

SELECTIVE

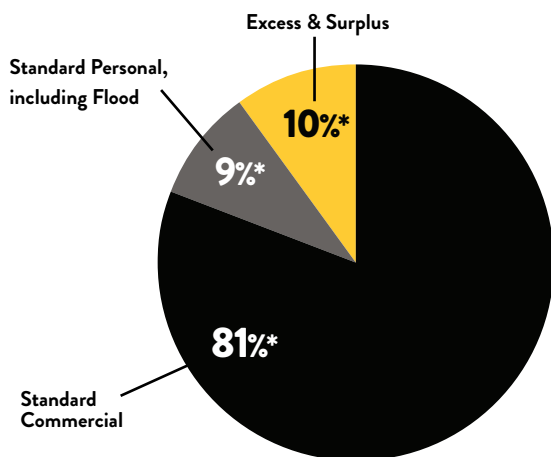
BE UNIQUELY INSURED®

2023 ANNUAL REPORT



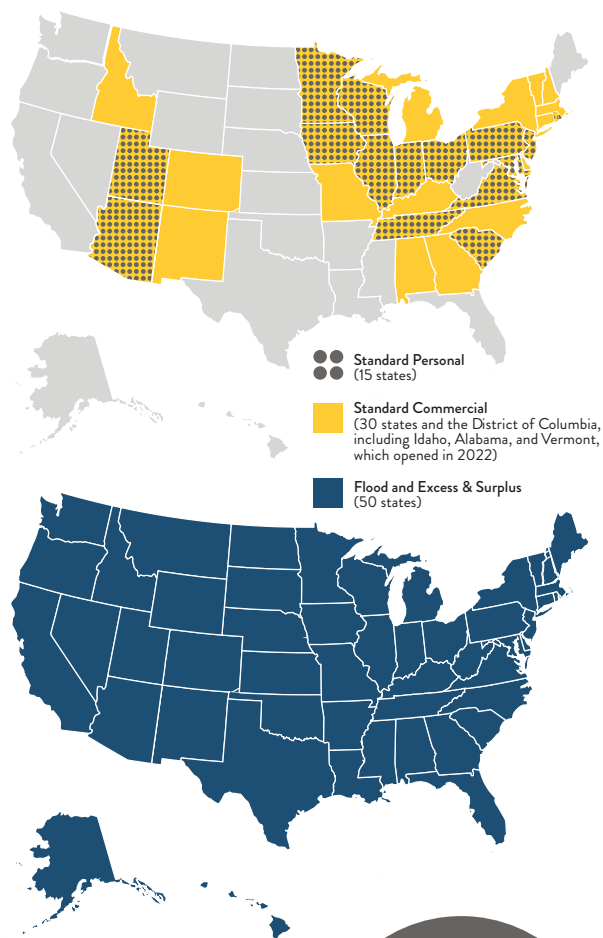
OUR BUSINESS

Selective Insurance Group, Inc. (NASDAQ: SIGI) is a New Jersey holding company for ten property and casualty insurance companies with \$10.8 billion in assets as of December 31, 2022. A customer-centric company, we are dedicated to serving our customers' unique insurance needs through customized risk management solutions and value-added services. In collaboration with our distribution partners, we offer standard and specialty insurance to businesses, non-profits, public entities, and individuals through the following segments:

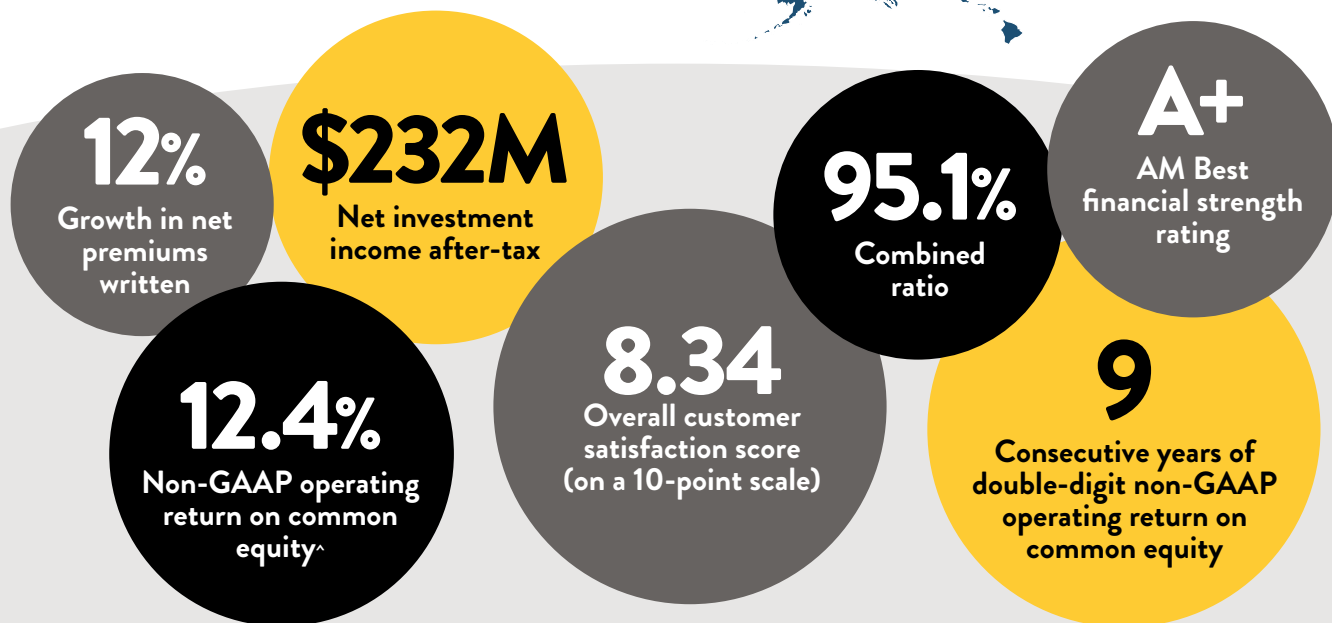


*Percent of business based on 2022 net premiums written.

OUR FOOTPRINT



OUR YEAR IN REVIEW



SELECTIVE
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^ Non-GAAP (U.S. Generally Accepted Accounting Principles) operating income, non-GAAP operating income per diluted common share, and non-GAAP operating return on common equity are non-GAAP measures. Refer to the section entitled "Financial Highlights of Results for Years Ended December 31, 2022, 2021, and 2020" in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 for a reconciliation of the non-GAAP measures to the equivalent GAAP measures.

2022 FINANCIAL HIGHLIGHTS

% or Point Change
Better (Worse)

(\$ in millions, except per share data)

2022

2021

Insurance Operations

Net premiums written	\$3,573.6	\$3,189.7	12%
Combined ratio	95.1%	92.8%	2.3 pts
Underwriting income after-tax	\$131.8	\$172.7	(24)%
Return on common equity from insurance operations after-tax	5.4%	6.5%	(1.1) pts

Investments

Net investment income after-tax	\$232.2	\$263.0	(12)%
Net realized and unrealized investment (losses) gains after-tax	\$(90.7)	\$13.9	(752)%
Total invested assets	\$7,837.5	\$8,027.0	(2)%
Invested assets per dollar of common stockholders' equity	\$3.37	\$2.88	17%
Annual after-tax yield on investment portfolio	2.9%	3.4%	(0.5) pts
Return on common equity from net investment income after-tax	9.4%	9.9%	(0.5) pts

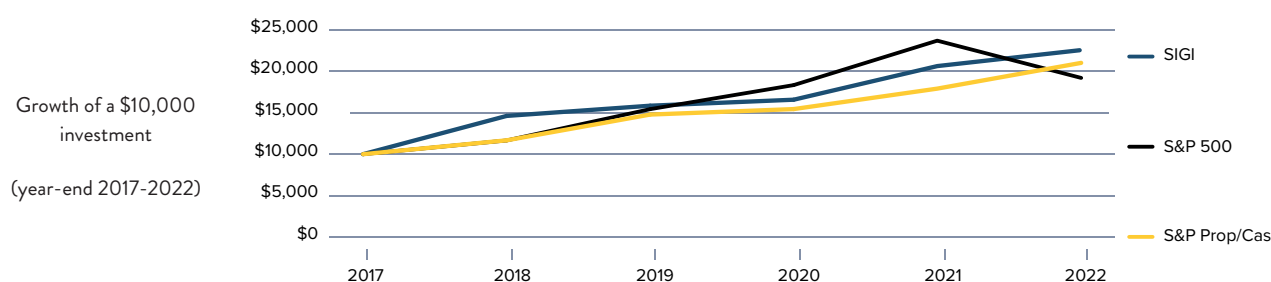
Summary Data

Total revenues	\$3,558.1	\$3,379.2	5%
Net income available to common stockholders	\$215.7	\$394.5	(45)%
Return on common equity	8.8%	14.8%	(6.0) pts
Non-GAAP operating income*	\$306.4	\$380.6	(19)%
Non-GAAP operating return on common equity*	12.4%	14.3%	(1.9) pts
Operating cash flow as % of net premiums written	22.5%	24.2%	(1.7) pts
Total assets	\$10,802.3	\$10,461.4	3%
Stockholders' equity	\$2,527.6	\$2,982.9	(15)%
Common stockholders' equity	\$2,327.6	\$2,782.9	(16)%

Per Common Share Data

Diluted net income available to common stockholders	\$3.54	\$6.50	(46)%
Diluted non-GAAP operating income*	\$5.03	\$6.27	(20)%
Dividends to common stockholders	\$1.14	\$1.03	11%
Book value	\$38.57	\$46.24	(17)%

AVERAGE ANNUAL RETURN



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2022 ANNUAL REPORT SHAREHOLDER LETTER

Dear Shareholders:

2022 was a remarkable year for Selective. We demonstrated our resiliency and ability to manage effectively through several macroeconomic challenges. We proudly delivered a superior omni-channel service experience to customers and independent insurance agency partners, opportunities for our employees, and strong results for our shareholders.



John J. Marchioni
Chairman, President and
Chief Executive Officer

Our effective execution enabled us to generate a 12.4% non-GAAP operating return on common equity (“ROE”), our ninth consecutive year of delivering double-digit returns. Very few in our industry can match that track record. Despite elevated catastrophe losses, rising inflation, and capital market volatility over the past nine years, we delivered annualized total shareholder return of approximately 16%. Over that period, we also generated

about 10% annual growth in tangible book value per share plus accumulated dividends, the metric we view as the best long-term indicator of property and casualty industry value creation. Our results reflect the success of our underwriting discipline and profitable growth strategies.

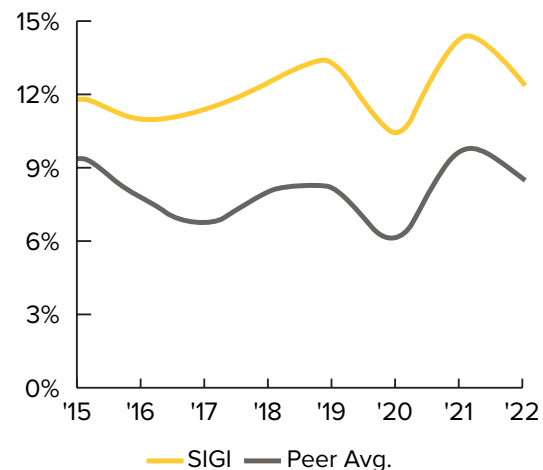
I firmly believe we have the tools, technology, talent, and distribution partner relationships to continue generating strong and sustainable performance – regardless of market conditions – in 2023 and well into the future.

2022 FINANCIAL HIGHLIGHTS:

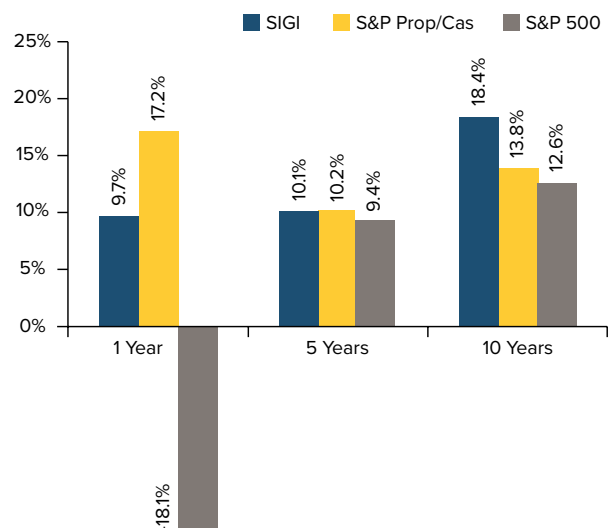
- Strong bottom-line performance: Non-GAAP operating ROE of 12.4% outperformed our full-year 2022 operating ROE target of 11% because of our disciplined underwriting strategy. Net income available to common stockholders was \$216 million (\$3.54 per diluted common share), and non-GAAP operating income was \$306 million (\$5.03 per diluted common share).

- Continued financial flexibility: At year-end 2022, our balance sheet remained extremely strong. During the year, we increased our quarterly shareholder dividend by 7%, to \$0.30 per share. We also had approximately \$84 million in remaining capacity under our Board-authorized \$100 million share repurchase program.
- Strong share price outperformance: Selective’s 2022 total shareholder return was 9.7%, meaningfully exceeding the S&P 500 Index’s 18.1% decline. Over the past ten years, total annualized shareholder returns of 18.4% have exceeded the S&P 500 Index’s 12.6% average annual performance.

HISTORICAL NON-GAAP OPERATING ROEs* RELATIVE TO PEER AVERAGE



HISTORICAL TOTAL RETURN: SIGI VS. BENCHMARKS (DECEMBER 31, 2022)



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2022 STRATEGIC AND OPERATING HIGHLIGHTS:

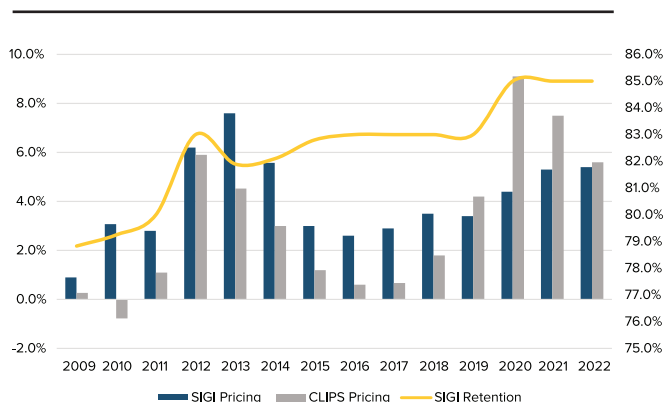
- We advanced our geographic expansion strategy by launching our commercial lines products in Vermont, Idaho, and Alabama. We are on target to open West Virginia and Maine as expected in early 2024. Over time, an expanded footprint will enhance our access to new business, further reduce our geographic concentration risk, and help us better serve our customers and distribution partners.
- We appointed 118 new agencies, bringing the total to approximately 1,500 agencies and 2,600 storefronts.
- We resumed premium growth in our personal lines segment, driven by strong market acceptance of our product designed for mass affluent customers.
- We published our inaugural Task Force for Climate-Related Financial Disclosures (TCFD) report, significantly enhancing our climate strategy disclosure.

EXECUTION OF KEY STRATEGIC PRIORITIES

Our strong financial performance this past year provides us the financial flexibility to continue executing our strategic objectives that support profitable growth over the long term, despite an uncertain near-term macroeconomic backdrop.

Maintaining underwriting discipline and pricing adequacy is a top priority. We built the organizational muscle and underwriting focus to effectively manage profitability and retention rates, even in the current dynamic loss-trend environment. Our commitment to underwriting discipline has positioned us well in recent years, permitting us to adjust our go-to-market strategy and prices as necessary.

COMMERCIAL LINES PRICING AND RETENTION



We continue to develop and implement new tools and technologies to create operating efficiencies and strengthen our market position. Our recent investments to enhance our small business and E&S technology platforms position us well for the future.

Our commitment to continuous improvement includes enhancing customers' experience with Selective at every touchpoint. This is critical to becoming a stronger competitor. We made significant investments in digital capabilities that enable our customers to engage in their chosen manner and increase the adoption of our self-service platform and value-added services, all expected to increase future retention.

BOARD MEMBER RETIREMENTS

As we look ahead to our many opportunities, I want to recognize three long-standing Board members – John C. Burville; Michael J. Morrissey; and William M. Rue – who are retiring at the 2023 Annual Meeting of Stockholders, having reached our mandatory retirement age. Each played an integral role in our success, providing valuable insights and guidance throughout their tenure. We thank them for their strategic counsel and wish them the best.

CONCLUSION

Our outstanding 2022 performance gives us a solid foundation to advance our near-term strategic priorities and position us for consistent long-term growth and value creation. We could not have accomplished this without all our supporters. I want to thank our shareholders for their investment in our business and strategy and their confidence in our management teams' continued execution. I'd also like to thank our customers and distribution partners for their continued trust in our operations.

Most importantly, I want to thank our talented employees, whose dedication and efforts continue to strengthen our customer and distribution partner relationships and drive our organization. I am confident their work furthering our unique culture will drive our success in the future.

Every day, our interactions with our customers and agency partners reinforce the importance of our role in rebuilding lives and businesses, making communities safer, and supporting economic expansion. We recognize and appreciate our responsibilities to the communities we serve as an employer providing a great place to work, as a safety resource helping mitigate risks, and as a neighbor supporting safe, sustainable, just, and diverse communities. Responsibility empowers our people to be and do their very best.

Our 2023 Annual Meeting of Stockholders will be held virtually, allowing attendance from anywhere in the world. We hope you will join us.

John J. Marchioni
Chairman, President and
Chief Executive Officer

UNIQUELY SUPPORTING OUR COMMUNITIES

We are committed to understanding and mitigating risk, serving our customers responsibly, and providing timely claims service, while being environmentally aware.



Our unique operating model includes regionally based Underwriting, Claims, and Safety Management professionals with technical expertise to service our policyholders, their claimants, and our distribution partners, helping to mitigate exposure to loss before it happens, and restore lives and businesses after an insured loss occurs.

Our risk management solutions demonstrate to our customers and distribution partners what it means to *Be Uniquely Insured*[®] with Selective. We carefully develop these solutions to address our customers' needs and seek new, innovative approaches to help them build resilience to, and protect against, risks that could negatively impact their lives and businesses.



Value-added products and services help reduce or mitigate risks, such as the removal of personally identifiable information from passenger vehicles declared a total loss and availability of award-winning home security monitoring tools.



Artificial intelligence-assisted software helps our Commercial Lines customers identify and adjust high-risk body positions or movements that can lead to severe injuries and costly workers compensation claims.



Thermographic infrared surveys for Commercial Lines customers identify potential electrical hazards that could lead to fire risks.



Our proactive notifications, including weather alerts and food, vehicle, and product recalls, help build customers' awareness and prevent losses.



Our sophisticated digital and self-service capabilities provide customers with a seamless omni-channel experience. Over half of our customers use our award-winning MySelective mobile app to report claims, pay bills, access auto insurance cards, and view auto insurance policies on demand.



Our 3.8-megawatt DC ground-mount and garage canopy solar photovoltaic facilities at our corporate headquarters are expected to generate approximately five million kWh of renewable energy annually that we sell to others.

We understand that climate change increases the unpredictability of weather-related loss frequency and severity. This poses a long-term risk to our customers' lives and businesses. We believe it is our corporate responsibility to help mitigate climate change impacts for all stakeholders. In 2022, we published our Task Force on Climate-Related Financial Disclosures report that focuses on four core elements of our climate approach. To read it, please visit www.Selective.com/about-selective/corporate-social-responsibility.

... AND DOING SOCIAL GOOD

We are committed to promoting a welcoming culture that celebrates diverse talent, individual identity, different points of view and experiences, and has a positive impact in the communities where we live, work, and serve.



24%

Percent of employees who participate in one or more employee resource group (ERG), such as our Black, Military and Veterans (launched in 2022), Pride Alliance, Women in IT, and Working Caregivers ERGs or our Women at Work affinity group. Additional groups are expected to launch in 2023.



4,800+

Items donated by employees to benefit charities that support our neighbors in need, including bicycles built and gifted during the holidays.

Hours volunteered by employees to give back to their local community and help make a difference.

4,000+

Approximately **\$950,000**

Donated by the Selective Insurance Group Foundation to charities that help build safe, sustainable, just, and diverse communities.



5,450

Hours committed by employees for diversity and inclusion training to cultivate a culture that embraces, practices, and monitors the attitudes, values, and goals of acceptance; addresses biases; and fosters diverse viewpoints and opinions.

MANAGEMENT TEAM



John J. Marchioni
Chairman of the Board,
President and
Chief Executive Officer



Lucinda (Cyndi) Bennett
Executive Vice President,
Chief Human Resources Officer



John P. Bresney
Executive Vice President,
Chief Information Officer



Joseph O. Eppers
Executive Vice President,
Chief Investment Officer



Brenda M. Hall
Executive Vice President,
Chief Operating Officer,
Standard Lines



Jeffrey F. Kamrowski
Executive Vice President,
MUSIC



Paul Kush
Executive Vice President,
Chief Claims Officer



Michael H. Lanza
Executive Vice President,
General Counsel and
Chief Compliance Officer



Rohit Mull
Executive Vice President,
Chief Marketing and
Innovation Officer



Vincent M. Senia
Executive Vice President,
Chief Actuary



Mark A. Wilcox
Executive Vice President,
Chief Financial Officer

2022 BOARD OF DIRECTORS



John J. Marchioni 2019
Chairman of the Board,
President and Chief Executive Officer,
Selective Insurance Group, Inc.



H. Elizabeth Mitchell 2018
Former President and Chief Executive Officer,
Renaissance Reinsurance U.S., Inc.



Ainar D. Aijala, Jr. 2020
Former Senior Advisor,
Deloitte & Touche LLP



Michael J. Morrissey, CFA 2008*
Special Advisor and former President
and Chief Executive Officer,
International Insurance Society, Inc.



Lisa Rojas Bacus 2020
Former Executive Vice President and
Global Chief Marketing Officer,
Cigna Corporation



Cynthia (Cie) S. Nicholson 2009
Managing Member, Band of Sisters, LLC



John C. Burville, Ph.D, FIA, MAAA 2006*
Former Insurance Consultant
to the Bermuda Government



William M. Rue 1977*
Chairman, Chas. E. Rue & Son, Inc.,
t/a Rue Insurance



Terrence W. Cavanaugh 2018
Founding Partner, Accretive Consulting LLC, and
former President and Chief Executive Officer,
Erie Indemnity Company



John S. Scheid, CPA 2014
Owner, Scheid Investment Group, LLC, and former
Senior Partner, PricewaterhouseCoopers LLP



Wole C. Coaxum 2020
Chief Executive Officer,
Mobility Capital Finance (MoCaFi)



J. Brian Thebault 1996
Partner, Thebault Associates



Robert Kelly Doherty 2015
Lead Independent Director,
Selective Insurance Group, Inc.
Managing Partner, Caymen Partners



Philip H. Urban 2014
Former President and
Chief Executive Officer,
Grange Insurance



Thomas A. McCarthy 2018
Former Executive Vice President
and Chief Financial Officer, Cigna Corporation



Stephen C. Mills 2020
Former President and General Manager,
New York Knicks

*Retiring 2023

OFFICERS

Chairman of the Board President and Chief Executive Officer

John J. Marchioni^{1,2}

Executive Vice Presidents

Lucinda (Cyndi) Bennett²

Chief Human Resources Officer

John P. Bresney²

Chief Information Officer

Joseph O. Eppers^{1,2}

Chief Investment Officer

Brenda M. Hall²

Chief Operating Officer
Standard Lines

Jeffrey F. Kamrowski²

MUSIC

Paul Kush²

Chief Claims Officer

Michael H. Lanza^{1,2}

General Counsel and
Chief Compliance Officer

Rohit Mull²

Chief Marketing and
Innovation Officer

Vincent M. Senia²

Chief Actuary

Mark A. Wilcox^{1,2}

Chief Financial Officer

Senior Vice Presidents

Charles C. Adams²

Regional Manager
Mid-Atlantic Region

Allen H. Anderson²

Chief Underwriting Officer
Personal Lines

Jeffrey F. Beck²

Government and Regulatory Affairs

Teresa M. Caro²

Regional Manager
New Jersey Region

Sarita G. Chakravarthi^{1,2}

Tax and Assistant Treasurer

Christopher G. Cunniff^{1,2}

Chief Risk Officer

Kevin P. Forrey²

Enterprise Delivery Services

Anthony D. Harnett^{1,2}

Chief Accounting Officer

Todd Hoivik²

Commercial Lines Pricing
and Research

Martin Hollander^{1,2}

Chief Audit Executive

Robert J. McKenna, Jr.²

Enterprise Strategy and Execution

Ryan T. Miller²

Regional Manager
Southern Region

Maria Orecchio²

Deputy General Counsel

Rohan Pai^{1,2}

Investor Relations and Treasurer

Thomas S. Purnell²

Regional Manager
Northeast Region

Erik A. Reidenbach²

Regional Manager
Heartland Region

Nathan C. Ruge²

Actuarial Reserving

Brian C. Sarisky²

Chief Underwriting Officer
Commercial Lines

Valerie Sparks²

Regional Manager
West Region

Robyn P. Turner¹

Assistant General Counsel and
Corporate Secretary

¹Selective Insurance Group, Inc.

²Selective Insurance Company of America

INVESTOR INFORMATION

Annual Meeting

Wednesday, May 3, 2023 - 9:00 AM (ET)
Virtual format via live audiocast at
www.virtualshareholdermeeting.com/SIGI2023

Investor Relations

Rohan Pai
Senior Vice President
Investor Relations and Treasurer
(973) 948.1364
Investor.Relations@Selective.com

Dividend Reinvestment Plan

Selective Insurance Group, Inc. makes available to holders of its common stock an automatic dividend reinvestment and stock purchase plan.

For information contact:

EQ Shareowner Services
P.O. Box 64854
St. Paul, Minnesota 55164
(866) 877.6351

Registrar and Transfer Agent

EQ Shareowner Services
P.O. Box 64854
St. Paul, Minnesota 55164
(866) 877.6351

Auditors

KPMG LLP
345 Park Avenue
New York, New York 10154

Internal Audit Department

Martin Hollander
Senior Vice President
Chief Audit Executive
Internal.Audit@Selective.com

Executive Office

40 Wantage Avenue
Branchville, New Jersey 07890
(973) 948.3000

Shareholder Relations

Selective will provide by mail, free of charge, a copy of its Annual Report on Form 10-K for the year ended December 31, 2022 (not including exhibits and documents incorporated by reference), the Proxy Statement for the 2023 Annual Meeting, and the annual report and proxy materials for future Annual Meetings (once available) at your request. Please direct all requests to:

Robyn P. Turner
Senior Vice President
Assistant General Counsel and Corporate Secretary
(973) 948.1766
Shareholder.Relations@Selective.com

Common Stock Information

Selective Insurance Group, Inc.'s common stock trades on the Nasdaq Global Select Market under the symbol: SIGI.

Form 10-K

Selective's Form 10-K, as filed with the U.S. Securities and Exchange Commission, is provided as part of this 2022 Annual Report.

Website

Visit us at www.Selective.com for information about Selective, including our latest financial news.

SELECTIVE
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