



## **2019 ANNUAL REPORT**

Building a Unique Company  
for Sustained Outperformance

# 2019

# SUSTAINED OUTPERFORMANCE UNIQUE INSURANCE SOLUTIONS

Selective continues to raise the bar and excel in a very competitive marketplace

↑ 7%

Net Premiums  
Written

93.7%

Combined  
Ratio

↑ 13%

Net Investment  
Income After-Tax

13.3%

Non-GAAP Operating  
Return on Equity\*

8.3%

Total Return  
to Shareholders

Selective Insurance Group, Inc. is a New Jersey holding company for ten property and casualty insurance companies. Selective is the 41st<sup>†</sup> largest property and casualty company in the U.S. and rated 'A' (Excellent) by A.M. Best, which in 2019, upgraded Selective's financial strength outlook to 'positive.' We provide customized risk management solutions and value-added services that address every customer's unique needs. In partnership with our distribution partners, we offer standard and specialty insurance to businesses, public entities, and individuals through the following segments:

- **Standard Commercial Lines**  
80% of business
- **Standard Personal Lines**  
11% of business
- **Excess & Surplus (E&S) Lines**  
9% of business

\* Non-GAAP (U.S. Generally Accepted Accounting Principles) operating income, non-GAAP operating income per diluted share, and non-GAAP operating return on equity are non-GAAP measures. Refer to the section entitled, "Financial Highlights of Results for Years Ended December 31, 2019, 2018, and 2017" in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations," in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 for a reconciliation of the non-GAAP measures to the equivalent GAAP measures.

† According to A.M. Best Top 200 U.S. Property/Casualty Writers, ranked by 2018 net premiums written.

In 2019, Selective unveiled a new brand message that celebrates our unique employee-agent-customer paradigm.

Throughout our 90+ year history, we have always put the customer first and evolved our products and services to meet their needs. Getting these "just right" for each customer is a promise that we deliver through unmatched collaboration between our employees, independent agency partners, and customers.

Our new brand message, Be Uniquely Insured<sup>SM</sup>, reflects our tireless work to understand, anticipate, and provide for the unique needs of each customer. The logo features three distinctive dots above the Selective typeface to symbolize the connectivity between employees, agents, and customers, who are the biggest dot at the forefront.

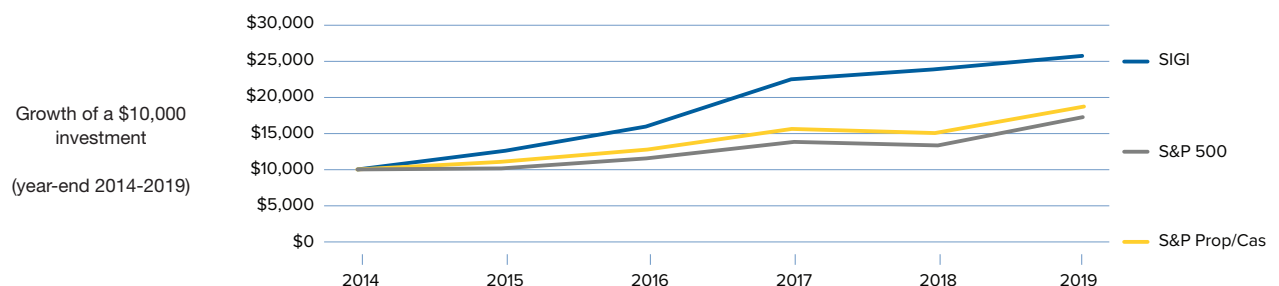
This is a stance that ensures we deliver the finest insurance experience the industry has to offer.

  
**SELECTIVE**  
BE UNIQUELY INSURED<sup>SM</sup>

# 2019 FINANCIAL HIGHLIGHTS

| (\$ in millions, except per share data)               | 2019      | 2018      | % or Point Change<br>Better (Worse) |
|---|-----------|-----------|-------------------------------------|
| <b>Insurance Operations</b>                           |           |           |                                     |
| Net premiums written                                  | \$2,679.4 | \$2,514.3 | 7%                                  |
| Combined ratio  | 93.7%     | 95.0%     | 1.3 pts                             |
| Underwriting gain after-tax                           | \$129.6   | \$95.7    | 35%                                 |
| Return on equity from insurance operations after-tax  | 6.5%      | 5.5%      | 1.0 pt                              |
| <b>Investments</b>                                    |           |           |                                     |
| Net investment income after-tax                       | \$181.2   | \$160.5   | 13%                                 |
| Net realized and unrealized gains (losses) after-tax  | \$10.5    | (\$39.6)  | 127%                                |
| Total invested assets                                 | \$6,688.7 | \$5,960.7 | 12%                                 |
| Invested assets per dollar of stockholders' equity    | \$3.05    | \$3.33    | (8) %                               |
| Annual after-tax yield on investment portfolio        | 2.9%      | 2.8%      | 0.1 pts                             |
| Return on equity from net investment income after-tax | 9.1%      | 9.2%      | (0.1) pts                           |
| <b>Summary Data</b>                                   |           |           |                                     |
| Total revenues  | \$2,846.5 | \$2,586.1 | 10%                                 |
| Net income  | \$271.6   | \$178.9   | 52%                                 |
| Return on equity                                      | 13.6%     | 10.2%     | 3.4 pts                             |
| Non-GAAP operating income*                            | \$264.4   | \$218.6   | 21 %                                |
| Non-GAAP operating return on equity*                  | 13.3%     | 12.5%     | 0.8 pts                             |
| Operating cash flow as % of net premiums written      | 17.8%     | 18.1%     | (0.3) pts                           |
| Total assets  | \$8,797.2 | \$7,952.7 | 11%                                 |
| Stockholders' equity                                  | \$2,194.9 | \$1,791.8 | 22%                                 |
| <b>Per Share Data</b>                                 |           |           |                                     |
| Diluted net income                                    | \$4.53    | \$3.00    | 51%                                 |
| Diluted non-GAAP operating income*                    | \$4.40    | \$3.66    | 20%                                 |
| Dividends to stockholders                             | \$0.83    | \$0.74    | 12%                                 |
| Stockholders' equity                                  | \$36.91   | \$30.40   | 21%                                 |

## AVERAGE ANNUAL RETURN



\* Non-GAAP (U.S. Generally Accepted Accounting Principles) operating income, non-GAAP operating income per diluted share, and non-GAAP operating return on equity are non-GAAP measures. Refer to the section entitled, "Financial Highlights of Results for Years Ended December 31, 2019, 2018, and 2017" in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations," in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 for a reconciliation of the non-GAAP measures to the equivalent GAAP measures.

# 2019 ANNUAL REPORT SHAREHOLDER LETTER

Selective continues to excel in a very competitive insurance marketplace. Overall net premiums written (NPW) were up 7% in 2019, and our combined ratio was an excellent 93.7%. For the year, our Insurance Operations generated 6.5 points of return on equity (ROE). Investment results were brilliant, with net investment income, after-tax, up 13% to \$181.2 million, contributing 9.1 points of ROE. Earnings per share (EPS) increased 51% to \$4.53, and the ROE was 13.6%. Overall non-GAAP operating earnings per share were \$4.40, up 20%, and the non-GAAP operating ROE was 13.3%.

We finished the year on a strong note and should benefit from the effects of a commercial lines renewal pure pricing tailwind in 2020. Fourth-quarter renewal pure pricing reached 3.8%, which is in line with expected loss trend. We are well-positioned for this environment, with an attractive book of business, and the tools, technology, and people to execute on our plans. From a strategic standpoint, we continue to invest to make Selective a truly unique franchise within the insurance industry, one that is well-positioned to continue to generate sustained outperformance. Some of our achievements in 2019 include:

- Delivering our sixth consecutive year of double-digit ROEs, which places us among a very elite group of peers that have generated similar results;
- Delivering over 10 years of commercial lines renewal pure price increases that have matched or exceeded industry averages, as measured by the Willis Towers Watson Commercial Lines Insurance Pricing Survey (or CLIPS);
- Issuing \$300 million of 30-year senior notes in our inaugural institutional public debt offering, which significantly increases our financial flexibility and provides access to a pool of attractive long-term capital;
- Being recognized for our superior operating and financial performance by rating agency A.M. Best, who changed the outlook on our 'A' financial strength ratings from stable to positive in October;
- Reporting strong growth in our five newest expansion states, as well as from our approximately 100 newly added distribution partners in 2019;
- Introducing our new tag line "Be Uniquely Insured<sup>SM</sup>," which recognizes how Selective and our independent agency partners address every customer's unique needs with insurance fit just for them;



John J. Marchioni, President and Chief Executive Officer and Gregory E. Murphy, Executive Chairman.

- Continuing to make progress on our omni-channel customer experience (CX) initiative, with ongoing roll-outs of proactive customer communications and value-added services aimed at increasing retention rates and hit ratios;
- Receiving recognition as one of America's Best Mid-Size Employers by *Forbes*; given the Company Award of Excellence by the Professional Insurance Agents (PIA), and the 2019 Innovation Award from *Business Insurance* for our Selective<sup>®</sup> Drive product; and
- Building a solar energy facility at the Corporate office, which will generate approximately 4 million kWh of energy annually.

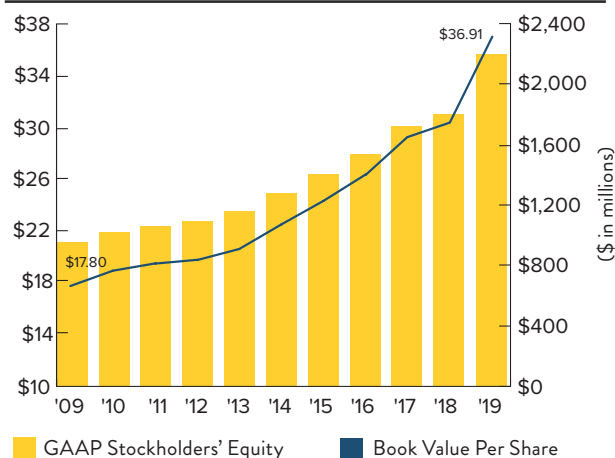
## MANAGEMENT TRANSITION

It was a milestone year for us because we announced a well-developed management transition plan in October, with the Board of Directors appointing John Marchioni as Chief Executive Officer effective February 1, 2020. Having run our operations as President and Chief Operating Officer since 2013, I cannot think of anyone more capable of assuming the role. After 40 incredibly fulfilling years at Selective, the last 20 as Chief Executive Officer, I will serve as Executive Chairman for one year and continue to help with the leadership transition. I could not be more happy to pass the reins of the company to John, who I am confident will continue to transform Selective into a truly unique company in the marketplace and industry leader.

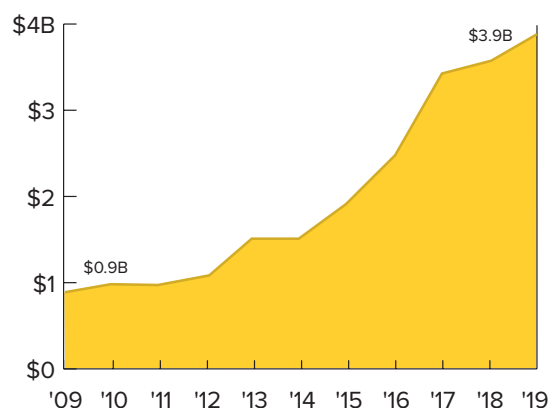
– Greg Murphy

**Excellent financial results:** We set a high bar for ourselves each year by establishing an ROE target that is well above our estimated weighted average cost of capital (WACC). This target forms the baseline for the financial performance component of all our employees' compensation, ensuring that our interests are well aligned with those of our shareholders. For 2019, Selective's non-GAAP operating ROE of 13.3% exceeded our 12.0% financial target. The 13.3% operating ROE was reduced by about 60 basis points, due to the significant after-tax net unrealized gains on the fixed income securities portfolio that increased our stockholders' equity by 10%. These gains reflect the low-interest-rate environment and will reverse as the securities near maturity. Book value per share was up 21% for 2019. For 2020, we established a non-GAAP operating ROE target of 11%, primarily reflecting (i) the lower estimated WACC and (ii) the decline in interest rates that has pressured investment yields and increased GAAP equity.

## BOOK VALUE PER SHARE AND STOCKHOLDERS' EQUITY GROWTH



## MARKET CAPITALIZATION



**Solid share price performance:** Our strong and consistent financial results have been rewarded by the equity market in recent years, leading to solid share price outperformance over the longer term. While Selective's 8.2% total return to shareholders for 2019 underperformed the S&P 500 Index and peers, Selective's shareholders experienced total returns averaging 20.9% annually over the past five years, compared to 13.2% on average for the S&P Property & Casualty insurance index and 11.7% on average for the S&P 500 Index.

## EXECUTION ON STRATEGIC PRIORITIES

Successful execution on our strategic objectives has been key to driving our best-in-class operating and financial performance. Some of the key operational targets that we set for ourselves during 2019 included: (i) generating pricing at or above expected loss trend; (ii) continuing to execute on our strategy of profitable growth in our current markets and through geographic expansion; (iii) leveraging sophisticated tools and technology that enable better underwriting, pricing, and claims decisions; and (iv) delivering a superior omni-channel customer experience and value-added services to increase hit ratios and retention.

- A focus on achieving adequate price:** We have often said that "arithmetic has no mercy" and that the only way to produce adequate returns over the long-term is through the generation of overall renewal pure price increases at or above expected loss trend. We are very proud of our efforts, achieving overall renewal pure price increases that averaged 3.6% in 2019 and were in line with our expected loss trend. The level of price increases we obtained rose over the course of the past year, and we expect the favorable industry tailwinds to continue in 2020. Having obtained price increases that have consistently matched or exceeded the industry average as measured by CLIPS, we feel very good about the embedded profitability in our book. Looking forward as market pricing has begun to increase, we will continue to manage renewal pricing on a granular basis, targeting accounts that we feel are not priced commensurate with future profitability expectations. Our strong distribution relationships, sophisticated pricing tools, and culture of underwriting discipline enable us to successfully execute our pricing strategy, effectively managing our goals around profitability and retention rates.
- Leveraging superior distribution relationships to grow profitably:** Our stated long-term objective of obtaining a 3% Commercial Lines market share is built around appointing partner relationships that control approximately 25% of the premium in the states in which we compete, and seeking an average 12% share of each partner's business. We have an additional Commercial Lines premium opportunity in excess of \$2.7 billion over time if we hit our long-term targets, and we can achieve this without having to stretch our underwriting appetite or shift our risk profile. During 2019, we appointed approximately 100 new distribution partners, including those in our newly-opened geo-expansion states, bringing the total to over 1,350 distribution partners with approximately 2,300

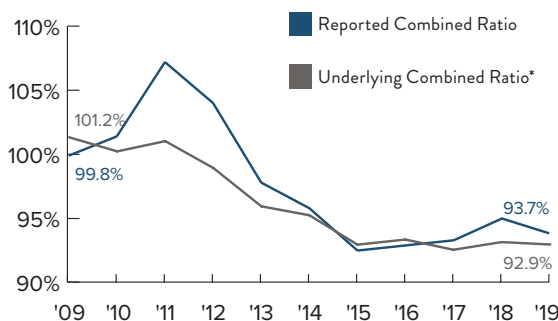
storefronts. Our greenfield geographic expansion strategy has been tracking well and we opened five new markets over the past two years: New Hampshire and a Southwest hub incorporating Arizona, Colorado, Utah, and New Mexico. Current in-force premiums totaled approximately \$66 million from these new states.

- **Deployment of sophisticated tools and technologies to enhance decision management capabilities and operating efficiencies:** Examples include the deployment of our underwriting insights tool to new business underwriters, to provide model-driven guidance and real-time insights into how each piece of new business compares with similar accounts already in the portfolio. During 2019, we rolled out our Underwriting Workstation, which incorporates automated data retrieval and pre-fill and improves underwriting efficiency and exposure analysis. Our newly opened Innovation Lab at our Branchville, New Jersey headquarters will enhance our efforts to quickly identify and deploy improvements to our products, agency and customer experience, and operational efficiency. Continuing to invest in the build-out of these tools is core to our strategy and has been a key factor in driving our outperformance.
- **Making our communities safer and establishing Selective as a leader in customer experience:** One of our major strategic initiatives has been to deliver a superior omni-channel customer experience that helps create a differentiated value proposition for our distribution partners and customers. Our self-service and digital-service offerings allow our customers to engage with us in a 24/7 environment. We now have a 360-degree view of our customers that allows us to build out a more proactive communication program, including customer-specific product and vehicle recalls, safety alerts, and other targeted notifications, as we seek to create more value for them. Our safety management team focuses on keeping customers safe by offering new products and value-added services. For example, our telematics-driven product, Selective® Drive, helps customers understand driving behaviors, fleet locations, and vehicle maintenance for commercial vehicles, while our recently introduced Security Mentor training helps customers understand cyber exposures and phishing scams. Strong customer adoption of these offerings validates the investments and allows us to continue differentiating Selective in a crowded marketplace. We spend about \$2 million each year on safety management initiatives.

**Empowering positive change for society:** We cannot be more proud of the many ways Selective positively contributes to society at large. Protecting our customers and helping them improve the safety of their businesses has defined us since our inception over 90 years ago. Helping our employees reach their full potential, supporting the communities in which we live and work, and leaving the environment better than we found it for future generations defines us as a corporate citizen. Part of our core initiatives at Selective is building a more sustainable environment for future generations. Our new solar facility will

annually generate approximately 4 million kWh of energy, which is the equivalent of powering up to 800 houses for a year. We invite you to read our Environmental, Social and Governance report on [Selective.com](https://www.selective.com), that outlines our efforts to create an ecosystem where people feel empowered to bring about positive change.

## GAAP COMBINED RATIOS



The achievement of our targeted strategic initiatives has contributed to strong GAAP reported and underlying combined ratios.

\*Underlying GAAP combined ratio excludes catastrophe losses and prior year casualty reserve development

## 2019 FINANCIAL RESULTS

We generated record net income of \$271.6 million and record non-GAAP operating income of \$264.4 million. NPW were up 7% to \$2.7 billion. While catastrophe losses for the industry were moderate relative to the prior two years, it was still an active year with earthquakes, hurricanes, wildfires, and severe convective storms. The industry exposure to significant catastrophe losses is pronounced, and the manner in which loss mitigation is implemented is critical to reducing the magnitude of these types of events. Our 93.7% combined ratio included 3.1 points of catastrophe losses, which was below our annual expectation of 3.5 points. Solid investment performance also was a major contributor to the year's excellent financial performance, although a prolonged low interest rate environment will certainly put pressure on investment income going forward. Going into 2020, our balance sheet remains extremely strong with a record \$2.2 billion of stockholders' equity and a conservative 20.1% debt-to-capitalization ratio, which is comfortably below the upper end of our target range. We increased our quarterly shareholder dividend by 15% in 2019.

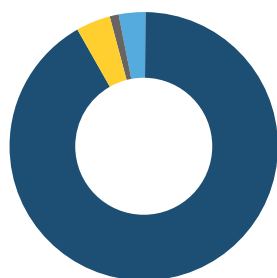
- **Standard Commercial Lines:** Standard commercial lines business, which accounts for 80% of total NPW, had another excellent year, with NPW up 8% and an extremely strong 92.9% combined ratio. Results were driven by strong performance in larger lines such as general liability and workers compensation, although commercial auto results remain below our target levels and are being addressed.



- **Standard Personal Lines:** Personal lines accounts for 11% of total NPW and had a profitable year, generating a 97.3% combined ratio. NPW was down 2% to \$304.6 million, mainly due to the highly competitive personal auto marketplace, as new business was down 21% to \$40.7 million. During 2019, we implemented average renewal pure price increases of 6.8% for personal auto. These price increases should benefit profitability when earned, but will likely continue to put pressure on new business. Our homeowners book was profitable for the year. The flood business, written on behalf of the government-backed National Flood Insurance Program, generated attractive fee income that helped the segment's results.
- **Excess & Surplus Lines:** The E&S segment, which accounts for 9% of total NPW, generated 4% NPW growth and a 95.9% combined ratio for the year. We are happy with the progress we have made to improve the profitability of this business through substantial targeted pricing actions, business mix shifts, enhanced underwriting standards, and improved claims practices. We will continue to operate this business opportunistically, focusing on achieving adequate margins while allowing the top line to vary depending on market conditions.

## INVESTMENT PORTFOLIO

\$6.7 billion as of 12/31/2019



Selective invests the premiums collected by our insurance segments, as well as amounts generated throughout our capital management strategies. The primary objective of our conservative investment portfolio is to maximize after-tax net investment income while balancing risk and generating long-term growth in shareholder value.

Fixed Income: 91% (4% High yield)  
Short-term: 4%  
Equities: 1%  
Alternatives & Other: 4%

**Excellent investment income performance:** After-tax net investment income of \$181.2 was up 13% for the year. Investment income growth was driven by (i) active portfolio management, (ii) excellent operating cash flow that was 18% of NPW, and (iii) \$106 million of net proceeds from our debt offering this year. The overall after-tax yield on the fixed income portfolio, including high-yield, was 2.9% at the end of the year. We continue to take a conservative approach in managing our investments, maintaining an average fixed income credit rating of 'AA-' and a relatively short fixed income and short-term investments portfolio duration of 3.6 years.

## CONCLUSION

We would like to offer our sincere gratitude to Ronald L. O'Kelley for his 15 years of service as a Board member. Ron will be retiring from the Board at the 2020 Annual Meeting of Stockholders. He served as Chairman of the Audit Committee and designated Audit Committee financial expert for several years. During his tenure on the Board, Ron was a member of each standing Board Committee. Ron's leadership, advice, financial knowledge, and forethought will be missed.

Selective's financial and operating achievements in recent years could not have been possible without the dedication and contributions of our outstanding employees. The high bar that we set for ourselves manifests itself in the excellent service we provide our customers and distribution partners each day, and the consistently strong financial results we continue to generate for our shareholders. Our sustainable competitive advantages of (1) true franchise value with our distribution partners, (2) unique field model enabled by sophisticated tools and technology, and (3) superior customer experience delivered by our best-in-class employees, truly set us apart. Selective is in its strongest financial and strategic position ever, and we expect to continue to execute on achieving our objectives in the coming years.

*Gregory E. Murphy*

**Gregory E. Murphy**  
Executive Chairman

*John J. Marchioni*

**John J. Marchioni**  
President and  
Chief Executive Officer

# A STRONG TRACK RECORD OF FINANCIAL OUTPERFORMANCE

## OUR COMPETITIVE ADVANTAGES

For the past six consecutive years, Selective has generated double-digit non-GAAP operating ROEs, outperforming the industry average and truly setting us apart. Our success is driven, in large part, by leveraging our sustainable competitive advantages and commitment to providing for customers' unique needs.



### Unique field model enabled by sophisticated tools and technology

Selective's empowered and dynamic field model – comprised of locally-based field underwriters, claims professionals, and safety management specialists – is key to our agency value proposition and underwriting quality. Our field experts apply a data-driven approach using sophisticated tools to our underwriting and pricing practices to effectively deliver unique products and services to our distribution partners.



### Superior customer experience delivered by best-in-class employees

Selective's more than 2,300 employees are our most valuable asset and key to our continued success. Through them – and in collaboration with our independent insurance agency partners – we deliver our brand promise to uniquely insure our customers. By creating customized solutions, value-added services, and an exceptional 24/7 omni-channel service experience, we are able to meet customers' unique needs and rising expectations.

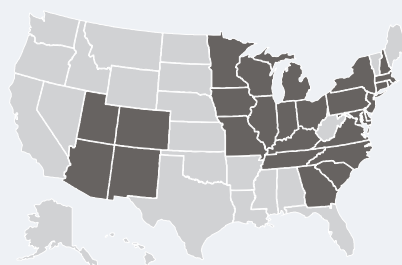


### True franchise value with distribution partners

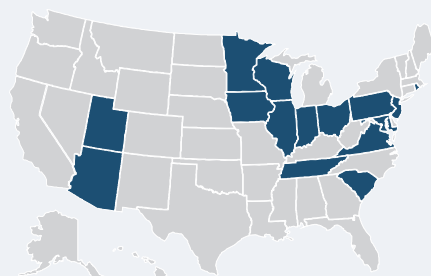
Selective works closely with more than 1,350 retail and 90 wholesale distribution partners to build strong relationships and deliver exceptional service to our shared customers. We are committed to our distribution partners' success and provide them with the tools, products, services, and resources to prosper and build their market share. We will continue to appoint high-caliber and diverse distribution partners to drive profitable growth and expand our geographic footprint.

## OUR GROWING FOOTPRINT

Selective delivers customized risk management solutions to address the unique needs of current and future customers in the following states:

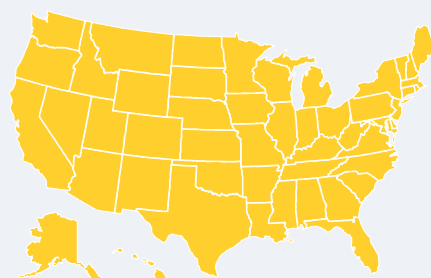


Standard Commercial (27 states)



Standard Personal† (15 states)

† Flood Insurance available in all 50 states



Excess & Surplus (50 states)

## INCREASING MARKET SHARE

Selective's expanded regional capability provides access to growth opportunities and improves the diversification of our business. Our long-term growth plan to achieve a 3% total market share in our Standard Commercial Lines footprint states includes increasing the market share held by our distribution partners to be at least 25% of their state's available premium and increasing our share of their business, or "share of wallet," to 12%. Combined, this provides for an additional premium opportunity in excess of \$2.7 billion.



# A UNIQUE APPROACH TO PROTECTING OUR CUSTOMERS

Today's customers demand their business partners know them, value them, protect them, and make it easy to do business with them\* – and these factors exemplify Selective's unique value proposition.

From our customizable risk management solutions and intuitive self-service tools, to our environmentally-friendly digital policy and billing offerings and innovative technologies, Selective is a truly differentiated company in the marketplace, and an industry leader.

## ✓ Our superior customer service

- 24/7 personalized customer service accessible via phone, online, mobile app, and live chat
- A 360-degree view of our customers to improve the ways we connect, communicate, and collaborate with them
- Expedited claims handling to smoothly resolve life's unexpected issues

## ✓ Our unique offerings

- Superior products used to create customized risk management solutions that meet the needs of businesses, public entities, and individuals
- Safety management evaluations and service visits to help identify, prevent, and minimize losses
- Proactive communication to customers, based on their self-directed preferences, to help avoid and manage risks

## ✓ Our corporate social responsibility

- Helping customers put their lives back together after suffering a loss
- Making our communities and customers feel safer
- Providing financial security and capital to businesses and individuals
- Making a positive difference in our communities through philanthropic donations totaling more than \$500,000 annually

## ✓ Our ease of doing business

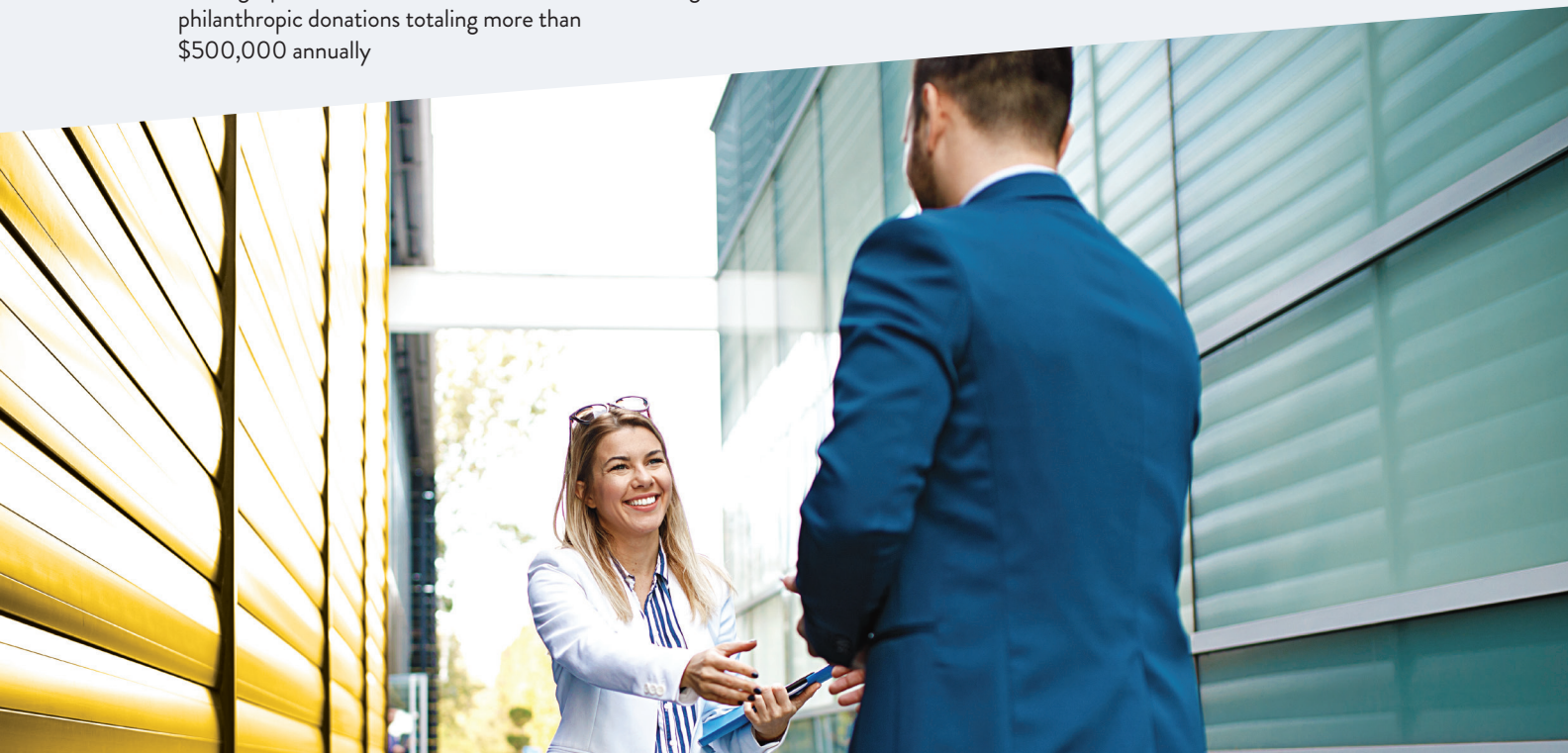
- Improved navigation to simplify customer-facing technologies, including the Selective mobile app and online account portal
- Technology enhancements on our online new business submission portals make it easier for independent insurance agency partners to write new policies with us
- Tailored and targeted marketing to strategically identified prospective customers who value the unique products and services we offer to drive new business to our independent insurance agent partners

## ✓ Our innovation mindset

- Implementing initiatives that enhance the end user experience, serve new markets, and introduce new insurance products
- Leveraging new and emerging technologies to positively impact insurance transactions and overall business operations
- Award-winning<sup>†</sup> Selective<sup>®</sup> Drive, a sensor device and app, perpetuates safe driving behaviors and enables commercial fleet managers to monitor their vehicles

\*Source: KPMG "Me, My Life, My Wallet," available at <http://raconteur-2.instantmagazine.com/kpmg/mmlmwdigital/contents/>

<sup>†</sup> Selective was honored with a 2019 Innovation Award from *Business Insurance* for Selective<sup>®</sup> Drive



# MANAGEMENT TEAM



**John J. Marchioni**  
President and  
Chief Executive Officer



**Shadi K. Albert**  
Executive Vice President  
Insurance Strategy and  
Business Development



**John P. Bresney**  
Executive Vice President  
Chief Information Officer



**Gordon J. Gaudet**  
Executive Vice President  
Chief Innovation Officer



**Brenda M. Hall**  
Executive Vice President  
Commercial Lines  
Chief Operating Officer



**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



**Charles A. Musilli, III**  
Executive Vice President  
Chief Human Resources Officer



**Vincent M. Senia**  
Executive Vice President  
Chief Actuary



**Mark A. Wilcox**  
Executive Vice President  
Chief Financial Officer

# DIRECTORS

**Gregory E. Murphy** 1997

Executive Chairman,  
Selective Insurance Group, Inc.

**John C. Burville, Ph.D, FIA, MAAA** 2006

Retired, former Insurance Consultant  
to the Bermuda Government

**Terrence W. Cavanaugh** 2018

Independent Consultant, and retired,  
former President and Chief Executive Officer,  
Erie Indemnity Company

**Robert Kelly Doherty** 2015

Managing Partner, Caymen Advisors  
and Caymen Partners

**John J. Marchioni** 2019

President and Chief Executive Officer,  
Selective Insurance Group, Inc.

**Thomas A. McCarthy** 2018

Retired, former Executive Vice President and  
Chief Financial Officer, CIGNA

**H. Elizabeth Mitchell** 2018

Retired, former President and Chief Executive Officer  
of Renaissance Reinsurance U.S., Inc.

**Michael J. Morrissey, CFA** 2008

President and Chief Executive Officer,  
International Insurance Society, Inc.

**Cynthia (Cie) S. Nicholson** 2009

Advisor  
Tangerine (formerly known as Feed Each Other/Forkcast)

**Ronald L. O'Kelley** 2005

Chairman and Chief Executive Officer,  
Atlantic Coast Venture Investments Inc.

**William M. Rue** 1977

Chairman, Chas. E. Rue & Son, Inc.,  
t/a Rue Insurance

**John S. Scheid, CPA** 2014

Owner, Scheid Investment Group, LLC  
Former Senior Partner, PricewaterhouseCoopers LLP

**J. Brian Thebault** 1996

Lead Independent Director, Selective Insurance Group, Inc.  
Partner, Thebault Associates

**Philip H. Urban** 2014

Retired, former President and  
Chief Executive Officer, Grange Insurance

# OFFICERS

## Executive Chairman

**Gregory E. Murphy**<sup>1</sup>

## President and Chief Executive Officer

**John J. Marchioni**<sup>1,2</sup>

## Executive Vice Presidents

**Shadi K. Albert**<sup>2</sup>

Insurance Strategy and  
Business Development

**John P. Bresney**<sup>2</sup>

Chief Information Officer

**Gordon J. Gaudet**<sup>2</sup>

Chief Innovation Officer

**Brenda M. Hall**<sup>2</sup>

Commercial Lines  
Chief Operating Officer

**Jeffrey F. Kamrowski**<sup>2</sup>

MUSIC

**Paul Kush**<sup>2</sup>

Chief Claims Officer

**Michael H. Lanza**<sup>1,2</sup>

General Counsel and  
Chief Compliance Officer

**Charles A. Musilli, III**<sup>2</sup>

Chief Human Resources Officer

**Vincent M. Senia**<sup>2</sup>

Chief Actuary

**Mark A. Wilcox**<sup>1,2</sup>

Chief Financial Officer

## Senior Vice Presidents

**Charles C. Adams**<sup>2</sup>

Regional Manager  
Mid-Atlantic Region

**Allen H. Anderson**<sup>2</sup>

Chief Underwriting Officer  
Personal Lines

**Jeffrey F. Beck**<sup>2</sup>

Government and Regulatory Affairs

**Teresa M. Caro**<sup>2</sup>

Regional Manager  
New Jersey Region

**Sarita G. Chakravarthi**<sup>1,2</sup>

Tax and Assistant Treasurer

**Thomas M. Clark**<sup>2</sup>

Claims General Counsel

**Christopher G. Cunniff**<sup>1,2</sup>

Chief Risk Officer

**Fadi Elsaid**<sup>2</sup>

IT Infrastructure and Operations

**Joseph O. Eppers**<sup>1,2</sup>

Chief Investment Officer

**Kevin P. Forrey**<sup>2</sup>

Enterprise Delivery Services

**Anthony D. Harnett**<sup>1,2</sup>

Chief Accounting Officer

**Todd Hoivik**<sup>2</sup>

Commercial Lines Pricing  
and Research

**Martin Hollander**<sup>1,2</sup>

Chief Audit Executive

**Robert J. McKenna, Jr.**<sup>2</sup>

Enterprise Architecture and  
Information Security

**Ryan T. Miller**<sup>2</sup>

Regional Manager  
Southern Region

**Rohit Mull**<sup>2</sup>

Chief Marketing Officer

**Maria Orecchio**<sup>2</sup>

Deputy General Counsel

**Rohan Pai**<sup>1,2</sup>

Investor Relations and Treasurer

**Thomas S. Purnell**<sup>2</sup>

Regional Manager  
Northeast Region

**Erik A. Reidenbach**<sup>2</sup>

Regional Manager  
Heartland Region

**Nathan C. Rugge**<sup>2</sup>

Actuarial Reserving

**Brian C. Sarisky**<sup>2</sup>

Chief Underwriting Officer  
Commercial Lines

**Valerie Sparks**<sup>2</sup>

Regional Manager  
Southwest Region

<sup>1</sup>Selective Insurance Group, Inc.

<sup>2</sup>Selective Insurance Company of America



# INVESTOR INFORMATION

## Annual Meeting

Wednesday, April 29, 2020 - 9:00 a.m. (ET)  
Selective Insurance Group, Inc.  
40 Wantage Avenue  
Branchville, New Jersey 07890

## Investor Relations

Rohan Pai  
Senior Vice President  
Investor Relations and Treasurer  
(973) 948.1364  
[Investor.Relations@Selective.com](mailto: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](mailto: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, 2019 (not including exhibits and documents incorporated by reference), the Proxy Statement for the 2020 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  
Vice President  
Assistant General Counsel and  
Corporate Secretary  
(973) 948.1766  
[Shareholder.Relations@Selective.com](mailto:Shareholder.Relations@Selective.com)

## Common Stock Information

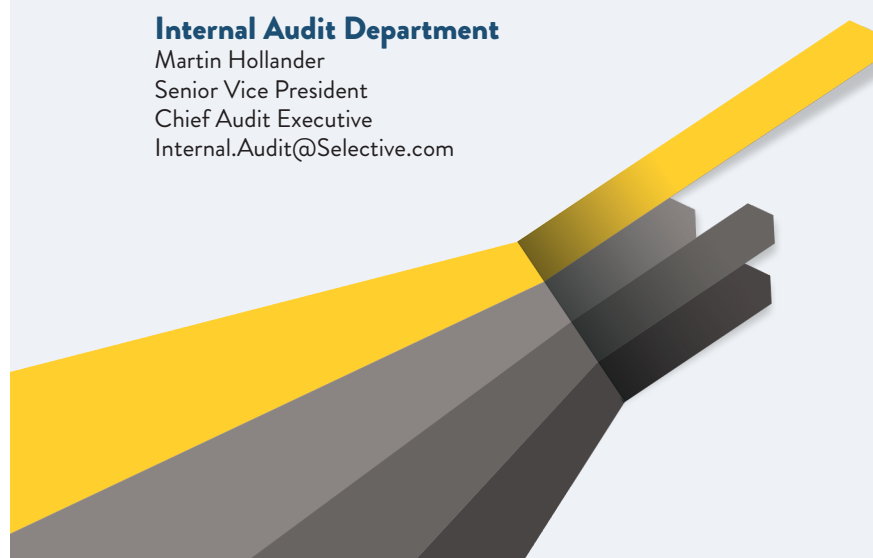
Selective Insurance Group, Inc.'s common stock trades on the NASDAQ Global Select Market under the symbol: SIGI.

## Form 10-K

Selective's Form 10-K, as filed with the U.S. Securities and Exchange Commission, is provided as part of this 2019 Annual Report.

## Website

Visit us at [www.Selective.com](http://www.Selective.com) for information about Selective, including our latest financial news.





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