



AXIS Capital Holdings Limited

# Sustainability Accounting Standards Board Report

For the year-ended  
December 31, 2024



## SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURE

### About AXIS

AXIS is a global specialty underwriter and provider of insurance and reinsurance solutions with operations in Bermuda, the United States ("U.S."), Europe, Singapore and Canada. Our underwriting operations are organized around our global underwriting platforms, AXIS Insurance and AXIS Re. We provide our clients 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 report is aligned with the Sustainability Accounting Standards Board ("SASB") standards for the insurance industry.<sup>1</sup> For additional information about our sustainability practices, please refer to our 2024 report aligned with the framework of the Task Force on Climate-related Financial Disclosures and our other disclosures on our sustainability website found at [www.axiscapital.com](http://www.axiscapital.com).

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<sup>1</sup> This report contains information about AXIS as of, or for the year ended December 31, 2024 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 Annual Report on Form 10-K for the fiscal year ended December 31, 2024 ("2024 Form 10-K") filed with the U.S. Securities and Exchange Commission ("SEC") on February 26, 2025 and our periodic and other filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and our website at [www.axiscapital.com](http://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 at the Group level, except where such disclosures are in response to regulatory requests covering a particular regulated entity.

## I. Sustainability Disclosure Topics & Accounting Metrics

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<b>Policies Designed to Incentivize Responsible Behavior</b>	FN-IN-410b.1	Net premiums written related to energy efficiency and low carbon technology	9
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<b>Environmental Risk Exposure</b>	FN-IN-450a.1	Probable Maximum Loss of insured products from weather-related natural catastrophes	15
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	FN-IN-550a.2	Total fair value of securities lending collateral assets	26
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## II. Activity Metric

SASB TOPIC	SASB CODE	ACCOUNTING METRIC	PAGE
	FN-IN-000.A	Number of policies in force, by segment: (1) property and casualty, (2) life, and (3) assumed reinsurance	27

## Discussion and Explanations of Accounting and Activity Metrics

### TRANSPARENT INFORMATION & FAIR ADVICE FOR CUSTOMERS

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#### 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 2024, legal proceedings and/or losses, if any, associated with marketing and communication of (re)insurance product-related information were de minimis.

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#### 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 U.S., Europe, and Canada. Principal specialty product lines include professional lines, property, liability, cyber, marine and aviation, accident and health, and credit and political risks.

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 2024, the complaint index was available for the following companies.<sup>2</sup>

1. For AXIS Insurance Company, the closed complaint index reported by the NAIC for 2024 was 0.21 (based on 3 complaints).
2. For AXIS Surplus Insurance Company, the closed complaint index reported by the NAIC for 2024 was 0 (based on 0 complaints).
3. For AXIS Reinsurance Company,<sup>3</sup> the closed complaint index reported by the NAIC for 2024 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](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, our 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.

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## 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 69% of gross premiums written (“GPW”) in 2024. We use this to understand changes in customer retention rates over time and to analyze trends in the global insurance market.

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<sup>2</sup> 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.

<sup>3</sup> AXIS Reinsurance Company is included in this report due to the small amount of direct business written by the company.

The insurance segment's customer retention rates varied by line of business and ranged between 57% to 94% for the year ended December 31, 2024.

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.

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#### SASB Code - FN-IN-270a.4

#### Description of approach to informing customers about products

We are dedicated to delivering an exceptional customer experience, recognizing that clear and comprehensive information is crucial for fostering trust and helping our customers pursue their ambitions. Therefore, we are committed to ensuring our customers receive accurate, complete, and understandable information through various methods and channels.

#### 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"). Our communications aim to market these products to, and ultimately reach, tailored, targeted audiences. 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 and other pertinent employees have regular contact with these Producers/Brokers to ensure accurate, transparent, and clear risk information is transmitted and to timely respond to any questions. In addition, 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 risks), 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. Our policies are clear about the scope of coverage and the claims process. Claims can be submitted in 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 2024 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

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### 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 responsible investing considerations into investment decisions to better manage risk and achieve long-term profits. As set forth in our Responsible Investing Policy, AXIS has adopted the following principles for responsible investing:

- Integrating responsible investing 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: Due to its outsourced investment management model, AXIS' primary engagement with responsible investing factors relates to its selection and oversight of its investment managers. Specific restrictions apply to separately managed account portfolios (if possible, also to pooled investment vehicles). AXIS does not rely solely on its investment managers' evaluations of responsible investing issues to protect its assets. AXIS evaluates large aggregation risks and imposes appropriate limits.

To date, AXIS has committed \$95 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 Responsible Investing Policy is carried out successfully. The Investment Risk team is responsible for monitoring and reporting compliance with the Responsible Investing 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 Responsible Investing Policy annually following recommendations from the Investment and Finance Management Committee.

#### POLICIES

In addition to AXIS' Fossil Fuel Policy discussed below, which restricts AXIS' investments in certain industries, AXIS continued to apply its Responsible Investing Policy to incorporate responsible investing considerations into investment decisions to better manage risk and achieve long-term profits.

The Responsible Investing Policy sets forth the principles governing AXIS' responsible investment strategy, asset manager selection and oversight, stewardship, and engagement as well as responsible investing governance and responsibilities.

AXIS' policies are publicly available on its website at [www.axiscapital.com](http://www.axiscapital.com).

#### EXTERNAL MANAGER SELECTION

With respect to asset management selection and oversight, the Responsible Investing Policy details how AXIS evaluates its investment managers and their responsible investing 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, Responsible Investing Policy updates, resources, investment practices, affiliations, and reporting. Based on their responses, managers receive a summary of the responsible investing score which is factored into its broader manager assessment score. The Investment team monitors the annual scores of its investment managers and takes the responsible investing 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

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### SASB Code - FN-IN-410b.1

#### **Net premiums written related to energy efficiency and low carbon technology**

At AXIS, we track premium data by line of business, as required by insurance regulations. Premium information by segment and line of business can be found in our December 31, 2024, Investor Financial Supplement [here](#).

Premiums related to energy efficiency and low carbon technology include premiums relating to our renewable energy business and Energy Transition Syndicate 2050 ("S.2050"). Our gross written premiums for renewable energy have grown each year for the last seven years and in 2024 were \$285 million. For information regarding our S.2050 premiums, see [here](#).

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, investment funds, independent power producers, EPCs (Engineering, Procurement, and Construction contractors), and utilities around the globe. In addition, through S.2050, AXIS provides risk solutions for activities and assets focused on the replacement or displacement of fossil fuels with lower-carbon alternatives in the energy transition.

More detail on our products supporting energy efficiency and low carbon technology can be found in FN-IN-410b.2 below.

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### 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 areas such as the energy transition, environmental responsibility, and health and safety.

#### **Environment**

##### AXIS ENERGY TRANSITION SYNDICATE 2050

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. Broad in scope, S.2050 underwrites the construction and operation of technologies and projects that support the energy transition. In addition, S.2050 insures activities such as transit, storage, and financing, that support and enable

cleaner energy projects. S.2050 also provides 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.

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, as stated in Lloyd's "Insuring the transition" roadmap.

#### RENEWABLE ENERGY BUSINESS

Through our property business, AXIS extends coverage to renewable energy customers active in wind, solar, hydro, 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 from the risk assessment 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 sustainability credentials and development of energy transition plans. AXIS has participated in pilot projects with several of its distribution partners to assess insureds' sustainability 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 sustainability 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 electric vehicle ("EV") battery plants.

#### GLOBAL CREDIT INSURANCE

As a global credit insurer, AXIS can facilitate sustainable economic growth in emerging markets. In 2024, the International Finance Corporation ("IFC") signed a \$3 billion credit insurance policy with

AXIS, and 13 other global insurance companies, under its Managed Co-Lending Portfolio Program (“MCP”) to support investments in real sector projects, create jobs, and drive sustainable economic growth in emerging markets. The program, MCP Real Sector, leverages the risk-bearing capacity of leading insurers to enhance IFC’s ability to invest globally in real sectors such as energy, transport, telecoms, media and technology, metals and mining, water and waste management, manufacturing, agribusiness & forestry, health, education, life sciences, tourism, retail, construction, and real estate. This offers AXIS an opportunity to expand our coverage to transactions across various sectors and clients, delivering significant social, economic, and environmental benefits in the markets in which IFC invests.

#### GLOBAL CREDIT REINSURANCE

We provide credit 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.

#### 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,
- 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.

#### CONSTRUCTION INSURANCE

Our Builder’s Risk Insurance, provided by our U.S. Construction business unit, provides contractors, owners, and developers with innovative solutions and coverage to address their first-party property damage concerns on projects of varying sizes and complexity. The builder’s risk product offers broad physical damage coverage for projects under construction and can also include loss of profits and other expenses in the event the project is not completed on time due to a loss. In addition, we confirm our insureds risk management procedures by means of their Environmental, Health, and

Safety Program as well as Water Intrusion or Mitigation Plans. These programs typically address (1) site preparedness for natural catastrophes, (2) hot work and welding procedures to mitigate fire risk, and (3) water intrusion and mitigation plans to reduce the frequency and severity of water damage claims. With respect to water damage, which is a leading driver of loss for projects under construction, we can incentivize proactive water mitigation by offering lower water damage deductibles for insureds who utilize integrated cloud monitoring for Water Internet of Things devices. With proper placement, these devices can detect anomalies in water flow and provide valve shut-off to minimize water damage and use. While we maintain a robust risk appetite, we do not have an appetite for offshore, mining, or oil refining risks.

#### 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.

#### AGRICULTURE REINSURANCE

We provide reinsurance solutions for the increasingly complex world of crop and livestock perils. Crop and livestock insurance allows farmers to collect insurance when 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. We reinsure crop and livestock insurance programs that incentivize sustainable, risk-aware farming by encouraging better risk management practices. In addition, we support fertilizer warranty covers that promote responsible fertilizer use to encourage more efficient agricultural inputs.

#### MARINE REINSURANCE

We reinsure portfolios favoring fleets with stronger safety standards and improved emissions performance. These marine treaties contribute to a shift towards safer and more sustainable fleets, promoting industry-wide improvements in safety protocols and emissions reductions.

#### 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 investments, and 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. AXIS also significantly limits business related to the Arctic National Wildlife Refuge. 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 the 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, 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.

## 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 and 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"), 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", 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:

- **Property business.** In our property line of business, losses can result from the release of contaminants 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 AND HEALTH

Services that encourage 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. EAP services are provided by a global provider of behavioral health and well-being services and integrated into all benefit plans. Mental health support helps plan participants navigate challenges such as depression, anxiety, stress, work-related pressures, relationship issues, and substance use.
- **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. They are most commonly used for minor illnesses such as colds, flu, and infections, and, like the EAP, provide immediate care through the phone or online. Use of this service also preserves insurance benefits for more serious consultations.

Supplemental health products:

- **Accident Medical.** The Accident Medical Expense plan reimburses employees for medical expenses resulting from accidental injuries. The cash benefits can be used to pay for the out-of-pocket expenses of their major medical plan or other expenses like uncovered expenses related to injury.
- **Critical Illness.** Critical illness coverage is a fixed indemnity insurance policy triggered by the initial diagnosis of a specific condition. The benefit is intended to supplement a major medical plan covering expenses like deductibles and coinsurance or additional expenses like uncovered charges, living expenses and travel costs.
- **Voluntary AD&D.** Voluntary AD&D coverage provides a lump-sum benefit in the event of accidental death or serious injury.

- **Hospital Indemnity.** Hospital Indemnity Insurance provides a cash benefit starting on day one of a covered hospital stay due to illness or injury. This benefit can help cover expenses like deductibles, co-pays, or everyday bills.
- **GAP.** GAP is a supplemental health insurance policy designed to provide a reimbursement to covered members and their dependents for their patient responsibilities related to covered medical expenses in their major medical plans. This helps result in the reduction of member out-of-pocket expenses.

#### WORKERS COMPENSATION REINSURANCE

Through our Workers Compensation Reinsurance offering, we support clients and companies who prioritize workplace safety and offer pricing incentives for better safety controls. In some instances, AXIS may build in performance-related price benefits for companies that outperform, typically driven by fewer accidents and high-quality loss control and safety protocols. These additional price features provide an additional incentive for client companies to continue advancing their safety practices.

#### CYBER SOLUTIONS

- **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.
- **Cyber Reinsurance.** Our Cyber Reinsurance backs insurers offering preventative services, such as employee training and systems audits, which promote better digital hygiene and resilience.

### PHYSICAL RISK EXPOSURE

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#### SASB Code - FN-IN-450a.1

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

We use catastrophe models, combined with our judgment and experience, to calculate our net Probable Maximum Loss (“PML”) for a single natural peril catastrophe event for certain defined regional zones. We have developed PML estimates for various natural peril catastrophe events to assess our catastrophe exposure and inform our underwriting strategies.

NET PROBABLE MAXIMUM LOSSES TO CERTAIN PEAK INDUSTRY CATASTROPHE EXPOSURES – AS OF JANUARY 1, 2025 AND 2024

Estimated Net Exposures (millions of U.S. dollars)		January 1, 2025			January 1, 2024		
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
<i>Single zone, single event</i>							
Southeast	U.S. Hurricane	\$ 141	\$ 160	\$ 228	\$ 114	\$ 131	\$ 149
Northeast	U.S. Hurricane	12	34	73	9	26	59
Mid-Atlantic	U.S. Hurricane	60	105	127	41	85	111
Gulf of Mexico	U.S. Hurricane	122	139	158	104	124	143
Europe	Windstorm	62	89	111	59	87	107
Japan	Windstorm	5	6	13	10	12	21
Japan	Earthquake	30	49	87	41	67	114
California	Earthquake	133	162	194	115	137	163

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, 2025 and 2024. 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.

In managing zonal concentrations, we aim to ensure that the geography of single events is suitably captured, but distinct enough that they track specific types of events. For example, our definition of Southeast wind encompasses five states, including Florida, while our definition of Gulf of Mexico windstorm encompasses four states, including Texas.

Our PMLs take into account the fact that an event may trigger claims in a number of lines of business. For instance, our U.S. hurricane modeling includes the estimated pre-tax impact to our financial results arising from our property lines of business including energy business, and our marine and aviation lines of business. Our PMLs include assumptions regarding the location, size and magnitude of an event, the frequency of events, a property's construction type and susceptibility to damage, and the cost of rebuilding the property. Loss estimates for non-U.S. zones will be subject to foreign currency exchange rates, although we may mitigate this currency variability from a book value perspective.

As indicated in the table above, at January 1, 2025, our modeled single occurrence 1-in-100 year return period PML for a Southeast U.S. hurricane, net of reinsurance, is approximately \$160 million. According to our modeling, there is a 1% chance that on an annual basis losses incurred from a Southeast U.S. hurricane event could be in excess of \$160 million. Conversely, there is a 99% chance that, on an annual basis, the loss from a Southeast U.S. hurricane will fall below \$160 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 losses.

We have developed our PML estimates by combining judgment and experience with the outputs from the catastrophe model, commercially available from Verisk Analytics, Inc., that 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 that we believe provide 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 Exposure Management Center of Excellence. 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, that include but are not limited to, updates to vendor catastrophe models, changes to internal view of risk, underwriting portfolios, reinsurance purchasing strategy and foreign currency exchange rates.

#### CLIMATE CHANGE SCENARIO ANALYSIS

We perform scenario analysis to understand how climate-related risks and opportunities may evolve over time and to ensure compliance with solvency and liquidity requirements in stressed conditions. Scenario analysis and stress tests are forward-looking tools used to evaluate resilience under possible adverse conditions, by identifying potential events and quantifying their impact on the Company on both a current and forward-looking basis. Reverse stress testing further complements this process by helping us understand circumstances that could render the business model unviable in the short to mid-term.

Through our Exposure Management Center of Excellence ("EMCoE"), AXIS has devised a set of 2°C global warming climate change scenarios to inform our business strategy. The methodology applied allows us conduct experiments using different global warming scenarios. Scenarios have been devised for U.S. Hurricane, European Windstorm, U.S. Wildfire, U.K. flood, and Japan Typhoon. These climate change scenarios are based on relevant reports by the Intergovernmental Panel on Climate Change ("IPCC") which sets out potential future climate scenarios and other scientific literature. The scenarios have been reflected in our catastrophe modeling by modifying the frequency and severity of events in the event sets. In some scenarios the location of events is also considered to adjust the event sets. These modifications are implemented using Monte Carlo simulations providing a tool to probabilistically assess the stressed scenarios including their sampling uncertainty.

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. Peril regions not listed above are adjusted in a simplified manner based on scientific literature, including the most recent IPCC report, and expert judgment. This allows AXIS to estimate the global impact of climate change which shows an overall increase of losses.

The framework is built so that it easily allows changes to the scenarios to consider different time frames and/or different climate change scenarios (e.g., a 3°C warming scenario). This helps AXIS to

run sensitivity tests and conduct enhanced climate change stress testing to understand how climate-related risks and opportunities may evolve over time and to assess the impact of long-term climate trends on the Company's current portfolio. In 2024, we continued to evolve our climate change stress testing by integrating climate scenarios into broader stress tests and further embedding climate change into our risk framework (for example Major Natural Catastrophe, with additional 2°C climate warming scenario for Southeast Windstorm).

The EMCoE also reviews our modeling approach and identifies and reviews peril regions most likely to be affected by climate change. If a peril region is affected by climate trends, we check if and how the model vendor incorporates emerging trends arising from climate change (and other sources) into their model, 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 modifications to adjust the severity of events or by adjusting return periods of benchmarking events to reflect changing frequency of catastrophe events. The changes in the view of risk recommended by the EMCoE are presented to stakeholders (e.g., underwriters, risk managers, actuaries) to formally discuss and sign off on these changes.

For more information about our exposure to catastrophe losses, see our 2024 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, and the conflict in the Middle East.

<i>(In millions)</i>			
Segment	2024	2023	2022
Insurance	216	111	207
Reinsurance	10	27	196
<b>Total</b>	<b>226</b>	<b>138</b>	<b>403</b>

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 2024, we incurred pre-tax catastrophe and weather-related losses, net of reinsurance and reinstatement premiums, of \$226 million or 4.3 points, primarily attributable to Hurricane Milton, Hurricane Helene, Hurricane Beryl, the Red Sea Conflict, and other weather-related events.



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 conflict in the Middle East, 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.

At December 31, 2024, 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 Hurricane Milton and Hurricane Helene in 2024, Cyclone Gabrielle in 2023, Hurricane Ian, Winter Storm Elliot, June European Convective Storms, the Russia-Ukraine war, and COVID-19 in 2022. 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, 2024 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 estimates of 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 Ceded Reinsurance 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. Ceded Reinsurance and AXIS ILS are overseen by our Reinsurance Purchasing Group ("RPG"). The RPG, which includes our President and Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Group 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.

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### **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. Changing weather patterns globally have 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, AXIS takes into account environmental risks, along with other relevant perils, in pricing, coverage limitations, duration, and other policy terms and conditions. Our catastrophe and other peril models inform our underwriting decisions, pricing and policy terms and conditions, 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**

##### **ENTERPRISE RISK MANAGEMENT (“ERM”) FRAMEWORK**

Our ERM framework manages environmental risks at the firm level over short-, medium- and long-term horizons and provides the Chief Risk Officer and Executive Committee with a consolidated view of AXIS’ key risks. Our ERM framework uses a holistic approach for managing climate-related risks. Environmental risks identified through the ERM framework are used to inform business strategy for business lines and products, capital needs, and reinsurance decisions. In 2024, we produced the first Group “Climate Dashboard” which is a tool to help management to understand the risks and opportunities related to climate change in line with the Group’s strategy and risk appetite. The dashboard will continue to be developed, as new information, tools and analytics become available.

In addition, 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 analyzed 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 modeling is critical to our climate risk strategy and is the primary tool that we use to assess the potential financial impact of natural catastrophe risk. Catastrophe models from Verisk Analytics Inc. help assess our exposure to specific catastrophe events in peril regions, and we use our catastrophe model results, together with hazard map based risk assessment for non-modeled peril regions, to calculate our net Probable Maximum Loss ("PML") for defined regional zones, such as the U.S. Southeast, 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 Exposure Management Center of Excellence's ("EMCoE") 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 modifications to adjust the severity of events or by adjusting return periods of benchmarking events to reflect a changing 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 EMCoE. These validation procedures include sensitivity testing to understand their 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

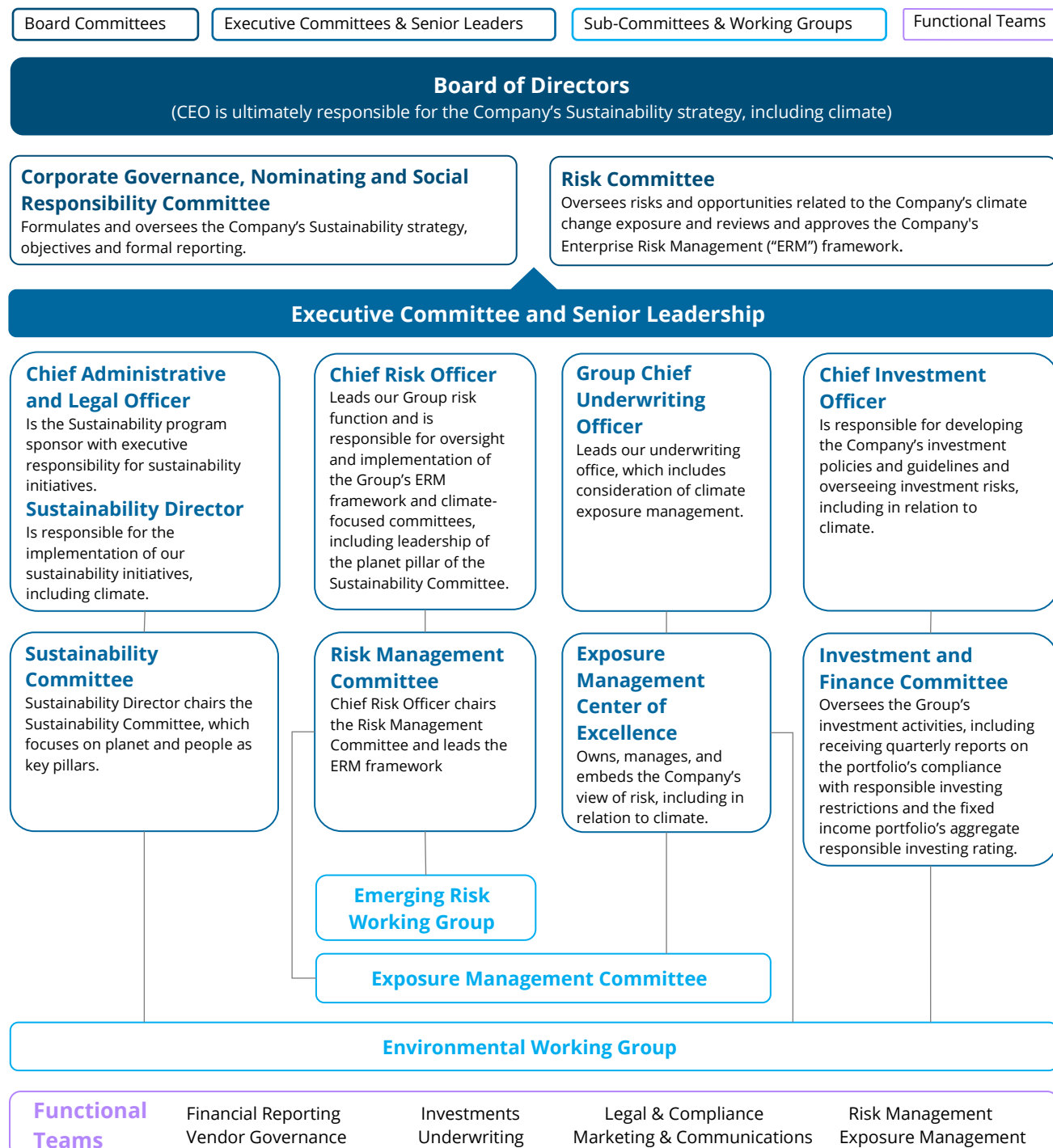
#### CAPITAL ADEQUACY

We regularly monitor our capital adequacy against our required capital. We have a Group Capital Management Committee in place, chaired by the Chief Financial Officer, that reports to the Finance Committee of the Board on a quarterly basis. Results on capital adequacy against Board limits are

also reported to the Risk Committee of the Board on a quarterly basis. We 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 address climate-related risks through our risk oversight process. Our governance includes Board of Director oversight, extensive involvement of executives and senior leadership, and collaboration across the enterprise with staff-driven committees and functional teams. A summary of our governance structure is below and more detailed information follows.



## BOARD OVERSIGHT

At AXIS, the Board of Directors oversees sustainability matters, including climate change strategy and climate-related risks and opportunities, and receives an annual update on climate risks 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' Sustainability strategy and objectives, including those relating to the impact of climate change. In particular, the Committee oversees:

- Overall strategy;
- Company programs;
- Formal reporting on 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 sustainability matters and provides recommendations on 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 climate and other sustainability activities, including management of climate-related risks and opportunities, are consistent with our culture, values, and business objectives.

- Our **Chief Administrative and Legal Officer** serves as the sponsor of our Sustainability program (formerly named Corporate Citizenship) with executive responsibility for the Company's sustainability activities, including climate. Our Chief Administrative and Legal Officer oversees the progress on our sustainability 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 **Sustainability Director** chairs the Sustainability Committee, which focuses on planet and people 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 and serves as planet pillar lead for the Sustainability Committee.
- 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, reserving, and consideration of climate risk 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 Risk teams, our Chief Investment Officer oversees compliance with our Responsible Investing Policy Statement.

Our senior leaders are supported by the following committees, sub-committees, working groups, and teams that are actively involved in identifying and assessing climate-related risks relating to underwriting and investments:

- **Sustainability Committee** (formerly Corporate Citizenship Committee): Day-to-day management of our Sustainability program is handled by our Sustainability Committee, a cross-functional and global committee tasked with managing overall sustainability strategy, policies, and governance. Our Sustainability Director chairs the Sustainability Committee and oversees dedicated committee pillar leads for planet, people, and philanthropy. The Committee oversees other 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, 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, including in relation to climate, 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 responsible investing rating and compliance with responsible investing restrictions from the Investment Risk team which oversees responsible investing monitoring and reporting. The committee also receives an annual report on relevant asset manager scorecards with responsible investing 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 is responsible for assessing all environmental-related risks and opportunities, including emerging risks. It promotes knowledge-sharing across the business on environmental topics, leads research for the planet pillar, and provides information to senior decision-makers involved in exposure management, investment, and underwriting decisions. Additionally, it collaborates

with and informs the Emerging Risk Working Group about environmental-related risks and opportunities.

## ENTERPRISE FUNCTIONAL TEAMS

At AXIS, teammates work across the enterprise to execute our Sustainability strategy and report progress to senior leadership through the Sustainability Committee, Risk Management Committee, Investment and Finance Committee, and Exposure Management Committee including the following teams:

- **Financial Reporting** assists with reviewing the Company's GHG emissions calculations.
- **Vendor Governance** supports initiatives to enhance operational sustainability, including efforts to meet our Scope 1 and 2 GHG reduction goals.
- **Investments Risk Team**, along with our Risk Management team, is responsible for ensuring compliance with our Responsible Investing Policy Statement, as well as compliance with the investment elements of the Company's Fossil Fuel Policy.
- **Underwriting Team** is responsible for pursuing new climate opportunities and adhering to underwriting policies. The team's input is also taken into account in several of our management committees and working groups.
- **Legal & Compliance Team** is responsible for the Company's sustainability reporting and policies, as well as ensuring compliance with our policies and applicable regulatory requirements.
- **Marketing & Communications Team** ensures clear internal and external communication of climate-focused policies and programs.
- **Risk Management Team** is responsible for our Group risk function, oversight, and implementation of the Group's ERM framework and climate-focused initiatives.
- **Exposure Management Team**, including the Exposure Management Centre of Excellence, advises on the exposure to risk, including climate risk. They own, manage, and embed the Company's view of risk.

## SYSTEMIC RISK MANAGEMENT

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### 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 2024, 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, 2024, the fair value of the Company's investments was \$15.0 billion and the Company held cash and investments of \$18.1 billion.

Our investment guidelines and procedures stress diversification of risk, conservation of principal and liquidity. As of December 31, 2024, our investment portfolio consists primarily of high-quality fixed maturities, representing 85% of our total investments and 71% of total cash and investments.

As of December 31, 2024, fixed maturities had a weighted average credit rating of A+ and an average duration of 2.8 years. At December 31, 2024, fixed maturities together with short-term investments and cash and cash equivalents (i.e., total investments 2024: \$15.9 billion), had a weighted average credit rating of AA- and an average duration of 2.5 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 2024 Form 10-K and Item 7 – 'Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash and Investments' in our 2024 Form 10-K.

The Company's investment strategy permits the use of derivative instruments, which are measured at fair value and recorded in 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, 2024 are summarized below:

	At December 31, 2024		
	(in thousands)		
	Derivative notional amount	Derivative asset fair value <sup>(1)</sup>	Derivative liability fair value <sup>(1)</sup>
<i>Relating to investment portfolio:</i>			
Foreign exchange forward contracts	\$ 17,655	\$ 323	\$ —
<i>Relating to underwriting portfolio:</i>			
Foreign exchange forward contracts	1,323,714	9,116	3,100
<b>Total derivatives</b>		<b>\$ 9,439</b>	<b>\$ 3,100</b>

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

Additional disclosures concerning derivative can be found in Item 8 – Note 7 'Derivative Instruments' to our consolidated financial statements in our 2024 Form 10-K.

## SASB Code - FN-IN-550a.2

### Total fair value of securities lending collateral assets

During the year ended December 31, 2024, we did not have securities lending collateral assets.

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**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.

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**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, 2024, 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](http://www.sec.gov) and our website at [www.axiscapital.com](http://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", "aim", "will", "target", "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.