



**FINANCIAL SUPPLEMENT
FIRST QUARTER 2020**

Forward-Looking Statements

Certain statements in this report, including information incorporated by reference, are “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995 (“PSLRA”). The PSLRA provides a safe harbor under the Securities Act of 1933 and the Securities Exchange Act of 1934 for forward-looking statements. These statements relate to our intentions, beliefs, projections, estimations, or forecasts of future events or our future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause our or our industry’s actual results, levels of activity, or performance to be materially different from those expressed or implied by the forward-looking statements. In some cases, you can identify forward-looking statements by use of words such as “may,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “target,” “project,” “intend,” “believe,” “estimate,” “predict,” “potential,” “pro forma,” “seek,” “likely,” or “continue” or other comparable terminology. These statements are only predictions, and we can give no assurance that such expectations will prove to be correct. We undertake no obligation, other than as may be required under the federal securities laws, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Factors that could cause our actual results to differ materially from what we project, forecast, or estimate in forward-looking statements, include without limitation:

- Related to COVID-19:
 - Governmental directives to contain or delay the spread of the COVID-19 pandemic have disrupted ordinary business commerce and impacted financial markets. These governmental actions, the extent, duration, and possible alteration based on future COVID-19-related developments that we cannot predict, could materially and adversely affect our results of operations, net investment income, financial position, and liquidity.
 - The amount of premium we record may be reduced and our underwriting results may be adversely impacted by (i) voluntary premium credits on in-force commercial and personal automobile policies, (ii) state insurance commissioner or other regulatory directives to implement premium-based credit in lines other than commercial and personal automobile, and we may be required to return more premium than warranted by our filed rating plans and actual loss experience, (iii) the effects of our voluntary efforts or the directives from various state insurance regulators to extend individualized payment flexibility and suspend policy cancellations, late payment notices, and late or reinstatement fees, (iv) return premiums that could be significant because our general liability and workers compensation policies provide for premium audit of revenues and payrolls, and (v) collectability of premiums, which may be impacted by policyholder financial distress and insolvency.
 - Our loss and loss expenses may increase, our related reserves may not be adequate, and our financial condition and liquidity may be materially impacted if litigation or changes in statutory or common law (i) require payment of COVID-19-related business interruption losses despite contrary terms, conditions, and exclusions in our policies or (ii) presume that COVID-19 is a work-related illness compensable under workers compensation policies for employees who contract the virus, regardless of whether they worked in industries defined as essential in various COVID-19-related governmental directives or interacted with the public as part of their job duties.
 - Our net investment income may be impacted by the significant equity and debt financial market volatility resulting from the COVID-19 pandemic and the related governmental orders because (i) financial market volatility is reflected in our alternative investments’ performance, (ii) increased spreads on fixed income securities may create mark-to-market investment valuation losses that reduce unrealized capital gains and impact GAAP equity, and (iii) OTTI losses may increase if we intend to sell more securities, particularly in asset classes that are more significantly impacted by COVID-19-related governmental directives and to which the Federal Reserve Board is providing liquidity and structural support.
- Difficult conditions in global capital markets and the economy;
- Deterioration in the public debt and equity markets and private investment marketplace that could lead to investment losses and interest rate fluctuations;
- Ratings downgrades on individual securities we own could affect investment values and, therefore, statutory surplus;
- The adequacy of our loss reserves and loss expense reserves;
- Frequency and severity of natural and man-made catastrophic events, including without limitation hurricanes, tornadoes, windstorms, earthquakes, hail, terrorism, including cyber-attacks, explosions, severe winter weather, floods, and fires;
- Adverse market, governmental, regulatory, legal, or judicial conditions or actions;
- The geographic concentration of our business in the eastern portion of the United States;
- The cost and availability of reinsurance;
- Our ability to collect on reinsurance and the solvency of our reinsurers;
- The impact of changes in U.S. trade policies and imposition of tariffs on imports that may lead to higher than anticipated inflationary trends for our loss and loss expenses;
- Uncertainties related to insurance premium rate increases and business retention;
- Changes in insurance regulations that impact our ability to write and/or cease writing insurance policies in one or more states;
- The effects of data privacy or cyber security laws and regulations on our operations;

- Major defect or failure in our internal controls or information technology and application systems that result in harm to our brand in the marketplace, increased senior executive focus on crisis and reputational management issues and/or increased expenses, particularly if we experience a significant privacy breach;
- Recent federal financial regulatory reform provisions that could pose certain risks to our operations;
- Our ability to maintain favorable ratings from rating agencies, including AM Best, Standard & Poor's, Moody's, and Fitch;
- Our entry into new markets and businesses; and
- Other risks and uncertainties we identify in filings with the United States Securities and Exchange Commission, including, but not limited to, our Annual Report on Form 10-K and other periodic reports.

These risk factors may not be exhaustive. We operate in a continually changing business environment, and new risk factors that we cannot predict or assess may emerge from time-to-time.

Selective's SEC filings can be accessed through the Investors page of Selective's website, www.Selective.com, or through the SEC's EDGAR Database at www.sec.gov (Selective EDGAR CIK No. 0000230557).

Selective Insurance Group, Inc. & Consolidated Subsidiaries

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Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED FINANCIAL HIGHLIGHTS

(Unaudited)

| | Quarter ended | | | | |
|--|------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| <i>(\$ and shares in millions, except per share data)</i> | | | | | |
| For Period Ended | | | | | |
| Gross premiums written | \$ 752.5 | 730.6 | 792.6 | 812.7 | 772.9 |
| Net premiums written | 647.3 | 628.2 | 676.9 | 701.4 | 672.9 |
| Change in net premiums written, from comparable prior year period | (4) % | 8 | 4 | 7 | 8 |
| Underwriting income, before-tax | \$ 21.4 | 54.5 | 31.3 | 44.6 | 33.6 |
| Net investment income earned, before-tax | 56.0 | 57.6 | 55.8 | 58.5 | 50.6 |
| Net realized and unrealized investment (losses) gains, before-tax* | (44.7) | (0.9) | (2.2) | 4.0 | 13.5 |
| Net income | \$ 15.2 | 81.9 | 56.2 | 72.3 | 61.3 |
| Non-GAAP operating income** | 50.5 | 82.5 | 58.8 | 69.1 | 54.0 |
| At Period End | | | | | |
| Total assets | 8,975.1 | 8,797.2 | 8,719.4 | 8,575.6 | 8,282.8 |
| Total invested assets | 6,842.1 | 6,688.7 | 6,551.7 | 6,421.3 | 6,233.7 |
| Stockholders' equity | 2,096.5 | 2,194.9 | 2,137.4 | 2,059.5 | 1,925.2 |
| Shares outstanding | 59.7 | 59.5 | 59.4 | 59.3 | 59.2 |
| Per Share and Share Data | | | | | |
| Net income per diluted share | \$ 0.25 | 1.36 | 0.93 | 1.21 | 1.02 |
| Non-GAAP operating income per diluted share** | 0.84 | 1.37 | 0.97 | 1.16 | 0.90 |
| Weighted average diluted shares outstanding | 60.2 | 60.1 | 60.1 | 59.9 | 59.9 |
| Book value per share | \$ 35.11 | 36.91 | 35.98 | 34.71 | 32.51 |
| Dividends paid per share | 0.23 | 0.23 | 0.20 | 0.20 | 0.20 |
| Financial Ratios | | | | | |
| Loss and loss expense ratio | 61.4 % | 57.6 | 60.9 | 59.4 | 61.1 |
| Underwriting expense ratio | 35.2 | 34.1 | 34.1 | 33.5 | 33.3 |
| Dividends to policyholders ratio | 0.1 | 0.1 | 0.2 | 0.2 | 0.3 |
| GAAP combined ratio | 96.7 % | 91.8 | 95.2 | 93.1 | 94.7 |
| Annualized ROE | 2.8 | 15.1 | 10.7 | 14.5 | 13.2 |
| Annualized non-GAAP operating ROE** | 9.4 | 15.2 | 11.2 | 13.9 | 11.6 |
| Debt to total capitalization | 28.9 | 20.1 | 20.5 | 21.1 | 22.2 |
| Long-term debt to total capitalization | 20.8 | 20.1 | 20.5 | 21.1 | 22.2 |
| Net premiums written to policyholders' surplus | 1.4x | 1.4x | 1.4x | 1.4x | 1.4x |
| Invested assets per dollar of stockholders' equity | \$ 3.26 | 3.05 | 3.07 | 3.12 | 3.24 |

* Refer to Page 2 for components of realized and unrealized investment losses and gains.

** Non-GAAP measure. Refer to Page 15 for definition.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

| | Quarter ended | | | | |
|---|------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| <i>(\$ and shares in millions, except per share data)</i> | | | | | |
| Revenues | | | | | |
| Net premiums earned | \$ 651.7 | 668.4 | 653.6 | 642.6 | 632.6 |
| Net investment income earned | 56.0 | 57.6 | 55.8 | 58.5 | 50.6 |
| Net realized and unrealized (losses) gains: | | | | | |
| Net realized investment gains (losses) on disposals | 4.1 | — | 20.4 | 2.9 | 3.4 |
| Unrealized (losses) gains on equity securities | (17.1) | (0.6) | (20.3) | 2.1 | 10.1 |
| Other-than-temporary impairments | (31.6) | (0.3) | (2.3) | (1.0) | (0.1) |
| Total net realized and unrealized (losses) gains | (44.7) | (0.9) | (2.2) | 4.0 | 13.5 |
| Other income | 1.8 | 3.8 | 3.2 | 3.1 | 2.3 |
| Total revenues | 664.8 | 728.9 | 710.4 | 708.2 | 699.0 |
| Expenses | | | | | |
| Loss and loss expense incurred | 400.3 | 385.3 | 398.7 | 381.0 | 386.6 |
| Amortization of deferred policy acquisition costs | 136.5 | 136.3 | 136.6 | 133.4 | 129.7 |
| Other insurance expenses | 95.3 | 96.1 | 90.2 | 86.7 | 85.1 |
| Interest expense | 7.6 | 7.4 | 7.4 | 7.4 | 11.5 |
| Corporate expenses | 9.1 | 2.6 | 6.4 | 9.6 | 12.4 |
| Total expenses | 648.8 | 627.6 | 639.2 | 618.0 | 625.3 |
| Income before federal income tax | 16.0 | 101.3 | 71.2 | 90.2 | 73.7 |
| Federal income tax expense | 0.8 | 19.4 | 15.0 | 18.0 | 12.3 |
| Net Income | \$ 15.2 | 81.9 | 56.2 | 72.3 | 61.3 |
| Net realized and unrealized investment losses (gains), after tax* | 35.3 | 0.7 | 2.6 | (3.2) | (10.6) |
| Debt retirement costs, after tax* | — | — | — | — | 3.3 |
| Non-GAAP operating income** | \$ 50.5 | 82.5 | 58.8 | 69.1 | 54.0 |
| Weighted average shares outstanding (diluted) | 60.2 | 60.1 | 60.1 | 59.9 | 59.9 |
| Net income per share (diluted) | \$ 0.25 | 1.36 | 0.93 | 1.21 | 1.02 |
| Non-GAAP operating income per share (diluted)** | \$ 0.84 | 1.37 | 0.97 | 1.16 | 0.90 |

* Amounts are provided to reconcile net income to non-GAAP operating income.

** Non-GAAP measure. Refer to Page 15 for definition.

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries
CONSOLIDATED BALANCE SHEETS
(Unaudited)

| <i>(\$ in millions, except per share data)</i> | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
|---|-------------------|------------------|-------------------|------------------|------------------|
| ASSETS | | | | | |
| Investments | | | | | |
| Fixed income securities, held-to-maturity, net of allowance for credit losses | \$ 20.4 | 20.8 | 26.9 | 32.4 | 36.5 |
| Fixed income securities, available-for-sale, at fair value | 5,945.4 | 6,095.6 | 5,930.2 | 5,757.9 | 5,567.4 |
| Commercial mortgage loans, net of allowance for credit losses | 13.9 | — | — | — | — |
| Equity securities, at fair value | 100.0 | 72.9 | 79.2 | 157.5 | 163.0 |
| Short-term investments | 517.6 | 282.5 | 326.1 | 291.4 | 290.7 |
| Other investments | 244.9 | 216.8 | 189.2 | 182.1 | 176.2 |
| Total investments | 6,842.1 | 6,688.7 | 6,551.7 | 6,421.3 | 6,233.7 |
| Cash | 9.4 | 0.3 | 0.5 | 0.5 | 0.5 |
| Restricted cash | 5.2 | 7.7 | 9.6 | 7.1 | 10.0 |
| Interest and dividends due or accrued | 43.9 | 44.8 | 43.0 | 43.1 | 42.1 |
| Premiums receivable, net of allowance for credit losses | 797.3 | 823.9 | 860.5 | 877.7 | 814.9 |
| Reinsurance recoverable, net of allowance for credit losses | 563.5 | 573.2 | 576.0 | 577.3 | 553.2 |
| Prepaid reinsurance premiums | 162.5 | 166.7 | 173.6 | 163.5 | 155.7 |
| Deferred federal income tax | 43.1 | 6.8 | 5.5 | 14.7 | 32.1 |
| Property and equipment, net of accumulated depreciation and amortization | 80.1 | 77.4 | 76.4 | 73.7 | 68.7 |
| Deferred policy acquisition costs | 269.6 | 271.2 | 279.2 | 273.1 | 260.8 |
| Goodwill | 7.8 | 7.8 | 7.8 | 7.8 | 7.8 |
| Other assets | 150.6 | 128.6 | 135.5 | 115.7 | 103.1 |
| Total assets | \$ 8,975.1 | 8,797.2 | 8,719.4 | 8,575.6 | 8,282.8 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | |
| Liabilities | | | | | |
| Reserve for loss and loss expense | \$ 4,103.6 | 4,067.2 | 4,055.6 | 4,027.1 | 3,966.5 |
| Unearned premiums | 1,514.6 | 1,523.2 | 1,570.2 | 1,536.9 | 1,470.3 |
| Short-term debt | 302.0 | — | — | — | — |
| Long-term debt | 550.6 | 550.6 | 550.7 | 550.8 | 550.1 |
| Current federal income tax | 12.4 | 3.0 | 2.7 | 3.2 | 13.6 |
| Accrued salaries and benefits | 74.0 | 126.8 | 100.4 | 87.6 | 78.2 |
| Other liabilities | 321.4 | 331.5 | 302.4 | 310.6 | 278.9 |
| Total liabilities | \$ 6,878.6 | 6,602.2 | 6,582.0 | 6,516.1 | 6,357.5 |
| Stockholders' Equity | | | | | |
| Preferred stock of \$0 par value per share | \$ — | — | — | — | — |
| Common stock of \$2 par value per share | 207.7 | 207.0 | 206.8 | 206.7 | 206.5 |
| Additional paid-in capital | 427.3 | 418.5 | 412.3 | 407.4 | 398.9 |
| Retained earnings | 2,083.3 | 2,080.5 | 2,012.5 | 1,968.4 | 1,908.1 |
| Accumulated other comprehensive (loss) income | (22.1) | 81.8 | 98.4 | 68.5 | 3.0 |
| Treasury stock, at cost | (599.8) | (592.8) | (592.7) | (591.4) | (591.3) |
| Total stockholders' equity | \$ 2,096.5 | 2,194.9 | 2,137.4 | 2,059.5 | 1,925.2 |
| Commitments and contingencies | | | | | |
| Total liabilities and stockholders' equity | \$ 8,975.1 | 8,797.2 | 8,719.4 | 8,575.6 | 8,282.8 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries
FINANCIAL METRICS
(Unaudited)

| | Quarter ended | | | | |
|---|-------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| <i>(\$ and shares in millions, except per share data)</i> | | | | | |
| Book value per share | | | | | |
| Stockholders' equity | \$ 2,096.5 | 2,194.9 | 2,137.4 | 2,059.5 | 1,925.2 |
| Common shares issued and outstanding, at period end | 59.7 | 59.5 | 59.4 | 59.3 | 59.2 |
| Book value per share | \$ 35.11 | 36.91 | 35.98 | 34.71 | 32.51 |
| Book value per share excluding unrealized gain or loss on fixed income securities | 34.01 | 34.05 | 33.01 | 32.23 | 31.12 |
| Financial results (after-tax) | | | | | |
| Underwriting income | 16.9 | 43.1 | 24.7 | 35.3 | 26.5 |
| Net investment income | 45.5 | 46.8 | 45.4 | 47.6 | 41.3 |
| Interest expense | (6.0) | (5.8) | (5.8) | (5.8) | (5.8) |
| Corporate expense | (5.8) | (1.5) | (5.5) | (8.0) | (8.0) |
| Net realized and unrealized investment (losses) gains* | (35.3) | (0.7) | (2.6) | 3.2 | 10.6 |
| Debt retirement costs | — | — | — | — | (3.3) |
| Total after-tax net income | 15.2 | 81.9 | 56.2 | 72.3 | 61.3 |
| Return on average equity | | | | | |
| Insurance segments | 3.1 % | 8.0 | 4.7 | 7.1 | 5.7 |
| Net investment income | 8.5 | 8.6 | 8.6 | 9.6 | 8.9 |
| Interest expense | (1.1) | (1.1) | (1.1) | (1.2) | (1.3) |
| Corporate expense | (1.1) | (0.3) | (1.0) | (1.6) | (1.7) |
| Net realized and unrealized investment (losses) gains | (6.6) | (0.1) | (0.5) | 0.6 | 2.3 |
| Debt retirement costs | — | — | — | — | (0.7) |
| Annualized ROE | 2.8 | 15.1 | 10.7 | 14.5 | 13.2 |
| Net realized and unrealized losses (gains)** | 6.6 | 0.1 | 0.5 | (0.6) | (2.3) |
| Debt retirement costs** | — | — | — | — | 0.7 |
| Annualized Non-GAAP Operating ROE*** | 9.4 % | 15.2 | 11.2 | 13.9 | 11.6 |
| Debt and total capitalization | | | | | |
| Notes payable: | | | | | |
| 1.61% Borrowings from FHLBNY | \$ 25.0 | 25.0 | 25.0 | 25.0 | 25.0 |
| 1.56% Borrowings from FHLBNY | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 |
| 3.03% Borrowings from FHLBI | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 |
| 0.78% Borrowings from FHLBNY | 100.0 | — | — | — | — |
| 0.68% Borrowings from FHLBNY | 85.0 | — | — | — | — |
| 0.58% Borrowings from FHLBI | 67.0 | — | — | — | — |
| 2.244% Borrowings on Line of Credit | 50.0 | — | — | — | — |
| 7.25% Senior Notes | 49.7 | 49.7 | 49.7 | 49.7 | 49.7 |
| 6.70% Senior Notes | 99.1 | 99.1 | 99.1 | 99.1 | 99.1 |
| 5.375% Senior Notes | 291.1 | 291.0 | 290.9 | 290.9 | 290.7 |
| Finance Lease Obligations | 0.6 | 0.7 | 0.9 | 1.1 | 0.6 |
| Total debt | 852.6 | 550.6 | 550.7 | 550.8 | 550.1 |
| Stockholders' equity | 2,096.5 | 2,194.9 | 2,137.4 | 2,059.5 | 1,925.2 |
| Total capitalization | \$ 2,949.1 | 2,745.5 | 2,688.1 | 2,610.3 | 2,475.3 |
| Ratio of debt to total capitalization | 28.9 % | 20.1 | 20.5 | 21.1 | 22.2 |
| Ratio of long-term debt to total capitalization | 20.8 % | 20.1 | 20.5 | 21.1 | 22.2 |
| Policyholders' surplus | \$ 1,924.9 | 1,932.4 | 1,883.1 | 1,852.0 | 1,805.6 |

* Refer to Page 2 for components of realized and unrealized investment losses and gains.

** Amounts are provided to reconcile annualized ROE to annualized non-GAAP operating ROE.

*** Non-GAAP measure. Refer to Page 15 for definition.

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED INSURANCE OPERATIONS STATEMENT OF OPERATIONS (Unaudited)

| (\$ in millions) | Quarter ended | | | | |
|---|------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| Underwriting results | | | | | |
| Net premiums written | \$ 647.3 | 628.2 | 676.9 | 701.4 | 672.9 |
| Change in net premiums written, from comparable prior year period | (4) % | 8 | 4 | 7 | 8 |
| Net premiums earned | \$ 651.7 | 668.4 | 653.6 | 642.6 | 632.6 |
| Losses and loss expenses incurred | 400.3 | 385.3 | 398.7 | 381.0 | 386.6 |
| Net underwriting expenses incurred | 229.2 | 227.9 | 222.6 | 215.4 | 210.7 |
| Dividends to policyholders | 0.8 | 0.7 | 1.0 | 1.6 | 1.8 |
| GAAP underwriting gain | \$ 21.4 | 54.5 | 31.3 | 44.6 | 33.6 |
| Catastrophe losses | \$ 33.2 | 6.5 | 24.2 | 29.5 | 20.9 |
| (Favorable) prior year casualty reserve development | (10.0) | (20.0) | (14.0) | (17.0) | (10.0) |
| Underwriting ratios | | | | | |
| Loss and loss expense ratio | 61.4 % | 57.6 | 60.9 | 59.4 | 61.1 |
| Underwriting expense ratio | 35.2 | 34.1 | 34.1 | 33.5 | 33.3 |
| Dividends to policyholders ratio | 0.1 | 0.1 | 0.2 | 0.2 | 0.3 |
| Combined ratio | 96.7 % | 91.8 | 95.2 | 93.1 | 94.7 |
| Catastrophe losses | 5.1 pts | 1.0 | 3.7 | 4.6 | 3.3 |
| (Favorable) prior year casualty reserve development | (1.5) pts | (3.0) | (2.1) | (2.6) | (1.6) |
| Combined ratio before catastrophe losses | 91.6 % | 90.8 | 91.5 | 88.5 | 91.4 |
| Combined ratio before catastrophe losses and prior year casualty development | 93.1 | 93.8 | 93.6 | 91.1 | 93.0 |
| Other Statistics | | | | | |
| Non-catastrophe property loss and loss expenses | \$ 108.1 | 100.9 | 108.8 | 92.8 | 108.0 |
| Non-catastrophe property loss and loss expenses | 16.6 pts | 15.1 | 16.7 | 14.4 | 17.1 |
| Direct new business | \$ 152.8 | 127.7 | 129.8 | 146.3 | 145.0 |
| Renewal pure price increases | 4.0 % | 4.2 | 3.8 | 3.5 | 3.6 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

STANDARD COMMERCIAL LINES STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA (Unaudited)

| (\$ in millions) | Quarter ended | | | | |
|---|------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| Underwriting results | | | | | |
| Net premiums written | \$ 518.4 | 500.1 | 532.9 | 557.4 | 546.7 |
| Change in net premiums written, from comparable prior year period | (5) % | 11 | 6 | 8 | 7 |
| Net premiums earned | \$ 516.6 | 530.6 | 515.2 | 506.6 | 497.2 |
| Losses and loss expenses incurred | 312.2 | 291.9 | 304.0 | 293.2 | 298.8 |
| Net underwriting expenses incurred | 186.5 | 185.0 | 180.1 | 174.8 | 170.8 |
| Dividends to policyholders | 0.8 | 0.7 | 1.0 | 1.6 | 1.8 |
| GAAP underwriting gain | \$ 17.1 | 53.0 | 30.0 | 37.1 | 25.8 |
| Catastrophe losses | \$ 20.7 | 2.1 | 14.8 | 21.3 | 16.0 |
| (Favorable) prior year casualty reserve development | (10.0) | (26.0) | (16.0) | (17.0) | (10.0) |
| Underwriting ratios | | | | | |
| Loss and loss expense ratio | 60.4 % | 55.0 | 59.0 | 57.9 | 60.1 |
| Underwriting expense ratio | 36.1 | 34.9 | 35.0 | 34.5 | 34.3 |
| Dividends to policyholders ratio | 0.2 | 0.1 | 0.2 | 0.3 | 0.4 |
| Combined ratio | 96.7 % | 90.0 | 94.2 | 92.7 | 94.8 |
| Catastrophe losses | 4.0 pts | 0.4 | 2.9 | 4.2 | 3.2 |
| (Favorable) prior year casualty reserve development | (1.9) | (4.9) | (3.1) | (3.4) | (2.0) |
| Combined ratio before catastrophe losses | 92.7 % | 89.6 | 91.3 | 88.5 | 91.6 |
| Combined ratio before catastrophe losses and prior year casualty development | 94.6 | 94.5 | 94.4 | 91.9 | 93.6 |
| Other Statistics | | | | | |
| Non-catastrophe property loss and loss expenses | \$ 79.6 | 69.8 | 76.7 | 62.8 | 74.4 |
| Non-catastrophe property loss and loss expenses | 15.4 pts | 13.2 | 14.9 | 12.4 | 15.0 |
| Direct new business | \$ 115.4 | 95.0 | 96.5 | 110.7 | 109.0 |
| Renewal pure price increases | 4.0 % | 3.8 | 3.5 | 3.1 | 3.4 |
| Retention | 85 % | 84 | 84 | 83 | 84 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

STANDARD COMMERCIAL LINES GAAP LINE OF BUSINESS RESULTS (Unaudited)

| (\$ in millions) | Quarter Ended March 31, 2020 | | | | | | | | | Quarter Ended March 31, 2019 | | | | | | | | |
|-----------------------------|------------------------------|--------------|-------------|--------------|--------------|-------------|-------------|-------------|-------------|------------------------------|-------------|--------------|--------------|-------------|-------------|-------------|--|-------|
| | Commercial | | Workers | General | Commercial | | | | Total | Commercial | | Workers | General | Commercial | | | | Total |
| | Property | Compensation | Liability | Auto | BOP | Bonds | Other | Property | | Compensation | Liability | Auto | BOP | Bonds | Other | | | |
| Net premiums written | \$ 103.1 | 51.2 | 150.8 | 168.3 | 29.2 | 10.2 | 5.7 | 518.4 | 93.0 | 85.1 | 178.7 | 147.2 | 27.4 | 9.9 | 5.3 | 546.7 | | |
| Net premiums earned | 93.9 | 66.7 | 164.6 | 149.7 | 27.0 | 9.6 | 5.1 | 516.6 | 86.1 | 78.7 | 161.5 | 131.2 | 26.1 | 8.9 | 4.7 | 497.2 | | |
| Loss and loss expense ratio | 69.6% | 52.4 | 55.4 | 66.7 | 64.0 | 38.4 | 0.2 | 60.4 | 60.1 | 56.1 | 53.6 | 73.9 | 68.6 | 16.6 | 0.7 | 60.1 | | |
| Underwriting expense ratio | 39.5 | 30.0 | 36.7 | 33.8 | 38.5 | 54.3 | 53.8 | 36.1 | 37.7 | 28.1 | 34.6 | 32.7 | 36.8 | 55.0 | 62.3 | 34.3 | | |
| Dividend ratio | — | 1.1 | — | — | — | — | — | 0.2 | — | 2.2 | — | — | — | — | — | 0.4 | | |
| Combined ratio | 109.1% | 83.5 | 92.1 | 100.5 | 102.5 | 92.7 | 54.0 | 96.7 | 97.8 | 86.4 | 88.2 | 106.6 | 105.4 | 71.6 | 63.0 | 94.8 | | |
| Underwriting (loss) gain | \$ (8.6) | 11.0 | 13.1 | (0.8) | (0.7) | 0.7 | 2.3 | 17.1 | 1.9 | 10.7 | 19.0 | (8.7) | (1.4) | 2.5 | 1.7 | 25.8 | | |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

STANDARD PERSONAL LINES STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA (Unaudited)

| (\$ in millions) | Quarter ended | | | | |
|---|------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| Underwriting results | | | | | |
| Net premiums written | \$ 67.6 | 70.9 | 81.6 | 82.7 | 69.4 |
| Change in net premiums written, from comparable prior year period | (2) % | (3) | (4) | (1) | 2 |
| Net premiums earned | \$ 76.1 | 76.6 | 76.7 | 77.1 | 77.3 |
| Losses and loss expenses incurred | 54.3 | 52.8 | 54.8 | 50.6 | 53.1 |
| Net underwriting expenses incurred | 21.4 | 22.6 | 22.5 | 22.0 | 21.1 |
| GAAP underwriting gain (loss) | \$ 0.4 | 1.2 | (0.6) | 4.5 | 3.2 |
| Catastrophe losses | \$ 12.0 | 3.0 | 7.9 | 6.1 | 4.1 |
| Unfavorable prior year casualty reserve development | — | 4.0 | 2.0 | — | — |
| Underwriting ratios | | | | | |
| Loss and loss expense ratio | 71.4 % | 69.0 | 71.4 | 65.5 | 68.6 |
| Underwriting expense ratio | 28.1 | 29.5 | 29.4 | 28.6 | 27.3 |
| Combined ratio | 99.5 % | 98.5 | 100.8 | 94.1 | 95.9 |
| Catastrophe losses | 15.7 pts | 3.9 | 10.3 | 7.9 | 5.3 |
| Unfavorable prior year casualty reserve development | — | 5.2 | 2.6 | — | — |
| Combined ratio before catastrophe losses | 83.8 % | 94.6 | 90.5 | 86.2 | 90.6 |
| Combined ratio before catastrophe losses and prior year casualty development | 83.8 | 89.4 | 87.9 | 86.2 | 90.6 |
| Other Statistics | | | | | |
| Non-catastrophe property loss and loss expenses | \$ 22.8 | 25.9 | 25.2 | 24.5 | 29.1 |
| Non-catastrophe property loss and loss expenses | 30.0 pts | 33.9 | 32.8 | 31.7 | 37.6 |
| Direct new business | \$ 9.9 | 9.7 | 10.2 | 10.5 | 10.3 |
| Renewal pure price increases | 3.7 % | 4.2 | 5.0 | 5.6 | 5.2 |
| Retention | 83 % | 83 | 83 | 84 | 84 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

STANDARD PERSONAL LINES GAAP LINE OF BUSINESS RESULTS (Unaudited)

| <i>(\$ in millions)</i> | Quarter Ended March 31, 2020 | | | | Quarter Ended March 31, 2019 | | | |
|-----------------------------|------------------------------|--------------|--------------|-------------|------------------------------|-------------|---------------|-------------|
| | Personal Auto | Homeowners | Other | Total | Personal Auto | Homeowners | Other | Total |
| Net premiums written | \$ 40.1 | 25.6 | 2.0 | 67.6 | 41.1 | 26.3 | 1.9 | 69.4 |
| Net premiums earned | 42.5 | 31.5 | 2.2 | 76.1 | 43.2 | 32.1 | 2.0 | 77.3 |
| Loss and loss expense ratio | 64.1 % | 78.2 | 115.2 | 71.4 | 68.6 | 67.9 | 81.9 | 68.6 |
| Underwriting expense ratio | 33.7 | 31.0 | (124.0) | 28.1 | 32.0 | 30.5 | (125.5) | 27.3 |
| Combined ratio | 97.8% | 109.2 | (8.8) | 99.5 | 100.6 | 98.4 | (43.6) | 95.9 |
| Underwriting gain (loss) | \$ 1.0 | (2.9) | 2.3 | 0.4 | (0.2) | 0.5 | 2.9 | 3.2 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

EXCESS AND SURPLUS LINES STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA (Unaudited)

| (\$ in millions) | Quarter ended | | | | |
|---|------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| Underwriting results | | | | | |
| Net premiums written | \$ 61.3 | 57.2 | 62.4 | 61.3 | 56.9 |
| Change in net premiums written, from comparable prior year period | 8 % | (6) | (3) | 9 | 19 |
| Net premiums earned | \$ 59.0 | 61.2 | 61.7 | 58.9 | 58.1 |
| Losses and loss expenses incurred | 33.8 | 40.6 | 39.8 | 37.3 | 34.7 |
| Net underwriting expenses incurred | 21.3 | 20.3 | 20.0 | 18.6 | 18.8 |
| GAAP underwriting gain | \$ 3.8 | 0.3 | 1.9 | 2.9 | 4.6 |
| Catastrophe losses | | | | | |
| Catastrophe losses | \$ 0.5 | 1.4 | 1.5 | 2.0 | 0.8 |
| Unfavorable prior year casualty reserve development | — | 2.0 | — | — | — |
| Underwriting ratios | | | | | |
| Loss and loss expense ratio | 57.4 % | 66.3 | 64.5 | 63.3 | 59.7 |
| Underwriting expense ratio | 36.1 | 33.2 | 32.4 | 31.7 | 32.4 |
| Combined ratio | 93.5 % | 99.5 | 96.9 | 95.0 | 92.1 |
| Other ratios | | | | | |
| Catastrophe losses | 0.8 pts | 2.3 | 2.4 | 3.4 | 1.4 |
| Unfavorable prior year casualty reserve development | — | 3.3 | — | — | — |
| Combined ratio before catastrophe losses | 92.7 % | 97.2 | 94.5 | 91.6 | 90.7 |
| Combined ratio before catastrophe losses and prior year casualty development | 92.7 | 93.9 | 94.5 | 91.6 | 90.7 |
| Other Statistics | | | | | |
| Non-catastrophe property loss and loss expenses | \$ 5.7 | 5.1 | 7.0 | 5.5 | 4.5 |
| Non-catastrophe property loss and loss expenses | 9.7 pts | 8.4 | 11.4 | 9.4 | 7.8 |
| Direct new business | \$ 27.5 | 23.0 | 23.1 | 25.1 | 25.7 |
| Renewal pure price increases | 3.9 % | 9.4 | 5.8 | 4.8 | 4.2 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

EXCESS & SURPLUS LINES GAAP LINE OF BUSINESS RESULTS (Unaudited)

| (\$ in millions) | Quarter Ended March 31, 2020 | | | Quarter Ended March 31, 2019 | | |
|-----------------------------|------------------------------|-------------|-------------|------------------------------|-------------|-------------|
| | Casualty | Property | Total | Casualty | Property | Total |
| Net premiums written | \$ 45.7 | 15.6 | 61.3 | 43.3 | 13.6 | 56.9 |
| Net premiums earned | 44.1 | 14.9 | 59.0 | 44.5 | 13.6 | 58.1 |
| Loss and loss expense ratio | 62.7% | 41.6 | 57.4 | 66.0 | 39.2 | 59.7 |
| Underwriting expense ratio | 36.1 | 36.3 | 36.1 | 32.0 | 33.5 | 32.4 |
| Combined ratio | 98.8% | 77.9 | 93.5 | 98.0 | 72.7 | 92.1 |
| Underwriting gain | \$ 0.5 | 3.3 | 3.8 | 0.9 | 3.7 | 4.6 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED INVESTMENT INCOME

(Unaudited)

| (\$ in millions) | Quarter ended | | | | |
|--|-------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| Net investment income | | | | | |
| Fixed income securities | | | | | |
| Taxable | \$ 42.5 | 44.7 | 42.9 | 43.1 | 41.0 |
| Tax-exempt | 7.8 | 7.8 | 7.8 | 7.8 | 8.0 |
| Total fixed income securities | 50.3 | 52.6 | 50.7 | 50.9 | 49.0 |
| Commercial mortgage loans | 0.1 | — | — | — | — |
| Equity securities | 1.6 | 1.7 | 1.9 | 1.7 | 1.6 |
| Other investments | 6.3 | 5.4 | 5.3 | 7.5 | 0.7 |
| Short-term investments | 1.2 | 1.4 | 1.4 | 1.8 | 2.0 |
| Investment income | 59.4 | 61.1 | 59.3 | 61.9 | 53.4 |
| Investment expenses | (3.4) | (3.5) | (3.5) | (3.4) | (2.8) |
| Investment tax expense | (10.5) | (10.8) | (10.5) | (10.9) | (9.3) |
| Total net investment income, after-tax | \$ 45.5 | 46.8 | 45.4 | 47.6 | 41.3 |
| Net realized and unrealized capital (losses) gains | | | | | |
| Fixed income securities | \$ 4.3 | (0.2) | (1.1) | 2.1 | 1.1 |
| Commercial mortgage loans | — | — | — | — | — |
| Equity securities | — | 0.1 | 21.6 | 0.9 | 2.3 |
| Short-term investments | (0.2) | — | — | — | — |
| Other investments | — | — | — | — | — |
| Realized net gains (losses) on disposals | 4.1 | — | 20.4 | 2.9 | 3.4 |
| Other-than-temporary impairment losses | (31.6) | (0.3) | (2.3) | (1.0) | (0.1) |
| Unrealized (losses) gains on equity securities | (17.1) | (0.6) | (20.3) | 2.1 | 10.1 |
| Total net realized and unrealized capital (losses) gains recognized in net income, before-tax | \$ (44.7) | (0.9) | (2.2) | 4.0 | 13.5 |
| Change in unrealized (losses) gains recognized in other comprehensive income, before-tax | \$ (132.2) | (8.0) | 37.2 | 82.2 | 101.8 |
| Average investment yields | | | | | |
| Fixed income securities, before-tax | 3.3 % | 3.5 | 3.5 | 3.6 | 3.6 |
| Fixed income securities, after-tax | 2.7 | 2.8 | 2.8 | 2.9 | 3.0 |
| Total portfolio, before-tax | 3.3 % | 3.5 | 3.4 | 3.7 | 3.4 |
| Total portfolio, after-tax | 2.7 | 2.8 | 2.8 | 3.0 | 2.8 |
| Effective tax rate on net investment income | 18.7 % | 18.7 | 18.7 | 18.6 | 18.4 |
| New money purchase rates for fixed income securities, before-tax | 3.1 | 3.1 | 3.1 | 3.4 | 3.9 |
| New money purchase rates for fixed income securities, after-tax | 2.5 | 2.4 | 2.5 | 2.7 | 3.1 |
| Effective duration of fixed income portfolio including short-term (in years) | 3.3 | 3.6 | 3.3 | 3.3 | 3.5 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED COMPOSITION OF INVESTED ASSETS

(Unaudited)

| (\$ in millions) | Mar. 31, 2020 | | Dec. 31, 2019 | | Sept. 30, 2019 | | June 30, 2019 | | Mar. 31, 2019 | |
|--|-------------------|--------------|------------------|------------|-------------------|------------|------------------|------------|------------------|------------|
| | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent |
| Fixed income securities, at fair value | \$ 5,967.3 | 87 % | 6,117.6 | 91 | 5,958.6 | 91 | 5,791.8 | 90 | 5,605.3 | 90 |
| Commercial mortgage loans, at fair value | 13.9 | — | — | — | — | — | — | — | — | — |
| Equity securities, at fair value | 100.0 | 1 | 72.9 | 1 | 79.2 | 1 | 157.5 | 2 | 163.0 | 3 |
| Other investments | 244.9 | 4 | 216.8 | 3 | 189.2 | 3 | 182.1 | 3 | 176.2 | 3 |
| Short-term investments | 517.6 | 8 | 282.5 | 4 | 326.1 | 5 | 291.4 | 5 | 290.7 | 5 |
| Total investments | \$ 6,843.6 | 100 % | 6,689.8 | 100 | 6,553.2 | 100 | 6,422.7 | 100 | 6,235.2 | 100 |
| Fixed income portfolio, at carry value | | | | | | | | | | |
| U.S. government obligations | \$ 142.2 | 2 % | 116.2 | 2 | 120.9 | 2 | 147.1 | 3 | 127.1 | 2 |
| Foreign government obligations | 12.9 | — | 18.5 | — | 21.5 | — | 21.5 | — | 20.5 | — |
| Obligations of state and political subdivisions | 1,201.8 | 20 | 1,234.7 | 20 | 1,199.7 | 20 | 1,125.1 | 19 | 1,167.7 | 21 |
| Corporate securities | 1,925.3 | 32 | 1,963.7 | 32 | 1,856.8 | 31 | 1,811.8 | 31 | 1,697.1 | 30 |
| Collateralized loan obligations and other asset-backed securities | 722.3 | 12 | 793.0 | 13 | 768.4 | 13 | 767.6 | 13 | 722.2 | 13 |
| Residential mortgage-backed securities | 1,430.2 | 24 | 1,452.0 | 24 | 1,434.2 | 24 | 1,351.5 | 23 | 1,301.0 | 23 |
| Commercial mortgage-backed securities | 531.0 | 9 | 538.3 | 9 | 555.7 | 9 | 565.6 | 10 | 568.2 | 10 |
| Total fixed income securities | \$ 5,965.7 | 100 % | 6,116.4 | 100 | 5,957.2 | 100 | 5,790.3 | 100 | 5,603.9 | 100 |
| Weighted average credit quality | | | | | | | | | | |
| Investment grade credit quality | \$ 5,760.3 | 97 % | 5,899.0 | 96 | 5,792.6 | 97 | 5,638.6 | 97 | 5,459.3 | 97 |
| Non-investment grade credit quality | 207.0 | 3 | 218.6 | 4 | 166.0 | 3 | 153.1 | 3 | 146.0 | 3 |
| Total fixed income securities, at fair value | \$ 5,967.3 | 100 % | 6,117.6 | 100 | 5,958.6 | 100 | 5,791.8 | 100 | 5,605.3 | 100 |
| Weighted average credit quality of fixed income portfolio | AA- | | AA- | | AA- | | AA- | | AA- | |
| Expected maturities of fixed income securities at carry value | | | | | | | | | | |
| Due in one year or less | \$ 296.8 | 5 % | 395.2 | 6 | 315.2 | 5 | 289.6 | 5 | 251.4 | 4 |
| Due after one year through five years | 3,485.4 | 58 | 3,015.5 | 49 | 3,312.5 | 56 | 2,254.3 | 39 | 2,144.2 | 38 |
| Due after five years through 10 years | 1,931.5 | 32 | 2,536.9 | 41 | 2,197.5 | 37 | 3,071.6 | 53 | 3,066.4 | 55 |
| Due after 10 years | 252.0 | 4 | 168.8 | 3 | 132.1 | 2 | 174.8 | 3 | 141.8 | 3 |
| Total fixed income securities | \$ 5,965.7 | 100 % | 6,116.4 | 100 | 5,957.2 | 100 | 5,790.3 | 100 | 5,603.9 | 100 |

Alternative investments

| Strategy | March 31, 2020 | | | |
|----------------|-----------------|---------------------|----------------------|----------------------|
| | Number of Funds | Original Commitment | Remaining Commitment | Current Market Value |
| Private equity | 37 | \$ 229.0 | 102.8 | 131.9 |
| Private credit | 14 | 184.3 | 101.6 | 46.5 |
| Real assets | 7 | 44.0 | 23.4 | 23.4 |
| Total | 58 | \$ 457.3 | 227.8 | 201.8 |

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CREDIT QUALITY OF INVESTED ASSETS

(Unaudited)

| At March 31, 2020 | Amortized Cost | Fair Value | % of Invested Assets | Yield to Worst | Effective Duration in Years | Average Life in Years | Credit Rating | | | | | | |
|---|-----------------|-----------------|----------------------|----------------|-----------------------------|-----------------------|-----------------|---------------|-----------------|---------------|----------------------|---------------|--|
| | | | | | | | AAA | AA | A | BBB | Non-Investment Grade | Not Rated | |
| (\$ in millions) | | | | | | | | | | | | | |
| Short-term investments | \$ 518 | \$ 518 | 7.6% | 1.0% | 0.0 | 0.0 | \$ 494 | \$ 23 | \$ — | \$ — | \$ 1 | \$ — | |
| Fixed income investments: | | | | | | | | | | | | | |
| U.S. government obligations | 134 | 142 | 2.1 | 1.1 | 3.9 | 4.4 | 142 | — | — | — | — | — | |
| Foreign government obligations | 13 | 13 | 0.2 | 4.0 | 3.6 | 4.2 | — | 1 | 4 | 8 | — | — | |
| State and municipal obligations | 1,151 | 1,202 | 17.6 | 1.8 | 5.3 | 5.4 | 216 | 622 | 306 | 58 | — | — | |
| Corporate securities | 1,927 | 1,927 | 28.2 | 4.1 | 4.0 | 5.5 | 14 | 89 | 803 | 837 | 184 | — | |
| Mortgage-backed securities: | | | | | | | | | | | | | |
| Residential mortgage-backed securities ("RMBS"): | | | | | | | | | | | | | |
| Agency RMBS | 1,287 | 1,353 | 19.8 | 1.3 | 2.0 | 3.3 | 1,353 | — | — | — | — | — | |
| Non-agency RMBS | 80 | 77 | 1.1 | 5.6 | 1.4 | 3.6 | 32 | 7 | 33 | — | 5 | — | |
| Total RMBS | 1,367 | 1,430 | 20.9 | 1.6 | 2.0 | 3.3 | 1,385 | 7 | 33 | — | 5 | — | |
| Commercial mortgage-backed securities | 517 | 531 | 7.8 | 3.2 | 5.0 | 6.5 | 478 | 22 | 23 | 8 | — | — | |
| Total mortgage-backed securities | 1,884 | 1,961 | 28.7 | 2.0 | 2.8 | 4.2 | 1,863 | 29 | 56 | 8 | 5 | — | |
| Collateralized loan obligations ("CLO") and other asset-backed securities ("ABS"): | | | | | | | | | | | | | |
| Auto | 45 | 45 | 0.7 | 3.8 | 2.5 | 2.4 | 36 | 5 | 4 | — | — | — | |
| Aircraft | 57 | 42 | 0.6 | 13.3 | 3.3 | 4.2 | — | 2 | 40 | — | — | — | |
| CLOs | 512 | 469 | 6.8 | 5.5 | 1.1 | 4.7 | 287 | 111 | 26 | 35 | 9 | 1 | |
| Credit cards | 19 | 19 | 0.3 | 1.7 | 1.9 | 2.2 | 19 | — | — | — | — | — | |
| Other ABS | 156 | 147 | 2.2 | 5.8 | 2.4 | 5.2 | 23 | 2 | 90 | 25 | 7 | — | |
| Total CLOs and ABS | 789 | 722 | 10.5 | 5.8 | 1.6 | 4.5 | 365 | 120 | 160 | 60 | 16 | 1 | |
| Total securitized assets | 2,673 | 2,683 | 39.2 | 3.0 | 2.5 | 4.3 | 2,228 | 149 | 216 | 68 | 21 | 1 | |
| Total fixed income securities and short-term investments | 6,416 | 6,485 | 94.8 | 2.9 | 3.3 | 4.5 | 3,094 | 884 | 1,329 | 971 | 206 | 1 | |
| Total fixed income securities and short-term investments by credit rating percentage | | | | | | | 47.7% | 13.6% | 20.5% | 15.0% | 3.2% | —% | |
| Commercial mortgage loans | 14 | 14 | 0.2 | 3.7 | 7.5 | 4.7 | — | — | 12 | 2 | — | — | |
| Equity Securities: | | | | | | | | | | | | | |
| Common Stock ¹ | 114 | 98 | 1.4 | 0.8 | — | — | — | — | — | — | — | 98 | |
| Preferred stock | 2 | 2 | — | 5.4 | — | — | — | — | — | — | 2 | — | |
| Total equity securities | 116 | 100 | 1.4 | 0.9 | — | — | — | — | — | — | 2 | 98 | |
| Other investments: | | | | | | | | | | | | | |
| Alternative investments | | | | | | | | | | | | | |
| Private equity | 132 | 132 | 1.9 | — | — | — | — | — | — | — | — | 132 | |
| Private credit | 47 | 47 | 0.7 | — | — | — | — | — | — | — | — | 47 | |
| Real assets | 23 | 23 | 0.3 | — | — | — | — | — | — | — | — | 23 | |
| Total alternative investments | 202 | 202 | 2.9 | — | — | — | — | — | — | — | — | 202 | |
| Other investments | 43 | 43 | 0.7 | — | — | — | — | — | — | — | — | 43 | |
| Total other investments | 245 | 245 | 3.6 | — | — | — | — | — | — | — | — | 245 | |
| Total invested assets | \$ 6,791 | \$ 6,844 | 100 | — | — | — | \$ 3,094 | \$ 884 | \$ 1,341 | \$ 973 | \$ 208 | \$ 344 | |

¹Includes investments in exchange traded funds, mutual funds, business development corporations, and real estate investment trusts.

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

RECONCILIATION OF NET INCOME TO NON-GAAP OPERATING INCOME AND CERTAIN OTHER NON-GAAP MEASURES (Unaudited)

| <i>(\$ in millions, except per share data)</i> | Quarter ended | | | | |
|--|------------------|------------------|-------------------|------------------|------------------|
| | Mar. 31, 2020 | Dec. 31, 2019 | Sept. 30, 2019 | June 30, 2019 | Mar. 31, 2019 |
| Reconciliation of net income to non-GAAP operating income | | | | | |
| Net income | \$ 15.2 | 81.9 | 56.2 | 72.3 | 61.3 |
| Net realized and unrealized losses (gains), before tax* | 44.7 | 0.9 | 2.2 | (4.0) | (13.5) |
| Debt retirement costs, before tax | — | — | — | — | 4.2 |
| Tax on reconciling items | (9.4) | (0.2) | 0.4 | 0.8 | 1.9 |
| Non-GAAP operating income | \$ 50.5 | 82.5 | 58.8 | 69.1 | 54.0 |
| Reconciliation of net income per diluted share to non-GAAP operating income per diluted share | | | | | |
| Net income per diluted share | \$ 0.25 | 1.36 | 0.93 | 1.21 | 1.02 |
| Net realized and unrealized losses (gains), before tax* | 0.74 | 0.01 | 0.04 | (0.06) | (0.22) |
| Debt retirement costs, before tax | — | — | — | — | 0.07 |
| Tax on reconciling items | (0.15) | — | — | 0.01 | 0.03 |
| Non-GAAP operating income per diluted share | \$ 0.84 | 1.37 | 0.97 | 1.16 | 0.90 |
| Reconciliation of annualized ROE to annualized non-GAAP operating ROE | | | | | |
| Annualized ROE | 2.8 % | 15.1 | 10.7 | 14.5 | 13.2 |
| Net realized and unrealized losses (gains), before tax* | 8.3 | 0.2 | 0.4 | (0.8) | (2.9) |
| Debt retirement costs, before tax | — | — | — | — | 0.9 |
| Tax on reconciling items | (1.7) | (0.1) | 0.1 | 0.2 | 0.4 |
| Annualized non-GAAP operating ROE | 9.4 % | 15.2 | 11.2 | 13.9 | 11.6 |

Non-GAAP operating income, non-GAAP operating income per diluted share, and non-GAAP operating return on equity differ from net income, income per diluted share, and return on equity, respectively, by the exclusion of: (i) after-tax net realized and unrealized gains and losses on investments; and (ii) after-tax debt retirement costs. They are used as important financial measures by management, analysts, and investors, because the realization of investment gains and losses on sales of securities in any given period is largely discretionary as to timing. In addition, these net realized investment gains and losses, other-than-temporary investment impairments that are charged to earnings, unrealized gains and losses on equity securities, and the debt retirement costs could distort the analysis of trends. These operating measurements are not intended as a substitute for net income, income per share, or return on equity prepared in accordance with U.S. generally accepted accounting principles (GAAP). Reconciliations of net income, net income per diluted share, and return on equity to non-GAAP operating income, non-GAAP operating income per diluted share, and non-GAAP operating return on equity, respectively, are provided in the tables above.

* Refer to Page 2 for components of realized and unrealized investment losses and gains.

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

RATINGS AND CONTACT INFORMATION

Address:

40 Wantage Avenue
Branchville, NJ 07890

Corporate Website:

www.Selective.com

As of March 31, 2020

| | AM Best | Standard & Poor's | Moody's | Fitch |
|--------------------------------------|---------|-------------------|---------|-------|
| <i>Financial Strength Ratings:</i> | A | A | A2 | A+ |
| <i>Long-Term Debt Credit Rating:</i> | bbb+ | BBB | Baa2 | BBB+ |

Investor Contact:

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Investor Relations & Treasurer
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REGISTRAR AND TRANSFER AGENT

EQ Shareowner Services
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