AXIS Capital Holdings Limited

Sustainability Accounting Standards Board Report

For the year-ended December 31, 2023

SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURE

About AXIS

AXIS, through its operating subsidiaries, is a global specialty underwriter and provider of insurance and reinsurance solutions. AXIS has locations in Bermuda, the United States, Europe, Singapore, and Canada. Our underwriting operations are organized around our global underwriting platforms, AXIS Insurance and AXIS Re. We provide our customers and distribution partners with a broad range of risk transfer products and services, and strong capacity, backed by excellent financial strength.

About This Report

The following disclosure is aligned with the SASB standards for the insurance industry.[1] For additional information about our environmental, social and governance ("ESG") practices, please refer to our 2023 report aligned with the standards of the Task Force on Climate-related Financial Disclosures and our other disclosures on our corporate citizenship website found at **www.axiscapital.com**.

[1] This report contains information about AXIS as of, or for the year ended December 31, 2023 unless otherwise noted. The inclusion of information contained in this report should not be construed as a characterization regarding the materiality or financial impact of that information. For a discussion of information that may be material to AXIS Capital, please see our 2023 Annual Report on Form 10-K for the fiscal year ended December 31, 2023 ("2023 Form 10-K") filed with the U.S. Securities and Exchange Commission ("SEC") on February 27, 2024 and our periodic and other filings with the SEC, which are accessible on the SEC's website at www.sec.gov and our website at www.axiscapital.com. These sources may contain information which is more current than that contained in this report. This report should be read in conjunction with our filings with the SEC and the other information we publish. In this report, references to "AXIS Capital" refer to AXIS Capital Holdings Limited and references to "AXIS" "we", "us", "our", the "Group" or the "Company" refer to AXIS Capital Holdings Limited and its direct and indirect subsidiaries and branches. Climate-related disclosures are generally handled at the Group level, except where such disclosures are in response to regulatory requests covering a particular regulated entity.

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II. Activity Metric

SASB TOPIC	SASB CODE	ACCOUNTING METRIC	PAGE
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Discussion and Explanations of Accounting and Activity Metrics

TRANSPARENT INFORMATION & FAIR ADVICE FOR CUSTOMERS

SASB Code - 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

In accordance with SEC requirements, AXIS Capital discloses all material legal proceedings, other than ordinary routine litigation incidental to the business, in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. In 2023, legal proceedings and/or losses, if any, associated with marketing and communication of (re)insurance product-related information were de minimis.

SASB Code - FN-IN-270a.2

Complaints-to-claims ratio

INSURANCE

We provide a broad range of specialty lines insurance solutions to customers on a worldwide basis, through operating subsidiaries and branch networks based in Bermuda, the United States, Europe, Singapore, and Canada. The lines of business in our insurance segment include property, marine and aviation, cyber, credit and political risk, professional lines, liability, and accident and health.

The SASB Insurance Standard includes "complaints-to-claims ratio" as an accounting metric. Under the standard, this metric is the ratio of the number of complaints the entity received across all insurance segments and regions during the reporting period per 1,000 claims that have been filed across all segments and regions during the same reporting year.

We do not calculate a complaints-to-claims ratio in accordance with the SASB metric because we do not believe it is a meaningful metric for assessing our claims handling process. Complaints may be received some months after a claim is closed, which could overstate or understate the ratio for particular periods. In addition, we do not believe the metric to be meaningful for comparing our claims handling process to that of other companies. Companies may track open and closed claims differently, which could result in a comparison that is not meaningful. Additionally, a comparison of complaints-to-claims ratios across companies would not account for variations in an underwriting company's concentration in lines of business or market share, which further diminishes the usefulness of the metric.

Instead, we are providing an alternative complaint ratio metric. In particular, our U.S.-based insurance subsidiaries are subject to insurance regulation in the states and jurisdictions where they conduct business. Most state insurance departments provide consumer complaint data to the National Association of Insurance Commissioners' ("NAIC") Consumer Information Source ("CIS.") Based on information from the state insurance departments which report the information to the NAIC, the NAIC provides a summary listing of all closed complaints by line of business for each U.S. domiciled underwriting company. The NAIC also develops a "Company Complaint Index," which takes into account this information as well as market share of premium by line of business, as stated in the NAIC National Complaint Index Report. We believe this Company Complaint Index is a more meaningful metric because it factors in market concentration. Accordingly, we are providing a compilation of these closed complaint indices for our active U.S. insurance underwriting companies that report financial information to the NAIC. We have not provided company complaint indices for our non-U.S. insurance subsidiaries since the information needed to develop comparable indices is not available in other jurisdictions.

The NAIC defines "closed complaints" as a complaint that has been investigated by the respective state insurance department and given a resolution code. The NAIC uses this figure to calculate a "Company Complaint Index" by comparing a company's share of closed complaints to the company's share of premiums in the U.S. market. The NAIC National Complaint Index is set at 1.00 to allow an individual company "complaint index" to be used to easily compare the company's consumer complaint performance to other companies in the market. A company with a complaint index greater than 1.00 has a complaint index that is higher than expected in the market; a company with a complaint index less than 1.00 has a complaint index that is lower (better) than expected in the market. As disclosed on the NAIC website, CIS data is voluntarily supplied by state insurance departments and compiled and coded by the NAIC. Not all states provide complaint data to the CIS. In 2023, the complaint index was available for the following companies.[2]

1. For AXIS Insurance Company, the closed complaint index reported by the NAIC for 2023 was 0.28 (based on 5 complaints.)
2. For AXIS Surplus Insurance Company, the closed complaint index reported by the NAIC for 2023 was 0 (based on 0 complaints.)
3. For AXIS Reinsurance Company,[3] the closed complaint index reported by the NAIC for 2023 was 0 (based on 0 complaints.)

The complaint index for all three companies was lower (i.e., better) than expected in the market. This information is also available through the Consumer page on the NAIC site at: https://content.naic.org/cis_consumer_information.htm.

REINSURANCE

Our reinsurance subsidiaries do not generally interface directly with consumers, but rather cedants. Furthermore, other than occasional claims disputes, oure reinsurance subsidiaries do not receive formal complaints from their ceding company customers. As a result, we do not receive state-insurance-departments consumer complaints. Therefore, our reinsurance subsidiaries are unable to evaluate claims performance based upon complaint volume.

SASB Code - FN-IN-270a.3

Customer retention rate

INSURANCE

We regularly monitor customer retention rates for certain lines of business in our insurance segment. Our customer retention rate calculation represents an estimated 71% of gross premiums written ("GPW") in 2023. We use this to understand changes in customer retention rates over time and to analyze trends in the global insurance market.

The insurance segment's customer retention rates varied by line of business and ranged between 65% to 98% for the year ended December 31, 2023.

[2] AXIS Specialty Insurance Company is included in the NAIC complaint index; however, it does not have any external business and therefore it is not included in this summary.
[3] AXIS Reinsurance Company is included in this report due to the small amount of direct business written by the company.

The SASB Insurance Standard includes "customer retention rate" as an accounting metric. Under the standard, this metric is calculated by taking (x) the total number of customers at the close of the reporting period, less new customers added during the reporting period and dividing this figure by (y) the customers at the close of the previous reporting period, *less* customers involuntary terminated during the reporting period and the attrition of customers in employee-sponsored plans.

We do not calculate a customer retention rate in accordance with the SASB metric because we do not believe it is a meaningful metric for assessing our renewals business. Our methodology is different from that specified in the SASB standard as for example, we do not distinguish between involuntary and voluntary renewals. In addition, the customer retention rates are calculated on a premium-weighted basis since we believe this is more informative than a policy-count weighted basis for our business. Our calculation consists of dividing retained GPW by GPW that is available for renewal.

REINSURANCE

We do not find customer retention rates to be a useful metric for our reinsurance business because our customers are insurance companies and our strategic focus is on adjusting capacity in different markets based on pricing.

SASB Code - FN-IN-270a.4

Description of approach to informing customers about products

INSURANCE

Our specialty insurance products are offered exclusively through professionally licensed brokers, both wholesale and retail, authorized managing general agents, managing general underwriters, program managers and third-party administrators (collectively, "Producers" and/or "Brokers.") As a result, the Producers/Brokers generally manage our customer relationships by engaging directly with our insureds. These Producers/Brokers work with our existing and prospective customers, providing information and advice about our insurance products' scope of coverage and terms and conditions, and they continue to assist customers following the purchase of a policy. We encourage our customers to carefully review the wording in our policies and to ask their Producer/Broker questions as needed. Our underwriters regularly educate the Producers/Brokers to ensure that they have a comprehensive understanding of our products and the suitability of our products' coverage. In particular, our underwriters regularly provide Producers/Brokers with information about the cost of our products and their limits, deductibles, and exclusions.

We also provide the Producers/Brokers with resources pertaining to the risks our customers face, including policy information, legally required disclosures, incident response services, thought leadership on relevant topics (such as renewable energy insurance and climate change,) claims resources, and education on risk mitigation of emerging risks (such as cyber and renewable energy risks.) We provide these resources through a variety of channels, such as our website, social media platforms, advertising, events (which include educational training events,) webinars, brochures, white papers, newsletters, videos, and email communications. The underwriting team, marketing and communications group, and legal department are all involved in the preparation of materials provided to the Producers/Brokers.

REINSURANCE

Our reinsurance products are generally offered to ceding insurance companies through professionally licensed reinsurance intermediaries, although we do offer some direct reinsurance. Most of our reinsurance contracts require that all communications (including claims communications) with ceding companies be directed through these intermediaries. Our reinsurance products are not marketed to individuals.

CLAIMS

We aim to be consistently ranked high among the (re)insurers most highly rated for customer satisfaction. Our claims philosophy is built on the foundation of timely decision making and a straight-forward approach. Claims can be submitted a variety of ways, including through Producers/Brokers or other intermediaries, via our website and by phone, mail, or email. Our claims specialists assess each claim based on the facts of the claim, the policy/treaty terms and conditions, applicable law, and the interests of the (re)insured.

Please refer to Item 1 of the Company's 2023 Form 10-K for additional information regarding our lines of business and the distribution of our insurance and reinsurance products.

INCORPORATION OF ENVIRONMENTAL, SOCIAL & GOVERNANCE FACTORS IN INVESTMENT MANAGEMENT

SASB Code - FN-IN-410a.1

Total invested assets, by industry and asset class

We follow a conservative investment strategy that is intended to provide adequate liquidity for the prompt payment of claims. At December 31, 2023, 85% of our investment portfolio was invested in fixed maturities and short-term investments. As of that date, the weighted average credit rating of our fixed maturities portfolio was AA-.

Information regarding our investments, including a breakdown by asset class and by industry, is set forth in Item 8 – Note 5 *'Investments'* to our consolidated financial statements in our 2023 Form 10-K, Item 7 – *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* in our 2023 Form 10-K and in our Investor Financial Supplement which is available on our Investor Information website at www.investor.axiscapital.com.

SASB Code - FN-IN-410a.2

Description of approach to incorporation of ESG factors in investment management processes and strategies

Insurers are subject to various regulatory requirements that restrict the types and risk concentrations of permitted investments. This is to ensure that insurers have sufficient liquidity to pay claims in a timely fashion. As disclosed in our annual filings with the SEC, our investment portfolio primarily consists of low-risk, liquid, fixed income investments.

AXIS is committed to incorporating ESG considerations into investment decisions to better manage risk and achieve long-term profits. As set forth in our Environmental, Social, and Governance Investment Policy Statement (the "ESG Investment Policy,", AXIS has adopted the following principles for responsible investing:

- Integrating ESG metrics into the investment evaluation (both manager and security selection) phase.

- Promoting responsible business practices by prohibiting investing in the most eco-unfriendly activities.
- Providing capital to support a sustainable future: While financial considerations are paramount, AXIS seeks to support building a more sustainable future by providing capital for eco-friendly programs.
- Protecting investment assets: AXIS' primary line of defense in protecting its investment assets is the specific restrictions outlined in its investment guidelines on separately managed account portfolios and, where possible, on pooled investment vehicles. AXIS independently evaluates large aggregation risks and imposes appropriate limits.

To date, AXIS has committed $45 million to investments primarily focused on clean energy, infrastructure, and energy transition.

OVERSIGHT

The Company's Chief Investment Officer is responsible for establishing and implementing appropriate processes to ensure that the intent of the Company's ESG Investment Policy is carried out successfully. The Investment Risk team is responsible for monitoring and reporting compliance with the ESG Investment Policy to management's Investment and Finance Committee and the Board's Finance Committee.

The Finance Committee of the Board of Directors reviews and approves the Company's ESG Investment Policy annually following recommendation from the Investment and Finance Management Committee.

POLICIES

In addition to AXIS' Fossil Fuel Policy discussed below in "SASB Code – FN-IN-410b.2," which restricts AXIS' investments in certain industries, our ESG Investment Policy incorporates ESG concerns into our investment decisions to better manage risk and achieve long-term profits. The ESG Investment Policy sets forth the principles mentioned above governing AXIS' responsible investment strategy, asset manager selection and oversight, stewardship, and engagement as well as ESG investment governance and responsibilities.

AXIS' policies are publicly available on its website at www.axiscapital.com.

EXTERNAL MANAGER SELECTION

With respect to asset management selection and oversight, the ESG Investment Policy details how AXIS evaluates its investment managers and its ESG performance through an annual scorecard process. Each year, AXIS asks its relevant investment managers to complete a due diligence questionnaire which covers, among other things, ESG policy updates, resources, investment practices, affiliations, and reporting. Based on their responses to our questions, managers receive a summary ESG score which is factored into its broader manager assessment score. The Investment team monitors the annual scores of its investment managers and takes the ESG scores into account when considering whether to redeem or sell all or a portion of the investments managed by a particular investment manager.

POLICIES DESIGNED TO INCENTIVIZE RESPONSIBLE BEHAVIOR

SASB Code - FN-IN-410b.1

Net premiums written related to energy efficiency and low carbon technology

Premiums related to energy efficiency and low carbon technology include premiums relating to our renewable energy business. Our gross premiums written for renewable energy have grown each year for the last six years.

We believe insurers have an important role to play in mitigating climate risk and transitioning to a low-carbon economy, and, as a leading global carrier in renewable energy insurance, we believe AXIS is positioned to serve and provide value to this growing market. Our renewable energy team has extensive experience and an in-depth understanding of the risks faced by the renewable energy industry. We provide specialized property and casualty coverage for every stage of wind, solar, and battery storage projects, from development through operation, on risks ranging from stand-alone projects to utility-scale portfolios. Our customers include project developers, operators, independent power producers, EPCs (Engineering, Procurement and Construction contractors,) and utility companies around the globe.

SASB Code - FN-IN-410b.2

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

AXIS believes it is important to offer products that incentivize smarter decisions, including relating to the energy transition, environmental responsibility, and health and safety. Examples of these incentives are below.

AXIS Energy Transition Syndicate 2050

In late 2023, AXIS received in-principle approval from Lloyd's to establish a new syndicate dedicated to providing capacity for new energy projects that have a critical role in supporting the transition to net zero and building a more resilient, economically sustainable world. AXIS Energy Transition Syndicate 2050 ("S.2050") began underwriting on April 1, 2024.

Through S.2050, AXIS provides a single access point to specialist insurance solutions for cross-class risks over the lifecycle of projects and activities associated with replacing or displacing fossil fuels through lower-carbon alternatives and supporting energy resilience during the transition phase.

S.2050 brings together existing underwriting expertise in key classes, including areas in which AXIS already holds a lead position. This is the first Lloyd's syndicate to specifically focus on insuring organizations' energy transition journeys, in line with their actions to achieve net zero by 2050, which is crucial for meeting the goals of the Paris Agreement.[4] Broad in scope, S.2050 will underwrite the construction and operation of technologies and projects that support energy transition. In addition, S.2050 will insure activities, such as transit, storage, and financing, that support and enable cleaner energy projects. S.2050 will also provide insurance protection for personnel involved in the projects and activities, through professional indemnity and accident & health coverages. S.2050 offers the risk protection that businesses, governments and public entities need during every stage of their energy transition lifecycle.

[4] United Nations: The Paris Agreement

S.2050 has been developed by AXIS in support of Lloyd's recognition of the opportunity that protecting the long-term journey to net zero represents for underwriters and Lloyd's goal to be the insurer of the transition.[5]

Environment

RENEWABLE ENERGY BUSINESS

Through our property business, AXIS extends coverage to renewable energy customers active in wind, solar, and battery storage facilities. Our products, services, and expertise can help these industries keep their employees safe and protect their physical assets, balance sheet, and ultimately their long-term success. Our coverage provides insurance solutions for all aspects of a renewable energy business and the entire lifecycle of a renewable energy project, including site preparation, delivery of technology to site, and decommissioning.

In connection with its renewable energy products, AXIS may provide its customers with a risk mitigation assessment based on a survey of the insured's risk. These risk assessments are intended to educate customers on their renewable energy projects' risk landscape and how to reduce their projects' technical, environmental, and operational risk exposure. Recommendations may include improvements to the customer's maintenance practices or investments in additional safety features. In connection with its risk assessments, AXIS has a dedicated Renewables Risk Engineering team which supports and advises brokers, renewables asset developers, and renewables investors in their risk mitigation efforts and thus encourages and supports environmentally friendly behaviors. In addition, AXIS proactively engages with its distribution partners to help support their customers' achievement of ESG credentials and development of energy transition plans. AXIS has participated in pilot projects with several of its distribution partners to assess insureds' ESG data and to incorporate such data into the overall underwriting risk assessment of that insured.

As U.S. domestic and international renewable energy industries continue to expand, our renewable energy practice analyzes industry trends, market data, and loss trends to design and develop insurance products tailored to the specific needs of renewable energy businesses.

CREDIT RISK INSURANCE

We provide credit risk insurance on project finance loans used to build renewable energy projects which are critical to the global renewable energy build-out. We are focusing on initiatives that directly support the transition from carbon energy to renewable resources. We work with commercial and investment banks, export credit agencies, and multilateral and development organizations to finance energy transition projects through their multiple stages of execution across the world. This includes existing technology such as energy efficient combined-cycle gas turbine (CCGT) power plants and large-scale LNG liquefaction facilities (both of which adhere to strict ESG practices,) hydropower plants, geothermal power plants to solar power plants, onshore, and offshore windfarms. Importantly, it also encompasses rapidly evolving solutions, such as battery energy storage systems, carbon capture and storage, and EV battery plants, in what is the fastest growing sector of the global economy.

CLEAN ENERGY

AXIS underwriting teams regularly collaborate and partner to provide insurance coverage to support the development of clean energy assets. Previously, AXIS' Construction and Upstream Energy teams partnered to develop a London market insurance line slip that will support the construction and operation of:

- Onshore Erection All Risks (EAR) for carbon capture and storage facilities,

[5] Lloyd's roadmap consultation: Insuring the transition, November 2023

- Onshore operational coverage for carbon capture and storage facilities, including transmission and distribution, and
- Carbon capture and storage within onshore wells.

ENVIRONMENTAL INSURANCE

Our environmental insurance helps property owners, industrial and commercial facility operators, and specialty and general contractors address the uncertainties that come with environmental projects, including solar projects. Our environmental insurance offers innovative coverage against environmental risk exposures and provides versatile solutions to safeguard against pollution- and hazardous waste-related risks. In addition, our environmental insurance policies may cover the clean up of hazardous waste and the restoration of sites that present a hazard to health and the environment. Insurance solutions include contractor's pollution liability and pollution legal liability.

DESIGN PROFESSIONAL LIABILITY INSURANCE

Our design professional liability insurance coverage recognizes that architectural and engineering professionals face a broadening scope of contractual requirements and potential liability, including contractual requirements relating to sustainability. We encourage our customers to comply with these new requirements, and we offer access to risk management services to reduce the likelihood of claims.

PROPERTY INSURANCE CLIMATE-RELATED DISCOUNTS

On the property side, AXIS uses vendor models that are sensitive to building characteristics. These models result in discounted pricing for building codes that are more resilient to climate-related risks.

FOSSIL FUEL POLICY

As thermal coal and oil sands are among the most carbon-intensive fossil fuels, AXIS developed and implemented a Fossil Fuel Policy limiting our exposure to these industries. In particular, the policy places limits on our provision of insurance and facultative reinsurance to new or existing thermal coal plants or oil sands infrastructure and, subject to limited exceptions (including an exception for companies with climate transition plans in place,) our provision of new insurance or facultative reinsurance to, and investment in, the companies that build, own, or operate such enterprises. Through the policy, we also aim to encourage environmentally responsible business practices among our current and prospective insureds by, among other things, encouraging them to commit to mid- to long-term transition plans away from thermal coal or oil sands business. This is part of AXIS' broader strategy to invest in growth areas such as renewable energy insurance.

In addition, through our Fossil Fuel Policy, AXIS has committed to fully phasing out thermal coal from its insurance, and facultative reinsurance, and investment portfolios no later than 2030 in OECD countries and 2040 globally. Additionally, by the end of 2025, AXIS has committed to phase out any existing investments in companies in the thermal coal or oil sands industries that exceed its policy thresholds.

REINSURANCE SOLUTIONS

A sub-set of our reinsurance business focuses on energy transition. AXIS extends coverage to cedants who target customers that can demonstrate a credible pathway to low carbon production. AXIS provides excess of loss reinsurance coverage to a client whose intended customers must be able to evidence the ability and desire to deploy capital to improve the carbon efficiency of their current operations, reduce emissions through operational improvements, invest in new technology to lower carbon emissions, or compensate for hard to abate emissions by offsetting.

This client uses a third-party emissions monitoring tool in its underwriting procedures to measure and track the above, which enables them to evidence their customers' improved carbon efficiency over time using quantifiable metrics. The insured's ESG-favorable business model was a factor in AXIS' underwriting decision and continues to be a consideration in our reinsurance business. We also provide reinsurance solutions for cedants that issue performance bonds for the build and installation of solar farms, wind turbines, and the clean-up of mining and solid waste landfills to help restore the earth back to a clean state.

In addition, we provide reinsurance solutions for the increasingly complex world of crop perils. Crop insurance allows farmers to collect insurance when crop yields or market prices are lower than expected, an increasingly common occurrence due to rising global temperatures, weather volatility, and more frequent and severe extreme weather events resulting from climate change. In doing so, crop insurance helps protect farmers from the effects of climate change and consumers from a shortage of food supply and extreme prices.

Health and Safety

U.S. PRIMARY CASUALTY AND EXCESS CASUALTY BUSINESS

- ***Commercial construction, manufacturing, transportation, hospitality and real estate customers.*** Through our U.S. Primary Casualty and Excess Casualty business, we insure specialty businesses in the commercial construction, manufacturing, transportation, hospitality, and real estate industries. Our policies involve individual account rating and pricing, which are adjusted annually to reflect an insured's successful implementation of risk management, safety practices and loss prevention measures. Our underwriting and pricing methodologies offer insureds the ability to proactively manage and affect their premium costs, as they are largely in control of their own loss experiences.
- ***Chemical, petrochemical, oil and gas, and energy customers.*** Our U.S. Excess Casualty customers include specialty businesses in the chemical, petrochemical, oil & gas, and energy industries. These types of insureds typically experience significant exposures to environmental hazards and accidental chemical and petrochemical spills and releases. Subject to our Fossil Fuel Policy (discussed in "Fossil Fuel Policy" above,) we provide cover for third party bodily injury and property damage arising from pollution events caused by risks and operators within these industries. We also provide environmental insurance and specialty cover related to pollution and hazardous waste, as described in "Environmental Insurance" above, and a limited pollution coverage on an excess basis that supplements excess coverage provided for general liability, automobile liability and employers liability. Our underwriting and pricing practices are designed to benefit and reward those insureds who are best able to manage their environmental and pollution exposures through sound risk management, safety practices, loss prevention and ultimately the prevention of spills and releases of pollutants.

RISK CONTROL SERVICE

Alongside our underwriting operations, AXIS utilizes risk control services that carefully identify exposures in our property and casualty business through both loss-control inspections and reviews. Identifying the hazards and providing solutions that mitigate or eliminate such hazards ultimately makes the policyholder's business safer. AXIS periodically meets with policyholders and provides detailed guidance to help policyholders identify potential areas of loss before an event or circumstance giving rise to a loss can materialize. Examples include the following:

- ***Property business.*** In our property line of business, losses can result from the release of contaminates from fire (smoke and heat,) water damage, destruction of property, and other environmental exposures. Our risk control service works with policyholders in this area to make recommendations that, if implemented, may greatly limit the likelihood of devastating damage to property and the surrounding environment.

- ***Green endorsements.*** AXIS offers green endorsements or add-on components to commercial property policies. These green endorsements may include coverage for "green" construction, materials, and equipment and may potentially cover the higher cost of environmentally-certified materials, equipment, design, and engineering.
- ***Casualty business.*** On the casualty side of the business, inspections identify injury hazards or exposures in the commercial space, and we recommend solutions and improvements aimed at eliminating the potential for injury. These efforts provide employees with safer workplaces and in some cases may improve the public environment.
- ***Premium credits.*** AXIS may offer premium credits for behaviors such as management cooperation in matters of safeguarding and proper handling of covered property and particular care being given to insured premises, to insureds with "green" buildings, or to those conducting energy efficiency upgrades on their current buildings. We offer premium credits for properties for which state-approved fortification improvements have been made and for qualifying structures built, rebuilt, or retrofitted to better resist hurricanes and other catastrophic windstorm events. Premium credits are also given to customers that maintain smart devices that monitor temperature, fire, and water leakage. Additionally, AXIS offers premium credits to landscape industry customers in almost all states who have obtained nationally recognized safety designations.

ACCIDENT & HEALTH

- ***Employee Assistance Program.*** In connection with its Limited Benefits product offerings, AXIS makes an Employee Assistance Program (EAP) available to its customers. This program provides online counseling services to customers who have experienced personal and work-related issues that may impact their physical and emotional health. The EAP's online platform allows customers to obtain services from the comfort and privacy of their own homes and potentially provides customers with care earlier than an in-person visit.
- ***First Responder Assistant Program.*** In connection with the disability, medical, and accidental death insurance offered to volunteer firefighters, AXIS provides preventative services including a First Responder Assistant Program (FRAP.) The FRAP is similar to the EAP described above, and provides mental health, marital, financial, and other assistance to volunteers in need.
- ***Teladoc Services.*** AXIS has a partnership with Teladoc, the nation's largest telehealth provider, that utilizes Teladoc's HIPAA compliant system to provide virtual healthcare consultations via the phone or video conference. Teladoc's base level services, including general medical visits, are provided at no incremental cost to the insured. Most commonly used for minor illnesses and similar issues such as the cold, flu and infections, the consults result in a prescription in more than 70% of the visits and, similar to the EAP, expedites care by providing it immediately through the phone or online. Use of this service also preserves insurance benefits for more serious consultations.
- ***Point Health***. AXIS has a partnership with Point Health, a smart healthcare platform that simplifies healthcare choices. The platform makes it easy to find cost-effective and high-quality providers associated with the participant's plan. With Point Health, participants can effortlessly search and compare doctors, specialists, facilities, hospitals, labs and more, ensuring a seamless experience for their healthcare needs.

CYBER INCIDENT RESPONSE SERVICE

AXIS cyber insurance products include both risk management and cyber incident response services. AXIS cyber risk management services are designed to help businesses prepare for and mitigate the risk of a cyber incident. This is achieved through various methods including training events, assessments, and online content. The AXIS cyber incident response hotline provides customers with immediate assistance once they become aware of a cyber incident. A cyber incident response manager will suggest actions to mitigate any immediate risk and engage appropriate experts to get to a speedy resolution and ensure the business can continue to function.

ENVIRONMENTAL RISK EXPOSURE

SASB Code - FN-IN-450a.1

Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes

NET PROBABLE MAXIMUM LOSSES TO CERTAIN PEAK INDUSTRY CATASTROPHE EXPOSURES – AS OF JANUARY 1, 2024 AND 2023

Estimated Net Exposures (millions of U.S. dollars)		**January 1, 2024**			**January 1, 2023**		
Territory	**Peril**	**50 Year Return Period**	**100 Year Return Period**	**250 Year Return Period**	**50 Year Return Period**	**100 Year Return Period**	**250 Year Return Period**
Single zone, single event							
Southeast	U.S. Hurricane	$ **114**	**131**	**149**	$ 74	96	125
Northeast	U.S. Hurricane	**9**	**26**	**59**	11	35	72
Mid-Atlantic	U.S. Hurricane	**41**	**85**	**111**	26	59	99
Gulf of Mexico	U.S. Hurricane	**104**	**124**	**143**	67	86	121
Europe	Windstorm	**59**	**87**	**107**	39	57	77
Japan	Windstorm	**10**	**12**	**21**	39	106	146
Japan	Earthquake	**41**	**67**	**114**	50	115	195
California	Earthquake	**115**	**137**	**163**	65	98	144

The table above shows our net Probable Maximum Loss ("PML") to a single natural peril catastrophe event within certain defined single zones which correspond to peak industry catastrophe exposures at January 1, 2024 and 2023. The return period refers to the frequency with which losses of a given amount or greater are expected to occur. A zone is a geographic area in which the insurance risks are considered to be correlated to a single catastrophic event. Estimated losses from a modeled event are grouped into a single zone, as shown above, based on where the majority of the total estimated industry loss is expected to occur.

As indicated in the table above, at January 1, 2024, our modeled single occurrence 1-in-100 year return period PML for a Southeast U.S. hurricane, net of reinsurance, is approximately $131 million. According to our modeling, there is a one percent chance that, on an annual basis, losses incurred from a Southeast U.S. hurricane event could be in excess of $131 million. Conversely, there is a 99% chance that, on an annual basis, the loss from a Southeast U.S. hurricane will fall below $131 million.

PMLs are based on results of stochastic models that consider a wide range of possible events, their losses, and probabilities. It is important to consider that an actual event does not necessarily resemble one of the stochastic events and the specific characteristics of an actual event can lead to substantial differences between actual and modeled loss.

We have developed our PML estimates by combining judgment and experience with the outputs from the catastrophe model commercially available from Verisk Analytics, Inc. which we also use for pricing catastrophe risk. This model covers the major peril regions where we face potential exposure. Additionally, we have included our estimate of non-modeled perils and other factors, which we believe provides us with a more complete view of catastrophe risk.

Our PML estimates are based on assumptions that are inherently subject to significant uncertainties and contingencies. These uncertainties and contingencies can affect actual losses and could cause actual losses to differ materially from those expressed above. We aim to reduce the potential for model error in a number of ways, the most important of which is by ensuring that management's judgment supplements the model outputs. Models are continuously validated at the line of business and at a group level by our catastrophe model validation team. These validation procedures include sensitivity testing of models to understand their key variables and, where possible, back testing the model outputs to actual results.

Estimated net losses from peak zone catastrophes may change from period to period as a result of several factors, which include but are not limited to, updates to vendor catastrophe models, changes to internal modeling, underwriting portfolios, reinsurance purchasing strategy, and foreign exchange rates.

CLIMATE CHANGE

Through our Exposure Management Centre of Excellence ("EMCE,") AXIS has devised a set of 2°C global warming climate change scenarios based on relevant reports by the Intergovernmental Panel on Climate Change ("IPCC,") which sets out potential future climate scenarios and other scientific literature. The climate change scenarios are implemented by examining the frequency and severity of individual events to existing results.

The outputs from climate scenario testing are used by AXIS to understand and assess our climate risk exposure, recognizing that climate risk quantification techniques are still at an early stage of development and results are highly uncertain. These climate scenarios are based on our current expectations regarding reasonable emission scenarios and do not consider any mitigation measures to address catastrophes that might take place in the future.

Scenarios were devised for U.S. Hurricane, European Windstorm, U.S Wildfire, U.K. Flood, and Japan Typhoon. These scenarios have been reflected in our catastrophe modeling by modifying the frequency and severity of events in the event sets. The results illustrate that, across all return periods, climate change is modeled to predominantly increase losses at varying degrees depending on the return period and peril region.

For more information about our exposure to catastrophe losses, see our 2023 Form 10-K under "Item 1A – Risk Factors – Insurance Risk – Results of operations, financial condition, or liquidity could be adversely affected by the occurrence of natural and man-made disasters, as well as outbreaks of pandemic or contagious diseases" and "Item 1A – Risk Factors – Insurance Risk – Global climate change, and increasing regulation relating to climate change, may have an adverse effect on our results of operations, financial condition, or liquidity."

SASB Code - 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)

Pre-tax catastrophe and weather-related losses, net of reinsurance and reinstatement premiums, for our insurance and reinsurance segments for the last three years are set forth in the table below. These are loss estimates as of December 31 of each year for natural catastrophe and weather-related events occurring in that year, as well as losses primarily associated with the Russia-Ukraine war, the COVID-19 pandemic, the Israel-Hamas Conflict, and the Earthquake in Turkey. See our Investor Financial Supplement which is available on our Investor Information website at www.investor.axiscapital.com.

(In millions)	**Accident Year**		
Segment	**2023**	**2022**	**2021**
Insurance	111	207	175
Reinsurance	27	196	268
Total	138	403	443

We do not separately report our losses by modeled and non-modeled catastrophes as we do not believe this categorization is meaningful to our business. See Items 450a.1 and 450a.3 for a discussion of our use and enhancement of catastrophe models.

During 2023, we incurred pre-tax catastrophe and weather-related losses, net of reinsurance and reinstatement premiums, of $138 million or 2.7 points, primarily attributable to Cyclone Gabrielle, Maui Wildfires, Typhoon Mawar, other weather-related events, the Israel-Hamas conflict, and the Earthquake in Turkey.

During 2022, we incurred pre-tax catastrophe and weather-related losses, net of reinsurance and reinstatement premiums, of $403 million or 7.8 points, primarily attributable to Hurricane Ian, Winter Storm Elliot, June European Convective Storms, other weather-related events, the Russian-Ukraine war, and the COVID-19 pandemic.

During 2021, we incurred pre-tax catastrophe and weather-related losses, net of reinsurance and reinstatement premiums, of $443 million or 9.5 points, primarily attributable to the Hurricane Ida, U.S. Winter Storms Uri and Viola, July European Floods, and other weather-related events.

At December 31, 2023, net reserves for losses and loss expenses included estimated amounts for numerous catastrophe events. The magnitude and complexity of losses arising from certain of these events inherently increase the level of uncertainty and, therefore, the level of management judgment involved in arriving at estimated net reserves for losses and loss expenses. These events include Cyclone Gabrielle in 2023, Hurricane Ian, Winter Storm Elliot, June European Convective Storms, the Russia-Ukraine war, and the COVID-19 pandemic in 2022, Hurricane Ida, U.S. Winter Storms Uri and Viola, and July European Floods in 2021. As a result, actual losses for these events may ultimately differ materially from current estimates.

While we believe our estimate of net reserves for losses and loss expenses is adequate for losses and loss expenses that have been incurred at December 31, 2023 based on current facts and circumstances, we monitor changes in paid and incurred losses in relation to each catastrophe in subsequent reporting periods and adjustments are made to estimate ultimate losses for each event if there are developments that are different from previous expectations. Adjustments are recorded in the period in which they are identified. Actual losses for these events may ultimately differ materially from current estimates.

TRANSFERRING RISK THROUGH REINSURANCE

AXIS buys reinsurance and retrocessional cover (insurance against losses experienced within our insurance or reinsurance portfolio) to mitigate the financial impact of any covered weather and catastrophe events. We cede catastrophe risk generally on a treaty basis (i.e., covering a portfolio of risks,) buying both proportional and non-proportional coverages.

Under proportional treaties, AXIS cedes an agreed percentage of related premiums and losses and loss expenses on the policies underwritten. This generally includes both traditional quota shares with rated carriers and third-party capital quota shares that are capped at an upfront collateral amount. Under non-proportional excess of loss treaties, AXIS is covered for losses that exceed a specified threshold. In addition, AXIS periodically uses catastrophe bonds to protect against certain weather-related losses in Europe and North America and enters into swap deals with third parties to diversify AXIS' catastrophe risk profile.

AXIS has a centralized risk funding department, which coordinates external treaty reinsurance purchasing (including retrocession) across the firm, and a separate AXIS Insurance-Linked Securities ("ILS") team, which coordinates the sourcing and structuring of third-party capital and ILS vehicles to support AXIS underwriting. Risk funding and AXIS ILS are overseen by our Reinsurance Purchasing Group ("RPG.") The RPG, which includes our Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Chief Underwriting Officer, and representatives from the business leadership team, approves each large catastrophe treaty placement, and aims to ensure that our risk tolerance and appetite and counterparty credit metrics are met, and that appropriate diversification exists within our approved counterparty panels. From time to time we make changes to our catastrophe reinsurance coverage as appropriate and in line with our risk appetite and reinsurance purchasing strategy.

For information regarding our strategy around enhancing catastrophe modeling, please refer to "Environmental Risks – Management of Firm-Level Risks and Capital Adequacy" below.

SASB Code - 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 risks and capital adequacy

Since its inception, AXIS has been offering protection against weather-related risks such as hurricanes, windstorms, wildfires, and floods, helping businesses and individuals proactively manage their exposure to such risks, and, when the need arises, recover from their aftermath. We therefore have a long history of considering environmental risks at both the policy and firm-levels. Global climate change has increased the frequency and severity of weather-related events, and we take short-, medium-, and long-term horizons into account when assessing environmental risks at both the policy (underwriting) and firm-level (management of firm-level risks and capital adequacy.)

Environmental Risks - Underwriting Process for individual contracts

At the policy level, environmental risks, along with other relevant perils, are taken into account in pricing, coverage limitations, duration, and other policy terms. Our catastrophe and other peril models inform our underwriting decisions, pricing and policy terms, and reinsurance purchasing decisions.

The underwriting process, along with the environmental risk assessment, is specific to the risks to be insured. Our underwriting process factors in natural catastrophe exposure and any other relevant risks. If the drivers of a risk change, upon renewal we may update pricing, add contract endorsements, or include exclusions to reflect the updated risk. As the majority of our insurance contracts are renewed annually, we are able to quickly respond to any such risk change. Return on risk-adjusted capital is a key metric incorporated into our underwriting decisions. Policies with more risk require a higher return on risk-adjusted capital, along with higher premium levels.

Recognizing that the thermal coal and oil sands industries are particularly carbon intensive, our Fossil Fuel Policy limits thermal coal and oil sands underwriting and investment and significantly limits business related to the Arctic National Wildlife Refuge. All risks and investments are evaluated against the Company's Fossil Fuel Policy. For more information on our Fossil Fuel Policy and its application to our underwriting process, please refer to "SASB Code - FN-IN-410b.2."

Environmental Risks – Management of Firm-Level Risks and Capital Adequacy

ERM FRAMEWORK

At the firm-level, environmental risks and opportunities are considered in business lines and products, capital needs and reinsurance purchasing decisions, and are taken into account over short-, medium-, and long-term horizons as part of our enterprise risk management ("ERM") framework.

We take a holistic approach to managing climate-related risks and opportunities and have incorporated these into our broader ERM framework. As part of our consideration of environmental risks, we seek to identify and assess climate-related risks relating to our underwriting portfolios by geography and line of business. These risks include physical, transition, and liability risks. In 2023, we developed a "Climate Dashboard," which is a tool for management to understand the risks and opportunities related to climate change in line with the Group's strategy and risk appetite. The first iteration was implemented in 2024. The dashboard will continue to evolve, as new information, tools, and analytics become available and will be used as a means of informing management on climate related risks and opportunities.

Climate change scenarios have been incorporated into our Own Risk and Solvency Assessment process, which feeds into longer term impact assessments on capital and solvency. We have also continued to monitor environmental risks through metrics such as probable maximum loss (PML) relating to weather-related natural catastrophes for key climate change impacted perils and regions and the total amount of monetary losses each year attributable to insurance payouts from natural catastrophes. These results are analysed to support our annual business plans.

Our Board of Directors ("Board,") along with our Risk Committee, oversees the risks and opportunities related to the Company's climate change exposure and initiatives. Our Board and Risk Committee receive periodic reports relating to climate change as part of their standing agendas.

CATASTROPHE MODELS

Catastrophe models assist in managing our aggregate exposure to natural catastrophes and climate risk. These models assist us in monitoring our portfolio's exposure to specific catastrophe events in certain geographic peril regions. We use our catastrophe model results together with judgement and our estimate of non-modeled perils, to calculate our net Probable Maximum Loss ("PML") for defined regional zones, such as the U.S. Southeast, Gulf of Mexico, and California.

Our catastrophe models are informed by our climate change research efforts, including our partnership with leading researchers and students at the University of Illinois' Office of Risk Management and Insurance Research, which has created new natural catastrophe risk conceptualization models that leverage data analytics and computer programming.

In addition, our EMCE's continuous monitoring of climate change and climate trends further informs our models. This team also reviews our modeling approach and identifies and conducts reviews of peril regions most likely to be affected by climate change. If a peril region is affected by climate trends, we check if the model has been calibrated to a shorter period and if the model losses are in line with our recent loss experience. If this is not the case, we may adjust our view of risk by applying additional loadings to adjust the severity of events or by adjusting return periods of benchmarking events to reflect an increased frequency of catastrophe events.

We aim to reduce the potential for model error in a number of ways, the most important of which is by ensuring that management's judgment supplements the model outputs. Models are continuously validated at the line of business level and at a group level, including through the EMCE. These validation procedures include sensitivity testing to understand the models' key variables and, where possible, back-testing the model outputs to actual results. Our validation procedures also take climate change into account and in some cases we adjust the model to represent current climate conditions. Catastrophe models' results and PMLs are then used to mitigate and manage physical risks through portfolio management, product pricing, capital allocation, estimation of losses, strategic planning, and reinsurance purchasing decisions.

Our catastrophe models are also taken into account in setting our long-term financial strategies and business objectives, including new product development. For example, AXIS is investing in growth areas such as renewable energy insurance, an area in which we have maintained our position as a leading global insurer, particularly for wind, solar, and battery storage facilities.

We review our portfolio to ensure our climate exposure is within appetite and take action or reposition based on our assessments

CAPITAL ADEQUACY

We regularly monitor our capital adequacy against our required capital, and the results are reported to the Risk Committee of the Board on a quarterly basis. We also annually complete our Group Solvency Self-Assessment report ("GSSA") or equivalent as required by regulatory authorities. This is a documented assessment of the Company's risk profile and capital adequacy that is provided to our Board and regulators.

GOVERNANCE

We consider material ESG factors in our strategic planning and risk oversight process. Our governance includes Board of Director oversight and extensive management of senior executives and collaboration across the enterprise with staff-driven teams and committees. A summary of our governance structure is shown below and more detailed information follows.

Board Committees | Management Functions/Committees | Sub-Committees and Working Groups | Functional Teams

Board of Directors

(CEO is ultimately responsible for the Company's ESG strategy, including climate)

Corporate Governance, Nominating and Social Responsibility Committee

Formulates and oversees the Company's corporate citizenship and ESG strategy, objectives and formal ESG reporting.

Risk Committee

Oversees risks and opportunities related to the Company's climate change exposure and reviews and approves the Company's Enterprise Risk Management (ERM) framework.

Executive Committee and Senior Leadership

Chief Administrative and Legal Officer

is Corporate Citizenship program sponsor and has executive responsibility for ESG initiatives.

ESG Director

is responsible for the implementation of our ESG initiatives, including climate.

Chief Risk Officer

leads our Group risk function, oversight, and implementation of the Group's ERM framework, and climate-focused committees including leadership of the climate pillar of Corporate Citizenship Committee.

Chief Underwriting Officer

leads our underwriting office, which includes consideration of climate exposure management.

Chief Investment Officer

is responsible for developing the Company's investment policies and guidelines and overseeing investment risks, including in relation to climate change.

Corporate Citizenship Committee

Committee Chair serves as dedicated lead, pillar leads oversee priority areas.

Risk Management Committee

Chief Risk Officer chairs the Risk Management Committee and leads the ERM framework.

Exposure Management Center of Excellence (EMCE)

owns, manages, and embeds the Company's view of risk.

Investment and Finance Committee

oversees the Group's investment activities, including receiving quarterly reports on the portfolio's compliance with ESG restrictions and the fixed income portfolio's aggregate ESG rating.

Emerging Risk Working Group

Exposure Management Committee

Environmental Working Group

Functional Teams: Financial Reporting | Vendor Management | Facilities | Investment | Underwriting | Legal & Compliance | Marketing & Communications | Risk Management

BOARD OVERSIGHT

At AXIS, the Board of Directors has ultimate responsibility for sustainability matters, including climate change strategy and climate-related risks and opportunities, and receives an annual update on such matters as part of its standing agenda. In addition, our Board's committees (the Corporate Governance, Nominating, and Social Responsibility Committee and the Risk Committee) assist the Board in overseeing AXIS' response to climate change.

Our Corporate Governance, Nominating, and Social Responsibility Committee reviews AXIS' ESG and sustainability strategy and objectives, including those relating to the potential impact of climate change. In particular, the Committee oversees:

- Overall strategy and objectives;
- Company programs;
- Formal reporting on ESG and sustainability matters; and
- Policies in specific areas such as environmental management.

The Corporate Governance, Nominating, and Social Responsibility Committee receives quarterly updates from the Company's management responsible for ESG and sustainability matters and provides recommendations on ESG and sustainability strategy to the Board.

Our Risk Committee oversees risks and opportunities related to the Company's climate change exposures and initiatives and receives regular reports relating to climate change as part of its standing agenda. The Risk Committee also reviews and approves the Company's Enterprise Risk Management ("ERM") framework, including policies and limits to address risks – such as climate risk – facing the Company.

EXECUTIVE COMMITTEE AND SENIOR LEADERSHIP OVERSIGHT

Our Executive Committee and senior leaders are responsible for ensuring that our corporate citizenship initiatives and activities are consistent with our culture, values, and business objectives.

- Our Chief Administrative and Legal Officer (formerly, the General Counsel, until his appointment to the position in January 2024) serves as the sponsor of our Corporate Citizenship program and is responsible for oversight and implementation of the program and the Company's ESG activities. Our Chief Administrative and Legal Officer oversees the progress on our ESG priorities and reports to the Company's Corporate Governance, Nominating, and Social Responsibility Committee, the President and CEO, and the Executive Committee on these initiatives.

- Our ESG Director chairs the Corporate Citizenship Committee, which focuses on climate and DEI as key pillars. Responsibilities also include implementation of the Committee's activities such as overall strategy, goal-setting and program execution.

- Our Chief Risk Officer leads our Group Risk function and is responsible for oversight and implementation of the Group's ERM framework, including risks relating to climate change. Our Chief Risk Officer chairs the Risk Management Committee and reports to the Board and Risk Committee on climate risk. The Chief Risk Officer leads the Environmental Working Group and the Emerging Risk Working Group.

- Our Chief Underwriting Officer has management responsibility for executing the Group's global underwriting strategy in line with the enterprise portfolio goals, including oversight of exposure management and consideration of climate risks within the portfolio

- Our Chief Investment Officer is responsible for developing the Company's investment policies and guidelines, monitoring compliance with those guidelines, and overseeing the Company's investment risks, including in relation to climate change. In addition, along with our Risk and

Investment Risks team, our Chief Investment Officer oversees compliance with our Environmental, Social, and Governance Investment Policy Statement.

Our senior leaders are supported by the following committees, management working groups and teams that are actively involved in citizenship program areas.

- Corporate Citizenship Committee: Day-to-day management of our Corporate Citizenship program is handled by our Corporate Citizenship Committee, a cross-functional and global committee tasked with overall strategy, policies, and governance. Our ESG Director chairs the committee and dedicated committee pillar leads for climate, DEI, and philanthropy, and oversee staff working groups, including those climate-relevant groups listed below.
- Risk Management Committee: The Executive Committee has delegated some authority to the executive level Risk Management Committee ("RMC",) which consists of the President and CEO, Chief Financial Officer, Chief Underwriting Officer, Chief Risk Officer (Chair,) Chief Information Officer, Chief People Officer, Group Chief Actuary, and Chief Administrative and Legal Officer. The RMC convenes quarterly and oversees the integrity and effectiveness of the Company's ERM framework and ensures that the firm's risk assumption and risk mitigation activities are consistent with that framework.
- Investment and Finance Committee: The Investment and Finance Committee, chaired by our Chief Investment Officer, receives quarterly reports on the investment grade fixed income portfolio's aggregate ESG rating and compliance with ESG restrictions from the Investment team which oversees ESG monitoring and reporting. The committee also receives an annual report on relevant asset manager scorecards with ESG specific scores.
- Emerging Risk Working Group: This group is responsible for tracking emerging risks according to their potential impact and time horizon and coordinating the Company's response to emerging risks and opportunities, including those related to climate change. The Emerging Risk Working Group is comprised of senior representatives from across the business, including the Chief Risk Officer, Chief Investment Officer, Chief Underwriting Officer, Chief Claims Officer, Chief Actuary, Chief Administrative and Legal Officer, and Chief Data & Analytics Officer.
- Exposure Management Committee: The Exposure Management Committee ("EMC") (formed to consider both natural catastrophe and non-natural catastrophe risks) is a subcommittee of the RMC that oversees the firm's natural catastrophe, cyber, and casualty risk management framework. This includes the validation of modeling and accumulation practices. The EMC consists of the Chief Underwriting Officer, Chief Actuary, Chief Risk Officer, Chief Pricing Actuary, and Global Head of Exposure Management.
- Environmental Working Group: The Environmental Working Group ("EWG") replaced the Climate Change Working Group. Its responsibilities include:
    - Assessing all environmental related risks and opportunities, including considerations of any emerging risks;
    - Promoting knowledge-sharing across the business on the topics related to the environment;
    - Leading research for the environmental pillar and providing information to senior decision makers involved with exposure management and underwriting decisions; and
    - Collaborating and informing the Emerging Risk Working Group of environmental related risks and opportunities.

ENTERPRISE FUNCTIONAL TEAMS

At AXIS, several teams work across the enterprise to execute on our Corporate Citizenship strategy and report progress to senior management through the Corporate Citizenship Committee, Risk Management Committee, Investment and Finance Committee, and Exposure Management Committee.

1. Financial Reporting Team: The Financial Reporting team assists with reviewing the Company's GHG emissions calculations.
2. Vendor Management Team: The Vendor Management team assists with implementing the Company’s sustainable supply chain pledge.
3. Facilities Team: The Facilities team assists with initiatives to achieve AXIS' Scope 1 and 2 GHG reduction goals.
4. Investments Risk Team: Along with our Risk Management team, the Investments Risk team is responsible for ensuring compliance with our ESG Investment Policy Statement, as well as compliance with the investment elements of the Company’s Fossil Fuel Policy.
5. Underwriting Team: The Underwriting team is responsible for pursuing new climate opportunities and adhering to ESG underwriting policies. The team’s input is also taken into account in several of our management committees and working groups.
6. Legal & Compliance Team: The Legal and Compliance team is responsible for the Company’s ESG reporting and policies, as well as ensuring compliance with our policies and applicable regulatory requirements.
7. Marketing & Communications Team: The Marketing and Communications team ensures clear internal and external communication of climate-focused policies and programs.
8. Risk Management Team: The Risk Management team is responsible for our Group risk function, oversight, and implementation of the Group’s ERM framework and climate-focused initiatives.

SYSTEMIC RISK MANAGEMENT

SASB Code - 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

The following is a discussion of our primary exposures to derivative instruments. This information is being presented for the AXIS group as we believe this information is more helpful to investors. For 2023, there was no exposure to derivatives by the U.S.-based insurance subsidiaries required to submit a Schedule DB to the NAIC.

At December 31, 2023, the fair value of the Company’s investments was $15.3 billion and the Company held cash and investments of $16.6 billion.

Our investment guidelines and procedures stress diversification of risk, conservation of principal and liquidity. As of December 31, 2023, our investment portfolio consists primarily of high-quality fixed maturities, representing 85% of our total investments and 78% of total cash and investments.

As of December 31, 2023, fixed maturities had a weighted average credit rating of AA- and an average duration of 3.0 years. At December 31, 2023, fixed maturities together with short-term investments and cash and cash equivalents (i.e., total investments 2023: $14.3 billion,) had a weighted average credit rating of AA- and an average duration of 2.7 years.

Additional information about the Company's investment portfolio can be found in Item 8 – Note 5 *'Investments'* to our consolidated financial statements in our 2023 Form 10-K and Item 7 – *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash and Investments'* in our 2023 Form 10-K.

The Company's investment strategy permits the use of derivative instruments, which are measured at fair value and recorded on our consolidated balance sheets. In particular, the Company may enter into derivative instruments such as futures, options, interest rate swaps, and foreign currency forward contracts as part of its overall foreign currency risk management strategy, to obtain exposure to a particular financial market or for yield enhancement. From time to time, the Company may also enter into insurance and reinsurance contracts that meet the Financial Accounting Standards Board's definition of a derivative contract.

The estimated notional and fair values of the Company's derivative instruments at December 31, 2023 are summarized below:

	At December 31, 2023 (in thousands)		
	Derivative notional amount	**Derivative asset fair value[1]**	**Derivative liability fair value[1]**
Relating to investment portfolio:			
Foreign exchange forward contracts	$ 49,307	$ 66	$ 274
Relating to underwriting portfolio:			
Foreign exchange forward contracts	1,347,559	4,358	9,891
Total derivatives		$ 4,424	$ 10,165

(1) Derivative assets and liabilities are classified within other assets and other liabilities in the consolidated balance sheets.

Please refer to Item 8 – Note 7 *'Derivative Instruments'* to our consolidated financial statements in our 2023 Form 10-K for additional disclosures concernHe ing derivatives.

SASB Code - FN-IN-550a.2

Total fair value of securities lending collateral assets

During the year ended December 31, 2023, we did not have securities lending collateral assets.

SASB Code - FN-IN-550a.3

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

The AXIS corporate structure contains a number of non-insurance company entities including (a) the ultimate parent holding company and the intermediate holding companies, (b) the servicing companies for the group's operational activities, (c) providers of insurance related services and (d) investment holding companies. These entities perform various functions and services primarily in support of our underwriting activities. None of the AXIS non-insurance entities engage in any systemic non-insurance activities, including investment and funding or other capital markets activities that result in maturity or liquidity transformation, leverage or imperfect transfer of credit risk, such as repurchase agreements and securities lending or the writing of derivatives contracts that are not used to hedge risk or do not closely match the underlying exposure.

AXIS has an established ERM framework encompassing all entities within the group. The ERM framework provides a structured and consistent approach to ensuring that risks arising from all activities are appropriately identified, assessed, managed, mitigated, and monitored with clear ownership and appropriate levels of oversight. We articulate roles and responsibilities for risk management throughout the organization, from our Board and Chief Executive Officer to our business and corporate functions, thus embedding risk management in our corporate structure. Our ERM framework is dynamic and responds to changes to the Company's internal and external environment to enhance value creation and remain relevant to the business. An important aspect of our ERM framework is our internal capital model, which provides us with a holistic view of our at-risk capital and serves as a business management, capital allocation and portfolio management tool. Other key aspects of our ERM framework include our risk appetite as authorized by our Board, our documented risk policies, risk assessment process, stress testing and our risk mitigation efforts.

SASB Code - FN-IN-000.A

Number of policies in force by segment: (1) property and casualty, (2) life and (3) assumed reinsurance

The number of policies in force is not an activity metric we use for the insurance or reinsurance coverages we sell to businesses as this measure is not a meaningful metric for coverages that are sold and managed on an account or customer basis.

Important Legal Information

This report contains information about AXIS as of, or for the year ended December 31, 2023, unless otherwise noted. The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial or other impact of that information. Please refer to our periodic and other filings with the SEC, which are accessible on the SEC's website at www.sec.gov and our website at www.axiscapital.com, for additional information concerning AXIS Capital, including information which is more current than that contained in this report. This report should be read in conjunction with our filings with the SEC and the other information we publish.

Certain of the metrics and other information contained in this report are derived from information provided by third parties. These metrics and other information include without limitation certain employee and climate metrics and information. Although we are not aware of any inaccuracies in the third-party provided information, that information has not been independently verified by us. Therefore, actual results may differ from the metrics and other information contained in this report that are derived from third-party information. AXIS Capital has not and does not intend to independently verify third-party data contained in this report.

Certain of the metrics and other information contained in this report, including third-party derived information, are based on estimates and assumptions. In some cases, the methodologies underlying such estimates and the assumptions may in the future be revised. That may in the future result in the modification of metrics and other information contained in this report. AXIS Capital undertakes no obligation to update or revise publicly any such metrics or other information.

In addition, this report contains forward-looking statements within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts included in this report, including statements regarding our estimates, beliefs, expectations, intentions, strategies, or projections are forward-looking statements. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the United States federal securities laws. In some cases, these statements can be identified by the use of forward-looking words such as "may", "should", "could", "anticipate", "estimate", "expect", "plan", "believe", "predict", "potential", "intend" or similar expressions. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond management's control. These statements include, among other things, statements about our product offerings, catastrophe losses, customer initiatives, modeling, the physical, transition and liability risks of climate change, and environmental sustainability targets and goals. Results may differ materially from those expressed or implied by forward-looking statements. Factors that can cause results to differ materially include those described under “Forward Looking Statements” in AXIS Capital’s most recent Form 10-K and Form 10-Qs filed with the SEC and available on our website. AXIS Capital undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.