

The logo for Selective Insurance features the word "SELECTIVE" in a bold, black, sans-serif font. Above the letter "V" are three yellow circles of varying sizes, arranged in a slight arc. Below "SELECTIVE" is the word "INSURANCE" in a smaller, black, sans-serif font, followed by a small "SM" trademark symbol.

S E L E C T I V E
INSURANCESM

**FINANCIAL SUPPLEMENT
THIRD 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 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) 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

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 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					Year-to-date	
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
<i>(\$ and shares in millions, except per share data)</i>							
For Period Ended							
Gross premiums written	\$ 844.7	841.1	752.5	730.6	792.6	2,438.3	2,378.2
Net premiums written	719.5	724.8	647.3	628.2	676.9	2,091.6	2,051.3
Change in net premiums written, from comparable prior year period	6 %	3	(4)	8	4	2	6
Underwriting income, before-tax	\$ 21.0	9.9	21.4	54.5	31.3	52.3	109.5
Net investment income earned, before-tax	68.2	34.4	56.0	57.6	55.8	158.6	164.9
Net realized and unrealized investment gains (losses), before-tax*	7.7	12.6	(44.7)	(0.9)	(2.2)	(24.3)	15.3
Net income	\$ 69.9	34.2	15.2	81.9	56.2	119.3	189.8
Non-GAAP operating income**	63.8	24.2	50.5	82.5	58.8	138.5	181.9
At Period End							
Total assets	9,514.9	9,306.0	8,975.1	8,797.2	8,719.4	9,514.9	8,719.4
Total invested assets	7,277.5	7,130.3	6,842.1	6,688.7	6,551.7	7,277.5	6,551.7
Stockholders' equity	2,393.6	2,298.7	2,096.5	2,194.9	2,137.4	2,393.6	2,137.4
Shares outstanding	59.8	59.8	59.7	59.5	59.4	59.8	59.4
Per Share and Share Data							
Net income per diluted share	\$ 1.16	0.57	0.25	1.36	0.93	1.98	3.16
Non-GAAP operating income per diluted share**	1.06	0.40	0.84	1.37	0.97	2.30	3.02
Weighted average diluted shares outstanding	60.4	60.2	60.2	60.1	60.1	60.3	60.0
Book value per share	\$ 40.00	38.43	35.11	36.91	35.98	40.00	35.98
Dividends paid per share	0.23	0.23	0.23	0.23	0.20	0.69	0.60
Financial Ratios							
Loss and loss expense ratio	64.5 %	64.0	61.4	57.6	60.9	63.4	60.5
Underwriting expense ratio	32.4	34.3	35.2	34.1	34.1	33.9	33.6
Dividends to policyholders ratio	0.1	0.1	0.1	0.1	0.2	0.1	0.2
GAAP combined ratio	97.0 %	98.4	96.7	91.8	95.2	97.4	94.3
Annualized ROE	11.9	6.2	2.8	15.1	10.7	6.9	12.9
Annualized non-GAAP operating ROE**	10.9	4.4	9.4	15.2	11.2	8.0	12.3
Debt to total capitalization	23.1	25.9	28.9	20.1	20.5	23.1	20.5
Long-term debt to total capitalization	18.7	19.3	20.8	20.1	20.5	18.7	20.5
Net premiums written to policyholders' surplus	1.4x	1.4x	1.4x	1.4x	1.4x	1.4x	1.4x
Invested assets per dollar of stockholders' equity	\$ 3.04	3.10	3.26	3.05	3.07	3.04	3.07

* 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				Year-to-date		
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2019	
<i>(\$ and shares in millions, except per share data)</i>							
Revenues							
Net premiums earned	\$ 694.5	630.7	651.7	668.4	653.6	1,976.9	1,928.8
Net investment income earned	68.2	34.4	56.0	57.6	55.8	158.6	164.9
Net realized and unrealized gains (losses):							
Net realized investment gains (losses) on disposals	0.6	2.6	4.1	—	20.4	7.3	26.8
Unrealized gains (losses) on equity securities	4.3	5.7	(17.1)	(0.6)	(20.3)	(7.1)	(8.1)
Other-than-temporary impairment benefit (expense)	2.8	4.3	(31.6)	(0.3)	(2.3)	(24.5)	(3.4)
Total net realized and unrealized gains (losses)	7.7	12.6	(44.7)	(0.9)	(2.2)	(24.3)	15.3
Other income	6.1	4.7	1.8	3.8	3.2	12.6	8.5
Total revenues	776.6	682.4	664.8	728.9	710.4	2,123.8	2,117.6
Expenses							
Loss and loss expense incurred	447.8	403.9	400.3	385.3	398.7	1,252.1	1,166.2
Amortization of deferred policy acquisition costs	142.3	136.9	136.5	136.3	136.6	415.7	399.6
Other insurance expenses	89.5	84.6	95.3	96.1	90.2	269.5	262.0
Interest expense	7.8	7.9	7.6	7.4	7.4	23.3	26.3
Corporate expenses	3.9	6.3	9.1	2.6	6.4	19.3	28.3
Total expenses	691.3	639.8	648.8	627.6	639.2	1,979.9	1,882.5
Income before federal income tax	85.3	42.7	16.0	101.3	71.2	143.9	235.1
Federal income tax expense	15.4	8.5	0.8	19.4	15.0	24.7	45.3
Net Income	\$ 69.9	34.2	15.2	81.9	56.2	119.3	189.8
Net realized and unrealized investment (gains) losses, after tax*	(6.1)	(10.0)	35.3	0.7	2.6	19.2	(11.2)
Debt retirement costs, after tax*	—	—	—	—	—	—	3.3
Non-GAAP operating income**	\$ 63.8	24.2	50.5	82.5	58.8	138.5	181.9
Weighted average shares outstanding (diluted)	60.4	60.2	60.2	60.1	60.1	60.3	60.0
Net income per share (diluted)	\$ 1.16	0.57	0.25	1.36	0.93	1.98	3.16
Non-GAAP operating income per share (diluted)**	\$ 1.06	0.40	0.84	1.37	0.97	2.30	3.02

* 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)

	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019
<i>(\$ in millions, except per share data)</i>					
ASSETS					
Investments					
Fixed income securities, held-to-maturity, net of allowance for credit losses	\$ 19.1	19.5	20.4	20.8	26.9
Fixed income securities, available-for-sale, at fair value, net of allowance for credit losses	6,437.5	6,358.2	5,945.4	6,095.6	5,930.2
Commercial mortgage loans, net of allowance for credit losses	29.5	17.7	13.9	—	—
Equity securities, at fair value	151.8	134.1	100.0	72.9	79.2
Short-term investments	380.9	370.4	517.6	282.5	326.1
Other investments	258.6	230.5	244.9	216.8	189.2
Total investments	7,277.5	7,130.3	6,842.1	6,688.7	6,551.7
Cash	0.8	0.7	9.4	0.3	0.5
Restricted cash	15.1	5.0	5.2	7.7	9.6
Interest and dividends due or accrued	46.4	45.8	43.9	44.8	43.0
Premiums receivable, net of allowance for credit losses	851.1	866.9	797.3	823.9	860.5
Reinsurance recoverable, net of allowance for credit losses	611.5	584.7	563.5	573.2	576.0
Prepaid reinsurance premiums	179.4	169.8	162.5	166.7	173.6
Current federal income tax	6.6	—	—	—	—
Deferred federal income tax	—	—	43.1	6.8	5.5
Property and equipment, net of accumulated depreciation and amortization	78.4	78.8	80.1	77.4	76.4
Deferred policy acquisition costs	292.7	285.5	269.6	271.2	279.2
Goodwill	7.8	7.8	7.8	7.8	7.8
Other assets	147.7	130.7	150.6	128.6	135.5
Total assets	\$ 9,514.9	9,306.0	8,975.1	8,797.2	8,719.4
LIABILITIES AND STOCKHOLDERS' EQUITY					
Liabilities					
Reserve for loss and loss expense	\$ 4,293.3	4,176.9	4,103.6	4,067.2	4,055.6
Unearned premiums	1,650.5	1,615.9	1,514.6	1,523.2	1,570.2
Short-term debt	167.0	252.0	302.0	—	—
Long-term debt	550.6	550.6	550.6	550.6	550.7
Current federal income tax	—	10.6	12.4	3.0	2.7
Deferred federal income tax	20.4	13.1	—	—	—
Accrued salaries and benefits	93.1	82.7	74.0	126.8	100.4
Other liabilities	346.4	305.6	321.4	331.5	302.4
Total liabilities	\$ 7,121.3	7,007.3	6,878.6	6,602.2	6,582.0
Stockholders' Equity					
Preferred stock of \$0 par value per share	\$ —	—	—	—	—
Common stock of \$2 par value per share	207.9	207.9	207.7	207.0	206.8
Additional paid-in capital	438.9	435.0	427.3	418.5	412.3
Retained earnings	2,159.6	2,103.6	2,083.3	2,080.5	2,012.5
Accumulated other comprehensive income (loss)	187.1	152.0	(22.1)	81.8	98.4
Treasury stock, at cost	(599.9)	(599.8)	(599.8)	(592.8)	(592.7)
Total stockholders' equity	\$ 2,393.6	2,298.7	2,096.5	2,194.9	2,137.4
Commitments and contingencies					
Total liabilities and stockholders' equity	\$ 9,514.9	9,306.0	8,975.1	8,797.2	8,719.4

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

FINANCIAL METRICS

(Unaudited)

	Quarter ended					Year-to-date	
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
<i>(\$ and shares in millions, except per share data)</i>							
Book value per share							
Stockholders' equity	\$ 2,393.6	2,298.7	2,096.5	2,194.9	2,137.4	2,393.6	2,137.4
Common shares issued and outstanding, at period end	59.8	59.8	59.7	59.5	59.4	59.8	59.4
Book value per share	\$ 40.00	38.43	35.11	36.91	35.98	40.00	35.98
Book value per share excluding unrealized gain or loss on fixed income securities	35.43	34.43	34.01	34.05	33.01	35.43	33.01
Financial results (after-tax)							
Underwriting income	16.6	7.8	16.9	43.1	24.7	41.3	86.5
Net investment income	55.1	28.5	45.5	46.8	45.4	129.2	134.3
Interest expense	(6.1)	(6.3)	(6.0)	(5.8)	(5.8)	(18.4)	(17.5)
Corporate expense	(1.8)	(5.9)	(5.8)	(1.5)	(5.5)	(13.5)	(21.5)
Net realized and unrealized investment gains (losses)*	6.1	10.0	(35.3)	(0.7)	(2.6)	(19.2)	11.2
Debt retirement costs	—	—	—	—	—	—	(3.3)
Total after-tax net income	69.9	34.2	15.2	81.9	56.2	119.3	189.8
Return on average equity							
Insurance segments	2.8 %	1.4	3.1	8.0	4.7	2.4	5.9
Net investment income	9.4	5.2	8.5	8.6	8.6	7.5	9.1
Interest expense	(1.0)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.2)
Corporate expense	(0.3)	(1.1)	(1.1)	(0.3)	(1.0)	(0.8)	(1.5)
Net realized and unrealized investment gains (losses)	1.0	1.8	(6.6)	(0.1)	(0.5)	(1.1)	0.8
Debt retirement costs	—	—	—	—	—	—	(0.2)
Annualized ROE	11.9	6.2	2.8	15.1	10.7	6.9	12.9
Net realized and unrealized (gains) losses**	(1.0)	(1.8)	6.6	0.1	0.5	1.1	(0.8)
Debt retirement costs**	—	—	—	—	—	—	0.2
Annualized Non-GAAP Operating ROE***	10.9 %	4.4	9.4	15.2	11.2	8.0	12.3
Debt and total capitalization							
Notes payable:							
1.61% Borrowings from FHLBNY	\$ 25.0	25.0	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	25.0	25.0
3.03% Borrowings from FHLBI	60.0	60.0	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	—	—	67.0	—
0.36% Borrowings from FHLBNY	100.0	—	—	—	—	100.0	—
2.244% Borrowings on Line of Credit	—	—	50.0	—	—	—	—
7.25% Senior Notes	49.7	49.7	49.7	49.7	49.7	49.7	49.7
6.70% Senior Notes	99.2	99.2	99.1	99.1	99.1	99.2	99.1
5.375% Senior Notes	291.2	291.2	291.1	291.0	290.9	291.2	290.9
Finance Lease Obligations	0.4	0.5	0.6	0.7	0.9	0.4	0.9
Total debt	717.6	802.6	852.6	550.6	550.7	717.6	550.7
Stockholders' equity	2,393.6	2,298.7	2,096.5	2,194.9	2,137.4	2,393.6	2,137.4
Total capitalization	\$ 3,111.2	3,101.3	2,949.1	2,745.5	2,688.1	3,111.2	2,688.1
Ratio of debt to total capitalization	23.1 %	25.9	28.9	20.1	20.5	23.1	20.5
Ratio of long-term debt to total capitalization	18.7	19.3	20.8	20.1	20.5	18.7	20.5
Policyholders' surplus	\$ 1,962.3	1,922.5	1,924.9	1,932.4	1,883.1	1,962.3	1,883.1

* 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					Year-to-date	
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Underwriting results							
Net premiums written	\$ 719.5	724.8	647.3	628.2	676.9	2,091.6	2,051.3
Change in net premiums written, from comparable prior year period	6 %	3	(4)	8	4	2	6
Net premiums earned	\$ 694.5	630.7	651.7	668.4	653.6	1,976.9	1,928.8
Losses and loss expenses incurred	447.8	403.9	400.3	385.3	398.7	1,252.1	1,166.2
Net underwriting expenses incurred	225.1	216.2	229.2	227.9	222.6	670.5	648.7
Dividends to policyholders	0.6	0.7	0.8	0.7	1.0	2.0	4.4
GAAP underwriting gain	\$ 21.0	9.9	21.4	54.5	31.3	52.3	109.5
Catastrophe losses	\$ 79.5	83.2	33.2	6.5	24.2	195.9	74.5
(Favorable) prior year casualty reserve development	(25.0)	(15.0)	(10.0)	(20.0)	(14.0)	(50.0)	(41.0)
Underwriting ratios							
Loss and loss expense ratio	64.5 %	64.0	61.4	57.6	60.9	63.4	60.5
Underwriting expense ratio	32.4	34.3	35.2	34.1	34.1	33.9	33.6
Dividends to policyholders ratio	0.1	0.1	0.1	0.1	0.2	0.1	0.2
Combined ratio	97.0 %	98.4	96.7	91.8	95.2	97.4	94.3
Catastrophe losses	11.4 pts	13.2	5.1	1.0	3.7	9.9	3.9
(Favorable) prior year casualty reserve development	(3.6) pts	(2.4)	(1.5)	(3.0)	(2.1)	(2.5)	(2.1)
Combined ratio before catastrophe losses	85.6 %	85.2	91.6	90.8	91.5	87.5	90.4
Combined ratio before catastrophe losses and prior year casualty development	89.2	87.6	93.1	93.8	93.6	90.0	92.5
Other Statistics							
Non-catastrophe property loss and loss expenses	\$ 105.6	81.8	108.1	100.9	108.8	295.5	309.6
Non-catastrophe property loss and loss expenses	15.2 pts	13.0	16.6	15.1	16.7	14.9	16.1
Direct new business	\$ 140.8	150.1	152.8	127.7	129.8	443.6	421.0
Renewal pure price increases	4.4 %	3.9	4.0	4.2	3.8	4.1	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					Year-to-date	
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Underwriting results							
Net premiums written	\$ 577.8	583.3	518.4	500.1	532.9	1,679.5	1,637.0
Change in net premiums written, from comparable prior year period	8 %	5	(5)	11	6	3	7
Net premiums earned	\$ 558.1	501.0	516.6	530.6	515.2	1,575.7	1,519.0
Losses and loss expenses incurred	331.0	307.0	312.2	291.9	304.0	950.2	896.0
Net underwriting expenses incurred	183.7	176.6	186.5	185.0	180.1	546.8	525.6
Dividends to policyholders	0.6	0.7	0.8	0.7	1.0	2.0	4.4
GAAP underwriting gain	\$ 42.7	16.7	17.1	53.0	30.0	76.6	93.0
Catastrophe losses							
Catastrophe losses	\$ 39.3	50.7	20.7	2.1	14.8	110.7	52.1
(Favorable) prior year casualty reserve development	(25.0)	(15.0)	(10.0)	(26.0)	(16.0)	(50.0)	(43.0)
Underwriting ratios							
Loss and loss expense ratio	59.3 %	61.4	60.4	55.0	59.0	60.3	59.0
Underwriting expense ratio	32.9	35.2	36.1	34.9	35.0	34.7	34.6
Dividends to policyholders ratio	0.1	0.1	0.2	0.1	0.2	0.1	0.3
Combined ratio	92.3 %	96.7	96.7	90.0	94.2	95.1	93.9
Catastrophe losses before prior year casualty reserve development							
Catastrophe losses	7.0 pts	10.1	4.0	0.4	2.9	7.0	3.4
(Favorable) prior year casualty reserve development	(4.5)	(3.0)	(1.9)	(4.9)	(3.1)	(3.2)	(2.8)
Combined ratio before catastrophe losses	85.3 %	86.6	92.7	89.6	91.3	88.1	90.5
Combined ratio before catastrophe losses and prior year casualty development	89.8	89.6	94.6	94.5	94.4	91.3	93.3
Other Statistics							
Non-catastrophe property loss and loss expenses	\$ 75.3	60.9	79.6	69.8	76.7	215.7	213.8
Non-catastrophe property loss and loss expenses	13.5 pts	12.2	15.4	13.2	14.9	13.7	14.1
Direct new business	\$ 99.0	109.9	115.4	95.0	96.5	324.3	316.2
Renewal pure price increases	4.6 %	3.9	4.0	3.8	3.5	4.2	3.3
Retention	86 %	86	85	84	84	85	83

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 September 30, 2020								Quarter Ended September 30, 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	\$ 106.2	73.0	186.9	169.9	27.0	9.4	5.3	577.8	97.4	71.5	172.5	150.8	25.9	9.9	4.9	532.9
Net premiums earned	98.0	75.6	181.5	160.9	27.6	9.2	5.3	558.1	89.2	75.5	169.1	141.2	26.4	9.0	4.8	515.2
Loss and loss expense ratio ...	73.9 %	45.7	49.7	67.1	81.2	38.3	—	59.3	60.4	48.8	51.9	74.7	60.5	46.8	0.4	59.0
Underwriting expense ratio ...	38.2	25.1	32.6	31.3	35.9	56.8	51.7	32.9	40.1	26.8	34.9	33.4	37.5	59.4	55.8	35.0
Dividend ratio	—	0.7	—	—	—	—	—	0.1	—	1.4	—	—	—	—	—	0.2
Combined ratio	112.1 %	71.5	82.3	98.4	117.1	95.1	51.7	92.3	100.5	77.0	86.8	108.1	98.0	106.2	56.2	94.2
Underwriting (loss) gain	\$ (11.9)	21.6	32.2	2.6	(4.7)	0.5	2.5	42.7	(0.4)	17.3	22.4	(11.4)	0.5	(0.6)	2.1	30.0

(\$ in millions)	Year-to-Date September 30, 2020								Year-to-Date September 30, 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	\$ 313.4	199.2	538.6	498.9	84.3	28.8	16.3	1,679.5	284.9	238.0	536.4	453.2	79.3	30.0	15.1	1,637.0
Net premiums earned	287.3	204.2	509.3	449.2	82.2	28.1	15.5	1,575.7	262.4	232.7	495.4	408.7	78.6	26.9	14.3	1,519.0
Loss and loss expense ratio ...	73.6 %	47.2	51.4	67.8	79.5	38.7	0.1	60.3	60.4	52.1	52.5	74.0	58.5	26.8	0.7	59.0
Underwriting expense ratio ...	38.5	28.2	34.8	33.5	36.1	55.2	37.6	34.7	38.5	27.7	34.9	33.1	36.6	57.4	56.3	34.6
Dividend ratio	—	0.9	—	—	—	—	—	0.1	—	1.9	—	—	—	—	—	0.3
Combined ratio	112.1 %	76.3	86.2	101.3	115.6	93.9	37.7	95.1	98.9	81.7	87.4	107.1	95.1	84.2	57.0	93.9
Underwriting (loss) gain	\$ (34.8)	48.3	70.4	(5.9)	(12.8)	1.7	9.6	76.6	2.9	42.6	62.2	(28.9)	3.8	4.2	6.2	93.0

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					Year-to-date	
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Underwriting results							
Net premiums written	\$ 79.7	78.2	67.6	70.9	81.6	225.5	233.7
Change in net premiums written, from comparable prior year period	(2) %	(5)	(2)	(3)	(4)	(4)	(1)
Net premiums earned	\$ 76.0	71.6	76.1	76.6	76.7	223.7	231.2
Losses and loss expenses incurred	69.7	58.2	54.3	52.8	54.8	182.2	158.5
Net underwriting expenses incurred	20.7	19.8	21.4	22.6	22.5	61.9	65.6
GAAP underwriting (loss) gain	\$ (14.4)	(6.3)	0.4	1.2	(0.6)	(20.3)	7.1
Catastrophe losses	\$ 28.4	26.0	12.0	3.0	7.9	66.4	18.1
Unfavorable prior year casualty reserve development	—	—	—	4.0	2.0	—	2.0
Underwriting ratios							
Loss and loss expense ratio	91.7 %	81.1	71.4	69.0	71.4	81.4	68.5
Underwriting expense ratio	27.3	27.7	28.1	29.5	29.4	27.7	28.4
Combined ratio	119.0 %	108.8	99.5	98.5	100.8	109.1	96.9
Catastrophe losses	37.4 pts	36.2	15.7	3.9	10.3	29.7	7.8
Unfavorable prior year casualty reserve development	—	—	—	5.2	2.6	—	0.9
Combined ratio before catastrophe losses	81.6 %	72.6	83.8	94.6	90.5	79.4	89.1
Combined ratio before catastrophe losses and prior year casualty development	81.6	72.6	83.8	89.4	87.9	79.4	88.2
Other Statistics							
Non-catastrophe property loss and loss expenses	\$ 22.4	15.3	22.8	25.9	25.2	60.5	78.7
Non-catastrophe property loss and loss expenses	29.5 pts	21.4	30.0	33.9	32.8	27.1	34.1
Direct new business	\$ 12.1	11.8	9.9	9.7	10.2	33.8	31.1
Renewal pure price increases	1.8 %	3.1	3.7	4.2	5.0	2.9	5.3
Retention	83 %	84	83	83	83	83	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 September 30, 2020				Quarter Ended September 30, 2019			
	Personal				Personal			
	Auto	Homeowners	Other	Total	Auto	Homeowners	Other	Total
Net premiums written	\$ 43.4	34.1	2.2	79.7	44.6	35.0	2.1	81.6
Net premiums earned	42.5	31.4	2.1	76.0	43.2	31.5	2.0	76.7
Loss and loss expense ratio	67.0 %	131.3	0.8	91.7	76.4	69.7	(6.1)	71.4
Underwriting expense ratio	31.8	32.6	(143.3)	27.3	31.8	34.1	(100.3)	29.4
Combined ratio	98.8 %	163.9	(142.5)	119.0	108.2	103.8	(106.4)	100.8
Underwriting gain (loss)	\$ 0.5	(20.0)	5.1	(14.4)	(3.5)	(1.2)	4.1	(0.6)

<i>(\$ in millions)</i>	Year-to-Date September 30, 2020				Year-to-Date September 30, 2019			
	Personal				Personal			
	Auto	Homeowners	Other	Total	Auto	Homeowners	Other	Total
Net premiums written	\$ 125.2	94.1	6.2	225.5	131.8	96.0	5.9	233.7
Net premiums earned	123.1	94.5	6.1	223.7	129.8	95.7	5.7	231.2
Loss and loss expense ratio	62.8 %	107.8	48.7	81.4	71.2	67.1	32.6	68.5
Underwriting expense ratio	32.9	31.3	(135.4)	27.7	31.8	32.4	(116.5)	28.4
Combined ratio	95.7 %	139.1	(86.7)	109.1	103.0	99.5	(83.9)	96.9
Underwriting gain (loss)	\$ 5.3	(36.9)	11.3	(20.3)	(3.9)	0.5	10.5	7.1

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					Year-to-date	
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Underwriting results							
Net premiums written	\$ 62.1	63.2	61.3	57.2	62.4	186.6	180.6
Change in net premiums written, from comparable prior year period	— %	3	8	(6)	(3)	3	7
Net premiums earned	\$ 60.5	58.0	59.0	61.2	61.7	177.5	178.7
Losses and loss expenses incurred	47.1	38.8	33.8	40.6	39.8	119.7	111.8
Net underwriting expenses incurred	20.7	19.8	21.3	20.3	20.0	61.8	57.4
GAAP underwriting (loss) gain	\$ (7.3)	(0.5)	3.8	0.3	1.9	(4.0)	9.4
Catastrophe losses	\$ 11.8	6.5	0.5	1.4	1.5	18.8	4.3
Unfavorable prior year casualty reserve development	—	—	—	2.0	—	—	—
Underwriting ratios							
Loss and loss expense ratio	77.8 %	66.8	57.4	66.3	64.5	67.4	62.5
Underwriting expense ratio	34.2	34.1	36.1	33.2	32.4	34.8	32.2
Combined ratio	112.0 %	100.9	93.5	99.5	96.9	102.2	94.7
Catastrophe losses	19.5 pts	11.3	0.8	2.3	2.4	10.6	2.4
Unfavorable prior year casualty reserve development	—	—	—	3.3	—	—	—
Combined ratio before catastrophe losses	92.5 %	89.6	92.7	97.2	94.5	91.6	92.3
Combined ratio before catastrophe losses and prior year casualty development	92.5	89.6	92.7	93.9	94.5	91.6	92.3
Other Statistics							
Non-catastrophe property loss and loss expenses	\$ 8.0	5.6	5.7	5.1	7.0	19.3	17.1
Non-catastrophe property loss and loss expenses	13.2 pts	9.6	9.7	8.4	11.4	10.9	9.6
Direct new business	\$ 29.7	28.3	27.5	23.0	23.1	85.5	73.8
Renewal pure price increases	7.0 %	5.5	3.9	9.4	5.8	5.8	5.0

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 September 30, 2020			Quarter Ended September 30, 2019		
	Casualty	Property	Total	Casualty	Property	Total
Net premiums written	\$ 43.5	18.6	62.1	47.4	15.0	62.4
Net premiums earned	43.7	16.8	60.5	47.2	14.6	61.7
Loss and loss expense ratio	62.6 %	117.5	77.8	66.3	58.7	64.5
Underwriting expense ratio	34.0	34.5	34.2	32.2	33.1	32.4
Combined ratio	96.6 %	152.0	112.0	98.5	91.8	96.9
Underwriting gain (loss)	\$ 1.5	(8.8)	(7.3)	0.7	1.2	1.9

(\$ in millions)	Year-to-Date September 30, 2020			Year-to-Date September 30, 2019		
	Casualty	Property	Total	Casualty	Property	Total
Net premiums written	\$ 133.5	53.0	186.6	136.0	44.5	180.6
Net premiums earned	130.4	47.1	177.5	136.5	42.2	178.7
Loss and loss expense ratio	62.5 %	81.0	67.4	66.2	50.7	62.5
Underwriting expense ratio	34.5	35.6	34.8	31.8	33.4	32.2
Combined ratio	97.0 %	116.6	102.2	98.0	84.1	94.7
Underwriting gain (loss)	\$ 3.9	(7.8)	(4.0)	2.7	6.7	9.4

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED INVESTMENT INCOME

(Unaudited)

(\$ in millions)	Quarter ended					Year-to-date	
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Net investment income							
Fixed income securities.....							
Taxable.....	\$ 43.7	43.6	42.5	44.7	42.9	129.7	127.2
Tax-exempt.....	7.6	7.5	7.8	7.8	7.8	22.9	23.5
Total fixed income securities.....	51.3	51.1	50.3	52.6	50.7	152.6	150.7
Commercial mortgage loans.....	0.2	0.2	0.1	—	—	0.5	—
Equity securities.....	1.9	2.0	1.6	1.7	1.9	5.5	5.3
Other investments.....	18.7	(15.8)	6.3	5.4	5.3	9.2	13.4
Short-term investments.....	0.2	0.4	1.2	1.4	1.4	1.8	5.2
Investment income.....	72.4	37.8	59.4	61.1	59.3	169.6	174.6
Investment expenses.....	(4.2)	(3.4)	(3.4)	(3.5)	(3.5)	(11.0)	(9.6)
Investment tax expense.....	(13.1)	(5.9)	(10.5)	(10.8)	(10.5)	(29.4)	(30.6)
Total net investment income, after-tax	\$ 55.1	28.5	45.5	46.8	45.4	129.2	134.3
Net realized and unrealized capital gains (losses)							
Fixed income securities.....	\$ 0.6	2.3	4.3	(0.2)	(1.1)	7.1	2.1
Equity securities.....	—	—	—	0.1	21.6	—	24.7
Short-term investments.....	—	0.3	(0.2)	—	—	0.2	—
Realized net gains on disposals.....	0.6	2.6	4.1	—	20.4	7.3	26.8
Other-than-temporary impairment recoveries losses.....	2.8	4.3	(31.6)	(0.3)	(2.3)	(24.5)	(3.4)
Unrealized gains (losses) on equity securities.....	4.3	5.7	(17.1)	(0.6)	(20.3)	(7.1)	(8.1)
Total net realized capital gains (losses), pre-tax	\$ 7.7	12.6	(44.7)	(0.9)	(2.2)	(24.3)	15.3
Change in unrealized gains (losses) recognized in other comprehensive income, pre-tax	\$ 43.7	219.6	(132.2)	(8.0)	37.2	131.1	221.3
Average investment yields							
Fixed income securities, pre-tax.....	3.2 %	3.3	3.3	3.5	3.5	3.2	3.6
Fixed income securities, after-tax.....	2.6	2.7	2.7	2.8	2.8	2.6	2.9
Total portfolio, pre-tax.....	3.8 %	2.0	3.3	3.5	3.4	3.0	3.5
Total portfolio, after-tax.....	3.1	1.6	2.7	2.8	2.8	2.5	2.9
Effective tax rate on net investment income	19.1 %	17.1	18.7	18.7	18.7	18.6	18.6
New money purchase rates for fixed income securities, pre-tax	2.8	3.5	3.1	3.1	3.1	3.1	3.5
New money purchase rates for fixed income securities, after-tax	2.2	2.7	2.5	2.4	2.5	2.5	2.8
Effective duration of fixed income portfolio including short-term (in years)	3.7	3.6	3.3	3.6	3.3	3.7	3.3

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CONSOLIDATED COMPOSITION OF INVESTED ASSETS

(Unaudited)

(\$ in millions)	Sept. 30, 2020		June 30, 2020		Mar. 31, 2019		Dec. 31, 2019		Sept. 30, 2019	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Fixed income securities, at fair value.....	\$ 6,457.8	89 %	6,378.9	89	5,967.3	87	6,117.6	91	5,958.6	91
Commercial mortgage loans, at fair value.....	30.6	—	17.9	—	13.9	—	—	—	—	—
Equity securities, at fair value.....	151.8	2	134.1	2	100.0	1	72.9	1	79.2	1
Other investments.....	258.6	4	230.5	4	244.9	4	216.8	3	189.2	3
Short-term investments.....	380.9	5	370.4	5	517.6	8	282.5	4	326.1	5
Total investments.....	\$ 7,279.7	100 %	7,131.8	100	6,843.6	100	6,689.8	100	6,553.2	100
Fixed income portfolio, at carry value.....										
U.S. government obligations.....	\$ 117.5	2 %	119.7	2	142.2	2	116.2	2	120.9	2
Foreign government obligations.....	17.0	—	17.9	—	12.9	—	18.5	—	21.5	—
Obligations of state and political subdivisions.....	1,236.0	19	1,207.9	19	1,201.8	20	1,234.7	20	1,199.7	20
Corporate securities.....	2,313.4	36	2,271.0	36	1,925.3	32	1,963.7	32	1,856.8	31
Collateralized loan obligations and other asset-backed securities..	945.6	15	839.5	13	722.3	12	793.0	13	768.4	13
Residential mortgage-backed securities.....	1,183.0	18	1,318.4	21	1,430.2	24	1,452.0	24	1,434.2	24
Commercial mortgage-backed securities.....	644.2	10	603.2	9	531.0	9	538.3	9	555.7	9
Total fixed income securities.....	\$ 6,456.6	100 %	6,377.7	100	5,965.7	100	6,116.4	100	5,957.2	100
Weighted average credit quality.....										
Investment grade credit quality.....	\$ 6,183.4	96 %	6,101.9	96	5,760.3	97	5,899.0	96	5,792.6	97
Non-investment grade credit quality.....	274.4	4	277.0	4	207.0	3	218.6	4	166.0	3
Total fixed income securities, at fair value.....	\$ 6,457.8	100 %	6,378.9	100	5,967.3	100	6,117.6	100	5,958.6	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.....	\$ 337.6	5 %	315.8	5	296.8	5	395.2	6	315.2	5
Due after one year through five years.....	3,729.6	58	3,656.1	57	3,485.4	58	3,015.5	49	3,312.5	56
Due after five years through 10 years.....	1,962.6	30	2,055.6	32	1,931.5	32	2,536.9	41	2,197.5	37
Due after 10 years.....	426.8	7	350.3	6	252.0	4	168.8	3	132.1	2
Total fixed income securities.....	\$ 6,456.6	100 %	6,377.7	100	5,965.7	100	6,116.4	100	5,957.2	100

Alternative investments

Strategy.....	Sept. 30, 2020			
	Number of Funds	Original Commitment	Remaining Commitment	Current Market Value
Private equity.....	41	\$ 252.5	110.2	146.8
Private credit.....	14	184.3	96.1	49.3
Real assets.....	7	44.0	19.1	21.9
Total.....	62	\$ 480.8	225.4	217.9

Note: Amounts may not foot due to rounding.

Selective Insurance Group, Inc. & Consolidated Subsidiaries

CREDIT QUALITY OF INVESTED ASSETS

(Unaudited)

At September 30, 2020

(\$ in millions)	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
Short-term investments	\$ 381	\$ 381	5.2 %	0.2 %	0.00	0.00	\$ 377	\$ 2	\$ —	\$ 1	\$ 1	\$ —
Fixed income securities:												
U.S. government obligations	110	118	1.6	0.4	4.2	5.6	117	—	—	—	—	—
Foreign government obligations	16	17	0.2	1.7	5.1	6.0	—	2	8	7	—	—
State and municipal obligations	1,157	1,236	17.0	1.1	5.5	5.1	220	619	342	55	—	—
Corporate securities	2,169	2,314	31.8	2.2	4.7	6.4	14	128	893	1,049	231	—
Mortgage-backed securities:												
Residential mortgage-backed securities ("RMBS"):												
Agency RMBS	1,032	1,090	15.0	1.0	2.2	3.1	1,090	—	—	—	—	—
Non-agency RMBS	91	93	1.3	2.5	1.3	3.2	44	6	34	—	10	—
Total RMBS	1,123	1,183	16.3	1.1	2.1	3.1	1,134	6	34	—	10	—
Commercial mortgage-backed securities	600	644	8.8	1.8	4.8	6.0	570	32	32	10	—	—
Total mortgage-backed securities	1,722	1,827	25.1	1.3	3.0	4.2	1,704	37	66	10	10	—
Collateralized loan obligations ("CLO") and other asset-backed securities ("ABS"):												
Auto	45	47	0.6	0.7	2.2	2.1	37	6	3	—	1	—
Aircraft	54	50	0.7	7.2	3.3	3.8	—	1	26	19	3	—
CLOs	610	607	8.3	3.1	1.1	4.7	330	182	31	44	19	1
Credit cards	17	17	0.2	0.3	1.6	1.7	17	—	—	—	—	—
Other ABS	217	225	3.1	2.7	3.3	5.4	51	3	132	28	9	1
Total CLOs and ABS	943	946	13.0	3.1	1.8	4.6	435	192	193	92	32	1
Total securitized assets	2,665	2,773	38.1	1.9	2.6	4.3	2,140	229	259	102	42	1
Total fixed income securities and short-term investments	6,498	6,839	93.9	1.7	3.7	5.0	2,868	980	1,502	1,213	274	1
Total fixed income securities and short-term investments by credit rating percentage							41.9 %	14.3 %	22.0 %	17.7 %	4.0 %	— %
Commercial mortgage loans	30	31	0.4	3.5	2.5	5.7	—	—	21	9	—	—
Equity Securities:												
Common Stock ¹	156	150	2.1	0.3	—	—	—	—	—	—	—	150
Preferred stock	2	2	—	3.1	—	—	—	—	—	—	2	—
Total equity securities	158	152	2.1	0.4	—	—	—	—	—	—	2	150
Other investments:												
Alternative investments												
Private equity	147	147	2.0	—	—	—	—	—	—	—	—	147
Private credit	49	49	0.7	—	—	—	—	—	—	—	—	49
Real assets	22	22	0.3	—	—	—	—	—	—	—	—	22
Total alternative investments	218	218	3.0	—	—	—	—	—	—	—	—	218
Other investments	41	41	0.6	—	—	—	—	—	—	—	—	41
Total other investments	259	259	3.6	—	—	—	—	—	—	—	—	259
Total invested assets	\$ 6,944	\$ 7,280	100.0 %	—	—	—	\$2,868	\$ 980	\$1,523	\$1,223	\$ 275	\$ 410

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)

	Quarter ended				Year-to-date	
	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2019
<i>(\$ in millions, except per share data)</i>						
Reconciliation of net income to non-GAAP operating income						
Net income	\$ 69.9	34.2	15.2	81.9	56.2	119.3
Net realized and unrealized (gains) losses, before tax*	(7.7)	(12.6)	44.7	0.9	2.2	24.3
Debt retirement costs, before tax	—	—	—	—	—	—
Tax on reconciling items	1.6	2.7	(9.4)	(0.2)	0.4	(5.1)
Non-GAAP operating income	\$ 63.8	24.2	50.5	82.5	58.8	138.5
Reconciliation of net income per diluted share to non-GAAP operating income per diluted share						
Net income per diluted share	\$ 1.16	0.57	0.25	1.36	0.93	1.98
Net realized and unrealized (gains) losses, before tax	(0.13)	(0.21)	0.74	0.01	0.04	0.40
Debt retirement costs, before tax	—	—	—	—	—	—
Tax on reconciling items	0.03	0.04	(0.15)	—	—	(0.08)
Non-GAAP operating income per diluted share	\$ 1.06	0.40	0.84	1.37	0.97	2.30
Reconciliation of annualized ROE to annualized non-GAAP operating ROE						
Annualized ROE	11.9 %	6.2	2.8	15.1	10.7	6.9
Net realized and unrealized (gains) losses, before tax	(1.3)	(2.3)	8.3	0.2	0.4	1.4
Debt retirement costs, before tax	—	—	—	—	—	—
Tax on reconciling items	0.3	0.5	(1.7)	(0.1)	0.1	(0.3)
Annualized non-GAAP operating ROE	10.9 %	4.4	9.4	15.2	11.2	8.0

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

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www.Selective.com

As of September 30, 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+

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