



EVEREN



Corporate Presentation

2024

The Everen Group includes two distinct operating companies offering complimentary products

Everen Group

EVEREN

- Largest energy insurance mutual company in the world – operating for over 50 years
- Pure mutual owned by member shareholders
- Underwriting 100% supported by its own balance sheet with no third party capital
- \$450m of per occurrence limits
- Three primary coverages - property, 3rd party pollution and control of well

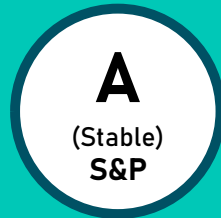
**EVEREN
Specialty**

- Industry owned commercial (re)insurer
- Property and casualty insurance for members and non-members
- Assumed reinsurance property and casualty treaties for energy and non-energy classes
- U.S. operations via OCIL Specialty, Ltd (OSL)

Everen at a glance

50+ years

Established in 1972 by
16 major energy companies



72 members

Global membership domiciled in the
USA, Canada, Europe, UK, Latin America and
Asia Pacific

**\$450 million
per occurrence**

Broad and stable insurance coverage

~\$4 trillion

Global energy assets insured

>10 year tenure

80% of members have been with Everen
for 10 years or more

3 primary coverages

Property, Third Party Pollution
and Control of Well

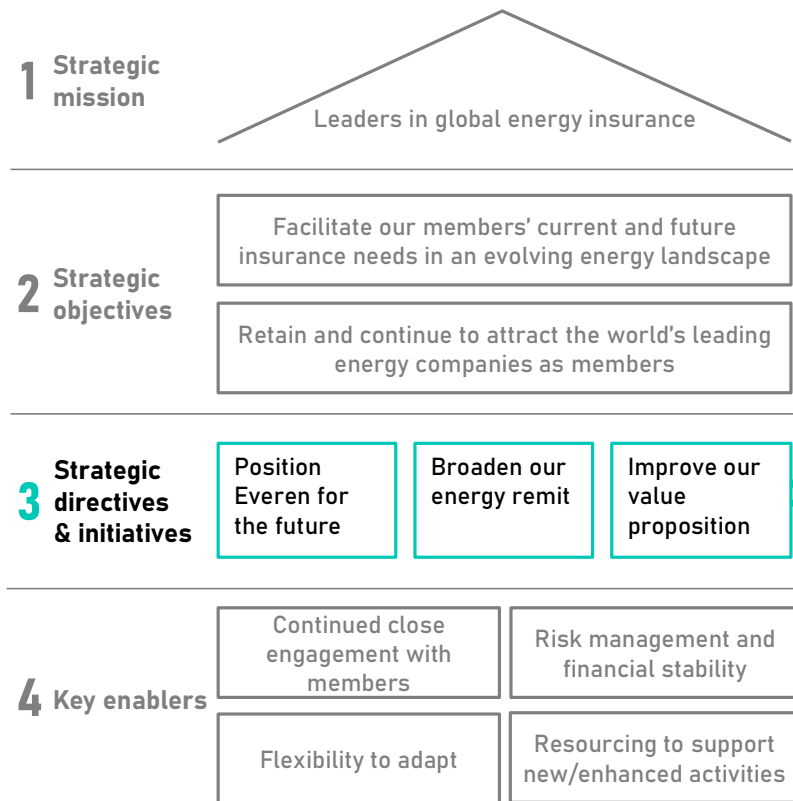
**\$3.2 billion
dividends**

Paid to shareholders over past 10 years

<5% Expense Ratio

Extremely low compared with
commercial market insurers

Focused on our members' insurance needs in an evolving energy landscape



3 Strategic directives & initiatives

Position Everen for the future

- Redefine our brand
- Enhance the quality and quantity of our internal and external marketing activities

Broaden our energy remit

- Redefine Energy Operations to account for new energy asset types
- Introduce new sectors

Improve our value proposition

- Maximize our available limit
- Facilitate the use our existing coverages
- Enhance our policy wording
- Possibly introduce new coverage(s)

The value of Everen to our members is substantial

Reliable

- Broad and stable terms & conditions
- Consistent promise to pay claims
- Excellent financial strength
- No reliance on external capital

Straightforward

- Simple annual renewal process
- Formulaic premium mechanism
- Minimal data, forms and engineering reports required
- Single policy form for all members

Transparent

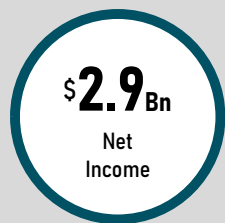
- Transparent premium model
- Members can impact the decision making process
- Member portal provides access to loss and coverage information

Unique

- Premiums fully fund loss & expenses
- <5% expense ratio
- Stable investment portfolio drives shareholders' equity growth
- Access to world class peer companies

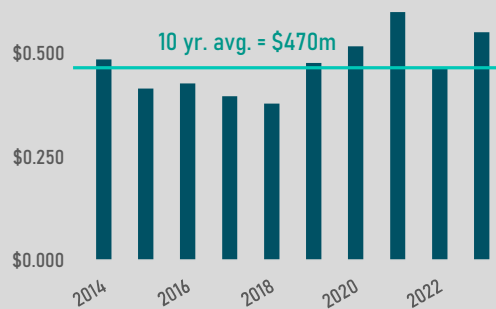
50+ years of financial strength with consistent returns over the past 10 years

For the 10 year period ending December 31, 2023



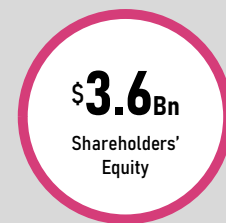
- Stable premiums over past 10 years

Premiums



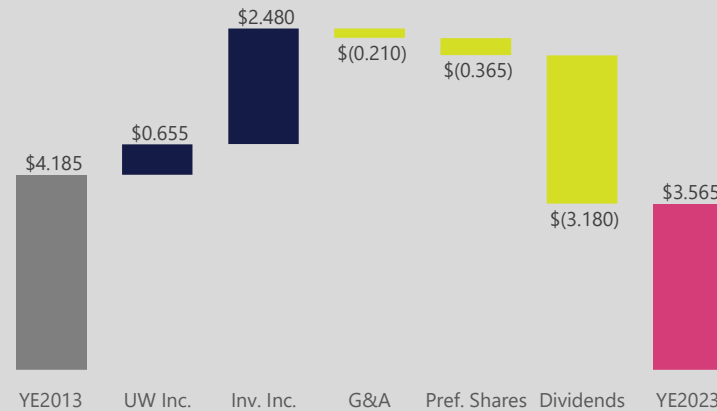
- 68% of premiums written
- Significant return of value to members

As of Year End 2023



- Growth is primarily driven by investment income

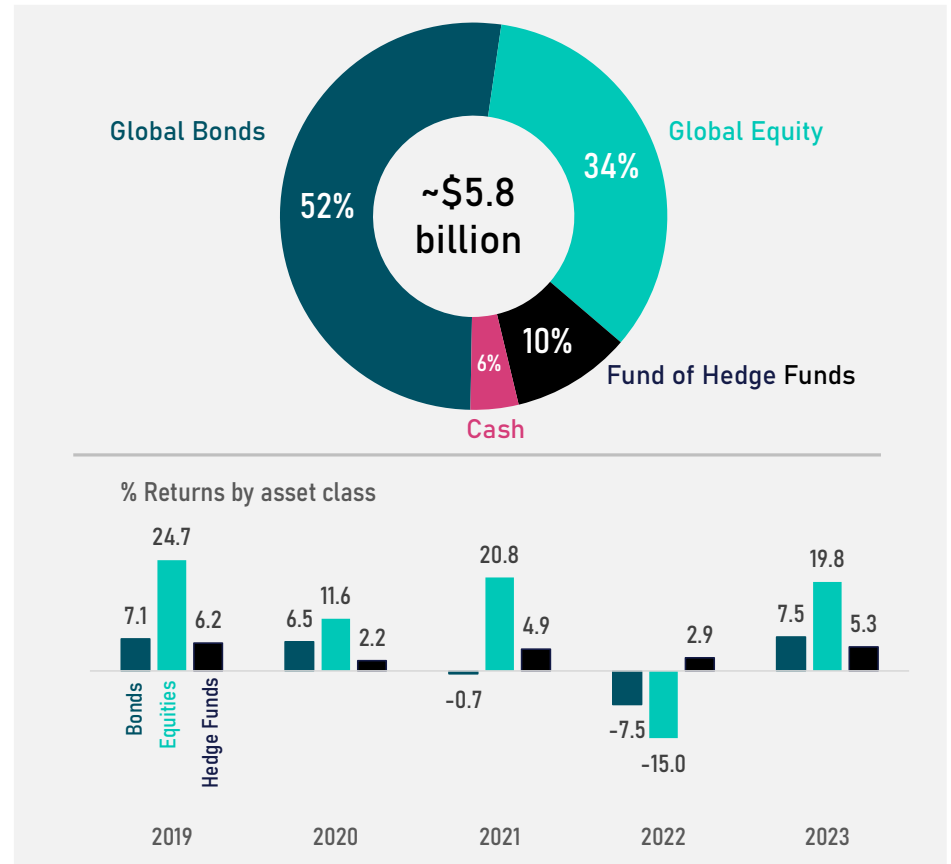
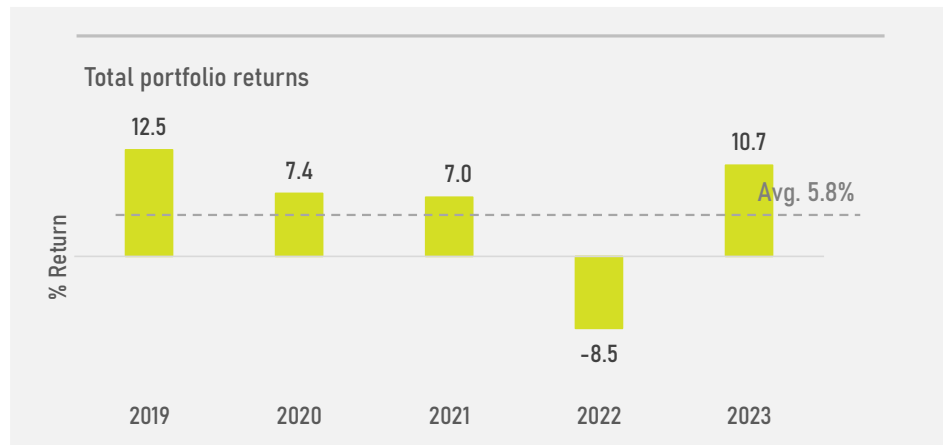
Change in SH Equity (10 years)



Well diversified investment portfolio focused on total return

Everen's investment portfolio

- Everen Investment Limited (EIL) is a separate investment subsidiary
- Separate Board of Directors
- Provides sustained liquidity to meet Everen's obligations
- Maximizes return relative to an acceptable level of risk
- Preservation of principal over a market cycle is a higher priority than maximizing returns



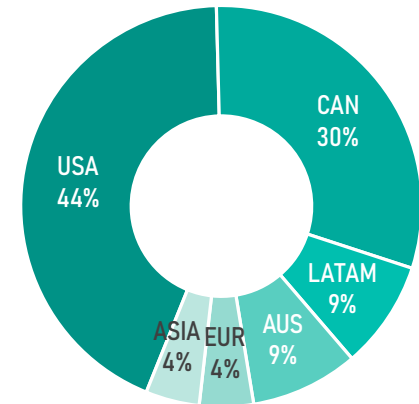
Global membership has increased

- Over the past 10 years:
 - 22 new members (>40% growth)
 - Total member count grew from 56 to 67 (after M&A)
 - No departures since 2016

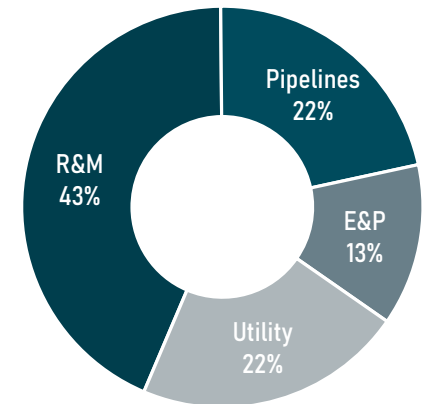
Member count by year



New members by region



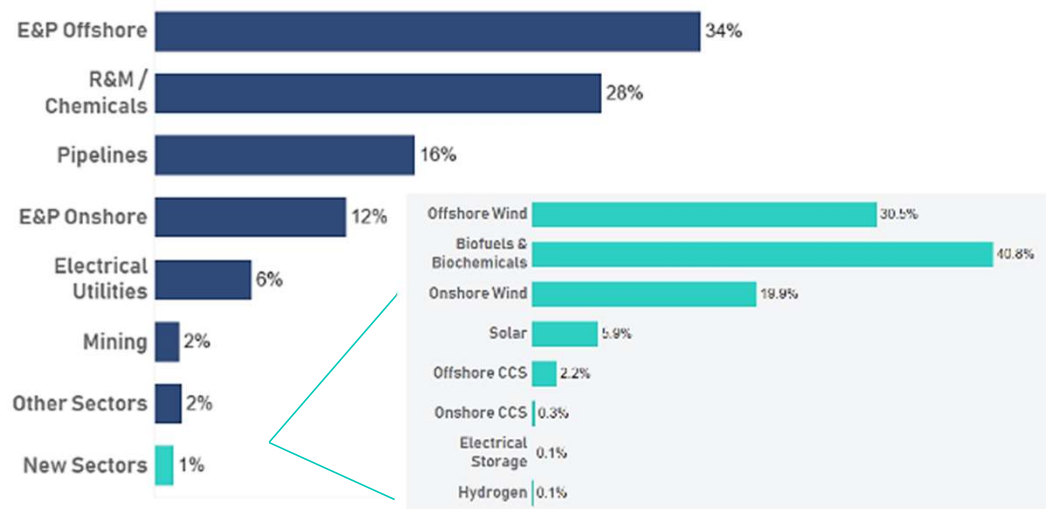
New members by primary industry



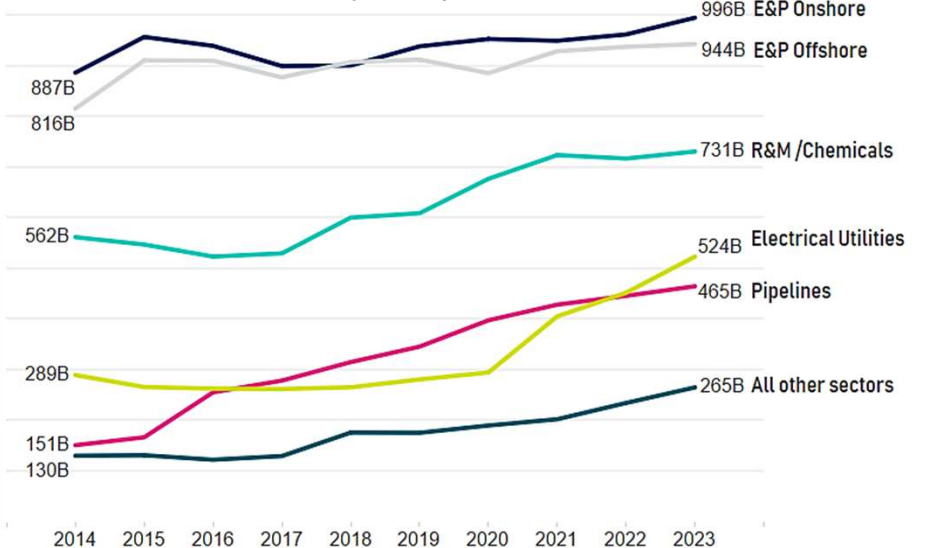
Exposures distribution and growth

- Top five sectors make up 96% of overall exposures (WGA)
 - E&P offshore and R&M comprise 62% of the total
 - New sectors ~1% but expected to grow significantly and may be understated due to assets under construction
- Over the past 10 years, Utilities and Pipelines have the highest growth trend over time

Exposure distribution¹ (YE2023)



Unmodified Gross Assets – past 10 years



Everen provides energy insurance coverage that enables innovation

Significant advantages

- Worldwide coverage for all assets without specific declaration
 - Construction projects automatically covered
 - Newly acquired assets automatically covered
- Coverage for JV interest or other non-consolidated affiliates¹
- Coverage extended to JV partners/3rd parties²
- No statement of values required
- No coverage sublimit except onshore Atlantic named windstorm
- Efficient, low-cost business model – no UW profit charge and very low expense ratio (<5%)

Single premium for all coverages

Property damage	Including: <ul style="list-style-type: none"> • Terrorism • Cyber terrorism • Construction • Cargo • Natural catastrophe
Third Party Pollution	Including: <ul style="list-style-type: none"> • Non-gradual 3rd party pollution liability
Control of Well	Including: <ul style="list-style-type: none"> • Restoration • Redrilling

Major exclusions:

<ul style="list-style-type: none"> ▪ Business interruption ▪ Offshore Gulf of Mexico named windstorm ▪ War ▪ Tanker pollution liability³ ▪ Electric transmission & distribution lines⁴

¹ Only need to declare if >1% of gross assets
² subject to guidelines & underwriter approval

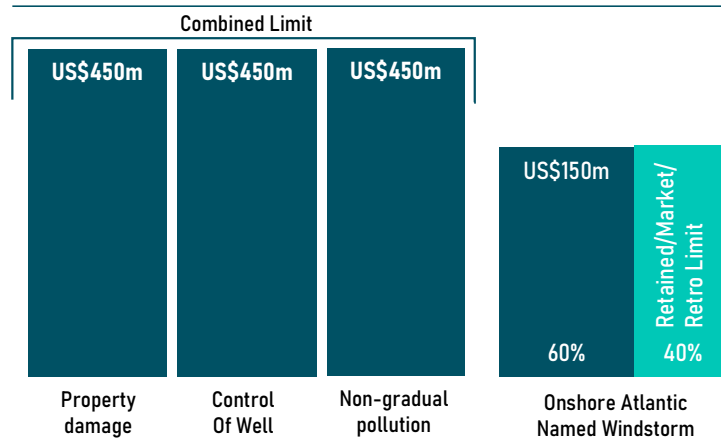
³ except charterer's liability
⁴ beyond 1,000 meters from electrical facility

Flexibility to work with any insurance program structure

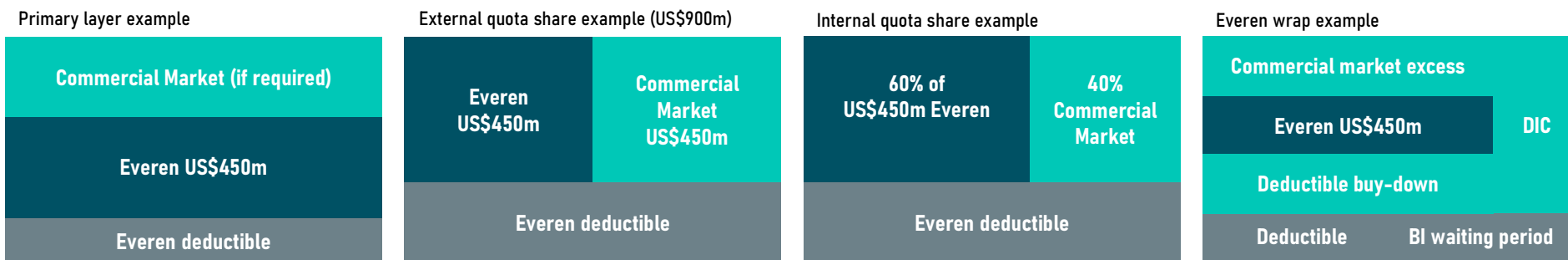
Largest single block of energy insurance capacity

- \$450m per occurrence ; \$1.350b event aggregate
- Onshore Atlantic Named Windstorm limits \$150m part of \$250m; \$750m event aggregate
- \$10m minimum deductible
- Flexible coverage to accommodate commercial market coverages
- Members can elect different limits and deductibles by business sector
- Limits for interest (no scaling)

Everen Limit Structure



Example limit structures¹



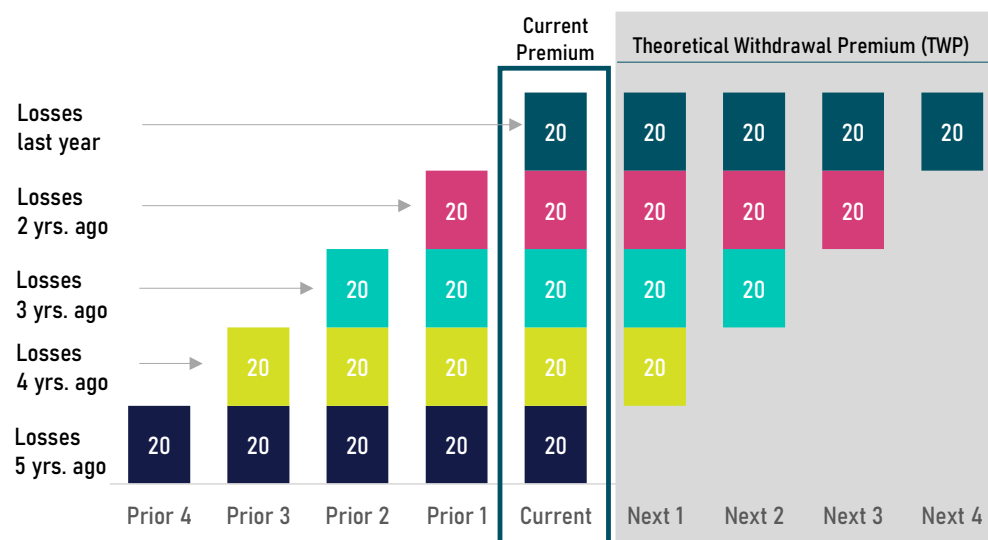
¹ Can also be structured as excess or ventilated layers

Straightforward premium formula and significant expense savings

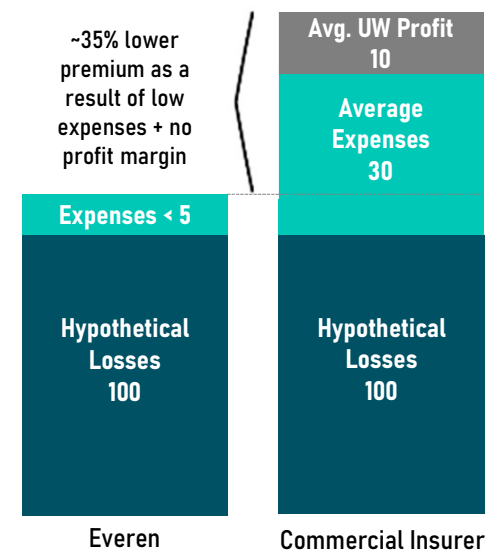
Unique premium formula is simply based on prior five years of experience

- Annual premiums are simply the average of the prior 5 years of losses plus expenses (i.e. 20% of prior 5 years)
- Very low expense ratio (<5%) and no underwriting profit
- Long-term cost advantage and substantial savings over commercial market insurers

Premiums based on average of prior five years



Long term cost advantage

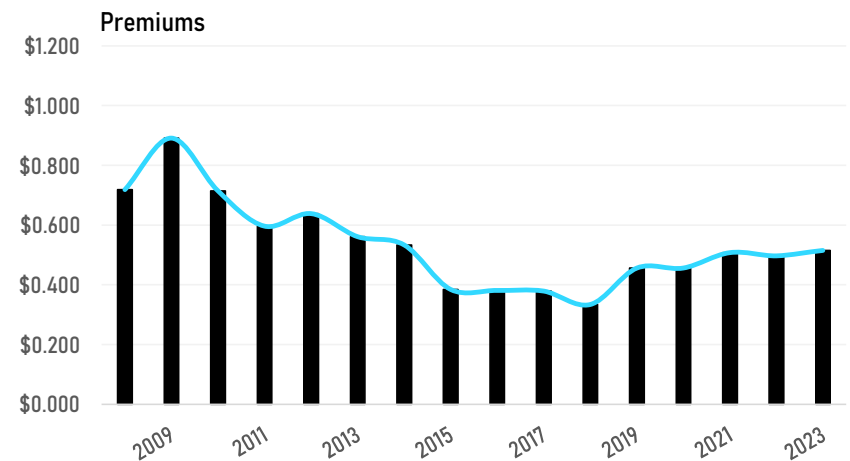


Everen's premium mechanism smooths the impact of loss cycles

Formulaic premium significantly reduces volatility

- Premiums are simply based on prior 5 years of losses and expenses
- Smooths the “peaks and valleys” of annual loss experience into “rolling hills” of premium
- Results in more balanced and predictable annual premiums than commercial market

Premium volatility is substantially lower than loss volatility



New members – eligibility criteria

Everen has 3 primary quantitative eligibility requirements

1. Investment grade credit rating from S&P or Moody's – minimum “BBB-” (S&P) or “Baa3” (Moody's)
2. At least \$1 billion of balance sheet gross, PP&E and inventory assets
3. At least 50% of gross assets or annual revenues derived from energy operations

In-addition, Everen has qualitative criteria that are considered in our underwriting evaluation

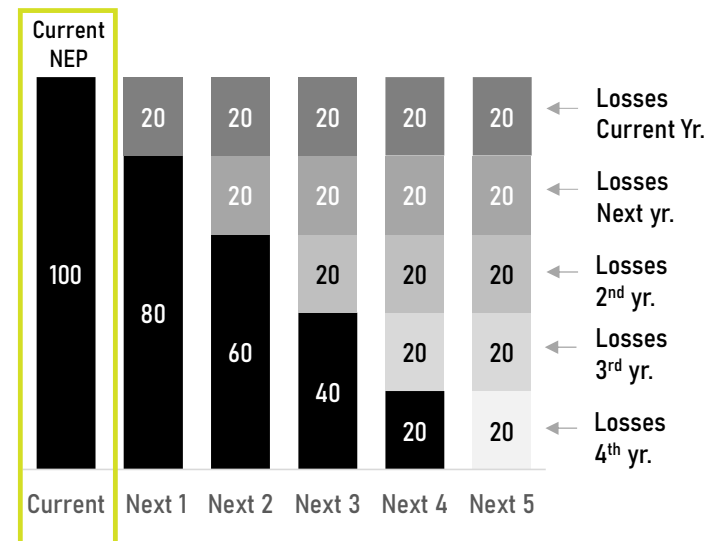
1. Business operations that represent an appropriate spread of risk
2. An acceptable 10-year loss history
3. Demonstration of a strong risk management record and philosophy
4. A long-term view of managing risk

New member premium calculation

New Entrant Premiums (NEP)

- Premiums for new members are based on expected losses and the member's pool participation %
- Expected losses are based on past 20 years of actual losses, modeled for today's level of membership and coverage
- The member's pool % is based on their weighted gross assets relative to the total weighted gross assets of the Everen group
- NEP is phased out over 5 years as the member "phases in" participating in actual losses

NEP illustration:



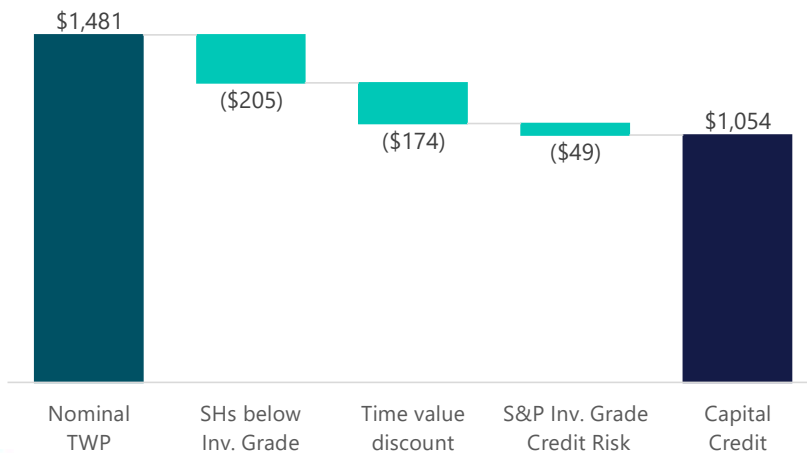
Everen's TWP capital credit eliminates future premium calls

TWP capital credit provides significant financial stability

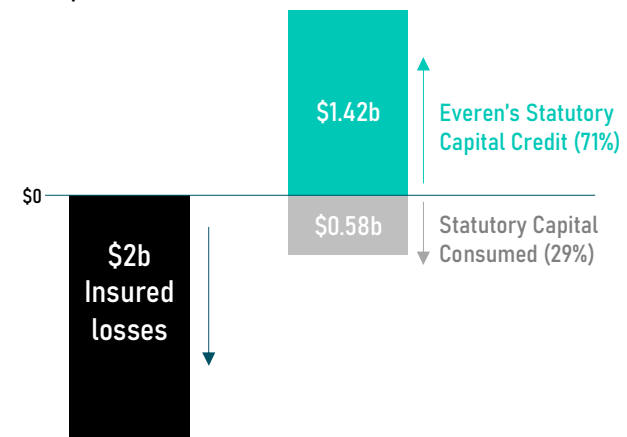
- Capital credit from S&P and BMA (regulator) is ~71% of the total nominal TWP value
- Every dollar of insured losses only reduces statutory capital by 29 cents
- As of YE2023, it would take >\$13 billion of insured losses to Everen to deplete statutory capital

TWP Capital Credit

TWP as of YE202



Example scenario: \$2b insured losses



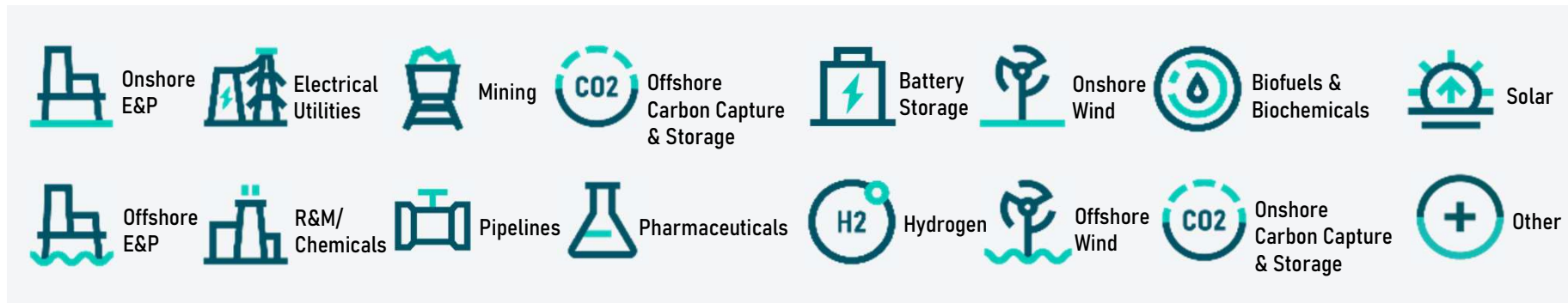
Concluding thoughts

Everen's value to its members is substantial

- Excellent financial strength supported by a global membership
- 5-year Strategic Plan positions Everen well for the future
- Significant size and scope of coverage enables innovation
- Unique premium mechanism reduces volatility and provides a long term cost advantage over the commercial market

Future goals and initiatives

- Continued execution of the Strategic Plan
- Identify ways to enhance our value proposition (products, services and engagement)
- Increase member outreach and communication
- Increase membership while preserving mutuality





Thank you



Disclaimer: You must not rely on the information in this presentation as an alternative to direct advice from Everen Limited. If you have any specific questions about Everen or the information in this presentation, you should consult with an employee of Everen prior to specifically making a decision to join the mutual or advising a client. Various information about Everen has been simplified to convey a concept or message and some information has not been included because of space limitations.

EVEREN

Corporate governance

Board of Directors & Committees

- Operating Board, Audit Committee, Governance & Recruitment and Compensation Committee – all elected annually
- No controlling shareholder – maximum one director per member and one vote per director



Oversight & Regulations

- BMA considered a world-class insurance regulator
- Bermuda has Solvency II equivalence with the EU insurance regulatory regime



Corporate Governance

- Strong management culture focused on accountability and corporate strategy alignment
- ESG strategy and Corporate Sustainability Statement reviewed annually by the Board



Governance Regulatory Tax & Legal

Audit & rating agency oversight

- Strong control framework regularly audited to ensure good governance and compliance
- Rated by S&P (A) and Moody's (A2)



Ethics & Compliance

- Strict sanctions compliance program
- Mandatory annual ethics & compliance training for all staff
- Ethics & Compliance Officer at the Senior Management level



Bermuda

- The Organization for Economic Cooperation and Development (OECD) has recognized Bermuda as a first-class domicile
- Cooperation between industry, regulators, and government focused on reinforcing the island's reputation as an international business hub



Everen has a firm commitment to ESG



Environmental

- Everen was formed to help its members manage energy and environmental risks
- Key partner to our members in the energy transition across 8 sectors of “new energy technology”
- Everen actively manages its exposure to frequency and severity of climate related catastrophes
- Everen’s capital structure (>\$4.2 billion statutory capital) and mutual framework supports exposure to weather events
- Everen reviews and ranks its investment managers for their focus on responsible investing
- Everen’s own operations have a minimal carbon footprint



Social

- As predominantly a property insurer, Everen is less exposed to social inflation but is monitoring trends
- Strong focus on employees including professional development, ethics and compliance training and diversity & inclusion
- Everen provides ongoing activities and support of physical and mental wellbeing including an Employee Assistance Program
- “Good Corporate Citizen” with significant support of local charities and education initiatives/scholarships
- Minimal staff turnover rate (<3% over the past 3 years)



Governance

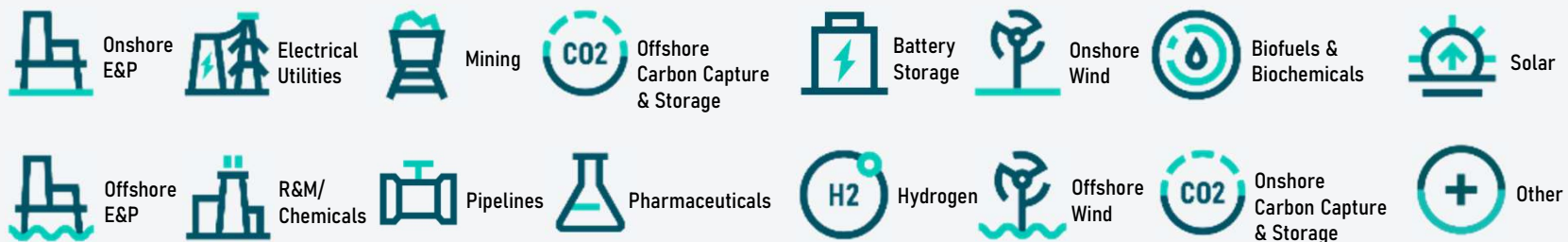
- Board independence from management with clearly defined oversight
- Diverse board with annual board terms
- Strong internal controls and risk reporting
- Robust Cyber Security programs with tools and processes protecting against data and privacy breaches
- Experienced and diverse senior leadership team with substantial connections to Bermuda (50% Bermudian)
- Well developed Business Code of Conduct subject to monitoring
- Excellent relationships with regulators and rating agencies with a clear track record

Environmental - Supporting the energy transition

Everen provides critical insurance capacity to enable the energy transition

- As an industry owned mutual, Everen is solely focused on insuring energy related assets
- Commitment to supporting the energy industry is evident in Everen's Strategic Plan, brand and name ("forever energy")
- Expanded definition of "Energy Operations" to include "new energy assets" specifically recognizes the energy transition
- Mutual structure and significant capital position (>\$4.6 billion statutory capital) allows Everen to provide critical coverage as members develop "new energy assets" across eight new sectors
- Everen's members and its Board represent some of the world's largest energy companies who play a substantial part in the global energy transition
- Unrivaled competitive position with \$450 million of energy insurance capacity without reliance on third parties or reinsurers

Everen's Business Sectors



Limit allocation options

All members must participate in the Standard Pool that funds 60% of all losses but have options for the remaining 40%

- Members have options on how much limit they purchase from Everen and how to fund that limit
 - No additional coverage – only purchase 60% of limit from Everen
 - Flat Pool – purchase between 10-40% of additional limit from Everen and share in losses mutualized within that pool
 - Retrospective Plan – purchase between 10-40% of additional limit from Everen but repay your own losses over 5 year period

Limit and premium options

