

# EVEREST RE GROUP, LTD.

## INVESTOR PRESENTATION

May 2020



Everest Re Group, Ltd  
Seon Place, 4th Floor  
141 Front Street, PO Box HM 845  
Hamilton HM 19, Bermuda



## Cautionary Note on Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the U.S. federal securities laws. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the U.S. Federal securities laws. These statements involve risks and uncertainties that could cause actual results to differ materially from those contained in forward-looking statements made on behalf of the company. These risks and uncertainties include the impact of general economic conditions and conditions affecting the insurance and reinsurance industry, the adequacy of our reserves, our ability to assess underwriting risk, trends in rates for property and casualty insurance and reinsurance, competition, investment market fluctuations, trends in insured and paid losses, catastrophes, regulatory and legal uncertainties and other factors described in our latest Annual Report on Form 10-K. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

“Our focus is on sustainable and profitable growth over the long term, underpinned by the relentless execution of our strategies, to maximize shareholder returns. Growth in book value per share over time is our true north.”

*Juan C. Andrade*  
*President & CEO, Everest Re Group, Ltd.*



# EVEREST'S ELEMENTS OF SUCCESS

Ultimately, the combination of sustainable growth in earnings plus efficient capital management, our strong balance sheet, low leverage and strong financial ratings will position Everest to succeed in every stage of the market cycle.



Robust Financial  
Strength



Experienced  
Management and  
Underwriting Teams



Powerful  
Culture



Global Reach



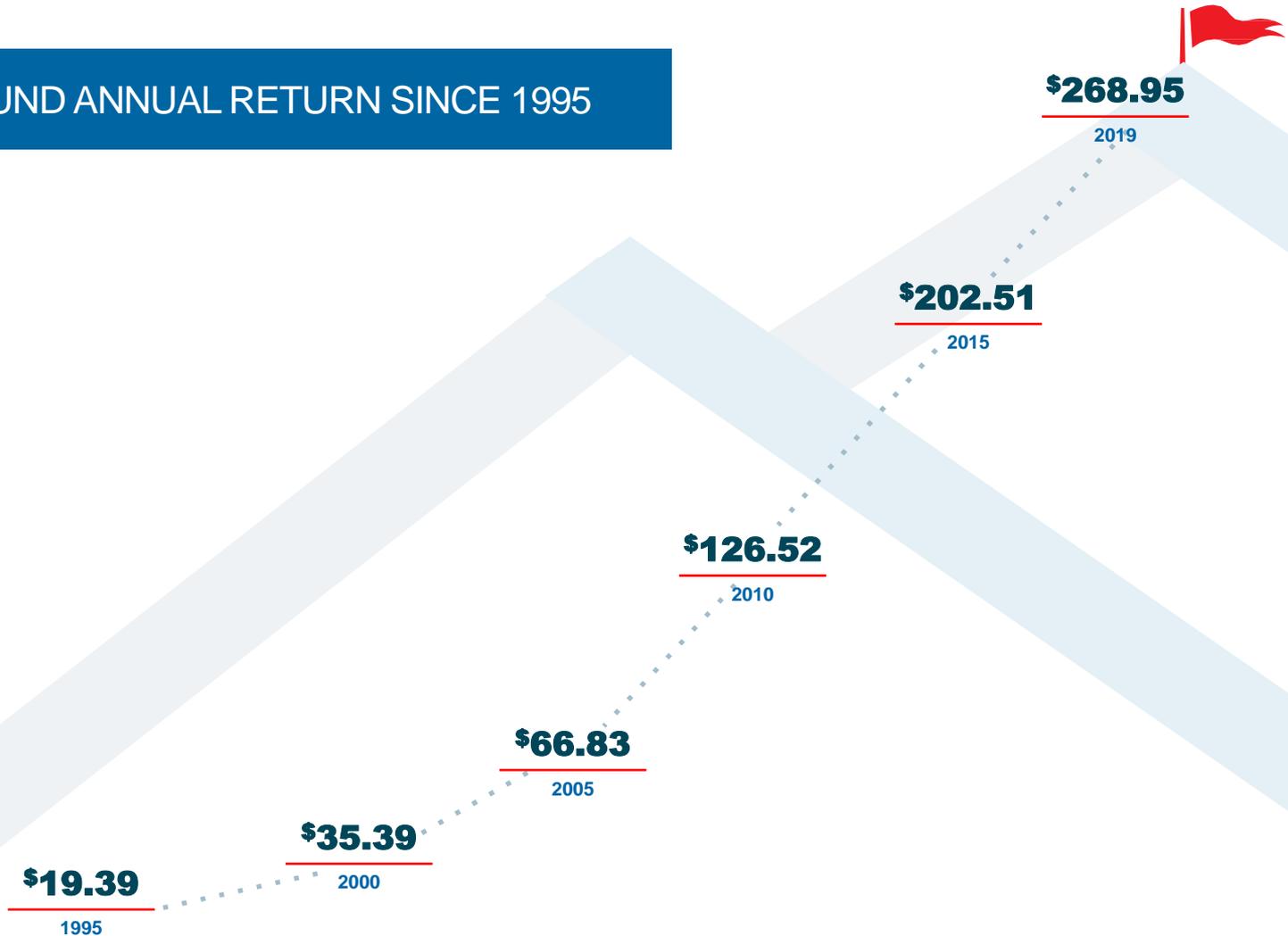
Diversified  
Business Mix



Low Expense  
Ratio

# Long-Term Value for Shareholders

11.6% COMPOUND ANNUAL RETURN SINCE 1995



# ROBUST FINANCIAL STRENGTH

STRONG CAPITAL BASE, LOW DEBT LEVERAGE, AND TOP TIER RATINGS

Balance Sheet  
As of 1Q2020

**\$8.6B**  
GAAP Equity

**6.9%**  
Debt to Capital

**\$20.3B**  
Investment Portfolio with  
Aa3 Average Rating

## Top Tier Rating

A.M. Best

**A+**

Superior

S&P

**A+**

Strong

Moody's

**A1**

Good

*Everest is Under-Leveraged  
and Over-Capitalized*

# FINANCIAL HIGHLIGHTS

(\$in millions, except per share data)	For the year ended December 31,					
	1Q 2020	2019	2018	2017	2016	2015
<b>BALANCE SHEET</b>						
<b>Cash and Investments</b>	\$20,336.6	\$20,748.5	\$18,433.1	\$18,626.5	\$17,483.1	\$16,676.4
<b>Shareholders' equity</b>	\$8,580.9	\$9,132.9	\$7,860.8	\$8,340.7	\$8,033.1	\$7,608.6
<b>Book value per common share</b>	\$214.59	\$223.85	\$193.37	\$204.25	\$196.41	\$178.21
<b>RESULTS</b>						
<b>Gross written premiums</b>	\$2,570.9	\$ 9,133.4	\$ 8,475.2	\$ 7,173.9	\$ 6,033.9	\$ 5,891.7
<b>Net investment income</b>	\$147.8	\$647.1	\$581.2	\$542.9	\$473.1	\$473.5
<b>After-tax operating income</b>	\$164.4	\$ 872.4	\$190.7	\$412.6	\$1,004.3	\$ 1,108.1
<b>per diluted common share</b>	\$4.03	\$21.34	\$4.65	\$10.00	\$23.87	\$25.04
<b>Net income</b>	\$16.6	\$1,009.5	\$89.0	\$482.8	\$996.3	\$977.9
<b>per diluted common share</b>	\$0.41	\$24.70	\$2.17	\$11.70	\$23.68	\$22.10
<b>FINANCIAL RATIOS</b>						
<b>Combined ratio</b>	98.6%	95.5%	108.8%	103.5%	87.0%	85.1%
<b>Attritional combined ratio*</b>	97.3%	88.4%	87.0%	85.0%	85.5%	84.8%
<b>After-tax operating return on average adjusted equity</b>	7.6%	10.3%	2.3%	5.1%	12.9%	15.0%
<b>Net income return on average equity</b>	0.8%	12.0%	1.1%	5.8%	12.9%	13.2%

\* Excluding catastrophe losses, reinstatement premiums, and prior year development

# INVESTED ASSET PORTFOLIO

## HIGH CREDIT QUALITY AND STRONG LIQUIDITY

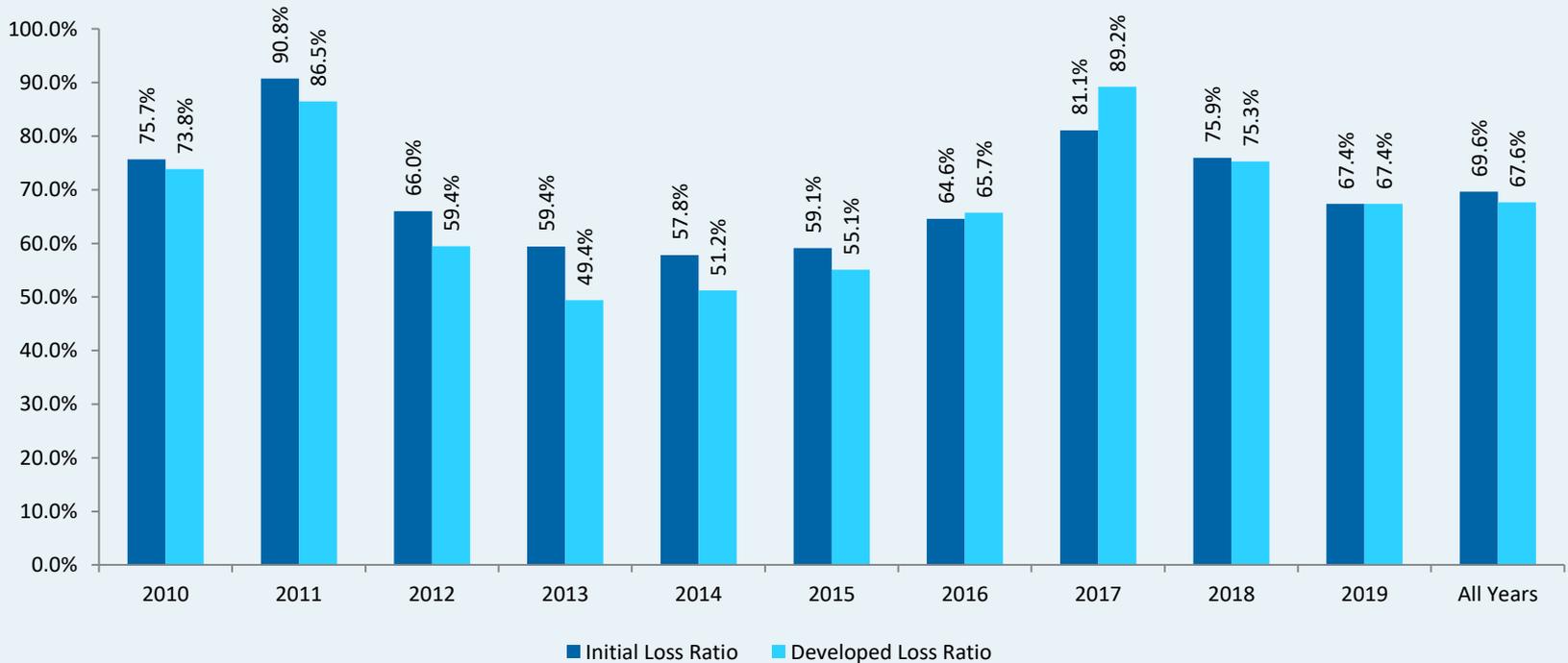
### Invested Asset Portfolio Composition as of March 31, 2020



- Total invested assets of \$20.3 billion
- 81% of investments are in fixed income securities, with an average credit quality of Aa3
- Fixed income portfolio duration is 3.6 years
- Portfolio data as of March 31, 2020

# FAVORABLE ACCIDENT YEAR LOSS DEVELOPMENT

## 10 Year Loss Reserving Experience – Initial to Ultimate



On average, the total loss ratio (including cats) has developed 2.0 points better than initial selection over the last 10 years

# EXPERIENCED MANAGEMENT TEAM



**Juan C. Andrade**  
President & CEO



**John P. Doucette**  
Executive Vice President  
and President & CEO of the  
Reinsurance Division



**Craig Howie**  
Executive Vice President,  
Chief Financial Officer



**Dane Lopes**  
Group Head of Marketing  
and Communications, Chief  
Commercial Officer of the  
Insurance Division



**Don Mango**  
Chief Risk Officer &  
Chief Actuary



**Sanjoy Mukherjee**  
Executive Vice President,  
General Counsel, Chief  
Compliance Officer and Secretary



**Gail M. Van Beveren**  
Executive Vice President  
and Chief Human Resources  
Officer



**Terrence M. Walker**  
Chief Information Officer

# THE POWER OF CULTURE

## CULTIVATING AN UNWAVERING PURSUIT OF EXCELLENCE



### COLLABORATION

*...through open, transparent, and effective communication.*



### THOUGHTFUL ASSUMPTION OF RISK

*...through intelligent, creative, and nimble solutions in the marketplace.*



### EXECUTION

*...through a performance culture where we deliver on our promise with a sense of urgency.*



### HUMILITY

*...through a caring and respectful approach to serving our colleagues, our customers, and our community.*



### LEADERSHIP

*...by example, every day.*

# Global Reach

## CLIENT-FACING TEAMS WITH CENTRALIZED GLOBAL SHARED SERVICES



Atlanta, GA  
Boston, MA  
Chicago, IL  
Houston, TX  
Indianapolis, IN  
Liberty Corner, NJ  
Los Angeles, CA  
Miami, FL

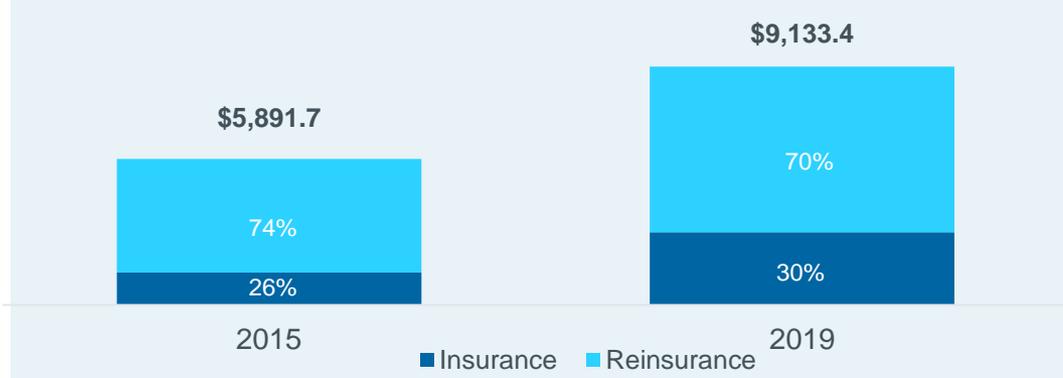
New York, NY  
Orange, CA  
Philadelphia, PA  
San Francisco, CA  
Stamford, CT  
Tampa, FL  
Walnut Creek, CA

Bermuda  
Belgium  
Brazil  
Canada  
Ireland  
UK  
Singapore  
Switzerland

# INTELLIGENT GROWTH AND DIVERSIFICATION

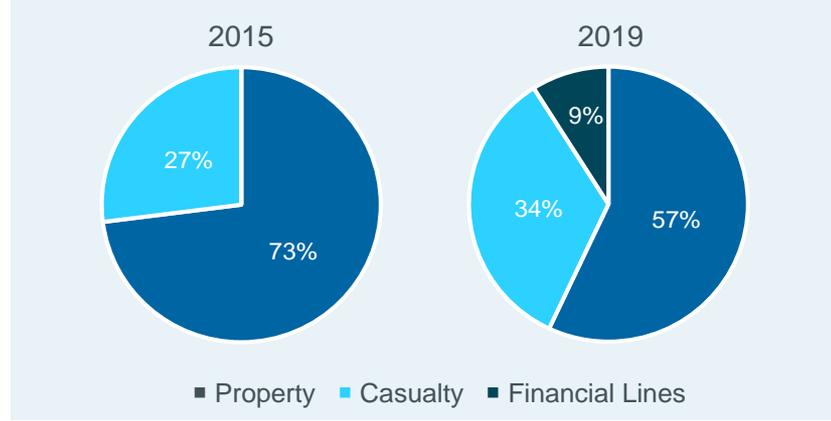
## SUSTAINING PROFITABILITY THROUGH DIVERSIFICATION BY DIVISION, CLASS & GEOGRAPHY

**Growth Across Divisions: Gross Written Premium (Millions) 2015 vs 2019**

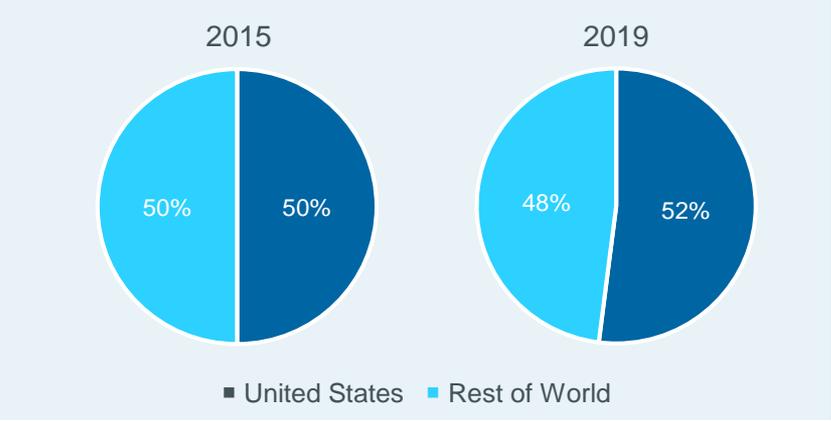


Strategic thinking, relentless drive, and focused execution in reshaping our insurance and reinsurance portfolios have led to sustained and profitable growth.

**Evolving Reinsurance Business Mix: Gross Written Premium 2015 vs 2019**



**Maintaining Reinsurance Geographic Diversity: Gross Written Premium 2015 vs. 2019**

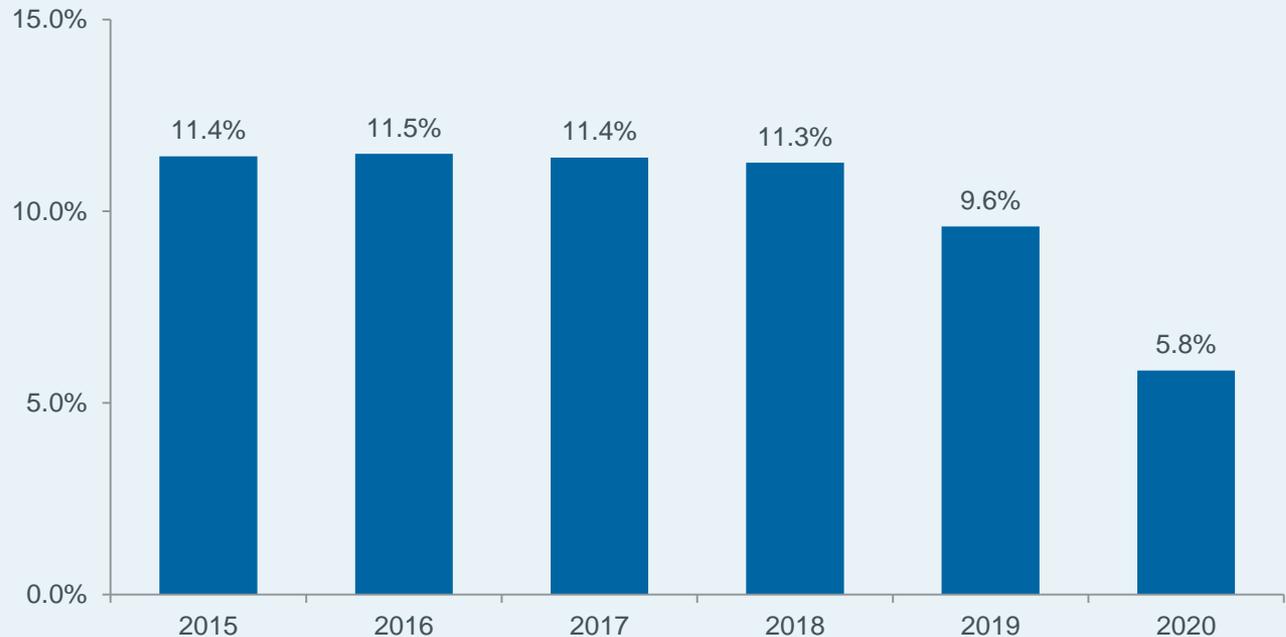


# PRUDENT VOLATILITY MANAGEMENT

## MANAGING THE PROPERTY CAT PORTFOLIO TO ENSURE STABILITY FOR THE LONG TERM

Driven by targeted management actions, Everest has achieved a meaningful reduction in Property Catastrophe volatility between 2018 and 2020.

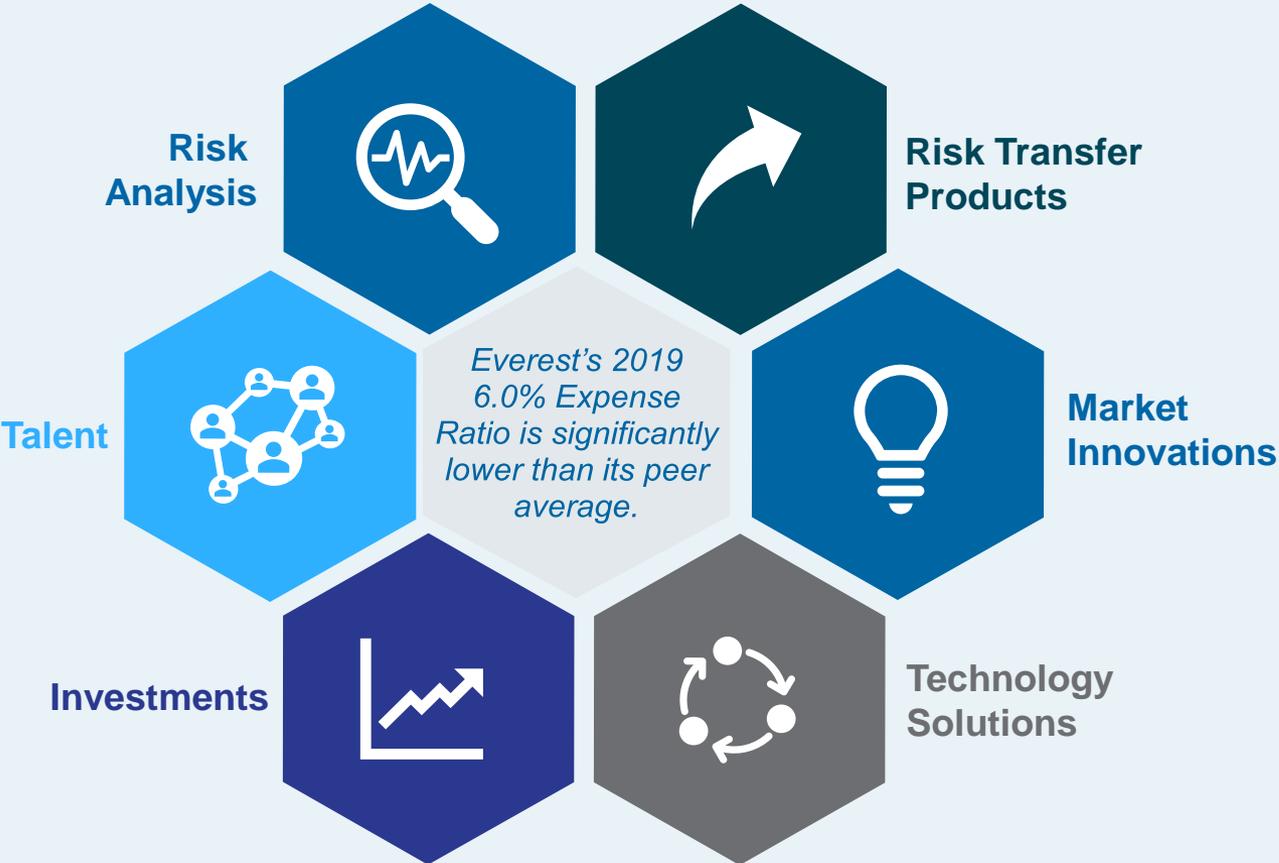
After Tax Impact of 1-100 Peak Probable Maximum Loss % of Equity



# INDUSTRY LEADING EXPENSE RATIO

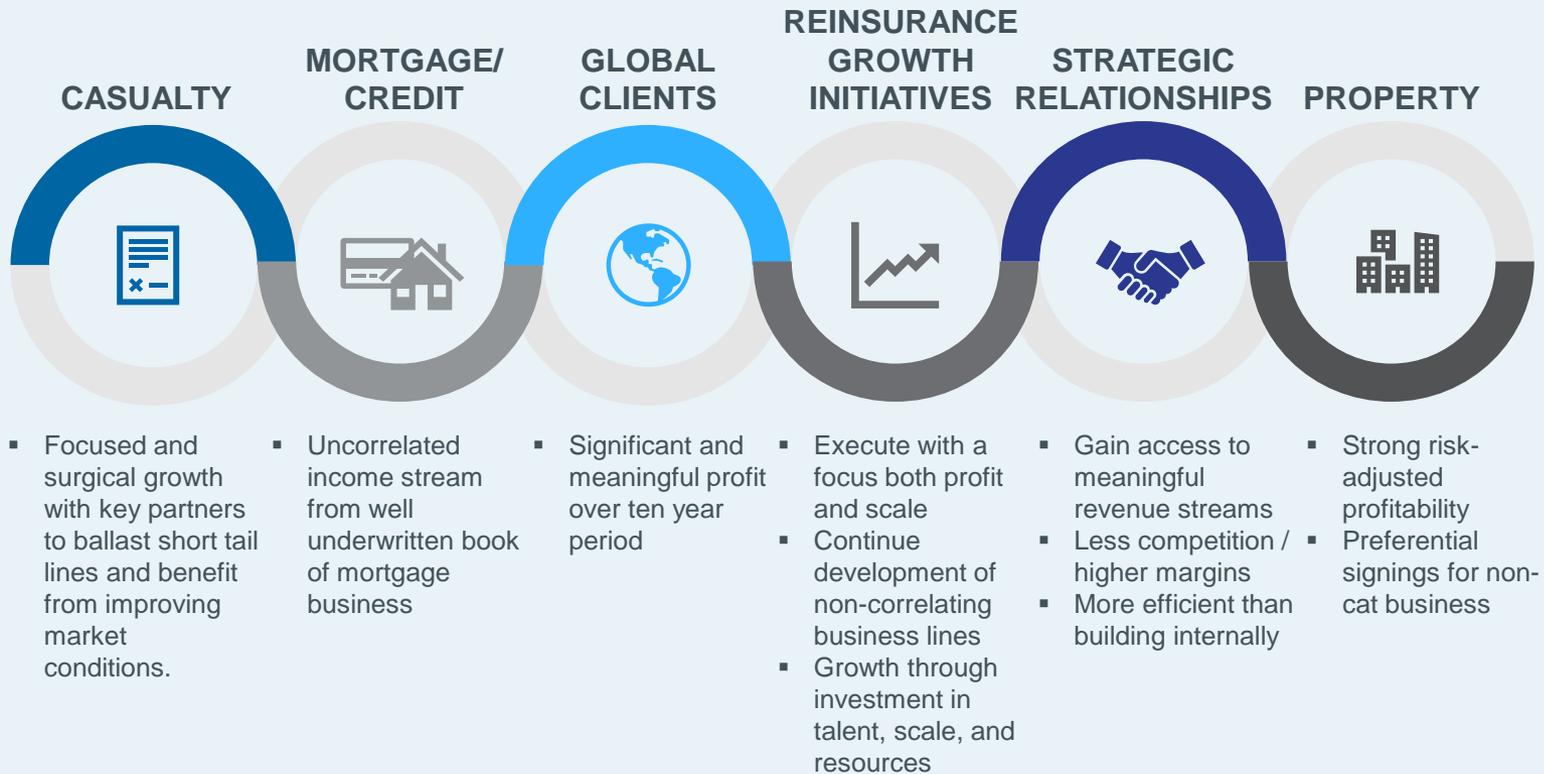
REALIZING UNDERWRITING AND OPERATIONAL EXCELLENCE , WHILE MAINTAINING EXPENSE EFFICIENCY

We are focused on dynamically allocating capital to the businesses presenting the best economic opportunities and investing in premier talent, while developing innovative risk solutions, and maintaining our expense discipline to deliver sustainable and long term growth in Book Value per share.



# EVEREST REINSURANCE STRATEGY

## SIX ELEMENTS TO SUPPORT DISCIPLINED GROWTH

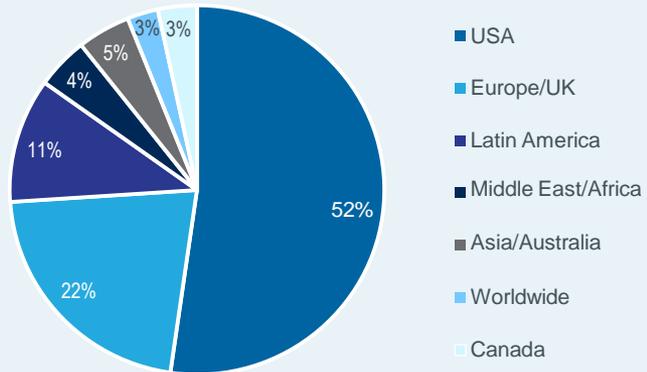


# EVEREST REINSURANCE DIVISION

## A LEADING GLOBAL REINSURER



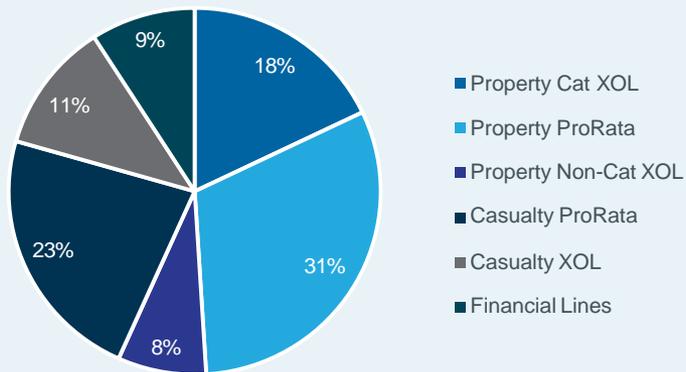
### 2019 Gross Written Premium Geography



### Reinsurance Operations

	2015	2016	2017	2018	2019
Gross Written Premium	\$4,359.4	\$4,246.8	\$5,114.7	\$6,224.6	\$6,355.9
Combined Ratio	78.5%	77.6%	103.1%	113.0%	95.4%
Attritional Combined Ratio	81.8%	81.1%	81.1%	84.0%	85.5%

### 2019 Gross Written Premium Business Mix



- Rank among the top 10 reinsurers worldwide
- Global footprint with a 48 year history
- Broad product capabilities
- Dynamic strategy in response to market conditions
- Innovators of creative risk solutions
- Premier data-driven management systems
- Competitive expense advantage
- Portfolio optimization through effective capital management

# EVEREST INSURANCE® STRATEGY

FIVE STRATEGIES TO DELIVER PROFITABILITY, SCALE AND GROWTH

Underwriting Excellence



“One Everest”



Talent Development



Digitization & Innovation



Strengthening the Core



Focus on Sustained Underwriting Profitability

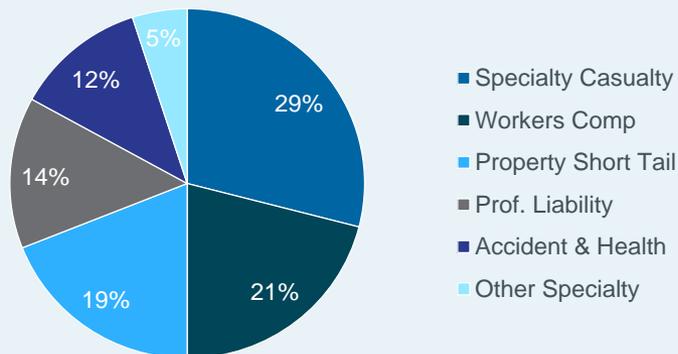
Drive to Scale

# EVEREST INSURANCE® DIVISION

## A PREMIER GLOBAL SPECIALTY INSURANCE OPERATION



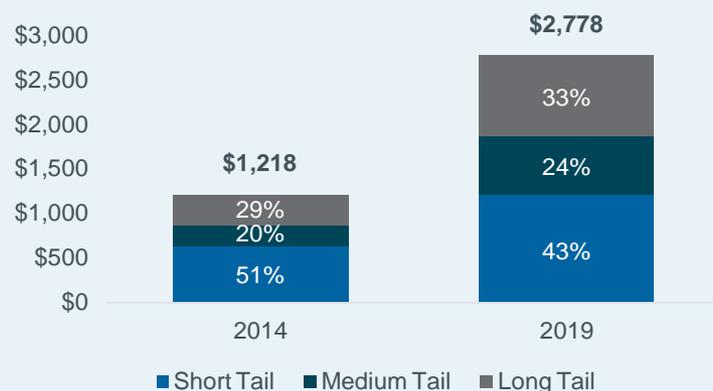
### 2019 Gross Written Premium Business Mix



### Insurance Operations

	2015	2016	2017	2018	2019
Gross Written Premium	\$1,532.3	\$1,787.0	\$2,059.2	\$2,250.6	\$2,777.5
Combined Ratio	106.3%	116.5%	104.8%	95.3%	95.8%
Attritional Combined Ratio	94.3%	99.3%	96.9%	96.5%	96.5%

### Shift in Class of Business



- A modern-era specialty insurer with a deep bench of products, a multi-dimensional distribution platform, a robust supportive infrastructure, top-tier governance and risk management, and a winning culture
- Well-diversified specialty insurance company with over \$2.7 billion of gross written premium in 2019
- Highly skilled team comprised of experienced industry professionals
- Client-first culture focused on providing insurance solutions to solve specific issues and needs
- More than 150 specialty products across 12 underwriting divisions
- The Everest Re Group ratings and balance sheet provide meaningful synergies

# CORPORATE RESPONSIBILITY

## DEDICATION TO SUSTAINABILITY AND SOCIAL RESPONSIBILITY

We believe that a sustainable future for our company must encompass the values important to our customers, employees and the communities in which we operate. These values define our corporate responsibility and guide us to maintain sustainability.



Being an industry innovator to solve complex global risks, and serving as a protective back-stop at those times when our **clients** needs us most.



Maintaining our **integrity** through all aspects of the company



Providing an inclusive environment that offers **employees** the opportunity to further their professional development



Supporting our **communities** through the donation of time and financial resources.

### Our Goals for 2020

- ✓ Continue sustainability efforts Companywide
- ✓ Further implementation of the UN-PRI and collaboration with third party asset managers to ensure compliance with the bedrocks of the UN-PRI Principles
- ✓ Establishment of a better system of emissions and energy usage tracking for our leased office space
- ✓ Continue our efforts to enhance our privacy and data risk program
- ✓ Publication of disclosures compliant with the Sustainability Accounting Standards Board (SASB)



*EVEREST*®

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