



PROGRESS THROUGH IMPACT

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ABOUT THIS REPORT

Our third Sustainability Report highlights key initiatives tied to our business strategy that enhance our sustainability and corporate citizenship. We seek tangible results for our stakeholders and are committed to long-term progress. We believe that our long-standing strategy of advancing the interests of our customers, distribution partners, and employees has generated superior financial performance for our shareholders while supporting the communities where we live and work. This Report's Appendix includes Equal Employee Opportunity (EEO-1) data. Our Sustainability Accounting Standards Board (SASB) report, referencing insurance industry-specific standards, is on our website at www.selective.com. In 2022, we published our Task Force on Climate-Related Financial Disclosures (TCFD) report, highlighting our strategy to address climate-related risks and opportunities – and it is available on our website at <https://www.selective.com/about-selective/corporate-social-responsibility>.

This report covers Selective's performance in 2022 unless otherwise explicitly stated.



A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

Our primary objectives as an insurance organization are to (i) help our customers put their lives and businesses back together after experiencing a covered loss, (ii) help make our customers and communities safer, and (iii) support economic growth by providing capital that protects against covered losses and allows businesses to invest confidently in their operations. Responsible corporate actions have long been part of Selective's history, and I am proud of our recent sustainability initiatives that are aligned with our business strategy. We have outlined a vision and implemented programs to address critically important issues, including building a highly engaged team of employees and strengthening the communities in which we live and operate.

We are (i) integrating sustainability principles into our business and operations and (ii) partnering with many key stakeholders to develop solutions that enhance resilience, well-being, and customer service. These long-term partnerships should help us continue to generate superior returns for our shareholders.

Integrating sustainability into our business and operations:

As a property and casualty ("P&C") insurance company, Selective covers thousands of individuals and businesses against the financial impact of insured losses, including catastrophic events. For example, climate change increases the unpredictability of weather-related loss frequency and severity, posing a long-term risk to our customers' lives and livelihoods – and our business. We aim to mitigate the impacts of climate change with (i) prudent oversight and management of catastrophe risk exposure, (ii) providing responsive claims handling, safety management services, and proactive weather alerts, (iii) preparing for the continuing transition to clean energy, and (iv) reducing our carbon footprint.



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Partnering with Key Stakeholders

Attracting and retaining talent:

We deliver excellent service to our customers and distribution partners through our skilled and compassionate employees. We are committed to promoting a welcoming culture that celebrates talent, individualism, unique backgrounds, and experiences – and empowers employees to contribute new ideas that support our continued and growing success.

A focus on oversight, ethics, and integrity:

Strong oversight, ethics, and integrity are the foundation of our financial and operating success. Our Board of Directors is highly engaged and has the broad skill sets to monitor our business. Our Board composition reflects our commitment to a culture of innovation and creativity. Our Code of Conduct imparts the strong sense of integrity and purpose we expect from all employees. We are transparent about our employee and management compensation, linking annual and long-term incentive compensation programs to pre-determined financial and operating metrics and strategic initiatives.

Conclusion:

By embedding sustainable initiatives into key aspects of our business, Selective has delivered significant value over time for our shareholders by serving our internal and external stakeholders. Our consistent and superior financial track record places us among an exclusive group of high-performing P&C insurance companies. Our 12.4% non-GAAP operating return on equity in 2022 was a significant achievement, given elevated net catastrophe losses, capital market volatility, and higher loss cost trends driven by elevated inflation and other factors. In early 2023, we established a 12% non-GAAP operating return on equity target for the year and a 95% long-term combined ratio target. We understand that our strengths in offering competitive products and services to our customers and being a stable market for our distribution partners depend on being well-capitalized, managing our risk responsibly, maintaining our strong financial strength ratings, and running an efficient and profitable organization.

We invite you to read our third Sustainability Report – *Progress through Impact*. It details our efforts to create a corporate environment where people feel empowered to bring about positive, sustainable change. It also highlights the accomplishments of our employees, who seek to serve our customers, distribution partners, and communities while acting in the long-term interest of our shareholders.



John J. Marchioni
Chairman, President and
Chief Executive Officer

ABOUT US

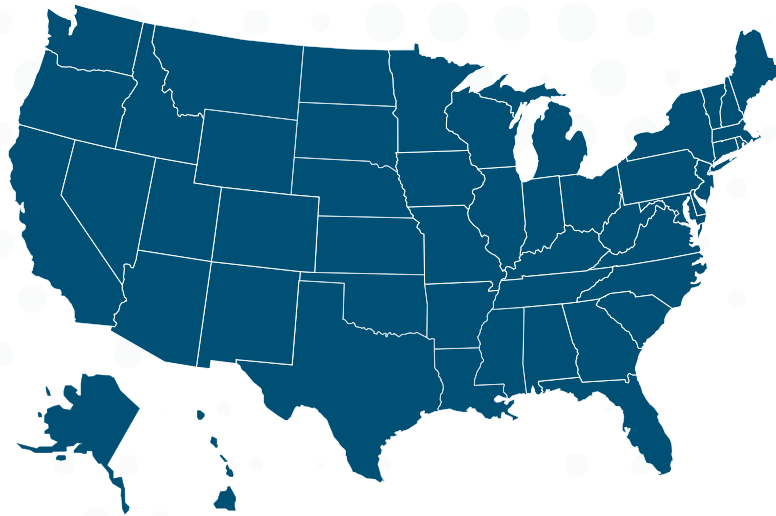
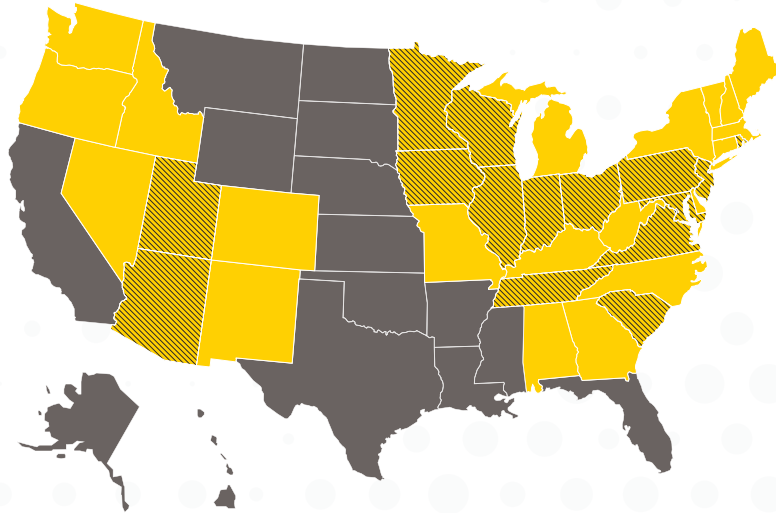
Selective Insurance Group, Inc. is a New Jersey insurance holding company incorporated in 1977 that owns ten property and casualty insurance subsidiaries (“Insurance Subsidiaries”). The Insurance Subsidiaries sell products and services only in the United States (“U.S.”), exclusively through independent insurance agents and wholesale brokers. Various state departments of insurance (i) license nine of our subsidiaries as admitted carriers to write specific lines of property and casualty insurance in the standard marketplace and (ii) authorize the tenth subsidiary as a non-admitted carrier to write property and casualty insurance in the excess and surplus (“E&S”) lines market. We refer throughout this document to Selective Insurance Group, Inc., and the Insurance Subsidiaries collectively as “we,” “us,” or “our”.

Our main office is in Branchville, New Jersey. We list our common stock (symbol “SIGI”) and preferred stock (symbol “SIGIP”) on the Nasdaq Global Select Market. In 2023, AM Best Company (“AM Best”) ranked us as the 37th largest property and casualty group in its annual “Top 200 U.S. Property/Casualty Writers” based on 2022 net premiums written (“NPW”). Our current AM Best financial strength rating is “A+” (Superior). Since our founding in 1926, we have had a long and successful history in the property and casualty insurance industry.

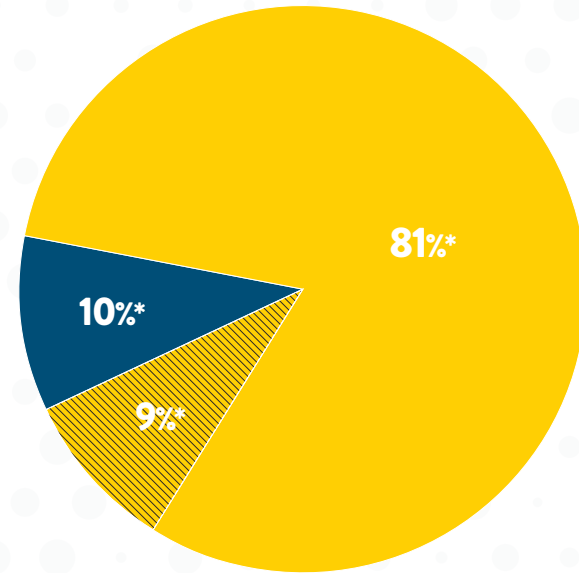


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OUR FOOTPRINT



OUR BUSINESS



*Percent of business based on 2022 net premiums written.



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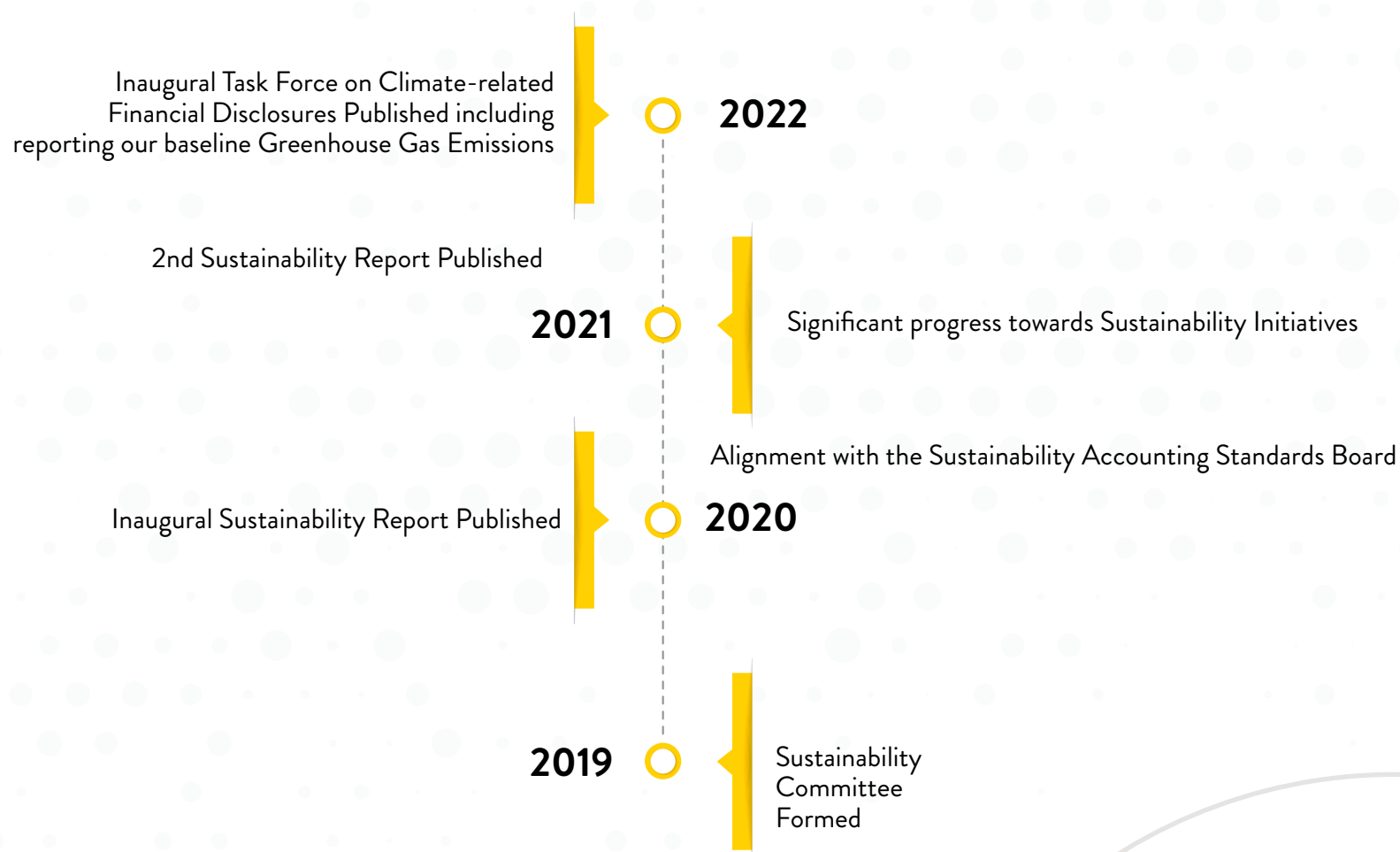
AWARDS AND RECOGNITION



- We continue to be a Great Place to Work Certified™ organization; and
- We were recognized by Forbes as one of “America’s Best Mid-Size Employers.”

OUR APPROACH TO SUSTAINABILITY

Being a sustainable organization and a good corporate citizen is core to our business and strategy. With a strong foundation in place, we are committed to making tangible progress to advance our sustainability initiatives in the coming years.



SUSTAINABILITY HIGHLIGHTS & AREAS OF FOCUS

The table to the right outlines strategically important sustainability categories and our related actions and areas of focus.

Environment	Insurance Operations	<ul style="list-style-type: none"> • Enterprise Risk Management framework • Transition to a clean energy future • Reduction of energy and water consumption and recycling programs • Do not underwrite specific environmentally-hazardous risks
	Investment Operations	<ul style="list-style-type: none"> • Consider Environmental, Social and Governance (“ESG”) risk factors in management and oversight • Beginning to incorporate ESG considerations into investment process • Do not invest in any new direct equity or debt investments in thermal coal enterprises
Human Capital	Employees	<ul style="list-style-type: none"> • Employment practices • Professional training & development programs • Engagement and inclusion initiatives • Employee physical, financial, and emotional well-being
	Community	<ul style="list-style-type: none"> • Volunteerism and charitable giving • Annual donations through the Selective Foundation • Alignment with philanthropic programs to help communities
	Customers & Distribution Partners	<ul style="list-style-type: none"> • Paying claims promptly • Provide customers with risk mitigation solutions • Coverage from flood perils • Reducing environmental impact
Governance	Ethics & Compliance	<ul style="list-style-type: none"> • Independent Board oversight • Code of Conduct setting legal and ethical standards • Whistleblower and compliance hotline • Supplier Statement
	Customer Privacy & Data Security	<ul style="list-style-type: none"> • Data privacy and governance • Cybersecurity programs • Technology to safeguard information and systems • Sustainability governance and controls

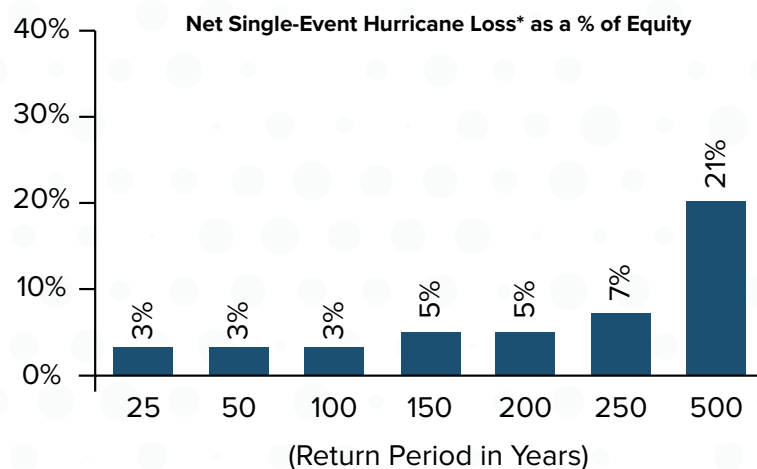
MANAGING CLIMATE RISKS

As a P&C insurance organization, we understand that climate change creates greater unpredictability of weather-related loss frequency and severity. This poses a long-term risk to our customers' lives and livelihoods – and our business. Our efforts to help address climate change and its associated impacts center on (i) prudent oversight and management of catastrophe risk exposure, (ii) helping our customers mitigate climate-related risks, (iii) preparing for the continuing transition to a clean energy future, and (iv) reducing our carbon footprint. Understanding and helping mitigate these perils for our business and customers is core to our operations and strategy, strengthening our ability to serve our shareholders through superior financial performance over time.

OVERSIGHT OF CLIMATE CHANGE-RELATED RISKS

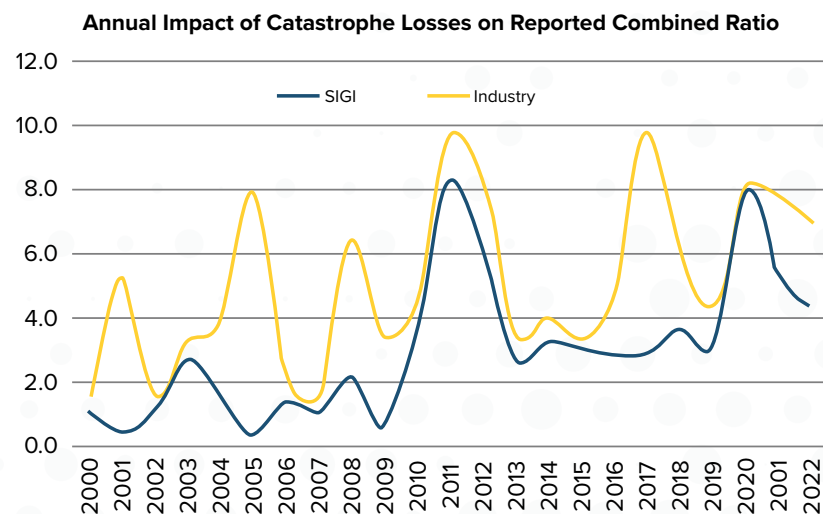
We manage our aggregate catastrophe risk exposure through strict underwriting guidelines, sophisticated modeling, and reinsurance risk-sharing programs. Responsibility for measuring, assessing, and mitigating environmental risks resides with our Enterprise Risk Management (“ERM”) function. Our Executive Risk Committee (“ERC”) oversees ERM and includes our Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, and General Counsel. The Audit Committee oversees and monitors climate change-related risks. Evaluating perils with different return periods is critical in identifying, assessing, and managing climate-related risks that influence our business strategy. Modeled estimates provide a range of potential outcomes. We review multiple models from various vendors over several time periods to understand our exposure to catastrophic risk, including physical risks that climate change may cause to materialize more frequently. We manage our catastrophe risk conservatively, adjusting third-party vendor models to reflect assumptions for certain un-modeled costs, such as the impact of loss expenses, residual market assessments, and automobile-related losses.

Our current catastrophe reinsurance program exhausts at approximately a 1-in-220-year return period. As of December 31, 2022, we had estimated net exposure to a 1-in-250-year (0.4% probability of exceedance) hurricane event as a percent of our total stockholders' equity. Such a loss would be well within our established risk tolerance and unlikely to have a material adverse effect on our financial condition.

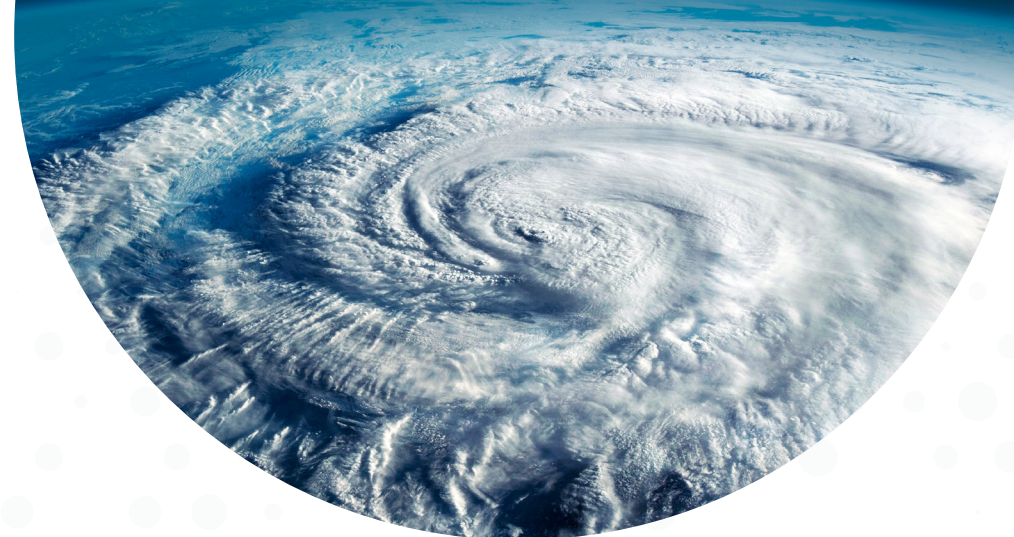


* Single event hurricane losses are net of reinsurance, after tax, and reinstatement premiums as of 1/1/23.
Total stockholders' equity as of 12/31/22.

Our mix of business and underwriting approach has historically resulted in a lower impact from catastrophe losses relative to the P&C insurance industry average (shown in the graph below). Catastrophe loss impact over the past 20 years has averaged 5.5 percentage points for the P&C industry and 3.5 percentage points for Selective.



Note: Catastrophe loss impact for P&C Insurance industry based on estimates from AM Best Aggregates & Averages



HELPING OUR CUSTOMERS MITIGATE CLIMATE-RELATED RISKS

We strive to make a meaningful difference to our customers during moments that matter with a unique blend of exceptional insurance solutions matching policyholders' unique needs, value-added services that facilitate risk management and mitigation, and professional and responsive claims handling. For example, we proactively message our customers and distribution partners alerting them to severe weather conditions, such as increased wildfire risk or incoming storms with practical, timely tips for risk mitigation. Our claim payments increase the resiliency of our policyholders and the communities where they live. We seek to respond promptly and with care to covered claims, recognizing our role in putting our customers on the road to recovery following a loss. We have introduced technologies, including EZ Claim Write and SWIFTClaim® Fast Tracking, to expedite the claims payment process for our customers.

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PREPARING FOR A TRANSITION TO A CLEAN ENERGY FUTURE

The following table lists climate-related risks and opportunities we have identified over the short, medium, and long term.

Time Horizon	Climate Risks	Climate Opportunities
Short-term: 1-5 years	<ul style="list-style-type: none"> Increased model uncertainty around severe weather events resulting from potentially higher catastrophe loss activity 	<ul style="list-style-type: none"> Developing renewable energy production Enhancing customer resiliency Providing product incentives to lower carbon footprint for customers
Medium-term: 5-10 years	<ul style="list-style-type: none"> Potential investment losses from climate-risk-related impacts Insurance market transition risk Regulatory risk 	<ul style="list-style-type: none"> Developing new insurance products tailored to emerging industries
Long-term: 10-30 years	<ul style="list-style-type: none"> Climate change impact on frequency and severity of weather events 	<ul style="list-style-type: none"> New investment opportunities

Underwriting: We do not underwrite specific environmentally-hazardous risks related to production from coal mines, thermal coal plants, or oil sands extraction because they are outside our underwriting appetite. Our Standard Commercial Lines segment underwriting appetite is focused on small-to-medium sized accounts, weighted towards low- to medium-hazard risks than high-hazard. Our average premium per policyholder is approximately \$15,300.

Investments: Our investment strategy considers climate change risk by prohibiting any new direct equity or debt investments in thermal coal enterprises, including those generating 30% or more of their (i) revenue from the ownership, exploration, mining, or refining of thermal coal, or (ii) electricity generation from thermal coal. We believe the value of these assets could be at greater risk in the transition to a low-carbon economy.

EVALUATING OPPORTUNITIES AS PART OF CLIMATE TRANSITION

As part of an economic transition to a low-carbon future, we expect new technologies, infrastructure, and processes to be introduced – all of which may require insurance coverage. We believe that these developments could present sizable business opportunities.

1. Developing renewable energy production (short-term) Selective strongly believes in a clean energy future. We built ground-mount and garage-canopy solar photovoltaic facilities at our corporate headquarters. The facilities generate approximately five million kWh of electricity annually, and we sell the related solar renewable energy credits to others. Since we sell these solar renewable energy credits, our GHG emissions are not offset – but we do produce cleaner energy for others.

2. Enhancing customer resiliency (short-term) In addition to helping our customers prepare for severe weather events and mitigate losses, we regularly evaluate value-added services and technologies in our Commercial Lines and Personal Lines segments to enhance customer resiliency.

3. Customer incentives to reduce carbon footprint (short-term) We recognize that customer demand for climate-friendly products and services may increase, and we see opportunities to provide these customer services.

4. New product development in emerging industries (medium-term) As part of an economic transition to a low-carbon future, we expect new technologies, infrastructure, and processes will be developed – all of which may require insurance coverage. We believe that these innovations could present sizable business opportunities.

5. New investment opportunities (long-term) We believe that transitioning to a low-carbon economy will provide new investment opportunities, such as green bonds or investments in energy transition-related infrastructure. These investment opportunities could increase our diversification of financial assets. As the clean energy sector grows and matures, we expect to have opportunities to invest in new assets that support the transition to a low-carbon economy.



OPERATIONS

REDUCING OUR CARBON FOOTPRINT AND ENVIRONMENTAL IMPACT

GREENHOUSE GAS EMISSIONS

We track our Scope 1 and Scope 2 greenhouse gas (“GHG”) emissions, but as an insurance holding company, we are a low greenhouse gas emitter relative to entities in many other industries. Our Scope 1 emissions include consumption of natural gas, diesel, refrigerant, and fuel usage for company cars provided to employees for work travel, and our Scope 2 emissions comprise our electricity usage.

The table below summarizes our Scope 1 and 2 CO₂ emissions across our operations and does not include emissions from holdings in our investment portfolio, including limited partnership holdings. For 2022, our overall Scope 1 and 2 emissions are down approximately 12% compared to our 2019 baseline year. We chose 2019 as our baseline because our office occupancy was significantly reduced during the COVID-19 pandemic-impacted years of 2020 and 2021, reducing our Scope 1 and 2 CO₂ emissions.

Type (mtons CO ₂ e)	2019	2020	2021	2022
Scope 1	2,690	1,906	1,784	2,158
Scope 2*	3,527	3,317	3,270	3,335
Total Scope 1+2	6,217	5,223	5,054	5,493

*Location-based method

Since 2019, however, we have expanded our Commercial Lines footprint by three states, increased employee count by approximately 5%, and grown net premiums written at a 10% compound annual rate. Despite our continued growth, emissions remain below our 2019 reported baseline year.

To help calculate our GHG emissions, we engaged a third-party multinational engineering firm specializing in energy management. Our 2019-2022 GHG inventory is consistent with the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development’s (WBCSD) Greenhouse Gas Protocol Initiative (GHG Protocol).

Our approximately 300,000 square foot headquarters in Branchville, New Jersey, is our only owned office location and where we directly measure our GHG emissions. We lease 20 other office locations (approximately 275,000 square feet), and we estimate our GHG emissions for these locations based on square foot occupancy. While we generate approximately five million kWh of solar energy annually at our Branchville location, we sell the renewable energy credits to others and its generation does not reduce our GHG emissions.

Ongoing Initiatives for emission reduction: Our objective is to continue to reduce our carbon emissions over the long term. We have many initiatives that we expect will reduce GHG emissions over time. Some include:

- Upgrades to our corporate headquarters building management system, which should reduce heating and cooling natural gas consumption;

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- We are making efforts to transition our fleet from gasoline to hybrid vehicles;
- LED conversion of all corporate headquarters light bulbs;
- Hybrid work schedule going forward; and
- Migrating our information technology systems to the cloud.

We have also implemented additional initiatives at our corporate headquarters to lower our environmental impact, including:

- Enhanced waste management and recycling;
- Re-purposing commingled recyclables;
- Installed electric vehicle charging stations for employee use;
- Eliminating Styrofoam products in our cafeteria;
- Recycling and more efficient energy use of electronic equipment; and
- Reducing our water usage through automatic plumbing features.

HELPING OUR CUSTOMERS REDUCE CARBON FOOTPRINT AND INCREASE RESILIENCY

In the short-term, we have several initiatives aimed at helping customers lower their carbon footprint and increase their resiliency to catastrophic losses.

- We electronically disseminate proactive messages to our customers, helping them prepare for severe weather events.
- Our field-based Safety Management Specialists visit the business locations of certain current and potential Commercial Lines customers to conduct safety evaluations. Safety Management staff provide risk mitigation recommendations to limit potential property losses, such as from flood, wind, or fire, and improve worker safety.

- Our GreenPAC® endorsement allows Commercial Lines policyholders (within the coverage limits) to repair or replace covered loss property damage using building materials, components, products, equipment, construction and design methods, and technologies that reduce environmental impact by conserving energy, water, and other natural resources.
- We have enhanced our commercial Automobile ElitePAC coverage form to include a sustainable automobile replacement coverage. This coverage, similar to our commercial property GreenPAC® endorsement, helps policyholders choosing to replace their covered auto loss with a hybrid or electric vehicle within the coverage limits.
- We are assessing value-added services within our Commercial Lines, Personal Lines, and Flood operations that will better prepare our customers for potentially heightened environmental and climate risks. We sell our Flood insurance product through the Write Your Own (“WYO”) program of the National Flood Insurance Program, which reinsures 100% of all losses. Based on direct premiums written, we are the fourth-largest WYO writer.

In the medium-term, we are evaluating modifications to our existing coverages and increasing our product suite to match what we believe will be new areas of insurance coverage demand. As a significant writer of contractors and small manufacturing risks, we believe Selective is well-positioned to support growing market share opportunities from new low-carbon construction processes. Providing insurance capacity to renewable energy production facilities and related construction projects could be a longer-term growth opportunity.



MANAGING OPERATIONAL RISK

STRONG BUSINESS RESILIENCY

In addition to mitigating underwriting and investment risk, we have robust plans to ensure operational continuity during unforeseen or catastrophic events. We have business continuity plans for our key data processing facility (Disaster Recovery Plan), the leadership team (Executive Crisis Management Plan), and key operational areas. We review, update, and test these plans as necessary and at least annually.

MITIGATING CYBER RISK

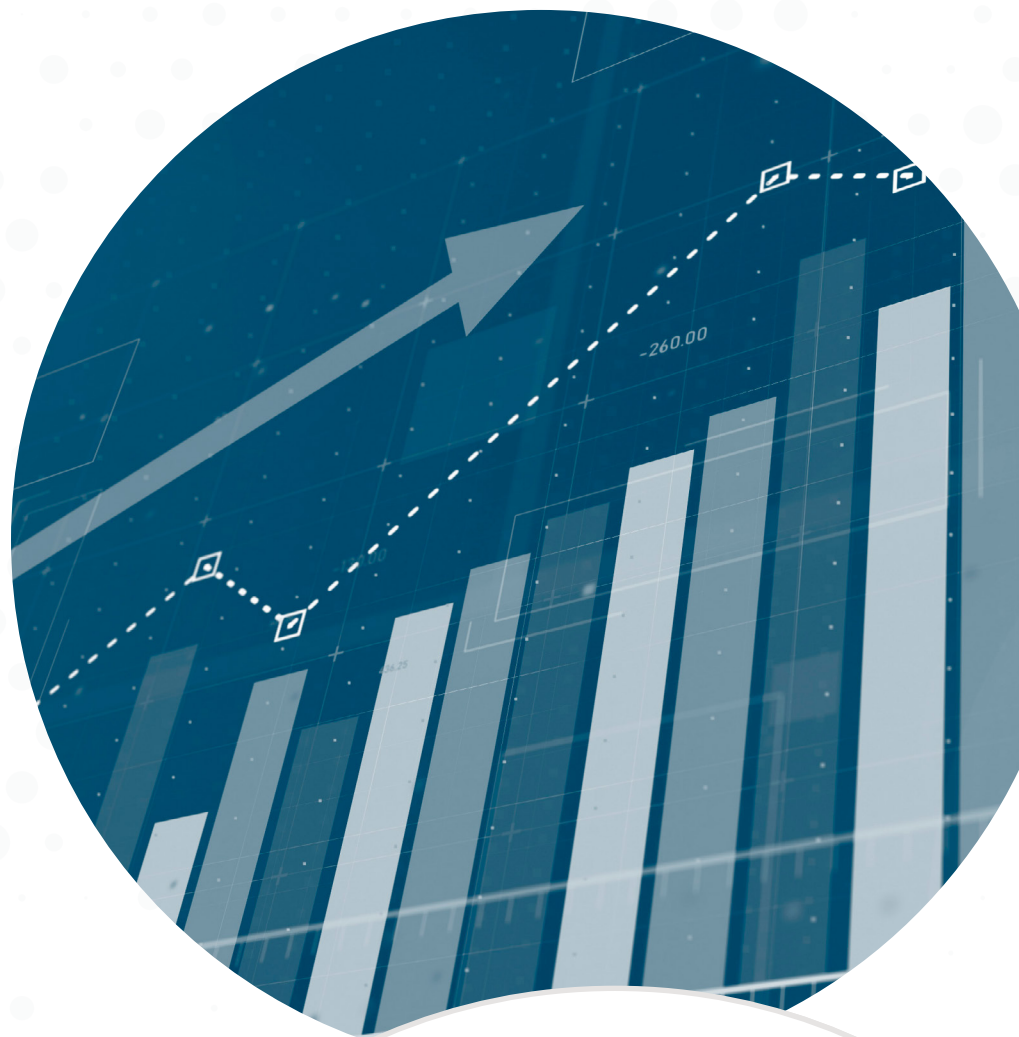
Our business relies heavily on information technology (“IT”) and application systems connected to or accessed via the Internet, increasing the risk of impact from a malicious cyber-attack. Our systems also contain proprietary and confidential information about our operations, employees, agents, customers, and their employees and property, including personally identifiable information. A dedicated unit implements cybersecurity controls and reports on cybersecurity risks. We work with industry-leading security consulting and technology partners and follow security-minded design principles. Our Cybersecurity team receives oversight and executive support through engagement with our ERC. Similarly, the team works with our ERM function on business alignment and cybersecurity insurance purchasing. Our cybersecurity program balances responsiveness to rapidly changing threats with ensuring the long-term health of our IT security environment.

The Board receives regular updates on the strength of our cyber risk control environment, emerging cyber threat issues, and external assessment reports by outside security consultants. Certain directors have earned cybersecurity oversight certifications from a corporate directors organization.

INTEGRATING SUSTAINABILITY INTO INVESTMENT OVERSIGHT

We are incorporating sustainability considerations into our investment process. The Finance Committee, a Board of Directors committee, oversees Management's sustainability considerations in their due diligence and investment decision-making process, as appropriate. We maintain (i) a well-diversified portfolio across issuers, sectors, and asset classes; and (ii) a high credit quality fixed-income securities portfolio with a duration and maturity profile at an acceptable risk level that provides ample liquidity. We also work with our third-party investment managers to ensure they incorporate sustainability guidelines and protocols into their investment process while managing our mandates.

Our investment strategy considers climate change risk by prohibiting any new direct equity or debt investments in thermal coal enterprises, including those generating 30% or more of their (i) revenue from the ownership, exploration, mining, or refining of thermal coal or (ii) electricity generation from thermal coal. We believe that the transition to a low-carbon economy could place the value of these assets at greater risk.





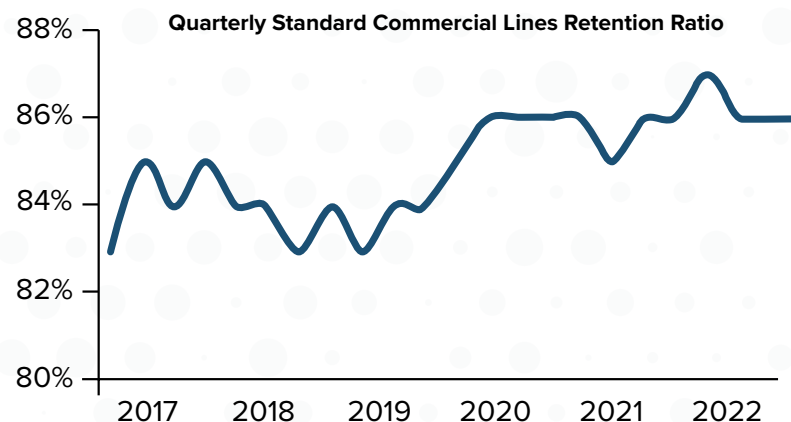
PARTNERING WITH OUR KEY STAKEHOLDERS

We are committed to understanding and mitigating climate change risk, serving customers and distribution partners responsibly, enabling employees' professional development and work/life balance, and helping the communities where we live, work, and serve. By working to benefit all our stakeholders, we believe we will reward our shareholders with sustained superior financial and operating performance over time. This approach has enabled us to generate superior double-digit non-GAAP operating returns on equity and strong total shareholder returns over the long term.

CUSTOMERS AND DISTRIBUTION PARTNERS

As an insurance organization, we see our primary objectives as: (i) helping customers put their lives and businesses back together after experiencing a covered loss; (ii) helping make our customers and communities safer; and (iii) supporting economic expansion by providing capital that protects against loss and allows businesses to invest confidently in growth. In addition to paying claims promptly and fairly, we seek to help our customers avoid or mitigate the impact of losses. We strive to educate

our customers about potential risks through our safety management and proactive messaging efforts and help them reduce risks by incorporating value-added tools, technologies, and services. We continue to invest heavily in technologies and capabilities to meet and exceed evolving customer expectations, including our omni-channel platform allowing customers to interact with us in the manner and times most convenient for them. We believe our efforts drive higher business retention rates over time.



STRONG FOCUS ON TRACKING AND ENHANCING CUSTOMER SATISFACTION AND REDUCING COMPLAINTS

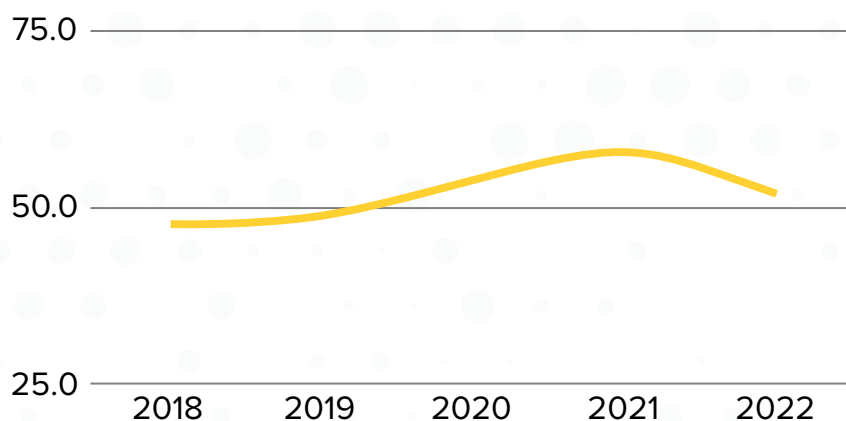
Our distribution partners recognize our exceptional customer service, delivered primarily through our field-based model, and they consistently rank us among the highest service-oriented carriers in the industry.

Enhancing the customer experience and understanding evolving consumer demands is critical. We continually measure and track overall customer satisfaction and net promoter scores (NPS) based on independent third-party surveys of our customers. The surveys incorporate feedback based on interactions with our claims, billing, service centers, safety management, and flood operations. We use the NPS survey to measure customer experience and loyalty, using a scale from -100 to +100, with scores above +20 generally considered good. We also evaluate the NPS scores to determine appropriate steps to increase customer satisfaction in the future.

Our claims goal is to (i) promptly and reasonably investigate claims and (ii) make prompt, fair, and equitable settlement offers after determining a loss is covered under the claim's facts and circumstances and our policy's terms, conditions, and exclusions.

We closely evaluate consumer complaints, whether direct to us or through independent distribution partners, or our various state regulators. While we seek to provide service that results in few complaints, we welcome complaints, as they permit us to review our actions and determine whether we did things appropriately or could have done better. Employees uninvolved with the complained activities help develop appropriate responses and action items, including process improvements and employee counseling. We have a robust review process for complaints that come through our various state regulators, and senior management reviews those we determine the consumer appropriately made to ensure similar situations do not recur.

Annual Customer Net Promoter Scores (NPS)



Note: Customers surveys conducted on an ongoing basis by independent third party

RESPONSIBLE PRODUCT OFFERING AND SALES POLICY

Insurance is regulated, and our products and services have many legal requirements. The Chief Underwriting Officer in each of our three insurance segments – Standard Commercial Lines, Standard Personal Lines, and Excess & Surplus – is responsible for product development. In developing products, we evaluate regulatory requirements, customer needs, and the sustainability impact of our proposed products and services. Management's Emerging Risks Committee also evaluates developing issues that could impact our products and services and reports its findings to the Executive Risk Committee.

We sell our products and services exclusively through appointed third-party independent distribution partners. All distribution partners must be licensed as insurance agents or brokers in the states where they sell our products. Insurance agents and brokers have minimum annual or biennial continuing education requirements to ensure they responsibly sell insurance products and services. We assist our distribution partners by providing detailed information about our products and services and product and sales training. On average, we electronically communicate with our agency partners more than 150 times per year, providing them access to over 500 pieces of marketing and sales collateral (print and digital) to help them effectively sell Selective's products to our mutual customers. Additionally, we offer a variety of agency educational programs with typical attendance of over 2,000 agents each year.



SAFETY MANAGEMENT SOLUTIONS

Our locally-based Safety Management team provides safety and risk management programs for our Standard Commercial Lines insureds. Our Safety Management Specialists visit many of our customers' places of business to advise on reducing the risk of loss for property or casualty claims. Some of these services include:

- On-site risk evaluation surveys that identify potential exposures and provide control measures for mitigation;
- Educating customers through internet-based safety management resources, including an extensive library of coverage-specific safety materials, videos, and online courses, such as defensive driving safety courses;
- On-site thermographic infrared surveys aimed at identifying electrical hazards;
- Abuse and molestation exposure and control assessments performed by specially trained and certified staff;
- On-site water escape and intrusion assessments with prevention countermeasures; and
- Fleet safety program guidance, including personalized driving data and safety coaching.



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PROACTIVE MESSAGING AND INCREASED CUSTOMER PREPAREDNESS

We provide our customers with proactive messages, including weather alerts and product recalls, to help prevent losses.

- Vehicle recall notifications to our policyholders and distribution partners;
- Weather preparation notices for large storms or hurricanes, including guides on structural improvements, roof and drainage maintenance, and measures to prevent clogged or frozen plumbing;
- Food and product recall notifications to policyholders in food manufacturing, distribution, and preparation; and
- Customer self-assessments of workplace hazards, with best practice recommendations tailored to the customer's specific risks.



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A SUITE OF VALUE-ADDED SERVICES

We collaborate with third parties to provide our customers with value-added tools, technologies, and services to reduce specific risks, like water damage, abuse, and cyber.



Improving home safety: Selective teamed up with SimpliSafe, an industry leader in smart home technology and security, to help protect homes we insure and minimize the risk of loss to their property from theft, fire, and water intrusion. Our SimpliSafe relationship provides customers with a comprehensive, cost-effective solution, a complimentary 7-piece SimpliSafe smart home automation equipment package, and two free months of professional monitoring.

Our affiliation with SimpliSafe is yet another way we demonstrate to customers our commitment to their safety and elevate their experience in being uniquely insured by Selective. We automatically apply policy discounts to all customers using our SimpliSafe offering.



Protecting vulnerable populations: We insure many social service organizations, schools, churches, and agencies that provide general counseling and services for the developmentally disabled, senior citizens, and other populations with special needs. To address the unique needs of organizations dealing with vulnerable people, we have teamed up with Praesidium, a sexual abuse-prevention risk management consultancy. We offer our policyholders access to Praesidium's expertise and targeted solutions to strengthen their abuse prevention efforts. We lead the insurance industry in

the number of employees who have earned the esteemed Praesidium Guardian Certification, and we expect many more employees to be certified in the future, along with our distribution partners. Our association with Praesidium helps our social service policyholders implement best practices to close safety gaps, decrease risks, and create safer environments for vulnerable children and adults.



Mitigating Cyber Risk: We coordinated with Security Mentor and KnowBe4, Inc., to provide our insureds and distribution partners with complimentary online training on the importance of cybersecurity defenses and risk mitigation for data and privacy breaches. Each of the brief, focused online courses drive behavior and culture change with engaging, interactive lessons.



Complimentary nursing services: We offer a complimentary service to our workers compensation insureds in partnership with **NT24 (Nurse Triage 24)** that allows business owners and their injured employees to speak with registered nurses, 24/7, who can advise on appropriate treatment options like self-care, urgent care, or the emergency room.

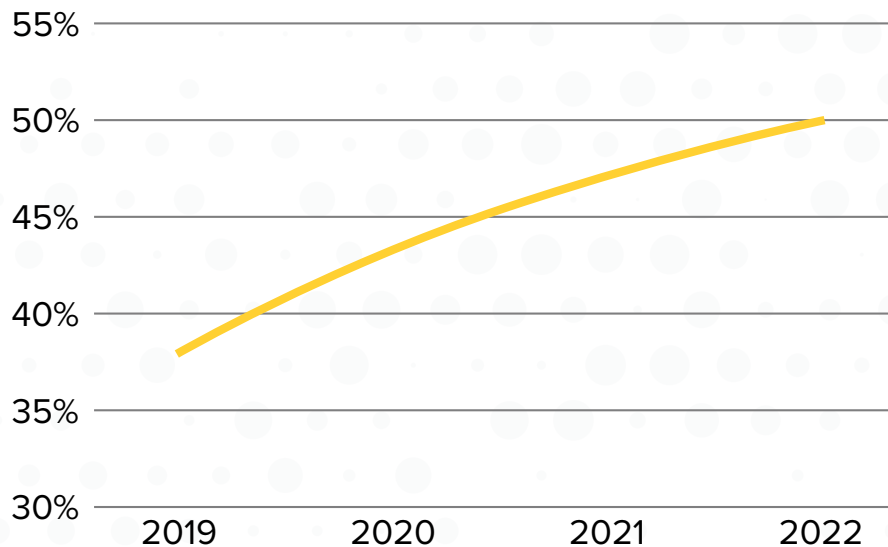
Selective continues to evaluate additional value-added services that put our customers first. For more information about all the services we provide, please visit [Value Added Services for Policyholders](#).

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INVESTMENTS IN PROVIDING A SEAMLESS CUSTOMER EXPERIENCE

We have invested heavily in technologies and capabilities to meet and exceed evolving customer service expectations. We have delivered an omni-channel platform, so all our customers can interact with us in the manner and times most convenient for them. At year-end 2022, 50% of our customers were registered for digital self-service offerings on our website, up from 47% in 2021, 43% in 2020, and 38% in 2019.

Percentage of Customers Registered in Digital Self-Service



Our award-winning MySelective mobile app allows customers to view their policies, report claims, pay bills, and access auto insurance cards on their mobile devices. We also offer paperless options for customer billing and policy information for customers and distribution partners.



**MYSELECTIVE
MOBILE APP**

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HUMAN CAPITAL

We recognize that developing and protecting our human capital, and providing a mutually beneficial employee experience, complements and contributes to superior longer-term financial performance. We are committed to maintaining a safe and inclusive workplace that celebrates talent, individualism, unique backgrounds and experiences, and provides attractive benefits to our approximately 2,520 employees. In 2022, we were (i) recognized by Forbes as one of “America’s Best Mid-Size Employers”, and (ii) continued to be a Great Place to Work Certified™ organization.

We strive to foster a vibrant and engaged culture based on attracting, retaining, and developing the best talent, and creating a pipeline of employees and leaders to help position us for future success. We invest significantly in employee physical, financial, and social well-being, which increases retention. We offer a collaborative work environment, an accessible leadership team, professional development opportunities, attractive financial rewards, and competitive benefits. We offer thousands of learning, training, and professional development opportunities to enhance employees’ individual and team strengths and help prepare them for future growth and leadership roles. We also provide opportunities for employees to join cross-functional teams that advance corporate initiatives, strengthen their business acumen and leadership skills, and build a collaborative culture.

FOCUS ON ATTRACTING, RETAINING, AND DEVELOPING THE BEST TALENT

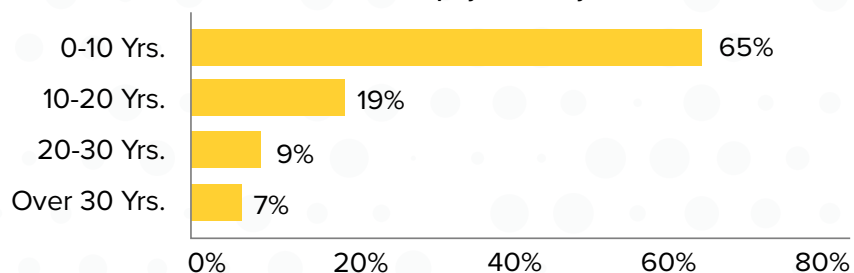
At Selective, we respect and value every individual’s unique beliefs, abilities, and perspectives. We are committed to promoting a welcoming culture that celebrates talent, individualism, unique backgrounds, and experiences – and empowers employees to contribute new ideas that support our continued and growing success. Building a highly engaged team is one of our core strategic imperatives, which we believe varied backgrounds, experiences, and opinions enhance. Our employees have access to various live instructor-led training courses and over 26,000 online skills training courses and resources. We also have leadership and talent development programs and initiatives at all levels of the organization. Examples include:

- Next Generation of Leaders program, which evaluates all early- and mid-career management and identifies candidates for focused development opportunities that prepare them for future senior leadership;
- RISE (Retain Include Support Engage) program is an accelerated professional development program for emerging individuals and contributors interested in first-level management positions; and
- Ignite College Internship and Momentum Trainee programs, which provide interns and early-career employees with collaboration and cross-functional events and experiences.

EMPLOYEE RETENTION IS A PRIORITY

We had 2,520 employees at year-end 2022. Of these, 980 are primarily home-based; 840 are in our regional offices; and 700 are in our corporate office. Our Flexible Work Location Policy permits most office-based employees to work remotely 60% of the time. Our employee turnover rate in 2022 was approximately 15%. However, we successfully filled open roles with desired talent through our robust recruiting efforts that highlight our strong cultural attributes. Employees with over 20 years of service represented approximately 16% of our 2022 workforce.

Breakdown of Employee Base by Tenure at Selective



DISTRIBUTION PARTNERS AND VENDORS

In addition to enhancing engagement and inclusion initiatives within the company, we are also committed to highlighting the importance of engagement and inclusion to various stakeholders – including customers, distribution partners, vendors, and our communities. Recent programs have included:

PROCUREMENT PROGRAM

Selective recognizes the importance of a resilient supply chain to maintaining the continuity of our operations. Our procurement program is designed to engage the best suppliers who share our values of trust, integrity, inclusion, and service excellence. Selective provides an opportunity for all suppliers to compete for the goods and services we procure.

Selective seeks to maximize goods and services procurement opportunities by soliciting competitive bids and proposals from a wide pool of suppliers. Selective's Procurement Department will determine the most appropriate method to obtain the best value for procured goods and services, including requests for proposals, previously negotiated rates, reverse auctions, quote requests, or discovery postings.

SELECTIVE ADVOCATE PROGRAM

We launched the Selective Advocate Program to advance independent insurance agencies through support for education, access to capital, networking, and growth scaling opportunities for agency principals.



COMMUNITIES

THE SELECTIVE INSURANCE GROUP FOUNDATION

The Selective Insurance Group Foundation coordinates donations of time, money, and resources to important causes, donating approximately \$950,000 to various charities in 2022. Our employees donated over 4,800 items to benefit charities that support our neighbors in time of need and volunteered over 4,000 hours, giving back to their local community and making a difference.

INVESTMENTS IN BRANCHVILLE LOCATION (HEADQUARTERS)

Our two-year renovation of Two Broad Street, Selective's original Branchville headquarters, honors our history while meeting today's business needs. While we restored the external brick facade with new fenestration and a ADA-accessible side entrance, we also modernized the interior to include a state-of-the-art training classroom, a lounge for networking and socializing, and 11 guest rooms. Our Two Broad Street renovation is just one of the many ways Selective continues to invest in the local community. In recent years, Selective agreed (i) to convert its HVAC system to gas from oil, permitting natural gas installation throughout the borough, and (ii) to decommission our wastewater treatment plant, permitting sewer to be installed throughout the borough.

We also helped the borough create a website providing citizens and prospective employees with important information about Branchville. Through the Selective Insurance Group Foundation, we have provided funds to the Branchville Hose Company No. 1, enabling their purchase of a new fire truck to support the borough and our 300,000-square-foot facility.



A FOCUS ON OVERSIGHT, ETHICS, AND INTEGRITY

We are committed to holding ourselves to the highest ethical standards and serving as an excellent business partner to our policyholders and distribution partners. Our independent Board of Directors oversees our many senior management-led initiatives. We are transparent about our employee and management compensation, linking our annual and long-term incentive programs to financial and operating metrics and strategic initiatives.



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ETHICS AND ANTI-CORRUPTION POLICIES

We have robust ethics and anti-corruption policies. We provide mandatory online interactive training on our Code of Conduct, Practical Ethics in the Workplace, Understanding and Preventing Sexual Harassment. Additionally, we have robust policies and protocols for critical areas such as data privacy and cyber risk mitigation.

Our Code of Conduct: Selective has a Code of Conduct that establishes ethical principles that apply to all Selective personnel, including executive officers. We use our Code to enforce some of our core values by:

- Identifying the steps to be taken when faced with a possible or actual conflict of interest;
- Providing various resources to report actual or suspected acts of unethical or illegal conduct;
- Mandating ethical business conduct among all staff and board members. Failure to acknowledge policies and complete related training results in immediate termination of access to our company's information systems.

Our policy acknowledgment and training programs include:

- Conflict of Interest Policy and Disclosure Form
- Code of Conduct
- Insider Trading Policy
- Workplace Safety and Security Policy
- Preventing Sexual Harassment
- Expense Policy Handbook
- Written Information Security Program
- Records and Information Management Policy

Reporting suspected Code of Conduct violation: All Selective employees and Board members are directed to raise any suspected Code of Conduct violation or any concern they may have. Concerns can be channeled through the following confidential or discrete methods:

- Reporting through our Ethics and Compliance Hotline by voicemail or web form, monitored by the General Counsel and Chief Compliance Officer, the Chief Audit Executive, and the Chairperson of the Audit Committee of the Board of Directors; and
- Directly contacting our General Counsel and Chief Compliance Officer, Chief Audit Executive, Audit Committee Chairperson, or Chief Human Resources Officer.

We log all reported, suspected Code of Conduct violations in a database, and they are tracked until resolution. The Legal and/or Internal Audit Departments investigate these reported matters with the assistance of uninvolved management in the reported area.

All employees acknowledge the Code of Conduct annually and participate in training on its content.

Establishing a Code for our Suppliers: We have established a supplier code that highlights our beliefs, values, and expectations, holding our vendors to high standards.

Securing our Business: Data Privacy and Governance: Selective's Corporate Ethics and Compliance Program's Privacy and Data Security Policy provides baseline standards for protecting personal information and sensitive corporate information. Selective implements these standards without limitation through:

- Comprehensive information security policies, standards, and procedures subject to ongoing testing, self-assessment, and revision, including periodic review by our internal audit department and input from third-party experts;
- Designated individuals in senior roles who lead our data security team;
- Technology intended to help safeguard information and systems and monitor events;
- Mandatory employee training, testing, and awareness programs;
- Active monitoring of data security risks by our enterprise-wide risk management group and senior leadership team; and
- Robust initial assessment of third-party vendors' information security practices and ongoing periodic security assessment and risk mitigation initiatives for third-party hosted applications.

Data Privacy Policy: Selective uses personal information to conduct our business including in underwriting an insurance policy or adjusting a claim. We understand and appreciate the trust our customers and others place in us to protect that information. Our Chief Compliance Officer is responsible for oversight of our data privacy policies and protocols.

Cyber Security Remains a Critical Area of Focus: We recognize the significant impact cyber-attacks could have on our stakeholders, including our customers, distribution partners, vendors, investors, and our business. Consequently, we make multi-year investments in cybersecurity. We believe our cybersecurity program positions us well to safeguard our systems and entrusted information. We work with carefully selected

industry-leading security consulting and technology partners and follow security-minded design principles, including "defense-in-depth." Our Executive Risk Committee oversees the cybersecurity team and works with our ERM function on business alignment and cybersecurity insurance procurement. The Audit Committee of our Board of Directors regularly engages with our Executive Risk Committee to provide cybersecurity oversight. Our cybersecurity program balances responsiveness to rapidly changing threats with ensuring long-term results. It focuses on six key areas:

- Proactive cybersecurity, including cyber threat hunting, ethical hacking campaigns, and periodic cybersecurity program assessments;
- Reactive cybersecurity processes that we regularly test using incident response and disaster recovery exercises based on realistic scenarios;
- Endpoint controls that provide data encryption, threat detection, malicious software defense, and data backups;
- Identity and access management controls that include multifactor authentication and additional safeguards for staff with elevated privileges;
- Employees receive cyber risk awareness training programs that leverage general education, role-based training, and simulated phishing attacks; and
- Third-party risk management and security standards, including due diligence, continuous monitoring, and cyber risk scoring.

SUSTAINABILITY COMMITTEE AND GOVERNANCE

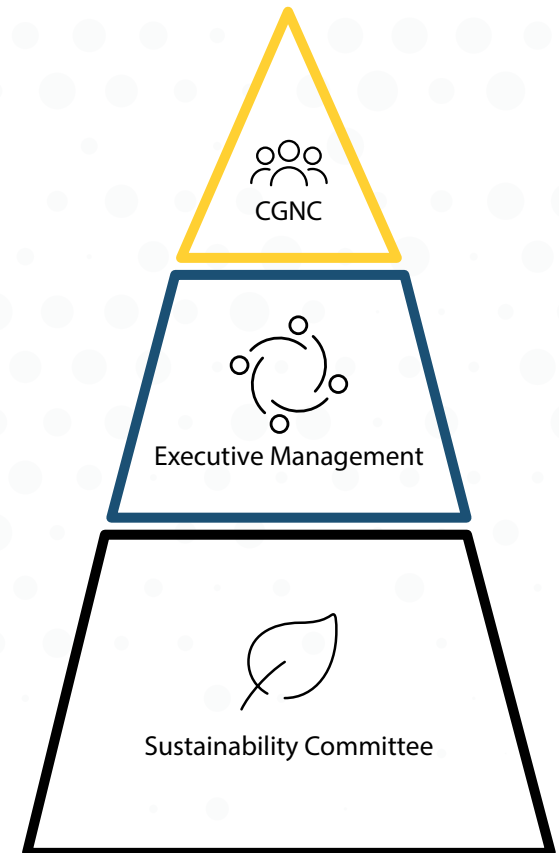
Our Sustainability Committee, consisting of employees and leaders from across the organization, is responsible for sustainability-related strategic initiatives, with oversight from senior management, Selective's Board of Directors, and its Corporate Governance and Nominating Committee ("CGNC").

SELECTIVE'S SUSTAINABILITY OVERSIGHT AND MANAGEMENT

The Board delegated oversight of sustainability to the **CGNC**. Management's Sustainability Committee provides quarterly updates to the CGNC on relevant strategic initiatives. CGNC members offer valuable insights based on their related knowledge and experience. The CGNC regularly reports to the full Board on sustainability matters. Additionally, the CGNC delegates specific risks to other Board committees. For example, climate risk and cyber risk are addressed in the Audit Committee, sustainability risk in investments to the Finance Committee, and human capital to the Salary and Executive Benefits Committee.

The **executive management** team oversees the organization's sustainability efforts. The Sustainability Committee provides detailed quarterly reports on relevant initiatives to the executive management team, which provides feedback and oversight on those initiatives.

The **Sustainability Committee** is a chartered management committee comprised of leaders and employees from the Underwriting, Claims, Legal, Finance, Risk, Internal Audit, IT, and Human Resources Departments. An ESG Manager coordinates its activities. The Sustainability Committee is responsible for developing plans and objectives, and making quarterly progress reports to executive leadership and the CGNC. The Sustainability Committee's primary purpose is to assist management in developing strategies and goals to integrate sustainability into the organization's business objectives.



APPENDIX

SELECTIVE EEO-1 DATA AS OF DECEMBER 31, 2022

(Actual Employee Count)	Male					Female					Total				
Job Categories	White	Black	Hispanic/ Latino	Asian	Other	White	Black	Hispanic/ Latino	Asian	Other	White	Black	Hispanic/ Latino	Asian	Other
Executives/ senior level managers	93	5	1	10	0	45	2	4	4	0	138	7	5	14	0
First/ mid-level managers	134	9	6	10	4	138	14	8	8	2	272	23	14	18	6
Professionals	507	38	27	61	24	591	89	21	28	26	1,098	127	48	89	50
Sales workers	88	0	5	1	7	108	5	3	5	4	196	5	8	6	11
Administration support	54	8	8	4	6	245	69	19	6	5	299	77	27	10	11
Other	4	0	1	0	0	0	0	0	0	0	4	0	1	0	0
Total	880	60	48	86	41	1,127	179	55	51	37	2,007	239	103	137	78

(Percentage of Employees)	Male					Female					Total				
Job Categories	White	Black	Hispanic/ Latino	Asian	Other	White	Black	Hispanic/ Latino	Asian	Other	White	Black	Hispanic/ Latino	Asian	Other
Executives/ senior level managers	57%	3%	1%	6%	0%	27%	1%	2%	2%	0%	84%	4%	3%	9%	0%
First/ mid-level managers	40%	3%	2%	3%	1%	41%	4%	2%	2%	1%	82%	7%	4%	5%	2%
Professionals	36%	3%	2%	4%	2%	42%	6%	1%	2%	2%	78%	9%	3%	6%	4%
Sales workers	39%	0%	2%	0%	3%	48%	2%	1%	2%	2%	87%	2%	4%	3%	5%
Administration support	13%	2%	2%	1%	1%	58%	16%	4%	1%	1%	71%	18%	6%	2%	3%
Other	80%	0%	20%	0%	0%	0%	0%	0%	0%	0%	80%	0%	20%	0%	0%
Total	34%	2%	2%	3%	2%	44%	7%	2%	2%	1%	78%	9%	4%	5%	3%