
- emerging claim and coverage issues, changing industry practices and evolving legal, judicial, social and other claims and coverage trends or conditions, can increase the scope of coverage, the frequency and severity of claims and the period over which claims may be reported; these factors, as well as uncertainties in the loss estimation process, can adversely impact the adequacy of our loss reserves and our allowance for reinsurance recoverables;
- reinsurance reserves are subject to greater uncertainty than insurance reserves, primarily because of reliance upon the original underwriting decisions made by ceding companies and the longer lapse of time from the occurrence of loss events to their reporting to the reinsurer for ultimate resolution;
- inaccuracies (whether due to data error, human error or otherwise) in the various modeling techniques and data analytics (e.g., scenarios, predictive and stochastic modeling, and forecasting) we use to analyze and estimate exposures, loss trends and other risks associated with our insurance and insurance-linked securities businesses could cause us to misprice our products or fail to appropriately estimate the risks to which we are exposed;
- changes in the assumptions and estimates used in establishing reserves for our life and annuity reinsurance book (which is in runoff), for example, changes in assumptions and estimates of mortality, longevity, morbidity and interest rates, could result in material changes in our estimated loss reserves for that business;
- adverse developments in insurance coverage litigation or other legal or administrative proceedings could result in material increases in our estimates of loss reserves;
- initial estimates for catastrophe losses and other significant, infrequent events are often based on limited information, are dependent on broad assumptions about the nature and extent of losses, coverage, liability and reinsurance, and those losses may ultimately differ materially from our expectations;
- changes in the availability, costs, quality and providers of reinsurance coverage, which may impact our ability to write, or continue to write, certain lines of business or to mitigate the volatility of losses on our results of operations and financial condition;
- the ability or willingness of reinsurers to pay balances due may be adversely affected by industry and economic conditions, deterioration in reinsurer credit quality and coverage disputes, and collateral we hold, if any, may not be sufficient to cover a reinsurer's obligation to us;
- after the commutation of ceded reinsurance contracts, any subsequent adverse development in the re-assumed loss reserves will result in a charge to earnings;
- regulatory actions can impede our ability to charge adequate rates and efficiently allocate capital;
- general economic and market conditions and industry specific conditions, including: extended economic recessions or expansions; prolonged periods of slow economic growth; inflation or deflation; fluctuations in foreign currency exchange rates, commodity and energy prices and interest rates; volatility in the credit and capital markets; and other factors;
- economic conditions, actual or potential defaults in corporate bonds, municipal bonds, mortgage-backed securities or sovereign debt obligations, volatility in interest and foreign currency exchange rates, changes in U.S. government debt ratings and changes in market value of concentrated investments can have a significant impact on the fair value of our fixed maturity securities and equity securities, as well as the carrying value of our other assets and liabilities, and this impact may be heightened by market volatility and our ability to mitigate our sensitivity to these changing conditions;

- economic conditions may adversely affect our access to capital and credit markets;
- the effects of government intervention, including material changes in the monetary policies of central banks, to address financial downturns, inflation and other economic and currency concerns;
- the impacts that political and civil unrest and regional conflicts may have on our businesses and the markets they serve or that any disruptions in regional or worldwide economic conditions generally arising from these situations may have on our businesses, industries or investments;
- the impacts of liability, transition and physical risks associated with climate change;
- the significant volatility, uncertainty and disruption caused by health epidemics and pandemics, as well as governmental, legislative, judicial or regulatory actions or developments in response thereto;
- changes in U.S. tax laws, regulations or interpretations, or in the tax laws, regulations or interpretations of other jurisdictions in which we operate, and adjustments we may make in our operations or tax strategies in response to those changes;
- a failure or security breach of, or cyberattack on, enterprise information technology systems that we, or third parties who perform certain functions for us, use or a failure to comply with data protection or privacy regulations;
- third-party providers may perform poorly, breach their obligations to us or expose us to enhanced risks;
- our acquisitions may increase our operational and internal control risks for a period of time;
- we may not realize the contemplated benefits, including cost savings and synergies, of our acquisitions;
- any determination requiring the write-off of a significant portion of our goodwill and intangible assets;
- the failure or inadequacy of any methods we employ to manage our loss exposures;
- the loss of services of any senior executive or other key personnel, or an inability to attract and retain qualified personnel, for our businesses could adversely impact one or more of our operations;
- the manner in which we manage our global operations through a network of business entities could result in inconsistent management, governance and oversight practices and make it difficult for us to implement strategic decisions and coordinate procedures;
- our substantial international operations and investments expose us to increased political, civil, operational and economic risks, including foreign currency exchange rate and credit risk;
- our ability to obtain additional capital for our operations on terms favorable to us;
- the compliance, or failure to comply, with covenants and other requirements under our credit facilities, senior debt and other indebtedness and our preferred shares;
- our ability to maintain or raise third-party capital for existing or new investment vehicles and risks related to our management of third-party capital;
- the effectiveness of our procedures for compliance with existing and future guidelines, policies and legal and regulatory standards, rules, laws and regulations;
- the impact of economic and trade sanctions and embargo programs on our businesses, including instances in which the requirements and limitations applicable to the global operations of U.S. companies and their affiliates are more restrictive than, or conflict with, those applicable to non-U.S. companies and their affiliates;
- regulatory changes, or challenges by regulators, regarding the use of certain issuing carrier or fronting arrangements;
- our dependence on a limited number of brokers for a large portion of our revenues and third-party capital;
- adverse changes in our assigned financial strength, debt or preferred share ratings or outlook could adversely impact us, including our ability to attract and retain business, the amount of capital our insurance subsidiaries must hold and the availability and cost of capital;
- changes in the amount of statutory capital our insurance subsidiaries are required to hold, which can vary significantly and is based on many factors, some of which are outside our control;
- losses from litigation and regulatory investigations and actions; and

- a number of additional factors may adversely affect our Markel Ventures businesses, and the markets they serve, and negatively impact their revenues and profitability, including, among others: adverse weather conditions, plant disease and other contaminants; changes in government support for education, healthcare and infrastructure projects; changes in capital spending levels; changes in the housing, commercial and industrial construction markets; liability for environmental matters; supply chain and shipping issues, including increases in freight costs; volatility in the market prices for their products; and volatility in commodity, wholesale and raw materials prices and interest and foreign currency exchange rates.

Results from our Insurance, Investments and Markel Ventures operations have been and will continue to be potentially materially affected by these factors.

By making forward-looking statements, we do not intend to become obligated to publicly update or revise any such statements whether as a result of new information, future events or other changes. Readers are cautioned not to place undue reliance on any forward-looking statements, which are based on our current knowledge and speak only as at their dates.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of economic losses due to adverse changes in the estimated fair value of a financial instrument as the result of changes in equity prices, interest rates, foreign currency exchange rates and commodity prices. Our consolidated balance sheets include assets and liabilities with estimated fair values that are subject to market risk. Our primary market risks are equity price risk associated with investments in equity securities, interest rate risk associated with investments in fixed maturity securities and foreign currency exchange rate risk associated with our international operations. During the three months ended March 31, 2024, there were no material changes in our market risk exposures from those described in our 2023 Annual Report on Form 10-K.

Credit Risk

Credit risk, which is not considered a market risk, is the risk that an entity becomes unable or unwilling to fulfill their obligations to us. Our primary credit risks are the credit risk within our fixed maturity portfolio and the credit risk related to our reinsurance recoverables within our underwriting, program services and other fronting operations. During the three months ended March 31, 2024, there were no material changes in our credit risk exposures from those described in our 2023 Annual Report on Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this quarterly report, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (Disclosure Controls), as defined under Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (Exchange Act). This evaluation was conducted under the supervision and with the participation of our management, including the Principal Executive Officer (PEO) and the Principal Financial Officer (PFO).

Based upon this evaluation, the PEO and PFO concluded that effective Disclosure Controls were in place to ensure that the information required to be disclosed in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

Changes in Internal Control over Financial Reporting

During the first quarter of 2024, we implemented a new instance of our enterprise resource planning system that included certain structural changes in our ledger design. The new instance allows for improved performance and functionality and provides scalability for future growth. Throughout the transition and upon implementation of the new instance, we evaluated the impact of the new instance on our internal controls over financial reporting and made updates to controls as necessary.

There were no other changes in our internal control over financial reporting during the first quarter of 2024 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Thomas Yeransian v. Markel Group Inc.

We previously reported that Thomas Yeransian, in his capacity as the representative of holders of certain contingent value rights, filed three suits against the Company:

- Thomas Yeransian v. Markel Corporation (U.S. District Court for the District of Delaware), filed September 15, 2016;
- Thomas Yeransian v. Markel Corporation (U.S. District Court for the District of Delaware), filed November 13, 2018; and
- Thomas Yeransian v. Markel Corporation (U.S. District Court for the District of Delaware), filed June 5, 2020.

The three suits were consolidated. On June 8, 2023, the court ruled in favor of the Company and against Mr. Yeransian on all counts. On July 7, 2023, Mr. Yeransian appealed the court's decision to the United States Court of Appeals for the Third Circuit. For additional information regarding these three suits, see Item 3 Legal Proceedings in our 2023 Annual Report on Form 10-K. We believe Mr. Yeransian's suits to be without merit. We further believe that any material loss resulting from the suits to be remote.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table summarizes our common share repurchases for the quarter ended March 31, 2024.

	Issuer Purchases of Equity Securities			
	(a)	(b)	(c)	(d)
Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands)
January 1, 2024 through January 31, 2024	20,970	\$ 1,439.06	20,970	\$ 682,822
February 1, 2024 through February 29, 2024	62,840	\$ 1,454.35	62,840	\$ 591,430
March 1, 2024 through March 31, 2024	25,200	\$ 1,506.95	25,200	\$ 553,455
Total	109,010	\$ 1,463.57	109,010	\$ 553,455

⁽¹⁾ The Board of Directors approved the repurchase of up to \$750 million of our common shares pursuant to a share repurchase program publicly announced in November 2023. Under our share repurchase program, we may repurchase outstanding common shares of our stock from time to time in privately negotiated or open market transactions, including under plans complying with Rule 10b5-1 and Rule 10b-18 under the Exchange Act. The share repurchase program has no expiration date but may be terminated by the Board at any time.

Item 5. Other Information

Adoption or Termination of Trading Arrangements by Directors or Officers

On February 20, 2024, Steven A. Markel, Chair of the Board and a Director of the Company, adopted a Rule 10b5-1 trading arrangement that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of up to 3,000 of the Company's common shares until February 14, 2025 (or the date on which all shares have been sold).

Item 6. Exhibits

<u>Exhibit No.</u>	<u>Document Description</u>
3.1(a)	Amended and Restated Articles of Incorporation (incorporated by reference from Exhibit 3.1 in the Registrant's report on Form 8-K filed with the Commission May 13, 2011)
3.1(b)	Articles of Amendment to the Amended and Restated Articles of Incorporation (incorporated by reference from Exhibit 3.1 in the Registrant's report on Form 8-K filed with the Commission May 27, 2020)
3.1(c)	Articles of Amendment to the Amended and Restated Articles of Incorporation (incorporated by reference from Exhibit 3.1 in the Registrant's report on Form 8-K filed with the Commission May 16, 2023)
3.2	Bylaws, as amended and restated May 26, 2023 (incorporated by reference from Exhibit 3.2 in the Registrant's report on Form 10-Q filed with the Commission August 2, 2023)
4.1(a)	Indenture dated as of June 5, 2001, between Markel Corporation and The Chase Manhattan Bank, as Trustee (incorporated by reference from Exhibit 4.1 in the Registrant's report on Form 8-K filed with the Commission June 5, 2001)
4.1(b)	Form of Third Supplemental Indenture dated as of August 13, 2004 between Markel Corporation and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.2 in the Registrant's report on Form 8-K filed with the Commission August 11, 2004)
4.1(c)	Form of Ninth Supplemental Indenture dated as of March 8, 2013 between Markel Corporation and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.3 in the Registrant's report on Form 8-K filed with the Commission March 7, 2013)
4.1(d)	Form of Tenth Supplemental Indenture dated as of April 5, 2016 between Markel Corporation and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.2 in the Registrant's report on Form 8-K filed with the Commission March 31, 2016)
4.1(e)	Eleventh Supplemental Indenture dated as of November 2, 2017 between Markel Corporation and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.2 in the Registrant's report on Form 8-K filed with the Commission November 2, 2017)
4.1(f)	Twelfth Supplemental Indenture dated as of November 2, 2017 between Markel Corporation and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.3 in the Registrant's report on Form 8-K filed with the Commission November 2, 2017)
4.1(g)	Thirteenth Supplemental Indenture, dated as of May 20, 2019, between Markel Corporation and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.2 in the Registrant's report on Form 8-K filed with the Commission May 20, 2019)
4.1(h)	Fourteenth Supplemental Indenture, dated as of September 17, 2019, between Markel Corporation and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.2 in the Registrant's report on Form 8-K filed with the Commission September 17, 2019)
4.1(i)	Fifteenth Supplemental Indenture, dated as of September 17, 2019, between Markel Corporation and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.3 in the Registrant's report on Form 8-K filed with the Commission September 17, 2019)
4.1(j)	Sixteenth Supplemental Indenture, dated as of May 7, 2021, between Markel Corporation and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as Trustee, including form of the securities as Exhibit A (incorporated by reference from Exhibit 4.2 in the Registrant's report on Form 8-K filed with the Commission May 7, 2021)

The registrant hereby agrees to furnish to the Securities and Exchange Commission, upon request, a copy of all other instruments defining the rights of holders of long-term debt of the registrant and its subsidiaries.

10.1	Amended and Restated Credit Agreement, dated as of June 23, 2023, among Markel Group Inc., Markel Bermuda Limited, Markel Global Reinsurance Company, the lenders from time to time party thereto, and Wells Fargo Bank, National Association, as the administrative agent (incorporated by reference from Exhibit 10.1 in the Registrant's report on Form 8-K filed with the Commission June 23, 2023)
10.2(a)	Form of Performance-Based Restricted Stock Unit Award Agreement (adopted 2024) for Executive Officers under the Registrant's Equity Incentive Compensation Plan* **
10.2(b)	Form of Long-Term Service Restricted Stock Unit Award Agreement (adopted 2024) for Executive Officers under the Registrant's Equity Incentive Compensation Plan* **
31.1	Certification of Principal Executive Officer Pursuant to Rule 13a-14(a)/15d-14(a)**
31.2	Certification of Principal Financial Officer Pursuant to Rule 13a-14(a)/15d-14(a)**
32.1	Certification furnished Pursuant to 18 U.S.C. Section 1350**
101	The following consolidated financial statements from Markel Group's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, filed on May 1, 2024, formatted in Inline XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Income and Comprehensive Income, (iii) Consolidated Statements of Changes in Equity, (iv) Condensed Consolidated Statements of Cash Flows and (v) Notes to Consolidated Financial Statements.**
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Indicates management contract or compensatory plan or arrangement

** Filed with this report

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, this 1st day of May 2024.

Markel Group Inc.

By: /s/ Thomas S. Gayner
Thomas S. Gayner
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Brian J. Costanzo
Brian J. Costanzo
Chief Financial Officer
(Principal Financial Officer)

MARKEL GROUP INC.

**PERFORMANCE-BASED RESTRICTED STOCK UNIT
AWARD AGREEMENT**

AWARDED TO	AWARD DATE	VESTING SCHEDULE ¹	
XXXX	XXXX	VESTING DATE	PERCENTAGE OF UNITS 100%

MARKEL GROUP INC. (the "Company") grants you ("you" or the "Participant") the opportunity to receive restricted stock units ("Units"). The number of Units you may receive will be based on performance conditions as set forth in Schedule A – Performance Conditions. Until the Vesting Date stated above, these Units are forfeitable and nontransferable, except as specifically provided in this Award Agreement. The Compensation Committee of the Company's Board of Directors (the "Committee") or its authorized delegate will administer this Agreement and its decisions will be final. Any capitalized terms not defined in this Award Agreement will have the meanings provided in the Markel Group Inc. Equity Incentive Compensation Plan in effect at the time of the grant (the "Plan").

The terms of the award are:

1. **Performance Conditions.** The performance conditions for your award are set forth in Schedule A. Your award potential is expressed as a percentage of either base salary or eligible earnings, as set forth on Schedule A. On the date the Committee certifies the completion of the Performance Criteria in Schedule A (the "Determination Date"), the Committee will also determine the dollar equivalent of your Units based on the criteria included in Schedule A. The number of Units you will receive is determined by dividing the dollar equivalent by the Fair Market Value of a share of Company Stock on the Determination Date. You will not be awarded any Units if your employment ends prior to the Determination Date.
2. **Vesting For Units.** If you remain employed through the Vesting Date, the Units will become vested and non-forfeitable. For each vested Unit, the Company will issue you a share of Company Stock.
3. **Distribution of Units.** Once issued, the shares of Company Stock will be distributed on or as soon as administratively practicable but no later than 90 days after either:
 - a. the Vesting Date, or
 - b. such later date as may be elected by you pursuant to a valid deferral election in accordance with procedures determined by the Company.
4. **Forfeiture of Units.** In general, if you separate from service before the Vesting Date, any unvested Units will be forfeited. Under the circumstances set forth below (subject to the other terms of this Award Agreement, including Section 5), Units will vest or be forfeited, in whole or part, upon separation from service before the Vesting Date as follows:
 - a. **Death or Disability.** If you separate from service due to death or Disability, then the unvested Units will become fully vested and non- forfeitable, and shares will be issued on the date on which your death or Disability occurs or as soon as administratively practicable (but in any event no later than 90 days) thereafter.
 - b. **55/5.** If you separate from service for any reason (other than due to death, Disability or termination for Cause) after turning 55 years old and, at the time of separation, you have at least 5 consecutive years of service with the Company or its Subsidiaries since your most recent hire date, then the unvested Units will become fully vested and non-forfeitable, and shares will be issued, on the date on which your separation occurs or as soon as administratively practicable (but in any event no later than 90 days) thereafter, subject to Section 5 (Specified Employee) below.
 - c. **Military Service.** If you separate from service due to military service or are absent from work due to an approved military leave, then the number of Units set forth in this Award will be vested on a pro rata basis based on a fraction of the number of whole months from January 1 of the calendar year following the calendar year in which the Award Date occurs until the date of separation/leave commencement divided by 36, and shares will be issued on the earlier of (i) the otherwise applicable Vesting Date or (ii) the date on which your separation occurs or as soon as administratively practicable (but in any event no later than 90 days) thereafter, subject to Section 5 below. Any remaining unvested Units will be forfeited as of the date of separation/leave commencement; except that a Participant who separates from service due to military service or who is absent from work due to approved military leave, and who returns to active employment with the Company upon cessation of such military service before the otherwise applicable Vesting Date will vest in any remaining unvested Units if employed on the Vesting Date.

¹If necessary or appropriate to ensure orderly administration of the Company's payroll and tax reporting obligations, the Company may accelerate vesting or distribution of restricted stock units up to a maximum of thirty days before the date on which such restricted stock units would otherwise have vested or distributed.

- d. **Involuntary Termination; Redundancy.** If you separate from service due to involuntary termination other than for Cause, then the unvested Units will become fully vested and non-forfeitable, and shares will be issued, on the date on which your separation from service occurs. In an event, the award will be issued as soon as administratively practicable after these conditions are met, but no later than 90 days thereafter, subject to Section 5 below.
- e. **Change in Control.** If you separate from service within 12 months after a Change in Control due to Involuntary Termination, then the unvested Units will become fully vested and non-forfeitable, and shares will be issued on the date on which your separation from service occurs (or as soon as administratively practicable (but in any event no later than 90 days) thereafter, subject to Section 5 below. For this purpose, Involuntary Termination means your employment is involuntarily terminated without Cause or you terminate your employment for Good Reason, in each case as defined in the Plan.

If you have elected to defer the receipt of shares for your vested Units pursuant to a valid deferral election and you separate from service (whether before or after the Vesting Date) for any reason other than death or Disability, then shares will be issued for your vested Units, including any Units which have become vested as a result of such separation, as soon as administratively practicable (but in any event no later than 90 days) after the date on which you have elected to receive the shares, notwithstanding the above.

- 5. **Six Month Delay for Specified Employees.** If you separate from service before the Vesting Date as set forth in Section 3 above, other than due to death or Disability, and if you are a “specified employee” (as defined in Section 409A(a)(2)(B)(i) of the Code and the generally applicable Internal Revenue Service guidance thereunder) on the date of your separation, then, notwithstanding anything in Section 3 to the contrary, no shares will be issued for your Units until the date that is six months after the date of your separation (or until the date of your death, if earlier). Any shares which you would otherwise have been entitled to receive during the first six months following the date of your separation will be issued instead on the date which is six months after the date of your separation (or on the date of your death, if earlier). Whether you are a “specified employee” will be determined under guidelines established by the Company for this purpose.
- 6. **Separation from Service Defined.** References throughout this Agreement to the Participant’s “separation from service” and variations thereof will have the meaning set forth in Section 1.409A-1(h) of the Treasury Regulations, as amended from time to time, applying the default terms thereof.
- 7. **Forfeiture and Restitution.** If during the period of the Participant’s employment and two years thereafter, the Company’s Chief Executive Officer with respect to any Participant other than to any employee who is an executive officer of the Company for purposes of Section 16 of the Securities Exchange Act of 1934 (including themselves) or the Committee (with respect to a Section 16 Officer) determines, in their or its sole and complete discretion, that the Participant has engaged in any the following, then they or it may either: (a) cancel this Award without any payment, and/or (b) require the Participant to repay the gross amount of any payment received under this Award within the previous two years, by delivery of a number of shares equal to the number of Units awarded (or the Fair Market Value thereof in cash):
 - a. the Participant has become associated with, recruited or solicited customers or other employees of the Company or its Subsidiaries for, or has become employed by, rendered services to, or acquired any interest in (other than any non-substantial interest) any business that is in competition with the Company or its Subsidiaries,
 - b. the Participant’s employment has been terminated for Cause,
 - c. the Participant has disclosed the terms of this Agreement to any person other than, on a confidential basis, their spouse, attorneys, accountants or financial advisors or in response to a court order, or
 - d. the Participant has engaged in conduct detrimental to the interests of the Company or its Subsidiaries.

In addition, this Award shall be subject to any recoupment or clawback policy that is adopted by, or applicable to, the Company, pursuant to any requirement of law or any exchange listing requirement related to clawback or other recovery of incentive compensation. The provisions of this Section 6 are material consideration for this Award, which would not have been granted had Participant not agreed to them. If a Participant fails to repay in full any amount subject to repayment under this Section 6 within thirty (30) days following a demand from the Company, the Company may enforce the terms of this Section 6 by obtaining a court order against the Participant for the return of such amount, and the Participant consents to jurisdiction in the courts set forth in Section 11 for purposes of obtaining such an order. The Company may also offset any amount it otherwise owes to the Participant to collect any amount due under this Section 6. The remedies outlined in this Section 6 are without limitation as to any other remedies the Company may pursue against the Participant at law or in equity.

- 8. **Transfer Restrictions.** The Participant’s rights to the Units are not subject to sale, assignment, transfer, pledge, or encumbrance.
 - 9. **Tax Withholding.** Unless alternative arrangements satisfactory to the Company are made, the Company will withhold from the payment for the vested Units shares with a Fair Market Value equal to the minimum amount of any foreign, federal, state, or local income, employment or other taxes imposed on the payment required to be withheld by law. The Fair Market Value will be determined on the Vesting Date.
 - 10. **Binding Effect.** Subject to the limitations stated above, this Agreement will be binding upon and inure to the benefit of the Participant’s legatees, distributees, and personal representatives and the successors of the Company.
-

11. Change in Capital Structure. The Units will be adjusted as the Committee determines is equitably required in the event of a dividend in the form of stock, spin-off, stock split-up, subdivision or consolidation of shares of Company Stock or other similar changes in capitalization.
12. Interpretation. This Agreement will be construed under and be governed by the laws of the Commonwealth of Virginia. THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA OR THE CIRCUIT COURT FOR THE COUNTY OF HENRICO WILL HAVE EXCLUSIVE JURISDICTION OVER ANY DISPUTES ARISING OUT OF OR RELATED TO THE PLAN OR THIS AGREEMENT.
13. Code Section 409A. This Agreement is intended to comply with the applicable requirements of Sections 409A(a)(2) through (4) of the Code, and will be interpreted to the extent context reasonably permits in accordance with this intent. The parties agree to modify this Agreement or the timing (but not the amount) of any payment to the extent necessary to comply with Section 409A of the Code and avoid application of any taxes, penalties, or interest thereunder. However, in the event that any amounts payable under this Agreement are subject to any taxes, penalties or interest under Section 409A of the Code or otherwise, the Participant will be solely liable for the payment thereof.
14. Acceptance. By accepting any Units or benefits under this Agreement, Participant is accepting all the provisions hereof, including without limitation Section 6 hereof.

IN WITNESS WHEREOF, the Company has caused this Agreement to be signed as of the award date shown above.

MARKEL GROUP INC.

By: _____

SCHEDULE A

PERFORMANCE CONDITIONS

Performance Metric for Restricted Stock Unit Award Based on Group Operating Income and TSR Metrics

The Restricted Stock Unit Target (“Target”) is a dollar amount calculated as a percentage of base salary in the Company’s HR system of record on the Determination Date.

Fifty percent of the Target is subject to the modifier percentage corresponding to the average annual Market Group consolidated operating income, determined in accordance with GAAP, for the five-year period ended December 31, 2024 (“5 Year Average Operating Income”) in the grid below. The other fifty percent of the Target is subject to the modifier percentage corresponding to the compound annual growth rate in the market price per common share of Market Group Inc. common stock for the five-year period ended December 31, 2024 (“5 Year CAGR TSR”) in the grid below. The Determination Date will be in February 2025.

Group - Operating Income 2024	
5 Year Average Operating Income	% of Target
Under 900	0 - 40%
900	40%
1,100	60%
1,300	80%
1,500	90%
1,700	100%
1,900	110%
2,100	120%
2,350	140%
2,600	160%
2,800	180%
3,050	200%
Over 3,391	Discretionary

TSR	
5 Year CAGR TSR	% of Target
Under 6%	0 - 40%
6%	40%
7%	60%
8%	80%
9%	90%
10%	100%
11%	110%
12%	120%
13%	140%
14%	160%
15%	180%
16%	200%
17% or more	Discretionary

MARKEL GROUP INC.

LONG-TERM SERVICE RESTRICTED STOCK UNIT
AWARD AGREEMENT

AWARDED TO	AWARD DATE	VESTING SCHEDULE ¹		DISTRIBUTION DATE ²
XXXX	XXXX	VESTING DATE XXX	PERCENTAGE OF UNITS XXX	Five (5) year anniversary of Vesting Date

MARKEL GROUP INC. (the "Company") grants you ("you" or the "Participant") XX restricted stock units ("Units"). Until the Vesting Date stated above, these Units are forfeitable and nontransferable, except as specifically provided in this Award Agreement. The Compensation Committee of the Company's Board of Directors (the "Committee") or its authorized delegate will administer this Agreement and its decisions will be final. Any capitalized terms not defined in this Award Agreement will have the meanings provided in the Markel Group Inc. Equity Incentive Compensation Plan in effect at the time of the grant (the "Plan").

The terms of the award are:

1. Vesting For Units. If you remain employed through the Vesting Date, the Units will become vested and non-forfeitable. For each vested Unit, the Company will issue you a share of Company Stock.
2. Distribution of Units. Once issued, the shares of Company Stock determined in accordance with Section 1 (for purposes of this Section "Awarded Shares") will be distributed or deferred in accordance with a. or b. below
 - a. Unless otherwise deferred in b. below, upon attaining the Vesting Date and as soon as administratively practicable but no later than 90 days after the Vesting Date, the Awarded Shares will be issued to you in your name, but the "net" Awarded Shares shall be held in escrow during the Post Vest Holding Period, until such shares become distributable as provided below.
 - i. For purposes of the Award Agreement, "net" Awarded Shares" shall mean the number of Awarded Shares, reduced by the number of shares, if any, withheld by the Company to cover the withholding taxes as set forth in Section 8.
 - ii. The Company has designated the Corporate Trust Department of Fidelity Investments (the "Custodian") to serve as custodian of the "net" Awarded Shares during the Post Vest Holding Period. By your acceptance of this Agreement, you hereby appoint the Custodian as your attorney-in-fact with full power and authority to transfer, assign and convey to the Company any of the "net" Awarded Shares forfeited during the Post Vest Holding Period.
 - iii. The "Post Vest Holding Period" means the five-year period beginning on the Vesting Date and ending on the fifth anniversary thereof (the "Post Vest Holding Period"). However, the Post Vest Holding Period shall be earlier terminated upon the occurrence of the following events:
 1. Upon your death or Disability during the Post Vest Holding Period.
 2. Upon a Change in Control which occurs during the Post Vest Holding Period.
 - iv. The "net" Awarded Shares will be released from escrow and delivered to you within the thirty (30) day period immediately following the close or termination of the Post Vest Holding Period.
 - v. Notwithstanding the foregoing the Post Vest Holding Period shall not apply if the Awarded Shares vest and are issued in accordance with Section 3.
 - b. The date of distribution may be elected by you pursuant to a valid deferral election in accordance with procedures determined by the Company. However, with respect to any Awarded Shares which are deferred, such shares will be subject to the requirements of a. above for the remainder of the Post Vest Holding Period if distributed prior to the end of the Post Vest Holding Period.

¹ If necessary or appropriate to ensure orderly administration of the Company's payroll and tax reporting obligations, the Company may accelerate vesting or distribution of restricted stock units up to a maximum of thirty days before the date on which such restricted stock units would otherwise have vested or distributed.

² Distribution is subject to the requirements of Sections 2, 3, and 4 of this Agreement, as applicable.

3. **Forfeiture of Units.** In general, if you separate from service before the Vesting Date, any unvested Units will be forfeited. Under the circumstances set forth below (subject to the other terms of this Award Agreement, including Section 5), Units will vest or be forfeited, in whole or part, upon separation from service before the Vesting Date as follows:
- a. **Death or Disability.** If you separate from service due to death or Disability, then the unvested Units will become fully vested and non- forfeitable, and, notwithstanding the five (5) year holding period for distribution, shares will be issued on the date on which your death or Disability occurs or as soon as administratively practicable (but in any event no later than 90 days) thereafter.
 - b. **Involuntary Termination; Redundancy.** If you separate from service due to involuntary termination other than for Cause, then the unvested Units will become fully vested and non-forfeitable, and, notwithstanding the five (5) year holding period for distribution, shares will be issued on the date on which your separation from service occurs (or as soon as administratively practicable (but in any event no later than 90 days)) thereafter, subject to Section 4 below.
 - c. **Change in Control.** If you separate from service within 12 months after a Change in Control due to Involuntary Termination, then the unvested Units will become fully vested and non-forfeitable, and, notwithstanding the five (5) year holding period for distribution, shares will be issued on the date on which your separation from service occurs (or as soon as administratively practicable (but in any event no later than 90 days) thereafter, subject to Section 4 below. For this purpose, Involuntary Termination means your employment is involuntarily terminated without Cause or you terminate your employment for Good Reason, in each case as defined in the Plan.
 - d. **Approved Separation of Service.** Paragraphs (a), (b), and/or (c) do not apply, but the Committee or its designee so authorized determines that forfeiture should not occur because the Participant had an approved separation from service. The Committee or its designee so authorized will in his or her sole discretion determine whether or not to apply this provision. If this provision applies, the unvested Units will vest and distribute on the normal schedule, as provided herein.
4. **Six Month Delay for Specified Employees.** If you separate from service before the Vesting Date as set forth in Section 3 above, other than due to death or Disability, and if you are a “specified employee” (as defined in Section 409A(a)(2)(B)(i) of the Code and the generally applicable Internal Revenue Service guidance thereunder) on the date of your separation, then, notwithstanding anything in Section 3 to the contrary, no shares will be issued for your Units until the date that is six months after the date of your separation (or until the date of your death, if earlier). Any shares which you would otherwise have been entitled to receive during the first six months following the date of your separation will be issued instead on the date which is six months after the date of your separation (or on the date of your death, if earlier). Whether you are a “specified employee” will be determined under guidelines established by the Company for this purpose.
5. **Separation from Service Defined.** References throughout this Agreement to the Participant’s “separation from service” and variations thereof will have the meaning set forth in Section 1.409A-1(h) of the Treasury Regulations, as amended from time to time, applying the default terms thereof.
6. **Forfeiture and Restitution.** If during the period of the Participant’s employment and two years thereafter, the Company’s Chief Executive Officer with respect to any Participant other than to any employee who is an executive officer of the Company for purposes of Section 16 of the Securities Exchange Act of 1934 (including themselves) or the Committee (with respect to a Section 16 Officer) determines, in their or its sole and complete discretion, that the Participant has engaged in any the following, then they or it may either: (a) cancel this Award without any payment, and/or (b) require the Participant to repay the gross amount of any payment received under this Award within the previous two years, by delivery of a number of shares equal to the number of Units awarded (or the Fair Market Value thereof in cash):
- a. the Participant has become associated with, recruited or solicited customers or other employees of the Company or its Subsidiaries for, or has become employed by, rendered services to, or acquired any interest in (other than any non-substantial interest) any business that is in competition with the Company or its Subsidiaries,
 - b. the Participant’s employment has been terminated for Cause,
 - c. the Participant has disclosed the terms of this Agreement to any person other than, on a confidential basis, their spouse, attorneys, accountants or financial advisors or in response to a court order, or
 - d. the Participant has engaged in conduct detrimental to the interests of the Company or its Subsidiaries.

In addition, this Award shall be subject to any recoupment or clawback policy that is adopted by, or applicable to, the Company, pursuant to any requirement of law or any exchange listing requirement related to clawback or other recovery of incentive compensation. The provisions of this Section 6 are material consideration for this Award, which would not have been granted had Participant not agreed to them. If a Participant fails to repay in full any amount subject to repayment under this Section 6 within thirty (30) days following a demand from the Company, the Company may enforce the terms of this Section 6 by obtaining a court order against the Participant for the return of such amount, and the Participant consents to jurisdiction in the courts set forth in Section 11 for purposes of obtaining such an order. The Company may also offset any amount it otherwise owes to the Participant to collect any amount due under this Section 6. The remedies outlined in this Section 6 are without limitation as to any other remedies the Company may pursue against the Participant at law or in equity.

7. **Transfer Restrictions.** The Participant’s rights to the Units are not subject to sale, assignment, transfer, pledge, or encumbrance.
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8. Tax Withholding. Unless alternative arrangements satisfactory to the Company are made, the Company will withhold from the payment for the vested Units shares with a Fair Market Value equal to the minimum amount of any foreign, federal, state, or local income, employment or other taxes imposed on the payment required to be withheld by law. The Fair Market Value will be determined on the Vesting Date.
9. Binding Effect. Subject to the limitations stated above, this Agreement will be binding upon and inure to the benefit of the Participant's legatees, distributees, and personal representatives and the successors of the Company.
10. Change in Capital Structure. The Units will be adjusted as the Committee determines is equitably required in the event of a dividend in the form of stock, spin-off, stock split-up, subdivision or consolidation of shares of Company Stock or other similar changes in capitalization.
11. Interpretation. This Agreement will be construed under and be governed by the laws of the Commonwealth of Virginia. THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA OR THE CIRCUIT COURT FOR THE COUNTY OF HENRICO WILL HAVE EXCLUSIVE JURISDICTION OVER ANY DISPUTES ARISING OUT OF OR RELATED TO THE PLAN OR THIS AGREEMENT.
12. Code Section 409A. This Agreement is intended to comply with the applicable requirements of Sections 409A(a)(2) through (4) of the Code and will be interpreted to the extent context reasonably permits in accordance with this intent. The parties agree to modify this Agreement or the timing (but not the amount) of any payment to the extent necessary to comply with Section 409A of the Code and avoid application of any taxes, penalties, or interest thereunder. However, in the event that any amounts payable under this Agreement are subject to any taxes, penalties or interest under Section 409A of the Code or otherwise, the Participant will be solely liable for the payment thereof.
13. Acceptance. By accepting any Units or benefits under this Agreement, Participant is accepting all the provisions hereof, including without limitation Section 6 hereof.

IN WITNESS WHEREOF, the Company has caused this Agreement to be signed as of the award date shown above.

MARKEL GROUP INC.

By: _____

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Thomas S. Gayner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Markel Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 1, 2024

/s/ Thomas S. Gayner

Thomas S. Gayner
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Brian J. Costanzo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Markel Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 1, 2024

/s/ Brian J. Costanzo

Brian J. Costanzo

Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION
FURNISHED PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the Quarterly Report of Markel Group Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 1, 2024

/s/ Thomas S. Gayner

Thomas S. Gayner
Chief Executive Officer
(Principal Executive Officer)

/s/ Brian J. Costanzo

Brian J. Costanzo
Chief Financial Officer
(Principal Financial Officer)