



**FINANCIAL SUPPLEMENT
FIRST QUARTER 2021**

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 for any reason.

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) net realized 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, terms and conditions, 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

TABLE OF CONTENTS

	<u>Page</u>
Consolidated Financial Highlights	1
Consolidated Statements of Operations	2
Consolidated Balance Sheets	3
Financial Metrics	4
Consolidated Insurance Operations Statement of Operations	5
Standard Commercial Lines Statement of Operations and Supplemental Data	6
Standard Commercial Lines GAAP Line of Business Results	7
Standard Personal Lines Statement of Operations and Supplemental Data	8
Standard Personal Lines GAAP Line of Business Results	9
Excess and Surplus Lines Statement of Operations and Supplemental Data	10
Excess and Surplus Lines GAAP Line of Business Results	11
Consolidated Investment Income	12
Consolidated Composition of Invested Assets	13
Credit Quality of Invested Assets	14
Reconciliation of Net Income Available to Common Stockholders to Non-GAAP Operating Income and Certain Other Non-GAAP Measures	15
Ratings and Contact Information	16

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED FINANCIAL HIGHLIGHTS

(Unaudited)

	Quarter ended				
	Mar. 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
<i>(\$ and shares in millions, except per share data)</i>					
For Period Ended					
Gross premiums written	\$ 914.3	790.5	844.7	841.1	752.5
Net premiums written	798.2	681.5	719.5	724.8	647.3
Change in net premiums written, from comparable prior year period	23 %	8	6	3	(4)
Underwriting income, before-tax	\$ 77.7	84.1	21.0	9.9	21.4
Net investment income earned, before-tax	69.7	68.5	68.2	34.4	56.0
Net realized and unrealized investment gains (losses), before-tax	5.1	20.1	7.7	12.6	(44.7)
Net income	\$ 109.3	127.1	69.9	34.2	15.2
Net income available to common stockholders ⁽¹⁾	106.8	127.1	69.9	34.2	15.2
Non-GAAP operating income ⁽²⁾	102.8	111.2	63.8	24.2	50.5
At Period End					
Total assets	9,848.6	9,687.9	9,514.9	9,306.0	8,975.1
Total invested assets	7,559.3	7,505.6	7,277.5	7,130.3	6,842.1
Stockholders' equity	2,744.0	2,738.9	2,393.6	2,298.7	2,096.5
Common stockholders' equity ⁽³⁾	2,544.0	2,538.9	2,393.6	2,298.7	2,096.5
Common shares outstanding	60.0	59.9	59.8	59.8	59.7
Per Share and Share Data					
Net income available to common stockholders per common share (diluted)	\$ 1.77	2.10	1.16	0.57	0.25
Non-GAAP operating income per common share (diluted) ⁽²⁾	1.70	1.84	1.06	0.40	0.84
Weighted average common shares outstanding (diluted)	60.5	60.4	60.4	60.2	60.2
Book value per common share	\$ 42.38	42.38	40.00	38.43	35.11
Dividends paid per common share	0.25	0.25	0.23	0.23	0.23
Financial Ratios					
Loss and loss expense ratio	57.0 %	54.4	64.5	64.0	61.4
Underwriting expense ratio	32.1	33.4	32.4	34.3	35.2
Dividends to policyholders ratio	0.2	0.3	0.1	0.1	0.1
GAAP combined ratio	89.3 %	88.1	97.0	98.4	96.7
Annualized return on common stockholders' equity ("ROE")	16.8	20.6	11.9	6.2	2.8
Annualized non-GAAP operating ROE ⁽²⁾	16.2	18.0	10.9	4.4	9.4
Debt to total capitalization	16.7	16.7	23.1	25.9	28.9
Long-term debt to total capitalization	16.7	16.7	18.7	19.3	20.8
Net premiums written to policyholders' surplus	1.33x	1.30x	1.39x	1.39x	1.38x
Invested assets per dollar of common stockholders' equity	\$ 2.97	2.96	3.04	3.10	3.26

⁽¹⁾ Net income available to common stockholders is net income reduced by preferred stock dividends.

⁽²⁾ Non-GAAP measure. Refer to Page 15 for definition.

⁽³⁾ Excludes equity related to preferred stock.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(\$ and shares in millions, except per share data)	Quarter ended				
	Mar. 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
Revenues					
Net premiums earned	\$ 725.0	704.9	694.5	630.7	651.7
Net investment income earned	69.7	68.5	68.2	34.4	56.0
Net realized and unrealized gains (losses)	5.1	20.1	7.7	12.6	(44.7)
Other income	4.1	4.9	6.1	4.7	1.8
Total revenues	803.9	798.4	776.6	682.4	664.8
Expenses					
Loss and loss expense incurred	413.4	383.7	447.8	403.9	400.3
Amortization of deferred policy acquisition costs	149.1	144.5	142.3	136.9	136.5
Other insurance expenses	88.9	97.5	89.5	84.6	95.3
Interest expense	7.4	7.5	7.8	7.9	7.6
Corporate expenses	9.6	6.1	3.9	6.3	9.1
Total expenses	668.3	639.4	691.3	639.8	648.8
Income before federal income tax	135.6	159.0	85.3	42.7	16.0
Federal income tax expense	26.4	32.0	15.4	8.5	0.8
Net Income	109.3	127.1	69.9	34.2	15.2
Preferred stock dividends	2.5	—	—	—	—
Net income available to common stockholders	106.8	127.1	69.9	34.2	15.2
Net realized and unrealized investment (gains) losses, after tax ⁽¹⁾	(4.0)	(15.9)	(6.1)	(10.0)	35.3
Non-GAAP operating income⁽²⁾	\$ 102.8	111.2	63.8	24.2	50.5
Weighted average common shares outstanding (diluted)	60.5	60.4	60.4	60.2	60.2
Net income available to common stockholders per common share (diluted)	\$ 1.77	2.10	1.16	0.57	0.25
Non-GAAP operating income per common share (diluted) ⁽²⁾	\$ 1.70	1.84	1.06	0.40	0.84

⁽¹⁾ Amounts are provided to reconcile net income available to common stockholders to non-GAAP operating income.

⁽²⁾ 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, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
ASSETS					
Investments					
Fixed income securities, held-to-maturity, net of allowance for credit losses	\$ 24.3	16.8	19.1	19.5	20.4
Fixed income securities, available-for-sale, at fair value, net of allowance for credit losses	6,521.6	6,455.9	6,437.5	6,358.2	5,945.4
Commercial mortgage loans, net of allowance for credit losses	61.1	46.3	29.5	17.7	13.9
Equity securities, at fair value	324.3	310.4	151.8	134.1	100.0
Short-term investments	337.8	409.9	380.9	370.4	517.6
Other investments	290.2	266.3	258.6	230.5	244.9
Total investments	7,559.3	7,505.6	7,277.5	7,130.3	6,842.1
Cash	0.5	0.4	0.8	0.7	9.4
Restricted cash	8.4	14.8	15.1	5.0	5.2
Interest and dividends due or accrued	46.1	45.0	46.4	45.8	43.9
Premiums receivable, net of allowance for credit losses	895.2	836.0	851.1	866.9	797.3
Reinsurance recoverable, net of allowance for credit losses	580.9	587.5	611.5	584.7	563.5
Prepaid reinsurance premiums	168.6	170.5	179.4	169.8	162.5
Current federal income tax	—	—	6.6	—	—
Deferred federal income tax	—	—	—	—	43.1
Property and equipment, net of accumulated depreciation and amortization	76.1	77.7	78.4	78.8	80.1
Deferred policy acquisition costs	302.7	288.6	292.7	285.5	269.6
Goodwill	7.8	7.8	7.8	7.8	7.8
Other assets	203.1	153.9	147.7	130.7	150.6
Total assets	\$ 9,848.6	9,687.9	9,514.9	9,306.0	8,975.1
LIABILITIES AND STOCKHOLDERS' EQUITY					
Liabilities					
Reserve for loss and loss expense	\$ 4,360.2	4,260.4	4,293.3	4,176.9	4,103.6
Unearned premiums	1,689.5	1,618.3	1,650.5	1,615.9	1,514.6
Short-term debt	—	—	167.0	252.0	302.0
Long-term debt	550.9	550.7	550.6	550.6	550.6
Current federal income tax	42.0	14.0	—	10.6	12.4
Deferred federal income tax	2.3	27.1	20.4	13.1	—
Accrued salaries and benefits	83.7	114.9	93.1	82.7	74.0
Other liabilities	376.0	363.7	346.4	305.6	321.4
Total liabilities	\$ 7,104.6	6,949.0	7,121.3	7,007.3	6,878.6
Stockholders' Equity					
Preferred stock of \$0 par value per share	\$ 200.0	200.0	—	—	—
Common stock of \$2 par value per share	208.6	208.1	207.9	207.9	207.7
Additional paid-in capital	446.4	439.0	438.9	435.0	427.3
Retained earnings	2,363.2	2,271.5	2,159.6	2,103.6	2,083.3
Accumulated other comprehensive income (loss)	134.6	220.2	187.1	152.0	(22.1)
Treasury stock, at cost	(608.7)	(599.9)	(599.9)	(599.8)	(599.8)
Total stockholders' equity	\$ 2,744.0	2,738.9	2,393.6	2,298.7	2,096.5
Commitments and contingencies					
Total liabilities and stockholders' equity	\$ 9,848.6	9,687.9	9,514.9	9,306.0	8,975.1

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

FINANCIAL METRICS

(Unaudited)

	Quarter ended				
	Mar. 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
<i>(\$ and shares in millions, except per share data)</i>					
Book value per common share					
Common stockholders' equity	\$ 2,544.0	2,538.9	2,393.6	2,298.7	2,096.5
Common shares issued and outstanding, at period end	60.0	59.9	59.8	59.8	59.7
Book value per common share	\$ 42.38	42.38	40.00	38.43	35.11
Book value per common share excluding unrealized gain or loss on fixed income securities	38.73	37.29	35.43	34.43	34.01
Financial results (after-tax)					
Underwriting income	61.4	66.4	16.6	7.8	16.9
Net investment income	56.3	55.5	55.1	28.5	45.5
Interest expense and preferred stock dividends	(8.3)	(5.9)	(6.1)	(6.3)	(6.0)
Corporate expense	(6.7)	(4.7)	(1.8)	(5.9)	(5.8)
Net realized and unrealized investment gains (losses)	4.0	15.9	6.1	10.0	(35.3)
Total after-tax net income available to common stockholders	106.8	127.1	69.9	34.2	15.2
Return on average equity					
Insurance segments	9.7 %	10.8	2.8	1.4	3.1
Net investment income	8.9	9.0	9.4	5.2	8.5
Interest expense and preferred stock dividends	(1.3)	(1.0)	(1.0)	(1.1)	(1.1)
Corporate expense	(1.1)	(0.8)	(0.3)	(1.1)	(1.1)
Net realized and unrealized investment gains (losses)	0.6	2.6	1.0	1.8	(6.6)
Annualized ROE	16.8	20.6	11.9	6.2	2.8
Net realized and unrealized (gains) losses ⁽¹⁾	(0.6)	(2.6)	(1.0)	(1.8)	6.6
Annualized Non-GAAP Operating ROE⁽²⁾	16.2 %	18.0	10.9	4.4	9.4
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	100.0
0.68% Borrowings from FHLBNY	—	—	—	85.0	85.0
0.58% Borrowings from FHLBI	—	—	67.0	67.0	67.0
0.36% Borrowings from FHLBNY	—	—	100.0	—	—
2.244% Borrowings on Line of Credit	—	—	—	—	50.0
7.25% Senior Notes	49.8	49.7	49.7	49.7	49.7
6.70% Senior Notes	99.2	99.2	99.2	99.2	99.1
5.375% Senior Notes	291.4	291.3	291.2	291.2	291.1
Finance Lease Obligations	0.6	0.5	0.4	0.5	0.6
Total debt	550.9	550.7	717.6	802.6	852.6
Stockholders' equity	2,744.0	2,738.9	2,393.6	2,298.7	2,096.5
Total capitalization	\$ 3,294.9	3,289.6	3,111.2	3,101.3	2,949.1
Ratio of debt to total capitalization	16.7 %	16.7	23.1	25.9	28.9
Ratio of long-term debt to total capitalization	16.7	16.7	18.7	19.3	20.8
Policyholders' surplus	\$ 2,204.7	2,124.7	1,962.3	1,922.5	1,924.9

⁽¹⁾ Amounts are provided to reconcile annualized ROE to annualized non-GAAP operating ROE.

⁽²⁾ 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, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
Underwriting results					
Net premiums written	\$ 798.2	681.5	719.5	724.8	647.3
Change in net premiums written, from comparable prior year period	23 %	8	6	3	(4)
Net premiums earned	\$ 725.0	704.9	694.5	630.7	651.7
Losses and loss expenses incurred	413.4	383.7	447.8	403.9	400.3
Net underwriting expenses incurred	232.6	235.3	225.1	216.2	229.2
Dividends to policyholders	1.2	1.8	0.6	0.7	0.8
GAAP underwriting gain	\$ 77.7	84.1	21.0	9.9	21.4
Catastrophe losses					
Catastrophe losses	\$ 29.9	19.5	79.5	83.2	33.2
(Favorable) prior year casualty reserve development	(35.0)	(35.0)	(25.0)	(15.0)	(10.0)
Underwriting ratios					
Loss and loss expense ratio	57.0 %	54.4	64.5	64.0	61.4
Underwriting expense ratio	32.1	33.4	32.4	34.3	35.2
Dividends to policyholders ratio	0.2	0.3	0.1	0.1	0.1
Combined ratio	89.3 %	88.1	97.0	98.4	96.7
Catastrophe losses before development					
Catastrophe losses	4.1 pts	2.8	11.4	13.2	5.1
(Favorable) prior year casualty reserve development	(4.8) pts	(5.0)	(3.6)	(2.4)	(1.5)
Combined ratio before catastrophe losses	85.2 %	85.3	85.6	85.2	91.6
Combined ratio before catastrophe losses and prior year casualty development					
Combined ratio before catastrophe losses and prior year casualty development	90.0	90.3	89.2	87.6	93.1
Other Statistics					
Non-catastrophe property loss and loss expenses	\$ 115.6	114.5	105.6	81.8	108.1
Non-catastrophe property loss and loss expenses	15.9 pts	16.2	15.2	13.0	16.6
Direct new business	\$ 155.6	136.1	140.8	150.1	152.8
Renewal pure price increases	5.4 %	4.8	4.4	3.9	4.0

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, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
Underwriting results					
Net premiums written	\$ 665.6	551.1	577.8	583.3	518.4
Change in net premiums written, from comparable prior year period	28 %	10	8	5	(5)
Net premiums earned	\$ 589.1	567.5	558.1	501.0	516.6
Losses and loss expenses incurred	324.9	295.4	331.0	307.0	312.2
Net underwriting expenses incurred	193.6	195.2	183.7	176.6	186.5
Dividends to policyholders	1.2	1.8	0.6	0.7	0.8
GAAP underwriting gain	\$ 69.5	75.2	42.7	16.7	17.1
Catastrophe losses					
Catastrophe losses	\$ 16.1	7.1	39.3	50.7	20.7
(Favorable) prior year casualty reserve development	(30.0)	(35.0)	(25.0)	(15.0)	(10.0)
Underwriting ratios					
Loss and loss expense ratio	55.1 %	52.1	59.3	61.4	60.4
Underwriting expense ratio	32.9	34.4	32.9	35.2	36.1
Dividends to policyholders ratio	0.2	0.3	0.1	0.1	0.2
Combined ratio	88.2 %	86.8	92.3	96.7	96.7
Catastrophe losses					
Catastrophe losses	2.7 pts	1.3	7.0	10.1	4.0
(Favorable) prior year casualty reserve development	(5.1)	(6.2)	(4.5)	(3.0)	(1.9)
Combined ratio before catastrophe losses	85.5 %	85.5	85.3	86.6	92.7
Combined ratio before catastrophe losses and prior year casualty development	90.6	91.7	89.8	89.6	94.6
Other Statistics					
Non-catastrophe property loss and loss expenses	\$ 83.6	80.5	75.3	60.9	79.6
Non-catastrophe property loss and loss expenses	14.2 pts	14.2	13.5	12.2	15.4
Direct new business	\$ 114.5	96.8	99.0	109.9	115.4
Renewal pure price increases	5.7 %	5.1	4.6	3.9	4.0
Retention	86 %	86	86	86	85

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, 2021									Quarter ended March 31, 2020							
	Commercial Property	Workers Compensation	General Liability	Commercial			Total		Commercial Property	Workers Compensation	General Liability	Commercial			Total		
				Auto	BOP	Bonds	Other					Auto	BOP	Bonds	Other		
Net premiums written	\$ 113.4	92.3	222.1	190.6	31.4	9.5	6.3	665.6	103.1	51.2	150.8	168.3	29.2	10.2	5.7	518.4	
Net premiums earned	102.8	78.2	193.5	171.9	28.6	8.6	5.5	589.1	93.9	66.7	164.6	149.7	27.0	9.6	5.1	516.6	
Loss and loss expense ratio	56.7 %	46.2	47.6	68.0	65.4	30.2	0.2	55.1	69.6	52.4	55.4	66.7	64.0	38.4	0.2	60.4	
Underwriting expense ratio	36.7	26.3	33.5	30.3	36.6	60.3	51.1	32.9	39.5	30.0	36.7	33.8	38.5	54.3	53.8	36.1	
Dividend ratio	—	1.4	—	0.1	—	—	(0.1)	0.2	—	1.1	—	—	—	—	—	0.2	
Combined ratio	93.4 %	73.9	81.1	98.4	102.0	90.5	51.2	88.2	109.1	83.5	92.1	100.5	102.5	92.7	54.0	96.7	
Underwriting gain (loss)	\$ 6.8	20.4	36.6	2.8	(0.6)	0.8	2.7	69.5	(8.6)	11.0	13.1	(0.8)	(0.7)	0.7	2.3	17.1	

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, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
Underwriting results					
Net premiums written	\$ 65.1	69.7	79.7	78.2	67.6
Change in net premiums written, from comparable prior year period	(4) %	(2)	(2)	(5)	(2)
Net premiums earned	\$ 73.8	75.4	76.0	71.6	76.1
Losses and loss expenses incurred	47.2	51.1	69.7	58.2	54.3
Net underwriting expenses incurred	19.0	19.5	20.7	19.8	21.4
GAAP underwriting gain (loss)	\$ 7.7	4.8	(14.4)	(6.3)	0.4
Catastrophe losses					
Catastrophe losses	\$ 5.6	11.2	28.4	26.0	12.0
Prior year casualty reserve development	—	—	—	—	—
Underwriting ratios					
Loss and loss expense ratio	63.9 %	67.8	91.7	81.1	71.4
Underwriting expense ratio	25.7	25.8	27.3	27.7	28.1
Combined ratio	89.6 %	93.6	119.0	108.8	99.5
Catastrophe losses					
Catastrophe losses	7.6 pts	14.8	37.4	36.2	15.7
Prior year casualty reserve development	—	—	—	—	—
Combined ratio before catastrophe losses	82.0 %	78.8	81.6	72.6	83.8
Combined ratio before catastrophe losses and prior year casualty development	82.0	78.8	81.6	72.6	83.8
Other Statistics					
Non-catastrophe property loss and loss expenses	\$ 23.1	25.4	22.4	15.3	22.8
Non-catastrophe property loss and loss expenses	31.3 pts	33.7	29.5	21.4	30.0
Direct new business	\$ 9.8	10.9	12.1	11.8	9.9
Renewal pure price increases	0.8 %	1.1	1.8	3.1	3.7
Retention	83 %	84	83	84	83

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, 2021				Quarter ended March 31, 2020			
	Personal Auto	Homeowners	Other	Total	Personal Auto	Homeowners	Other	Total
Net premiums written.....	\$ 37.9	25.5	1.6	65.1	40.1	25.6	2.0	67.6
Net premiums earned.....	41.4	30.6	1.8	73.8	42.5	31.5	2.2	76.1
Loss and loss expense ratio.....	63.9 %	65.4	38.2	63.9	64.1	78.2	115.2	71.4
Underwriting expense ratio.....	30.5	29.6	(148.6)	25.7	33.7	31.0	(124.0)	28.1
Combined ratio.....	94.4 %	95.0	(110.4)	89.6	97.8	109.2	(8.8)	99.5
Underwriting gain (loss).....	\$ 2.3	1.5	3.9	7.7	1.0	(2.9)	2.3	0.4

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, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
Underwriting results					
Net premiums written	\$ 67.5	60.7	62.1	63.2	61.3
Change in net premiums written, from comparable prior year period	10 %	6	—	3	8
Net premiums earned	\$ 62.0	62.0	60.5	58.0	59.0
Losses and loss expenses incurred	41.4	37.3	47.1	38.8	33.8
Net underwriting expenses incurred	20.1	20.6	20.7	19.8	21.3
GAAP underwriting gain (loss)	\$ 0.5	4.1	(7.3)	(0.5)	3.8
Catastrophe losses	\$ 8.3	1.2	11.8	6.5	0.5
(Favorable) prior year casualty reserve development	(5.0)	—	—	—	—
Underwriting ratios					
Loss and loss expense ratio	66.8 %	60.1	77.8	66.8	57.4
Underwriting expense ratio	32.4	33.3	34.2	34.1	36.1
Combined ratio	99.2 %	93.4	112.0	100.9	93.5
Catastrophe losses	13.3 pts	1.9	19.5	11.3	0.8
(Favorable) prior year casualty reserve development	(8.1)	—	—	—	—
Combined ratio before catastrophe losses	85.9 %	91.5	92.5	89.6	92.7
Combined ratio before catastrophe losses and prior year casualty development	94.0	91.5	92.5	89.6	92.7
Other Statistics					
Non-catastrophe property loss and loss expenses	\$ 8.9	8.6	8.0	5.6	5.7
Non-catastrophe property loss and loss expenses	14.3 pts	13.8	13.2	9.6	9.7
Direct new business	\$ 31.3	28.4	29.7	28.3	27.5
Renewal pure price increases	7.3 %	7.4	7.0	5.5	3.9

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, 2021			Quarter ended March 31, 2020		
	Casualty	Property	Total	Casualty	Property	Total
Net premiums written	\$ 48.1	19.4	67.5	45.7	15.6	61.3
Net premiums earned	43.8	18.2	62.0	44.1	14.9	59.0
Loss and loss expense ratio	55.3 %	94.4	66.8	62.7	41.6	57.4
Underwriting expense ratio	33.1	30.8	32.4	36.1	36.3	36.1
Combined ratio	88.4 %	125.2	99.2	98.8	77.9	93.5
Underwriting gain (loss)	\$ 5.1	(4.6)	0.5	0.5	3.3	3.8

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED INVESTMENT INCOME

(Unaudited)

(\$ in millions)	Quarter ended				
	Mar. 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
Net investment income					
Fixed income securities.....					
Taxable.....	\$ 45.3	43.9	43.7	43.6	42.5
Tax-exempt.....	7.6	7.4	7.6	7.5	7.8
Total fixed income securities.....	52.8	51.3	51.3	51.1	50.3
Commercial mortgage loans.....	0.5	0.4	0.2	0.2	0.1
Equity securities.....	2.5	3.8	1.9	2.0	1.6
Other investments.....	17.4	17.8	18.7	(15.8)	6.3
Short-term investments.....	—	—	0.2	0.4	1.2
Investment income.....	73.3	73.2	72.4	37.8	59.4
Investment expenses.....	(3.6)	(4.7)	(4.2)	(3.4)	(3.4)
Investment tax expense.....	(13.4)	(13.1)	(13.1)	(5.9)	(10.5)
Total net investment income, after-tax	\$ 56.3	55.5	55.1	28.5	45.5
Net realized and unrealized investment gains (losses), pre-tax	\$ 5.1	20.1	7.7	12.6	(44.7)
Change in unrealized gains (losses) recognized in other comprehensive income, pre-tax	\$ (109.0)	39.6	43.7	219.6	(132.2)
Average investment yields					
Fixed income investments, pre-tax.....	3.3 %	3.2	3.2	3.3	3.3
Fixed income investments, after-tax.....	2.6	2.6	2.6	2.7	2.7
Total portfolio, pre-tax.....	3.7 %	3.7	3.8	2.0	3.3
Total portfolio, after-tax.....	3.0	3.0	3.1	1.6	2.7
Effective tax rate on net investment income	19.2 %	19.1	19.1	17.1	18.7
New money purchase rates for fixed income investments, pre-tax	2.1	2.7	2.8	3.5	3.1
New money purchase rates for fixed income investments, after-tax	1.7	2.2	2.2	2.7	2.5
Effective duration of fixed income investments including short-term (in years)	3.9	3.7	3.7	3.6	3.3

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED COMPOSITION OF INVESTED ASSETS

(Unaudited)

(\$ in millions)	Mar. 31, 2021		Dec. 31, 2020		Sept. 30, 2020		June 30, 2020		Mar.31, 2020	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Fixed income securities, at fair value	\$ 6,546.8	87 %	6,473.9	86	6,457.8	89	6,378.9	89	5,967.3	87
Commercial mortgage loans, at fair value	62.2	1	47.3	1	30.6	—	17.9	—	13.9	—
Total fixed income investments	6,609.1	88	6,521.2	87	6,488.3	89	6,396.8	89	5,981.1	87
Short-term investments	337.8	4	409.9	5	380.9	5	370.4	5	517.6	8
Total fixed income and short-term investments	6,946.9	92	6,931.1	92	6,869.2	94	6,767.2	94	6,498.7	95
Equity securities, at fair value	324.3	4	310.4	4	151.8	2	134.1	2	100.0	1
Other investments	290.2	4	266.3	4	258.6	4	230.5	4	244.9	4
Total investments	\$ 7,561.3	100 %	7,507.8	100	7,279.7	100	7,131.8	100	6,843.6	100
Fixed income investments, at carry value										
U.S. government obligations	\$ 136.3	2 %	116.1	2	117.5	2	119.7	2	142.2	3
Foreign government obligations	19.7	—	18.4	—	17.0	—	17.9	—	12.9	—
Obligations of state and political subdivisions	1,218.6	19	1,251.6	19	1,236.0	19	1,207.9	19	1,201.8	20
Corporate securities	2,365.6	36	2,340.4	36	2,313.4	36	2,271.0	36	1,925.3	32
Collateralized loan obligations and other asset-backed securities	1,202.1	18	1,026.6	16	945.6	15	839.5	13	722.3	12
Residential mortgage-backed securities	947.5	14	1,051.8	16	1,183.0	18	1,318.4	21	1,430.2	24
Commercial mortgage-backed securities	656.2	10	667.9	10	644.2	10	603.2	9	531.0	9
Commercial mortgage loans	61.1	1	46.3	1	29.5	—	17.7	—	13.9	—
Total fixed income investments	\$ 6,607.1	100 %	6,519.1	100	6,486.1	100	6,395.4	100	5,979.6	100
Expected maturities of fixed income investments at carry value										
Due in one year or less	\$ 454.8	7 %	434.4	7	337.6	5	315.8	5	296.8	5
Due after one year through five years	3,444.4	52	3,679.2	56	3,742.7	58	3,661.7	57	3,487.2	58
Due after five years through 10 years	2,071.6	31	1,920.7	30	1,972.9	30	2,061.5	32	1,937.5	32
Due after 10 years	636.2	10	484.7	7	432.9	7	356.4	6	258.1	5
Total fixed income investments	\$ 6,607.1	100 %	6,519.1	100	6,486.1	100	6,395.4	100	5,979.6	100
Weighted average credit quality of fixed income and short-term investments										
Investment grade credit quality	\$ 6,687.7	96 %	6,635.0	96	6,594.2	96	6,489.4	96	6,290.9	97
Non-investment grade credit quality	259.1	4	296.1	4	275.1	4	277.8	4	207.8	3
Total fixed income and short-term investments, at fair value	\$ 6,946.9	100 %	6,931.1	100	6,869.2	100	6,767.2	100	6,498.7	100
Weighted average credit quality of fixed income and short-term investments	AA-		AA-		AA-		AA-		AA-	

Alternative investments

Strategy	Mar. 31, 2021			
	Number of Funds	Original Commitment	Remaining Commitment	Current Market Value
Private equity	46	\$ 269.8	104.1	182.0
Private credit	16	189.9	98.1	56.8
Real assets	7	37.5	15.9	19.7
Total	69	\$ 497.3	218.0	258.5

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CREDIT QUALITY OF INVESTED ASSETS

(Unaudited)

At March 31, 2021	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
<i>(\$ in millions)</i>												
Fixed income investments:												
U.S. government obligations	135	136	1.8	1.3	6.0	8.5	129	7	—	—	—	—
Foreign government obligations	19	20	0.3	1.8	5.2	6.4	—	3	10	7	—	—
State and municipal obligations	1,145	1,219	16.1	1.1	5.3	4.9	231	561	369	58	—	—
Corporate securities	2,259	2,366	31.3	2.1	4.8	6.5	13	140	915	1,096	203	—
Mortgage-backed securities:												
Residential mortgage-backed securities ("RMBS"):												
Agency RMBS	792	831	11.0	1.5	3.7	4.1	831	—	—	—	—	—
Non-agency RMBS	114	116	1.5	1.5	1.7	3.8	53	12	52	—	—	—
Total RMBS	906	948	12.5	1.5	3.5	4.1	884	12	52	—	—	—
Commercial mortgage-backed securities	625	656	8.7	1.9	4.3	5.6	574	39	33	11	—	—
Total mortgage-backed securities	1,531	1,604	21.2	1.7	3.8	4.7	1,458	50	84	11	—	—
Collateralized loan obligations ("CLO") and other asset-backed securities ("ABS"):												
Auto	41	42	0.6	0.9	2.1	2.1	32	6	3	—	1	—
Aircraft	56	56	0.7	4.4	3.2	3.5	—	1	19	34	2	—
CLOs	783	786	10.4	2.6	1.0	5.0	401	282	43	16	42	1
Credit cards	21	22	0.3	0.4	1.0	1.0	16	—	6	—	—	—
Other ABS	287	295	3.9	2.3	3.5	5.3	68	26	158	34	8	1
Total CLOs and ABS	1,189	1,202	15.9	2.5	1.8	4.8	517	316	229	85	54	2
Total securitized assets	2,720	2,806	37.1	2.0	2.9	4.8	1,975	366	313	96	54	2
Commercial mortgage loans	61	62	0.8	3.8	3.4	6.7	—	—	27	35	—	—
Total fixed income investments	6,338	6,609	87.4	1.9	4.1	5.5	2,348	1,077	1,634	1,291	257	2
Short-term investments	338	338	4.5	0.1	0.0	0.0	317	20	—	1	—	—
Total fixed income and short-term investments	6,676	6,947	91.9	1.8	3.9	5.2	2,665	1,097	1,634	1,292	257	2
Total fixed income securities and short-term investments by credit rating percentage							38.4 %	15.8 %	23.5 %	18.6 %	3.7 %	— %
Equity Securities:												
Common Stock ⁽¹⁾	303	323	4.3	—	—	—	—	—	—	—	—	323
Preferred stock	2	2	—	—	—	—	—	—	—	1	1	—
Total equity securities	304	324	4.3	—	—	—	—	—	—	1	1	323
Other investments:												
Alternative investments												
Private equity	182	182	2.4	—	—	—	—	—	—	—	—	182
Private credit	57	57	0.7	—	—	—	—	—	—	—	—	57
Real assets	20	20	0.3	—	—	—	—	—	—	—	—	20
Total alternative investments	259	259	3.4	—	—	—	—	—	—	—	—	259
Other investments	32	32	0.4	—	—	—	—	—	—	—	—	32
Total other investments	290	290	3.8	—	—	—	—	—	—	—	—	290
Total invested assets	\$ 7,271	\$ 7,561	100.0 %	—	—	—	\$2,665	\$1,097	\$1,634	\$1,293	\$258	\$615

⁽¹⁾ Includes 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 AVAILABLE TO COMMON STOCKHOLDERS TO NON-GAAP OPERATING INCOME AND CERTAIN OTHER NON-GAAP MEASURES

(Unaudited)

	Quarter ended				
	Mar. 31, 2021	Dec. 31, 2020	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020
<i>(\$ in millions, except per share data)</i>					
Reconciliation of net income available to common stockholders to non-GAAP operating income					
Net income available to common stockholders	\$ 106.8	127.1	69.9	34.2	15.2
Net realized and unrealized (gains) losses, before tax	(5.1)	(20.1)	(7.7)	(12.6)	44.7
Tax on reconciling items	1.1	4.2	1.6	2.7	(9.4)
Non-GAAP operating income	\$ 102.8	111.2	63.8	24.2	50.5
Reconciliation of net income available to common stockholders per diluted common share to non-GAAP operating income per diluted common share					
Net income available to common stockholders per diluted common share	\$ 1.77	2.10	1.16	0.57	0.25
Net realized and unrealized (gains) losses, before tax	(0.08)	(0.33)	(0.13)	(0.21)	0.74
Tax on reconciling items	0.01	0.07	0.03	0.04	(0.15)
Non-GAAP operating income per diluted common share	\$ 1.70	1.84	1.06	0.40	0.84
Reconciliation of annualized ROE to annualized non-GAAP operating ROE					
Annualized ROE	16.8 %	20.6	11.9	6.2	2.8
Net realized and unrealized (gains) losses, before tax	(0.8)	(3.3)	(1.3)	(2.3)	8.3
Tax on reconciling items	0.2	0.7	0.3	0.5	(1.7)
Annualized non-GAAP operating ROE	16.2 %	18.0	10.9	4.4	9.4

Non-GAAP operating income, non-GAAP operating income per diluted common share, and non-GAAP operating return on common equity are measures comparable to net income available to common stockholders, net income available to common stockholders per diluted common share, and return on common equity, respectively, but excludes after-tax net realized and unrealized gains and losses on investments. They are used as important financial measures by management, analysts, and investors, because the timing of realized investment gains and losses on sales of securities in any given period is largely discretionary. In addition, net realized and unrealized gains and losses on investments that are charged to earnings could distort the analysis of trends. These operating measurements are not intended as a substitute for net income available to common stockholders, net income available to common stockholders per diluted common share, and return on common equity prepared in accordance with U.S. generally accepted accounting principles (GAAP). Reconciliations of net income available to common stockholders, net income available to common stockholders per diluted common share, and return on common equity to non-GAAP operating income, non-GAAP operating income per diluted common share, and non-GAAP operating return on common equity, respectively, are provided in the tables above.

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

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Corporate Website:

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As of March 31, 2021

	AM Best	Standard & Poor's	Moody's	Fitch
<i>Financial Strength Ratings:</i>	A	A	A2	A+
<i>Preferred Stock Rating:</i>	n/a	BB+	Ba1	BBB-
<i>Long-Term Debt Credit Rating:</i>	bbb+	BBB	Baa2	BBB+

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