EVEREST RE GROUP, LTD.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURE REPORT

For the year-ended December 31, 2019

EVEREST RE GROUP, LTD.

Everest Re Group, Ltd. ("Everest" or the "Company") is a leading global provider of reinsurance and insurance, operating for close to 50 years through subsidiaries in the U.S., Europe, Singapore, Canada, Bermuda and other territories. Everest offers property, casualty, and specialty products through its various operating affiliates located in key markets around the world.

Everest recently published its inaugural Corporate Responsibility Report created in accordance with the Global Reporting Initiative ("GRI") standards. Further details of our progress in the areas of diversity, gender pay equity, talent development, environmental, social and governance can be found in that report, which is available on the front page of Everest's corporate website under the "Corporate Responsibility" tab at https://www.everestre.com.

Everest is now providing this supplemental report as an additional step in providing disclosures aligned with the Sustainability Accounting Standards Board ("SASB") framework for the insurance industry. Unless expressly noted otherwise, all data and information contained in this SASB disclosure report is as of, or for the year-ended December 31, 2019.[1]

[1] This report contains information about Everest and may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Everest cautions that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Everest assumes no duty to and does not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

Factors that can cause results to differ, as well as additional factors that can affect forward-looking statements, are discussed in Everest's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, accessible on the SEC's website at https://www.sec.gov and on Everest's website at https://www.everestre.com. Further, inclusion of information in this report should not be deemed a characterization of the materiality that information. For information that is material to Everest, please again see Everest's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

Contact points at Everest for questions concerning this report include: Sanjoy Mukherjee, Executive Vice President, General Counsel and Chief Compliance Officer; and David E. Sigmon, Associate General Counsel.

I. SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

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TRANSPARENT INFORMATION & FAIR ADVICE FOR CUSTOMERS

FN-IN-270a.1

Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product related information to new and returning customers

Everest has not incurred any material or significant monetary losses as a result of legal proceedings associated with marketing and communications of insurance product related information to new and/or returning customers.[2]

FN-IN-270a.2

Complaints-to-claims ratio

Everest offers property, casualty, and specialty products through its various operating affiliates. The Company's products include the full range of property and casualty reinsurance and insurance coverages, including marine, aviation, surety, errors and omissions liability, directors' and officers' liability, medical malpractice, other specialty lines, accident and health and workers' compensation.

Everest's U.S. domestic property and casualty insurers are subject to regulation by their state of domicile and by those states in which they are licensed. Most state insurance departments provide consumer complaint data to the National Association of Insurance Commissioners ("NAIC") Consumer Information Search ("CIS"), and the NAIC produces reports combining or aggregating this data.

While Everest, nor the NAIC, publishes complaints-to-claims ratio metrics, the NAIC does publish a national "complaint index report." This report is used to compare a company's performance to other companies in the market. The national complaint index is always 1.00 per the NAIC's algorithm, which means that a company with a complaint index of 2.00 has a complaint index that is twice as high as expected in the market according to the NAIC. Further, only closed, confirmed complained provided by state insurance departments are used in this report.

For Everest Reinsurance Company, the closed complaint index reported by the NAIC for 2019 was 0.34 (based on 4 complaints). For Everest Denali Insurance Company, the closed complaint index reported by the NAIC for 2019 was 0 (based on 0 complaints). For Everest Indemnity Insurance Company, the closed complaint index reported by the NAIC for 2019 was 0.21 (based on 2 complaints). For Everest National Insurance Company, the closed complaint index reported by the NAIC for 2019 was 0.49 (based on 14 complaints). For Everest Premier Insurance Company, the closed complaint index reported by the NAIC for 2019 was 0 (based on 0 complaints). For Everest Security Insurance Company, the closed complaint index reported by the NAIC for 2019 was 0 (based on 0 complaints). This information may also be obtained through the Consumer page on the NAIC site at: https://www.naic.org/index_consumer.htm.

Other than ordinary course claims disputes that may arise from time to time, Everest's subsidiaries that write reinsurance business do not generally receive formal complaints from ceding insurance company customers.

FN-IN-270a.3

Consumer retention rate

Individual business units and segments within Everest generally monitor customer retention rates for purposes such as internal management reporting. Such rates significantly vary depending upon applicable line of business and geographic location, and some lines of business such as surety are non-recurring. Customer retention rates may also be significantly impacted depending upon strategic underwriting decisions of the Company or its subsidiaries to increase, or decrease, exposure to specific risk categories. The Company does not publicly disclose this data on a detailed level.

[2] Everest discloses material legal proceedings in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q in accordance with Securities and Exchange Commission requirements.

FN-IN-270a.4

Description of approach to informing customers about products

The Company writes business on a worldwide basis for many different customers and lines of business, thereby obtaining a broad spread of risk. The Company is not substantially dependent on any single customer, small group of customers, line of business or geographic area. For the 2019 calendar year, no single customer (ceding company or insured) generated more than 4% of the Company's gross written premiums.

Approximately 63%, 31% and 6% of the Company's 2019 gross written premiums were written in the broker reinsurance, insurance and direct reinsurance markets, respectively.

The broker reinsurance market consists of several substantial national and international brokers and a number of smaller specialized brokers, and per the terms of the reinsurance contracts, communications between ceding companies and reinsurers are generally directed through these intermediaries including claims communications. Brokers do not have the authority to bind the Company with respect to reinsurance agreements, nor does the Company commit in advance to accept any portion of a broker's submitted business. Reinsurance business from any ceding company, whether new or renewal is subject to acceptance by the Company. Further, the direct reinsurance market remains an important distribution channel for reinsurance business written by the Company. Direct placement of reinsurance enables the Company to access clients who prefer to place their reinsurance directly with reinsurers based upon the reinsurer's in-depth understanding of the ceding company's needs.

The Company's insurance business mainly writes commercial property and casualty on an admitted and non-admitted basis. The business is written through -- and as a result, communications with the ultimate customer are generally through -- wholesale and retail brokers, surplus lines brokers and through program administrators. Our underwriters and other pertinent employees have regular contact with these intermediaries and representatives to ensure accurate, transparent and clear information is being transmitted and to timely respond to any questions. In 2019, two program administrators accounted for approximately 7% of the Company's gross written premium each, and included multiple independent programs for each program administrator with the largest representing 4% of the overall gross written premium. No other program administrator generated more than 2% of the Company's gross written premium.

The Company continually evaluates each business relationship, including the underwriting expertise and experience brought to bear through the involved distribution channel, performs analyses to evaluate financial security, monitors performance and adjusts underwriting decisions accordingly.

In the event of a claim, the Company is committed to providing customers' quick, efficient and transparent claims processing. Reinsurance and insurance claims are managed by the Company's professional claims staff whose responsibilities include reviewing initial loss reports and coverage issues, monitoring claims handling activities of ceding companies, establishing and adjusting proper case reserves and approving payment of claims. In addition to claims assessment, processing and payment, the claims staff selectively conducts comprehensive claim audits of both specific claims and overall claim procedures at the offices of selected ceding companies. Some insurance claims are handled by third party claims service providers who have limited authority and are subject to oversight by the Company's professional claims staff. Additional information concerning our insurance claims and support services may be found on our Company website at https://www.everestre.com/Insurance/Insurance-Claims-and-Support and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 at page 14.

INCORPORATION OF ENVIRONMENTAL, SOCIAL & GOVERNANCE FACTORS IN INVESTMENT MANAGEMENT

FN-IN-410a.1

Total invested assets, by industry and asset class

Everest's principal investment objectives are to ensure funds are available to meet our insurance and reinsurance obligations, and to maximize investment income while maintaining a responsible and high-quality diversified investment portfolio.

As of year-end 2019, we have approximately $20 billion in assets under management ("AUM"), a responsibility that we take very seriously. Our Chief Investment Officer and investment management team work hard to make sure that we are managing our investments wisely and upholding our objectives to meet our regulatory obligations and maintain a responsible and diverse portfolio.

Everest's investment portfolio includes as of year-end 2019: 81.1 percent in fixed income; 7.8 percent in private equity; 5.9 percent in cash; 4.5 percent in listed equity; and 0.7 percent in hedge funds. Further discussion of our investment portfolio for 2019 may be found in our Annual Report on Form 10-K for the year ended December 31, 2019.

FN-IN-410a.2

Description of approach to incorporation of environmental, social and governance factors in investment management processes and strategies

Everest acknowledges that environmental, social, and corporate governance ("ESG") factors can affect investment portfolios. As a result, Everest believes that it is necessary to consider ESG factors when making investment decisions, including:

Environmental factors

- Greenhouse gas emissions
- Fossil fuel dependence
- Climate change

Social factors

- Diversity
- Working conditions
- Human rights

Governance factors

- Transparency
- Director independence
- Shareholder rights

As a demonstration of our commitment to responsible investment, in 2019 Everest became a signatory to the United Nations' supported Principles for Responsible Investment ("UN-PRI").

The UN-PRI is the world's leading proponent of responsible investment, with over 2,300 signatories representing more than U.S. $82 trillion in AUM. The UN-PRI defines responsible investment as a strategy and practice to incorporate ESG factors into investment decisions and active ownership, including:

1. We will incorporate ESG issues into investment analysis & decision-making processes
2. We will be active owners and incorporate ESG issues into our ownership policies & practices
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest
4. We will promote acceptance and implementation of the Principles within the investment industry
5. We will work together to enhance our effectiveness in implementing the Principles
6. We will each report on our activities and progress towards implementing the Principles

In addition to incorporating ESG into our own investments, Everest is committed to taking steps to require that our investment managers take into account ESG issues and factors into their investment strategies. Approximately 79% of our total assets are managed by other UN-PRI signatories, which includes approximately 94% of our fixed-income assets.

POLICIES DESIGNED TO INCENTIVIZE RESPONSIBLE BEHAVIOR

FN-IN-410b.1

Net premiums written related to energy efficiency and low carbon technology

Everest does not currently capture or segment premium data for policies related to energy efficiency or low carbon technology. Rather, premium data is segmented by line of business and by state in accordance with insurance regulatory requirements. For further information on Everest's lines of business and underwriting operations, please see our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 at pages 5 through 10, which includes a discussion of "Segment Results," including "U.S. Reinsurance," "International," "Bermuda," and "U.S. Insurance."

FN-IN-410b.2

Discussion of products and/or product features that incentivize health, safety and/or environmentally responsible actions and/or behaviors

Everest offers numerous products and services that that incentivize health, safety and/or environmentally responsible actions and/or behaviors.

For instance, Everest's Risk Consulting team provides loss prevention solutions across various industries including technology, construction, manufacturing, energy, service industries, transportation, financial, biomedical, trade schools, and higher education. This team of professionals within Everest Insurance® has significant experience identifying loss exposures, claim trends, and potential loss sources, and will discuss findings with customers' management teams, recommend solutions, and monitor them closely to assure effective implementation.

Everest risk consultants provide access to several publications and value-added resources to support customer risk management needs. These publications include important information on model safety and health programs, newsletters, and loss control alerts designed to provide accident prevention tips and checklists. The Risk Consulting team also provide additional value-added resources so that policyholders can obtain assistance in a number of risk management areas.

Sample services include:

- Loss prevention, mitigation assessments and solutions across a broad range of covered exposures
- Workplace, fleet, premises, job site, product and service evaluations
- Safety and risk management audits
- Property conservation and wind mitigation reviews
- Specialty services such as ergonomic and industrial hygiene
- Access to technical knowledge and resources
- Publications including newsletters, Loss Control alerts, hazard and emerging issue alerts, model programs and webcasts

Everest also provides access to selected vendors, at discounted rates, when applicable, in order to provide policyholders with services that can benefit their businesses, such as:

- **SafetyFirst Driving –** Everest offers the services of SafetyFirst, a leading provider of driver observation, fleet telematics and other robust fleet safety services, to policyholders at a discounted. SafetyFirst is used by thousands of companies to support their driver safety initiatives.
- **One Source Background Checks –** Everest policyholders may obtain an employment and volunteer screening tool at a substantially discounted price. One Source provides an extensive array of proprietary background check and employment screening services — all offering high accuracy, expediency and cost efficiency. One Source serves all market sectors from non-profits to financial, healthcare, transportation, service and commercial industries.
- **Safety Video Lending Library –** Everest subscribes to the National Resource Safety Center (NRSC), the nation's largest safety video and DVD lending library (brochure). Their library includes thousands of videos and DVDs covering virtually all popular safety topics from over ninety well known producers. Everest policyholders can borrow safety training videos, DVDs and video streaming at no cost except for shipping charges.
- **ZERO® –** Everest offers a collaborative risk management system product and its mission is to eliminate workplace injuries. ZERO® is based on a mobile platform, which puts communication, collaboration, and a safety database tool in the pocket of every company

employee. ZERO® helps businesses who want to improve their safety culture. ZERO® engages all workers to be active participants allowing them to take responsibility for their own safety. It supports rapid communication of hazards and unsafe behaviors, encourages fast collaborative problem solving and retains these best practice solutions for future reference - all before an accident occurs.

- **Thorn Valley –** Everest works with Thorn Valley to offer policyholders their suite of safety services including on-site surveys, telematics, safety training, claims analysis and an online safety portal.
- **HR Risk Management HELPLINE Services –** Everest offers policyholders access to the HR Risk Management HELPLINE operated by Enquiron. Policyholders enrolled in the Enquiron HELPLINE service may obtain access to employment law attorneys who answer specific human resources and employment law questions facing businesses as well as easy-to-use tools and information including a state-specific employee handbook and policy builder, online sexual harassment prevention training, federal and state-specific news, forms, posters and much more. The Enquiron HELPLINE is included in workers' compensation coverage purchased through appointed agents or brokers of Everest's Workers' Compensation division.

Everest also continues to be at the forefront in creating advanced insurance solutions and products related to environmental risks for our clients, including coverage for specialized environmental contractors. We have the capability to provide premium credits to clients for environmentally friendly actions and behavior. Further, in recent years, Everest has been an increasingly active supporter of renewable energy transactions through structured credit insurance, including wind farm projects, in various locations around in the world. For more information concerning Everest's underwriting, risk management and mitigation practices, please visit our Corporate Responsibility Report which is available on the front page of Everest's corporate website under the "Corporate Responsibility" tab at https://www.everestre.com.

ENVIRONMENTAL RISK EXPOSURE

FN-IN-450a.1
Probable Maximum Loss of insured products from weather-related natural catastrophes

Like other insurance and reinsurance companies, the Company is exposed to multiple insured losses arising out of a single occurrence, whether a natural event, such as a hurricane or an earthquake, or other catastrophe, such as an explosion at a major factory. A large catastrophic event can be expected to generate insured losses to multiple reinsurance treaties, facultative certificates and direct insurance policies across various lines of business.

The Company focuses on potential losses that could result from any single event or series of events as part of its evaluation and monitoring of its aggregate exposures to catastrophic events. Accordingly, the Company employs various techniques to estimate the amount of loss it could sustain from any single catastrophic event or series of events in various geographic areas. These techniques range from deterministic approaches, such as tracking aggregate limits exposed in catastrophe-prone zones and applying reasonable damage factors, to modeled approaches that attempt to scientifically measure catastrophe loss exposure using sophisticated Monte Carlo simulation techniques that forecast frequency and severity of potential losses on a probabilistic basis.

No single computer model, or group of models, is currently capable of projecting the amount and probability of loss in all global geographic regions in which the Company conducts business. In addition, the form, quality and granularity of underwriting exposure data furnished by (re)insureds is not uniformly compatible with the data requirements for the Company's licensed models, which adds to the inherent imprecision in the potential loss projections. Further, the results from multiple models and analytical methods must be combined to estimate potential losses by and across business units. Also, while most models have been updated to incorporate claims information from recent catastrophic events, catastrophe model projections are still inherently imprecise. In addition, uncertainties with respect to future climatic patterns and cycles could add further uncertainty to loss projections from models based on historical data.

Nevertheless, when combined with traditional risk management techniques and sound underwriting judgment, catastrophe models are a useful tool for underwriters to price catastrophe exposed risks and for providing management with quantitative analyses with which to monitor and manage catastrophic risk exposures by zone and across zones for individual and multiple events.

Projected catastrophe losses are generally summarized in terms of the probable maximum loss ("PML"). The Company defines PML as its anticipated loss, taking into account contract terms and limits, caused by a single catastrophe affecting a broad contiguous geographic area, such as that caused by a hurricane or earthquake. The PML will vary depending upon the modeled simulated losses and the make-up of the in force book of business. The projected severity levels are described in terms of "return periods," such as "100-year events" and "250-year events." For example, a 100-year PML is the estimated loss to the current in-force portfolio from a single event which has a 1% probability of being exceeded in a twelve-month period. In other words, it corresponds to a 99% probability that the loss from a single event will fall below the indicated PML. It is important to note that PMLs are estimates. Modeled events are hypothetical events produced by a stochastic model. As a result, there can be no assurance that any actual event will align with the modeled event or that actual losses from events similar to the modeled events will not vary materially from the modeled event PML.

From an enterprise risk management perspective, management sets limits on the levels of catastrophe loss exposure the Company may underwrite. The limits are revised periodically based on a variety of factors, including but not limited to the Company's financial resources and expected earnings and risk/reward analyses of the business being underwritten.

The Company's catastrophe loss projections, segmented by risk zones, are updated quarterly and reviewed as part of a formal risk management review process. The table below reflects the Company's PML exposure, net of third-party reinsurance at various return periods for its top three zones/perils (as ranked by the largest 1 in 100 year economic loss) based on loss projection data as of January 1, 2020:

(Dollars in millions)

Return Periods (in years) Exceeding Probability	1 in 20 5.0%	1 in 50 2.0%	1 in 100 1.0%	1 in 250 0.4%	1 in 500 0.2%	1 in 1,000 0.1%
Zone/Peril						
California, Earthquake	$ 134	$ 453	$ 715	$ 850	$ 977	$ 1,498
Southeast U.S., Wind	453	601	703	881	1,062	1,775
Europe Wind	145	370	605	884	1,012	1,076

For more information regarding Everest's exposure to catastrophe losses, please see our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, beginning at page 10 ("Risk Management of Underwriting and Reinsurance Arrangements") and also beginning at page 74 ("Exposure to Catastrophes").

FN-IN-450a.2

Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)

As noted above, we are exposed to unpredictable catastrophic events, including weather-related and other natural catastrophes. By way of illustration, during the past five calendar years, pre-tax catastrophe losses, net of reinsurance, were as follows:

(Dollars in millions)

Calendar year:	Pre-tax catastrophe losses[3]
2019	$ 575.5
2018	1,800.2
2017	1,472.6
2016	301.2
2015	53.8

We discuss our consolidated results, including catastrophe losses, in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

FN-IN-450a.3

Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level and capital adequacy

We strive to incorporate environmental risks, to the extent that they can be quantified, into our risk management profile. Our Enterprise Risk Management program identifies key risks to which our Company is exposed and establishes tolerance levels and mitigation strategies to preserve the sustainability of our business. Environmental risks—especially those directly stemming from the global effects of climate change—feature prominently into this ERM system.

As stewards of capital, we look to improve capital efficiency and preservation in spreading risk exposure through diversification and identifying areas prone to increased frequency and severity of natural perils. We endeavor to reduce volatility across our global portfolio through the use of parametric risk transfer products such as catastrophe bonds, third party capital through our ILS platform, Mt. Logan Re, Ltd., and other hedging tools.

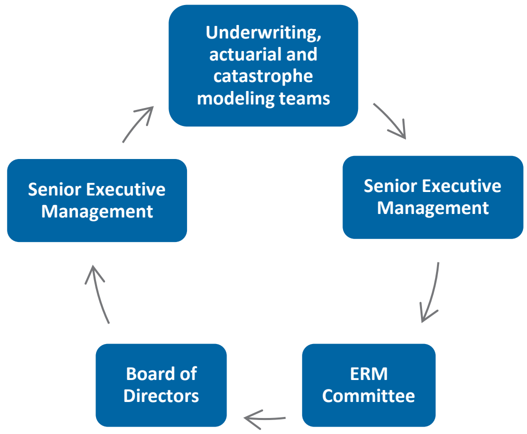
As noted above, no single or group of models is capable of projecting all possible catastrophe events caused by climate change. However, when combined with skilled underwriting judgement, these models are a useful tool to price catastrophe-exposed environmental risks, and to provide management with quantitative analyses of these effects. It is through this system that we are able to assess and project the role of environmental risk and extreme weather-related losses on our business model, in order to ensure that we – and more importantly, our clients and customers – are prepared for the heightened impact of climate change.

Our risk management strategies further seek to minimize the impact of severe climate and weather events on our capital by, among other things, maintaining a diversified business portfolio—spread by line and geography—and by employing a tactical approach to managing risk, including utilization of third party capital to leverage opportunity and sponsorship of catastrophe bonds. Indeed, Everest has consistently been cited in recent years as one of the world's largest sponsors in the catastrophe bond market measured by total outstanding limit. Catastrophe bonds comprise just one facet of a suite of important hedging protections against climate-change induced volatility successfully employed by Everest to protect our capital and surplus while also increasing our sustainability through such risk mitigation measures.[4]

[3] Everest does not separately identify losses by modeled and non-modeled catastrophes.

[4] As noted above, other notable hedging mechanisms employed by Everest include utilization of third-party capital backed collateralized reinsurance through Everest's subsidiary Mt. Logan Re, Ltd., purchase of industry loss warranties (ILW), and retrocession protection.

In order to timely respond to changing circumstances that may impact areas of Everest's business and continually ensure that the Company's senior executive management and Board are up-to-date, our environmental risk monitoring structure promotes identification and reporting of climate risks throughout the year as shown in the following chart:



Finally, in analyzing climate change and environmental related risks, Everest draws upon an array of external data sources such as research from the Intergovernmental Panel on Climate Change, governmental agencies such as the National Oceanic and Atmospheric Administration, and academic research. Everest also conducts independent research related to climate change risks using raw climate and weather data. Ultimately, such sources of climate and weather information are reviewed independently by Everest as well as in conjunction with claims information received directly from Everest's (re)insurance clients and from industry trade groups.

SYSTEMIC RISK MANAGEMENT

FN-IN-550a.1

Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse and (3) total potential exposure to centrally cleared derivatives

As noted above, the Company's principal investment objectives are to ensure funds are available to meet its insurance and reinsurance obligations and to maximize after-tax investment income while maintaining a high-quality diversified investment portfolio. Considering these objectives, the Company views its investment portfolio as having two components: 1) the investments needed to satisfy outstanding liabilities (its core fixed maturities portfolio) and 2) investments funded by the Company's shareholders' equity.

The Company's net investment income was $647.1 million, $581.2 million and $542.9 million for the years ended December 31, 2019, 2018 and 2017, respectively. The increase from 2018 to 2019 was primarily due to higher income from the growing fixed income portfolio and an increase in limited partnership income, partially offset by lower dividend income from our equity portfolio. The increase from 2017 to 2018 was primarily due to higher income from the growing fixed income portfolio and an increase in limited partnership income, partially offset by lower dividend income from our equity portfolio.

The Company's cash and invested assets totaled $20.7 billion at December 31, 2019, which consisted of 87.0% fixed maturities and cash, of which 92.6% were investment grade; 8.5% other invested assets and 4.5% equity securities. The average maturity of fixed maturity securities was 4.4 years at December 31, 2019, and their overall duration was 3.5 years.

As of December 31, 2019, the Company did not have any direct investments in commercial real estate or direct commercial mortgages or any material holdings of derivative investments (other than equity index put option contracts as discussed in ITEM 8, "Financial Statements and Supplementary Data" - Note 4 of Notes to Consolidated Financial Statements of the Company's 2019

Annual Report on Form 10-K) or securities of issuers that are experiencing cash flow difficulty to an extent that the Company's management believes could threaten the issuer's ability to meet debt service payments, except where other-than-temporary impairments have been recognized. For further discussion of Everest's investments for the 2019 year, please see our Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

FN-IN-550a.2

Total fair value of securities lending collateral assets

As of December 31, 2019, we did not have securities lending collateral assets.

FN-IN-550a.3

Description of approach to managing capital and liquidity related risks associated with systemic non-insurance activities

Prudent risk management is embodied throughout our Company as part of our culture and is a key point of emphasis by our Board. In accordance with New York Stock Exchange requirements, the Company's Audit Committee Charter provides that the Audit Committee has the responsibility to discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control its risk profile, including the Company's risk assessment and risk management guidelines. Upon the Audit Committee's recommendation, the Board has adopted a formal Risk Appetite Statement that is reviewed annually and establishes upper boundaries on risk taking in certain areas of the Company including assets, investments, property and casualty business including natural catastrophe exposure and potential maximum loss. In managing and implementing the Board's Risk Appetite Statement, the Company developed an Enterprise Risk Management ("ERM") process for managing the Company's risk tolerance profile on a holistic basis. The objective of ERM is to provide an internal framework for assessing risk – both to manage downside threats, as well as identify upside opportunities – with the ultimate goal of enhancing shareholder value. Company-wide ERM is coordinated through a centralized ERM Unit responsible for implementing the risk management framework that identifies, assesses, monitors, controls and communicates the Company's risk exposures. The ERM Unit is overseen by our Chief Risk Officer and is staffed and supported with seasoned and accredited actuarial, accounting and management staff.

In order to monitor compliance and liaise with the Board regarding the Company's ERM activities, we established an Executive Risk Management Committee ("ERM Committee") which includes the Company's CEO, the Chief Financial Officer, the President and CEO of the Reinsurance Division, the President & CEO of the Insurance Division, and the General Counsel. The ERM Committee, in conjunction with Board input, is responsible for establishing risk management principles, policies and risk tolerance levels. It provides centralized executive oversight in identifying, assessing, monitoring, controlling, and communicating the Company's enterprise-wide risk exposures and opportunities in accordance with pre-approved parameters and limits.

The ERM Committee meets quarterly to review in detail the Company's risk positions compared to risk appetites, scenario-based stress testing, financial strength, and risk accumulation. The ERM Committee prepares a comprehensive report depicting the Company's global risk accumulation, financial strength and capital preservation against modeled stress scenarios. The Chief Risk Officer, in conjunction with the input of the ERM Committee, presents this report, on a quarterly basis, to the Audit Committee with respect to our risk management procedures and our exposure status relative to the Board's Risk Appetite Statement in our three key risk areas – asset risk, natural catastrophe exposure risk and long tailed reserve risk. These risk exposures are reviewed and managed on an aggregate and individual risk basis throughout our worldwide property and casualty insurance and reinsurance businesses and our investment portfolio.

The Audit Committee reviews ERM status with the Chief Risk Officer each quarter to assess not only operational and systemic level risks, but also the level of resources allocated to the ERM Unit. The Board also oversees identification and management of risk at the Board Committee level. While each Board Committee is responsible for evaluating the Company's operational risks falling within its area, the Board is kept informed of the respective Committee's activities and actions though Committee reports.

ACTIVITY METRIC

FN-IN-000.A

Number of policies in force, by segment

Everest does not publicly disclose this data.